Congressional Record

CONTAINING

THE PROCEEDINGS AND DEBATES

OF THE

SECOND SESSION

OF THE

SIXTY-FIFTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

VOLUME LVI



48022

WASHINGTON
GOVERNMENT PRINTING OFFICE
1918

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Congressional Record.

SIXTY-FIFTH CONGRESS,
SECOND SESSION.

VOLUME LVI, PART 10.

AUGUST 26 TO SEPTEMBER 20, 1918.

PAGES 9509 TO 10552.

Congressional Record.

SIXTY-FIFTH CONGRESS, SECOND SESSION.

SENATE.

MONDAY, *August 26, 1918.*

(Legislative day of Thursday, August 22, 1918.)

The Senate met at 12 o'clock noon.

STIMULATION OF AGRICULTURE.

The PRESIDENT pro tempore. In accordance with the general unanimous-consent agreement the Chair lays before the Senate the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products," and the bill will continue the unfinished business, unless by unanimous consent it shall be temporarily laid aside.

Mr. UNDERWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Alabama suggests the absence of a quorum, and the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Baird	Hale	Nugent	Sterling
Bankhead	Henderson	Overman	Sutherland
Beckham	Johnson, S. Dak.	Penrose	Thomas
Borah	Jones, N. Mex.	Phelan	Townsend
Brandegee	Jones, Wash.	Pittman	Trammell
Chamberlain	Kellogg	Poindexter	Underwood
Culberson	Kendrick	Pomerene	Wadsworth
Cummins	Kenyon	Reed	Walsh
Curtis	Kirby	Saulsbury	Warren
Dillingham	Lenroot	Shafroth	Watson
Fall	McCumber	Sheppard	Weeks
Fernald	McKellar	Sherman	Wilfley
Fletcher	McNary	Shields	Wolcott
France	Nelson	Simmons	
Gerry	New	Smith, Ariz.	
Gulon	Norris	Smoot	

Mr. CURTIS. I desire to announce the absence of the Senator from New York [Mr. CALDER] on account of the illness of his father. I will let this announcement stand for the day.

Mr. SUTHERLAND. I wish to announce that my colleague, the senior Senator from West Virginia [Mr. GOFF] is absent on account of illness.

Mr. KIRBY. I desire to announce that the Senator from Mississippi [Mr. VARDAMAN] is necessarily absent on official business.

The PRESIDENT pro tempore. Sixty-one Senators have answered to their names. There is a quorum present.

Mr. SHEPPARD. Under the terms of the unanimous-consent agreement which becomes operative to-day, I ask that House bill 11945 be temporarily laid aside.

The PRESIDENT pro tempore. The Senator from Texas asks unanimous consent that the unfinished business, House bill 11945, be temporarily laid aside. The unanimous-consent agreement requires that this shall be done by unanimous consent. Is there objection? The Chair hears none, and the unfinished business is temporarily laid aside.

MESSAGE FROM THE HOUSE—CHANGES IN DRAFT AGE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House had passed a bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, in which it requested the concurrence of the Senate.

Mr. CHAMBERLAIN. I ask that the bill just received from the House of Representatives may be laid before the Senate and referred to the Committee on Military Affairs.

The bill H. R. 12731 amending an act entitled "To authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, was read twice by its title and referred to the Committee on Military Affairs.

Mr. CHAMBERLAIN. I may state in this connection that the committee have met and practically agreed on a report. It is being printed now, and the bill will be reported and on the desks of Senators in about an hour.

There are some amendments pending, and I do not think the provisions of the bill will be changed that those amendments affect. I think we might proceed with the discussion of those amendments.

I will say to the Senator from Iowa [Mr. CUMMINS] that the Senate committee have readopted, although not in the House bill, the so-called work-or-fight provision of the Senate bill, and they have adopted it in the same terms as it now appears in the Senate bill, which is on the desks of Senators. I think it will be in order to discuss that amendment. There are some amendments proposed to it, particularly by the Senator from Iowa.

Mr. FLETCHER. I take it the Senate will proceed with the consideration of the Senate bill.

The PRESIDENT pro tempore. There is no matter at present before the Senate and a motion to take up for consideration the so-called man-power bill will, of course, be in order.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of Senate bill 4856.

The PRESIDENT pro tempore. Without objection, the Chair will lay the bill before the Senate.

IMPORTATIONS FOR RED CROSS FREE OF DUTY.

Mr. SIMMONS. I desire to ask unanimous consent to submit a report from the Committee on Finance and to ask for its present consideration.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from North Carolina? The Chair hears none.

Mr. SIMMONS. From the Committee on Finance I report back favorably without amendment the bill (H. R. 12704) to authorize the importation without the payment of duty of sundry articles for the American National Red Cross to be donated or used by it solely to or for the benefit of the land or naval forces of the United States or its allies, or for the relief of the civilian population of the United States, or of its allies, and I submit a report (No. 556) thereon. I ask for the immediate consideration of the bill.

Mr. PENROSE. Do I understand that this is a report from a committee?

Mr. SIMMONS. Yes; a report from the Committee on Finance.

Mr. PENROSE. I did not know there had been a meeting of the committee.

Mr. SIMMONS. I will say to the Senator that it is a report from that committee, and on account of the urgent necessity——

Mr. PENROSE. Has there been a meeting of the committee?

Mr. SIMMONS. No; but I will state the circumstances.

Mr. PENROSE. How was the bill reported?

Mr. SIMMONS. I was proceeding to state to the Senator the circumstances. On account of the great urgency of this matter the bill having passed the House——

Mr. PENROSE. Has the committee been polled?

Mr. SIMMONS. Yes; the committee has been polled. The Senator will not permit me to answer his question. The committee was polled and a majority of the committee signed the report. The Senator was not here when the committee was polled.

Mr. PENROSE. I do not want to mar the harmonious relations which prevail between me and the chairman of the Finance Committee——

Mr. SIMMONS. If the Senator objects, I will not press it.

Mr. PENROSE. I certainly do not object to the measure, but I do object to reporting the bill in this way. I have been in Washington steadily every day except from Saturday late in the afternoon until yesterday morning, and no one asked me whether I approved of this bill or disapproved of it. It seems to me like a pretty irregular way of conducting the business of the committee.

Mr. SIMMONS. I will state to the Senator that the representative of the committee, the clerk of the committee, who polled the committee, was directed to see every Senator on the

committee he could find late Saturday evening, and he handed the bill back to me with a majority signing its report.

Mr. TOWNSEND. When was it polled?

Mr. SIMMONS. If there is the slightest objection to it, I will withdraw the report.

Mr. TOWNSEND. When was the poll taken?

Mr. SIMMONS. It was taken Saturday.

Mr. PENROSE. I am not going to be put in the position of objecting to the bill, but I do emphatically object to the method of its report. I should like to have read the names of the members of the committee who authorized the report of the bill.

The PRESIDENT pro tempore. Without objection, the Secretary will read the names.

Mr. SIMMONS. I hope the Secretary will read the names.

The SECRETARY. Agreed to report favorably without amendment: Signed by Senators SIMMONS, SMITH of Georgia, MCCUMBER, LODGE, THOMAS, JONES of New Mexico, NUGENT, PENROSE, GERRY.

Mr. PENROSE. Some one must have had psychological communication with me during my absence and signed my name to it.

Mr. SIMMONS. On account of the persistent opposition of the Senator from Pennsylvania I withdraw the report.

Mr. PENROSE. I am not going to object.

Mr. SIMMONS. I shall call a meeting of the committee for the purpose of passing upon the question whether the Red Cross is to be allowed to receive donations from abroad without paying duty upon them or not.

The PRESIDENT pro tempore. Without objection, the report will be withdrawn.

Mr. PENROSE. I do not want to have the report withdrawn. I want to have the bill passed. I may have been laboring under some form of aphasia and signed my name without knowing it; I do not know. I hope the clerk of the Finance Committee will not proceed with such irregularities in the future. I hope the bill will be passed.

Mr. SIMMONS. If the Senator from Pennsylvania does not press his objection, I shall not withdraw the report.

Mr. PENROSE. I never made an objection to the bill. I made objection to the method of the committee reporting it.

Mr. SIMMONS. Does the Senator object to the consideration of the bill?

Mr. PENROSE. I never did object to the consideration of the bill, but I objected to the method of its report, to the highly irregular manner of it.

The PRESIDENT pro tempore. The Chair understands the Senator from North Carolina withdraws his request that the bill be recommitted and asks unanimous consent for its present consideration. Is there objection to the request for present consideration?

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That during the continuance of the state of war now existing, and during the period of one year thereafter, there may be imported into the United States free of the payment of any import duty any articles of clothing, medicines, drugs, hospital supplies and equipment, goods, wool and cotton, and the products thereof, donated by any person or persons abroad and consigned to the American National Red Cross: *Provided*, That such articles or supplies are not to be sold, but are only to be donated or used by it solely to or for the benefit of the land or naval forces of the United States or of the allies of the United States, or for the relief of the civilian population of the United States or any of its said allies.

SEC. 2. That the Secretary of the Treasury shall prescribe such regulations as may be necessary to carry this act into effect.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PETITIONS.

Mr. LODGE presented petitions of sundry citizens of Boston, Malden, Everett, and Medford, all in the State of Massachusetts, praying for the enactment of legislation to commission pharmacists in the service, which were referred to the Committee on Military Affairs.

Mr. HALE presented a petition of the congregations of sundry Protestant churches of Orono, Me., and a petition of sundry citizens of Dexter, Me., praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. BRANDEGEE (for Mr. MCLEAN) presented resolutions adopted by sundry Lithuanian citizens of Hartford, Conn., and by the Lithuanian Association of Bridgeport, Conn., pledging their support and loyalty to the United States and the allies, which were referred to the Committee on Foreign Relations.

He also (for Mr. MCLEAN) presented petitions of sundry citizens of New London, New Haven, Norwalk, Bridgeport, Manchaster, Wallingford, Unionville, and Milford; of the congregations of the Broadbrook Congregational Church of Windsor Locks, the Methodist Episcopal Church of Warehouse Point; and of the Advent Christian Church of East Norwalk; of the Woman's Home Missionary Society of Manchester, all in the State of Connecticut, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. TOWNSEND presented petitions of sundry citizens of Detroit, Shelby, Long Rapids, Empire, Ironwood, Tuscola, Hancock, Winona, Hastings, and North Muskegon, all in the State of Michigan, praying for national prohibition as a war measure, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHERMAN:

A bill (S. 4882) granting a pension to Anna Redding; to the Committee on Pensions.

By Mr. UNDERWOOD:

A bill (H. R. 4883) granting an increase of pension to Thad Parrish; to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 4884) for the relief of Gideon C. Corley; to the Committee on Claims.

CHANGES IN DRAFT AGE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 4856) to amend sections 2, 4, and 5 of an act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, and for other purposes.

The PRESIDENT pro tempore. The pending question is on the amendment offered to the committee amendment by the senior Senator from Tennessee [Mr. SHIELDS], on which the yeas and nays have been ordered.

Mr. SMOOT. I desire to have the amendment to the amendment read.

The PRESIDENT pro tempore. It will be read.

The SECRETARY. On page 5, line 19, in the committee amendment, after the word "woman," at the end of the line, insert a comma and the words "and the civil-service laws shall not apply to such person."

Mr. SHIELDS. I was going to withdraw that amendment and substitute another for it.

Mr. SMOOT. I will withhold the remarks I intended to make until the Senator submits his substitute.

The PRESIDENT pro tempore. The Chair desires to state to the Senator from Tennessee that under Rule XXI he can not withdraw it. The Chair understands that the question has been ruled upon in different ways and that the Senate at one time overruled the Vice President upon the subject. The Chair will submit the question to the Senate whether it is in order for the Senator to withdraw his amendment after the yeas and nays have been ordered.

Mr. SHIELDS. The Chair did not hear my request. I was going to ask unanimous consent to withdraw it and offer another amendment in lieu of it. I see no objection to that course by unanimous consent.

The PRESIDENT pro tempore. If unanimous consent is given, the Chair, of course, will not intervene.

Mr. THOMAS. I should like to hear the proposed substitute before determining it.

Mr. SHIELDS. The substitute is in these words:

Provided, That no examination or status under the United States civil-service laws, rules, and regulations shall be required of the wives of soldiers and sailors applying for positions in the service of the United States during the war.

It is in substance the same thing but stated in more clear and explicit language.

The PRESIDENT pro tempore. Is there objection to rescinding the order for the yeas and nays and permitting the Senator from Tennessee to offer this amendment in lieu of the one proposed?

Mr. SMOOT. Let me ask the Senator a question. Do I understand the Senator to offer it as an amendment to the committee amendment or as a substitute for the committee amendment?

Mr. SHIELDS. As an amendment to the committee amendment, section 5, page 6.

Mr. SMOOT. Then, I will ask the Secretary to read the amendment as it would read if amended by the amendment which the Senator from Tennessee has just sent to the desk.

The PRESIDENT pro tempore. The Secretary will read the proposed amendment.

Mr. SMOOT. The reason why I ask is that it seems to me the amendment covers what is in subsection 5 of the bill. Let

the Secretary now read subsection 5 as reported by the committee and then this as an amendment to it.

The SECRETARY. The Committee on Military Affairs reports the following amendment: On page 5, after line 6, to insert a separate paragraph, to be numbered 5, as follows:

5. The wife of a soldier or sailor serving in the present war shall not be disqualified for any position under the Government because she is a married woman.

To which Mr. SHIELDS offered the following proviso:

Provided, That no examination or status under the United States civil-service laws, rules, and regulations shall be required of the wives of soldiers and sailors applying for positions in the service of the United States during the war.

Mr. SHIELDS. I ask unanimous consent to offer the amendment to the amendment at this time.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee for unanimous consent to submit his amendment?

Mr. THOMAS. I have no objection, provided it is understood that the call for the yeas and nays shall apply to the substitute as well as to the original amendment.

Mr. SHIELDS. I so understand.

The PRESIDENT pro tempore. The Chair thinks that the call for the yeas and nays will have to be withdrawn, and the yeas and nays will have again to be called for.

Mr. THOMAS. Well, that can be done, of course.

The PRESIDENT pro tempore. Does the Senator from Colorado object?

Mr. THOMAS. I do not.

The PRESIDENT pro tempore. The Chair hears no objection. The pending question is on the modified amendment which has just been offered by the Senator from Tennessee [Mr. SHIELDS] to the amendment reported by the committee.

Mr. SHIELDS. Mr. President, I ask the indulgence of the Senator from Utah [Mr. SMOOT] for only a moment, in order that I may state one further fact as to the application of this amendment. In the discussion of the amendment as first offered on last Friday, I believe, it seems to be taken for granted that it would apply only to employment in the departments in the city of Washington, which was too narrow a construction, much narrower than the amendment was intended to have. The proposed amendment, if adopted, will operate much more extensively outside of the city of Washington than inside it. There would be, perhaps, thousands more of applications for such service throughout the United States than in the District of Columbia. It would apply to employment in the service of all internal revenue collectors and in all customhouses; in fact, in all agencies of the Federal Government in every State, in every county, in every city, and in every hamlet of the United States.

The amendment would especially apply and would have more beneficial effect, Mr. President, in the hundreds and thousands of fourth-class post offices in every county and in every hamlet in the United States. There are many such postmasters who will be taken or who will come within the purview of the amendment now proposed to the selective-draft law and who, of course, it is to be hoped will only be temporarily absent and when they return from foreign service will be restored to their civil-service status and to the offices they now hold. It is well, it is just and fair that their wives hold those positions during their absence and continue to earn a livelihood for their families.

In addition to the postmasters, there are clerkships in all of these post offices which can be held by these good women and a living thereby be earned for their families. It is especially for this vast number of men and their wives that this amendment is offered. I hope there is no one who will want to deprive the wives of fourth-class postmasters and clerks in these offices of the opportunity to earn some money with which to support their families, to aid in the scanty allowance, we may say, the Government gives them, although it is the most liberal in the world, and thus keep their families in as much comfort as possible in the absence of their husbands.

That is all I desire to say about the amendment at this time

Mr. THOMAS. Mr. President, this proposed amendment is class legislation, unwise legislation, and unnecessary legislation, of the most pronounced character, in my judgment. I am not surprised that it is offered, for I think the tendency of our legislation is all in class directions, and it is becoming constantly more so.

If I understand the amendment, should it become a law, the wife of a soldier serving in the ranks, whether she can read or write, whether she is fit or unfit, shall be given the right to hold office under the Government of the United States for the sole reason that she is the wife of a man who is serving in the ranks. That may be an excellent reason for disturbing the present condition of our civil service, but if it is, then, I do not perceive why it should be confined to the wives of soldiers. Every reason urged or that can be urged, in support of the amendment will apply with equal force to the mothers, the sisters, the sweethearts, the cousins, and the aunts of the men wearing the Government uniform. Why should we discriminate between the mother of the boy at the front who is unmarried and the wife of his brother at the front who is married? Why should we lower the present standards which are required for serving the Government in the one instance and not in the other?

We all know, Mr. President, that this amendment will operate, if it becomes a law, in a discriminatory way. Its beneficiaries will have the right to feel that they are a preferred class and should be accepted whenever there is competition with an outsider who is unfortunate enough not to be the wife of an active soldier.

I think, Mr. President, that while we owe a great debt to our soldiers, we are under some obligation to the rest of the people of the United States. There are many women in the United States, all of them loyal, who have been compelled to take very rigid examinations. I do not object to that at all. They have studied in order to prepare themselves for these examinations; they have passed the examinations, and they are upon the certified list. They need the compensation which they will receive from the Government in the event that they are employed. We propose now, through what seems to me to be a mistaken sentimentality, to set aside that large class of women who are just as good patriots as are the wives of the soldiers, and not only give preference to the wives of the soldiers, but to remove the necessity of their qualifying at all.

Mr. President, we have done many things in the way of legislation which have not commanded public approbation, but I do not know of anything that can be more likely to meet public disapproval than this amendment. I am sure, if it is enacted, that it will be followed, as it ought to be followed, by legislation applicable to the other relatives of the soldier, with the result that our civil-service system will not only be utterly demoralized but be made practically ineffective.

Mr. President, I am not enamored of the civil service, and I have not been for some time. I perceive very clearly that under the operation of the law, not because of it, the civil-service officials of the United States have organized, have affiliated with the American Federation of Labor, and they dictate terms to the Congress of the United States. I think that is a very sinister situation, and I have said so; but I certainly do not feel that the way to meet that situation is to let down the bars for a favored class and to invite them to come and serve the Government, whether they are fit to occupy the positions to which they are to be assigned or not.

Mr. SHIELDS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Colorado yield to the Senator from Tennessee?

Mr. THOMAS. I do.

Mr. SHIELDS. Mr. President, I wish to call the attention of the Senator from Colorado to the fact that fourth-class postmasters and their clerks were only placed under the civil service by an Executive order made by President Taft, perhaps after the November election of 1912, and that they rendered just about as good service when they were subject to no civil-service examinations as they do now. I wish further to call attention to the fact that in Washington now the Civil Service Commission has waived examination in the cases of thousands of employees in the departments, and that it has been a general practice of the Civil Service Commission in emergencies to allow all the departments to appoint men and women for service therein for the term of six months without any civil-service status. That is done every day in the Census Bureau, in the office of the Internal Revenue Commissioner, and perhaps in other offices. Now, why should a discrimination be made in such cases and one not be made in favor of the wives of soldiers who are compelled to surrender their positions and absent themselves from home in the service of their country?

Mr. THOMAS. Mr. President, it is true that fourth-class post offices have within recent times been covered into the civil service. I opposed it. I do not mean that I made any active or open opposition to it; I merely thought it not good policy and not required; but it was done, and it is the law. Now, because of the service which was rendered to the public by the occupants of those positions before they became subject to the civil service, the Senator thinks that this proposed amendment, if it becomes a law, will not disturb the situation. It might not, so far as that class of offices is concerned; but there are two fundamental weaknesses, I think, in the Senator's suggestion. The first is that the law is not abolished so that everybody can be eligible to these places. It is partially abolished, so that a

privileged class may be given opportunity, without submitting to the general conditions, to apply for and receive these offices.

The other is that the Senator's amendment is not limited to that class of offices. There is no limitation upon it whatever. The wife of a soldier heretofore employed as a clerk in private life or who is only a housewife becomes eligible under this amendment to a position in the technical service. She is not required to take any examination; the mere fact that she is a soldier's wife and that he is at the front or in active service constitutes her only credentials for any office and for every office within the gift of the President of the United States or of Congress. And those credentials are exclusive.

So, Mr. President, I think that we should hesitate before setting a precedent which means the embarkation upon a further series of discriminatory acts. The Senator from Mississippi [Mr. VARDAMAN] last Saturday night very pertinently suggested that the measure should be broadened so as to include the mothers and the sisters of our soldiers.

Mr. President, there is a great deal of assumption that such enactments as this are needed in order that the wives of soldiers may not suffer. The Government is paying to every soldier's wife $15 a month in addition to a similar sum which it deducts from his wages. This $15 a month is increased in proportion as the salary or compensation of the soldier is increased, and an added sum is given for every child of the couple. It is not a great deal in the individual instance, but in the aggregate it constitutes a tremendous burden upon the Treasury of the United States. Furthermore, Mr. President, there is in this country at the present time work for every man and woman who will work. There is abundant opportunity for healthy, light, remunerative occupation. There is no necessity, therefore, for Uncle Sam at this time to be playing the part of a rich relation, distributing his wealth in abundance to everybody who sees fit to ask for it, or whose conditions may appeal to the sentiment of the legislator.

I do not want to see this character of legislation started. I think the section of which the amendment is an amendment should not have been placed in the bill. I am not opposing that section. Perhaps that particular discrimination, if it exists, should be removed during the war; but this amendment offers a premium to ignorance and to inefficiency, to say nothing of the vast hordes of applicants who will throng the city of Washington and the other cities and communities to which the Senator from Tennessee refers, in the event it shall become a law, and every woman applying who is rejected will naturally and perhaps justly feel that she is being discriminated against under a law passed for her special benefit and protection. I ask for the yeas and nays, Mr. President, on the adoption of the amendment to the amendment.

Mr. CUMMINS. Mr. President, this proposal is fundamentally unsound and it ought to be rejected. The people of the country have the right to demand efficiency in our civil service just as they have the right to demand efficiency in our military service. Congress has determined heretofore that the merit system developed through competitive examination is better adapted to secure efficiency in the civil service than general appointments without examination by heads of departments. I know very well, as all Senators do, that our civil service is very far from perfect. I know, as we all do, that there are instances of inefficiency notwithstanding the competitive examinations and appointments after such examination; but, so long as we believe that the merit system is better than the old system we ought to adhere to it. If the proposal made by the Senator from Tennessee has any value at all, it leads to the conclusion that we ought to abolish wholly the civil-service rules and the civil-service examinations.

No one could exceed me in the desire to extend aid to any dependent wife of a soldier, and I will do it with the utmost liberality whenever occasion arises; but I am not willing to extend that aid through inefficient service to the Government in our public places. We ought to cling rather tenaciously, I think, to a system, whatever it may be, that will tend to bring competent men and women into public employment. We ought not in this way to destroy the value of the system that we have created with a good deal of pains. Even if it be not a very complete or perfect one, in my opinion it has done fairly well in the years that are gone. The next suggestion will, of course, be to allow everyone who has served in the Army of the United States admission to public office without any examination. Now, I want to make all possible provision for both the wives of soldiers and the soldiers themselves; but we ought not to make that provision at the expense of the public service, and we ought to insist upon whatever examination we think is desirable before anyone is admitted to employment by the Government.

I know that in these last months it has been found absolutely necessary to admit a great many employees without civil-service examination. I yield to that simply because it has been an inevitable, inexorable necessity. We have not had the time to equip our various departments with the employees necessary through the processes of the Civil Service Commission; but that is no reason whatever for the abandonment of the system in favor of any class of men or women.

I hope very much that the amendment will not receive the approval of the Senate, because I look upon it as the beginning of the overthrow of the system. I would rather contribute what little I can toward the betterment of the system than toward its destruction.

Mr. SMOOT. Mr. President, I have no objection to the amendment as reported by the committee, although I think it is perfectly useless, for there is no rule of the Civil Service Commission that will bar the wife of a soldier or sailor of the United States from being employed under the civil-service rules to-day. There is a ruling of the Civil Service Commission that where an individual is employed under the civil-service rules in a few of the departments of the Government the wife of that individual shall not be employed under the civil-service rules. That will not apply to a soldier or a sailor; but if there is any doubt about it on the part of any Senator, I have no objection to the adoption of the amendment as reported by the committee. But I do want a vote upon the amendment offered by the Senator from Tennessee [Mr. SHIELDS]. In reading the amendment offered to the committee amendment by the Senator from Tennessee [Mr. SHIELDS] I find that it is extremely broad, and it is virtually a direction to the Government of the United States to employ the wife of every sailor and every soldier, irrespective of whether or not they are capable of filling the positions or whether they are qualified in any way. It is simply a direction that they shall be employed.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Does the Senator from Utah yield to the Senator from North Dakota?

Mr. SMOOT. I yield to the Senator.

Mr. McCUMBER. Right at that point—because I wish an understanding of the situation—let us take a concrete case. Suppose any one of these departments advertises that it wishes a hundred stenographers, and the wife of a soldier makes application for one of those positions. Even though she may have no knowledge whatever of stenography, how could the department refuse to accept her?

Mr. SHIELDS. Mr. President——

Mr. SMOOT. I do not believe the department could do otherwise than accept her under this amendment.

Mr. McCUMBER. They might try her, of course, and discharge her.

Mr. SMOOT. Yes; they could do that.

Mr. McCUMBER. But with this amendment they would have no right to refuse her application.

Mr. SHIELDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. Yes; I yield to the Senator.

Mr. SHIELDS. May I interrupt the Senator to answer that question and, incidentally, answer the argument of the Senator from Utah? I will take just a moment.

Mr. SMOOT. If the Senator wants to ask a question or to answer the question of the Senator from North Dakota, well and good; but I will be through in just a moment, and then the Senator can proceed.

Mr. SHIELDS. I will really answer the question of the Senator from Utah, then, because he has made the same point that the Senator from North Dakota has made. It is this:

From the beginning of the history of the Government fourth-class postmasters were appointed without any examination, and their clerks. This will be the same law that existed before those men were placed under the civil-service law. It will be the same status or condition that existed before the clerks were placed under it; and, of course, the appointing power is not going to appoint anyone but those whom it has ascertained to be reasonably competent to discharge their duties, just as was done under the old system, which worked very well in the case of postmasters and their clerks. The construction placed upon this amendment by the Senator from Utah, as well as the Senator from North Dakota, is entirely strained and unreasonable and never would be followed by any authority having the power to appoint. They would always, of course, make a reasonable investigation and see that the applicant was reasonably competent to discharge the duties of the position for which she applied.

Mr. SMOOT. The comparison which the Senator makes is a

very unhappy one. There never was a fourth-class postmaster appointed since I have been in public life, I will say, but that somebody has vouched for his ability to carry on the work of the office. They have been recommended first by some political organization, but in all cases they have been recommended by the Congressman from the district in which the applicant lived and, in many cases, indorsed by the Senators from the State in which the applicant lived.

Mr. SHIELDS. That is what the Senator from Tennessee said and what will be done under this law.

Mr. SMOOT. Mr. President, the amendment does not require any such thing. I want to read the amendment to the Senate and ask any Senator here if there is anything in this amendment that would require it:

Provided, That no examination or status under the United States civil-service laws, rules, and regulations shall be required of the wives of soldiers and sailors applying for positions in the service of the United States during the war.

Mr. SHIELDS. Mr. President, it simply places them in the same status as before the civil-service law was passed; nothing more and nothing less.

Mr. SMOOT. Why, Mr. President, the Senator talks about a post office. There may be in a city a hundred wives of soldiers or sailors, and under this amendment the Government is expected to employ them; and, in the case of selecting a postmistress, I want to ask, Mr. President, who is going to decide as between the one hundred which one of the hundred shall have the post office? Nothing in the rules and nothing in the regulations of the commission is to have anything to do with it, because they are all waived.

Mr. WADSWORTH. Mr. President, will the Senator yield?

Mr. SMOOT. I yield to the Senator.

Mr. WADSWORTH. Does the Senator really seriously make that inquiry, as to who will decide who shall be employed?

Mr. SMOOT. I am speaking now of the provisions of the amendment.

Mr. WADSWORTH. The Senator must believe that "politics is adjourned."

Mr. SMITH of Michigan. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Michigan?

Mr. SMOOT. I do.

Mr. SMITH of Michigan. I should like to ask the Senator from Utah if we have a civil-service law now in effect and practical operation in the conduct of the Government?

Mr. SMOOT. I will admit, Mr. President, that of late there have been so many persons employed by the Government and the demand has been so great that the requirements of the civil-service law have been relaxed.

Mr. SMITH of Michigan. Another question: Is it not a fact that the President, by Executive order, has relieved the Department of Labor entirely from the necessity of consulting the civil-service law?

Mr. SMOOT. I do not know that the order went that far, Mr. President, but I do know that it has been next to suspended of late, and I suspect that it will continue to be so suspended.

Mr. SMITH of Michigan. I do not want to interrogate the Senator unduly, but he refers to the appointment of fourth-class postmasters. Does the Senator think that the appointment of fourth-class postmasters upon the recommendation of Members of Congress and Senators resulted in a desirable service, in a successful administration of the post-office affairs in the various communities?

Mr. SMOOT. I think that it resulted in as good a service as the service that is being given to-day.

Mr. SMITH of Michigan. If that is so, then of course the civil-service red tape and favoritism is not required to get good men.

Mr. SMOOT. Of course the Senator knows that under the civil-service law the post-office officials have a right to select from three applicants——

Mr. SMITH of Michigan. The three highest——

Mr. SMOOT. The three highest, and from those three they can select one, which, of course, gives the political administration in power a chance to select, no doubt, the one that they feel would be of most service to the party in power.

Mr. SMITH of Michigan. I do not want to inject my personal judgment into the remarks of the Senator from Utah; but if he will permit me to say so—and it is the result of many years of observation—I think the civil-service law is a fraud and a sham; that there is more favoritism under it than ever existed under the spoils system; that promotions are absolutely inhibited unless you cultivate the good will of the immediate chief of the clerk who is to be benefited. I think it is a fraud and a sham, and behind it there lurks more practical politics for the party in power than has ever been exercised under the spoils system.

Now, I do not know that that will look well in the Senator's speech, and if he does not like it he can strike it out; but that is my judgment.

Mr. SMOOT. The Senator from Utah is not going to strike out of any remarks that he may make anything that the Senator from Michigan might say.

Mr. SMITH of Michigan. That is very kind.

Mr. SMOOT. But I want to say this to the Senator: I have not been altogether enamored of the civil-service law myself; but I have taken the position that as long as we have a civil-service law, and as long as we are pretending to follow it, we ought to follow it strictly. That we are not doing to-day.

Mr. SMITH of Michigan. Then the matter of preference ought not to depend upon good looks or accommodating manners.

Mr. SMOOT. Or location. Now, Mr. President, I want to ask the Senator offering this amendment if he will not accept an amendment to it, so that it will read as follows:

That no examination or status under the United States civil-service laws, rules, and regulations shall be required of the wives of soldiers and sailors applying for positions they are capable of filling in the service of the United States during the war.

If they are to be employed—and I have no objection to saying that they may be—we ought at least to say that they must be capable of filling the positions.

Mr. SHIELDS. Mr. President, while that would be a reflection upon the appointing power—because no one but the Senator from Utah is going to assume that they will appoint incapable married women, and no incapable married woman will apply—as it makes no difference, I am willing to accept it. If the Senator wishes to come over on that, I am very glad to have him come over on an immaterial amendment.

Mr. SMOOT. I have not said what I was going to do. I simply want to improve the amendment, but expect to vote against it even if my amendment is agreed to. But, Mr. President, I think the Senator takes the wrong position. Under the amendment they have no choice of appointment. They may be capable or they may not be capable.

Mr. SHIELDS. The Senator understood that I accepted his modification, did he not?

The PRESIDING OFFICER. Will the Senator from Utah state the amendment?

Mr. SMOOT. After the word "positions," insert "they are capable of filling."

The PRESIDING OFFICER. Does the Senator from Tennessee accept that amendment?

Mr. SHIELDS. Yes.

Mr. THOMAS. Mr. President, I ask for the yeas and nays upon the amendment as amended.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Tennessee, as modified by the suggestion of the Senator from Utah, to the amendment of the committee. Upon that the yeas and nays have been asked for. Is the request seconded?

Mr. McCUMBER. Mr. President, I should like to know how the proposed change made by the Senator from Utah is going to change this amendment. The amendment simply provides that the departments shall accept the wives of soldiers and sailors without any examination whatever. So if a department advertised for a hundred stenographers, and 90 responded, and those 90 were all wives of soldiers, under the amendment as it reads the department would have to accept them. It would have no right to require any examination. The Senator from Utah proposes now that they shall accept them if they are found capable of filling the places. Well, how are you going to find out whether they are capable of filling the places unless you have some kind of an examination?

Mr. SMITH of Michigan. Try them out.

Mr. McCUMBER. Senators say, "Try them out." Well, now, that gets right back to what I stated in the beginning. The departments will have no right to refuse to accept them; but after having accepted them, of course they can discharge them if they are incompetent.

Mr. SHIELDS. Mr. President——

Mr. McCUMBER. They could do that even without the amendment suggested by the Senator from Utah.

Mr. SHIELDS. May I suggest to the Senator that of course the word "capable" there means in the sense of qualified, which I think is the better word?

Mr. McCUMBER. Certainly.

Mr. SHIELDS. It would be so construed. I did not object to that, because that would be captious; but the Senator asks how would it be known that they are capable? How was it

known that appointees of the Federal Government were qualified to discharge their duties for 100 years before the civil-service law was passed? How does the Senator from North Dakota now know that his clerk or his stenographer is capable of discharging the duties when he appoints them?

Mr. McCUMBER. I would not if I had to accept the clerk without examination.

Mr. SHIELDS. You always exercise your judgment and discretion, just as they did before the passage of the civil-service law and just as millions of business men now in the United States exercise it, before they employ clerks, confidential secretaries, and business agents of every kind; they exercise the same common sense and judgment.

Mr. McCUMBER. That is just what I propose to do. If I employ a stenographer, I am going to exercise the common sense of giving a dictation to her to see whether she can take it or not. The Senator would have the department denied that privilege. Now, that is all there is to it. There is no use of mincing the matter. The provision of the amendment says as clearly as the Senator can make it that they shall be accepted without any examination, because a civil-service examination could be modified to meet the situation. They may be less stringent than they have been in the past, as they are undoubtedly to-day, because the civil service did not present a sufficient number to draw from. Nevertheless here is a case where the postmaster proposition is not a parallel in any respect. Somebody vouches for the postmaster. No doubt the Senator would not recommend a postmaster who could neither read nor write, because he knows that he would be discharged. The central committee would not recommend such a person. But if the Senator's reasoning is good then he would have said, if there were 100 persons who wanted to be postmasters, any one of them can be a postmaster, and you have no right to examine any of them. All that you can do is to accept them and discharge them if they are found to be incompetent. The only person who is to pass judgment upon the question of competency is the person who is making the application. Nobody vouches for her if she wants a clerical position as to whether she can read or write in a legible manner. She alone is to determine whether she thinks she can fill the place.

Mr. SHIELDS. May I ask the Senator, in the case of the wives of two soldiers applying for the same position, would not the appointive power determine which was, in his opinion, best qualified for the position?

Mr. McCUMBER. How determine it if you can not examine them?

Mr. SHIELDS. There is nothing that prevents an examination. It simply prevents the Civil Service Commission from subjecting them to an examination. It leaves the law just as it was before the Civil Service Commission was established. There was an investigation, and there was an examination, and the person who was best qualified was appointed. If the Senator will read over his argument he will see the sophistry of it. He will likely want to strike it out of the RECORD.

Mr. McCUMBER. Mr. President, the sophistry is entirely on the other side of this proposition. I am going to help out the wives of soldiers wherever they can be helped out. We have provided that they shall receive at least $30 a month; and if they have children they are to receive an additional number of dollars per month. We are doing that for them. There are a great many old women in the departments who can only earn a living through their own efforts. There are thousands of girls in the departments who have to take care of mothers who are old and dependent upon them and who are receiving nothing from the Government. I would not give any of these younger persons a preference over those. They are just as patriotic probably and would give just as much if they had it to give for the Government of the United States.

I think the Senator is far from justified when he applies the word "sophistry" to any argument that is made against the acceptance of any person for a position without any character of an examination. If the Senator would provide in his amendment that they shall be examined by some one, by such examination as the departments shall see fit to give, it would eliminate that objection. I think the civil-service examinations are in many instances ridiculous; I think very often you would find more efficient clerks among those who failed than among those who succeeded; but there ought to be some kind of an examination to determine the fitness of the applicant to perform the particular service that she seeks.

If I understand the true meaning of this amendment, when it says that you shall waive all civil-service examinations, it means that there shall be no examinations whatever, and you shall accept the individual upon her own application, and if she proves inefficient you can discharge her.

The PRESIDING OFFICER. The yeas and nays have been demanded on agreeing to the amendment to the amendment. Is there a second?

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. GERRY (when his name was called). I have a general pair with the junior Senator from New York [Mr. CALDER]. I therefore withhold my vote.

Mr. SMITH of Michigan (when his name was called). I have a pair with the senior Senator from Missouri [Mr. REED]. I do not see that Senator present and therefore withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. STERLING (when his name was called). I have a general pair with the Senator from South Carolina [Mr. SMITH]. I transfer that pair to the Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. WEEKS (when his name was called). I transfer my general pair with the Senator from Kentucky [Mr. JAMES] to the Senator from West Virginia [Mr. GOFF] and vote "nay."

The roll call was concluded.

Mr. PENROSE (after having voted in the negative). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS], and I observe that Senator has not voted, but on the assumption that if he were present he would vote with the committee I will permit my vote to stand.

Mr. CURTIS. I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the junior Senator from Pennsylvania [Mr. KNOX] and vote "nay."

Mr. SHERMAN. I have a pair with the senior Senator from Kansas [Mr. THOMPSON] and therefore withhold my vote. If at liberty to vote I would vote "nay."

Mr. CURTIS. I wish to announce that the Senator from Connecticut [Mr. McLEAN] is paired with the Senator from Montana [Mr. MYERS].

Mr. WALSH (after having voted in the affirmative). I voted forgetting that I have a general pair with the Senator from New Jersey [Mr. FRELINGHUYSEN]. I transfer my pair with that Senator to the Senator from South Carolina [Mr. BENET] and allow my vote to stand.

Mr. SMITH of Michigan. I think I will take the liberty of transferring my pair with the senior Senator from Missouri [Mr. REED] to the junior Senator from Iowa [Mr. KENYON] and vote "nay."

The result was announced—yeas 30, nays 40, as follows:

YEAS—30.

Ashurst	Kirby	Shafroth	Trammell
Bankhead	McKellar	Sheppard	Underwood
Borah	Martin	Shields	Vardaman
Hale	Nugent	Simmons	Walsh
Henderson	Phelan	Smith, Ariz.	Wilfley
Johnson, S. Dak.	Pittman	Smith, Ga.	Wolcott
Jones, N. Mex.	Robinson	Smith Md.	
Kendrick	Saulsbury	Swanson	

NAYS—40.

Baird	Fletcher	Lodge	Smith, Mich.
Beckham	France	McCumber	Smoot
Brandegee	Gore	McNary	Sterling
Chamberlain	Guion	Nelson	Sutherland
Colt	Hitchcock	New	Thomas
Cummins	Johnson, Cal.	Norris	Townsend
Curtis	Jones, Wash.	Penrose	Wadsworth
Dillingham	Kellogg	Poindexter	Warren
Fall	Kenyon	Pomerene	Watson
Fernald	Lenroot	Ransdell	Weeks

NOT VOTING—25.

Benet	Harding	Lewis	Sherman
Calder	Hardwick	McLean	Smith, S. C.
Culberson	Hollis	Myers	Thompson
Frelinghuysen	James	Overman	Williams
Gerry	King	Owens	
Goff	Knox	Page	
Gronna	La Follette	Reed	

So Mr. SHIELDS's amendment to the amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. CHAMBERLAIN. I desire to offer an amendment for the committee. It is just one word. After the word "position," in line 18, I move to insert the words "or appointment."

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The SECRETARY. Following the amendment just agreed to the committee report to insert the following:

6. Soldiers and sailors, regardless of age, shall, when they are accepted as volunteers or when they shall have been drafted, be eligible to receive commissions in either the Army or Navy. They shall like-

wise be eligible to admission to officers' schools under such rules and regulations as may be adopted for entrance to such schools, but shall not be barred from or discriminated against on account of age.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The SECRETARY. After the amendment just agreed to insert the following:

7. Any person under the age of 21 who shall have been accepted as a volunteer or who shall have been drafted and served in the Army or Navy shall be entitled, at the conclusion of the present war, to receive an education at the expense of the United States Government at approved educational institutions. The period of such education shall be equivalent in point of time to the period by him served in the Army and Navy, but shall not exceed two years. Application for such educational privilege shall be made within six months after discharge, and the applicant shall promptly begin his studies after his application shall have been approved.

Mr. POMERENE. If I may have the attention of the chairman of the committee, am I right in assuming that this section as drawn applies to all soldiers, sailors, and marines who may have entered into the service during this war and prior to the taking effect of this act as well as those who may be drafted under the amended law?

Mr. CHAMBERLAIN. That was the purpose of the committee, and if the language is not broad enough to cover that, it should be made broader.

Mr. POMERENE. I assumed that was the purpose, but I thought it was probably not quite clear. With that understanding, I favor the amendment.

Mr. SMOOT. Mr. President, I should like to ask the Senator from Oregon if there is any estimate as to what this is going to cost the Government.

Mr. CHAMBERLAIN. If the Senator from Utah asks me if there has been any estimate as to the probable cost of carrying out the terms of this section, I will say, "No." The committee adopted it without any reference to the War Department or without any discussion with the War Department as to their ability to carry it out or as to its probable cost.

Mr. SMOOT. Or as to the probable result.

Mr. SMITH of Michigan. Mr. President, how can we have such an estimate when we consider the uncertainty involved in the service of these men who are going to war, and when we do not know how many will return? It will be impossible to estimate how many will return. I do not see how we can arrive at any estimate.

Mr. THOMAS. If the Senator from Utah will permit me, I desire to say that I think a rough estimate can be made, nevertheless. The statistics which were read by the Senator from Missouri [Mr. REED] in the course of his speech last week were those showing the proportion of soldiers under age to those over age who constituted the Federal Army during the Civil War. I assume that out of four million of men it is highly probable that a fairly large proportion of men under the age of 21 will constitute our Army. I think, therefore, that 2,000,000 is a conservative estimate, even after the wastage of war shall be ended. That, of course, is an approximation, but if it is anywhere near right, then the result would be that the annual expense, estimating $1,000 a year as the cost of each student, and estimating one-half of the million men as taking advantage of the largess of the Government, would be a billion dollars. My own impression, however, is that the charge upon the Treasury will be very much more than that.

Mr. SMOOT. Mr. President, it seems to me that if we are going to enter this field at all the amendment ought to be guarded in some way. I myself think that the estimate which has been given by the Senator from Colorado [Mr. THOMAS] is about right. To whom is this money to paid? Nothing is said in the amendment as to what kind of educational institutions will be approved. There is not a word as to what these institutions after being approved shall charge each student. It is left entirely with the returning soldier to choose any one of the approved institutions. If any institution wants to charge $2,000 a year for a student, there is nothing whatever in this amendment to prevent its doing so. If the Government of the United States is going to pay all the expenses of educating the soldier for two years, under this amendment the institution itself could charge a thousand dollars without furnishing any of the necessaries of life that must be furnished to the soldier who goes to the institution.

I say, there is no telling what it is going to cost the Government of the United States; and I do not believe that legislation of this kind ought to be acted upon without some little information as to where it is going to lead to.

Mr. BORAH. Mr. President, it seems to me that this amendment is largely declaratory of a principle and purpose of which I have an idea the Senator from Utah [Mr. SMOOT] is in favor; but it would be practically impossible at this time to go into details, either as to the limitation of expense or as to an estimate of the probable expense. My opinion is that there will not be nearly so many boys take advantage of this privilege as we should hope; but whatever the expense may be, there is not any possible doubt that the Government can invest money to no better purpose than the educating of these men after they come back. It would be one of the most unfortunate things that could happen to this country, not only morally and economically, but in every other way, to have these men, as we are drawing so largely from those under age, to come back and enter the life of this country without every advantage which can possibly be given to them to fit them for the battle of life.

Mr. SMOOT. Mr. President, I want to say to the Senator from Idaho that I fully agree with him as to the advantage that will come to our country through the education of its youth; I believe that they ought to be educated; but it seems to me if we are going into this field that the Government ought to do it itself rather than as provided for under this amendment.

Under the amendment the educational institutions of our country are to be selected and approved by the Government. We know that there will be enough of the soldiers who will want to take advantage of this legislation to require not only one large school but many large institutions throughout this country. Those institutions ought to be maintained by the Government and located at different parts of the country, if we are to enter upon this plan of education.

Mr. BORAH. The Senator does not understand that we are going to establish separate institutions to do this, does he?

Mr. SMOOT. Under this amendment we could not do it.

Mr. BORAH. The proposition is that we shall simply avail ourselves of different educational institutions of the country.

Mr. SMOOT. There is no limitation whatever as to the expense.

Mr. BORAH. Of course not; but that is a matter which can only be dealt with at the time, and will be dealt with at the time. It would be impossible for us to go into that matter in detail at this time. I do not see how the Senator could possibly estimate what it will cost to educate a young man two years from now or a year from now.

Mr. SMOOT. Mr. President, I am not so much alarmed over what this is going to cost as to how it is going to be done. If the War Department has any plans worked out, it seems to me that legislation could be passed at this time for this purpose as well as it could be passed a year from now or two years from now. What I am complaining of now is that this amendment has been adopted by the committee at this time without any plan or system being worked out for the education of the boys at the close of the war.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator from Utah?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Oregon?

Mr. SMOOT. I yield to the Senator.

Mr. CHAMBERLAIN. The committee discussed that feature of the matter to some extent, but they did not feel that they ought to weigh the cost to the Government against the value of these young men as citizens after they came back from war and their education was completed by the Government. The outside limit of time they shall be kept at school at the expense of the Government is two years, and I fancy that a great many of them will not go to school at all. A great many of them will do as the returning soldiers did in the Civil War; when they come back into civil life they will have to go to work, and will go to work, because of having lost their positions and their opportunities to go forward. The committee therefore felt that the Government could well afford to expend a very large sum of money in order to educate these young men.

Mr. SMOOT. As I have just stated to the Senator from Idaho [Mr. BORAH], the amount that the Government is to expend is not of so great importance as is the question as to where we are going to educate these young men and whether there should not be at this time some plan agreed upon by Congress and legislation passed that would carry it out, rather than that the Government should merely make a declaration, with no definite understanding as to just what plan will be adopted or how the object is to be accomplished.

Mr. CHAMBERLAIN. Mr. President, the Senator will note that at the end of that section there is a provision in regard to the adoption of rules and regulations for carrying out the purpose of the section. It would be easier for the commander in Chief of the Army or those acting under his direction to make arrangements with the educational institutions of the country than for Congress to attempt to do so. It might be possible that the Government would conclude to carry on the educational

work itself and at its own expense by the enlargement of West Point or in some other way; but to adopt a cut-and-dried plan in advance without knowing what conditions may confront the country at the time we thought would be unwise.

Mr. SMOOT. If that were the case, then it seems to me that the wise thing would have been to have waited another year, or for two years, if the war shall not end for two years, and then decide the question as to whether we shall carry on this work and at the same time provide how it shall be carried on and make a direct appropriation for it.

Mr. STERLING. Mr. President, I should like to ask the chairman of the committee if it would not be possible here to limit the amount by limiting the scope of the education to be provided for by the Government. Take, for example, this situation: A young man may be a college graduate and yet, under the very general language of this amendment, he could insist on the right to take a postgraduate course at some institution and have the Government pay all of his expenses. Now, is it quite right or just that the Government should go that far?

Mr. BORAH. Suppose that he does do that, is that too much for the Government to do for the man who has gone over to Europe to fight this war at a time when he otherwise would have been taking his postgraduate course?

Mr. STERLING. No; I sympathize with the idea; but when I think of the great number of these men and what it will involve for the Government, I hesitate to agree that that shall be done.

Mr. BORAH. I do not think there is any question of dollars and cents in this proposal. The Government can afford to pay every dollar that it will cost to educate these men after they come back, because it is taking them at a time when they should be educating themselves.

Mr. STERLING. My thought is this, that it would be a generous government indeed that would say to the man who has not yet received an education equivalent to a high school education, or, even going further, who has not received an education equivalent to a two years' college course—the freshman and sophomore years of college—"the Government will provide the means for such an education."

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from South Dakota yield to the Senator from Florida?

Mr. STERLING. I yield to the Senator.

Mr. FLETCHER. I call the Senator's attention to the limitations in the provision, first, that the person must have entered the military service under the age of 21 years. That limits it to a certain class. Then, in the next place—

> The period of such education shall be equivalent in point of time to the period by him served in the Army and Navy, but shall not exceed two years.

That is another limitation. Then, that only those shall be admitted to the privilege who make application for such education within six months after their discharge. That is another limitation. Further, it is provided that—

> The applicant shall promptly begin his studies after his application shall have been approved.

Then, a further provision is that—

> Rules and regulations for carrying out this provision shall be promulgated by the President.

The President knows what it ought to cost. There is no danger of the country being imposed upon by any excessive charges by institutions such as suggested by the Senator from Utah, because it can be perfectly well ascertained what the annual cost should be. I think with all those limitations that there need not be any great fear of an unreasonable charge on the Treasury or a tremendous burden upon the Government.

I am inclined to agree with the Senator from Idaho [Mr. BORAH] that this is not a question of dollars and cents, anyhow. Here are young men whose educations have been cut off, who have been taken out of school and college before they have completed their education and gone into the Army. The Government ought to stand the expense when they resume their education. I think that the whole idea is an excellent one and that we can not afford to weigh against this debt that we owe to these men the amount that it will cost to put them into a position where they might have been but for the war.

Now, as to the suggestion of the Senator from South Dakota [Mr. STERLING] in regard to according this privilege only to those who have in the past reached a certain stage in their educational career, it seems to me that would be an impractical sort of provision to put in the bill and that it would not be just and entirely equitable to make that sort of restriction. Of course the provision is pretty broad and general, but it has to be, for we can not estimate accurately how many men will be in this position and how much the cost will be.

Mr. STERLING. Mr. President, I have already stated that I sympathize with the general purpose of this amendment. I believe that within certain limits—and I will say generous limits—the Government might well afford to educate the men who at the time of their enlistment were under 21 years of age and had not had prior to that time sufficient education or had been denied the privilege of an education; but how far shall we go? Shall we say to the college graduate who had completed his course before he was 21 years of age that now he shall be furnished the means whereby he can take a postgraduate course in some institution, or shall we limit this provision and say, in effect, that he shall have a reasonably good education for the times, an education that will fit him for the serious business of life or go far in fitting him for a profession even?

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Tennessee?

Mr. STERLING. If the Senator will permit me, I will state where, if I should suggest any amendment at all to this amendment, I would have the amendment come in? In line 5, after the word "Navy," I would insert an amendment so that it would read:

> Any person under the age of 21 who shall have been accepted as a volunteer or who shall have been drafted and served in the Army or Navy—

Then put in the words—

> and who shall not have received an education equivalent to a four-years' high-school course or an education equivalent to two years in college.

When you have done that, either one or the other, the Government has done a generous thing, something that no Government has ever done before in giving an education or in furnishing the means of an education to young men. I want to be generous, but I think we may err, Mr. President, in being too generous.

Mr. McKELLAR. Mr. President, will the Senator now yield?

Mr. STERLING. I yield the floor.

Mr. McKELLAR. I merely wish to ask the Senator a question.

Mr. STERLING. Very well.

Mr. McKELLAR. The Senator asked how far shall we go. I will call the Senator's attention to the fact that so far as education is concerned in this country the Federal Government has practically gone nowhere in the past. The only educational contributions that have been made have been to the Naval Academy and the Military Academy, the students of which institutions comprise a very small portion of the scholastic population of our country. Is it not time that the Federal Government was doing something toward education, and can the Senator think of any better time to start or any better class of our people with which to start than these boys who have been deprived of an education by reason of having to fight and offer their lives for their country?

Mr. STERLING. I should like to ask the Senator from Tennessee what per cent of our young men and women ever have a high-school education, let alone taking any part of a college course? When the Government has provided a high-school education for the young men I say the Government has done generously; but I would be willing to go further than that, and, while not giving a complete college course, let the Government pay the expenses of two years in college.

Mr. McKELLAR. The Senator does not mean to say that the Federal Government has furnished a high-school education for them?

Mr. STERLING. Oh, no; I am not talking about that. I am just asking, as a general proposition, what per cent of our young men and young women have gone through the high school and graduated in this country, taking one State after another the country over? It is a comparatively small per cent. When the Government provides even a high-school education for these young men it provides more than is generally received by the young men and women throughout the land.

Mr. REED. Mr. President, I am surprised that this amendment should provoke even serious opposition. I prepared the amendment because I realized that the drafting of boys 18, 19, and 20 years of age imposes upon them peculiar hardships. May I invite your attention for a few minutes to two or three observations? I am sorry that the Senator from South Dakota [Mr. STERLING], who has just been asking for a restrictive amendment to the amendment, has left the Chamber.

The Senator is right when he says that a great many of our people never have a high-school education placed within their reach. That is the shame and the disgrace of our country. A high-school education ought to be placed within the reach of every citizen, and every citizen should be obliged to acquire

that high-school education. Illiteracy in America is alarming, appalling, and degrading. We have been sneering at other nations and talking with curled lips about our superiority, and yet in point of literacy we are far below Sweden, far below Holland, and far below the despised Hun. If you were to inquire to-day what it is that has made the German Army so powerful, has made it possible for Germany to mobilize her forces of brain and money and metal and men, the answer that would come from every informed man would be that the basis of that great power is to be found in Germany's wonderful educational system. I am only sorry that they have not turned it to a better purpose. It was said long ago by a celebrated man, "Knowledge is power." If all the people of the United States had been privileged to have high-school educations and a large percentage had obtained college educations, our country would have been the gainer.

Mr. President, if it be true that education is a good investment, then somebody has to pay for that investment, and that somebody is the taxpayer; and it does not make much difference to the taxpayer whether he pays the taxes for education into the township or into the city or into the county or into the State school fund or whether he shall pay them into a national school fund. In the long run it all comes out of the same pocket. If, therefore, education is a good investment, and if the Federal Government shall pay for that education out of the pockets of the taxpayer, the taxpayer will in the long run be no poorer than if the education were paid for by the township or by the State or by the city. The only way in which the taxpayer could save any money would be by not educating the young men, and when you fail to educate the young men you do an utterly foolish and wasteful thing. From the economic standpoint you are as much in error as the man who refuses to plant wheat because the seed will cost him some money, even though it will bring a crop of a hundredfold.

Every dollar spent in education is a dollar invested that will bring back a thousandfold, and, as the taxpayer has to pay this money, what difference does it make whether it is paid to the Federal Government or paid to a local government? But the point is this: If we do not put this clause into this bill these young men may not be provided with an education by the State or by the county or by the township. Let us make sure the opportunity is not denied.

So much for the question of dollars and cents. I remark, in the second place, lest there should be some misapprehension, that it is not proposed in this bill that there shall be established governmental institutions to educate the youth. It is only proposed that we shall say to these boys whom we are now taking from the schools—the country school, the city school, the public school, or the university—that we shall say to them all alike, "That time which you shall give in saving and preserving your country, and which you shall lose from your school life, the Government will, as far as possible, enable you to recoup by placing within your reach an education in an approved educational institution."

Of course, that does not mean that the Government will create a special institution. It means no more than that the governmental authorities will approve certain classes and kinds of schools, will set up certain standards, and will say to the young men, "You shall have the privilege of attending these schools." Reasonable regulations will be made. I have no doubt but that arrangements will be made with every State university; I have no doubt but that arrangements will be made with the local high schools. Very likely provision will be made whereby, in appropriate cases, the country schools may be utilized. The details can not be put into a law, but regulations can be adopted that will enable the boys who come back from the front to obtain an education.

Somebody says: "They may want to take a postgraduate course." The only man who can take a postgraduate course is a man who has already graduated; and if a man has already graduated and then wants to take a postgraduate course so that he will fit himself for the higher plane of intellectual attainment, so much the better. Heaven knows we need more of that kind of men in our country. If the soldier boy returned to the vocations of peace shall want to fit himself for a great engineer, we shall have need of him; or shall want to become a great chemist, we shall have need of the chemist; or shall want to be a great mathematician, we shall need the mathematician; or shall have an ambition to be a great architect, we shall need that kind of talent; or shall want to attend an argicultural school and become more proficient in the art of farming, we shall benefit thereby. We need more talent of every kind; we can not have too much.

On the other hand, it is said that we may furnish high-school educations to boys who, if there had never been a war, might not have obtained a high-school education. If that is true, so much the more merit there is in this bill. If it shall transpire that we shall educate a million men who otherwise never would have had the benefit of a high-school education, or even a common-school education, so much the more reason for passing this bill.

Senators, you are taking these boys away from their homes at the very period when they would be finishing out their education. You are requiring I know not how much time—it may be three months, it may be six months, it may be six years—of their lives. You are tearing them away from their opportunities in life; and what is the position you have left them in? The boy above 21 has already secured his education. The boy who is now 15 or 16 will, in all probability, never be drafted, for the war will be over before he becomes 18 years of age. Accordingly, he will without interruption conclude his education; but the boy of 18 and of 19 and of 20 will find himself deprived of the opportunity to get an education. When this war is over he must go out in competition with men, both older and younger than he is, who have had the advantage of education.

All that is asked, then, is that the Government shall, as far as possible, take these boys who have jeopardized their lives under the command of the Government, in order to save and preserve it, and, as nearly as possible, place them back where they would have been if the Government had not torn them from their homes and from the places of learning where they had been pursuing their studies. And if in this war any of them who would not have gone to school had the war not come shall have acquired a thirst for learning, in the name of our country and in the name of civilization let us give them every opportunity, open to them every door, point to them every shining path of knowledge, and help to make them so much the better citizens.

Mr. FALL. Mr. President, I understand there is no amendment to the amendment pending. I am in very hearty accord with what has been said by the Senator from Missouri, and of course in favor of this amendment. As it stands it is merely a pledge—of course, a solemn pledge—to these boys themselves, to their friends and relatives, that they shall be given, at the cost of the Government, the privilege of securing two years of education of some kind. It is not self-enacting. The President is to adopt rules and regulations, and Congress would necessarily be compelled to make the appropriations to carry them out, and at that time the rules and regulations could be discussed, as to whether they were satisfactory or unsatisfactory, and could be approved or disapproved, as Congress might see fit.

On Saturday, however, I gave notice that I would offer an amendment, and I now offer it.

The PRESIDING OFFICER. Is it an amendment to the pending amendment?

Mr. FALL. It is an amendment to the committee amendment. As I understand, there is no amendment proposed to the committee amendment now. I offer an amendment to the committee amendment.

The PRESIDING OFFICER. The Senator from New Mexico offers an amendment to the committee amendment, which will be stated by the Secretary.

Mr. FALL. I may say, before the Secretary states it, that the amendment itself has been submitted to the chairman of the Committee on Military Affairs and to various members of the committee, and I understand there is no opposition to it from that source.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment.

The SECRETARY. On page 6, paragraph 7, line 14, it is proposed to strike out the period and insert a comma, and add the following words:

And such person shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws: *Provided*, That any requirements as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service.

The PRESIDING OFFICER. The question is on the amendment to the amendment.

Mr. REED. Mr. President, where does the Senator propose to have that inserted?

Mr. FALL. After line 14. I propose to strike out the period.

Mr. REED. At the end?

Mr. FALL. At the end of the body of the section, before the last two lines.

Mr. JONES of Washington. Mr. President, I should like to ask the Senator from New Mexico a question. I have just heard the amendment read. With the purpose of it I am in

hearty accord; but is there any way by which these soldiers could select or make a filing while they were in the Army?

Mr. FALL. There is no detail or regulation under which they shall act; but the amendment precedes the last two lines, and those two lines would be applicable to the entire section:

Rules and regulations for carrying out this provision shall be promulgated by the President.

Mr. JONES of Washington. The Senator thinks that, under that provision, regulations could be made under which a soldier in France, for instance, if he desired to do so, could initiate his entry here?

Mr. FALL. Undoubtedly; and for that reason, if the Senator will notice, there is a provision that the requirement as to establishment of residence shall not apply to the soldier making the entry until six months after his discharge.

Mr. WEEKS obtained the floor.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Colorado?

Mr. WEEKS. I yield.

Mr. SHAFROTH. I will suggest to the Senator that a bill has passed the Senate of the United States permitting those of the age of 18 years, and under 21, to make locations of homestead entry, and it is now pending in the House of Representatives. I have just heard this amendment read, without close scrutiny; and I will ask wherein the amendment which the Senator offers deviates from that bill, or how it will enlarge the rights which are given under it?

Mr. FALL. If the Senator can state to me the provisions of the bill to which he refers as having passed the Senate, I can then differentiate.

Mr. SHAFROTH. It simply provides that those under the age of 21 and as low as 18 years of age shall have the same rights of locating under the present law as those of the age of 21. It simply extends the right to those under 21 years and as low as 18 years of age. Does this amendment enlarge that, or what is the distinction that is made, I should like to ask?

Mr. FALL. This is a broad, general proposition as to mineral-entry laws, as to the homestead, desert, and any special entry thrown open under any special law. I think if the Senator will examine——

Mr. SHAFROTH. I will state that the bill which I refer to as having passed the Senate applies only to homesteads.

Mr. FALL. This applies to all mineral entries, all land entries. Further than that, the law now with reference to homestead entries requires that after an application is made, as the Senator of course is well aware, the entryman must establish residence within six months. A man drafted or in France in the service of his country could not establish a residence. This provision suspends that requirement as to him in reference to establishing a residence.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Montana?

Mr. WEEKS. I yield to the Senator.

Mr. WALSH. I wish to address a question to the Senator from New Mexico.

Mr. WEEKS. I yield for that purpose.

Mr. WALSH. My attention was attracted to the inquiry made by the Senator from Washington [Mr. JONES]. I suggest to the Senator from New Mexico that under the existing rules an application for a homestead entry must be verified within the land district in which the entry is made. I am apprehensive that that would exclude the right of the soldier overseas.

Mr. FALL. I think the suggestion which has been made would obviate the difficulty in the mind of the Senator. That is simply a rule or regulation; it is not the law, but a requirement.

Mr. WALSH. That is true.

Mr. FALL. In this bill the President is authorized to formulate such rules and regulations as will put the provision into effect. So undoubtedly he can suspend that rule or set it aside and create a new rule as to this particular class of entries.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Missouri?

Mr. WEEKS. I do.

Mr. REED. Would it not be agreeable to the Senator to offer his amendment as a separate amendment? I am for his amendment, but I do not want it to get mixed with this amendment, because it will go to conference, and I do not know what kind of opposition might arise. That is the only reason why I make the suggestion. I am perfectly agreeable to the amendment.

Mr. FALL. If I may trespass on the time of the Senator from Massachusetts to answer the suggestion, I have no objection to adopting the suggestion of the Senator. In that event it will be necessary, however, to change the wording of the other two lines on pages 15 and 16 and provide that rules and regulations for carrying out the above two provisions or the last above provision shall be promulgated by the President. I am perfectly willing to make a new section provided it is agreeable that we strike out, on line 15, the word "this" and insert the word "these."

Mr. WEEKS. It seems to me it would be desirable to make a separate proposition of that, and I hope the Senator will do so.

Mr. FALL. Then, Mr. President, I withdraw the amendment temporarily so that the section as it stands may be discussed.

The PRESIDING OFFICER. The Senator from New Mexico temporarily withdraws his amendment to the amendment, and the Senator from Massachusetts will proceed.

Mr. WEEKS. Mr. President, I have risen to address myself to the merits of the amendment which is now before the Senate. I regret that owing to the lateness of my train this morning I was unable to be present at the committee meeting to make known to the committee my objections to this paragraph.

I am, of course, desirous that every man shall receive a suitable education, but it seems to me that this proposition is unnecessarily and unwisely paternalistic. We are going to have at least 2,000,000 men in the service who would come under this provision. Many of them may never see the other side. Many of them may serve a very short time. Many of them may not desire what would be termed an education under this bill, and I do not know what an education means because it simply says education. It might be a technical education; it might be a literary education; it might be a commercial education. It might mean a man should be trained as a mechanic. It might mean almost anything under the terms of this proposed proposition.

Mr. POINDEXTER. Mr. President——

Mr. WEEKS. I yield to the Senator.

Mr. POINDEXTER. I should like to ask the Senator's opinion as to whether it means free tuition only or whether it means that the Government should furnish board and lodging for the students. There is nothing in the amendment which indicates which one or the other of those plans is intended to be provided for. The amendment could be construed to mean free tuition; there is no doubt about that; but I doubt very much whether that is the intention of the framers of the amendment. It looks to me as though it ought to be somewhat more definite than it is, and, furthermore, as to what kind of school the young man is to be sent to. I should like to get the Senator's view as to the effect of the amendment. There are many of these boys who have not the qualifications for entering a college. Does it mean that they shall be sent to college under those circumstances or not sent to college?

Mr. WEEKS. It is my purpose to discuss the matter to which the Senator's question leads. I do not know what it means. If it means tuition, that is one thing, of course, that would very greatly limit the expenditure, but educating a man means very much more than providing his tuition. It means providing for his board. It means providing for his clothing. It means providing for his transportation going from his home to the educational institution and innumerable other things, as every father knows.

Now, of these 2,000,000 men—if we may roughtly estimate that there will be 2,000,000—nine-tenths of them have reached a period in life where they have passed from the common school to what they intend to make their life work or to go to some higher institution of learning. Not more than one-tenth of those 2,000,000 men would go to a college or university if they did not go into the Army. What are you going to do with the other nine-tenths, or are you going to educate those million eight hundred thousand men in a way which they had not contemplated or perhaps do not desire?

Moreover these young men are coming back from the service self-reliant persons. They are going to be trained men. I do not place any reliance whatever upon the argument made by the Senator from Idaho [Mr. BORAH] on Saturday that their service in the Army is going to lessen the efficiency of those men. It is going to make better men of them. It is going to make more self-reliant men of them. It is going to make better trained men of them. If I had my choice as a business man I would give the greatest preference to the man who had had the training of this service in the war. It is going to be invaluable in that way.

I, Mr. President, would be in favor of anything that would really be of some benefit to any class of men if it did not reflect on some other class. We do not owe any more to the boys who are going into the service than to the men who are going into the service and leaving their families and leaving their business.

In fact, in my judgment they are better equipped for that service and will make better soldiers than the older men. If we are going to do things of this sort for men under 21 we should compensate in some way those men who are more than 21.

I do not believe there is any general demand for this. I do not believe the boys themselves if they had a vote on the subject would ask that they be compensated in any different way from those who are bearing the same burdens which they are bearing.

As I said in the beginning, I think this is unnecessary and unreasonable paternalism. Let us suppose we spend a thousand dollars on each one of these boys—on each one of those 2,000,000 boys—that is $2,000,000,000. Senators, we have got to stop and think pretty soon what we are doing with the money of the people of this country. We have got enormous bills to pay when this war is over. We can not in a haphazard, illogical, unthinking way go ahead and provide for the expenditure of billions of dollars without bringing down on ourselves condemnation, and just condemnation, from our constituents.

I want to have Congress think a little about the Treasury; I want it to think a little about the future; I want to consider about where we are going to get this money to pay these bills, and we are going to have enough of them without undertaking something which is unnecessary and which is illogical as well.

I hope the amendment will not be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. WEEKS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, S. Dak.	Penrose	Smoot
Baird	Jones, N. Mex.	Phelan	Sterling
Bankhead	Jones, Wash.	Pittman	Sutherland
Brandegee	Kellogg	Poindexter	Swanson
Chamberlain	Kendrick	Pomerene	Thomas
Colt	Kenyon	Ransdell	Townsend
Culberson	Lenroot	Reed	Trammell
Cummins	Lodge	Robinson	Underwood
Curtis	McCumber	Saulsbury	Vardaman
Dillingham	McKellar	Shafroth	Wadsworth
Fall	McNary	Sheppard	Walsh
Fernald	Martin	Sherman	Warren
France	Nelson	Shields	Watson
Frelinghuysen	New	Simmons	Weeks
Gerry	Norris	Smith, Ariz.	Wilfley
Gulon	Nugent	Smith, Ga.	Wolcott
Henderson	Overman	Smith, Md.	

The PRESIDING OFFICER. Sixty-seven Senators have answered to their names. A quorum of the Senate is present. The question is on agreeing to the amendment of the committee.

Mr. WEEKS. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TOWNSEND. Mr. President, I have not heard all that has been said in favor of this amendment—indeed, I have not had opportunity to study it—but from what I have heard briefly I take it that it provides that every soldier who shall have been accepted as a volunteer, or who has been drafted, may be educated at the expense of the Government after his return for a period equal to the time he served in the Army, not exceeding two years, and that regardless of whether the soldier is abundantly able to educate himself or not, if he sees fit to educate himself.

Mr. President, when the war is over the people of the United States will be called upon to meet the necessities of all the men and their dependents who served in the war as they should properly be met. They will be called upon to meet other now unknown great responsibilities. I think it is premature now for the Congress to enact such legislation as this, regardless of the conditions that may obtain later on. There is no one who doubts that this country is willing at all times to provide liberally and magnanimously for all the men and their dependents in case of need who offer themselves and whose services are accepted by the country at this time.

It seems to me, Mr. President, that we could well afford now to meet the necessities as they are presented to us. No one can yet foresee what this Government is going to be called upon to meet; what demands will arise. We are just now, and we will not be unjust either to our defenders or to the people in the future.

So, if I understand this correctly, and feeling, as I do, the greatest gratitude to the men who are offering to make the supreme sacrifice for our country, impressed as I am with that awful sacrifice, I still do not believe it is the part of wisdom on the part of Congress to take a step like this which it does not understand and which it can not properly understand until the war is over. If the exemption age in the draft is to be reduced to 18 years, I could look with greater favor upon the application of this amendment to men who enlist at the ages of 18, 19, and 20. But I feel that it is a mistake to take this action now.

Mr. REED. Mr. President, it seems to me that the objections raised to this amendment are altogether unsound. First, it is said it may apply to some soldiers who would not go to school if the Government does not furnish the educational facilities. That might be said of every public school in the United States, for a large per cent of the people would not be able to attend school if the States did not furnish free schools. I am astonished to find the Senator from Massachusetts [Mr. WEEKS] arguing that we are rushing into paternalism when we provide that the United States shall furnish an education free. I am more astonished when I reflect that the glory of Massachusetts is to-day and always has been that from the very first she established free public schools for her people. Nobody regards that paternalism. The Senator from Massachusetts can not mean to say that if the State furnishes a free education to the citizen the State is engaged in a policy of paternalism.

Mr. WEEKS. Will the Senator yield?

Mr. REED. I do.

Mr. WEEKS. I would like to call the attention of the Senator to this: Presumably every one of these young men has had the benefit of the public-school system, and the education he would receive thereafter would be in higher institutions of learning, for which the State of Massachusetts and, I think, other States do not make any provision, except those that have State universities.

Mr. REED. Mr. President, how does that alter the case? If it is paternalism to teach a boy geometry in a college, it is paternalism to teach him long division in a country school. The question whether free public schools are paternalistic or not does not depend on the degree or character of the education imparted; it depends upon the fact that the Government is furnishing opportunity of education to the citizen.

Mr. President, when Massachusetts started out with her wonderful plan of educating the youth I apprehend the education was quite limited. As the years have gone on she has extended the scope of her educational institutions until to-day, I doubt not, nearly every boy in Massachusetts has an opportunity to secure an education in a high school that is the equivalent of the best university education that could have been acquired in the country a hundred and fifty years ago.

The argument of the distinguished Senator is for once unsound. There is nothing paternalistic about the State educating the citizen.

As is well suggested by the distinguished Senator from Mississippi [Mr. VARDAMAN], the State does not educate the citizen for the benefit of the citizen. The State educates the citizen for the benefit of the State, realizing that a population of ignoramuses makes a State that is unsafe; particularly is this true if the State be a republic. A population of intelligent people makes a State that is safe. Education also multiplies and magnifies the power of every man who has had the benefit thereof.

Neither is there anything sound in the objection that somebody may want this education who has money and can afford to educate himself. To begin with, there are not many such people. In the second place, if there were, and if the Government actually did pay out some money to educate them, would the country be thereby a loser? Except for one thing I would be entirely willing to have the bill so amended that it would not apply to the rich, who can well afford to pay for an education.

I will, however, oppose such an amendment, because I do not propose to require the boys who have imperiled their lives upon the field of battle to make pauper affidavits in order to get an education. I do not want a line drawn between those who have little money and those who have much wealth. I do not want the benefits of this bill to be offered to the soldiers as a miserable dole that is to be granted on condition of impecuniosity, pleaded and proven. I do not want the boys from the Senator's splendid State who have gone to the war and who have lost the opportunity of completing their education put to the test of making an affidavit that they are paupers before they can have an opportunity under this bill to attend school. I would rather even pay for the education of a few chaps who can afford to pay their own way. If they are very wealthy we will probably get them by the income tax after the war is over anyhow, and make them contribute in that way.

There is another argument which I can not indorse. It is that when this war is over we will have many bills to pay. Mr. President, we will have many bills to pay; there will be a great burden upon the wealth and labor of the country; but are we going to begin our economies by denying the chance of an edu-

cation to the men who shall have saved the country and preserved Christian civilization? Are we going to put money in our purses by impoverishing the intellectual opportunity of the lads we are taking to-day in their teens and putting on the battle line?

You ask why this amendment should be restricted to these boys in their teens. I explained that an hour ago, but I am glad to repeat what I have already said. The man of 21 in nearly every instance has completed his education. The boy who is now 15 and 16 years of age will probably never have to go into the Army at all. We all hope so. Hence he will go on with his education without interruption. The men who will be taken from their schools and their opportunity of education at the very crucial and formative period of their lives and at the beginning of their career will be the lads of 18, 19, and 20 we are now drafting.

There will not be enough boys left in the universities of this country to count; there will be very great inroads made into the high schools of the country; there will be inroads made into the advanced country schools amongst the boys who have not had much chance to push along but who are still trying to finish their education. All that is proposed by the amendment is that the boy shall be given an opportunity to attend school for as long a period as he has served his country upon the bloody field of war, provided the period of such schooling shall not exceed two years. Yet, sir, when a question of that kind is presented men stand and count their sheckels.

I repeat what I said a few moments ago, every dollar invested in the brains of these boys is a dollar that will grow and that will repay the country a thousandfold.

Neither is there merit in the argument that we do not know to whom the law will apply and when it will apply. It is provided that these schools shall be "approved" schools. That, of course, means that the established and reputable schools of the country generally will be employed. The questions how will the kind of education be determined and how much will be allowed to be expended and all similar queries are answered by the clause which provides that—

Rules and regulations for carrying out this provision shall be promulgated by the President.

Are we afraid to trust him with it? There may be many criticisms upon Woodrow Wilson. It may be said that he is not a great warrior, for he has never studied the art of war, but, nevertheless, he is the Commander in Chief of the Army and Navy. It may be said that he does not know how to run the farms of the country, because he is not an agriculturist, and so on. But there is one thing that you can not say with truth about Woodrow Wilson, and that is that he does not understand questions of education and educational institutions.

In that he is an undoubted expert—one of the greatest in the world. If he shall be the President of the United States when this war is over, I think he will know how to make the simple rules and regulations to carry out the provisions of my amendment. If he is not then the President of the United States, I am sure we shall have somebody as President who will have sense enough and patriotism enough and decency enough to make proper rules under which these soldier boys can obtain an education in accordance with the spirit of this bill.

Mr. PHELAN. May I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from California?

Mr. REED. Certainly.

Mr. PHELAN. As a member of the Military Affairs Committee, what does the Senator understand education at the expense of the United States Government to include?

Mr. REED. Well, I will undertake to say that reasonable rules and regulations will be made, so that extravagance can not be indulged. It will naturally be provided, let me say, if it is a question of a college, that a boy shall be privileged to attend his State college or some certain kind of institution and that a stipend of a certain amount will be allowed him to cover the moderate expenses of school attendance.

Mr. PHELAN. Including expenses?

Mr. REED. Yes, sir; I think it would include that, for if it would not include that it would not be of any very great benefit. I really want these young men to come back and to go to school; I really want these boys who have had no chance of an education to obtain an education. I think if the Government expended four hundred or five hundred dollars a year apiece for a couple of years on these boys that they would go out into the country able to produce more of wealth for the rest of their lives and be of greater service to their country all the rest of their lives. Of course, reasonable rules and regulations in reference to the matter are to be made.

Mr. CUMMINS. I should like to ask the Senator from Missouri a question in regard to the interpretation of the amendment. The first few lines read:

7. Any person under the age of 21 who shall have been accepted as a volunteer or who shall have been drafted and served in the Army or Navy shall be entitled, at the conclusion of the present war, to receive an education at the expense of the United States Government at approved educational institutions.

I shall take the case of a young man of 19 who has entered the Army and served faithfully but who is more than 21 years of age when the war ends. As I read the amendment, he would not be entitled to any of the privileges of the amendment.

Mr. REED. That was not my intention, I will say to the Senator.

Mr. CUMMINS. I suggest that to the Senator from Missouri, because it would evidently create a discrimination which he did not intend and which would not be fair.

Mr. REED. Well, the Senator from Iowa possesses a very acute mind, and I have very seldom seen a bill drawn in which he could not discover some defect. I say this now with all respect and kindness.

Mr. CUMMINS. Does the Senator from Missouri want it to be right or wrong?

Mr. REED. I want it to be right, and I thank the Senator for his suggestion; but there was no intention or thought of the construction the Senator now has in mind. I am perfectly willing, if the Senator will suggest an amendment, to accept it.

Mr. CUMMINS. I am merely bringing the matter to the attention of the Senator from Missouri and asking him if the language does not bear that construction.

Mr. REED. I have not thought so; but I am willing to modify it by saying "at the time he entered the service and under the age of 21."

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Colorado?

Mr. REED. I yield.

Mr. THOMAS. I think there is a good deal of force in the suggestion of the Senator from Iowa [Mr. CUMMINS], but I confess I have not observed the phraseology to be susceptible of the construction to which he fears it may be subjected. I would suggest to the Senator from Missouri to strike out the words "under the age of 21," in the first line of the section, and then, after the word "Navy," in line 5, to insert "while under the age of 21," so that it will read.

Any person who shall have been accepted as a volunteer or who shall have been drafted and served in the Army or Navy while under the age of 21 shall be entitled—

And so forth.

Mr. REED. I am willing to accept that suggestion. It is entirely agreeable to me, and I am much obliged to the Senator from Iowa for thinking of it.

The PRESIDING OFFICER. The question is on the amendment to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is now on the committee amendment as amended, upon which the yeas and nays have been ordered. The Secretary will call the roll.

Mr. CURTIS (when his name was called). I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the junior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. STERLING (when his name was called). I have a general pair with the Senator from South Carolina [Mr. SMITH] and, therefore, withhold my vote.

Mr. UNDERWOOD (when his name was called). I transfer my pair with the junior Senator from Ohio [Mr. HARDING] to the senior Senator from Illinois [Mr. LEWIS] and vote "yea."

Mr. WEEKS (when his name was called). I transfer my general pair with the senior Senator from Kentucky [Mr. JAMES] to the senior Senator from West Virginia [Mr. GOFF] and vote "nay."

The roll call was concluded.

Mr. GERRY. I have a general pair with the junior Senator from New York [Mr. CALDER]. I transfer that pair to the junior Senator from Utah [Mr. KING] and vote "yea."

Mr. WALSH. My colleague [Mr. MYERS] is unavoidably absent. He is paired with the Senator from Connecticut [Mr. MCLEAN]. If present, my colleague would vote "yea."

Mr. PENROSE. I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. Not having been informed as to how that Senator would vote if present, I refrain from voting.

Mr. PHELAN. I wish to announce that the junior Senator from Kentucky [Mr. BECKHAM] is detained on official business.

Mr. CURTIS. I desire to announce the following pairs:

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS]; and

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH].

Mr. SHERMAN. I have a pair with the senior Senator from Kansas [Mr. THOMPSON], but this being a committee amendment, I feel at liberty to vote, and I vote "yea."

Mr. CHAMBERLAIN (after having voted in the affirmative). I am paired with the junior Senator from Pennsylvania [Mr. KNOX], but I inadvertently voted. I transfer that pair to the Senator from South Carolina [Mr. BENET] and will allow my vote to stand.

The result was announced—yeas 53, nays 13, as follows:

YEAS—53.

Ashurst	Henderson	Overman	Smith, Ariz.
Baird	Johnson, Cal.	Phelan	Smith, Ga.
Bankhead	Johnson, S. Dak.	Pittman	Smith, Mich.
Borah	Jones, N. Mex.	Poindexter	Sutherland
Chamberlain	Jones, Wash.	Pomerene	Trammell
Colt	Kendrick	Ransdell	Underwood
Cummins	Kenyon	Reed	Vardaman
Curtis	Kirby	Robinson	Walsh
Fall	Lenroot	Saulsbury	Watson
Fletcher	McKellar	Shafroth	Willey
Gerry	McNary	Sheppard	Wolcott
Gore	New	Sherman	
Guion	Norris	Shields	
Hale	Nugent	Simmons	

NAYS—13.

Brandegee	Lodge	Thomas	Weeks
France	McCumber	Townsend	
Frelinghuysen	Nelson	Wadsworth	
Kellogg	Smoot	Warren	

NOT VOTING—29.

Beckham	Harding	Lewis	Smith, S. C.
Benet	Hardwick	McLane	Sterling
Calder	Hitchcock	Martin	Swanson
Culberson	Hollis	Myers	Thompson
Dillingham	James	Owen	Williams
Fernald	King	Page	
Goff	Knox	Penrose	
Gronna	La Follette	Smith, Mich.	

So the committee amendment as amended was agreed to.

Mr. CHAMBERLAIN obtained the floor.

Mr. THOMAS. Mr. President, I suggest to the Senator from Oregon that the word "privilege," in section 7, page 6, line 11, is misspelled, and should be corrected. The letter "d" should be eliminated from the word as there printed.

Mr. CHAMBERLAIN. There is no objection to that amendment, Mr. President.

The PRESIDING OFFICER. In the absence of objection, the amendment is agreed to.

Mr. CHAMBERLAIN. Mr. President, at this stage of the discussion I desire to say that this morning at 10 o'clock the Military Affairs Committee secured a print of House bill 12731, known as the man-power bill, as it passed the other House, immediately took it up for consideration and had it printed, after having agreed upon the report which should be made to the Senate. I now report the bill to the Senate with an amendment.

The PRESIDING OFFICER. Is there objection to receiving the report from the Committee on Military Affairs now made by the Senator from Oregon? There being no objection, the Secretary will report the bill by title.

The SECRETARY. On behalf of the Committee on Military Affairs, Mr. CHAMBERLAIN reports the bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, with an amendment in the nature of a substitute.

Mr. CHAMBERLAIN. Mr. President——

Mr. CUMMINS. I rise to ask the Senator from Oregon whether he now proposes to proceed with the consideration of the House bill or to continue with the bill under consideration?

Mr. CHAMBERLAIN. I am going to ask that the House bill as reported be substituted for the Senate bill which we have been discussing. The amendments which we have been discussing this morning to Senate bill 4856 are contained in House bill 12731 as now reported to the Senate, so that the discussion has not been in vain. Mr. President, I think the proper proceeding would be to substitute the bill just reported for the Senate bill on the calendar, so that we may proceed to discuss the House bill as it has been reported.

The PRESIDING OFFICER. Does the Senator from Oregon make that motion?

Mr. CHAMBERLAIN. Yes, sir.

The PRESIDING OFFICER. The Senator from Oregon moves that the Senate proceed to the consideration of House bill 12731.

Mr. NORRIS. Mr. President, let me suggest to the Senator that he ask unanimous consent to do that. A motion would probably make the pending bill the unfinished business.

Mr. CHAMBERLAIN. Very well; I ask unanimous consent that the House bill be substituted for the Senate bill.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent that House bill 12731 be substituted for the pending unfinished business.

Mr. NORRIS. Oh, no.

Mr. CUMMINS. I do not think the Senator from Oregon asked that it be substituted for the unfinished business.

Mr. SMITH of Georgia. As I understand, the Senator from Oregon asked that we now proceed to the consideration of the House bill instead of the Senate bill, not that we commit ourselves to the exact form of the substitute.

Mr. NORRIS. That is all he asked.

Mr. CHAMBERLAIN. That is all I ask.

Mr. NORRIS. The pending measure is not the unfinished business, as I understand. The unfinished business has been temporarily laid aside.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

Mr. BRANDEGEE. Mr. President, will the Senator from Oregon inform me if I correctly understand the situation? Does the House bill which he has asked be substituted for the Senate bill, and which he has just reported from his committee with certain amendments, conform to the action of the Senate up to this time?

Mr. CHAMBERLAIN. Yes, sir; in the main.

Mr. BRANDEGEE. Then I have no objection.

Mr. CHAMBERLAIN. Every provision that we have discussed in the Senate bill is included substantially in the House bill.

Mr. BRANDEGEE. The action of the Senate upon the various amendments is incorporated in the House bill?

Mr. CHAMBERLAIN. Yes, sir.

Mr. BRANDEGEE. Then I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon?

Mr. CUMMINS. I have no objection.

The PRESIDING OFFICER. There being no objection, that order will be entered.

Mr. CUMMINS. Mr. President, I desire to offer an amendment——

Mr. CHAMBERLAIN. May I say that the House bill has been printed with the amendments which the committee made to it and is ready to be placed on the desks of Senators. There is one amendment in the bill known as the "work or fight" provision which was not included in the House bill, but which the Senate committee has put in the bill now by way of amendment. No discussion has been had on that, and I presume the Senator from Iowa intends now to propose an amendment to it. There was one other amendment put on the bill by the Senate committee which is not in the Senate bill, I will say to the Senator from Connecticut. I refer to an amendment in regard to the purchase, at cost, of uniforms for officers in the Army.

Mr. SMITH of Georgia. Mr. President, I have a copy of that amendment.

The PRESIDING OFFICER. If the Senator will pardon the Chair, the Senator from Iowa obtained the floor.

Mr. CUMMINS. I rose to offer an amendment.

Mr. SMITH of Georgia. I will ask the Senator to allow us to perfect the bill as reported. There has been an amendment left out. Will the Senator yield to me for just a moment?

Mr. CUMMINS. I yield.

Mr. SMITH of Georgia. Mr. President, as the Senator from Oregon has stated, one additional amendment was adopted by the Committee on Military Affairs which is not in the bill as printed, the amendment having been lost before the bill went to the printer or having been lost on the way to the printer. I hold it in my hand, and I wish to send it to the Secretary's desk to be read. It is known as the Jones amendment to the last Army appropriation bill. I offered it in the Committee on Military Affairs, and I wish to say that I took it from the appropriation bill as it was adopted by the Senate. It was placed in the appropriation bill on the motion of the Senator from Washington [Mr. JONES]; and I wish to give him full credit for having presented it at that time. I presented it to the Committee on Military Affairs; it was unanimously approved by the Committee on Military Affairs and is a part of this report, although, as stated by the chairman, not in the printed bill. I will be glad to have it read and added as a part of the report of the committee.

The PRESIDING OFFICER. The Secretary will read the proposed amendment.

The SECRETARY. At the bottom of page 12 it is proposed to insert a new paragraph as follows:

All uniforms, accouterments, and equipment required for any officer of the military or naval forces of the United States shall be furnished and issued to such officers by the Government at cost price, under regulations to be prescribed by the Secretary of War and the Secretary of the Navy, and the same shall be similar in quality and price for all officers of the same rank.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Washington?

Mr. CUMMINS. I yield.

Mr. JONES of Washington. I simply wish to say that I am glad the committee has acted as a committee on this proposition. It has passed the Senate three times, and we have never yet been able to have presented to the Senate any good reason why it should not be made a law.

I merely wish to add that it was brought out some little time ago, in fact, I had it printed in the RECORD myself, that an order had been issued by the War Department with reference to furnishing clothing for the making of uniforms for officers in the various training camps. I do not doubt that that order has been issued, but apparently it has not been made known in the different camps. I saw a young officer in the city a few days ago who had recently obtained a commission and purchased a uniform. I took the liberty of asking him if he got it under the order of the War Department to which I have referred, but he knew nothing of the order, had not heard anything about it, and had purchased his uniform at a private establishment, having to pay over $80 for just a coat and two pairs of trousers. This shows, Mr. President, that we need some legislative action along this line, and I am very glad that the committee has acted as a committee upon the amendment.

Mr. SMITH of Georgia. Mr. President, will the Senator from Iowa yield to me for a few moments to supplement what has been said by the Senator from Washington [Mr. JONES]?

Mr. CUMMINS. I yield.

Mr. SMITH of Georgia. The Government commandeers a large part of the goods of character needed for officers' equipment, which clearly interferes with the private sale of such goods. The work of the Government could well be extended a little further to provide for the officers. I know that the present system works a great hardship on officers. I know that the prices they pay are 50 per cent more than they should be required to pay, and that retail merchants in the neighborhood of camps have found it extremely difficult to get the goods at all.

I am but just back from a camp in which there are 40,000 men, and while I was there several young privates from the Western States who had gone into officers' training schools successfully completed their course and obtained commissions as second lieutenants. A number of them had nothing with which to purchase their uniforms, and were scarcely able to buy the equipment. One young man from a Western State, just a little past 21, had no one on whom to draw to make the purchase, and he finally paid half price for the private's suit he had worn, went to town and had an officer's stripes put on his private's suit. That was the only way he could equip himself with an officer's uniform. I am sure he will make no less efficient officer because his suit was worn and plain.

How fair it would be for the Government to keep these suits on hand for the officers, especially the young officers, and, under proper regulations, to furnish them at cost and allow the young man without funds one or two months in which to pay for his equipment. It has been a hardship upon many of the young men heretofore, and it is perhaps even a greater hardship now.

The reasons are so conclusive, it seems to me, in favor of the adoption of such a provision that I can not understand where objection can come from. Our committee asked Gen. March, our very able Chief of Staff, what his views were upon the subject. He expressed himself warmly in favor of the Government furnishing at cost uniforms to officers, and also in favor of a uniform uniform for officers of each grade. I thank the Senator from Iowa for yielding to me, and hope the amendment will become a law as part of this bill.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Georgia to the amendment reported by the committee.

Mr. CUMMINS. I offer the following amendment and suggest to the Secretary that it is to be inserted, if adopted, after the word "draft," in line 12, on page 8 of the bill now under consideration.

Mr. JONES of Washington. Mr. President, a parliamentary inquiry. What became of the amendment which was offered by the Senator from Georgia?

The PRESIDING OFFICER. The Senator from Iowa had the floor and resumed the discussion, so the Chair did not complete putting the question on the amendment of the Senator from Georgia, because it was evident that the Senator from Iowa had claimed the floor to resume his discussion.

Mr. CUMMINS. Mr. President, if there is any way by which that amendment can be disposed of, I am entirely willing that it shall be done.

Mr. JONES of Washington. As I understand, the Senator from Iowa is willing to have the amendment voted on.

The PRESIDING OFFICER. If the Senator from Iowa will permit, the Chair will put the question on the amendment suggested by the Senator from Georgia. The question is on agreeing to that amendment to the amendment reported by the committee.

Mr. BRANDEGEE. Mr. President, before that amendment is finally acted upon, if I can have the attention of the Senator from Georgia, I wish to ask him a question. The amendment offered by the Senator from Georgia, as I recall its wording, applies simply to the Army and the Navy. The question has once before been raised here as to whether the Marine Corps should be specified. It has been stated that the word "Navy" includes the Marine Corps, and I myself had supposed that to be the case, but I do not think there ought to be any doubt about it. I notice on page 3 of the new print of the House bill, in line 13, are found the words "officers and enlisted men of the Navy and Marine Corps." I think there should be uniformity as to those terms of the bill, because an inference might be drawn adverse to the Marine Corps, which is just as much entitled to consideration as the Navy proper, if that be an appropriate expression. I do not ask for any action upon the suggestion now, but I want to call it to the attention of the Senator from Georgia, so that later on in the day he may perfect the amendment in detail.

Mr. SMITH of Georgia. My understanding has always been that the term "Navy" includes the Marine Corps. If it does not, we ought to add the specific words.

Mr. BRANDEGEE. Mr. President, I agree entirely with the Senator; and if it does, then we should strike out the words "and Marine Corps," in line 13, page 9.

Mr. POMERENE. Mr. President——

Mr. CUMMINS. Mr. President, I do not yield to this general discussion of the Marine Corps.

Mr. BRANDEGEE. I beg pardon, Mr. President. The Presiding Officer had put the question on agreeing to the amendment. I was speaking on that amendment before it was finally decided.

The PRESIDING OFFICER. The question is on the amendment to the committee amendment presented by the Senator from Georgia.

Mr. BRANDEGEE. I ask that that be reserved for the present.

Mr. CUMMINS. I am perfectly willing that the words "and Marine Corps" shall be put in the amendment, and that it shall be considered as adopted.

Mr. POINDEXTER and Mr. POMERENE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. CUMMINS. Who desires me to yield?

Mr. POINDEXTER. I just wanted to ask a question of the Senator from Georgia.

Mr. CUMMINS. I yield to the Senator.

Mr. POINDEXTER. I understood he was inquiring whether or not the word "Navy" includes the Marine Corps. Was that the question?

Mr. SMITH of Georgia. That was the question.

Mr. POINDEXTER. There is not any question about that. The Navy does include the Marine Corps. The Marine Corps is a part of the Naval Establishment.

Mr. BRANDEGEE. Then why should there be special mention of the words "Marine Corps," as there is on page 9?

Mr. POINDEXTER. There is no need of it.

The PRESIDING OFFICER. The question is on the amendment to the committee amendment as proposed by the Senator from Georgia.

The amendment to the amendment was agreed to.

Mr. CUMMINS. Mr. President, I now ask for the reading of the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 8, line 12, after the word "draft," it is proposed to insert the following:

This proviso shall not apply in the case of a strike if the strikers are willing to submit the dispute to the decision of the War Labor Board and agree to abide by the decision and do abide by it.

Mr. CUMMINS. Mr. President, I have thought that I would take advantage of this opportunity to express some views I have not alone upon the immediate subject but to other kindred subjects involved in the bill.

The proviso to which this is a proposed amendment is as follows:

Provided, That when any person shall have been placed in a deferred or exempted class for any of the reasons in this paragraph set forth, he shall not be entitled to remain therein unless he shall in good faith continue, while physically able so to do, to work at and follow such occupation, employment, or business, and if he fails so to do he shall again become subject to the draft.

The amendment that I have proposed declares that this proviso shall not apply in the case of a strike if the strikers are willing to submit the dispute to the War Labor Board and agree to abide by its decision, and do abide by it.

Mr. NELSON. Mr. President, will the Senator allow me to make a suggestion in that connection?

Mr. CUMMINS. Certainly.

Mr. NELSON. It is not enough that they do all those things unless at that time they stop the strike. That is not included in the Senator's amendment.

Mr. CUMMINS. I intended it to be included, and I shall be very glad if anyone will prepare such a change in the amendment as will conclusively reach that point. I supposed that was embraced in the thought of my amendment.

In discussing this amendment I ought also to consider another which I shall propose to the same proviso. I can consider them together, I think, very much better than separately.

The proviso which is ordinarily known as the Thomas amendment says that the classified person shall lose his deferred classification or exemption "unless he shall in good faith continue, while physically able so to do, to work at and follow such occupation, employment, or business." I shall propose to add after the word "business" the words "or some other productive occupation, employment, or business deemed necessary hereunder."

Mr. President, this amendment, together with the provision to which I seek to attach it, raises, as I believe, altogether the most important question involved in this bill aside from the enlargement of the draft age. In order to fully understand my view with regard to the subject I must be permitted to read another amendment which I intend to offer at the proper time, as follows:

The regulations relating to classification and exemption shall be so framed that there shall at all times be in civil employment a number of persons sufficient to produce enough to maintain, equip, and transport our military forces, support our civil population, and furnish to the countries cooperating with us in the war the supplies which their necessities demand; and all said regulations shall enforce, in so far as practicable, the duty of every qualified citizen either to labor in a useful way or to bear arms in the defense of his country.

The proposed amendments will, I think, disclose rather accurately and somewhat comprehensively the view I entertain with regard to the duty of this Government and its citizens at the present time. While I hope that the bill before us may be amended in some respects, I intend to vote for it, amended or unamended. I know, and have known for months—and I think that every intelligent person has known for months—that we must enlarge the draft age. We must bring within the control of the Government a greater number of the citizens of the United States from which selections can be made. I am one of those who believe, and believe firmly, that this war, before it reaches the only conclusion which will satisfy the intelligence and the patriotism of the United States and of the civilized world will require all our man power. Three months ago I had the honor to stand here and declare as my opinion that it was the duty of every able-bodied citizen of the United States either to work for his country or to fight in her defense. Time has simply strengthened the conviction I then held that the vast undertaking which we have assumed will involve and will require all our man power, either in civil or in military service.

I thought this ought to have been done a month and a half ago, and I did what little I could do, by way of amendments to the military bill, to bring about that result. It was not done. There was no reason for deferring it. There is nothing in this bill that was not fairly embraced in either the amendment proposed by the Senator from New Mexico [Mr. FALL] or the amendments which I suggested. I do not accept the explanation of the War Department or the administration as a sufficient reason for then opposing the adoption of those amendments; and when I propose a modification of the amendment suggested by the Senator from Colorado [Mr. THOMAS], and to which his name has been very properly attached, I want it distinctly understood that I am not seeking to destroy its efficiency.

I am not seeking to impair its strength. I am only seeking to do what I regard as justice between the Government and the men who may be affected by it, for I reiterate that I think that every able-bodied man in our whole country must either work for his country—not work blindly, not at unnecessary occupations, not merely according to his convenience or according to his pleasure, but usefully and productively—or, if he is not found ready and willing to engage in and continue such employment, he has no title to ask the Government of this country to exempt him from military service if he is physically and mentally fit for that service; and it is no discrimination against him to say: "Finding you in an employment that is neither necessary nor useful, or finding you idle, we ask you, and will require you, to bear arms for the country."

The difficulty, however, as I conceive it, with the amendment as it is reported by the committee is this: In the first place, if the person classified shall change his occupation, even though he is employed in just as useful and just as necessary a business or service, he loses his exemption or his deferred classification. I am sure that was not the intent of the Senator from Colorado or of the committee, and I can not but believe that they will on reflection accept the amendment which I have read, but which is not now pending, and which will continue the status of the man in the deferred classes if, in changing his employment, he has occupied himself in just as necessary and just as useful a business.

Mr. FALL. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from New Mexico?

Mr. CUMMINS. I do.

Mr. FALL. If it will not embarrass the Senator in the line of his argument, I should like to call his attention to the fact and have his opinion upon the proposition that this so-called "work-or-fight" amendment does not pretend to apply to any of those persons within the draft except a certain classification. In other words, county and municipal officials, customhouse clerks, persons employed by the United States in the transmission of the mail, artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate, pilots and mariners actually employed in the sea service of any citizen or merchant within the United States are not covered by this proposition at all.

Mr. THOMAS. Mr. President, if the Senator from Iowa will permit me, the chairman of the committee has just called my attention to that defect in the pending amendment. I think it can be covered by substituting for the word "paragraph," in line 7 on page 8, the word "section."

Mr. FALL. If the Senator will permit me, that correction would not meet the objection, because you specifically confine your amendment to persons engaged in industries, occupations, or employments, including agriculture, found to be necessary. That is one of the classifications, and it occurs about the middle of the paragraph shown on page 4 of the original act.

Mr. THOMAS. Yes; I have the act here.

Mr. FALL. If the Senator will examine it, he will find that so long as he retains the wording of the amendment as contained in the committee report——

Mr. THOMAS. But section 2 begins with the recital "that the provision wherever occurring in section 4 of said act * * * is amended to read as follows." Then the amendment provides that whenever a person shall have been placed in the deferred or exempted class "for any of the reasons in this paragraph set forth, he shall not be entitled to remain therein unless," and so forth. Now, if the word "section" be substituted for the word "paragraph," I think it will cover the matter.

Mr. FALL. I think the Senator will find another actual practice to exist. I am trespassing upon the time of the Senator from Iowa—but, under the practice, certain classifications here are treated practically as being exempt, and not simply in deferred classes.

Mr. CUMMINS. Mr. President, I have looked upon this proviso or suggestion as one referring entirely to a registered man who claims an exemption or claims deferment by reason of his employment, or the industry in which he is engaged. If that is not the proper interpretation of it, then it will fail, of course, of its purpose; but I have thought that that is the proper interpretation of it. However that may be, Mr. President, I am treating it and I am offering this amendment upon the basis that we are about to say to the country that if a drafted man claims an exemption on account of the character of the labor in which he is engaged, its usefulness or its necessity,

and if he ceases that labor at any time, no matter if his cessation be of the briefest character, he loses that classification and becomes subject to the draft—that is, becomes subject to call among those who are first to be called into the military service.

Mr. JONES of Washington. Mr. President——

Mr. CUMMINS. I yield.

Mr. JONES of Washington. The Senator may have already pointed out what I am going to ask about. I was called out of the Chamber. Does his amendment or the amendment proposed by the committee add anything to the law as it now is, which reads as follows:

No exemption or exclusion shall continue when a cause therefore no longer exists?

It seems to me that when a man who has been exempt quits work his cause for exemption ceases.

Mr. CUMMINS. The answer to that question is found in the construction of the law as it was given to the committee by either Gen. Crowder or Gen. March.

Mr. THOMAS. By the Secretary of War.

Mr. CUMMINS. Or by the Secretary of War; I do not remember which one of them gave it. They do not apply that part of the law to unions in a concerted strike or a proposed strike at all.

Mr. JONES of Washington. How do they distinguish a man who quits work as one of a body of men from one who quits work individually?

Mr. THOMAS. Mr. President, will the Senator permit me?

Mr. CUMMINS. I am not able to answer that question. I agree that under the law as it is the President has ample, full authority to accomplish the purpose which this amendment has in view; but he may or may not accomplish it, according to his discretion. The adoption of this amendment compels what otherwise would be an optionary upon the part of the administration.

Mr. FLETCHER. Mr. President, will the Senator allow me?

Mr. CUMMINS. Certainly.

Mr. FLETCHER. This amendment uses the word "shall," making it obligatory upon the President to make regulations. It provides that he shall make regulations to carry this provision into effect; but regulations have already been made to carry into effect the present law, and it is being carried into effect. The only difference, it seems to me, would be that as it is at present administered it is applied to individuals; each individual case is dealt with in accordance with its own merits. It does not seem to be applied to a collective body, which may involve a large number of men; but there is no reason why it should not be applied in that case, because they could deal with the men as individuals in the same way that they deal now with the individual instances.

Mr. CUMMINS. The Senator from Florida is undoubtedly right, so far as the view which has been taken of the former statute by the administration is concerned, but with the merit of that proposition, I have nothing to do at the present time. I am rising to propose and to explain and to advocate an amendment to it so that what might be called the withdrawal of discretion from the administration that is here proposed can not be used unfairly and unnecessarily to the injury of the men who are to be affected by it.

Mr. FALL. Mr. President——

Mr. CUMMINS. I yield.

Mr. FALL. Let me ask the Senator whether it is a matter of discretion at all. Where is the discretion given under the sentence read by the Senator from Washington? Is it not only the answer of the Secretary of War which the Senator from Iowa has just explained to us? It is not a question of discretion in him; it is simply a question of the executive officer charged with the enforcing of the law refusing to enforce it except in a certain way—not a discretionary question of construction of the statutes, but simply that he will not enforce it against certain people when he would enforce it against others.

Mr. CUMMINS. Mr. President, the action of the interpreter of the statute, if he be an executive who is to enforce the statute, is final; and if he says that he will not enforce the law under certain conditions, or will not apply the law to certain conditions, that is an end of the matter, and the legislative branch of the Government can not correct it.

Mr. FALL. But, Mr. President, I do not understand that an executive officer of the Government is charged with the interpretation of the clear terms of a statute when his interpretation means his refusal to enforce the directory provision or command in the statute. The present statute provides:

No exemption or exclusion shall continue when a cause therefor no longer exists.

That leaves no discretion in the Secretary of War to refuse to inforce it against organized labor. His refusal is purely arbitrary.

Mr. CUMMINS. Mr. President, I am not quite prepared to admit the broad statement just made by the Senator from New Mexico.

Mr. FALL. Of course that is my own statement.

Mr. CUMMINS. Possibly, I might approach that view, but I do not admit it in its fullness, for this reason: As I understand it, the Secretary of War or the administration is enforcing this rule against individuals, and what is desired is to enforce it against collective bodies of men who, for either a good reason or a poor reason, are about to strike or who have ceased employment in a certain way. The Secretary of War—and I am not at all prepared to say that there is not some foundation for his interpretation—reaches the conclusion that if these men have ceased employment for the purpose of securing fair and reasonable conditions under which to labor they will not during the period of their idleness, if you please, lose their deferred classification. I assume that this construction is induced by the thought that very soon there will be an inquiry into the causes of the controversy and that, as a body, they will again resume the work in which they have been engaged.

Now, I do not want to complicate or involve the merits of the amendment which I have proposed by any reflection or criticism upon the Secretary of War or upon the manner in which the law is being executed. I want the amendment I have offered to stand out free from any conflict with the present practice of the Government and to be judged upon its merits.

I repeat, I am not undertaking to present the merits or the demerits of the amendment recommended by the committee. It will be time enough for the Members of the Senate to consider that subject in its broad and comprehensive aspects after they have reached a decision with regard to the amendment which I propose.

I will state the difficulty with the amendment from my standpoint. I can not, of course, believe that the fear that I entertain has been present in the mind of the author of the amendment or of the committee, for if it had been I can not doubt that they would have guarded against the contingency just as I am trying to guard against it in the proposal I have made.

Mark you, here is a body of men who are not satisfied with the conditions under which they labor, a body of men who believe that they are not receiving the consideration from their employers which they ought to have. Their complaint may be one of conditions or it may be one of compensation; it matters not to me which it is. Under the amendment proposed these men must either abandon that employment and seek useful and necessary employment elsewhere or they must lose the privilege of being attached to a preferred or a deferred class. The very moment that these men cease to labor under a concerted arrangement, that moment they lose the advantage which the whole country supposed it was receiving, and the men as well, without hope of restoration. It is altogether too severe a penalty.

Do not forget I start out with the thought and the determined conviction that every man in the United States must either work, and not only work but he must work in a useful and productive way, a way that will help to maintain the war, or he must be ready to respond to the call of the Government for service in our military forces. I agree to that, and there is no man in the Senate who will enforce it more rigidly and who will advocate it more earnestly than I. But returning to the case I suggested a moment ago, a body of men, if this amendment passes, feel that their employer is enforcing harsh and rigorous and unfair and unjust conditions upon them. The employer knows when this amendment passes that when a protest among the employees reaches the point of a strike the employees will be confronted with the alternative of entering the military service. Of employers, some are good and others are bad; some are fair and others are unfair; some are decent and others are indecent, and this gives to every employer the opportunity to say to his men that you must either submit to my will with regard to the conditions of labor or with respect to the compensation for labor or you must enter the Army of the United States.

I want the Government to exercise this power of presenting alternatives. I am unwilling that selfishness, whether represented by the employer or the employee, shall exercise the alternative of civil employment or military service. It is contrary to our fundamental notions in the exercise of power to transfer this authority to any body of men, whether they be employers or employees.

So I have offered the amendment which has already been read. It is, and I think I can repeat it literally—this proviso—that is, the proviso which has been offered by the committee—shall not

apply in the case of a strike if the strikers are willing to submit the dispute, whatever the dispute may be, to the War Labor Board, a board organized for the very purpose of investigating and determining disputes between employer and the employee during the period of the war.

But I am bound to say that at the present time it is not compulsory with anybody, employer or employee, to submit disputes to the War Labor Board, neither is it required of either side in the controversy to abide by the decision if the case is submitted and the decision made. It has nothing more than a moral jurisdiction. It has nothing more to sustain its findings and to enforce them than the general opinion of the community impressing itself upon those who are directly interested in the matter.

I want these men to continue at work unless they are transferred or called into some other field of labor; but it is not right, it is unfair, to say that if they quit work—and I am perfectly willing to say that they shall not quit work pending the submission to the War Labor Board—if they quit work, being willing to submit their dispute to the War Labor Board and being willing to abide by the decision of the board, that their deferred classification shall be affected.

I am not intruding or trespassing upon the ground which originally classified men. I am not satisfied at all with the classification of the men of this country, those who have been registered, and I intend to address the Senate upon that subject a little later in the consideration of this bill. I think it is all wrong, and necessarily wrong, because the administration, or Gen. Crowder, or whoever is responsible for it, did not anticipate and could not have anticipated the necessity for any such number of men in the field or in France or abroad as are now required. If Congress permits this bill to be passed without some direction for a reclassification based upon the necessity for six millions, instead of upon the necessity for a million and a half, it will neglect one of the most important duties confronting it, and it will, as I think, in, I will not say, a cowardly way, but in an indifferent way, have transferred the power to the administration which the Constitution requires shall be performed by Congress and which can not be performed by any other body of men so efficiently and so wisely as the men who are gathered together here, representing all the people of the United States. But that is entirely a different matter. I am now discussing simply the advisability of putting into the amendment proposed by the committee a fair and reasonable safeguard against an abuse of power which may well be anticipated.

The Senator from Colorado [Mr. THOMAS], I think, in a colloquy with me on Saturday, or possibly the day before, suggested, and ordinarily there would be a vast amount of weight in the suggestion, that if in these days, when the demand for labor is so great that no one need be idle unless he desired to be, the protection I offered was hardly necessary. I think he fails to give due consideration to the difficulties in the transition from one employment to another. In nearly every great enterprise the men become skilled and efficient in the work of that enterprise, and it is nearly impossible for them to remove to some other community and enter some other employment. That ought not to be required. Efficiency forbids it. Our own regard for the necessity of doing things quickly and doing them greatly ought to preclude any such thought.

Mr. President, I do not know what the fate of the amendment proposed by the committee, of which the Senator from Colorado is the author, will be in the Senate. I know what it has been in the House, or I know what the fate of an amendment that bore some semblance, at least, to the proviso we are now considering was in the House, but if I gather the sentiment here with any accuracy at all, it will be necessary to modify it in some such way as I have proposed to give it any reasonable chance for adoption. I may be all wrong about it, but I hope the Senator from Colorado as well as every other member of the committee will look at the matter considerately. I want to help him crystallize something in the law that will enforce the maxim of "work or fight." I know that in order to do it we must be just and fair and give every man the privilege which justice demands.

Mr. CHAMBERLAIN. Mr. President——

Mr. CUMMINS. I yield to the Senator from Oregon.

Mr. CHAMBERLAIN. The Senator from New Mexico [Mr. FALL] has called my attention to the paragraph where, in my opinion, it ought to be broadened at least so as not to confine it to those engaged in industrial work. The committee intended to cover everybody who was exempted for any reason, and I think it ought to be broadened so as to do that. But, assuming that the Senator's position is correct and the men are willing to abide the decision of the board, how long will it take to get a decision of the board? In other words, may not the men who have left their employment, under the terms of which they were exempted, stay out for a month or six months or a year, or no matter how long, to await a decision of the board?

Mr. CUMMINS. I think not. It may be that the amendment I have proposed ought to be changed slightly, although it seems to me that it is broad enough to cover the thought as it is. I do not want these men to quit work while the controversy is under investigation and before decision by the War Labor Board. I do not think they ought to quit work. I do not think the labor unions do quit work under those circumstances. If the Senator from Oregon can suggest any phraseology that will make that perfectly clear, I would be glad to accept it. All I want to prevent is handing over to the great corporations of the United States, the large employers of labor, a weapon which will enable them to strike down these workingmen without any relief whatsoever.

Give them a chance to submit their disputes to the Government and if they are not willing to abide by that decision then their immunity ought to be withdrawn or their exemptions should be withdrawn; but what if the employer does not submit the controversy to the United States, are you proposing to do anything with him? No; he goes free; he suffers no penalty. His position, with regard to the draft, is not changed in any fashion. Why do you not propose that if the employer tries to enforce unfair conditions upon his workingmen his taxes shall be doubled? In that way we might add something to our Treasury and furnish a very effective weapon to bring about justice.

Mr. CHAMBERLAIN. May I interrupt the Senator again?

Mr. CUMMINS. Certainly.

Mr. CHAMBERLAIN. Would not the power vested in the President to adopt rules and regulations for the enforcement of the statute enable him to do something with the employer as well as the statute enables him to deal with the employee?

Mr. CUMMINS. As said by the Senator from New Mexico [Mr. FALL], he has that power now. I think he can exercise every power that the committee is seeking to bring into existence without one word of additional legislation. What the committee has proposed is a limitation upon the power of the President, not an extension of his power, and when you come to limit the power of the President and remove his discretion I want it done in a way that will enable the interpreters and the administrators of the law to render justice between man and man.

I never would have proposed any amendment of this sort, because I know that the President has the power to enforce the work-or-fight maxim, but the committee proposes to take away or to restrict that discretion and to exercise it for itself. When Congress comes to exercise it, I want to see it exercised fairly and intelligently.

Mr. McKELLAR. If the Senator will yield——

Mr. CUMMINS. I yield.

Mr. McKELLAR. The committee report undertakes to limit it, so far as the employees are concerned, but does not include the employers.

Mr. CUMMINS. Precisely.

Mr. McKELLAR. And that is the objection to it?

Mr. CUMMINS. Precisely.

Mr. McKELLAR. If we are going to deal with the employee, if we are going to restrict the President's control over him so far as the employee is concerned, then it seems to me it is manifestly the fair thing to do to adopt rules and regulations or direct by law the President to adopt rules and regulations as to the employer also. We ought not to deal with one side without dealing with the other. We ought to regulate both employer and employee if we regulate at all. I agree with what the Senator is saying entirely.

Mr. CUMMINS. Mr. President, I have attempted to lay before the Senate the reasons which moved me to offer this amendment. I do not know whether any part of the subject will receive the approval of the Senate or not, as I suggested a moment ago, but I am very sure that if we undertake to confine or prescribe the discretion of the President or the administration we ought to attach to the provision offered by the Senator from Colorado the limitations which I have proposed in my amendment.

Mr. McKELLAR. If the Senator will permit me again, I will say to him that I am opposed absolutely to what is commonly known as the Thomas amendment as reported by the committee. I do not think that there is any necessity for it. There are no labor conditions in this country demanding it. I think the law now in force is ample and sufficient to cover the

matter and that it is not necessary to have this additional legislation. I am opposed to the entire amendment, and I hope it will not be necessary to even modify it.

Mr. THOMAS. Mr. President, I have taken occasion to acquaint the Senate with the reasons which actuated me in offering the pending amendment to the consideration of the Military Affairs Committee, and I had not expected to impose upon the patience of my colleagues by making any further statement upon the subject. Inasmuch, however, as the House has adopted a similar amendment and the Senator from Iowa has offered an important amendment to the amendment, supporting it in his usual luminous manner, and inasmuch as I know there is much opposition to the measure which may not entirely voice itself upon the floor, I shall ask the indulgence of the Senate for a few moments in referring to the amendment offered by the Senator from Iowa.

I have no objection, Mr. President, to any amendment which may be needed to clarify without weakening my purpose. Indeed I shall welcome anything that will bring support to the proposition, because I am entirely of the opinion that unless some legislation of an enforceable character can be enacted concerning what I conceive to be a very serious defect in our course of military preparation this evil will increase instead of diminish.

Before I refer to the amendment offered by the Senator from Iowa, let me say that I cordially agree with the proposition that the present law upon the subject as I read it is sufficient to meet existing conditions. My fault is not with the legislation already existing; it is with the construction placed upon it by the department and its method of enforcement.

If I understand the Secretary of War correctly, as I think I do, he construes this amendment as applying to individuals who are exempted and who then cease to work, but he does not apply it, to use his expression, to cessations in the aggregate. The Secretary of War is a most eminent lawyer and I respect his opinion very highly regarding any question or matter of legal construction. I am not, therefore, prepared to say that he is wrong, although personally I believe that his opinion can not be sustained. I am sure I never would have voted—well, I did not vote for the bill, but I never would have thought of voting for a proposition of that sort upon the theory that it would be applicable to the unit and not to the mass and that would be self-evidently discriminatory between the two.

I can not understand, Mr. President, upon what philosophy it can be said that a law of that kind applies to me if I see fit to quit work as an individual but does not apply to me if I see fit to quit work in conjunction with a dozen or fifteen or, if you please, a hundred or a thousand others. The principle is identical. Indeed, I am reminded of an incident that occurred during my years of practice up at Leadville, and which concerned the judge of our court, who desired to borrow a certain sum from a bank upon securities which he thought would be ample. He laid his case before every member of the directorate, and each of them assured him that there would be no trouble about the loan, but that the matter must be determined by the board of directors sitting as a committee on loans. When the committee met they carefully considered the application. They turned it down, then sent for the judge and acquainted him with the facts. "Very well," said the judge, "I accept your conclusion; of course, I have to, although I am disappointed; but before I leave let me say that individually you are courteous, accommodating, and agreeable gentlemen, but collectively you are the biggest bunch of liars in Leadville." [Laughter.] The application of that incident is in the reversal of the situation. Individually I become amenable to this law if I quit work, and therefore am within the ban of the law; but collectively, if I do the same thing, I am absolutely exempt. That seems to me to be a non sequitur. If that is the construction, and is to continue to be the construction placed upon existing law by the authority having the power to construe and to enforce it, then one of two things must follow: Either these cessations of work, this slackening of productive power, will continue in increasing measure or Congress must strengthen the hands of the administration by enacting further legislation upon the subject.

That is the only conclusion to which my mind can come. It is because of that situation that I have felt impelled to present this question to the consideration of the Senate in conjunction with this bill.

Mr. President, I affirm—and if I exaggerate I hope I shall be corrected—that never in the history of this country have there been so many strikes and suspensions of work for so little cause as have occurred since the United States entered into this war. I affirm that, notwithstanding wages have been higher than ever before—higher, indeed, than the imagination, perhaps, in its wildest flights ever dreamed of—while the need for work has been more insistent than it ever has been, and I hope ever will be again; while we have assumed the burden of raising soldiers by the millions and equipping our Navy by the hundreds of thousands, together with the added duty of supplying our allies with many of the necessaries of war and the necessaries of life, we are having constant and serious interruptions in our production. If that is true—and I believe it can not be gainsaid—then it must follow, Mr. President, that the one weak spot in America's armor to-day lies in our failure to carry on at home and to bring to the burden of this great war the energy, the effort, the patriotism, and the loyalty of every citizen of the Republic.

I do not believe, Mr. President, the duty of the soldier at the front is any more important to the solution of this great conflict than is the duty which rests upon the producer at home. I do not believe that, apart from the dangers involved in the one which are absent from the other, any distinction between the two exists; and yet we know that the man at the front is there because he has not the good fortune to be so equipped with knowledge in the production of a necessary article, in consequence of which those who possess that knowledge are permitted—not only permitted but are required, and ought to be required—to remain at home.

Mr. McKELLAR. Mr. President, will the Senator from Colorado yield to me?

The PRESIDING OFFICER (Mr. SMITH of Michigan in the chair). Does the Senator from Colorado yield to the Senator from Tennessee?

Mr. THOMAS. I yield.

Mr. McKELLAR. I should like to ask, taken as a whole, does not the Senator from Colorado think that the producers of this country have done remarkably well during this war?

Mr. THOMAS. Certainly they have.

Mr. McKELLAR. Well, have not the industrial producers—and I am talking about the men who labor with their hands—done remarkably well all during this war?

Mr. THOMAS. The Senator means taken as a whole?

Mr. McKELLAR. Yes; taken as a whole.

Mr. THOMAS. Certainly they have.

Mr. McKELLAR. Well, is it not also true that such investigations as Congress has been compelled to make from time to time and the conditions which Congress has been compelled to investigate have all had to do with others than those who work in industries and who work on the farms of our land? If such is the case, why should we legislate along the lines proposed solely against those who are doing so well?

Mr. THOMAS. Oh, Mr. President, the vast bulk of the people of the United States are law-abiding; take the Nation as a whole, it is law-abiding; yet we must enact laws against the commission of crimes, and we must make such laws universally applicable in order to be lawful. Such laws, however, must be made because of the nonlaw-abiding criminal elements in the country. The same is true of production. Conditions to which I am calling attention are not exclusively confined to the war. They existed before and they will probably continue to exist after the war shall have ended. I am concerned with production now.

The Senator from Tennessee calls my attention to the fact that our investigations during the war have been regarding other things than labor, and that is true. I have no doubt, Mr. President, however, that if we had also investigated labor conditions—and I think we ought to have investigated them—we should have found that they required congressional inspection quite as much as those matters which we have investigated.

Mr. President, I concede—and I conceded last week—that the production of the producing masses of the country during the war has been in excess of their production previously; but in a time like this that production is not enough unless it is the very best that can be done, for the Senator certainly can not, I believe, find a basis for a contention, if he should see fit to make it, that we are not sadly lacking in the production of many things, the quantity of which would have been much more than it is now but for these interruptions in the work of the factories, of the foundries, and of other institutions engaged in producing the things that are necessary for the waging of this war.

Mr. McKELLAR. Will the Senator from Colorado again yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Tennessee?

Mr. THOMAS. I yield.

Mr. McKELLAR. No, Mr. President, I do not take any such position as that; but I want to call the Senator's attention to the fact that he has, as chairman of a subcommittee, just closed an investigation in reference to the production of aircraft in

this country. As I recall, in that investigation and the facts developed from it, the trouble did not lie with the industrial workers, but with the employing classes. As I remember the distinguished Senator's report, its criticisms were not aimed at any of the industrial workers, but at those who employed the men engaged in the particular industry.

Now, it does seem to me, in all fairness, that if we are going to be called upon to pass additional legislation touching this matter, the Senator's amendment, in order to be fair, ought to include the employers as well as the employees. Whenever the Senator is willing to introduce an amendment which will create a just, fair, and honest board to pass upon labor disputes and will include within its provisions both the employers and the employees, I will gladly join with him in his effort along such lines, but until that kind of a proposition is submitted, I do not think that at present the labor conditions in this country are such that we ought to take away the only weapon that the man who toils has, and we all know it. Let us be fair to the laboring man. He has done a wonderful work in this war. Is it right to leave the employer out of the equation and at the same time give him a tremendous advantage over his employees?

I hope the Senator will not press his amendment to take that weapon away from the men against whom, as a class, there is less complaint than against any other class of our people, for there has been produced in this country since the war began more almost than the mind of man can conceive of. I hope the Senator from Colorado will not press his amendment against that class of our people.

Mr. THOMAS. Mr. President, I am obliged to construe the Senator's last interruption as a speech and not a question.

Mr. McKELLAR. It is not a question. I admit that it is not. I hope it is answer to the proposal advanced in the Senator's amendment. I am not in favor of strikes during this war. They ought not to occur. But when we undertake to legislate on the question, I insist we ought to be absolutely fair to both sides.

Mr. THOMAS. Now, Mr. President——

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Iowa?

Mr. THOMAS. I yield?

Mr. CUMMINS. Will the Senator permit me to interrupt him merely long enough to put my proposed amendment in the form in which I want it?

Mr. THOMAS. Very good. I have written an amendment to it myself, which I had expected to offer a little later.

Mr. CUMMINS. The Senator from Minnesota [Mr. NELSON] suggested shortly after I rose that a man ought not to cease work pending a decision of the board. I think that is in the amendment as it is now framed, but in order to make it perfectly clear, I should like to insert, after the word "willing," the words "without ceasing to work," so that we may have the real question before us.

Mr. THOMAS. I had intended later on to call attention to a similar addition to the Senator's proposal.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. THOMAS. I yield.

Mr. FALL. Would it interrupt the Senator now if I should read a proposed substitute for section 2 of the pending bill, and the amendments pending thereto, which I propose to offer, so that the whole subject may come up?

Mr. THOMAS. It would interrupt, but I shall be very glad to be interrupted.

Mr. FALL. Then, with the permission of the Senator, I will read the following amendment, which I intend to offer:

SEC. 2. That every man registered under the provisions of the draft act of May 18, 1917, or under acts amendatory thereof, and to be registered hereafter under the terms thereof and of this act, and every able-bodied man from 45 to 60 years of age, is hereby declared to be in the military service of the United States, except where heretofore or hereafter discharged from such service for physical disability or mental incompetence. The President is hereby authorized to classify all such registered men for combat and for other service, giving permits in his discretion to those engaged in industrial and other occupations to continue therein, or from time to time to change same, always being subject, however, to call for actual military service during the period of this war.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. If the Senator from Colorado will permit, the Chair will say that the amendment proposed by the Senator from New Mexico is offered as a substitute but not for present consideration. So it does not displace the amendment proposed by the Senator from Iowa.

Mr. FALL. My only object in trespassing upon the time of the Senator from Colorado was to have understood what the substitute would be, so that it might be discussed in connection with the original proposal.

Mr. THOMAS. It is true, Mr. President, that in conjunction with some of my colleagues I have been, in the discharge of my public duties, giving some attention to the condition of aircraft production in the country. It is also true that in the report made to the general Committee upon Military Affairs labor conditions are not referred to. The report was designed to call attention to the condition of the industry from the standpoint of production. I may say, however, that we found in many instances actually existing some seriously threatening labor conditions. There were a number of wage increases which were granted at different times, particularly, as I recall, in the Curtiss plant, which had to be made in order to keep the plant going; and while conditions may not have been so acute in these plants, due largely to the absence of orders and the impossibility of quantity production, they existed there, nevertheless.

My friend the Senator from Tennessee [Mr. McKELLAR] is very much exercised regarding the exemption of employers from the operations of this amendment. Mr. President, I have been somewhat active for the last 35 or 40 years in contributing my mite toward improved labor conditions; I have never been classified as the champion of the employer, either in private or in public life; but I have always attempted, although perhaps I have failed most signally, in whatever position I have taken to do justice, as far as it was possible, to the employer when demanding better conditions for the employee. If it be true that the workman at present is in danger, or in the event of the enactment of this amendment he will be in danger, of exploitation by the employer, then I concede that this amendment is not broad enough; but, Mr. President, how is it possible—I asked the question last week—for the employer to become an exploiter of labor at a time when the demand for labor is so very largely in excess of the supply? I venture to say that there is not an employer to-day in the United States, although there may be some exceptions, who dares to do anything that looks like the exploitation of his employee. The employee would leave him in an instant, being almost certain to be employed elsewhere the next instant. When thousands of employers are beckoning to a comparatively small number of employees, the notion that the employee can be or will be exploited seems to me—and I say it with all due respect—an absurdity. I want to consider conditions as they are, not as they have been and not as they will be. I think much confusion of thought has arisen regarding the subject because of the failure to appreciate fully what our task is and what we must do to perform it.

The Senator from Tennessee talks about the right of strike. There is such a right, Mr. President, as there is a right to a free press, as there is a right to a man to produce all he can and sell it for all he can get, without interference by the Government, as there is a right upon the part of corporations to run their own lines of transportation, as there is a right to a man to consume all the food he pleases and to waste as much as he desires; but all these rights, Mr. President, are subordinate to the supreme needs of the Republic. I deny that there is any right, save perhaps the right of trial by jury and other absolutely fundamental rights, that can or should be permitted to exist during a period when the Nation is struggling for its very existence. Everything should and must give way under those circumstances.

We do not realize, because the war is 3,000 miles away, how gigantic and overwhelming is the task this Nation assumed when we entered into the war against Germany on the 6th day of April a year ago.

Why, Mr. President, the German Empire has been able to fight the world largely single-handed. Up to this time her conquests have been greater than those of any other nation. Her people have been trained in military science; all her industries have been developed for the sole purpose of dominating the world through conquest; she has been carrying out this policy quietly but persistently for two generations; and when, like a bolt from the blue, she plunged the nations of the world into war on the 1st of August, 1914, not a single one of her adversaries dreamed of the extent of her preparations and of the formidable character she would assume as an antagonist in a world struggle. She must be conquered if civilization is to endure and if the right to strike, among other rights, shall be preserved after this war shall have ended; she must be subdued, Mr. President, if your children and mine are to enjoy the priceless heritage established by our fathers immediately after the close of the Revolution; she must be subdued if there shall exist anything to make life attractive to a free people hereafter. It is for that purpose we are fighting; it is for that purpose that

our children are being offered up upon the altar of bloody sacrifice; it is for that purpose that we have sent a million and a half of the flower of our manhood across the ocean to meet the Hun and overcome him; it is for that purpose, Mr. President, that we are about to take our young boys of 18 and 19 and add them to that mighty host, that the combined power of the great Republic may match itself quickly and decisively against the legions of the Kaiser.

We will begin to realize it, Mr. President, when our lists of casualties, instead of occupying a few columns, shall fill all the pages of our daily papers; we will begin to realize it through the tears of the widow and of the orphan, through broken hearts, yet proud because of the sacrifice that they have made for their country.

In the meantime at home we have an Army which has produced more than it has ever produced before, but which is not producing according to its best; and it is the best, and the best only, that can represent the highest effort that should be made at home.

Therefore, Mr. President, we exempt the employer as well as the employee; the superintendent and foreman as well as the man he supervises; and, for the same reason, my amendment is aimed as much at the employer who fails to do what is required of him as at the employee. When the employer fails in his duty, and particularly if he attempts to exploit the employee, this amendment will, and I think should, take care of him.

But, Mr. President, the great employer to-day is the Government of the United States. Uncle Sam employs more men than ever before; his army of workers is counted by the hundreds of thousands; and it is these employees who are striking and constantly demanding increasing wages and stopping work unless they get them, perhaps more, collectively speaking, than those of the private institutions of the country. Shall we include the Government of the United States as an employer in order to satisfy the objections of some Senators regarding the need for this legislation? I read on Saturday morning that the employees in the shipyards all over the country had united in a demand for an increase of wages from 75 cents to a dollar an hour, and would insist upon it. They have not gone out, and I hope they will not; but that means, Mr. President, in addition to the added millions of cost which we must pay, possibly the suspension of work in the production of the one thing that is more absolutely indispensable, if that be possible, than any other article that we are producing, and that is tonnage—ships.

The senior Senator from North Dakota [Mr. McCUMBER] has given great attention to that subject; he is perhaps better informed upon it than any Member of this body; and he has told us on more than one occasion what our needs are. We could not produce ships enough, Mr. President, if we were able to double our present working force, because we must remember that side by side with production there goeth destruction of tonnage; the submarine menace has not been overcome, and I am afraid it will not soon be overcome. Its ravages have been minimized, but it is still the scourge of the ocean. The one way to reduce that scourge to a minimum consists in the building of ships, and the building of ships, and the building of ships; and the man engaged in that work, and released from military duty because of his skill in it, who fails to give the best that there is in him to that great work is not doing justice to himself or to his country. The same is true of every other calling exhibiting the same conditions. They, together with us, owe a supreme duty to the tremendous fighting force we have across the sea. We must take care of them at all hazards, and as production slacks their possible exposure to disaster may become more and more a probability.

I confess, Mr. President, that these conditions interfere with my rest. I can not help but think of them; and it is because of these conditions that I have seen fit to suggest this solution of the situation.

Mr. President, the Secretary of War, as I have stated, has directed attention to the fact that the present law is enforced against the individual, but not against the aggregate. That reminds me of this incident, which occurred on Saturday, to which my attention was directed by the senior Senator from Maine [Mr. FERNALD]: A fine, upstanding colored man by the name of Williston, a painter by trade, said that he applied to a shipping yard near Washington for work, and was denied work because he did not belong to the union. He then applied for admission to the union, and was denied because of his color. I do not know that this incident or similar ones have been called to the attention of the powers that be; but I say that the man who wants to work for the Government and help production now ought not to be barred for any reason, color or otherwise, but his services should be accepted, and accepted gladly. Neither should he be required to obtain employment from his own Government only through the agency of some private organization. We put colored men in the ranks, and we send them across the sea, and thus far they have given quite as good an account of themselves as their white associates. I take pleasure in calling attention to the fact that two negroes have received the cross of honor, and one of them a golden palm, as a sign of extraordinary bravery, across the green ribbon with which it is attached to his breast. These two men, Roberts and Johnson by name, held an exposed position, although assailed by 25 Germans; and while both of them were badly wounded, I think less than six Germans escaped uninjured. All of which goes to show, as Irving Cobb says, that you can not judge the color of a man's soul by the color of his skin. And yet here in the city of Washington, the Capital City of the Nation, a colored painter is unable to obtain work because, forsooth, he does not belong to the union, and can not join it on account of his color. Mr. President, this land of the free and home of the brave carries in its general practice some inconsistencies which had better be entirely suppressed until the war is over.

Now, Mr. President, I come to the two amendments offered by the Senator from Iowa [Mr. CUMMINS]. The first which I shall consider has reference to transferences from one place of employment to another. The object to be subserved by that amendment is a good one; but the great difficulty now is that men are transferring themselves from one employer to another so rapidly that they do not do much work at all.

I do not apply that statement universally. It is perhaps true here and there; but the demand for labor is so insistent that extraordinary temptations are offered to the employee, and he would be foolish—he would be something more or something less than human—if he did not yield to those temptations and seek a place where he could work for a better compensation. I should like to see those transferences stopped during the war, even though it might and probably would be said to interfere with the right of contract. But, as I say, in these times, Mr. President, these rights must be subordinated to the supreme welfare of the country.

This amendment is being opposed by united labor. I discussed their reasons quite fully the other day. I do not believe that they are tenable. I think that if they could be persuaded to look at this matter from the right standpoint they would see that, instead of being a reflection upon labor, it is a means to enable labor to carry out its patriotic resolutions of something like a year ago and at the same time minister to the general welfare. But this morning I received a telegram upon the subject from Pueblo, in my own State, which I will read:

> The adoption of your amendment by Congress for the conscription of labor will make splendid material for German propaganda in this country. We bitterly oppose your amendment.

Mr. President, I said once on this floor that during a somewhat variegated political career I had been accused of everything except corpulency. I am now accused of something that I never dreamed I could possibly be accused of since this war broke out, and that is "making splendid material for German propaganda." If this is German propaganda, then my construction of the term and my understanding of its objects and purposes have been sadly at fault. If work is to be suspended fitfully, yet constantly, and that condition is to continue to grow as it has grown, the need for German propaganda will be proportionately lessened in America. I know of nothing that more contributes to the German cause than American failure in industry, and I know of nothing that German propaganda has been more busily engaged in endeavoring to accomplish, and I greatly fear that it has in many instances succeeded.

Together with that telegram, Mr. President, I want, because it gives me pleasure to do so, to refer to a pledge signed by 5,000 employees of the arsenal at Frankford, near Philadelphia. Here is what they said:

> We promise under no conditions to strike or to encourage others to strike.
>
> We promise to lose no time in the performance of our duties or cause any delay in the fulfillment of the Government's orders, or do anything which for one moment would hamper the speedy progress of the war.
>
> We promise to live with economy and practice thrift.
>
> We promise to take no part in any propaganda which may affect the conduct of the war.
>
> We fraliy pledge ourselves to support the President of the United States in all his public acts.

Mr. President, what a splendid declaration that is, and how gladly I give it the tribute of my sincere and heartfelt thanks! I would to God that every organization in the United States would instantly fall into line and declare itself accordingly. It would be the greatest inspiration to our allies and the deadliest blow to German propaganda that could possibly be given by the great body of American workmen.

Mr. President, I say again that all that I want to do, all that I hope to do—and my interest is neither greater nor less than that of my colleagues on this floor—is to see to it that the man or men given the privilege of staying at home and exempted from military duty because of their superior efficiency in different lines of needed employment, shall do the same work, in the same way, and to the same extent, that their less fortunate neighbor is required to do in France and in the training camps of this country.

I think, therefore, Mr. President, that the amendment which I have discussed, offered by the Senator from Iowa [Mr. CUMMINS], the purpose of which is commendable, is one which will serve to weaken instead of strengthen the amendment which I have offered.

The other amendment offered by the Senator is very much more important. A defect in the proposition was at once suggested by the senior Senator from Minnesota [Mr. NELSON], and the Senator from Iowa has accepted the suggested change. At the time I was changing the amendment so that it would read as follows:

This proviso shall not apply in the case of a strike if the strikers will at once submit the dispute to the decision of a board to be designated by the President and agree to abide by the decision, and do abide by it, and will at once resume and continue work pending such decision.

Mr. President, thus amended, rather than jeopardize the adoption of this amendment, I would be disposed, as far as I am able to do so individually, to accept it, because if there be a tribunal at once chosen, and if the men who claim to have a grievance will at once agree to submit to and abide by their decision and will also continue work—that is the main essential—then we shall have taken a long step forward in our effort to secure the highest efficiency in the industrial affairs of this country during the war.

Mr. President, I hope that in my apprehensions regarding the consequences of the slacking or slowing down of production at home I may be overpessimistic. I hope that the apprehensions which I entertain may prove largely imaginary. But I believe that every man and woman in this country believing in the cause of America in this great war, and every one of them having a relative in the armies of the United States and at present doing his duty on the line and prepared, as Mr. Lincoln said, to give the highest test of devotion—all these are behind the spirit, at least, of this amendment. They want to see this work of war go on without diminution at home and without diminution at the front, so that the toiler and the soldier, representing, respectively, different aspects of our military strength, shall by their constant and their combined efforts bring this bloody war to a speedy termination and make the world hereafter a fit place to live in.

The PRESIDING OFFICER. The question is on the adoption of the amendment of the Senator from Iowa to the amendment of the committee.

Mr. CHAMBERLAIN. Mr. President, if there is going to be a vote on that amendment now, very well. I thought there would be some additional discussion, and I was about to submit to the Senate a proposition for a unanimous-consent agreement. I will submit it now. It will not retard the business of the Senate.

I propose the unanimous-consent agreement which I send to the desk.

The PRESIDING OFFICER. The Senator from Oregon proposes a unanimous-consent agreement, which will be read for the information of the Senate.

The SECRETARY. The Senator from Oregon asks unanimous consent that at not later than 3 o'clock p. m. on the calendar day of Tuesday, August 27, 1918, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill, H. R. 12731, a bill amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, through the regular parliamentary stages to its final disposition; and that after the hour of 12 o'clock meridian on said calendar day no Senator shall speak more than once or longer than 15 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

Mr. BRANDEGEE. Mr. President, may I ask the Senator from Oregon until what time he intends to ask the Senate to take a recess to-morrow?

Mr. CHAMBERLAIN. Until 11 o'clock to-morrow, or earlier if Senators desire.

Mr. CUMMINS. Mr. President, at what hour does the agreement contemplate that we shall meet to-morrow?

Mr. CHAMBERLAIN. It does not provide when we shall meet; but I will say to the Senator that I shall request that the Senate take a recess until to-morrow at 11 o'clock, when we do recess.

Mr. CUMMINS. The proposed agreement is that, beginning at 12 o'clock, the speeches shall be limited to 10 minutes each, and that after 2 o'clock there shall be no discussion?

Mr. CHAMBERLAIN. I will ask the Secretary to read the latter part of the proposed agreement again.

The PRESIDING OFFICER. The Secretary will again state the latter part of the proposed agreement.

The SECRETARY. And that after the hour of 12 o'clock meridian on said calendar day (Tuesday, August 27, 1918) no Senator shall speak more than once or longer than 15 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

Mr. CUMMINS. Is there not a time fixed for beginning to vote?

The PRESIDING OFFICER. Three o'clock is the time fixed by the proposed agreement.

Mr. CUMMINS. There is to be no discussion after 3 o'clock? Then I think we ought to meet at 10 o'clock to-morrow morning.

Mr. CHAMBERLAIN. I am willing to ask to take a recess until 10 o'clock; or I will make this suggestion: I will ask that the Senate take a recess until 11 o'clock to-morrow, and fix the hour for voting at 4 o'clock to-morrow.

Mr. BRANDEGEE. Mr. President, why not make that a part of the unanimous-consent agreement?

Mr. CHAMBERLAIN. I was going to ask to make that change.

The PRESIDING OFFICER. Does the Senator from Oregon modify his request in the manner suggested?

Mr. CHAMBERLAIN. Yes; making the hour for the vote 4 o'clock.

The PRESIDING OFFICER. The Secretary will state the proposed agreement as modified.

The SECRETARY. It is agreed by unanimous consent that at not later than 4 o'clock p. m. on the calendar day of Tuesday, August 27, 1918, the Senate will proceed to vote without further debate——

Mr. HITCHCOCK. I suggest, instead of 12 o'clock, that 1 o'clock be named as the hour when the time limit shall go into effect.

Mr. CHAMBERLAIN. I have no objection to that.

The PRESIDING OFFICER. Does the Senator from Oregon modify the request in that manner—1 o'clock instead of 12 o'clock?

Mr. CHAMBERLAIN. I do.

Mr. CUMMINS. I should like to hear the agreement read as now modified.

The PRESIDING OFFICER. The Secretary will state the proposed unanimous-consent agreement.

The SECRETARY. It is agreed by unanimous consent that at not later than 4 o'clock p. m. on the calendar day of Tuesday, August 27, 1918, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill H. R. 12731, a bill amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, through the regular parliamentary stages to its final disposition; and that after the hour of 1 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than 15 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

Mr. BRANDEGEE. Would the Senator be willing to add, at the end of the agreement "and at the conclusion of to-day's session the Senate shall take a recess until 11 o'clock to-morrow morning"?

Mr. CHAMBERLAIN. I think it would be well to put it in. My reason for proposing that unanimous-consent agreement is this: I assume that the general discussion has about been concluded, even on the amendments that have been offered, and that the time allotted will be amply sufficient to enable the Senators further to discuss the bill.

Mr. JONES of Washington. Mr. President, I understand that this unanimous-consent agreement will not interfere in any way with the unfinished business——

Mr. CHAMBERLAIN. Oh, no.

Mr. JONES of Washington. Or the unanimous-consent agreement with reference to it; but I should like an expression from the Chair with reference to that proposition.

The PRESIDING OFFICER. The Chair did not hear the suggestion of the Senator from Washington.

Mr. JONES of Washington. I wanted to know whether or not this unanimous-consent agreement would in any way interfere with the status of the unfinished business.

The PRESIDING OFFICER. The Chair does not understand that it would.

Mr. JONES of Washington. Very well.

Mr. PHELAN. Mr. President, do I understand that there has been incorporated in the unanimous-consent agreement a recess until to-morrow at 11 o'clock?

Mr. CHAMBERLAIN. When we do recess; yes.

Mr. PHELAN. There is some important committee business to be done to-morrow morning. I do not know why it should be disarranged, so I object to that feature of the unanimous-consent agreement.

Mr. CHAMBERLAIN. I ask, then, to strike that out, with the consent of the Senator from Connecticut.

Mr. BRANDEGEE. Yes; I consent to it.

The PRESIDING OFFICER. The request of the Senator from Oregon will be complied with. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Baird	Henderson	Nugent	Smith, Md.
Bankhead	Hitchcock	Overman	Smith, Mich.
Beckham	Johnson, Cal.	Penrose	Smoot
Brandegee	Johnson, S. Dak.	Phelan	Sterling
Chamberlain	Jones, Wash.	Pittman	Sutherland
Colt	Kellogg	Poindexter	Thomas
Culberson	Kendrick	Pomerene	Townsend
Cummins	Kenyon	Ransdell	Trammell
Curtis	Lenroot	Reed	Underwood
Dillingham	Lodge	Robinson	Vardaman
Fall	McCumber	Saulsbury	Wadsworth
Fletcher	McKellar	Shafroth	Walsh
France	McNary	Sheppard	Warren
Frelinghuysen	Martin	Sherman	Watson
Gerry	Nelson	Shields	Weeks
Gulon	New	Simmons	Willey
Hale	Norris	Smith, Ga.	Wolcott

The PRESIDING OFFICER. Sixty-eight Senators have answered to their names. A quorum is present. The Senator from Oregon submits a proposed unanimous-consent agreement, which will be stated by the Secretary.

The Secretary read as follows:

It is agreed by unanimous consent that at not later than 4 o'clock p. m. on the calendar day of Tuesday, August 27, 1918, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill H. R. 12731, a bill amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, through the regular parliamentary stages to its final disposition; and that after the hour of 1 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than 15 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

The PRESIDING OFFICER. Is there objection to the adoption of the proposed unanimous-consent agreement? The Chair hears none and it is so ordered.

Mr. CHAMBERLAIN. Mr. President, unless some Senator is ready to proceed with the discussion now, I will move that the Senate proceed to the consideration of executive business.

Mr. CUMMINS. Mr. President, what is the request?

Mr. CHAMBERLAIN. I say, if no Senator is ready to proceed with the discussion, I will move that the Senate proceed to the consideration of executive business.

Mr. CUMMINS. I should like to have a vote upon the question under discussion.

Mr. CHAMBERLAIN. I have no objection to that.

Mr. CUMMINS. There is no reason why we should consume to-morrow with a discussion of this matter.

The PRESIDING OFFICER. Does the Senator from Oregon withdraw his request?

Mr. CHAMBERLAIN. I withdraw it.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Iowa [Mr. CUMMINS] to the amendment of the committee.

Mr. THOMAS. Mr. President, I ask that the amendment as amended may be stated.

The PRESIDING OFFICER. The Secretary will state the amendment as amended.

The SECRETARY. On page 8, line 12, after the word "draft," it is proposed to insert the following words:

This proviso shall not apply in the case of a strike if the strikers are willing, without ceasing to work, to submit the dispute to the decision of the War Labor Board and agree to abide by the decision, and do abide by it.

Mr. THOMAS. I suggest that after the last words, "abide by it," there be inserted the words "and continue to work pending the decision."

Mr. CUMMINS. I am entirely willing to accept that.

Mr. McKELLAR. That is already there.

The PRESIDING OFFICER. The change suggested by the Senator from Colorado was made.

Mr. CUMMINS. I accept the addition of those words.

Mr. McKELLAR. Let the Secretary read it again.

The PRESIDING OFFICER. The Secretary will read the amendment again for the information of the Senate.

The SECRETARY. On page 8, line 12, after the word "draft," insert:

This proviso shall not apply in the case of a strike——

Mr. REED. Please read the whole text with the amendment.

The PRESIDING OFFICER. The Secretary will read as requested.

The SECRETARY. Section 2 reads as follows:

SEC. 2. That the provision wherever occurring in section 4 of said act, "persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency," be, and hereby is, amended to read as follows:

"Persons engaged in industries, occupations, or employments, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency: *Provided*, That when any person shall have been placed in a deferred or exempted class for any of the reasons in this paragraph set forth, he shall not be entitled to remain therein unless he shall in good faith continue, while physically able so to do, to work at and follow such occupation, employment, or business, and if he fails so to do he shall again become subject to the draft."

Then follows the proposed amendment:

This proviso shall not apply in the case of a strike if the strikers are willing, without ceasing to work, to submit the dispute to the decision of the War Labor Board and agree to abide by the decision, and do abide by it, and continue to work pending the decision.

Mr. TOWNSEND. May I ask the Senator how that changes the original proviso? It could not possibly affect them if they continue to work. That is what your bill provides. There is no possibility of their ever being affected by this proviso if they continue at their avocation. It seems to me it is useless to insert words of that kind.

Mr. PITTMAN. Mr. President, I simply want to explain the vote that I shall cast on this matter. I am going to vote for the amendment of the Senator from Iowa, because I think it is a possible improvement on the amendment originally offered. I think both amendments entirely unnecessary and uncalled for, and if it is adopted I shall then vote against the amendment as amended.

Mr. FALL. Mr. President, I gave notice that I would offer a substitute for the amendment and amendments pending thereto. I will withhold the offering of the substitute until the disposition of the amendment itself and then I expect to offer it.

The PRESIDING OFFICER. The question is on the adoption of the amendment to the amendment.

Mr. CUMMINS. Upon that I ask for the yeas and nays.

Mr. WADSWORTH. Mr. President, I do not wish to prolong this discussion for a moment, if I can help it, but in all seriousness I should like to have the inquiry made by the Senator from Michigan [Mr. TOWNSEND] answered. The amendment as now read provides that it shall not apply to men who do not strike.

Mr. McKELLAR. Provided they do not strike, it does not apply. It involves an absurdity on its face.

Mr. WADSWORTH. I was waiting for an answer from the Senator from Colorado.

Mr. McKELLAR. I would be glad to hear from the Senator from Colorado myself.

Mr. THOMAS. It is not my amendment.

Mr. McKELLAR. Whoever is responsible for it, it seems to me, should explain it to the Senate.

Mr. CUMMINS. Mr. President, I am the one who offered the amendment, and it is rather a pertinent question, I agree. The intention is, of course, to provide for a proposed strike and to compel a submission of the dispute to the War Labor Board. The strike will occur or the application of the provision will be apparent after the War Labor Board makes its decision, and if then the employer does not abide by the decision the employees may strike without the penalty imposed by the Thomas proviso.

Mr. POINDEXTER and Mr. McKELLAR addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Iowa yield; and if so, to whom?

Mr. CUMMINS. I yield to the Senator from Washington. I think he rose first.

Mr. POINDEXTER. Suppose, pending the decision of the War Labor Board, they strike and quit work, and suppose they

submit the controversy to the War Labor Board, and it would take the War Labor Board, say, a week or some other reasonable time to investigate the conditions and make a decision. Before the decision is rendered, while they are investigating, a strike is on. Would your amendment cover that case?

Mr. CUMMINS. Certainly. They are not protected at all at that time. The amendment has been rather "monkeyed with," if I may so term it, by the skillful Senator from Colorado and others, but the intention of the amendment is to provide this state of affairs: Here are men who propose to strike. Now, they are not permitted to strike without losing their place in the classification. They are willing to submit their dispute to the War Labor Board, and they are willing to agree to abide by the decision. They do abide by the decision. If, notwithstanding their willingness to abide by the decision, their employers still insist upon the conditions which have been condemned by the War Labor Board, then these men may strike without losing their places under any deferred classification. Now, that is what was intended.

Mr. McKELLAR. If the Senator will permit me, I will say to him that it does not seem to me that such a condition as he describes is provided for in the amendment. If the Senator will just listen for one moment to it he will see, I think, how impossible it will be for anything to be done under the amendment.

This proviso shall not apply in the case of a strike if the strikers are willing, without ceasing to work, to submit the dispute to the decision of the War Labor Board.

There can not be a strike without labor being discontinued, and therefore there is no condition to which the amendment would apply. In other words, it applies only to a strike. If the men do not cease work, then there is no strike, and the authority of the Labor Board can not possibly attach to the matter. I think the whole purpose that is in the mind of the Senator will be defeated if the amendment is adopted, and no good purpose can possibly come from it. I submit the amendment to the Senator. I am going to bring it over to him.

Mr. CUMMINS. I am perfectly familiar with it. I quite agree that the orderly arrangement has been disturbed by the change suggested by the Senator from Colorado.

Mr. McKELLAR. I am sure the Senator is right in that.

Mr. CUMMINS. I do not think, however, it has been disturbed sufficiently to destroy the operation of the amendment, and I am still of the opinion that it would have the interpretation I described a moment ago. But if there is any doubt about it, I am quite willing to adopt the suggestion of the Senator from Oregon and reframe it for to-morrow morning.

Mr. THOMAS. Mr. President, I make the suggestion that this whole trouble arose through the attempt to reconcile two suggestions—my suggestion and that of the Senator at the same time. My suggestion as first made would, I think, have relieved the proposed amendment of the suggested difficulty. It was this: That this proviso shall not apply in the case of a strike if the strikers will at once submit the dispute to the board to be designated, and so forth, and who shall then at once resume work. Then when the Senator offered his amendment to the amendment, and I asked him to incorporate a part of my own, it created the confusion. I think both the Senator and I are a little to blame.

Mr. CUMMINS. I do not attempt to evade my responsibilty for some of the confusion. We will try to remove it by to-morrow morning.

Mr. CHAMBERLAIN. Then, in view of the suggestion of the Senator, I move that the Senate proceed to the consideration of executive business.

Mr. FALL. Will the Senator withhold that for a moment until I can make a parliamentary inquiry?

Mr. CHAMBERLAIN. Surely.

Mr. FALL. I should like to know before to-morrow morning what the parliamentary situation is in the event the amendment of the Senator from Iowa is adopted to the committee amendment now under consideration. I have given notice of a substitute for the committee amendment as it stands and any amendment thereto. If the amendment of the Senator from Iowa is adopted, would my amendment then be in order?

Mr. FLETCHER. I suggest to the Senator that the proposed substitute be printed.

Mr. FALL. It has been sent to the desk, and will be printed. I simply want to know what the parliamentary situation is. It is a substitute for section 2 and all amendments thereto.

Mr. CHAMBERLAIN. It has not been printed yet?

Mr. FALL. It has not, I presume. I will say to the Senate that I have no desire to have a vote on it now, but I want to know what the parliamentary situation is, whether it will be proper to offer it to-morrow morning in the event of the adoption of the amendment of the Senator from Iowa.

Mr. LODGE. Mr. President——

The PRESIDENT pro tempore. The Chair, having just resumed the chair, is not familiar with the legislative situation and recognizes the Senator from Massachusetts.

Mr. LODGE. There is an amendment offered by the committee, and, of course, that amendment is open to perfecting amendments. You have the right, under our rules, to perfect a substitute and to perfect the original measure before taking a vote on the substitute.

The PRESIDENT pro tempore. The Chair, as at present advised, would hold that this amendment may be perfected.

Mr. FALL. Is my substitute in order now? I will make the inquiry in that way.

Mr. SMOOT. Mr. President, I desire to call the attention of the Chair to the fact that we are dealing with the whole Senate provision as one amendment. If it were otherwise, then the statement of the Senator from Massachusetts would be correct, but it seems to me that this being one amendment we shall have to perfect it at this time before we can vote to substitute it.

Mr. LODGE. At the moment I spoke I had forgotten that we are dealing with a single amendment covering the entire bill. I think it is a very unfortunate parliamentary situation, because we are unable to deal with each amendment separately on each separate subject, as we ought. We have now a substitute pending for the entire House bill. You can perfect the substitute, you can perfect the House bill, and then you have got to take a vote on the entire substitute. It is very difficult to reach an amendment like that of the Senator from New Mexico, which is a substitute for one section of the substitute. I do not see how you are going to reach it or perfect it.

Mr. SMOOT. We ought to have perfected the Senate bill first and then offered it as a substitute for the House bill. I will say to the Senator he can reserve the right to offer the amendment when the bill reaches the Senate, but I do not clearly see how he can offer it even then.

The PRESIDENT pro tempore. The Chair suggests, in view of the disagreement of learned Members of the Senate on the question of the rule, that an answer to the parliamentary inquiry can be made as well to-morrow as this evening, and the Chair will consider the question carefully.

Mr. LODGE. I do not think we disagree. I made a misstatement because I had forgotten for the moment that we were dealing with the substitute for the House bill. If we had been dealing, as was the case nearly all day, with amendments to the Senate bill, then the statement I made would have been correct; but having offered a substitute for the entire bill alters the situation, and what I first said is not applicable. But I think the Chair will find on examination that we have a situation where you can only meet what it is desired to do—that is, deal with this paragraph separately—by unanimous consent.

The PRESIDENT pro tempore. The Chair thinks that the Senator from New Mexico has fully had his parliamentary inquiry answered, and we will to-morrow deal with the question.

Mr. FALL. The Senator from New Mexico is so thick-headed that he does not understand the answer yet.

The PRESIDENT pro tempore. The Chair thinks he does.

Mr. FALL. Then I should like to have the information from the Chair.

The PRESIDENT pro tempore. The Chair thinks that the parliamentary situation is such that where the amendment is to strike out the whole bill after the enacting clause and insert a substitute, the proposed substitute the Senator desires to offer would not be in order if in the third degree. That is the present opinion of the Chair.

Mr. FALL. The amendment pending, which we have been discussing and upon which we are to vote to-morrow morning, is an amendment to one of the paragraphs of the proposed substitute.

The PRESIDENT pro tempore. The Senator can, of course, offer an amendment to a paragraph of the proposed amendment, but he can not offer an amendment in the third degree.

Mr. HITCHCOCK. I send to the desk and ask to have read and printed the following proposed substitute, which I shall offer to-morrow at the proper time.

Mr. POINDEXTER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Nebraska desires to have his amendment printed?

Mr. HITCHCOCK. I should like to have it read first and then printed.

The PRESIDENT pro tempore. The Chair will recognize the Senator from Washington as soon as the amendment offered by the Senator from Nebraska has been read.

Mr. HITCHCOCK. It is a substitute for a part of page 8. I can not designate it any more closely.

The PRESIDENT pro tempore. The amendment will be read.

The Secretary read as follows:

Provided, That in all cases in which registrants are exempted or placed in deferred classification they shall become subject to reclassification whenever the course of exemption or deferred classification shall cease for any cause.

The President shall make regulations providing for appearance for reclassification and for enforcing the provision.

Mr. POINDEXTER. I understood the Chair to hold that the substitute offered by the Senator from New Mexico would not be in order on account of the amendment now pending being a substitute for the entire bill. I would like to ask the Chair if it will not be in order to move to strike out all the provision of the bill that has been discussed and to insert in place of it the substitute of the Senator from New Mexico?

The PRESIDENT pro tempore. The Chair is inclined to think that the question of the Senator from Washington should be answered in the affirmative, but the Chair would prefer to rule on the question when the amendment itself is presented.

Mr. FALL. Then the Chair, I understand, holds that whether the amendment of the Senator from Iowa is adopted or not it will be in order for me to move to strike out and insert.

The PRESIDENT pro tempore. The Chair is inclined to think so.

Mr. CHAMBERLAIN and Mr. FRANCE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Oregon was recognized and moved to proceed to the consideration of executive business but temporarily withdrew the motion. Of course the Senator from Oregon is entitled to the floor. Does the Senator from Oregon yield to the Senator from Maryland?

Mr. CHAMBERLAIN. I yield to the Senator from Maryland.

Mr. FRANCE. Mr. President, I desire to make a parliamentary inquiry, whether an amendment to what is known as the Cummins amendment is now in order?

The PRESIDENT pro tempore. At present it would not be. The Senator from Maryland may submit his amendment and have it printed and considered when in order.

Mr. FRANCE. I submit an amendment and ask that it may be read and printed.

The PRESIDENT pro tempore. Without objection, the Secretary will state the amendment.

The SECRETARY. On page 8, line 12, after the word "draft," it is proposed to add the following proviso:

Provided, That while any such person is so engaged in any employment or occupation, including agriculture, designated necessary or essential for the operation of the military forces or for the maintenance of the national interest, such person may be enrolled as though in the service of the United States and shall be entitled to wear some suitable badge, insignia, or uniform of such service.

EXECUTIVE SESSION.

Mr. CHAMBERLAIN. Mr. President, I now renew my motion that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECESS.

Mr. MARTIN. I move that the Senate take a recess until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 5 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Tuesday, August 27, 1918, at 11 o'clock a. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate August 26 (legislative day, August 22), 1918.

COLLECTORS OF CUSTOMS.

John F. Pugh to be collector of customs for customs collections district No. 31, with headquarters at Juneau, Alaska.

Walker Taylor to be collector of customs for customs collection district No. 15, with headquarters at Wilmington, N. C.

EMPLOYEES' COMPENSATION COMMISSION.

Charles H. Verrill to be a member of United States Employees' Compensation Commission.

POSTMASTER.

PENNSYLVANIA.

C. S. Hill, Hughesville.

HOUSE OF REPRESENTATIVES.

MONDAY, *August 26, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We lift up our hearts in gratitude to Thee our Father in Heaven, for the splendid patriotism evidenced in the response of our young men to the call of the colors; for the great work of the good men and women who are putting forth their hands to make the task of our soldiers at home and abroad easier; for the safeguards our Government is throwing around them, especially in removing the temptation of strong drink, that they may be kept pure, strong, and efficient to do the mighty tasks laid upon them.

We thank Thee for the pure, patriotic men who are giving themselves to the task of furnishing the necessities to our soldiers. May the Government throw around them the same safeguards, that they may be kept pure and strong and efficient.

For all that is being done by soldier and civilian to win a victory for the world in an everlasting peace, continue, we beseech Thee, Thy blessings unto us and our allies; and all praise shall be Thine, in the name of Christ the Lord. Amen.

The Journal of the proceedings of Saturday, August 24, 1918, was read and approved.

LEAVE TO ADDRESS THE HOUSE.

Mr. GILLETT rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. GILLETT. I rise to ask unanimous consent that after the two speeches for which time has been given to-morrow morning, Mr. RODENBERG, of Illinois, be allowed to address the House for 45 minutes.

Mr. GARNER. On what subject?

Mr. GILLETT. It is a patriotic and political speech.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that to-morrow, after the gentleman from Illinois [Mr. MADDEN] concludes his speech, the gentleman from Illinois [Mr. RODENBERG] be permitted to address the House for 45 minutes. Is there objection?

There was no objection.

Mr. WALSH. Mr. Speaker, I rise to submit a few observations in the nature of a question of the privileges of the House.

DISPENSING WITH CALENDAR WEDNESDAY.

Mr. SIMS. Mr. Speaker, will the gentleman allow me to submit a unanimous-consent request? I have a committee meeting waiting on me.

Mr. WALSH. Very well.

Mr. SIMS. I wish to ask unanimous consent that the business in order on Calendar Wednesday of this week be deferred until the following Calendar Wednesday and the water-power bill be taken up Wednesday morning and be the continuing order during the week. I feel absolutely sure that we will pass the water-power bill in that time, and I have been assured by the chairman of the Committee on Ways and Means that he will have no objection to this week being so used.

Now, it is very important that this bill in the amendment stage be considered continuously in Committee of the Whole for amendments and not be broken in upon continuously.

The SPEAKER. The Chair would like to inquire what are you going to do to-morrow?

Mr. SIMS. I was going to propose this: If there are any objections to dispensing with the business of Calendar Wednesday, that such business be in order to-morrow, and I will so modify my request, if it is desired; but I do not know of any business that it is desired to take up on Wednesday.

The SPEAKER. What the Chair is trying to find out is what is going to be done to-morrow if the gentleman from Tennessee does not go on with his water-power bill?

Mr. SIMS. I am perfectly willing to go on to-morrow, if there is an opportunity to do so. If Calendar Wednesday is set aside I will not go on to-morrow.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the business in order on Calendar Wednesday for this coming Wednesday be dispensed with. Is there objection?

Mr. RAKER. Mr. Speaker, reserving the right to object, I understood the gentleman from Tennessee was to couple with that request that the business that was to be done on Calendar Wednesday shall be done to-morrow.

The SPEAKER. No. That was not a part of his request.

Mr. SIMS. If there is no objection to that request the Water Power Committee can go on to-morrow.

Mr. RAKER. If the gentleman yields to general debate to-morrow, when the water-power bill could come up, and then ask to dispense with Calendar Wednesday, what is the reason why he did not object?

Mr. SIMS. These requests for time in which to address the House were made at a time when I did not know whether I would have the floor or not, and I did not feel like objecting when I did not know whether or not I would have the right to proceed with the water-power bill.

The SPEAKER. The status of the water-power bill is that it is a continuing order, of course, subject to certain exceptions. The gentleman from Tennessee now makes the request that the Calendar Wednesday business on Wednesday be dispensed with.

Mr. MILLER of Minnesota. Mr. Speaker, I would like to inquire of the gentleman from Tennessee if it is his intention to inform the House that the new revenue bill will not come up for consideration on any day this week? Has he been formally advised to that effect?

Mr. SIMS. I hope I am not saying anything that ought not to be said publicly, but I think I am safe in saying that it will not be taken up this week.

Mr. CRISP. I may say to the gentleman that in my opinion the revenue bill will not come up for a week from to-day.

Mr. RAKER. Will not the gentleman ask that the business in order on Calendar Wednesday be taken up to-morrow, and then take up the water-power bill?

Mr. SIMS. I intend to do that if there is objection to my request just made?

The SPEAKER. What request does the gentleman prefer?

Mr. SIMS. I will ask the Chair to put the request as I have made it.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the business in order on Calendar Wednesday be dispensed with. Is there objection?

There was no objection.

Mr. SIMS. Mr. Speaker, I want every Member of the House to take notice that as soon as these addresses, for which consent has been given, are delivered to-morrow, we will begin consideration of the water-power bill section by section and paragraph by paragraph for amendment, with the hope of getting the bill passed this week, and I beg of Members to attend the sessions and prevent points of no quorum being made and using much valuable time in calls of the House.

THE RECORD.

Mr. WALSH. Mr. Speaker, in the daily RECORD of August 24 appears an extension of remarks by the gentleman from Texas [Mr. BLANTON], he having procured permission to extend his remarks on the day previous. The remarks convey to an anxious world information as to the returns at a recent primary held in Comanche County and various other communities in the great State of Texas. It is a personal exultation over a political victory; and in view of the shortage in print paper with which the Government is now confronted it seems to me that extensions such as this ought not to be passed by without comment.

My colleague from Massachusetts [Mr. TREADWAY], upon the same date of the RECORD, under a leave to extend his remarks during the discussion of the water-power bill, has taken occasion to set forth extracts from speeches which he has made during the second session of the Sixty-fifth Congress. These are put in as one extension, but an extension not necessary, because under the rule, as I understand it, those extracts could have been reprinted in one pamphlet, they having been delivered upon the floor.

Now, Mr. Speaker, I appreciate that I have come to be considered by many Members a good deal of a nuisance to this House in injecting my opposition to extensions of remarks, but I submit that under the existing circumstances, when the particular kind of paper that is used for printing the RECORD costs so much and is getting to be so scarce, there is a duty resting upon us as Members of this House not to take advantage of the House by our extensions of remarks and submit views on primary contests and other extraneous matters, and also to do everything we can to conserve the supply of print paper; and I wish to state that if abuses of the privilege continue, I shall feel constrained—accepting the full responsibility—to object whenever I am present to every single request for extension of remarks, whether it is legitimate or otherwise. [Applause.]

Mr. BLANTON. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Texas rise?

Mr. BLANTON. In view of the remarks of the gentleman from Massachusetts [Mr. WALSH] I am going to ask unanimous consent of the House to proceed for two minutes.

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker and gentleman of the House, the gentleman from Massachusetts [Mr. WALSH] has intimated that I have taken advantage of this House in extending my remarks in the RECORD. With unanimous consent I secured permission to do so, and following that permission extended my remarks.

In a speech in Comanche, Tex., last August a former Member of this House saw fit not only to attack viciously the President of the United States but saw fit to attack the Secretary of the Treasury, accusing both the President and the Secretary of the Treasury of an attempt to bribe him while a Member of this House. Not only did he attack them, but he attacked every Member of this House and every Member of the body which sits at the opposite side of this Capitol, and he stated to the people of his district that when election day came they ought to take a club and club out of office the President of the United States, the Secretary of the Treasury, and every Member of this body, and every Member of the Senate. He was speaking to a crowd estimated at 10,000 people assembled from many counties in that district.

I thought it was a matter of some importance to the gentleman from Massachusetts [Mr. WALSH] to know that on election day the people of that district frowned down in no uncertain way upon the kind of sentiments expressed in war time by a man who so recently had been a Member of this body, a man who had seen fit, in a crowd of 10,000 people, to make the attack which he did.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. CHANDLER of New York. I ask unanimous consent that the gentleman have two minutes more.

The SPEAKER. The gentleman from New York asks unanimous consent that the gentleman from Texas may have two minutes more. Is there objection?

There was no objection.

Mr. CANNON. Will the gentleman yield for a question?

Mr. BLANTON. Certainly.

Mr. CANNON. Without criticizing the gentleman at all, does he not think that the people of Texas have settled this matter, and that no further publicity of it is necessary?

Mr. BLANTON. I thought my colleagues would be interested in knowing the kind of punishment that the people of Texas saw fit to inflict upon a gentleman of that kind.

I will say that the gentleman to whom I refer not only saw fit to criticize public officials of this Nation but he criticized the food-conservation policies of this country and told the people of that country that they did not have to conserve food unless they wished to do so. He not only did that, but he saw fit to criticize the methods and policies by which we were attempting to finance the war. I thought that the people of this country would be interested in knowing that the people of Texas in his own county, in his home county of Comanche, had seen fit to give a majority of 1,100 against him in his home. [Applause.]

I did not take advantage of this House, and if the gentleman from Massachusetts [Mr. WALSH] did not intend to move to strike the matter from the RECORD, I think he could well have afforded not to make the remarks he did on the floor at this time. I will of my own accord eliminate from the permanent RECORD the matter following the tabulation. I thank the House. [Applause.]

Mr. BARNHART. Mr. Speaker, I ask unanimous consent to proceed for three minutes on this matter.

The SPEAKER. The gentleman from Indiana asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. BARNHART. Mr. Speaker, at the time the gentleman from Massachusetts [Mr. WALSH] rose to ask recognition I was on my feet to call attention to this and other mistakes in unnecessarily padding the RECORD.

The Joint Committee on Printing at a meeting this morning authorized me to again call the attention of the House to these abuses of the publishing, if not of extraneous matter, of very much unnecessary matter in the CONGRESSIONAL RECORD. The time has come when it seems that it may be necessary for the Government Printing Office to ask the President to commandeer the paper to get out the publications that we need. The prices of paper have gone so high that this one instance to which the gentleman from Massachusetts [Mr. WALSH] called attention,

namely, the reprinting of a Member's speeches that had already appeared in the RECORD, to the extent of eight pages, will cost the Government of the United States, by the time the franking is done, $300. He might have taken these speeches out of the RECORD and had them reset for the purpose of having them reprinted for comparatively nothing instead of repeating the printing in the RECORD; but these things are done thoughtlessly and mistakenly by Members. Other Members, like the gentleman from Massachusetts [Mr. WALSH], hesitate to object, because they do not like to criticize their friends. Yet matters of purely local concern, like that which has been referred to here of the quarrel in Texas, which nobody outside knows anything about, are extraneous. No doubt the politicians and people of Texas have read in their own papers of the condemnation of these utterances by voters. It simply burdens the CONGRESSIONAL RECORD with a whole lot of matter that is very expensive to the Government and that very few, if any, people read. The CONGRESSIONAL RECORD ought to be printed for the purpose of publishing the proceedings of Congress, and I believe it to be the duty of Members, including the Speaker himself, to see to it that every time a man asks to have his remarks extended, he state what he is going to print in the extension. Otherwise some will abuse the privilege and others, through mistake, incur unnecessary work and expense in the publication of the RECORD.

Mr. DENISON. Will the gentleman yield?

Mr. BARNHART. Yes.

Mr. DENISON. Does not the gentleman think that the practice of printing speeches made in different parts of the country in the RECORD ought to be stopped?

Mr. BARNHART. Yes; I do, and I think if the House would agree to let us take up the printing bill whereby the extension of remarks in the RECORD would be submitted to a committee for its approval before insertion in the RECORD, it would save a vast amount of RECORD space and expense of printing. The criticism of the country is that Congressmen are abusing the privilege.

Mr. FLOOD. Will the gentleman yield?

Mr. BARNHART. Yes.

Mr. FLOOD. The gentleman said that the reprinting of these speeches cost $300. Does not the Member have to pay for that?

Mr. BARNHART. The Member does not pay for putting it in the RECORD, but he does pay for having his speeches printed in pamphlets for circulation.

Mr. FLOOD. I understand this is the second time the speech has been printed.

Mr. BARNHART. This is a collection of remarks which have been printed heretofore in the RECORD and now reprinted.

Mr. CLARK of Florida. Does not the gentleman think that a good deal of paper could be conserved by the suppression of the Official Bulletin?

Mr. BARNHART. That is a matter in the hands of the President of the United States. There is a widespread opinion that it could be reduced, and that if the information given out in the Official Bulletin could be given to the newspapers of the country it would be much more generally seen and read than it is in the Bulletin.

Mr. GOOD. Will the gentleman yield?

Mr. BARNHART. Yes.

Mr. GOOD. If Congress wishes to adopt the policy to conserve, does not the gentleman think that the executive departments of the Government ought to lead in that?

Mr. BARNHART. Yes; but that is up to the Committee on Appropriations that controls the allowances to departments for printing purposes.

Mr. GOOD. I want to call attention to the fact that this morning every Member of the House received from the Fuel Administration about 10 sheets of paper, printed in two columns, containing news items. The first and second pages, I think, were complete, and after that some of the pages did not have more than 2 inches of printed matter, and then 10 inches of blank paper. All of the pages were printed only on one side. Every Member received this big bunch of paper containing but very little printed matter and a lot of paper that was absolutely wasted.

Mr. WALSH. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. WALSH. Does the gentleman from Iowa contend that because the executive departments are extravagant and wasteful, Congress is justified in following that course?

Mr. GOOD. Oh, no; but the executive departments ought to lead in these economies that it is attempting to have every one else practice. The extension of remarks are not the only things that appear in the CONGRESSIONAL RECORD that would appear to make it a waste of paper. [Laughter.]

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to proceed for two minutes on the subject of the condition of the Government Printing Office.

The SPEAKER. The gentleman from Washington asks to proceed for two minutes. Is there objection?

Mr. JOHNSON of Kentucky. Reserving the right to object, I feel that I should give notice now that this talkfest has gone on long enough to the detriment of public business, and while I am not going to object to the request of the gentleman from Washington, I shall object to all other requests of that nature.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. JOHNSON of Washington. Mr. Speaker and gentlemen, I am not a member of the Joint Committee on Printing, but I am a printer. I had occasion a night or two ago to visit the Government Printing Office, and I say to you that that great concern is in danger of being dangerously swamped. Conditions there are now badly congested, not only for the lack of paper but on account of the scarcity of help necessary to do the great amount of work pouring in, and not in any way avoidable by the competent chief and his able assistants and employees. The hearings of the Ways and Means Committee, a very important document, must be printed in great number. The questionnaires and all cards, forms, and documents in connection with the new draft are being printed. Army printing is heavy. This House should suspend as far as it can every line of printing that is unnecessary, and I would like to ask unanimous consent, Mr. Speaker, for unanimous agreement that all requests for extension of remarks in the RECORD hitherto granted be this day suspended. I make that request.

The SPEAKER. The gentleman from Washington asks unanimous consent that all requests for extension of remarks in the RECORD hitherto granted be now revoked.

Mr. MILLER of Minnesota. Mr. Speaker, I think that would be very unfair to the country and to Members who have been granted leave on these very important matters, and I object.

Mr. HILLIARD. I object.

MINIMUM WAGE BOARD FOR THE DISTRICT OF COLUMBIA.

Mr. JOHNSON of Kentucky. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the purpose of considering District legislation.

The question was taken; and on a division (demanded by Mr. WALSH) there were 81 ayes and 2 noes.

So the motion was agreed to; accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 12098 "to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum-wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes," with Mr. BYRNS of Tennessee in the chair.

Mr. JOHNSON of Kentucky. Mr. Chairman, I call up the bill H. R. 12098, which is the bill that was under consideration when the committee rose on last District day.

The CHAIRMAN. The Clerk will read the title.

The Clerk read as follows:

A bill (H. R. 12098) to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum-wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes.

The CHAIRMAN. There is an amendment pending to section 2, offered by the gentleman from Ohio [Mr. LONGWORTH], which the Clerk will report.

The Clerk read as follows:

Page 2, lines 7 and 8, strike out "Commissioners of the District of Columbia" and insert in lieu thereof the following: "President, by and with the advice and consent of the Senate," so that it will read:

"That there is hereby created a board to be known as the 'minimum wage board,' to be composed of three members to be appointed by the President, by and with the advice and consent of the Senate."

Mr. HILLIARD. Mr. Chairman, I hope this amendment will not be agreed to. It seems to be wholly unnecessary and is not in accord with the opinion of those who have this legislation in charge. The President has plenty of matters to engage his attention. This is wholly local, and we think that the local commissioners may with all propriety select the members of this board.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and on a division, demanded by Mr. WALSH, there were—ayes 5, noes 15.

So the amendment was rejected.

The Clerk read as follows:

SEC. 3. That the first members appointed shall, within 20 days after their appointment, meet and organize the board by electing one of their number as chairman and by choosing a secretary, who shall not be a member of the board; and on or before the 10th day of January of each year thereafter the board shall elect a chairman and choose a secretary for the ensuing year. The chairman and the secretary shall each hold office until his successor is elected or chosen; but the board may at any time remove the secretary. The secretary shall perform such duties as may be prescribed and receive such salary, not in excess of $2,500 per annum; as may be fixed by the board. None of the members shall receive any salary as such. The board shall have power to employ agents and such other assistants as may be necessary for the proper performance of its duties: *Provided*, That until further authorization by Congress the sum which it may expend, including the salary of the secretary, shall not exceed the sum of $5,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Does this limitation upon the amount of money that this board may expend include also the amount which it will have to pay for quarters and rentals, or will they have quarters and rent free somewhere?

Mr. HILLIARD. Mr. Chairman, I am not advised as to whether they could have quarters free, but I imagine that is a detail which will be worked out without difficulty.

Mr. WALSH. Of course it is a detail, and it is a detail with which the committee ought to be somewhat familiar, because if the $5,000 is simply to be paid, $2,500 to the secretary and $2,500 for rent, at the prices which are being secured in the District now, they would not have very much money to operate upon. I was wondering whether the members of the committee felt, in view of the circumstances under which this bill was reported out along back last May, they might not need an additional allowance.

Mr. HILLIARD. I think it is entirely possible the board might find it would need more money, but those who are sponsors for the legislation are not disposed to ask for more money at this time, feeling they probably can get along.

Mr. WALSH. And that this would take care of their quarters and extra assistance?

Mr. HILLIARD. Yes; they feel that Congress is usually always open and other arrangements can be made if sufficient cause shall be presented.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

SEC. 4. That at any public hearing held by the board any person interested in the matter being investigated may appear and testify. Any member of the board shall have power to administer oaths and the board may require by subpœna the attendance and testimony of witnesses, the production of all books, registers, and other evidence relative to any matters under investigation, at any such public hearing or at any session of any conference held as hereinafter provided. In case of disobedience to a subpœna the board may invoke the aid of the Supreme Court of the District of Columbia in requiring the attendance and testimony of witnesses and the production of documentary evidence. In case of contumacy or refusal to obey a subpœna the court may issue an order requiring appearance before the board, the production of documentary evidence, and the giving of evidence touching the matter in question, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. I desire to call the attention of the gentleman in charge of the bill to the provision in this section in line 4 which provides that at any public hearing held by the board any person "interested in the matter being investigated" may appear and testify. I am directing my attention to the words "interested in the matter being investigated." Before a witness can appear and testify must be one of the parties in interest?

Mr. HILLIARD. I think the word "interested" is not so restricted in its meaning.

Mr. RAKER. If it is the contention of the committee that it would mean that at any public hearing held by the board any person may appear and testify——

Mr. HILLIARD. I think it is thought that the discretion of the board would be exercised within reasonable limitations.

Mr. RAKER. Is it intended that a person who is wholly and entirely disinterested, so far as the particular matter being investigated is concerned, but who knows of facts that would be of interest to the public and to the working people may go before the board and testify in regard to that matter?

Mr. HILLIARD. I think that one appearing and saying that he was interested would not be taken necessarily to be interested as a party, but the board by a few questions would be able to ascertain the fact whether he was interested, and if interested they would hear him reasonably, and if not interested they would know how to close the hearings.

Mr. RAKER. I still do not get the object of the committee. It seems to me that the purpose of this board is to obtain the testimony of all parties who may know anything that would be of interest to bring out the truth, so that a full and proper report might be made relative to the condition of labor and those interested.

Mr. HILLIARD. That seems to be a fair statement.

Mr. RAKER. But if it is intended that the persons who may testify must be interested in the matter being investigated, as the word is ordinarily used, then you confine it to those persons who have a direct interest in the employment. In other words, you are actually confining it to a man who employs labor or who is an employee himself.

Mr. HILLIARD. I think the matter is very clear, indeed, and yet I appreciate the difficulty under which the gentleman may labor.

Mr. WALSH. Mr. Chairman, will the gentleman from California yield?

Mr. RAKER. Yes.

Mr. WALSH. The gentleman from California makes the point, as I understand it, that the phraseology used—"any person interested"—might be so interpreted by those in charge to include only parties in interest.

Mr. RAKER. That is the point exactly. The purpose of this bill is to reach out and get the information whereby the truth may be had, to find the situation and the condition of labor as specified in this bill in respect to women, girls, and so forth, and that any one who knows anything about it, whether they have lived here a week or a day or a month, who has seen the facts and conditions, may go before the board and have the right to testify and give testimony, and no one can say them nay. Under the provisions of this bill I am a little afraid that the commission or some one might raise the objection and say that this particular man or women can not testify because he or she is not interested, because he or she is not an employer and is not an employee. In other words, he may be simply a citizen looking on, who knows the facts but who can not give them, and I am fearful of the language; but if the gentleman from Colorado [Mr. HILLIARD] with his full investigation and astuteness and learning on this particular question thinks it will not exclude anyone I would not like to interfere. Is that the gentleman's view?

Mr. HILLIARD. Yes; though I hate to have my astuteness and learning confined to this particular matter. However, that is my understanding—that it is entirely sufficient.

Mr. RAKER. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 9. That the board is hereby authorized and empowered to ascertain and declare, in the manner hereinafter provided, the following things: (a) Standards of minimum wages for women in any occupation within the District of Columbia, and what wages are inadequate to supply the necessary cost of living to any such women workers to maintain them in good health and to protect their morals; and (b) standards of minimum wages for minors in any occupation within the District of Columbia, and what wages are unreasonably low for any such minor workers.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. Just what does the gentleman having charge of this bill mean by subdivision a of section 9—

That the board is hereby authorized and empowered to ascertain and declare, in the manner hereinafter provided, the following things: (a) Standards of minimum wages for women in any occupation within the District of Columbia, and what wages are inadequate to supply the necessary cost of living to any such women workers to maintain them in good health and to protect their morals.

Mr. HILLIARD. May I inquire of the gentleman from California what particular part of that section is obscure to him?

Mr. RAKER. Not obscure, but the meaning of the last words "and to protect their morals."

Mr. HILLIARD. That is included, Mr. Chairman, as a part of the purposes of the act. Of course, we might bring in Webster and go into these things in great detail for the enlightenment of my friend from California, but I believe that no gentleman here understands these words better than the gentleman from California, nor what the purpose of them is in this bill.

Mr. RAKER. Well, now, the gentleman does not intend to state that if these women and minors in the District of Columbia are paid a proper living wage that their morals are going to be changed because of the lowness or highness of the wages more than any other people?

Mr. HILLIARD. Oh, yes; I think it is very helpful in that way, and that is really one of the purposes of the act. It is the underlying purpose, I think I may say.

Mr. RAKER. Not the fixing of the wage?

Mr. HILLIARD. The fixing of the wage is incidental to the great purpose that those who favor this legislation have in mind. The wage is incidental, it is not the end.

Mr. RAKER. Well, I know; but if you give the proper surroundings, healthful conditions, and give a proper, honest, decent living wage to the women you are not then going to have to legislate in regard to the morals, are you?

Mr. HILLIARD. No; nor do we say so here, Mr. Chairman. We say, in effect, in this section that proper wage arrangements will bring about these very things.

Mr. RAKER. True. Then why do not you leave these people where they belong and are entitled to, that when you give them an honest living wage, when you give them proper healthful conditions, they are in the same position as everybody else?

Mr. HILLIARD. Yes——

Mr. RAKER. The same condition. They are now standing above reproach in every walk of life, and when you pay them enough so as to give them proper living conditions and proper healthful conditions they are then in the same relation as those who are not compelled to work.

Mr. HILLIARD. That is the argument always made by those who do not look with favor upon legislation of this character.

Mr. RAKER. Oh, no; the gentleman is mistaken in that; the gentleman can not say that because a young lady is working for her living, when she gets a proper living wage, with proper, healthful conditions, that she is any more subject to temptation than those who have luxuries. That is what I mean.

Mr. HILLIARD. That is the very purpose of this bill—to put them on a level and give them a chance to live properly.

Mr. RAKER. And raise the wage accordingly?

Mr. HILLIARD. That is the idea, Mr. Chairman, to raise the wage until they have a chance to live.

The CHAIRMAN. Without objection, the pro forma amendment will be considered as withdrawn.

There was no objection.

The Clerk read as follows.

SEC. 12. That, upon receipt of any report from any conference, the board shall consider and review the recommendations, and may approve or disapprove any or all of such recommendations, and may resubmit to the same conference, or a new conference, any subject covered by any recommendations so disapproved.

If the board approves any recommendations contained in any report from any conference, it shall publish a notice, once a week, for four successive weeks in a newspaper of general circulation printed in the District of Columbia, that it will, on a date and at a place named in the notice, hold a public hearing at which all persons in favor of or opposed to such recommendations will be heard.

After such hearing the board may, in its discretion, make and render such an order as may be proper or necessary to adopt such recommendations and carry them into effect, requiring all employers in the occupation affected thereby to observe and comply with such order. Such order shall become effective 60 days after it is made. After such order becomes effective, and while it is effective, it shall be unlawful for any employer to violate or disregard any of its terms or provisions, or to employ any woman worker in any occupation covered by such order at lower wages than are authorized or permitted therein.

The board shall, as far as is practicable, mail a copy of such order to every employer affected thereby; and every employer affected by any such order shall keep a copy thereof posted in a conspicuous place in each room in his establishment in which women workers are employed.

Mr. WALSH. Mr. Speaker, I move to strike out the last word. Why should not the employees be furnished with a copy of these orders as well as the employers?

Mr. HILLIARD. Well, I believe, Mr. Chairman, that the effect of any such order will be in a sense visited on the employers. The employees will understand what their rights are and the copy going to the employer will indicate to him what his duties are.

Mr. WALSH. Yes; but they might send a copy of this order to the employer and it might be lost and the employees would not know it had been sent. Now, if the employees all have a copy of the order there is surely no misunderstanding about the order?

Mr. HILLIARD. Of course, Mr. Chairman, if the gentleman from Massachusetts thinks it should be amended so the copy would go to everybody he might submit such an amendment, but I think it unnecessary myself.

Mr. WALSH. That was the purpose in inquiring, to draw it to the attention of the gentlemen and the committee to see whether it might be necessary to notify the employees.

Mr. HILLIARD. My notion is that the employees will all know about it. It is a matter of public concern and much publicity will attend it, and I think they will know all about it.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk read as follows:

SEC. 13. That for any occupation in which only a minimum time-rate wage has been established, the board may issue to a woman physically defective or crippled by age or otherwise impaired, a special license authorizing her employment at such wage less than such minimum time-rate wage as shall be fixed by the board and stated in the license.

Mr. LONDON. Mr. Chairman, I move to strike out the last word. May I ask the gentleman from Colorado in charge of the bill, if he does not think the "age," line 1, page 10, should be made more explicit? The bill reads that "the board may issue to a woman physically defective or crippled by age or otherwise impaired." Now the expression "or otherwise impaired" after the expression "crippled by age" is a rather clumsy one. Who is impaired?

Mr. HILLIARD. I think it is entirely possible, Mr. Chairman, that those words were not selected with the greatest care in the world. Yet I think they reasonably set forth the intention of the legislation.

Mr. LONDON. Would it not be better to say "shall issue to a woman whose earning capacity has been impaired by reason of age or otherwise"?

Mr. HILLIARD. I think that might be helpful.

Mr. LONDON. Mr. Chairman, I move the following amendment. After the word "woman," line 1, page 10, insert the following words: "whose earning capacity has been impaired by age or otherwise," and strike out the words "physically defective or crippled by age or otherwise impaired."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LONDON: Page 10, line 1, after the word "woman," strike out "physically defective or crippled by age or otherwise impaired," and insert in lieu thereof "whose earning capacity has been impaired by age or otherwise."

Mr. WALSH. Mr. Chairman, I would like to ask the gentleman from New York why he desires to substitute that language for the language of the bill? I did not hear the conversation he had with the chairman of the committee.

Mr. LONDON. Well, the expression "physically defective or crippled by age or otherwise impaired" is not a smooth expression. "Or otherwise impaired" has no application to anything that precedes the expression. You do not speak of a woman as impaired. It is simply a question of phraseology.

Mr. WALSH. You substitute simply "whose earning capacity has been impaired"?

Mr. LONDON. Exactly.

Mr. WALSH. Whether she is crippled or physically defective, or for any other reason?

Mr. LONDON. Yes; or for any other reason.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. LONDON].

The amendment was agreed to.

The Clerk read as follows:

SEC. 14. That the board may at any time inquire into wages of minors employed in any occupation in the District of Columbia, and determine suitable wages for them. When the board has made such determination it may make such an order as may be proper or necessary to carry such determination into effect. Such order shall become effective 60 days after it is made; and after such order becomes effective and while it is effective it shall be unlawful for any employer in such occupation to employ a minor at less wages than are specified or required in or by such order.

Mr. KINCHELOE. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman from Colorado a question. I want to know whether this board has jurisdiction in fixing the wages of just those who are employed in the District of Columbia or does this involve all the departments of the Government?

Mr. HILLIARD. Oh, no. This only has to do with private employment in the District.

Mr. KINCHELOE. Private employment?

Mr. HILLIARD. Yes.

Mr. KINCHELOE. Do they have plenary powers to fix these wages under this section 14, and when they are fixed is that action final?

Mr. HILLIARD. In a subsequent section provision is made for appeal.

Mr. KINCHELOE. It applies only to those working in private employment in the District of Columbia?

Mr. HILLIARD. Yes.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk concluded the reading of the bill.

Mr. HILLIARD. Mr. Chairman, I ask unanimous consent to return to the first section, line 4, on page 2, and call attention first to the amendment which was placed there by the committee on motion of the gentleman from Ohio [Mr. LONGWORTH]. The amendment reads, after the insertion of a comma after the word "thereof," in line 4, "but shall not include domestic servants." It seems to me that might be made a little clearer if it read "that it shall not include domestic servants in family employment." The phrase "in family employment" I believe would be helpful. And I ask unanimous consent to

offer that amendment to the amendment of the gentleman from Ohio [Mr. LONGWORTH].

The CHAIRMAN. The gentleman from Colorado asks unanimous consent to return to the first section, in line 4, page 2, for the purpose of offering an amendment. Is there objection?

Mr. WALSH. Mr. Chairman, I do not think we should return for that purpose. I think this is a matter that can be arranged later, and therefore I object.

Mr. HILLIARD. The gentleman from Massachusetts is well within his rights.

Mr. Chairman, I move that the committee do now rise——

Mr. GREEN of Iowa. Will the gentleman suspend for a moment?

Mr. HILLIARD. Yes.

Mr. GREEN of Iowa. On page 11, under the provision as to appeal, there is a provision that the right of appeal by the board to the Supreme Court is made definite, but the method is not. Would it not be well to add a clause there to the effect that the Supreme Court may prescribe a method of appeal from the board?

Mr. HILLIARD. I do not understand the gentleman's statement.

Mr. GREEN of Iowa. On page 11, lines 3 and 4, there is a provision that there shall be a right of appeal from the board to the Supreme Court of the District of Columbia. The method of taking this appeal is not fixed. Would it not be well to add a clause at the end of the paragraph to the effect that the Supreme Court may prescribe the method of taking the appeal from the board?

Mr. HILLIARD. Personally I see no objection to that suggestion. But I think likely it is unnecessary.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to return to section 17 for the purpose of offering an amendment.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to return to section 17 for the purpose of offering an amendment. Is there objection?

Mr. RAKER. Let the amendment be reported first.

Mr. GREEN of Iowa. I can give the amendment that I intend to propose. On page 11, line 10, after the word "board," insert "the Supreme Court of the District of Columbia may prescribe the method of appeal from the board."

Mr. RAKER. Under the law now anybody has the right of appeal.

Mr. GREEN of Iowa. The right of appeal and the method of appeal are two altogether different things.

Mr. RAKER. If you give a man the right of appeal, there is a general rule providing the method. If you give the right of appeal, the ordinary procedure is laid down.

Mr. GREEN of Iowa. The gentleman is entirely in error. If the gentleman wants to object, I do not care anything about it. It is wrong as a matter of law.

Mr. RAKER. It is not necessary, and I object.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa [Mr. GREEN]?

Mr. RAKER. I object.

Mr. MASON. Mr. Chairman, before this motion to rise is carried I wish to address the committee for two minutes, and I move to strike out the last word of the last section.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. MASON. Mr. Chairman, I had the pleasure of sitting as one of the subcommittee in the hearings. There seemed to be some questions asked by my colleagues over here as to the merits of the bill. I wish to say that it has received the indorsement of the health officers not only in the District but as to its principle all over the United States. The American Federation of Labor and the Retail Merchants' Association, which was supposed to be in opposition to this bill, have generously agreed to recommend it and did recommend it before the committee at the hearings.

As to the need of immediate action for the protection of the women and children of the District, I beg leave to insert in the RECORD, or read now, if there is any objection to inserting it, the statement by Miss Mary O'Sullivan, of Washington, D. C., which gave the condition before the war, in time of peace, and her statement as to the danger of going back to those wages after this war is over. That statement is:

Miss O'SULLIVAN. Mr. Chairman, I am about to tell you in a few words how I managed to live on $7 a week. The experience at best was a very unpleasant and sorrowful one, but I am willing to repeat it if it will make you understand or see a little more clearly the necessity for a minimum-wage bill in the District of Columbia. In 1915 it was very hard to get any kind of work in this city, and after several weeks of seeking and pleading I happened to get in a store where I became part of the machinery of that establishment for the handsome sum of $5 a week. After a short while I moved on and had to start in another store on the same salary. After working for that small wage for six months I one day plead for a raise and was granted one after a week's waiting, amounting to $1. That gave me $6 a week, and fate, who plays some interesting tricks at times, decreed that for some months I was to live on $6 a week.

That is an experience I do not like to talk about. It meant very meager service in a boarding house; it meant walking home from the down-town section to Eighteenth Street NW. in the warm summer, and it meant staying in and doing one's laundry, and it meant an aching heart. After seven or eight months at that wage I felt that I could not really get along any more on it, and I went to my boss again and pleaded with him for another raise. He told me that he would do the very best he could for me. He usually talked to you in that fashion about learning to labor and to wait; and I did wait, and after another two weeks I went back and asked if I was going to get a raise. He was still thinking, and after six weeks of thinking I managed to get another dollar.

Seven dollars a week amounts usually to about $30 a month. Living at that rate, of course, I could not be in town. So I happened to get board in a home in a suburb, which was charitable enough to take me in for $20 a month for room and board. Car fare was $2.50, and, besides, you had to dress and look neat. A girl living by herself and having no other remuneration naturally had no ready cash to buy clothes with. Therefore the store gave us "charges," and a charge costs you about $8 a month—$2 a week. That left me 50 cents a week for car fare, amusements, church collections, and other expenses. That shows the conditions of work in a store. In the morning a woman has to do a day's work in dusting and cleaning and such jobs before she starts to hustle around with the usual waiting in the store work of the day.

Now, there are girls in the stores who have been working for seven and eight years, and they are getting $7 and $8 a week after all those years of service. There are girls working in the stores to-day, after 12 and 14 years' service, for $10 a week. The second gentleman that spoke this morning said that the employers had the welfare of their employees at heart. I am very glad to hear it, because the other day in one of the stores one of these gentlemen was walking around, and he said to some of the girls: "You just wait until the war is over and all these war bureaus have closed, and many of the girls that have left will be glad to come back and you will be very glad to return to a $4, $5, and $6 a week wage."

We may have to go back to the stores again.

I am inserting that, Mr. Chairman, simply to answer the questions I have heard here on the floor as to the necessity of immediate action, and I call attention to the fact that so far as the District of Columbia is concerned there is no commercial organization or an organization of any kind that is opposing it, and I hope there will not be a vote against the bill.

Mr. HILLIARD. Mr. Chairman, I move that the committee rise and report the bill favorably with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The CHAIRMAN. The gentleman from Colorado moves that the committee rise and report the bill with sundry amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. BYRNS of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 12098) to protect the lives and health and morals of women and minor workers in the District of Columbia and to establish a minimum wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes, had directed him to report the bill back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. HILLIARD. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HILLIARD, a motion to reconsider the vote whereby the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. LONERGAN. Mr. Speaker, I ask unanimous consent to extend my remarks on the minimum-wage bill.

The SPEAKER. The gentleman from Connecticut asks unanimous consent to extend his remarks on the minimum-wage bill.

Mr. WALSH. Reserving the right to object, these, I assume, are the gentleman's own remarks?

Mr. LONERGAN. Yes.

The SPEAKER. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE.

Mr. LONDON. Mr. Speaker, I ask unanimous consent that on next Friday I may have 20 minutes in which to address the House on the subject of an international league to secure peace.

The SPEAKER. The gentleman from New York asks unanimous consent that next Friday, after the reading of the Journal and the disposition of the business on the Speaker's table, he have 20 minutes in which to address the House on the subject of an international league of peace.

Mr. RAKER. Reserving the right to object, the gentleman from Tennessee [Mr. SIMS] is not present. We have agreed to dispose of the water-power bill. Would not the gentleman from New York let his request go until after that is disposed of? We agreed that to-morrow, without objection, we would spend two hours on general debate. If we take out Friday somebody else will want to take time. That water-power bill ought to be disposed of.

Mr. LONDON. I would like to change my request and ask that to-morrow, after the other speeches are delivered, I may be permitted to address the House for 20 minutes.

The SPEAKER. The gentleman from New York asks unanimous consent that after Mr. RODENBERG and two or three other gentlemen have concluded their remarks to-morrow he may have 20 minutes in which to address the House on the subject of an international league of peace.

Mr. LONDON. To secure peace. I draw that distinction.

The SPEAKER. On the subject of an international league to secure peace. Is there objection?

There was no objection.

Mr. MASON. Mr. Speaker, I would like to ask unanimous consent to address the House for 15 minutes at the conclusion of the remarks of the gentleman from New York on the subject of a united country adding to the military strength of the Government.

The SPEAKER. The gentleman from Illinois asks unanimous consent that at the conclusion of the remarks of the gentleman from New York [Mr. LONDON] he be allowed to address the House for 15 minutes on the subject, "A united country adds to the military strength of the Government." Is there objection?

Mr. RAKER. Reserving the right to object, is that Friday or to-morrow?

Mr. MASON. To-morrow.

Mr. RAKER. That means practically, from all indications, that all of to-morrow is to be taken up by speech making, and no opportunity given to commence the consideration of the water-power bill under the five-minute rule.

The SPEAKER. Is there objection?

There was no objection.

CARRYING CONCEALED WEAPONS IN DISTRICT OF COLUMBIA.

Mr. JOHNSON of Kentucky. Mr. Speaker, I call up the bill H. R. 12224 for present consideration.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. I do.

Mr. WALSH. That is this concealed-weapon bill?

Mr. JOHNSON of Kentucky. Yes.

Mr. WALSH. Does the gentleman think that ought to be considered in the absence of a quorum? It is rather important.

Mr. JOHNSON of Kentucky. It is an important bill; but I can not see how there can be much opposition to it, if any.

Mr. WALSH. I see; but if the gentleman wants to take that chance, all right.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

A bill (H. R. 12224) to punish the carrying of concealed deadly weapons in the District of Columbia.

Be it enacted, etc., That hereafter it shall be unlawful in the District of Columbia for anyone except a peace officer in and for the District of Columbia to carry a deadly weapon concealed upon or about the person.

Whoever violates the provisions of this act shall, upon conviction, be punished by imprisonment in the penitentiary not less than one year nor more than five years.

Whenever anyone is convicted of a second offense under this act the punishment shall be not less than five years in the penitentiary, and upon the third conviction for a like offense the punishment shall be confinement for life in the penitentiary.

The SPEAKER. The gentleman from Kentucky [Mr. JOHNSON] is recognized for an hour.

Mr. JOHNSON of Kentucky. Mr. Speaker, conditions in the District of Columbia, as the result of carrying concealed deadly weapons, have grown to a horrible and frightful extent. Scarcely a day passes here without a homicide or a wounding as the result of carrying concealed deadly weapons. I take it for granted that the House is thoroughly advised of the condition which exists, and that the House knows how bad this condition is, and that something must be done to put a stop to it.

Mr. LONDON. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. And in my opinion nothing short of making it a felony is going to stop it, because the law already in existence is rather severe; and if that does not stop it I am in favor of going to any extreme measure in order to stop it.

Mr. LONDON. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of Kentucky. I do.

Mr. LONDON. Has the gentleman any statistics regarding crimes of this character?

Mr. JOHNSON of Kentucky. No; I have no statistics, but I see it generally stated that there are more homicides in the 7 miles square of the District of Columbia than there are in any State of the Union.

Mr. LONDON. And it should be easy to obtain definite information on the subject here.

Mr. JOHNSON of Kentucky. I take it for granted that that might have been done and still might be done, but I do not see the importance of it. We know that these crimes are going on as the result of carrying concealed deadly weapons, and the exact extent of them ought not to either pass the bill or defeat it.

Mr. YOUNG of North Dakota. I understood the gentleman's question to be directed to the extent of crime.

Mr. JOHNSON of Kentucky. He wanted to know if I had any statistics as to the number of homicides committed in the District of Columbia, which I have not.

Mr. YOUNG of North Dakota. Is there anything to indicate about how general the carrying of concealed weapons is in the District?

Mr. JOHNSON of Kentucky. I only know from the newspaper reports and the court trials that the law in this respect is being violated to an outrageous extent.

Mr. KNUTSON. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. KNUTSON. I observe that the bill carries life imprisonment for a third conviction.

Mr. JOHNSON of Kentucky. Yes.

Mr. KNUTSON. Is not that rather severe?

Mr. JOHNSON of Kentucky. Of course, it is severe; but I do not think it is severe enough.

Mr. KNUTSON. Why not hang a man!

Mr. JOHNSON of Kentucky. I would be in favor of it for the third offense.

Mr. KNUTSON. Is not this an invasion of the inherited rights of people in certain parts of the country?

Mr. JOHNSON of Kentucky. I do not understand the gentleman's question. If there is any inherited right to violate the law of the land I certainly do not know of it. Does the gentleman?

Mr. KNUTSON. Of course, custom sometimes prevails over law.

Mr. JOHNSON of Kentucky. I do not know of any part of the country where custom prevails over the law in this respect.

Mr. KNUTSON. In all seriousness, the punishment provided in this act is too severe. I think the gentleman will admit that.

Mr. JOHNSON of Kentucky. No; I will not admit anything of the kind. I contend that when a man has been twice convicted of carrying concealed deadly weapons he becomes a dangerous outlaw, and there is no penalty too severe for him, and he can only be convicted of the third offense when he has been convicted twice before.

Mr. WALSH. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I will.

Mr. WALSH. Will the gentleman state what the present law is? I notice that the report is not very illuminating; an exception, as the reports which the gentleman usually files are illuminating.

Mr. JOHNSON of Kentucky. The report is not illuminating for the reason that I wrote it simply to comply with the rule of the House, believing that no argument was necessary.

Mr. WALSH. Now that it appears that some argument is necessary, will the gentleman state what is the present law upon this subject?

Mr. JOHNSON of Kentucky. The carrying of concealed weapons in the District of Columbia is only a misdemeanor punishable by fine and imprisonment.

Mr. WALSH. What imprisonment?

Mr. JOHNSON of Kentucky. Not to exceed six months is my information; but I am not sure of this.

Mr. WALSH. Now, what is a deadly weapon under the law of the District? How is that question determined? Is that a question of fact for the jury or is there some code provision?

Mr. JOHNSON of Kentucky. The decisions of the courts here already have determined what is a deadly weapon.

Mr. WALSH. Under this it would be unlawful for a soldier or officer of Marines to walk down Pennsylvania Avenue with a revolver in his hip pocket covered up by his coat, would it not?

Mr. JOHNSON of Kentucky. Yes; it would be and ought to be.

Mr. WALSH. The gentleman says it ought to be.

Mr. JOHNSON of Kentucky. Yes.

Mr. WALSH. And it would be unlawful for a detective of the local police department out on an investigation to carry a gun in his coat pocket?

Mr. JOHNSON of Kentucky. It would not under this bill.

Mr. WALSH. The courts do not construe a detective attached to the police force to be a peace officer, do they?

Mr. JOHNSON of Kentucky. Certainly. There are no detectives under the municipality unless they are policemen. They are all in the police class.

Mr. WALSH. Take a detective from the city of Baltimore, coming over here seeking to apprehend a criminal.

Mr. JOHNSON of Kentucky. He could not make an arrest in the District of Columbia, and therefore there is no necessity for his being armed.

Mr. WALSH. He might need to be armed in self-defense when going into some dive or place of refuge where criminals go. He might go to see if a man was there, and he might be recognized, and it might be necessary for him to have some arms on his person.

Mr. JOHNSON of Kentucky. A Maryland officer would come into the District of Columbia only as a private citizen. He could not come otherwise. I believe the gentleman is digging up scarecrows.

Mr. WALSH. No. I do not think we ought to pass legislation here upon the subject of carrying concealed deadly weapons, which is going to put the District of Columbia in a class by itself, and advertise it as being a community filled up with gun-toters and dirk-carriers and razor-wielders.

Mr. JOHNSON of Kentucky. The newspapers have saved us that trouble. They have advertised it.

Mr. WALSH. The gentleman, of course, is aware that the business of the newspapers is to print news, whether it accords strictly with the facts or not, and the gentleman ought not to press this bill without showing that there has been any increase in the number of arrests under the present law. The gentleman speaks about homicides. There is no evidence that the homicides were committed by concealed deadly weapons. I have read of two or three homicides this summer that were not committed by weapons at all. For instance, a woman went out on an automobile ride with two deserters and the chauffeur was killed with an iron bar.

Mr. JOHNSON of Kentucky. That was in the State of Virginia.

Mr. WALSH. It was in this vicinity, and they started from this city.

Mr. JOHNSON of Kentucky. I will say that common sense and decency are relied upon for the passage of this bill and not statistics, and when it comes to newspaper reports the newspaper publishes the court proceedings.

Mr. WALSH. Will the gentleman state how many more homicides there have been in the District of Columbia in the last 12 months than the preceding 12 months, and how many of those were due to parties carrying concealed deadly weapons?

Mr. JOHNSON of Kentucky. I can not give the statistics, and I am surprised that anybody depends on statistics for opposition to this bill.

Mr. WALSH. And I am surprised that the gentleman, chairman of this important committee, should come into the House and ask to amend the existing law so as to provide that on a conviction of the third offense that they shall be confined in the penitentiary for life, without any statistics or reason except, as he says, common sense. It is no reason for the passage of the bill that the gentleman's common sense urges him to submit the proposed legislation. There should be some further reason than that.

Mr. JOHNSON of Kentucky. I relied upon the gentleman's common sense in supporting the legislation.

Mr. WALSH. That is an unsafe thing for the gentleman to do in any proposition submitted by him.

Mr. JOHNSON of Kentucky. I disagree with the gentleman. I regard it as safe to rely on his common sense.

Mr. WASON. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. WASON. Does this prohibition of carrying a deadly weapon concealed on the person mean that the civilian who is not a police officer is prohibited? I do not know what it means by saying "peace officer in the District of Columbia."

Mr. JOHNSON of Kentucky. It means the same in the District of Columbia as anywhere else in the country.

Mr. WASON. We usually call it "police."

Mr. JOHNSON of Kentucky. I looked it up and found that "peace officer" covered it. It includes all those who have a right to make arrests. It includes the United States marshals and his deputies.

Mr. WASON. Does this mean that he can carry a revolver on his person if he does not conceal it?

Mr. JOHNSON of Kentucky. The Constitution of the United States gives him that right.

Mr. WASON. He must carry it exposed?

Mr. JOHNSON of Kentucky. Yes.

Mr. WASON. Has the committee considered the advisability of allowing the chief of police to issue a license to a man to carry concealed weapons?

Mr. JOHNSON of Kentucky. Yes; and that is a wrong we want to get righted by this bill.

Mr. WASON. Does the gentleman mean by "wrong" in places where they have the privilege of issuing licenses?

Mr. JOHNSON of Kentucky. A license can be granted in the District of Columbia to carry a concealed deadly weapon, but after the passage of this bill it could not be granted.

Mr. WASON. The point I want to get at is this: There are men, for instance express messengers, traveling about who have certain reasons for carrying concealed weapons.

Mr. JOHNSON of Kentucky. If they carry them at all they ought to carry them openly. Whenever you make exceptions you make room for killing the measure.

Mr. WASON. Why should not the police officer carry them openly?

Mr. JOHNSON of Kentucky. I saw a police officer this morning riding along in his shirt sleeves on a bicycle with his revolver exposed.

Mr. WASON. Why should he not be permitted to carry it concealed?

Mr. JOHNSON of Kentucky. The police officer should be permitted to go armed. There is no particular reason why the revolver should be carried concealed, but there is a very good reason why he ought to have the protection of his coat over it to pevent the man whom he is undertaking to arrest from grabbing it. The coat is a great protection to him.

Mr. WASON. That may be. I do not object to that so far as the police officers are concerned, but it seems to me there are many persons who ought to be allowed to carry concealed weapons, men who are at work legitimately and ought to be protected.

Mr. YOUNG of North Dakota. Take the bank messengers.

Mr. JOHNSON of Kentucky. Messengers of banks ought not to have the right to go armed any more than anybody else.

Mr. YOUNG of North Dakota. How about agents of express companies?

Mr. JOHNSON of Kentucky. You could find a whole lot of exceptions like that which would destroy the usefulness of the bill. The bill ought to be general.

Mr. WASON. There are many States that have similar acts to this which permit the chief of police and the police commissioners to issue licenses to civilians.

Mr. JOHNSON of Kentucky. Yes; and in every case where it is allowed it has been abused.

Mr. WASON. The gentleman is in error, and I will ask him to furnish statistics as to the State of New Hampshire.

Mr. JOHNSON of Kentucky. Statistics are the refuge of everybody who wants to defeat a meritorious measure. You can prove anything by statistics.

Mr. WASON. I do not think the gentleman's answer is quite fair.

Mr. JOHNSON of Kentucky. Then I withdraw it.

Mr. WASON. Can the gentleman furnish statistics from my State showing that civilians have abused the privilege of license? I still insist that before the gentleman cast it aside with a general answer he examine the statistics.

Mr. JOHNSON of Kentucky. I will say to the gentleman and to the House that I have no more interest in this bill than has any other Member of the House. Neither have I any pride of authorship. I have brought it here, and it is now with the House. I do not care from a personal standpoint what becomes of it. Those of you who want to fight it from a statistical standpoint, or from any other, go ahead and do it and take the responsibility. In other words, this is something that is needed upon the face of things, and the necessity for it is patent. I am not going to stand here and further advocate it in the face of that patent necessity.

Mr. WALSH. The gentleman will tell us, of course, about the patent necessity, will he not?

Mr. JOHNSON of Kentucky. Yes; and that is another quibble, and that is patent upon its face, too. If the gentleman from Massachusetts [Mr. WALSH] does not realize that the enforcement of a more stringent law is necessary here, then he has not been observant of conditions.

Mr. WASON. If the gentleman will yield, he assumes that I am opposed to this measure, which is an error. My suggestion is to make it more workable and more effective.

Mr. JOHNSON of Kentucky. Yes; and that was the same plea put up by the people who are successful up to now in defeating the antiprofiteering rent bill. They wanted to make it "workable." I want to stop the carrying of pistols here, and knives and razors and all those things.

Mr. WASON. I hope the gentleman will not ask me to indulge in a discussion of the rent bill that we have heard so much about in connection with the peace proposition for the District of Columbia. My purpose, as I say, is to make this law workable and practicable.

Mr. JOHNSON of Kentucky. Mr. Speaker, I reserve the remainder of my time, and that will give the gentleman one hour, if he desires recognition, and he can discuss it to his heart's content.

Mr. WALSH. Under what rule is it that he gets an hour?

Mr. WASON. Mr. Speaker, I am not opposed to the bill, so I do not care to avail myself of the kind offer of the gentleman from Kentucky.

Mr. WALSH. I would like the gentleman to yield some time to me.

Mr. JOHNSON of Kentucky. I reserve the remainder of my time, and the gentleman from Massachusetts can be recognized in his own time and get an hour.

Mr. LONDON. Mr. Speaker, I am opposed to the bill, and I desire recognition.

The SPEAKER. The gentleman from New York is recognized.

Mr. LONDON. Mr. Speaker, the gentleman from Kentucky fights for a good and a bad thing with equal pugnacity. He is so certain of himself that he never admits the possibility that he may be wrong. This bill reads to me like one of the measures proposed in the fifteenth and sixteenth centuries in dealing with religious dissentients. The bill provides a minimum penalty of not less than one year's imprisonment and not more than five years in a penitentiary for carrying a concealed weapon for a first offense, not less than five years for a second offense, and life imprisonment for a third offense. The gentleman from Kentucky [Mr. JOHNSON] would make it impossible for the judge who tries the case to inquire into the circumstances mitigating the offense. He would make it impossible for the court to impose a nominal fine or to give a friendly warning to a first offender. The idea of compelling a judge who tries a case to impose a minimum penalty of not less than one year is in itself absurd.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. LONDON. Yes.

Mr. KNUTSON. Does not the gentleman think that the bill should allow the judge certain discretionary power?

Mr. LONDON. Of course. This means to deprive the judicial officer of the very functions which he is to exercise. Assume a man to be in total ignorance of the law to have been innocently carrying a revolver. The gentleman from Kentucky would impose upon the judge the obligation to inflict a minimum penalty of one year's imprisonment. It will give the judge no discretion at all. He would destroy his opportunity to exercise his judgment, to weigh the particular facts in the case.

Mr. JOHNSON of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. LONDON. Yes.

Mr. JOHNSON of Kentucky. Would not the gentleman's argument apply to every law on the Federal statute books?

Mr. LONDON. I am opposed to any law which compels a judge to inflict a minimum penalty irrespective of the facts in the case. Every such provision is fundamentally wrong, fundamentally absurd, and indefensible. Take the case of an innocent man who does not know of the existence of the law, and who has been carrying a revolver for years, though he may never have used it. He is brought into court and the judge, in spite of all of the facts in the case, is compelled to sentence the man to a penitentiary term and deprive him of valuable civil rights.

Mr. JOHNSON of Kentucky. That is exactly right.

Mr. YOUNG of North Dakota. It is against the law now, is it not, to carry a concealed weapon?

Mr. LONDON. Yes; but the law now does not compel the judge to disregard mitigating circumstances. The law does not compel the judge to impose a minimum penalty of one year.

Mr. YOUNG of North Dakota. They do not get any results from the operation of the law as it stands now, do they?

Mr. LONDON. The gentleman from Kentucky [Mr. JOHNSON] has failed to present any facts outside of his own aggressive statement that so many offenses of this kind have taken place that it is necessary to adopt a drastic law. He has failed to present any facts which would justify us in changing the present law.

Mr. YOUNG of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. LONDON. Yes.

Mr. YOUNG of North Dakota. It seems to me that the kind of law he proposes is the one we have now, and it is not working.

Mr. LONDON. That is what the gentleman has failed to prove. There is no such thing as any law working well. We have had for thousands of years laws against murder and larceny and burglary, and these offenses have been committed right along. Crime and criminals are the result of an unhealthy state of society. It has been proven beyond doubt that in some sections of Europe the number of crimes against property and person multiplies or diminishes with the condition of the harvest.

If the harvest of potatoes is good in certain sections of continental Europe, then the number of crimes against order and person is diminished; that is, if the harvest is good. If it be bad, crimes multiply. There are certain natural laws—the desire to live, to continue physical existence—and when the written law comes in conflict with this natural and supreme law of the living being to continue to exist, then the natural law will prevail over the written law. I can not at the present moment go into a discussion of the general question of crime and to what extent it is the result of unfavorable economic conditions. That is not before us at the present moment. I am arguing against a provision which forces the judicial officer to impose a minimum penalty. It is entirely contrary to the liberal policy which is being advocated throughout the country and being adopted throughout the world, to treat the first offender with kindness, with mercy, and with consideration. Throughout the country, in almost every State of the Union, there is a tendency to treat the first offender as a man who has committed an error unless it is shown that he has a criminal disposition.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. LONDON. I will.

Mr. YOUNG of North Dakota. If we change the penalty for the first offense, what would the gentleman say should be the penalty for the second offense?

Mr. LONDON. Let us see. I would retain the present provision of the law so far as the first offense is concerned and provide the penalty under existing law of six months or a fine of not more than $100, or both fine and imprisonment as a punishment for the first offense. Then I would put a corresponding penalty, a more severe one, for the second offense, and for the third offense we might provide 5 or 10 years; but to speak of life imprisonment for the carrying of a revolver after a man has been punished twice for carrying a revolver, which means carrying it without using it, because if he carried a revolver and used it unlawfully against somebody, he would be in jail for some very serious offense. You propose to put him in jail for life because he has on two occasions been found guilty of carrying a revolver without using it. I wonder if the gentleman from Kentucky wants to punish him for carrying it or for not having used it. [Laughter.] That seems to be the only logical conclusion. The bill is wrong, and the gentleman from Kentucky should devote his ability and his capacity as a fighter to something better. Defeat the bill. There is no occasion for adopting this draconic law. The District of Columbia is a pretty safe place to live in at present. We do not hear of frequent homicides or the frequent use of deadly weapons. The gentleman refuses to furnish statistics because he has not any, refuses to furnish facts because he has not any to present.

Mr. SANFORD. Will the gentleman yield?

Mr. LONDON. I will.

Mr. SANFORD. I would like for the gentleman to give his opinion on this: If this law were enacted and some one desiring to get the better of you should slip a concealed weapon in your pocket without your knowledge, would not you be guilty and would not the court be compelled to sentence you under this act?

Mr. LONDON. The court would be compelled to punish the person and find him guilty of having a revolver in his possession, and no matter how innocent, no matter how harmless the in-

tention or how technical the offense might be, the man would have to be sent to prison.

Mr. SANFORD. Does the gentleman think the court would have the right to suspend sentence?

Mr. LONDON. No; not under the language of this law.

Mr. SANFORD. In some jurisdictions it has been held that the court has the inherent right to suspend sentence regardless of any such provision of law. As to the District of Columbia I do not know.

Mr. LONDON. I understand the Federal courts have held such language binds them to impose a minimum penalty.

Mr. SANFORD. New York courts have not held that way.

Mr. LEA of California. Will the gentleman yield?

Mr. LONDON. I will.

Mr. LEA of California. As I understand this law, it makes it a felony for a man going through Washington to carry a revolver in his valise, would it not?

Mr. LONDON. Undoubtedly.

Mr. LEA of California. And totally ignores the element of the intention of the carrier in fixing this penalty?

Mr. LONDON. Entirely does away with it.

Mr. LEA of California. In my judgment, this law should be defeated. It is a monstrous thing. It would be a disgrace to the Congress of the United States, and will so appeal to every man's sense of justice who will stop to consider it. This law would make it a crime punishable by imprisonment in the penitentiary for not less than one year simply because a man is innocently carrying a revolver. It is an elementary principle of the criminal law that the intent is one of the most essential elements. This is an offense that should be punished, which does not involve any intent, by a minimum fine of $5 or $10 or 5 or 30 days in jail. It would be a species of Puritanism; it would savor of an arbitrary enactment of law with a penalty out of all proportion to the offense involved that would not commend itself to the country if passed.

Mr. BAER. Does it not include women, too?

Mr. LEA of California. Yes.

Mr. BAER. I have heard of soldiers who have bought weapons for their wives whom they were leaving behind and who have traveled throughout the country, and it would also include those?

Mr. LONDON. Yes.

Mr. KNUTSON. It does not draw any distinction between the sexes.

Mr. LONDON. Mr. Speaker, I reserve the balance of my time.

Mr. WALSH. Mr. Speaker——

The SPEAKER. The gentleman from Massachusetts is recognized for an hour.

Mr. WALSH. I move to strike out the enacting clause.

The SPEAKER. The gentleman from Massachusetts moves to strike out the enacting clause. The question is on the motion of the gentleman from Massachusetts.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. JOHNSON of Kentucky. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 12, noes 8.

Mr. JOHNSON of Kentucky. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Kentucky makes the point of no quorum, and evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

Mr. WALSH. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER. The genteman from Massachusetts moves that the House adjourn.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. RAKER and Mr. JOHNSON of Kentucky demanded a division.

The House divided; and there were—ayes 14, noes 6.

Mr. JOHNSON of Kentucky. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Kentucky [Mr. JOHNSON] makes the point of no quorum.

Mr. WALSH. Well, Mr. Speaker, the point of no quorum was pending on the previous question. It does not take a quorum on the motion to adjourn with the point pending.

The SPEAKER. I know. The Doorkeeper will close the doors; the Sergeant at Arms will notify the absentees.

Mr. WALSH. But, Mr. Speaker, I submit that the point of no quorum was pending upon the previous motion, whereupon a motion to adjourn was made and carried; and, as the Speaker had declared there was no quorum present on the previous question, there is no call of the roll on this motion to adjourn.

The SPEAKER. It does not take a quorum to adjourn.

Mr. WALSH. Certainly, it does not; and therefore the point of no quorum can not be made on the motion to adjourn.

The SPEAKER. I know; but the gentleman had a perfect right to demand a division on the question, and also make the point of no quorum so that he could get a vote of the House on whether to adjourn or not. There is no earthly objection to having two points of no quorum on top of each other.

Mr. JOHNSON of Kentucky. The first name had not been called on the roll, Mr. Speaker, and therefore the Speaker's ruling that there was no quorum present was premature.

Mr. WALSH. Mr. Speaker, if the Speaker will permit one further word. Upon the motion to strike out the enacting clause the division was had, and the point of no quorum was made.

The SPEAKER. Yes.

Mr. WALSH. The Speaker had declared that evidently there was no quorum present, and before the roll was started to be called I made a motion to adjourn, upon which the gentleman from Kentucky [Mr. JOHNSON] asked for a division, and on the division the motion was carried. Now, I submit it is not in order for him to renew the point of no quorum on the division for adjourning because it is already pending upon the motion to strike out the enacting clause, and the House has voted to adjourn.

The SPEAKER. The Chair believes the gentleman from Massachusetts [Mr. WALSH] is correct, and unless the gentleman from Kentucky——

Mr. JOHNSON of Kentucky. In order that we may see who is in favor of the continuance of the carrying of concealed weapons in the District of Columbia, I demand the yeas and nays.

Mr. WALSH. Mr. Speaker, I make the point of order that is not in order.

The SPEAKER. The gentleman has a perfect right to demand the yeas and nays on the motion to adjourn. There is no question on earth about that.

Mr. JOHNSON of Kentucky. It is a new principle if I have not.

The SPEAKER. The question is on ordering the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Those in favor of adjourning will, when their names are called, answer "yea," and those opposed will answer "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 12, nays 229, not voting 189, as follows:

YEAS—12.

Baer	Fordney	Lehlbach	Sanford
Cox	Fuller, Mass.	London	Smith, Mich.
Ellsworth	Lea, Cal.	McLaughlin, Mich.	Walsh

NAYS—229.

Alexander	Decker	Hadley	Lufkin
Almon	Denison	Hamilton, Mich.	McAndrews
Ashbrook	Dent	Hardy	McArthur
Ayres	Denton	Harrison, Miss.	McClintic
Bankhead	Dewalt	Harrison, Va.	McCulloch
Barnhart	Dickinson	Hastings	McFadden
Beakes	Dill	Haugen	McKenzie
Bell	Dixon	Hawley	McKeown
Beshlin	Doolittle	Heflin	McKinley
Black	Doughton	Helm	McLemore
Blackmon	Dowell	Helvering	Madden
Bland, Ind.	Drane	Hersey	Magee
Bland, Va.	Dupré	Hilliard	Mansfield
Blanton	Dyer	Holland	Mapes
Borland	Eagle	Houston	Martin
Brodbeck	Elston	Hull, Tenn	Mason
Brumbaugh	Esch	Humphreys	Merritt
Buchanan	Evans	Igoe	Miller, Minn.
Burnett	Fairchild, B. L.	Ireland	Miller, Wash.
Burroughs	Ferris	James	Moon
Byrns, Tenn.	Fields	Johnson, Ky.	Moore, Pa.
Campbell, Kans.	Fisher	Johnson, Wash.	Moores, Ind.
Campbell, Pa.	Flood	Kearns	Morgan
Cantrill	Focht	Kehoe	Neely
Carew	Foster	Kennedy, Iowa	Nolan
Carter, Mass.	Freeman	Kettner	Norton
Cary	French	Key, Ohio	Oldfield
Chandler, N. Y.	Fuller, Ill.	Kincheloe	Oliver, N. Y.
Chandler, Okla.	Gallagher	Kinkaid	Olney
Church	Gandy	Kitchin	Osborne
Clark, Pa.	Gard	Knutson	O'Shaunessy
Claypool	Garland	Kraus	Overmyer
Cleary	Garner	La Follette	Overstreet
Collier	Garrett, Tex.	Langley	Paige
Connally, Tex.	Gillett	Larsen	Park
Cooper, Ohio	Glynn	Lazaro	Parker, N. J.
Cooper, W. Va.	Godwin, N. C.	Lee, Ga.	Phelan
Crisp	Good	Lesher	Platt
Currie, Mich.	Goodall	Littlepage	Polk
Curry, Cal.	Gordon	Lonergan	Porter
Dale, Vt.	Green, Iowa	Longworth	Pou

Pratt	Sanders, Ind.	Sterling, Ill.	Wason
Purnell	Sanders, N. Y.	Stiness	Watson, Va.
Quin	Sells	Strong	Weaver
Rainey, H. T.	Shallenberger	Sweet	Welty
Rainey, J. W.	Sherwood	Taylor, Ark.	Wheeler
Raker	Sims	Taylor, Colo.	White, Me.
Ramseyer	Sinnott	Temple	White, Ohio
Rayburn	Sisson	Thomas	Williams
Reavis	Sloan	Tillman	Wilson, La.
Reed	Small	Tilson	Wingo
Roberts	Snook	Timberlake	Winslow
Robinson	Steagall	Towner	Woodyard
Rodenberg	Stedman	Treadway	Young, N. Dak.
Romjue	Steele	Vestal	Young, Tex.
Rose	Steenerson	Volstead	
Rouse	Stephens, Miss.	Waldow	
Rubey	Stephens, Nebr.	Walton	

NOT VOTING—189.

Anderson	Estopinal	Kennedy, R. I.	Scott, Pa.
Anthony	Fairchild, G. W.	Kiess, Pa.	Scully
Aswell	Fairfield	King	Sears
Austin	Farr	Kreider	Shackleford
Bacharach	Fess	LaGuardia	Sherley
Barkley	Flynn	Lever	Shouse
Booher	Foss	Linthicum	Siegel
Bowers	Francis	Little	Slayden
Brand	Frear	Lobeck	Slemp
Britten	Gallivan	Lundeen	Smith, Idaho
Browne	Garrett, Tenn.	Lunn	Smith, C. B.
Browning	Glass	McCormick	Smith, T. F.
Butler	Goodwin, Ark.	McLaughlin, Pa.	Snell
Byrnes, S. C.	Gould	Maher	Snyder
Caldwell	Graham, Ill.	Mann	Stafford
Candler, Miss.	Graham, Pa.	Mays	Sterling, Pa.
Cannon	Gray, Ala.	Meeker	Stevenson
Caraway	Gray, N. J.	Mondell	Sullivan
Carlin	Greene, Mass.	Montague	Sumners
Carter, Okla.	Greene, Vt.	Morin	Swift
Clark, Fla.	Gregg	Mott	Switzer
Classon	Griest	Mudd	Tague
Coady	Griffin	Nelson	Talbott
Connelly, Kans.	Hamill	Nicholls, S. C.	Templeton
Cooper, Wis.	Hamilton, N. Y.	Nichols, Mich.	Thompson
Copley	Hamlin	Oliver, Ala.	Tinkham
Costello	Haskell	Padgett	Van Dyke
Crago	Hayden	Parker, N. Y.	Vare
Cramton	Hayes	Peters	Venable
Crosser	Heaton	Powers	Vinson
Dale, N. Y.	Heintz	Price	Voigt
Dallinger	Hensley	Ragsdale	Walker
Darrow	Hicks	Ramsey	Ward
Davis	Hollingsworth	Randall	Watkins
Delaney	Hood	Rankin	Watson, Pa.
Dempsey	Howard	Riordan	Webb
Dies	Huddleston	Robbins	Welling
Dillon	Hull, Iowa	Rogers	Whaley
Dominick	Husted	Rowe	Wilson, Ill.
Donovan	Hutchinson	Rowland	Wilson, Tex.
Dooling	Jacoway	Rucker	Wise
Doremus	Johnson, S. Dak.	Russell	Wood, Ind.
Drukker	Jones	Sabath	Woods, Iowa
Dunn	Juul	Sanders, La.	Wright
Eagan	Kahn	Saunders, Va.	Zihlman
Edmonds	Keating	Schall	
Elliott	Kelley, Mich.	Scott, Iowa	
Emerson	Kelly, Pa.	Scott, Mich.	

So the motion to adjourn was rejected.

The Clerk announced the following pairs:

For the session:

Mr. STEELE with Mr. BUTLER.

Until further notice:

Mr. HENSLEY with Mr. MUDD.

Mr. TALBOTT with Mr. BROWNING.

Mr. OLIVER of Alabama with Mr. PETERS.

Mr. PADGETT with Mr. HICKS.

Mr. RANDALL with Mr. SIEGEL.

Mr. HOWARD with Mr. DILLON.

Mr. WISE with Mr. ROWLAND.

Mr. BOOHER with Miss RANKIN.

Mr. NICHOLLS of South Carolina with Mr. BRITTEN.

Mr. BYRNES of South Carolina with Mr. NELSON.

Mr. CARAWAY with Mr. MCCORMICK.

Mr. FLYNN with Mr. FREAR.

Mr. CONNELLY of Kansas with Mr. JUUL.

Mr. DOMINICK with Mr. FOSS.

Mr. RAGSDALE with Mr. SCOTT of Iowa.

Mr. LINTHICUM with Mr. COPLEY.

Mr. MAYS with Mr. COOPER of Wisconsin.

Mr. DONOVAN with Mr. GRAHAM of Pennsylvania.

Mr. WELLING with Mr. SMITH of Idaho.

Mr. STERLING of Pennsylvania with Mr. STAFFORD.

Mr. VENABLE with Mr. SWITZER.

Mr. WILSON of Texas with Mr. FARR.

Mr. VINSON with Mr. HAYES.

Mr. ASWELL with Mr. ANDERSON.

Mr. DIES with Mr. ANTHONY.

Mr. EAGAN with Mr. DALLINGER.

Mr. GALLIVAN with Mr. DARROW.

Mr. DOOLING with Mr. DRUKKER.

Mr. DOREMUS with Mr. EDMONDS.

Mr. GARRETT of Tennessee with Mr. ELLIOTT.

Mr. HAMILL with Mr. BACHARACH.

Mr. CLARK of Florida with Mr. GEORGE W. FAIRCHILD.

Mr. GRAY of Alabama with Mr. CANNON.

Mr. HAMLIN with Mr. DAVIS.

Mr. CALDWELL with Mr. FAIRFIELD.

Mr. ESTOPINAL with Mr. AUSTIN.

Mr. GRIFFIN with Mr. CRAMTON.

Mr. CARTER of Oklahoma with Mr. FRANCIS.

Mr. GOODWIN of Arkansas with Mr. EMERSON.

Mr. COADY with Mr. CLASSON.

Mr. BARKLEY with Mr. DEMPSEY.

Mr. GLASS with Mr. GOULD.

Mr. GREGG with Mr. BOWERS.

Mr. CANDLER of Mississippi with Mr. GRAHAM of Illinois.

Mr. DELANEY with Mr. COSTELLO.

Mr. BRAND with Mr. CRAGO.

Mr. CROSSER with Mr. DUNN.

Mr. DALE of New York with Mr. FESS.

Mr. CARLIN with Mr. BROWNE.

Mr. HAYDEN with Mr. GRAY of New Jersey.

Mr. JACOWAY with Mr. HASKELL.

Mr. KEATING with Mr. HEATON.

Mr. LEVER with Mr. KAHN.

Mr. LUNN with Mr. GRIEST.

Mr. MAHER with Mr. KEISS of Pennsylvania.

Mr. MONTAGUE with Mr. HUTCHINSON.

Mr. PRICE with Mr. KING.

Mr. LOBECK with Mr. GREENE of Massachusetts.

Mr. RUCKER with Mr. MONDELL.

Mr. SAUNDERS of Virginia with Mr. MORIN.

Mr. SHOUSE with Mr. NICHOLS of Michigan.

Mr. RUSSELL with Mr. PARKER of New York.

Mr. SCULLY with Mr. KELLEY of Michigan.

Mr. HOOD with Mr. GREENE of Vermont.

Mr. JONES with Mr. ROBBINS.

Mr. SHERLEY with Mr. HUSTED.

Mr. HUDDLESTON with Mr. KENNEDY of Rhode Island.

Mr. KELLY of Pennsylvania with Mr. ROGERS.

Mr. SLAYDEN with Mr. HOLLINGSWORTH.

Mr. SABATH with Mr. LITTLE.

Mr. CHARLES B. SMITH with Mr. MOTT.

Mr. SANDERS of Louisiana with Mr. ROWE.

Mr. SEARS with Mr. HULL of Iowa.

Mr. SHACKLEFORD with Mr. MEEKER.

Mr. THOMAS F. SMITH with Mr. SNELL.

Mr. STEVENSON with Mr. SNYDER.

Mr. SULLIVAN with Mr. TINKHAM.

Mr. SUMNERS with Mr. SWIFT.

Mr. TAGUE with Mr. VARE.

Mr. THOMPSON with Mr. VOIGT.

Mr. VAN DYKE with Mr. WARD.

Mr. WALKER with Mr. WILSON of Illinois.

Mr. WATKINS with Mr. WOOD of Indiana.

Mr. WEBB with Mr. ZIHLMAN.

Mr. WHALEY with Mr. SLEMP.

Mr. WRIGHT with Mr. SCOTT of Michigan.

Mr. SCHALL with Mr. TEMPLETON.

The Clerk having completed the calling of the roll, several Members appeared at the bar of the House and voted.

Mr. DENISON. Mr. Speaker, I was not in the House. Can I vote anyway?

The SPEAKER. Yes. The Clerk will call the gentleman's name.

The Clerk called the name of Mr. DENISON, and he voted in the negative.

Mr. WALSH. Mr. Speaker, have they all qualified?

The SPEAKER. None of them has qualified except one. This was not a roll call on the question of a quorum. It was on a demand for the yeas and nays. Otherwise they will have to qualify.

Mr. MILLER of Minnesota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MILLER of Minnesota. Three bells distinctly rang, indicating a call of the House.

Mr. FOSTER. Mr. Speaker, a point of no quorum has already been made, and this was a motion to adjourn after the point of no quorum had been decided. Under those circumstances it seems to me that when a point of no quorum has been decided it holds good that they should have the right to vote.

Mr. JOHNSON of Kentucky. It is admitted that we were without a quorum.

Mr. WALSH. A division was asked on the motion to adjourn. The gentleman from Kentucky then asked for the yeas

and nays, when 12 Members arose, which the Speaker announced was a sufficient number to get the yeas and nays.

Mr. FOSTER. There was already a question of a quorum before that.

Mr. ALEXANDER. Mr. Speaker, would 12 be a sufficient number?

The SPEAKER. Twelve was a sufficient number, owing to the number that were in the House.

Mr. WALSH. I withdraw my point.

The SPEAKER. The gentleman withdraws the point. I think he is wrong anyway. [Laughter.]

The result of the vote was announced as above recorded.

The SPEAKER. The House refuses to adjourn. The vote will be taken on the motion of the gentleman from Massachusetts [Mr. WALSH] to strike out the enacting clause. A quorum is present, and the Doorkeeper will open the doors. Those in favor of striking out the enacting clause——

Mr. WALSH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WALSH. The House having refused to adjourn, and the question recurring on the motion to strike out the enacting clause, is that now debatable?

The SPEAKER. It is debatable on its merits.

Mr. WALSH. Then, Mr. Speaker, I ask for recognition.

The SPEAKER. The gentleman from Massachusetts is recognized.

Mr. RAKER. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. WALSH. Mr. Speaker, I do not yield for a parliamentary inquiry.

Mr. RAKER. It is a parliamentary inquiry.

Mr. WALSH. I do not yield for a parliamentary inquiry. I have been recognized.

Mr. RAKER. A point of order: Is the motion to strike out the enacting clause, after the House has divided, debatable?

Mr. WALSH. That is not a point of order.

Mr. RAKER. It is a point of order. I submit it to the Speaker. Is it debatable?

The SPEAKER. It is debatable on the motion to strike out on the merits of the bill.

Mr. RAKER. The House voted on this question to strike out the enacting clause, which was carried. A point of no quorum was raised, and it was found that there was no quorum present, and the roll has been called and it is ascertained now that a quorum is present. Can you now go back and commence to debate that question on the merits or otherwise? Must not the House now automatically vote on the question to strike out the enacting clause without debate?

The SPEAKER. When the Chair answered the question of the gentleman from Massachusetts [Mr. WALSH] he had forgotten that the House did vote on the question itself. Therefore the debate is too late.

Mr. RAKER. That is the point I make.

Mr. WALSH. The Speaker is taking into consideration, I assume, the fact that upon the vote to strike out the enacting clause the Speaker declared, in response to the point made by the gentleman from Kentucky [Mr. JOHNSON], that there was no quorum present. Now, does not that vitiate all proceedings with reference to that motion?

The SPEAKER. I think not.

Mr. JOHNSON of Kentucky. We are in the middle of a vote.

The SPEAKER. The Chair, in a measure, forgot what happened, but he has thought about it since, and the parliamentary clerk has reminded him. The gentleman from Massachusetts [Mr. WALSH] moved to strike out the enacting clause, and on that a vote was had, a very small vote. It was 14 to 6, I think. Nevertheless a vote was taken. Then the gentleman from Kentucky [Mr. JOHNSON] made a motion to adjourn.

Mr. WALSH. I beg the Speaker's pardon; that is not the case. The gentleman from Kentucky made the point of no quorum. The Speaker said there was no quorum present, but before the roll was called I moved to adjourn.

Mr. JOHNSON of Kentucky. And we revert immediatey on the taking of the vote——

The SPEAKER. I think there is no question about the motion to strike out the enacting clause; and if so, it is too late to debate.

Mr. LONDON. But, Mr. Speaker, the motion to strike out the enacting clause has not been disposed of.

The SPEAKER. I know; but it has been voted on.

Mr. LONDON. We have not voted on it, except that a division has been called.

The SPEAKER. A division has been had.

Mr. LONDON. Mr. Speaker, the motion has not been disposed of.

The SPEAKER. I know it has not been disposed of, but we are in the process of disposing of it. It will take some time to get to the place to dispose of it.

Mr. JOHNSON of Kentucky. That was interrupted by the motion to adjourn.

The SPEAKER. There is a time to debate, and then there is a time when it is too late to debate.

Mr. LONDON. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. LONDON. Can the motion be withdrawn?

The SPEAKER. Can what be withdrawn?

Mr. LONDON. Can the motion to strike out the enacting clause now be withdrawn?

The SPEAKER. It can not. A vote was taken on it.

Mr. RAKER. The question is, when the motion is made to strike out the enacting clause, it is not debatable.

The SPEAKER. The Chair has just decided that it is not debatable because we have had a division on it. The question is on the motion to strike out the enacting clause.

The question being taken, the Speaker announced that the noes seemed to have it.

Mr. WALSH. Mr. Speaker, I offer an amendment.

Mr. JOHNSON of Kentucky. Mr. Speaker, has the Chair announced the result of the vote?

The SPEAKER. The Chair announces that the motion to strike out is lost.

Mr. JOHNSON of Kentucky. I move the previous question.

Mr. WALSH. The Chair recognized me to make a motion.

Mr. JOHNSON of Kentucky. I was on my feet. The Chair said the noes seemed to have it, but did not announce the result. The motion for the previous question, if made, would have been premature until the Speaker did announce the result; and now, as quickly as the Speaker has announced the result, I have moved the previous question.

The SPEAKER. The Chair thinks the gentleman from Kentucky is entitled to recognition. The gentleman moves the previous question.

The question being taken, the Speaker announced that the noes appeared to have it.

Mr. WALSH. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count.

Mr. JOHNSON of Kentucky. Mr. Speaker, I make the point that the gentleman's point of order is dilatory.

Mr. WALSH. I make the point that the gentleman's point of order comes too late. It has got to be made before the count is taken.

Mr. JOHNSON of Kentucky. Not until the result is announced.

The SPEAKER. The Chair thinks the point comes too late. One hundred and fifty-six Members present, not a quorum.

Mr. LONDON. Mr. Speaker, I move that the House do now adjourn.

Mr. JOHNSON of Kentucky. Mr. Speaker, there is a motion pending before the House.

The SPEAKER. The motion pending is for the previous question. The gentleman from New York [Mr. LONDON] moves that the House do now adjourn.

The question being taken, the Speaker announced that the noes appeared to have it.

Mr. LONDON. I call for the yeas and nays on the motion to adjourn.

The yeas and nays were refused, six Members, not a sufficient number, seconding the demand.

The SPEAKER. The motion to adjourn is lost. The question is on ordering the previous question. The Doorkeeper will lock the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 97, nays 145, answering "present" 1, not voting 187, as follows:

YEAS—97.

Alexander	Cary	Dewalt	Good
Almon	Chandler, N. Y.	Dixon	Gordon
Bell	Chandler, Okla.	Doolittle	Hamlin
Blackmon	Church	Doughton	Harrison, Miss.
Blanton	Claypool	Dupré	Hastings
Borland	Cleary	Evans	Heflin
Brodbeck	Cooper, Ohio	Ferris	Helm
Brumbaugh	Cooper, W. Va.	Fisher	Helvering
Burnett	Cox	Foster	Hilliard
Byrns, Tenn.	Curry, Cal.	Fuller, Ill.	Houston
Campbell, Pa.	Dent	Garrett, Tex.	Huddleston
Carter, Okla	Denton	Godwin, N. C.	Hull, Tenn.

Humphreys	Mansfield	Pratt	Snook
Igoe	Mapes	Quin	Taylor, Ark.
James	Mason	Ragsdale	Thomas
Johnson, Ky.	Miller, Wash.	Rainey, J. W.	Tillman
Kearns	Moon	Ramseyer	Van Dyke
Kehoe	Morgan	Reed	Watson, Va.
Kettner	Neely	Robinson	Williams
Kincheloe	Nolan	Romjue	Wilson, La.
Kitchin	Norton	Rouse	Woodyard
Kraus	Oldfield	Saunders, Va.	Young, N. Dak.
Langley	Overstreet	Sells	
Larsen	Polk	Sherwood	
Lesher	Porter	Sims	

NAYS—145.

Ayres	Focht	McAndrews	Shallenberger
Baer	Fordney	McArthur	Sinnott
Bankhead	Freeman	McClintic	Sisson
Barnhart	Fuller, Mass.	McCulloch	Sloan
Beakes	Gallagher	McFadden	Smith, Idaho
Beshlin	Gandy	McKeown	Smith, Mich.
Black	Gard	McKinley	Stedman
Bland, Ind.	Garner	McLaughlin, Mich.	Steele
Bland, Va.	Gillett	McLemore	Steenerson
Buchanan	Glynn	Madden	Stephens, Miss.
Burroughs	Goodall	Magee	Stephens, Nebr.
Campbell, Kans.	Graham, Ill.	Martin	Sterling, Ill.
Cannon	Green, Iowa	Merritt	Stiness
Carew	Hadley	Miller, Minn.	Strong
Carlin	Hamilton, Mich.	Mondell	Sweet
Carter, Mass.	Hardy	Moore, Pa.	Temple
Clark, Pa.	Harrison, Va.	Moores, Ind.	Tilson
Collier	Haugen	Oliver, N. Y.	Timberlake
Connally, Tex.	Hawley	Olney	Towner
Crisp	Hersey	Osborne	Treadway
Currie, Mich.	Holland	Paige	Vestal
Dale, Vt.	Ireland	Park	Volstead
Decker	Johnson, Wash.	Phelan	Waldow
Dempsey	Kennedy, Iowa	Platt	Walsh
Denison	Key, Ohio	Pou	Walton
Dickinson	Kinkaid	Purnell	Wason
Dill	Knutson	Rainey, H. T.	Weaver
Dowell	La Follette	Raker	Welty
Dunn	Lazaro	Rayburn	Wheeler
Dyer	Lea, Cal.	Reavis	White, Me.
Eagle	Lehlbach	Roberts	White, Ohio
Elliott	Little	Rodenberg	Wingo
Ellsworth	Littlepage	Rose	Wood, Ind.
Elston	London	Rubey	Young, Tex.
Esch	Lonergan	Sanders, Ind.	
Fairchild, B. L.	Longworth	Sanders, N. Y.	
Flood	Lufkin	Sanford	

ANSWERED "PRESENT"—1.

Overmyer

NOT VOTING—187.

Anderson	Fairfield	Kiess, Pa.	Scott, Pa.
Anthony	Farr	King	Scully
Ashbrook	Fess	Kreider	Sears
Aswell	Fields	LaGuardia	Shackleford
Austin	Flynn	Lee, Ga.	Sherley
Bacharach	Foss	Lever	Shouse
Barkley	Francis	Linthicum	Siegel
Booher	Frear	Lobeck	Slayden
Bowers	French	Lundeen	Slemp
Brand	Gallivan	Lunn	Small
Britten	Garland	McCormick	Smith, C. B.
Browne	Garrett, Tenn.	McKenzie	Smith, T. F.
Browning	Glass	McLaughlin, Pa.	Snell
Butler	Goodwin, Ark.	Maher	Snyder
Byrnes, S. C.	Gould	Mann	Stafford
Caldwell	Graham, Pa.	Mays	Steagall
Candler, Miss.	Gray, Ala.	Meeker	Sterling, Pa.
Cantrill	Gray, N. J.	Montague	Stevenson
Caraway	Greene, Mass.	Morin	Sullivan
Clark, Fla.	Greene, Vt.	Mott	Sumners
Classon	Gregg	Mudd	Swift
Coady	Griest	Nelson	Switzer
Connelly, Kans.	Griffin	Nicholls, S. C.	Tague
Cooper, Wis.	Hamill	Nichols, Mich.	Talbott
Copley	Hamilton, N. Y.	Oliver, Ala.	Taylor, Colo.
Costello	Haskell	O'Shaunessy	Templeton
Crago	Hayden	Padgett	Thompson
Cramton	Hayes	Parker, N. J.	Tinkham
Crosser	Heaton	Parker, N. Y.	Vare
Dale, N. Y.	Heintz	Peters	Venable
Dallinger	Hensley	Powers	Vinson
Darrow	Hicks	Price	Voigt
Davis	Hollingsworth	Ramsey	Walker
Delaney	Hood	Randall	Ward
Dies	Howard	Rankin	Watkins
Dillon	Hull, Iowa	Riordan	Watson, Pa.
Dominick	Husted	Robbins	Webb
Donovan	Hutchinson	Rogers	Welling
Dooling	Jacoway	Rowe	Whaley
Doremus	Johnson, S. Dak.	Rowland	Wilson, Ill.
Drane	Jones	Rucker	Wilson, Tex.
Drukker	Juul	Russell	Winslow
Eagan	Kahn	Sabath	Wise
Edmonds	Keating	Sanders, La.	Woods, Iowa
Emerson	Kelley, Mich.	Schall	Wright
Estopinal	Kelly, Pa.	Scott, Iowa	Zihlman
Fairchild, G. W.	Kennedy, R. I.	Scott, Mich.	

So the previous question was not ordered.

The following additional pairs were announced:

Until further notice:

Mr. ASHBROOK with Mr. DAVIS.

Mr. WELLING with Mr. BUTLER.

Mr. GARRETT of Tennesse with Mr. SCOTT of Iowa.

Mr. GRAY of Alabama with Mr. FRANCIS.

Mr. BARKLEY with Mr. RAMSEY.

Mr. CANDLER of Mississippi with Mr. KREIDER.

Mr. CROSSER with Mr. MCKENZIE.

Mr. RUCKER with Mr. KENNEDY of Rhode Island.

Mr. SABATH with Mr. WARD.

Mr. WATKINS with Mr. MCLAUGHLIN of Pennsylvania.

Mr. CANTRILL with Mr. WINSLOW.

Mr. DRANE with Mr. HEINTZ.

Mr. FISHER with Mr. LAGUARDIA.

Mr. LEE of Georgia with Mr. JOHNSON of South Dakota.

Mr. O'SHAUNESSY with Mr. POWERS.

Mr. RIORDAN with Mr. WOODS of Iowa.

Mr. SMALL with Mr. SCOTT of Pennsylvania.

Mr. STEAGALL with Mr. LUNDEEN.

The result of the vote was then announced as above recorded.

A quorum being present the doors were opened.

Mr. WALSH. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Strike out all after the enacting clause and insert the following:

"That it shall be unlawful for any person or persons within the District of Columbia to have concealed about their person or to carry openly any pistol, bowie knife, dirk or dirk knife, blackjack, dagger, sword cane, slung shot, brass or other metal knuckle, and any person or persons having any of said weapons or instruments concealed about the person or carrying the same openly in the District of Columbia shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine of not more than $5,000 or imprisoned in the penitentiary for not less than one year nor more than three years: *Provided*, That prosecutions under this act shall be had by indictment in the Supreme Court of the District of Columbia: *And provided further*, That the officers, noncommissioned officers, and privates of the United States Army, Navy, or Marine Corps, police officers, officers guarding prisoners, officials of the United States or the District of Columbia engaged in the execution of the laws for the protection of persons or property, when any such persons are on duty, shall not be liable under this act.

"SEC. 2. That so much or any section of the act approved May 11, 1898, entitled 'An act to punish the carrying or selling of deadly or dangerous weapons within the District of Columbia, and for other purposes,' which is inconsistent with this act, and only so far as the same may be inconsistent herewith, is hereby repealed."

Mr. WALSH. Mr. Speaker, I yield 20 minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker and gentlemen of the House, the present law, as I find it on the statute book, is section 855, against carrying concealed weapons, which reads as follows:

Any person who shall, within the District of Columbia, have concealed about his person any deadly or dangerous weapon, or who shall openly carry any such weapon, with intent to unlawfully use the same, shall be fined not less than $50 nor more than $500, or be imprisoned not exceeding one year, or both: *Provided*, That the officers, noncommissioned officers, and privates of the United States Army, Navy, or Marine Corps, or of any regularly organized militia company, police officers, officers guarding prisoners, officials of the United States or the District of Columbia engaged in the execution of the laws for the protection of persons or property, when any of such persons are on duty, shall not be liable for carrying necessary arms for use in performance of their duty.

And then it goes on and authorizes the court to grant permission to certain individuals to carry concealed weapons. The point involved in this bill, as well as the bill presented in the amendment by the gentleman from Massachusetts [Mr. WALSH], is the character of the punishment. In looking over the various punishments that are provided I find that the punishment provided in this bill is greater than that for manslaughter. It is greater, practically, than all the other highly criminal provisions in the statutes, such as forgery, falsely issuing certificates of a notary public or justice of the peace, and many other of the real acts that are criminal. Malicious injury and forgery and one other are the only ones that have extreme penalties provided in this act. The punishment in this act is greater than embezzlement; it is greater than that provided for stealing property, for petty larceny; greater than that for blackmailing or robbery. The penalty provided in this present proposed legislation is more extreme than the offense of robbery.

Now, it does not seem possible that if a person carries a concealed weapon he should be punished more severely than a person who commits actual robbery. Assault with intent to kill is not punished as severely as this bill provides for carrying concealed weapons. As I stated, manslaughter is not punishable under the Code of the District of Columbia as severely as provided for in this bill for carrying concealed weapons. The most of them have only a maximum penalty, and the only one that has a minimum and maximum is forgery. That is not less than 6 months and not over 15 years. Here you give a minimum and no discretion in the court whatever. The jury finds the man guilty and he must go to State's prison for a year. The court can send him to prison for five years, and if he is convicted on a second offense he shall be punished for not less than five years in the penitentiary, and for the third offense he is punishable in the penitentiary for life.

Mr. LONDON. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. LONDON. Is not the uniform tendency of the court to consider first offenders leniently and often to let them go without punishment?

Mr. RAKER. Yes. My experience is that it is not the punishment that is inflicted on a man, it is the certainty of the punishment that deters criminals and that prevents the violation of law. The universal sentiment of the American people to-day and the civilization of the world is to do away with severe penalties. Under the common law there used to be 32 offenses punishable with death. Among them was grand larceny, robbery, and many other offenses which are punished to-day with less than a year's imprisonment. We now make the sentence indeterminate, so that a man may have an opportunity, after a reasonable length of imprisonment, to be paroled, and then after a period of probation let go for the purpose of making good. He is then in a position to be turned loose and no record is kept against him. It seems to me that the present provision of the law does not warrant us here in the House of taking a step backward and saying that the only method by which you can enforce the law is to put on an unusual, severe, and extended punishment, when as a matter of fact all those who have given this question thought and study believe in a short imprisonment, even if you make the term longer to start with before the man can be turned loose, and that you get better results, particularly with first offenders. The question of probation in many States has worked ideally. If a man pleads guilty the court may suspend the sentence and allow the man to go home upon condition that he pay all the expenses, and after he has made good the record is entirely wiped out against him and the man stands an American citizen and has the right to make good. And the record of this country for the last 15 years shows that we have been getting better results by treating men humanely who have, perchance, violated the law, rather than by imposing long terms of sentence upon them, so that they have a chance of making good, and they have made good; but if a man is imprisoned for a long time with confirmed criminals, he never becomes a good citizen thereafter.

Mr. DENISON. Mr. Speaker, will the gentleman yield?

Mr. RAKER. Yes.

Mr. DENISON. Does the gentleman know how Congress can by legislation secure certainty of punishment?

Mr. RAKER. I think so.

Mr. DENISON. How can it be done?

Mr. RAKER. By putting the penalty within the discretion of the courts, so that when a jury brings in a verdict they know that the judge is humane and fair and will do the right thing, so that they will know that he has the discretion of sending the man to jail for one month or five years, and that he will fix the judgment and fix the imprisonment according to the degree of the crime and the facts that have been brought out during the trial of the case. If the jury know, however, in advance that the man must go to a State prison for a year, they are going to hesitate a long time about convicting some of these young men and they will turn them loose, as they ought to do.

Mr. DENISON. The point the gentleman makes is that the punishment should be elastic and should be within the discretion of the courts.

Mr. RAKER. Certainly. That is what I mean, and that is provided for in most of the legislation in the code of the District. There are only a half dozen cases where the minimum punishment is fixed, leaving the maximum to the discretion of the courts. The discretion is left in the court, and that is done in practically all cases. If the jury has brought in a verdict, the court summarily, after the verdict and before fixing or rendering judgment, permits, in many cases, in open court testimony to be heard for the purpose of determining the length of punishment, and that is a rule that has worked splendidly and is working splendidly all of the time, because the judge himself should at least make the term commensurate with the manner in which the crime has been committed. In this act, and in legislation of this kind, there is no question of intent involved. The mere fact that a man goes from the Union Station up to his hotel with his six-shooter in his pocket, in his overcoat, makes him guilty of an offense by which he can be sentenced to State prison for five years under this proposed law.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. RAKER. Yes.

Mr. KNUTSON. Would he not be also guilty if he kept it in his grip?

Mr. RAKER. If he carried it in his hand; yes.

Mr. LONDON. And the court would be helpless in the matter.

Mr. RAKER. Absolutely helpless. He must give him at least a year; and that is what I am getting at. The court could not help itself.

Mr. LONDON. There is no discretion at all.

Mr. RAKER. No discretion, if the jury finds him guilty; he must give him at least a year in prison. It may be perfectly proper for a man in his own State to carry a weapon, or if his business is such, coming to Washington, for the protection of his property and person, to carry a revolver in his grip or in his overcoat; but when he gets to the District of Columbia, under this bill, if he carried that grip or overcoat from the station to the hotel and anyone should detect him, he could be convicted.

Mr. JOHNSON of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. RAKER. Yes.

Mr. JOHNSON of Kentucky. The intention of the bill is to punish that very offense. I knew of an instance, of which the Speaker of this body is quite familiar, where a man never carried a pistol in any other way except in a small valise, and one day he got into a quarrel and opened his valise and pulled out one of three pistols he had with him and killed a man.

Mr. RAKER. You could not stop that man if you had 40 laws.

Mr. JOHNSON of Kentucky. Oh, yes, you could, because if he had been convicted of carrying concealed weapons he would have been in the penitentiary.

Mr. RAKER. This man had three guns, and he was bent on mischief; he was bound to break the law and take some man's life, and if you passed this law or a dozen such laws he would go and get a gun and put it on his person and would seek out the man he wanted to kill and would attempt to do so. No matter what laws you pass, you will not prevent a man who has murder in his heart from committing murder. The only thing to do with a man of that kind is, after he has committed murder, to punish him.

Mr. DENISON. Does the amendment that has been offered meet with the views of the gentleman?

Mr. RAKER. No; the amendment offered carries a minimum punishment of one year.

Mr. JOHNSON of Kentucky. And it is unconstitutional, also, because the bill prohibits anyone from openly carrying a pistol, bowie knife, etc., when the Constitution provides that a well-regulated militia being necessary to the security of every State, the right of the people to keep and bear arms shall not be infringed.

Mr. RAKER. That may be all right, and no doubt is; but this law on the statute books now provides "who shall carry openly any such weapon," and if it stopped there it would be unconstitutional, without doubt; but it goes on and says "with intent to unlawfully use the same." Anyone who carries a weapon, concealed or otherwise, with the intent to unlawfully use the same, to take life or feloniously assault his fellow man, is guilty of a crime under all of the laws. There is no doubt about that. The mere fact that men are killed with pistols or guns will not prevent other men who have murder in their hearts from taking the life of fellow men, and the fact of making it a life imprisonment to carry a concealed weapon will not deter one who has murder in his heart from committing the crime.

Mr. CANNON. Does the gentleman say the law now in existence prohibits the carrying of deadly weapons with unlawful intent?

Mr. RAKER. It does.

Mr. CANNON. And it provides an apt penalty?

Mr. RAKER. It does.

Mr. CANNON. Well, what is the necessity of any law if that is the case?

Mr. RAKER. What I am getting at is this——

Mr. CANNON. I mean what additional legislation.

Mr. RAKER. Why should Congress, against all humane legislation, place upon the statute books such legislation that we had under the common law a hundred years ago, whereby 32 offenses were punishable by death, and to-day we have only two?

Mr. CANNON. If the gentleman will allow me. I know of a case where a chauffeur, a perfectly honest, inoffensive man, driving his car to the garage after he served the owner of the car or the owners of the car after midnight down on M Street on Connecticut Avenue was held up by two colored men and robbed of all the money the poor fellow had—$65—and I do not think he had any weapon to defend himself; and in the existing condition in Washington if you go to the lonesome parts of the city with the best of intent or go to your home or because

you have the right to go there you are liable to be assaulted by thieves. I would not advise a friend of mine to go to certain parts of the city without being armed after midnight.

Mr. RAKER. The gentleman's question presents in my mind what I stated to one of the Members in discussing the matter a moment ago, and that is that under this bill if a person visits a neighbor at night, the wife, if you please, and children, and she knows that her husband is away from home, and she walks a block and a half to that home knowing she is going to be late, and takes her revolver with her to protect her life and her children, she is guilty of a crime and may be sent to State's prison for five years, although the man who would rob her is punishable less than the woman who carries a gun to protect her life and liberty.

Mr. CANNON. It seems to me the law had better stand as it is from what the gentleman says; that it is sufficiently severe, because he must carry the deadly weapon with intent unlawfully to use it.

Mr. RAKER. That is the law.

Mr. CANNON. Then what is the use of any additional legislation?

Mr. KNUTSON. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. KNUTSON. In line 5, first page, it says, "to carry deadly weapons." Now, would not a jackknife be a deadly weapon if used for that purpose?

Mr. RAKER. Yes; a jackknife will take a man's life.

Mr. KNUTSON. The gentleman confines his remark exclusively to guns and I wanted to call his attention to the fact that a jackknife would be a deadly weapon.

Mr. RAKER. It does not need to be a jackknife. A knife with a blade that would reach a man's heart would be a deadly weapon, and that would be only an inch and a half or 2 inches.

Mr. KNUTSON. A penknife?

Mr. RAKER. It would be a sufficiently deadly weapon.

Mr. POU. Or a razor.

Mr. RAKER. Any deadly weapon.

Mr. POU. A man could not carry shaving materials along with him.

Mr. RAKER. No; that is true, and it ought not to be. The only thing I am contending for is that the penalty is too severe. The penalty should be commensurate with the offense committed. We are all in favor of the law against carrying concealed deadly weapons. The whole controversy here is as to the severity of the penalty provided in the proposed legislation.

The SPEAKER. The time of the gentleman has expired.

The gentleman from Tennessee is recognized for an hour.

Mr. SIMS. Mr. Speaker, this bill (H. R. 6525), which was introduced by myself, was introduced on the 3d day of December, 1917. It is rather an old citizen. I have introduced the same bill for a number of years. It was several years ago considered by the House. The present chairman of the District Committee was then chairman, and reported the bill with amendments, but when it was considered there were so many amendments put on in the House as to render it practically worthless, and, as I now recall, I think both the chairman and myself voted against the bill; but it was passed as amended and sent to the Senate, but nothing was done in the Senate. I introduced it and have reintroduced it ever since. This bill, of course, was introduced some 8 or 10 years ago. It was intended to meet conditions that then existed and still exist, in a more intensified form.

Mr. LONDON. Will the gentleman yield?

Mr. SIMS. I voted for the previous question on the bill now being considered, reported by the committee at this time, because conditions are different now, and, I think, aggravatingly different. Just think about the situation at this time in Washington, D. C.! Here are thousands upon thousands of girls—young ladies—in the District of Columbia who have come here on account of war service. Now, we are having night service, especially in the War Department, and I do not know how many others, and young ladies, without any protection whatever, are leaving the War Department after 11 o'clock at night, and have to go to their lodgings or boarding houses or homes, wherever they are, unprotected and at the dead hours of the night, and there is no way for them to avoid it. Now, why should anybody in the District of Columbia want anybody else to carry concealed pistols, bowie knives, dirks or dirk knives, blackjacks, daggers, sword canes, slung shots, brass or other metal knucks—why should anybody want the opportunity to carry, either openly or concealed, that kind and character of deadly weapons?

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. SIMS. Yes, sir.

Mr. GRAHAM of Illinois. Suppose one of these girls takes a revolver in her pocket to protect herself, would you want to send her to the penitentiary for doing it?

Mr. SIMS. I want to say to the gentleman that his is a pointed and pertinent question. If no man or woman is allowed to carry, either openly or concealed, the weapons I have mentioned, then the girl or woman alone would be protected in the sense that they would have no opportunity to assault her and commit a crime except with the bare fist or a stone or something of that sort.

Mr. GRAHAM of Illinois. But the criminal does not regard those restrictions, does he?

Mr. SIMS. The criminal, of course, tries always to avoid detection and punishment. But look at the number of deaths which have occurred in the District of Columbia by violence, by the use of a pistol carried by a man where the police officer or officer enforcing the law could not possibly know that the man was armed with a deadly weapon concealed, and in attempting to execute the law the pistol was drawn and the officer shot down, as has been done in the District of Columbia.

Now, if we all knew that nobody, without committing a penitentiary offense, could carry any one of these weapons either openly or concealed it would break it up. They would not carry them. I also introduced a companion bill, to prevent the sale in the District of Columbia of any such weapon, but that was never reported or acted upon in the House. The present law provides for a fine only.

Mr. FOCHT. I would like to ask the gentleman whether it ever occurred to him that possibly the greater portion of crime committed in Washington is due to the fact that we have such little police protection, only about one-third as many policemen as ought to be here?

Mr. SIMS. So many policemen have already been killed in attempting to enforce law that it ought to be very much to their interest to make it unlawful to carry these deadly weapons. With such a law we would not need so many policemen as we do now.

Mr. FOCHT. They were not very good shots, and at least would first have to find a policeman to shoot.

Mr. SIMS. A policeman is shot down by a man who has a pistol stuck in his hip pocket, and the policeman has no means of knowing it.

Mr. FOCHT. You were speaking particularly of the protection to the young ladies going home at night. If we had more policemen they would have more protection.

Mr. SIMS. When this bill was passed before we did not have war conditions on us. I only spoke of the fact that the need for such legislation was decidedly greater now than it ever was before.

I submitted the question of preventing the carrying of concealed weapons to the then corporation counsel of the District of Columbia, and he drew that part of it. I submitted the bill with reference to who should be permitted to carry a pistol to Maj. Sylvester, who was then chief of police, and he drew that part of the bill. The portion as to the punishment of not less than one year or over three years was my own. That is the only thing I did, and that was at a time when there was no war on hand, when Washington was normal. But it was needed then.

Now, I can tell you what occurred in Tennessee many years ago. At that time it was not unlawful to carry what was called in our country the bowie knife. Many homicides followed as a result of it. Men would carry bowie knives and get into a row somewhere and kill each other or kill somebody else. The question was how to prevent that character of homicide. So Tennessee passed a law making it a felony to carry a bowie knife and took away the plea of self-defense if one was used and a homicide followed. So the bowie knife lives only in history in that State. It ceased absolutely to be carriel when it was made a felony to carry it.

Mr. MOON. Will the gentleman from Tennessee yield?

Mr. SIMS. Yes.

Mr. MOON. While that is true, it is also true that Tennessee has always refused to senselessly and foolishly pass any law to prevent the carrying of pistols and making the punishment more than $50 fine and six months in jail.

Mr. SIMS. That is undoubtedly true.

Mr. LANGLEY. In that connection will the gentleman yield to me?

Mr. SIMS. I will.

Mr. LANGLEY. Is the gentleman aware of the fact that Kentucky has also taken an advanced position on the bowie knife, pistol, and other questions of that character?

Mr. SIMS. I do not know what the law of Kentucky is on the subject. Tell me what it is.

Mr. LANGLEY. We are fully up to date with Tennessee on the question.

Mr. SIMS. Has Kentucky passed any law making it a felony for any except the exempted classes to carry a concealed weapon?

Mr. LANGLEY. All concealed weapons.

Mr. JOHNSON of Kentucky. Kentucky has passed a law disfranchising a man who will carry one and makes it impossible for him to hold a position of honor and trust.

Mr. SIMS. That is one of the most progressive laws on that subject.

Mr. JOHNSON of Kentucky. It is not progressive on that subject.

Mr. SIMS. Does it make it a felony?

Mr. JOHNSON of Kentucky. Not only imposes a fine and imprisonment, but it also disfranchises.

Mr. SIMS. It does not make it a felony.

Mr. WALSH. Kentucky is humane.

Mr. JOHNSON of Kentucky. I did not know that the gentleman from Massachusetts was acting on the humanitarian principle that the gentleman from California was. I do not object to that, except by way of commendation that they were humane in Kentucky.

Mr. SIMS. Before I was interrupted by the gentleman from Kentucky, I made the statement with reference to bowie knives and the law that was passed making it a felony to carry one at all, and that such carrying has ceased in Tennessee.

Mr. LANGLEY. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. LANGLEY. Some of my colleagues are in doubt as to whether there is any difference between a jackknife and a bowie knife and a machete. Will the gentleman enlighten the Members who are in doubt about that? [Laughter.]

Mr. SIMS. I may be mistaken as to individual instances, but I know that as a general rule that bowie knives are not carried like pistols in Tennessee. I know, further, that the fact that the State of Tennessee has not made the carrying of pistols concealed a felony is the reason why they are still carrying them and are still killing people with them.

Mr. MOON. Do you not know that it is a violation of the law in Tennessee to carry a knife over three and a half inches long?

Mr. SIMS. I know it is, but it is not a felony.

Mr. MOON. Hundreds of them are being carried there right now.

Mr. SIMS. I do not know that as a fact, but if it is a fact it is because we have made it merely a misdemeanor and not a felony. Now, if we want to prevent the carrying of pistols in Washington in time of war, the only way to break up the practice of carrying them is to make it a felony.

As to whether the third offense, as provided in the bill reported by the gentleman from Kentucky, should be imprisonment for life or not is an open question. The bill is open to amendment as to that. We can reduce the penalties, but if we make the offense punishable merely by a workhouse sentence or a fine, the law will never be obeyed to the extent of breaking up the practice.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. RAKER. There is no question among any of us that the carrying of concealed weapons should be prohibited under the law. I take it to be a general proposition that that is the prevailing opinion among us. Can the gentleman point out a case in the last year where anybody has been arrested for carrying a pistol, a bowie knife, a dirk or dirk knife, or a black jack, or dagger, or sword cane, or slung shot, or brass or other metal knuckles in the District of Columbia? Has there been any more violation of the law in the last year and a half than there was in the years before?

Mr. SIMS. I suppose there has been; but, to be honest with you, I must confess that I have not looked up the difference. I do not know about the slung shot. The pistol is the thing I am interested in. I speak of the pistol, because you can do the same thing with it. You can kill somebody with it without his having any opportunity to defend himself. But if you make it a felony, we all know that nobody will have these deadly weapons in his pockets.

Mr. RAKER. An ordinary piece of gas pipe, such as you use in your machine to jack with, could be used to kill a person with, could it not?

Mr. SIMS. Yes.

Mr. RAKER. The punishment provided here, the gentleman concedes, is too severe, does he not—not less than a year?

Mr. SIMS. If we want to break up the practice of carrying pistols it will require a form of punishment greater than has been tried in the District of Columbia so far to do it.

Mr. RAKER. Do you know of any cases in the District where they have given a man a year for carrying a concealed weapon?

Mr. SIMS. In this District?

Mr. RAKER. Yes.

Mr. SIMS. There is no law for it.

Mr. RAKER. Yes; there is a law that inflicts a punishment of a year for it.

Mr. SIMS. It is not made a felony, and they are still carrying pistols.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. KNUTSON. The bill provides that punishment shall be confinement for not less than a year in the penitentiary. Why not say they shall be hanged by the neck until dead?

Mr. SIMS. The gentleman is not suggesting a practical remedy. If the penalty on conviction is too severe it will be very easy to reduce it. It is very easy to reduce all these penalties, but I am afraid that those who are fighting the punishment provided for the third conviction, as provided for in the Johnson bill, are opposed to the penalty provided for the first conviction. It is simply a question of whether you want to stop this practice or not. But when I introduced this bill, or one similar to it, several years ago, I know who came here and fought it. I do not know the individual names of the men, but I know the manufacturers of pistols were here and fighting the measure. They are not here this time, so far as I know, although I have not been looking after the matter. But it will be the only way by which we can stop the carrying of pistols, by making it a felony. I do not blame anybody for carrying a pistol in his pocket if others are permitted to do so and are not required to do anything more than pay a fine. Suppose you have an enemy and you know he is an unscrupulous, bad man, and you believe that he carries a deadly weapon, that he carries a pistol in his pocket. You are liable to meet him anywhere. The only way to defend yourself against that man is to do what he does. If he attempts to draw it, you can draw yours and get the first shot. Do you suppose that the War Department of the United States to-day would be doing everything on earth it can to invent a poisonous gas equal or superior to that used by the Germans if the Germans had never used any? The fact that the Germans use poisonous gas forces the allies to use it, not as a matter of choice, not because they would have advocated it—for it is forbidden by treaty—but it is made absolutely necessary, in order to defend against such attacks, to use the same kind of a weapon; and as long as men can carry pistols around in their pockets and take the chance of escaping punishment by not being seen with them, men who intend to commit crime will carry pistols in their pockets and force you and others to carry them, when you would not do it at all if the law was otherwise.

Mr. HARDY. Suppose a man's life has been threatened by just such a dangerous character as the gentleman spoke of, and that man has to take the chance of meeting his enemy at any time, and in order to protect himself he carries a pistol, under this bill is that any defense at all?

Mr. SIMS. Not under the terms of this bill.

Mr. JOHNSON of Kentucky. Neither it is any defense under the present law.

Mr. HARDY. It ought to be.

Mr. SIMS. It is not anywhere that I know of.

Mr. SISSON. There is a provision to cover that.

Mr. SIMS. I know; but a man has to go and make an affidavit and get a permit to carry the pistol, and that is a matter of public record.

Mr. HARDY. But even that would not do any good as a defense under this bill.

Mr. SIMS. No; because this law will make it unnecessary for anyone to carry a pistol.

Mr. GRAHAM of Illinois. I want the gentleman to understand that I thoroughly sympathize with the object he is trying to attain by this bill; but what has the gentleman to say about the constitutionality of this bill?

Mr. SIMS. The Constitution of the United States guarantees to every man the right to be armed, but it has been decided by court after court that you can provide by statute how he may be armed. You may provide by statute that he can not carry a bowie knife secretly, and you can provide by statute that he shall not carry it openly, and both provisions are constitutional, because that is not the only method of being armed. In our State they exempted a man who carried an Army or Navy pistol if carried openly in the hand. They could regulate the method of carrying it. Under the Constitution you can not prevent a

man arming in his own defense, but you can prevent him arming with particular instrumentalities of defense. He can still go around with a shotgun on his shoulder or in his hands, perhaps, although it is a misdemeanor in some places to do that; but it all bears on whether or not you want to break up the carrying of pistols by the law-violating class.

This is not intended to prevent men defending themselves when they are in danger of death or great bodily harm, but it is intended to abolish the danger that makes it necessary or excusable to carry a pistol. It is to remove the excuse and the necessity for it, and we ought to pass a bill making it a felony, and provide some form of punishment that will deter the men who are going around armed with the intention of committing felonies.

Mr. GRAHAM of Illinois. Am I right in assuming that under the amendment offered by the gentleman from Massachusetts——

Mr. SIMS. That is the bill I introduced.

Mr. GRAHAM of Illinois. That a judge after a verdict of guilty had been rendered by the jury could impose a fine of $25 if he desired?

Mr. SIMS. As the only punishment?

Mr. GRAHAM of Illinois. Yes.

Mr. SIMS. No. Under the bill that I introduced——

Mr. GRAHAM of Illinois. The amendment offered by the gentleman from Massachusetts is somewhat different.

Mr. SIMS. I did not know he had changed it.

Mr. GRAHAM of Illinois. It is different. It provides that the punishment may be a fine of not to exceed $5,000, or imprisonment in the penitentiary.

Mr. SIMS. That is not in my bill.

Mr. GRAHAM of Illinois. So that under the Walsh amendment if the facts to justify it were presented to the judge he might fine a person $25.

Mr. SIMS. I am opposed to that.

Mr. GRAHAM of Illinois. That being true, the judge having the right to impose that kind of a penalty, why say that is a felony, when under the common law, as I understand it, an offense punishable by either a fine or imprisonment is a misdemeanor.

Mr. SIMS. We can have the imprisonment as a punishment for a felony, and can also provide a lesser punishment. But I am not in favor of letting a man off with a fine. We have a fine now and it does not do any good. We can amend the amendment.

Mr. JOHNSON of Kentucky. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. The Chair will count.

ADJOURNMENT.

Mr. WALSH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 45 minutes p. m.) the House adjourned until Tuesday, August 27, 1918, at 12 o'clock noon.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SIEGEL: A bill (H. R. 12817) authorizing the Secretary of War to furnish each regiment of the United States Army with certain athletic equipment; to the Committee on Military Affairs.

By Mr. CLARK of Florida: A bill (H. R. 12818) to provide further for the national security and defense by authorizing the President to control rental charges in certain areas, and for other purposes; to the Committee on Public Buildings and Grounds.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Acting Secretary of the Treasury, transmitting a proposed clause of legislation providing for crediting cable charges to the appropriation for the War Trade Board (H. Doc. No. 1264), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. DALE of New York: Resolution of the National Committee on Prisons and Prison Labor, favoring House bill 9683; to the Committee on Labor.

Also, resolution of the Union Label Trades Department of the American Federation of Labor, protesting against further prohibitory action by the President, by the Fuel Administrator, or by Congress; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Memorial of the National Committee on Prisons and Prison Labor, concerning the employment of prison labor during the war; to the Committee on Labor.

Also, petition of the Union Label Trades Department of the American Federation of Labor, concerning the proposed prohibition of the manufacture and sale of beer; also the petition of citizens of Newark, Ill., for war prohibition; to the Committee on the Judiciary.

Also, petition of the King Co. of Rockford, Ill., protesting against the proposed tax on nonbeverage alcohol; to the Committee on Ways and Means.

By Mr. KIESS of Pennsylvania: Petitions of citizens of Lawrenceville, Pa., and the Methodist Episcopal Church of Montoursville, Pa., favoring war-time prohibition; also petition containing 500 names of citizens of Lycoming County, Pa., favoring national prohibition; to the Committee on the Judiciary.

By Mr. MAGEE: Petition of H. I. Kettle, of Syracuse, N. Y., for a bone-dry law; to the Committee on the Judiciary.

By Mr. JOHN W. RAINEY: Memorial of the Depositors State & Savings Bank of Chicago, Ill., submitted by James J. Pesicka, protesting against the prohibition amendment to the emergency Agricultural appropriation bill; to the Committee on Agriculture.

By Mr. TILSON: Petition of C. E. Minor and 100 other farmers of Connecticut against prohibition; to the Committee on the Judiciary.

SENATE.

TUESDAY, *August 27, 1918.*

(*Legislative day of Thursday, August 22, 1918.*)

The Senate met at 11 o'clock a. m.

Mr. HITCHCOCK. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Brandegee	Hitchcock	Pomerene	Smith, Mich.
Chamberlain	Johnson, Cal.	Saulsbury	Sterling
Curtis	Jones, Wash.	Sheppard	Thomas
Fall	Lodge	Sherman	Weeks
Fernald	McCumber	Smith, Ariz.	
Fletcher	Penrose	Smith, Md.	

The PRESIDENT pro tempore. Twenty-two Senators have answered to their names. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. BANKHEAD, Mr. KENDRICK, Mr. KIRBY, Mr. NUGENT, Mr. PITTMAN, Mr. POINDEXTER, Mr. SHAFROTH, Mr. SUTHERLAND, Mr. TOWNSEND, Mr. VARDAMAN, Mr. WATSON, and Mr. WOLCOTT answered to their names when called.

Mr. NEW, Mr. MCNARY, Mr. BECKHAM, Mr. NELSON, Mr. DILLINGHAM, Mr. COLT, Mr. HENDERSON, Mr. FRELINGHUYSEN, Mr. JONES of New Mexico, Mr. BAIRD, Mr. OVERMAN, Mr. SHIELDS, Mr. SIMMONS, Mr. WADSWORTH, Mr. JOHNSON of South Dakota, Mr. FRANCE, Mr. NORRIS, Mr. KENYON, Mr. UNDERWOOD, and Mr. MCKELLAR entered the Chamber and answered to their names.

The PRESIDENT pro tempore. Fifty-five Senators have answered to their names. There is a quorum present.

NEWS OF AIRCRAFT PRODUCTION.

Mr. WEEKS. Mr. President, I have just had handed me a copy of instructions from the Customs Service, in the form of a telegram sent to the Boston newspapers, and I assume to all other newspapers, which I consider it my duty to bring to the attention of the Senate, because the matter referred to relates directly and essentially to a Senate document, a report made by a Senate committee. Here is the telegram:

AUGUST 23, 1918.

COLLECTOR OF CUSTOMS,
Boston, Mass.:

Do not license or permit exportation of newspapers of the edition of August 22 and 23, carrying report of aircraft subcommittee of the Senate Committee on Military Affairs; also prevent taking out of any account of service reports in magazines, letters, or otherwise. This is in conformity with action of postal and cable censorship.

HALSTEAD, *Customs Service.*

This is the notice sent by the collector of the port of Boston to the newspapers:

Reference indorsement.
United States Customs Service.
Collection District No. 4, port of Boston, August 23, 1918.

POSTMASTER,
Boston, Mass.

SIR: I inclose herewith for your information copy of a telegram received in this office from the Treasury Department to-day.

E. BILLINGS, *Collector.*
R. G. FRY, *Deputy.*

Mr. President, I wish further to call attention to the fact that the report of the Military Committee made in the editions of last Friday, I think—Saturday's newspapers and Sunday's newspapers—were directly affected by this order. While the financial side of it is not of the first importance, it means that there is a mass of junk in every post office in the country. The newspapers of those three days which were going abroad in the regular course had many thousands of dollars of postage on them, and that, of course, is a complete loss to the press. Naturally the press published this report and published such comments as were made regarding it, and without any notice to them instructing them contrarywise this action was taken at half past 11 Sunday night, after the edition for Monday morning of the Boston papers was on the press.

I do not know how the Senate will feel about action of this kind. I am not confident that there may not be authority for taking it, but it seems to me most drastic and ill advised, because it is evidently intended to prevent certain information getting into the hands of our enemy, when everybody knows that that information, published in our press and published in the CONGRESSIONAL RECORD or elsewhere, is well known to our enemies, or will be, and that there can not be any force to that argument. It simply prevents the going abroad to our allies and to others of information which is public property in this country, necessarily public property, because it is the product of a Senate committee.

Mr. BRANDEGEE. Mr. President, I wish to ask the Senator from Massachusetts whether the report of the Senate Committee on Military Affairs upon the aircraft investigation was not printed in the CONGRESSIONAL RECORD?

Mr. WEEKS. Oh, yes; undoubtedly.

Mr. BRANDEGEE. It was; I saw it in the RECORD; but I wanted the Senator's statement in the RECORD.

Mr. President, I should like to ask the Senator or some member of the Committee on Printing if they have any knowledge as to whether an order has been issued preventing the CONGRESSIONAL RECORD from going abroad or from going to our soldiers in France—the RECORD that contained the report of the aircraft investigation?

Mr. WEEKS. I have not any information on that subject, but I notice the chairman of the Committee on Printing is present. Perhaps he can answer the Senator's question.

Mr. FLETCHER. Mr. President, the Senator looks at me. I was chairman of the committee, but the Senator from Arizona [Mr. SMITH] is chairman of the committee now.

I am sure the joint committee has no such information as is indicated by the Senator from Connecticut or never heard of any order being made anywhere prohibiting the RECORD from being distributed. There was a time when there was a limit to the circulation, but that time has passed. It was limited on account of the shortage of paper, but there is no order of that sort now.

Mr. BRANDEGEE. The object of my inquiry, of course, is obvious. It is this: Many Members of Congress send the CONGRESSIONAL RECORD to members of our Expeditionary Forces in France; I do for one. If the CONGRESSIONAL RECORD contains the report of the Committee on Military Affairs upon the aircraft investigation and that is sent to our Army abroad, and the recipients of it are liable to be captured and the CONGRESSIONAL RECORD is liable to fall into the hands of the enemy, why is not the CONGRESSIONAL RECORD prevented from going abroad? If the CONGRESSIONAL RECORD is allowed to go abroad containing that report, what sense is there in preventing newspapers which contain the report from going abroad?

Mr. WEEKS. I can probably answer the question of the Senator from Connecticut by calling his attention to the reading of this telegram. It says:

Also prevent taking out—

Which I presume means taking out of this country—

of any account of service reports in magazine, letters, or otherwise.

"Or otherwise" would undoubtedly include the CONGRESSIONAL RECORD.

Mr. PENROSE. Mr. President, will the Senator permit me one moment? Does not the wording of the telegram rather imply that the purpose of our Government is to conceal this knowledge from our own soldiers? The enemy already has knowledge of it. It looks to me as if the purpose of the order was concealment as regards our own Army. That is the only way I can explain it.

Mr. LODGE. If the Senator will allow me, it seems to me that the purpose is plain. If material appears which the Government says can not be sent abroad that will tend to make every newspaper refuse to publish that matter. The only people in the world to-day who are interested in the subject and who do not know about our aircraft business are the American people. What the condition is is perfectly well known to our allies and is perfectly well known to our enemies, and the effect of this would be to prevent the publication of anything relating to the aircraft situation in the newspapers by refusing the mails to them to go abroad. All important newspapers send more or less copies to Europe. If the publication of any matter will prevent their going abroad, cost them money, involve the loss of postage and all of that, of course they will omit that altogether, and it will never reach the American people. That is the real trouble, it seems to me.

Mr. POINDEXTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Washington?

Mr. WEEKS. I do.

Mr. POINDEXTER. I was going to ask the Senator from Massachusetts a question, but I think it is so perfectly obvious that it scarcely needs an answer.

My opinion is that there is no dispute about the substantial accuracy of the facts which were stated in the aircraft report. Some of the allegations in the report related to publications in the Official Bulletin of the Government in regard to airplane production. Charges were made in the report that the statements in the Official Bulletin were not true, and, as I read the evidence, the Secretary of War admitted, as he termed it euphoniously, that there were gross exaggerations. The committee found that the statements were entirely misleading. The Official Bulletin is sent abroad in every mail that goes; the false statements of the Official Bulletin in regard to the Aviation Service are sent abroad; that misleading information is given to the world—to our soldiers and to our enemies—and a true statement of the situation is denied them.

Mr. WEEKS, Mr. THOMAS, and Mr. BRANDEGEE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Massachusetts [Mr. WEEKS] has the floor. To whom, if to anyone, does he yield?

Mr. BRANDEGEE. I will wait until the Senator from Massachusetts has finished.

Mr. WEEKS. Mr. President, it seems to me there is one phase of this order relating to the sending out of this information that manifestly comes within the jurisdiction of the Senate, and that is the words "or otherwise," which necessarily would mean the CONGRESSIONAL RECORD.

Mr. BRANDEGEE. Mr. President, will the Senator from Massachusetts give me his opinion as to whether or not, under the terms of the order which he has read from the department, a newspaper which prints an account of the debate which is now going on on the floor of the Senate will be allowed to go out of the country?

Mr. WEEKS. Well, I should think that it would be inhibited, or would be as likely to be as any other matter relating to the subject.

Mr. BRANDEGEE. Do I understand the order to prevent comment by any newspaper upon the aircraft report?

Mr. WEEKS. I will read the order once more.

Mr. BRANDEGEE. I wish the Senator would do so.

Mr. WEEKS. It reads:

AUGUST 23, 1918.

COLLECTOR OF CUSTOMS,
Boston, Mass.

Do not license or permit exportation of newspapers of the edition of August 22 and 23 carrying report of air-craft subcommittee of the Senate Committee on Military Affairs; also prevent taking out of any account of service reports in magazine, letters, or otherwise. This is in conformity with action of postal and cable censorship.

HALSTEAD,
Customs Service.

Mr. President, I was about to move that these telegrams be referred to the Committee on Printing to determine whether or not this prohibition is to apply to the CONGRESSIONAL RECORD and to report thereon to the Senate. I make that motion.

The PRESIDENT pro tempore. Is there objection?

Mr. THOMAS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Colorado?

Mr. WEEKS. I do.

Mr. THOMAS. Mr. President, I have no objection to the motion of the Senator from Massachusetts. My principal pur-

pose in rising was to suggest that this subject should not be allowed at present to interfere with the pending business, which is very important. The matter involved is one which probably will invoke more or less discussion, and as we are working under a unanimous-consent agreement and there are many amendments to the pending bill I hope that beyond the presentation of the motion—to which I do not object—we may go ahead with the business of the session.

Mr. PENROSE. Will the Senator permit an inquiry?

Mr. THOMAS. Certainly.

Mr. PENROSE. If this policy is to be followed, what is the use of the Senate debating anything any further? If publicity, when it becomes disagreeable to certain officials in the War Department, is to be prohibited in every newspaper and magazine and letter, we might as well adjourn the Senate to-day and let the War Department in secret session run the war.

Mr. THOMAS. Mr. President, we can answer that question when we take up this matter for consideration. I am concerned now with the military bill.

Mr. PENROSE. What is the use of discussing the military bill and have an order issued from the customs officer tomorrow prohibiting the publication of the Senate debates?

Mr. THOMAS. Well, Mr. President, I will say that I think that argument is worthy of the Senator, but it is entirely beside the consideration of the military bill. Of course the Senator may think that the military bill amounts to nothing, but I do not think that. I think we should dispose of it.

Mr. PENROSE. I think the military bill is very important, and I object to the Senator from Colorado putting words in my mouth, Mr. President, but I think we ought to know whether or not free speech is to prevail in the Senate before we go on with the military bill.

Mr. THOMAS. Well, Mr. President, the Senator frequently and, I suppose, reluctantly breaks into his chronic vacation from the Senate to come down here and occupy the position of a faultfinder, and then accuses other Senators of putting words in his mouth, which I have not done. I want to go ahead with the business of the Senate; and I am perfectly willing, immediately after the pending bill shall have been disposed of, that the Senate shall, so far as I am concerned, take up and consider this question.

Mr. WEEKS. Mr. President, I think that the Senator from Colorado is right in wishing to go on with the military bill. I did not suppose this subject would take so much time when I read these telegrams. I think, however, that if the motion which I have made prevails, it will remove the obstruction, and we can immediately go on with the military bill.

Mr. THOMAS. I do not object to the motion.

Mr. WATSON. Will the Senator from Colorado permit me to make a suggestion.

Mr. THOMAS. Certainly.

Mr. WATSON. Will not the Senator from Massachusetts permit this matter to lie over a day before finally sending it to a committee?

Mr. WEEKS. Then, Mr. President, I will change my motion, if I may be permitted to do so, to a motion that this matter lie on the table.

Mr. BRANDEGEE. Subject to the call of the Senator from Massachusetts.

The PRESIDENT pro tempore. The Chair does not know to what matter the Senator from Massachusetts refers.

Mr. LODGE. My colleague refers to the telegrams which he has read.

The PRESIDENT pro tempore. The Senator from Massachusetts asks that the telegrams which he has read shall lie on the table.

Mr. WATSON. Subject to his own call.

Mr. WEEKS. Subject to call.

The PRESIDENT pro tempore. If such a proceeding is in order under the rules, of course the matter may later be called up; but the Chair does not undertake now to decide one way or the other. Is there objection to the request? The Chair hears none, and it is so ordered.

CHANGES IN DRAFT AGE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

Mr. THOMAS. Mr. President, as bearing upon the amendment which is now pending, I send to the desk and ask the Secretary to read a letter which I have received this morning.

The PRESIDENT pro tempore. Without objection, the Secretary will read as requested.

The Secretary read as follows:

148 WEST EIGHTEENTH STREET,
Los Angeles, Cal., August 21, 1918.

Senator THOMAS,
Washington, D. C.

DEAR SIR: Noticing from newspaper reports statements of loyalty of organized labor, and their objections to being included in war regulations, leads me to write of the following incident, the date of which was August 16.

I signed up as a machinist at the Los Angeles shipyard and reported as directed on the night shift. While waiting to be given work was asked by a workman to show a union card, and told that no one could work in the shop unless a member of the union; that all foremen and workmen were such; and that I absolutely could not work there unless I agreed to become a member.

Upon stating this to the foreman, he said that "he could not mix in the matter but would give me a job if I wanted it." As I could not conscientiously join an organization practicing methods of intimidation and interference, I did not attempt to work, but left the shipyard and gave up my efforts to use my experience to help out in the most necessary work.

Will state further that I am above the maximum limit of the new draft law, and would probably not be acceptable in Army or Navy, but that ability to give good service in private shops led me to desire to follow the request of our President and make my efforts count directly in the Nation's work.

Respectfully,
EDMUND J. BOWERS.

Mr. POINDEXTER. Mr. President, I think that the statement just read from this workman is quite informing and quite eloquent, coming as it does from a man who lives with these conditions, as to the situation and as to the attitude of the rank and file of men engaged in laboring in war industries in so far as they are affected by the amendment of the Senator from Colorado. I know that some of the leaders of certain labor unions are opposed to this amendment and have been quite actively agitating against it. The methods which are used sometimes by leaders of labor unions are rather graphically described by the experience of this man whose letter has just been read; but, if left to a free decision, I do not believe that a majority or any substantial portion of the laboring men of this country ask for any special privilege or exemption as compared with other men within the draft age as to their military service. I think that most of them, a great majority of them, being patriotic citizens, would resent the attempt on the part of certain of their leaders to put them into a privileged class, to send their fellows to the front, to relieve them from the duty of going to the front, and then allow them to quit work and remain idle if they please, and so escape altogether the highest obligations of citizenship. I do not think they want it, and there will undoubtedly be means by which the question can be put to the mass of labor and not left to the decision of a few leaders of union labor.

A day or two ago in one of the newspaper articles published daily by a certain correspondent here in the city of Washington, who occupies the position apparently of being the regular defender of everything that is being done in the conduct of the war by those who are at present responsible for it, a statement was made that the proposed amendment of the Senator from Colorado made no substantial change in the law. This writer, whose articles are generally printed on the front page of the paper, said that the law already provided the same thing that the amendment of the Senator from Colorado provides, and, on account of the official sanction which this newspaper writer has apparently, that statement of his as to the effect of this amendment on the present law has found very wide acceptance, even in the Senate, and it has been assumed by some, perhaps without investigating the question, that the amendment of the Senator from Colorado was rather superfluous and had no substantial effect. Mr. President, that is far from being the case. The law at the present time is not at all as provided in the amendment of the Senator from Colorado. All that is necessary to demonstrate the fact that the amendment of the Senator from Colorado will accomplish a vital and, in my opinion, a necessary change in the war conditions of the country is to look around the country and see the conditions that exist.

Mr. SMITH of Michigan. What will be the effect if the amendment is defeated?

Mr. POINDEXTER. Well, if it is defeated it will lead to confusion, to loss and waste of labor, and will perpetuate the injustices and discriminations as between citizens as to the duties which are exacted from them in the war that exist now. If, however, it is passed, and if, when it becomes a law it is enforced, those conditions will be remedied by this amendment.

Mr. SMITH of Michigan. Mr. President, I should like to ask the Senator if this amendment is defeated, whether the potency and purpose of the present law will have been in any manner impaired by an adverse vote? Suppose the amendment of the Senator from Colorado is voted down, and the sense of the Senate then appears to be against the construction placed upon the law by the author of the amendment, what becomes of the insistence of those who believe that the intention of the

present law was to effectuate the very purpose which the amendment had in mind? That, I frankly say, disturbs me somewhat. I want every man either to work or fight; I think that is a good principle.

Mr. POINDEXTER. I will answer the Senator's question fully. Every man ought either to work or fight. If the amendment of the Senator from Colorado is adopted every man will have to work or fight who comes within the limits prescribed by the law as to age and classification. If the amendment of the Senator from Colorado is defeated, every man within those ages and classifications will not have either to work or fight, because the law then in that respect will be the same as it is now.

Mr. SMITH of Michigan. He could be made to fight.

Mr. POINDEXTER. But he is not made to fight, and he does not have to be made to fight, because the law does not require it; that is the point I am trying to make; whereas if this amendment is passed the law will require it.

Mr. SMITH of Michigan. Mr. President——

Mr. POINDEXTER. Before the Senator interrupts me further allow me to demonstrate that. Here is a statement of conditions existing under the present law—a very recent statement, dated August 22, from Newport News:

> Approximately 2,000 plumbers employed on Government work at the various operations in the Hampton Roads district have gone on strike for an increase in pay of from 75 cents to 87½ cents an hour, thus tying up work at a score of places.

That is the present condition—

> The plumbers employed on Government work—

On Government work—

> in this district three weeks ago were granted a wage increase by the adjustment board of from 72½ cents per hour to 75 cents per hour. This was not satisfactory, and the plumbers then put in a demand for 87½ cents per hour, double time for Sundays and Saturdays after 11 a. m. and double time for every hour after 4 o'clock each week day.
>
> The work affected by the strike embraces the operations at Camp Abraham Eustis, Camps Morrison and Hill, Hilton Village, Shipping Board apartment houses, hospitals at Camp Stuart, Langley Aviation Field, and Fort Monroe on this side of Hampton Roads. On the other side the places affected include the naval base, Bush Bluff, quartermaster terminals, and Pig Point.
>
> The increase asked by the men is to apply as of June 1, if granted.

There is the situation at the most important center or ganglion of the nerves of the war activities of the country, which is paralyzed, because men who have been drafted, who are within the draft age, but were exempted to work as plumbers, refuse to accept the award as to wages and conditions that was allowed them by the Government Wage Adjustment Board, which contains as a part of its members some of the leading representatives of organized labor in the country, such as Mr. Walsh, who made the famous report as to industrial conditions a few months ago.

To connect that up with the question of the Senator from Michigan that condition exists, while the fellow-citizens of these same men are sent to the front trenches in France and are glad to go and give the utmost labor of which they are capable, and proud to give their lives, if necessary, as the highest function which a citizen can perform. While they are doing this, not knowing how long they may live, their brothers under the existing law go on strike, as has been described in this article. If the amendment of the Senator from Colorado is agreed to, that condition can not exist. That is the difference between the two. It exists now because there is no law which prevents it; and there is no lawyer or anybody else who can controvert that statement. I ought to add, however, in order to be full about the matter, that there is a law which could prevent it if the President of the United States would exercise his authority under it; but the President of the United States has not exercised his authority under the law. The difference between the existing law and the one proposed is that under the latter the Senate exercises the authority. It does not leave it to any executive discretion. The difference is between an opportunity to act and acting, which is a very substantial difference. It is the difference between merely having authority to do a thing and doing it.

Mr. WADSWORTH, Mr. SMITH of Michigan, and Mr. WATSON addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Washington yield; and if so, to whom?

Mr. POINDEXTER. I yield to the Senator from New York.

Mr. WADSWORTH. It may interest the Senator from Washington to know that information was given to the Committee on Military Affairs, in discussing this very matter with the Secretary of War, that the present provision of law which was directed along this line, as the Senator will remember, is, according to his testimony, enforced from time to time against an individual, but not against a collection of individuals.

Mr. POINDEXTER. Yes; with the result I have referred to.

Mr. SMITH of Michigan. It is all a matter of regulation.

Mr. WATSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Indiana?

Mr. POINDEXTER. I do.

Mr. WATSON. I should like to ask my friend from Washington to make a little clearer the distinction. That is to say, there is a law now that, if enforced, would prevent such conditions as he very aptly describes. What assurance has the Senator, however, that if the other law were passed that law would be enforced?

Mr. NELSON. Mr. President, will the Senator permit me to interrupt him?

Mr. POINDEXTER. Let me answer the Senator from Indiana first.

Mr. WATSON. While the Senator is answering that question I should be glad to have him answer this further question, if he pleases: He has said that the President could enforce the existing law if he chose to do so, but that the Senate can enforce the law proposed by the Senator from Colorado. I do not understand how the Senate can enforce a law.

Mr. POINDEXTER. I do not know that I used that language. If I did, I was not very happy in my expression. The Senate can require action, and that is what Congress would be doing if it passed the law. Of course, the carrying out of the law must be left to some executive official.

Mr. WATSON. Certainly.

Mr. POINDEXTER. The law is not as the Senator from Indiana assumed in his statement, or at least as I understood him to assume. It does not require anybody at all to put a stop to this condition at Hampton Roads, or other similar conditions. There is no requirement of law that the President shall act there. He has discretion; that is all. He can act if he sees fit; whereas if this law passes he will not have discretion about it, but it will be one case in which the legislative branch of the Government assumes a portion of the authority which it was intended it should assume, and decides the policy of the Government.

Mr. NELSON. Mr. President, if the Senator will yield——

Mr. POINDEXTER. I yield to the Senator from Minnesota.

Mr. NELSON. It strikes me that the matter is in exactly the same situation as the liquor question. By the law that we passed at the last session of Congress we gave the President power to regulate the liquor traffic by prohibiting the use of cereals in the manufacture of liquor. He has not exercised that power; and now we propose to cover it by this amendment to the Agricultural appropriation bill and make it specific.

Mr. POINDEXTER. I think that is a very happy illustration of the situation.

Mr. NELSON. And it is the same in this case. We have given the President the general power, and, undoubtedly, while it has only been exercised in individual cases, he could exercise it extensively to prevent a strike in the way I have indicated. But now we are seeking to do in this matter as we are seeking to do in the liquor question—make it mandatory instead of leaving it to the discretion of the executive department, where we fear that that discretion will not be exercised as effectively as it ought to be.

Mr. POINDEXTER. Yes; that is an accurate statement of the law as I understand it, and it shows the utter difference in conditions that will exist between the law as proposed and the law existing now. Under the law existing now, these men striking do so with impunity and yet escape military service; and no public official, neither the President nor anybody else, is violating any law in permitting them to do so. If this law is passed, that can not be permitted without a violation of the law.

Mr. JONES of Washington. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to his colleague?

Mr. POINDEXTER. I do.

Mr. JONES of Washington. I can not construe the law as it is now suggested by the Senator from Minnesota, or as suggested by my colleague. I want to call his attention to it. It seems to me that the amendment of the Senator from Colorado gives more warrant to the President to allow conditions to continue as they are now than the existing law does. Here is the existing law:

> The President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof, or to draft for partial military service only from those liable to draft as in this act provided, persons of the following classes.

And then it describes these classes. Now, the President is authorized to exclude them; but we go on then and make this positive legislative provision:

> No exemption or exclusion shall continue when a cause therefor no longer exists.

That is absolutely prohibitive, so far as legislation can prohibit. We do not even authorize the President to make rules and regulations prescribing how to determine when this cause for exemption exists, but we make a positive legislative declaration that no exemption or exclusion shall continue when the cause for such exclusion ends. The amendment of the Senator from Colorado provides that they shall not be entitled to be exempt when the cause for exemption ceases, but it goes on further and expressly authorizes the President to make rules and regulations for enforcing it. Any rules and regulations that the President may make will be made pursuant to the act if we adopt the amendment, and it seems to me—I may be mistaken—that under that he can do what he is doing now and point to the law to justify him in doing it. It seems to me as the law is now that the responsibility for enforcing the law and making it possible that these exemptions shall not continue when the cause therefor ceases rests with the administrative branch of the Government, and that we can hold them responsible, but that if we adopt this amendment providing for these rules and regulations we expressly give them warrant to make such rules and regulations as will permit the very conditions to exist that the Senator and I both admit exist now.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. POINDEXTER. In just a moment I will yield to the Senator.

I do not think there is really any very substantial difference between the statement of the law and the amendment of my colleague and myself, although the conclusions we draw from them are somewhat different. The proviso in the amendment that he refers to—that "the President shall make regulations"—is limited by the words that immediately follow—"for enforcing this provision." The only regulations that the President can make are regulations for enforcing the provision. At the present time he is not required to enforce any such provision at all.

It may be well to illustrate further just what is involved in this tie-up of war work at the naval base at the Jamestown Exposition site, the navy yard at Hampton, and the various Government activities of the Quartermaster's terminal at Norfolk, and the various war activities surrounding Hampton Roads, which is perhaps the greatest port in the country at this time for the shipment of supplies and munitions and the transport of troops. These men there, before the controversy arose, were receiving $150.80 a month, counting a month as 26 working days, at 8 hours a day. They were paid by the hour, and at that rate it would amount to $150.80 a month, which they were getting before the controversy arose. They demanded $172 a month for 26 days, at 8 hours a day. The matter was submitted to the Wage Arbitration Board, and the Wage Arbitration Board allowed them $156 a month, and because they are unwilling to work 8 hours a day, 26 days in the month, for $156, they go on strike, regardless of the effect it may have upon the supplying and feeding of our troops in Europe, or of the effect which it may have upon the outcome of the battles which are raging now on the battle front in France.

Just at the same time there was going on a strike of firemen in Pittsburgh. I read this newspaper clipping on the subject:

PITTSBURGH, *August 25.*

Every fireman of the 1,000 who resigned from the city's service at noon yesterday was back at his station in uniform at 6 o'clock last night—

Why did they come back? In the first place, a great fire had broken out which threatened munition plants and threatened the existence of a large portion of the city. These firemen were on strike, refusing to submit their claims or to abide their strike until a decision could be had from the board which was provided by the Government for a judicial consideration of differences of this kind; and the fire was combated by volunteers and by soldiers who had been called away from their homes and their families and their business for nothing practically, because the pay of a soldier is not compensation in any sense of the word. It is merely based upon the idea of maintenance, of supporting him. He gets no pay in a commercial sense. He gives his services; he gives himself. These firemen, who were receiving good pay, had a controversy about wages which they were unwilling to submit to a board whose fairness I never have heard questioned. They were on strike and the safety of the city and the munitions plants so necessary to the Government was preserved by the soldiers and by volunteer citizens—

Officials of the Federal War Labor Board in Washington told the virtual strikers late in the afternoon that they must return to work.

Immediate arrest by the military of every man who failed was the alternative.

This action was taken shortly after 300 student soldiers from the reserve officers' training camp at Carnegie Tech had won a battle with flames that destroyed several houses in Penn Avenue and threatened to spread to a munitions plant of the Westinghouse electric concern.

I only mention those as illustrations out of hundreds that might be selected throughout the country, some of which are existing at the present time in my own State. I have a telegraphic dispatch here of August 26, as follows:

Following the breaking off of negotiations last night between representatives of the Pacific Coast Steel Co. and employees of the company engaged on contracts for the Emergency Fleet Corporation a strike was declared at 7 o'clock to-day. The employees declared that more than 1,000 workers went out. They demand pay and working conditions similar to those in effect in the shipyards.

I have not the details of the wages. Some of the men in the shipyards are earning as high as $20 a day. The men in these steel plants are earning the largest wages they ever earned in their lives. Their wages are commensurate with the expenses of living, and they are living better than they ever lived before. I do not know the details of their grievance. Assume that there is merit to their claim: There is a wage board for the adjustment of it. They refused to abide by the decision of that board. They care nothing, apparently, for the effect of their refusal to work—although they have been exempted for that purpose from military service—upon the outcome of the war or the safety and independence of the country. For the purpose of remedying those conditions, whatever certain leaders of organized labor may say, however they may interpose their political influence against the enactment of this measure which has been proposed by the Senator from Colorado, I propose to vote for it, because it is right, it is just, and union labor itself, which is just and which is patriotic, will vindicate the adoption of this amendment when it has an opportunity to consider it fairly and without undue influence.

Now, it is proposed by authority apparently, the executive authority, to defeat this amendment, if we are to judge by the statements of semiofficial newspaper writers to whom I referred a moment ago. For what reason? Not because it is wrong. I see in the papers here that the administration admits it is right, and the only argument which they make against it is that it is unnecessary, which I had undertaken to discuss a little while ago. What is the reason this writer gives for the opposition of the administration to this amendment? The reason is that it might offend union labor. That is the reason they give. It seems to me to be a somewhat brazen admission of the influences which control here and there, but that is the statement. The significant words are that if this amendment should be considered a reflection upon labor it ought to be defeated. That is the reason given for defeating it, and at the same time it is proposed to allow existing conditions to continue while the war work of the Government shall be impeded by strikes from the Atlantic to the Pacific. I make the assertion that in all of these willful interferences with the production and shipment of food and munitions of war pro-German spies and traitors are at work contributing to that result, and succeeding in accomplishing that purpose, releasing and exempting from service at the front thousands and tens of thousands of men within the military age, and yet it is proposed, Senators, at the same time to go further than France—heroic, noble France—has gone, fighting upon her own soil, for her firesides and her altars; further than England has gone in four years of war, and conscript into the Army boys of 18 years of age. If it is necessary, if it can be proved by any reasonable showing to be necessary, I will vote to conscript boys of 16 and men of 60.

Mr. FLETCHER. Mr. President——

Mr. POINDEXTER. But it is not necessary, and briefly I want to show why I do not think it necessary to draft boys of 18 and why the minimum age should be limited to 19 instead of 18. I yield to the Senator from Florida.

Mr. FLETCHER. The Senator spoke about present conditions and cited some instances of strikes. Of course, the Senator will realize that those matters can not be remedied in a day. Even under this bill in any provision you might make a period of time would have to elapse before there could be a reclassification or a calling into the service. It may be that these conditions are only temporary.

Mr. POINDEXTER. How long does the Senator think would elapse or does he assume would elapse?

Mr. FLETCHER. I should not think it ought to extend over a great while.

Mr. POINDEXTER. Can the Senator give an approximate idea of the time?

Mr. FLETCHER. I should imagine that that would depend on conditions.

Mr. POINDEXTER. I say to the Senator I think that about 12 hours would be long enough. If the President of the United States sent word to Norfolk, Va., that these men who were on strike for $172 a month instead of the liberal pay allowed them by the wage board were not at work to-morrow morning, they would be called to serve in the Army in accordance with the

registration which has already been made of them, it would be ended to-morrow morning. That is all the time that is necessary, and one order of that kind would be enough; there would be no necessity to repeat it anywhere in the United States.

Mr. FLETCHER. That leads me to the question I rose to propound to the Senator. The Senator's argument seems to proceed upon the idea that the workingmen within these ages who are engaged in essential industries are not disposed to enter the service at all. Does the Senator believe that these men are purposely endeavoring to avoid military service or that they would be unwilling to go into military service?

Mr. POINDEXTER. No; I think most of them are very patriotic. I think if it were left to them they would go into the military service or go to work; but it is not left to them. I know nothing about particular organizations. They are led by men whose judgment they defer to. Sometimes those leaders are right and sometimes they are wrong. I think the great mass of the men are patriotic, that their patriotism is of as high a percentage and of as high a standard as that of any other element in the country; but it does not make any difference what they want to do, I am talking about what they are doing. It does not make any difference what their motives are, the effect of their action is just the same.

It has been said by some that this would be a conscription of labor. It is not a conscription of labor at all. It is not a conscription of anything. They have already been conscripted. All the men who are affected by the amendment of the Senator from Colorado have already been conscripted. They have been registered; they have been listed; they are subject to military service. It applies only to those who are exempted from military service in order that they may engage in certain occupations prescribed in the act.

Mr. BORAH. May I ask the Senator a question?

Mr. POINDEXTER. I yield to the Senator.

Mr. BORAH. The object of exempting these men from military service was to secure their services in industries where their labor was essential as experts or otherwise. This amendment, it seems to me, would result disastrously unless we assume that when the exemption is attempted to be set aside they go back to work rather than go into the Army, because their position in these industries is quite as essential as their place would be in the Army. Does the Senator believe that men would go back into the factories rather than to go into the Army under this rule?

Mr. POINDEXTER. I suppose there would be different actions in that regard; but it would adjust itself. I do not agree with the Senator that industrial work is on the same plane as military service. I think military service at the front is the highest class of service in every way.

Mr. BORAH. In a sense, of course, it is the highest; but the other is quite as indispensable to the situation, because the men can not be maintained upon the front either with munitions or with food without this work. So it is indispensable to the situation.

The reason why I ask the question is this: I was talking with a party who is opposed to this amendment and somewhat closely associated with the Government, and he was of the opinion that it would have a demoralizing effect for the reason that these men might prefer to go into the Army, and it is just as essntial to keep these industries going as it is to keep the Army at the front; that these men by reason of their expertness, on account of their especial fitness for this work have been exempted to do this work, and while sometimes disturbances arise and strikes occur, it is much better to deal with the situation so as to keep them there if possible rather than to deal with it in a way which might cause disturbance and a refusal to remain at work.

Mr. POINDEXTER. I do not think that any sufficient number of them would voluntarily give up their work under conditions which will be fixed by the wage adjustment board and go to the front in such numbers that their places could not be filled.

Mr. FALL and Mr. CUMMINS addressed the Chair.

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Does the Senator from Washington yield; and if so, to whom?

Mr. POINDEXTER. The Senator from New Mexico rose first, and I yield to him.

Mr. FALL. The amendment we are now discussing deals with a certain class in the draft law affecting those between 21 and 31. There are three classifications.

Mr. POINDEXTER. Five.

Mr. FALL. There are three classifications made in paragraph 4 of the original draft act.

Mr. POINDEXTER. But under the regulations of the department.

Mr. FALL. There are five, but those classifications were not made in the act.

If the Senator will permit me, the point which I desire to make is this: The amendment as reported which we have discussed refers to only one of the classes out of the three classes made by Congress. I am not referring to the five classes of drafted men as made by the department. There are certain exemptions:

That the Vice President of the United States, the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and the District of Columbia, regular or duly ordained ministers of religion, students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools, and all persons in the military and naval service of the United States shall be exempt from the selective draft herein prescribed; and nothing in this act contained shall be construed to require or compel any person to serve in any of the forces herein provided for who is found to be a member of any well-recognized religious sect or organization at present organized and existing and whose existing creed or principles forbid its members to participate in war in any form and whose religious convictions are against war or participation therein in accordance with the creed or principles of said religious organizations, but no person so exempted shall be exempted from service in any capacity that the President shall declare to be noncombatant.

That is the first classification made by Congress. The amendment under discussion, it can not be maintained, affects that classification. Then there is the second classification, and this is what I desire to call the attention of the Senator particularly to. Here is the alternative:

And the President is hereby authorized to exclude or discharge from said selective draft and from the draft under the second paragraph of section 1 hereof, or to draft for partial military service only from those liable to draft as in this act provided, persons of the following classes.

The President can exercise his authority in two ways and two ways alone. He is absolutely precluded by the terms of the act itself from drafting for combat military purposes those in the following classification; he can only draft them in any way for semimilitary purposes:

County and municipal officials; customhouse clerks; persons employed by the United States in the transmission of the mail; artificers and workmen employed in the armories, arsenals, and navy yards of the United States, and such other persons employed in the service of the United States as the President may designate.

Mr. POINDEXTER. What point is the Senator making?

Mr. FALL. With the permission of the Senator, I thought he was under the impression that the amendment which we are now discussing applied to all those under registration.

Mr. POINDEXTER. Oh, no; I said it would apply to some of those under registration. I said "all that it applied to are under the registration."

Mr. FALL. Then it certainly does not apply and could not apply to the classes to prevent a strike in a ship yard or navy yard or munition factories operated by the United States Government. It does not affect those people at all, nor can the President draft those people engaged in the munitions factories.

Mr. POINDEXTER. I do not agree with that construction of the act. The registration which is provided for by the act is——

Mr. FALL. If the Senator will just allow me, I will close in just a second.

Mr. POINDEXTER. It includes all persons between the ages of 18 and 45.

Mr. FALL. This amendment which we are discussing in terms itself only applies to persons engaged in industries, including agriculture. That is the third class, and it only applies to the third class of those registered. It does not apply at all either to the first or the second class.

Mr. POINDEXTER. That may be true, but that is not involved in what I was speaking of. The point I was making was that all people affected by that amendment are not going to be drafted under it as claimed; they were drafted when they were registered.

Mr. FALL. That is exactly the proposition I am making. They are not drafted at all under the act of Congress itself.

Mr. POINDEXTER. I beg the Senator's pardon. They are required to register and are subject by the law to such disposition as the law provides. They become a part of the military forces of the country, and for reasons of State it is deemed wise to excuse them from the military service in order that they may work in essential industries.

Mr. CUMMINS. Mr. President——

Mr. POINDEXTER. I yield to the Senator.

Mr. CUMMINS. The point to which I wanted to call the attention of the Senator from Washington was under consideration by him a few minutes ago. He was comparing the inclination of working men to go into the Army as opposed to remaining at industrial labor. I have no doubt the working men of this country are just as patriotic, and the Senator has no doubt of it, as any other class of citizens. But here is the point: Assum-

ing that the Thomas amendment goes unmodified into law, these men are classified. They are put in a deferred classification because their labor is necessary to the maintenance of the Army. They strike, for instance, or cease to work in a concerted way, and we will assume for a good reason, and they instantly lose that classification under the Thomas amendment. Most of them have dependents and would be deferred on that ground alone, although they are not so classified. If those men are willing to continue to work until the War Labor Board decides their dispute, and are willing to continue to work in the meanwhile, and then abide by the decision of the War Labor Board, is it fair to put workingmen with dependents in class 1 or subject to the draft as is expressed in the amendment? Ought not some provision at least to be made for the support or maintenance of their dependents if they are to lose the classification which they have received on account of the essential character of their labor?

All my amendment provides is simply that they are not to lose this classification if they are willing to submit their dispute and do continue to work in the meanwhile and thereafter in accordance with the decision.

Mr. POINDEXTER. I think there is a good deal of merit in the Senator's proposition. I have not seen the last form of the amendment, but it occurs to me that if the conditions are as the Senator states, if the men do not quit work pending the decision of the wage-adjustment board, but continue at work, and after the decision abide by its decision and continue at work, then the amendment of the Senator from Colorado would have no application to them at all. There is no question that would arise about those men. But even if so, the matter of the ground upon which they are exempted, whether they are exempted as laborers in essential industries or exempted because of dependents, is a matter of adjustment. If they claim exemption on some other ground, of course the amendment of the Senator from Colorado would have no application to them at all, because it refers only to exemptions upon this ground.

Mr. CUMMINS. I doubt very much whether under the amendment of the Senator from Colorado or the committee amendment, if it is not modified, the workingmen who fall within the Thomas amendment could claim an exemption or deferment on the ground of dependents. In fact, I do not think they could.

Mr. POINDEXTER. I differ with the Senator.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to his colleague?

Mr. POINDEXTER. I yield for a question.

Mr. JONES of Washington. As I understand the proposal of the Senator from Iowa it is that if these laborers should contemplate a strike because of dissatisfaction with the terms and conditions of their employment and agree to submit their dispute with their employers to some sort of a board of arbitration, when the board renders its decision they are willing to accept it, but the employer in effect does not accept it, then they can strike without being subject to the Thomas amendment.

Mr. POINDEXTER. I understood that was the purpose, but I hope Senators will not undertake a discussion of the amendment of the Senator from Iowa at this time. I desire to conclude.

Mr. CUMMINS rose.

Mr. POINDEXTER. I yield to the Senator.

Mr. CUMMINS. I beg pardon of the Senator from Washington. I only wanted to call attention to the fact that, however patriotic workmen may be—and I think that they are patriotic as are any other body of citizens—it is a pretty hard alternative to put up to them to say, "If you cease work for a perfectly just reason, you must lose your chance for a deferred classification on account of dependents you may have in your family."

Mr. POINDEXTER. Yes; I agree with the Senator from Iowa; but I do not think that that would be the effect of the amendment.

I think the entire matter has been confused and obscured by some of the apparently inspired utterances in newspapers. Of course, these partisan correspondents are very able men, and their opinions are entitled to a great deal of weight. As a case in point, I notice a remarkable intellectual feat of the same writer who said that this amendment would make no change in the law. On yesterday in a column article, after reviewing the conditions at the front, citing cable dispatches and going in great detail into the information, to which he intimates he has had exclusive access, he has come to the conclusion—the profound judgment—that the Germans are not retreating voluntarily.

Mr. KENYON. Voluntarily?

Mr. POINDEXTER. Yes. With marines and other Americans jabbing them at Chateau-Thierry with bayonets, and Foch's Frenchmen covering them with 75-milimeter guns, on the left flank, and on the right—with their communications under fire, and their army bottled up and making a desperate effort to get out—this writer says, after a most able compilation of figures and facts, that "every examination of cabled and mail reports from the other side leads to the judgment that the German withdrawal is by no means voluntary." Now, you have got to pay some respect to a man who is capable of intellectual feats of that kind.

Mr. President, I want to say just a word as to the minimum of the age classification for compulsory military service. I have always been in favor of universal military training, which is quite a different thing from military service. If I could accomplish it, I should like to see the United States Government, as a measure of self-protection, begin at least a medical examination of children in the schools, in order to see where their physical condition, upon which depends largely their mental and moral condition, could be benefited; and to have inaugurated at the age of 16 or 17, or even younger, some form, some wise plan of training for their development, to equip them better for the duties of citizenship and make them capable of more valuable military service, so that in case of an emergency they would be available to the Government. But that is a very different thing from taking the young boys and sending them to the front. Military training is radically different from military service.

This bill proposes to take boys of 18 years of age and to put them in the same class with boys of 21 and 22 years of age, subject to be sent immediately, if the military authorities so decide, to the battle front. As I said before, if that were necessary I would gladly support it, but I want to inquire for a moment as to whether or not it is necessary.

There seems to be a misapprehension in some quarters over the proposition that it is alleged that the military authorities have stated that a boy of 18 years of age makes the best soldier. That has been repeated time and time again, but with the respect which we have and ought to have for expert opinion, which has had profound weight in this body, I do not find that the military authorities have ever said any such thing. On the contrary, the military authorities fixed 19 years of age as the minimum age of the draft when the first draft law was passed, when they were acting freely and selecting what they considered the very elite of the military strength of the country. In the hearings before the Military Affairs Committee of the Senate the Senator from Missouri [Mr. REED], a member of the committee, asked this question of Gen. Crowder, the Provost Marshal General:

> Senator REED. You do know, however, that the War Department, speaking broadly, has been a consistent advocate from the first of beginning to draft with boys 18 years old, and its original plan was to draft from 18 to 25, was it not?
> Gen. CROWDER. 19 to 25 or 26.

There is the answer of the War Department as to its opinion in reference to the minimum at which efficiency in the case of the man power of the country in a military sense is reached, and it corresponds with the military experience of our allies. The French have considered that to put into their battle line boys 18 years old instead of strengthening their army would weaken it; so have the British. Many of the German soldiers and officers attribute their defeat in the recent disaster which they have met with in France to the fact that they had so many young soldiers in their ranks, many of them boys 18 years of age. Common sense and universal human experience are as valuable teachers in a question of this kind as is military science. Senators are men of mature judgment, men of experience in all the relations of life, and I should like any one of you to consider if as the commander of an army you were confronted with the proposition of going into a fight against another army equally well led and well equipped and of the same numbers, and you had your choice as to the age of your soldiers and could determine the age of the enemy, would you choose an army of boys 18 years of age to fight an army of men of 19, 20, and 21 years of age? I believe that, all things being equal, men of 20, 21, and 22 almost certainly would defeat an equal opposing force of boys of 18.

It would be a good deal like taking a high-school football team and expecting it to play a match game with a university football team. That is about what the proposition would be. Common sense and common experience dispute it, and the War Department in their authoritative utterances have never advocated it on the basis that boys of 18 make the best soldiers.

Mr. BRANDEGEE. Mr. President, will the Senator permit an interruption?

Mr. POINDEXTER. I yield to the Senator from Connecticut.

Mr. BRANDEGEE. Has the Senator stated how many men it would take out of those subject to the draft if the age were raised from 18 years to 19 years?

Mr. POINDEXTER. I have not stated that, but, according to the estimate—and we have nothing but estimates—it would take 660,000.

Now, I want to comment upon the effect of that. It is a very pertinent and relevant question.

According to the same estimates made by the same authorities there are plenty of men left in the draft of the other ages to more than make up the force which the War Department proposes to organize, and that, Mr. President, without going beyond the first class; that is, without infringing a particle upon classification No. 2.

Mr. BRANDEGEE. Mr. President——

Mr. POINDEXTER. Just a moment. Let us see what classification No. 2 is. Here is one of the elements that go to make up class 2 under the draft according to the regulations of the War Department, and the men included would be entitled to deferred classification:

(a) Married men with children or father of motherless children, where such wife or children or such motherless children are not mainly dependent upon his labor for support for the reason that there are other reasonably certain sources of adequate support (excluding earnings or possible earnings from the labor of the wife) available, and that the removal of the registrant will not deprive such dependents of support.

There are a large number of men who have not been reached under the present law and who are not proposed to be taken under the bill now pending who are described in the classification which I just read, men who have children who are not dependent upon them for support, but who have other means of support—substantially stated. For my part, I would prefer to invade that element of the second class and take those men before I would go below 19 and take boys of 18.

Mr. STERLING. Mr. President——

Mr. POINDEXTER. I yield to the Senator from South Dakota.

Mr. STERLING. Does not the Senator know that the present plan contemplates a deferred classification for all married men?

Mr. POINDEXTER. I thought that had been disputed. There is nothing in the law to that effect.

Mr. STERLING. It has not been disputed, but it has been asserted over and over again on the floor of the Senate that the plan does contemplate such deferred classification, and I think that the figures in the report of the committee, figures furnished, I presume, by Gen. Crowder——

Mr. POINDEXTER. Are based upon that.

Mr. STERLING. Are based upon that.

Mr. POINDEXTER. That only strengthens my proposition. If that is the case; if every married man is going to be put in a deferred class and not drawn at all, it is all the more reason why many married men in such situation ought to be drawn and put in the Army before, in my opinion, the extreme youthful age to which I have referred is taken.

Mr. BRANDEGEE. Mr. President——

Mr. POINDEXTER. I yield to the Senator.

Mr. BRANDEGEE. The Senator stated a moment ago that by raising the minimum age of those subject to the draft to 19 it would yield all the troops that the plans of the War Department contemplated.

Mr. POINDEXTER. Yes.

Mr. BRANDEGEE. What is the number that the Senator understands the War Department plan does contemplate, in round numbers?

Mr. POINDEXTER. I will state that to the Senator. The plan of the War Department contemplates, in round numbers, 80 divisions.

Mr. BRANDEGEE. Of 40,000 men each?

Mr. POINDEXTER. Of 40,000 men each; which would amount to 3,200,000. Added to the 3,200,000 the 18 divisions of 720,000 men which the War Department proposes to have in the United States and not send abroad, would make, under the plan of the War Department, 3,920,000 men, including—I emphasize again—18 divisions, aggregating 720,000 men, to be retained in the United States.

Mr. BRANDEGEE. Now, what I was going to ask the Senator was this: The present plan of the War Department may contemplate the raising of only 3,200,000 men, or, with the extras to be kept in the United States, in the neighborhood of 4,000,000 men. The Senator has alluded to the fact that the central powers attribute in some measure their recent reverses to the fact that their men are too young, their ages going down into 17 or 18. I suggest to the Senator, if men of 18 are drafted, it may well be that they will not get into the line of battle for a year, at which time they will be 19. They must be trained both here and abroad before they fight in actual warfare; and would it not be wise to have this extra force that would come from taking the men of 18 years of age? In any event, if we should have enough without taking them, is it not well to have a margin of surplus for contingencies and to have an overwhelming force?

As to the efficiency of men of 18 years of age, if it is true that the Germans count one of their weaknesses the fact that they have had in the line men of 18 years of age, our men of 18 would be as good as theirs, and would not constitute a weakness in our Army, but would give a surplus to our Army as good as a large part of the German Army. In that view of it, it seems to me it would be an element of strength.

Mr. POINDEXTER. Even if our men should be as good as theirs, there would be no reason why we should not have men better than theirs.

Mr. BRANDEGEE. Well, if our Army is better, except those of 18, and they are equally as good, it seems to me we shall have increased the strength of our Army by taking men of 18.

Mr. POINDEXTER. I would agree instantly with the Senator as to the proposition of having the younger men in reserve and trained in the United States if the entire complement that it is proposed by the military authorities to organize can not be gotten from the classes of 19 years of age and older, and I would, if necessary, even go below 18, because men have served in armies even younger than that, but it is not necessary. We have 1,500,000 men in France now and we have 1,500,000 in the United States, making 3,000,000. Under the classifications between the ages of 32 and 45 it is estimated by Gen. Crowder that he will get of what he calls effectives, after the most liberal rules of elimination and exemption, allowing 30 per cent elimination for physical defects, 601,236 men, and between the ages of 19 and 21, or the two years of 19 and 20, 1,100,000 men, which makes 1,701,000 men, in addition to those that we already have, without touching the 18-year-old class.

Now, if we send those men to France it will take us more than a year, at the rate of 300,000 a month, to get them to France, and that is without touching any of those in the second classification; it is leaving out of the question the addition to the Army of any of these men who have been exempted in order to work and who have quit work; it is leaving out of the question the combing over of the registration lists, which everybody knows could be done, with the result that hundreds of thousands of physically fit men, and men who in every other way are eligible for military service, could be added to our fighting forces. We see them cluttering the halls of executive offices. We find a great number of those men who are counted in the 1,500,000 soldiers that are now in the United States not doing a soldier's work. We have them in the State of Washing, getting out spruce timber—trained military officers who do not know anything about spruce, and whose places could be taken in spruce work by men whose lives have been spent in that business. These men who are trained to fight, and I will say who want to fight, who are eager to go to the front, but who can not go to the front and can not go there because they are put in this industrial occupation, could be taken out and our armies strengthened to that extent.

Mr. BRANDEGEE. Mr. President, if the Senator will pardon me, I assume that a good many men are in this country for the reason stated by the Senator—that the means for transporting them to France are not yet available. When the Senator states that we have a million and a half men in France I think he should bear in mind that only one-third of that force is effective on the firing line.

Mr. POINDEXTER. I suspect so.

Mr. BRANDEGEE. And if we have a surplus in this country to draw upon, the Senator must also remember that our shipbuilding and ship-launching facilities are increasing rapidly and that the great preliminary work of adapting our yards and getting the materials to build these ships has been done; the foundation has been laid; and we must expect that by the time these men are fit to be transported to the training camps abroad there will be ships enough to greatly increase the monthly number that can be transported abroad.

Mr. POINDEXTER. I doubt very much whether it will be increased very much above 300,000 a month. I do not know. It might be, but the more men we get to France the more tonnage is required to supply them. Some estimates are as high as 8 tons per man for supplying them, which increases in proportion to the number of men in France.

Mr. BRANDEGEE. I would not attempt to dispute with the Senator upon that question, or to assert anything positively,

because I have not the original sources of information, and I am not myself an expert in the business; but I understood from what I had seen in the newspapers that both the Secretary of War and the Chief of Staff had testified before the Committee on Military Affairs that they were assured that they would be amply able to supply an army of 4,000,000 men in Europe by the 1st of next July, and unless the British withdraw their ships which we are now using to transport about 50 to 60 per cent of those that are transported abroad, we should be amply able, unless they are utterly mistaken in their estimates and statements, to maintain the Army.

Mr. POINDEXTER. I think that the statement which I made on this subject is borne out by the testimony of these military authorities that the Senator from Connecticut quotes. In the first place, notwithstanding the general impression that has been created, and which I had myself, I find on looking at the record that the War Department does not intend to have an army of 4,000,000 in France. I thought they did, but they do not. Here is the testimony of the Secretary of War. He says:

> After the recess of Congress the study went on, and a few days ago—

This is the testimony given recently before the Military Affairs Committee—

> It became clear to us that * * * the 80-division program was perhaps the maximum which we could possibly hope to accomplish.

Eighty divisions in France.

Mr. BRANDEGEE. But the Senator must remember that even the War Department is subject to being educated from time to time, and is capable of changing its opinion after the one previously held has been demonstrated to be erroneous. If it were not for that, our case would, indeed, be hopeless.

Mr. POINDEXTER. I have observed that.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. POINDEXTER. I yield.

Mr. HITCHCOCK. I do not know whether the Senator has correctly apprehended the position of the War Department. The War Department proposes to have 80 divisions in France, but 20 divisions in the United States.

Mr. POINDEXTER. Eighteen divisions in the United States.

Mr. HITCHCOCK. Well, 18; I think that is correct. So that it is not an 80-division proposition; it is a 98-division proposition.

Mr. POINDEXTER. But it depends upon what basis you are discussing. We were speaking about the Army to go through the German lines, the Army in France. That is what we were speaking about; and I had the impression—I do not know whether any one else did or not—that when Gen. March said that an Army of 4,000,000 men could go through the German lines at any time they wanted to, he meant an army of 4,000,000 in Europe, because that is the only place where you can go through the German lines. You can not go through the German lines in the United States.

Now, Mr. President, there is another feature——

Mr. KELLOGG. Mr. President——

Mr. POINDEXTER. I yield to the Senator from Minnesota.

Mr. KELLOGG. Before the Senator passes from that phase of the matter I should like to ask him a question. If a regulation were made under which the 18-year-old boys would not be called until the others had been called, would not that cover the objection he has? I call his attention to the testimony of the Secretary of War before the House committee, where he says:

> I therefore have planned from the beginning, as a matter of regulation, to have the men from 18 to 19 put in a separate class, calling them the class of 18-year-old men, with a view to deferring their call until it is necessary.

Mr. POINDEXTER. I have thought a good deal about that proposition, and at first it seemed quite plausible; but I have come to the conclusion that it is impracticable and unwise, for the reason that the deferring of calling them in itself shows that it is not necessary to have them immediately; and not being necessary to have them immediately, it is an unwise policy to take them out of their schools and put them in the Army. I think the proposition contains in itself its own refutation.

Mr. KELLOGG. Is there not something in the point that we are now passing a draft law to provide for the maximum of men necessary that are going to be pledged to win this war, and that it is better to do it in one bill than to make several bites of the cherry?

Mr. POINDEXTER. Oh, I agree entirely with the Senator as to that, but I want to call his attention to this: If we were not going to get these boys of 18 for military service anyhow, in case they are needed—or, to state it differently, if the limitation of the minimum age to 19 in this bill would exclude forever that number of men from the Army—I would not be in favor of so limiting it. But the effect of limiting the minimum age to 19 years is simply—and I am satisfied that this phase of the matter, as obvious as it is, has been overlooked—is simply to defer upon an average of six months the calling into the military service of every one of these young men who are now 18 years of age. We do not lose them. In six months from to-day, upon the average and by the law of averages, all young men in the United States that are 18 years old will be 19 years old. That is the average period for the entire number. Some will become 19 to-morrow, some day after to-morrow; and they will be eligible upon becoming 19 years of age and subject to the plan, which is pointed out by Gen. Crowder in these hearings as being perfectly feasible, which he said could be carried out without difficulty, of a weekly registration of the men arriving at the required age—at present 21 years of age—if the President should make an order for the weekly registration of them. So, if the minimum age is fixed at 19 years, you would have every one of these younger men, now 18 years of age, coming week by week into the military service when they arrive at the age of 19 and relieve us of what I think would be the unwise and, in some respects, the cruel step of taking from their families and from their schools boys who have just arrived at the age of 18 years. Let it go along during the year, and as they become 19 years of age, then they will come into the military forces of the country.

Mr. President, there is one other proposition to which I want to call attention that is somewhat interesting. I have examined this testimony pretty closely. There has been an impression here that during the recess of Congress a great deal of abstruse study of this bill has been made by the War Department, and that the delay in enacting it was more than compensated for by the benefits that came from the study, and that we have something here that is quite different from the proposition which my friend the chairman of the committee proposed before the Senate in July, before we took our recess. As a matter of fact, Mr. President, nothing of the kind has happened at all. No changes have been made. The chairman of the committee truly points out in his report that the bill upon which we are now about to vote is substantially and fundamentally the same as that which was before the Congress heretofore. We have gained nothing by the delay, but we have lost six weeks of precious time, which we can never recover, and in the interest of the truth of history I speak of it now.

In view of the charge that has been made about Congress delaying things, I believe that when the Senator from Oregon came from the Committee on Military Affairs and proposed that the draft age should be extended to 45 and down to 19, the Senate would have voted for that proposition, which is the same as the one that is now pending, with the exception that 19 has been reduced to 18. The regulations for carrying out the law would have been made in the same identical way that they will have to be made now; and I want to fortify the statement which I am making as to the responsibility for the delay, and the effect of it, by reading from the testimony of the military authorities, including the Secretary of War.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from New Mexico?

Mr. POINDEXTER. I yield to the Senator.

Mr. JONES of New Mexico. I should like to inquire if the Senator heard the statement which was made on the floor of the Senate the other day by the Senator from Nebraska [Mr. HITCHCOCK] regarding the reasons for the delay in the passage of this legislation?

Mr. POINDEXTER. No; I did not hear it.

Mr. JONES of New Mexico. I understood the Senator from Nebraska the other day to make a statement which, to my mind, was thoroughly convincing that it would have been unwise to pass a half-baked proposition at the time it was presented for extending the draft ages.

Mr. POINDEXTER. What was the reason? If the Senator will repeat the reason, in substance, not at too much length, I should be much interested in hearing it.

Mr. JONES of New Mexico. If I correctly understood the Senator from Nebraska, he referred to very important negotiations which were pending between our Government and the Governments of our allies—negotiations which involved propositions not only of expediency but of limiting and defining in definite measure the part we should take in this war—and that it was necessary that those things be attended to, that there should be an understanding reached, before we committed ourselves to an extension of the draft ages; and the Senator from Nebraska gave explicit reasons, which I trust the Senator from Washington will take the trouble to read.

Mr. POINDEXTER. Was that the purpose for which the Senator from Illinois [Mr. LEWIS] was sent to France by the President?

Mr. JONES of New Mexico. I have no knowledge as to the mission of the Senator from Illinois; but the statement made by the Senator from Nebraska the other day upon the floor was also made upon the floor of the Senate at the time the original idea was being discussed in this body, and the reasons then given were the same reasons as given by the Senator from Nebraska the other day, and to my mind to any Senator who wants to work in cooperation with the Commander in Chief of the Army the reasons given were wholly adequate to bring about anybody's conclusion that the action would have been unwise at the time.

Mr. POINDEXTER. I have the reasons here from even a higher source in this particular matter than the Senator from Nebraska, as high as that may be, and I will read them to the Senator from New Mexico; but I am very much interested in his statement about these negotiations that induced the administration to suspend its military program while they were pending. Were they negotiations for peace? What was the general nature of these negotiations?

Mr. JONES of New Mexico. As I understood the Senator from Nebraska, the negotiations related to the size of the army which we should put upon the front, the munitions that we should put there, the transportation facilities, and means for equipping our soldiers in France.

Mr. POINDEXTER. Mr. President, that is substantially involved in the reason which I am going to give, that the administration had not determined whether or not the United States was going to do the best it could do in the war. That is the effect of the statement of the Senator from Nebraska, that it had not determined to what extent it would participate in the war.

The Senator said that patriotic men ought to want to follow and support the Commander in Chief. That is certainly true, with certain limitations; and in anything which the Commander in Chief does that can be supported without opposing the conduct of this war toward a victorious conclusion there is nobody who is going to be ahead of me in supporting him. But I want to say here and now that when the Senator from New Mexico states—as I infer, at least, is implied in his statement—that the President of the United States, at the time the proposal for an increase of the Army was pending here before the recess, was hesitating as to whether or not the Army should be increased, and carrying on negotiations to determine whether we would enter further into the war, and to what extent we would enter into it, I do not propose to follow him in such a policy as that.

Mr. JONES of New Mexico. Mr. President, I did not intend to express any such thought as the Senator now iterates with so much emphasis.

Mr. POINDEXTER. I think that was necessarily implied.

Mr. JONES of New Mexico. I did not understand the Senator from Nebraska to make that statement. What I did mean to say was that I understood that arrangements had to be made in order to transport the troops, to furnish the men with the proper equipment, and other facilities which were requisite to getting the forces to the front. I am sure the Senator from Nebraska, who is present, can make the matter plain.

Mr. HITCHCOCK. If the Senator will permit me.

Mr. POINDEXTER. I am opposed to secret diplomacy. I should like to hear the whole thing.

Mr. HITCHCOCK. There can possibly be no mistake about this, because I made on the floor of the Senate at the time the appropriation bill was before the Senate substantially the same statement that I make now. The representatives of the administration did not oppose increasing the draft-age limit. They merely asked that instead of putting it upon an appropriation bill before it was needed as a law it be deferred a few weeks until after the recess, for the reason that the Government was then in negotiations to develop how many divisions the United States should place upon the land in France during the next year. Already we had provided by the existing draft law at that time for all the soldiers we could transport to Europe and more, too, and the question was pending as to whether Great Britain could continue after the 1st of August to supply us with vessels to transport additional troops. Those negotiations had to be concluded before we could decide whether we would have 5,000,000 men to put in France next year.

Mr. POINDEXTER. My time is so limited that I should like to proceed.

Mr. HITCHCOCK. Those negotiations had to be settled before the administration could reach an intelligent conclusion as to the number of men to be added to those who were then available.

Mr. POINDEXTER. Every man will have to put his own interpretation upon it.

The PRESIDENT pro tempore. The Chair desires to call the attention of the Senate to the fact that the Senate is proceeding under the unanimous-consent rule, and that after 1 o'clock debate is limited to 10 minutes, and no Senator can speak more than once on an amendment and 15 minutes on the bill. The Chair, of course, will have to rule when an amendment is pending that the debate is on that amendment. The Senator from Washington has the floor.

Mr. HITCHCOCK. That has never been the rule.

Mr. POINDEXTER. I will proceed on the pending amendment.

Mr. HITCHCOCK. A Senator might never have a right to speak for 15 minutes on the bill during the day under that ruling.

The PRESIDENT pro tempore. The Chair can not determine whether a Senator refers to a bill or an amendment; but while an amendment is pending the debate will have to be limited to 10 minutes. The Chair will have to rule that he is speaking upon an amendment when an amendment is pending.

Mr. POINDEXTER. Now, to hurry on, I wish just to read to the Senate the reason why the Secretary of War opposed the extension of the draft age and the enlargement of the Army. On page 3 of the report on Calendar No. 506, the report of the Committee on Military Affairs, I find a statement from the Secretary of War on that subject, and he says:

> The need for the increase in the age limits is directly the outcome of the determination on the part of the War Department to speed up and also to increase in size the military program.

That is the reason. In other words, up to the 30th day of July—a year and four months after the United States was engaged in the war—the Secretary of War had not determined to speed up the military program, according to his own statement. The country can judge for itself. The particular date is mentioned on the next page, page 4 of this report, by Gen. March in his testimony before the committee, in these words, to be read and to be considered in connection with the statement on the preceding page by Mr. Baker. In saying this I am saying it without any partisan feeling of any kind at all, but simply because I am in favor of the vigorous prosecution of the war; and those who have retarded it, in the interest of justice ought to be held responsible to the country in a public way for their action. The blame ought not to be put on somebody else who is not responsible. Gen. March says:

> We reached the conclusion that the enlarged program was necessary on the 30th day of July, 1918.

A year and four months after war had been declared.

Now, Mr. President, that time can never be regained. The delay can never be recalled. Of course, that is a truism; but I do not take it with such equanimity as some Senators do. I understand the Senator from Nebraska rather defends the proposition that there was no need for hurry. That is the position of the Secretary of War. I think the loss of months of time when Gen. Haig was standing "with his back to the wall" calling on his men to stand and die in their tracks for the preservation of civilization—when they said of the military program of the United States, which is the hope of the allies, that there was no need for haste—that was wrong. It was committing a colossal blunder. It can not be repaired. We can not get back that time. We can not get the men who will be called under this draft to the front in a month of the time that they could have been gotten to the front if the law had been passed at that time. A month's delay, and who knows what a month may mean. It may be a month too late; it may be a week too late. And if it were but an hour too late, civilization might be lost because of that delay.

Mr. CUMMINS. Mr. President, when we took a recess last night there was some confusion of meaning in the amendment which I had proposed to the committee amendment, and I suggested that overnight I would endeavor to remove the confusion from the amendment. I ask now that the amendment pending be made to read as follows, and I will say that I have presented it to the Senator from Colorado [Mr. THOMAS], to whose amendment it applies, and while I am not permitted to say that he is in favor of it, he is clear that it has removed whatever contradiction there may have been in the form we were discussing last night.

The PRESIDENT pro tempore. The amendment to the amendment as modified will be stated.

The SECRETARY. In lieu of the amendment heretofore offered, on page 8, line 12, after the word "draft" insert:

> This proviso shall not apply in the case of a strike if the strikers have submitted or will at once submit the dispute to the War Labor Board, agree to abide and do abide by its decision, and are willing at once to resume and continue work pending such decision. The said board shall take up and decide all such disputes as speedily as practicable.

Mr. CUMMINS. I have no desire to continue the discussion upon the amendment. I said all I care to say about it yesterday afternoon. I ask only whether the yeas and nays were ordered on the amendment yesterday.

The PRESIDENT pro tempore. They have not been ordered.

Mr. CUMMINS. I ask for the yeas and nays upon the amendment.

Mr. BRANDEGEE. Before that is done, my attention was diverted and I did not hear the amendment. I should like to have an opportunity to read it. [After a pause.]

Mr. TOWNSEND. Read it aloud.

Mr. BRANDEGEE (reading)—

This proviso shall not apply in the case of a strike if the strikers have submitted or will at once submit the dispute to the War Labor Board, agree to abide and do abide by its decision, and are willing at once to resume and continue work pending such decision. The said board shall take up and decide all such disputes as speedily as practicable.

I have no objection to the yeas and nays.

The PRESIDENT pro tempore. Is there a second to the demand for the yeas and nays?

The yeas and nays were ordered.

Mr. SMOOT. Mr. President, agreeable to a promise I made that before the vote was taken I would suggest the absence of a quorum, I make that suggestion.

The PRESIDENT pro tempore. The Secretary will call the roll on the question of a quorum.

The Secretary called the roll, and the following Senators answered to their names:

Baird	Hale	New	Smith, Ga.
Bankhead	Henderson	Norris	Smith, Md.
Beckham	Hitchcock	Nugent	Smith, Mich.
Brandegee	Johnson, Cal.	Overman	Smoot
Calder	Johnson, S. Dak.	Owen	Sterling
Chamberlain	Jones, N. Mex.	Penrose	Sutherland
Colt	Kellogg	Phelan	Thomas
Culberson	Kendrick	Pittman	Townsend
Cummins	Kenyon	Poindexter	Trammell
Curtis	Kirby	Ransdell	Underwood
Dillingham	Lenroot	Robinson	Vardaman
Fall	Lodge	Saulsbury	Wadsworth
Fletcher	McCumber	Shafroth	Warren
France	McKellar	Steppard	Watson
Frelinghuysen	McNary	Sherman	Weeks
Gerry	Martin	Shields	Wolcott
Gulon	Nelson	Simmons	

The PRESIDING OFFICE (Mr. FLETCHER in the chair). Sixty-seven Senators have answered to their names. There is a quorum present. The question is on the amendment of the Senator from Iowa [Mr. CUMMINS].

Mr. BRANDEGEE. Mr. President, I wish to ask the Senator from Iowa if he will agree to a modification of his amendment in this respect: As it stands it states that the proviso "shall not apply in the case of a strike if the strikers have submitted or will at once submit the dispute to the War Labor Board, agree to abide and do abide by its decision, and are willing at once to resume and continue work pending such decision." It does not state how the willingness of strikers to resume work is to be ascertained, and it occurred to me that it would be improved if there should be added this clause to that language, to wit, to make it read:

And are willing at once to resume and continue work pending such decision, and do so resume and continue.

Mr. CUMMINS. Suppose the employer would not permit them to resume?

Mr. BRANDEGEE. I assumed that a strike was a walkout against the employer and that the employer would be glad to have them return.

Mr. CUMMINS. In my opinion there would be but one way in which to show willingness to resume work and that would be to resume if the employer would permit the strikers to work, but the Senator from Connecticut of course does not want to put them completely at the mercy of the employer.

Mr. BRANDEGEE. I do not, but inasmuch as the Senator states that the proviso shall not apply to a situation where the strikers are willing to return to work, it seems to me there ought to be a method provided for ascertaining their willingness or that they should actually go to work. Of course, as the Senator states, I do not want to place any man subject to the will of the employer, but when the Senator states that in his opinion the employer might not want these men to come back he is dealing with a lockout situation and not with a strike.

Mr. THOMAS. Mr. President, I think the criticism of the Senator from Connecticut [Mr. BRANDEGEE] is unanswerable. I would suggest the elimination of the words "are willing" so that it will read "agree to abide by its decision and to at once resume work."

Mr. BRANDEGEE. That is what I have in mind, or something like it.

Mr. THOMAS. The agreement would include going to work as well as submitting to arbitration, and by eliminating the words "are willing" I think that will be accomplished.

Mr. CUMMINS (to Mr. THOMAS). Please read it as suggested.

Mr. THOMAS. I will read it.

Mr. CUMMINS. I think the objection is a little hypercritical.

Mr. THOMAS. I do not think so.

Mr. CUMMINS. I am quite willing to make it conform to the purpose.

Mr. THOMAS. I suggest eliminating the words "are willing" and the word "to" and inserting that word before the word "at," so that it will read as follows:

This proviso shall not apply in the case of a strike if the strikers have submitted or will at once submit the dispute to the War Labor Board, agree to abide and do abide by its decision, and to at once resume—

That is, agree to at once resume—

and continue work pending such decision.

Mr. CUMMINS. That is entirely satisfactory to me.

Mr. THOMAS. Mr. President, as far as I can do so I am willing to accept this amendment to the amendment which is now under consideration, not because it is entirely satisfactory, but because I am willing to make any reasonable concession which does not interfere with the purpose of the amendment.

The PRESIDING OFFICER. The Chair thinks it would not be in order for the Senator from Colorado to accept it, because it is no longer his amendment but a committee amendment.

Mr. CUMMINS. The form that has just been suggested by the Senator from Colorado is wholly satisfactory to me. In my judgment it means the same thing.

The PRESIDING OFFICER. Then the question is on the amendment offered by the Senator from Iowa, as modified in the way suggested.

Mr. NELSON. Let the amendment, as agreed upon, be read.

Mr. THOMAS. I understand the vote will be upon the amendment to the amendment.

The PRESIDING OFFICER. The Secretary will read it.

The Secretary read as follows:

This proviso shall not apply in the case of a strike if the strikers have submitted, or will at once submit, the dispute to the War Labor Board, agree to abide and do abide by its decision, and to at once resume and continue work pending such decision. The said board shall take up and decide all such disputes as speedily as practicable.

The PRESIDING OFFICER. The yeas and nays have been ordered, and the Secretary will call the roll on agreeing to the amendment.

The Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The junior Senator from Virginia [Mr. SWANSON] is necessarily absent to-day on account of illness in his family, and I have agreed to pair with him for to-day. Therefore I will withhold my vote. If at liberty to vote on the amendment to the amendment, I would vote "yea."

Mr. PENROSE (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. By an arrangement with the senior Senator from Oregon [Mr. CHAMBERLAIN], I will transfer that pair to my colleague [Mr. KNOX] and vote. I vote "yea."

Mr. STERLING (when his name was called). I am informed that the Senator from South Carolina [Mr. SMITH], with whom I have a general pair, if present, would vote "yea," and I am therefore at liberty to vote. I vote "yea."

Mr. WEEKS (when his name was called). I transfer my pair from the senior Senator from Kentucky [Mr. JAMES] to the senior Senator from West Virginia [Mr. GOFF] and vote "yea."

The roll call was concluded.

Mr. CURTIS. I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the junior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. WALSH. My colleague [Mr. MYERS] is unavoidably absent and is paired with the Senator from Connecticut [Mr. MCLEAN]. If my colleague were present, he would vote "yea."

Mr. UNDERWOOD (after having voted in the affirmative). I transfer my general pair with the junior Senator from Ohio [Mr. HARDING] to the Senator from Illinois [Mr. LEWIS] and let my vote stand.

Mr. CURTIS. I wish to announce that the Senator from Connecticut [Mr. MCLEAN] is paired with the Senator from Montana [Mr. MYERS].

The result was announced—yeas 73, nays none, as follows:

YEAS—73.

Ashurst	Guion	Norris	Smith, Mich.
Baird	Hale	Nugent	Smoot
Bankhead	Henderson	Overman	Sterling
Beckham	Hitchcock	Penrose	Sutherland
Borah	Johnson, Cal.	Phelan	Thomas
Brandegee	Johnson, S. Dak.	Pittman	Townsend
Calder	Jones, N. Mex.	Poindexter	Trammell
Chamberlain	Kellogg	Pomerene	Underwood
Colt	Kendrick	Ransdell	Vardaman
Culberson	Kenyon	Reed	Wadsworth
Cummins	Kirby	Robinson	Walsh
Curtis	Lenroot	Saulsbury	Warren
Dillingham	Lodge	Shafroth	Watson
Fall	McCumber	Sheppard	Weeks
Fletcher	McKellar	Shields	Wilfley
France	McNary	Simmons	Wolcott
Frelinghuysen	Martin	Smith, Ariz.	
Gerry	Nelson	Smith, Ga.	
Gore	New	Smith, Md.	

NOT VOTING—22.

Benet	Hollis	Lewis	Smith, S. C.
Fernald	James	McLean	Swanson
Goff	Jones, Wash.	Myers	Thompson
Gronna	King	Owen	Williams
Harding	Knox	Page	
Hardwick	La Follette	Sherman	

So Mr. CUMMINS's amendment was agreed to.

Mr. HITCHCOCK. Mr. President, 16 months ago I moved to amend the draft bill then before the Senate so as to raise the age limit to 21 years. The Senate committee, against my protest, had made the lowest draft limit 19 years. My amendment was adopted by the Senate and I believe it was approved by the country. If the same state of affairs confronted us again, I should again favor 21 years as the lowest age.

But, Mr. President, great changes have come since April of last year, and with changed conditions new issues are raised.

First of all, conditions abroad have changed. At that time Russia, though in revolution and operating under a provisional government, appeared to be still a great factor in the war on our side, with millions of soldiers in arms. Her attitude kept over a million German soldiers and nearly as many Austrian troops on the eastern front. The consequence was that Germany was hard pressed on the western front by the superior forces of France and Great Britain, which were making daily progress. It did not seem that it would be necessary, even if it might be feasible, for us to send a large army to Europe. Our plans at that time and for some months did not contemplate raising an army at the outside of more than 2,000,000 men.

Under those circumstances I strongly opposed drafting men less than 21 years of age. So did the Senate and so did the public sentiment of the country.

To take youths of less than 21 years of age and to leave at home young adults who were available for service was then, and would be now, contrary to public policy and obnoxious to public opinion.

We knew we could register nearly 10,000,000 men from 21 to 31 years of age. We knew that we could probably secure from this number enough available young men to raise the military strength of the country to any number then estimated to be necessary to end the war shortly.

All this, however, was changed by the collapse and disintegration of the Russian power in October of last year.

That was a stupendous disaster and completely changed the aspect of the war. It threw hundreds of thousands of additional Austrian soldiers upon the Italian front, and with the German help resulted in the Italian defeat, which placed a valuable part of north Italy in Austrian hands.

It abruptly put an end to British and French advances on the western front and drew a million or more German veterans from the Russian front to France and Belgium within 90 days.

It resulted in plans for a great German offensive, which actually took place in March of this year, and which threatened for a time to crush the allies before American armies could reach France in force.

It forced the United States to revise and enormously enlarge its war program and to resort to extreme measures.

Instead of an army of a million or a million and a half men, we have found it necessary to undertake the raising of 5,000,000 men, to say nothing of a Navy raised from less than one hundred thousand to half a million.

Obviously we can no longer pick and choose soldiers on sentimental lines. Stern necessity now confronts the country. Every male who can be spared must now be put on the available list if he is mentally, physically, and morally fit.

If he is a married man supporting a family he can not be spared as long as there are unmarried men not supporting families. If he is engaged in an essential industry and is himself essential to that industry, he can not be spared as easily as another in an unessential industry.

Obviously, also, the men selected must be those who can best stand the strain of war and who are least likely to break down and become hospital patients.

And so to increase our Army to 5,000,000 men we find it just as necessary now to require all between 18 and 45 to register as we found it sufficient last year to register those between 21 and 31 to get an Army then deemed sufficiently large.

In each case the process will be to accept for soldiers those who are most fit and who can be most easily spared. We must disturb and demoralize the essential industries of the country as little as possible. We must not take the necessary supports of families if it can be avoided. We must think not of the individual, but of the Nation. We must consult not our personal preferences or sentiments, but the stern needs of the case. We must consider what will produce the best Army and yet leave at home the most necessary men to support and sustain that Army.

As a Nation we are confronted with a great menace and are in the midst of a great world crisis. Not only must we from now on produce the greatest military man power of any nation on our side of the conflict, but we must help to finance our associate nations, help to feed them, and furnish to them much of the raw material and finished products that they require. This means that we must mobilize and conserve our man power at home. The men most valuable at home must be kept at home to support families or to work in essential industries.

The productiveness of the United States must be maintained at its highest point. This means not only the production of the soil and of the industries, but it means also the production of revenues derived from taxes and the production of credit derived from the sale of bonds. This can only be done by taking for military service those least needed in the field of production and business. To make the choice as broad as possible it is necessary at this time, in my opinion, to go as low as 18 years and as high as 45.

To my mind it is almost as important to success that the United States should avoid impairing its powers of production and supply as it is to furnish man power. We must furnish steel and copper and ships and food and lumber and transportation and ammunition and cotton and wool and sugar and coal and motors and hundreds of other products directly needed in the war, not only by ourselves, but by the allied nations. But more than that, we must furnish money and credit not merely for ourselves, but to some extent for them, and this can only be done by enormous taxes and equally enormous bond sales, and these are only possible while the country is prosperous and productive. To keep it prosperous and productive we must avoid taking men in essential or useful occupations who are important or essential to those occupations.

So we come back to the proposition that to raise our Army to 5,000,000 men we must make the search a broad one, going as low as 18 years and as high as 45.

Mr. President, in conclusion I shall refer to the impressive speech made in this Chamber a few days ago by the distinguished Senator from Massachusetts [Mr. LODGE]. Speaking for myself, I agree with him that we must have a great military triumph for our side as a basis for peace discussions. The power we are fighting is a military power. The system of Germany is essentially military. Nothing less than a great military disaster will burn into the mind of Germany the lesson she must learn if the world is to be made safe for democracy. The German people must become convinced that their system is wrong. They must be shown that the system of military autocracy built up and developed in 50 years is a failure. Nothing less than a great military defeat can bring this about. "He that lives by the sword shall perish by the sword." They must as a nation learn that lesson by experience. Argument will not do. The example of other nations is not enough. Only military disaster will convince them that their system is wrong and their gods false. They must once and for all abandon the idea of conquest. They must cease to sing or to think of "Deutschland über alles." They must discover in the midst of military disaster and bankruptcy that their only hope of the future is to live as other nations live.

When that time comes the German people will be willing to give a guaranty of peace. They will be willing to accept the democratic theory of self-government. They will be willing to agree to the independence of small nations. They will be willing to accept justice in place of force as the international standard, but they will not be ready to do these things and repudiate military autocracy until they have tasted defeat.

And so, Mr. President, I am reconciled to the idea of extending the age limits of the draft, because nothing but a great military triumph can bring a real and a permanent peace.

President Wilson expressed the thought in terse and striking phrase at Baltimore, when he declared the purpose of the American people. He said:

Force, force to the utmost, force without stint or limit, the righteous and triumphant force which shall make right the law of the world and cast every selfish dominion down in the dust.

Under the present age limits we have raised over 3,000,000 men, without materially encroaching upon those in deferred classifications. Under the proposed extension provided in this bill we can increase our forces to more than 5,000,000 without calling married men who are supporting families and without taking men or boys who are needed in essential industries.

With such a force the road to victory and to peace may be comparatively short. The harder we hit the shorter the fight and the lower the cost and loss.

As to the terms of that peace, I do not think the time has arrived to discuss them. For the present I prefer simply to stand with the President in earnest advocacy of—

Force, force to the utmost, force without stint or limit—

and to let a discussion of the terms of peace wait till that force has brought the German mind to a condition in which it can see things as the rest of the world sees things.

Mr. CHAMBERLAIN. Mr. President, when the Senate bill was before the Senate and before the House bill was substituted for it, one or two little amendments were adopted, and I am now going to ask that they be submitted to the Senate. They had already been adopted by the Senate when the Senate bill was under consideration, but were not put in the House bill as reported.

Mr. THOMAS. Will the Senator from Maryland yield to me for a question?

The PRESIDING OFFICER. The Senator from Oregon has the floor. Does he yield?

Mr. CHAMBERLAIN. I yield to the Senator from Colorado.

Mr. THOMAS. I will not interrupt until the amendments to which the Senator from Oregon refers shall have been disposed of.

The PRESIDING OFFICER. The Senator from Oregon proposes an amendment which will be stated.

The SECRETARY. On page 12, line 14, after the word "person," it is proposed to strike out the words "under the age of 21" and to insert a comma, and in line 16, after the word "Navy" to add "while under the age of 21."

Mr. CHAMBERLAIN. That amendment was adopted by the Senate to the original Senate bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment offered by the Senator from Oregon.

The SECRETARY. On page 8, line 18, after the word "person," it is proposed to insert "not connected with the Military Establishment."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CHAMBERLAIN. Mr. President, there is one matter to which I wish to call the attention of the Senate, for fear I might have unintentionally and inadvertently misled the Senate in my statement as to what is contained in the bill now pending before the Senate. Section 2, of the House bill, the section being found on page 2 of the bill now before the Senate, H. R. 12731, was omitted from the bill as reported to the Senate. That section provided:

SEC. 2. That no alien who is a citizen or subject of any of the countries cobelligerent with the United States in the present war shall, unless contrary to existing treaties, be granted exemption from military service or placed in deferred classification under the provisions of this act or under any rule or regulation to be issued by authority granted under the provisions of this act solely on account of alienage: *And provided further*, That the War Department shall immediately after the passage of this act reclassify all aliens heretofore registered who are citizens or subjects of any of the countries cobelligerent with the United States in the present war and who have been exempted or placed in deferred classification on account of alienage, and said aliens shall be immediately called for service unless such action would be contrary to existing treaties: *Provided*, That the act of May 18, 1917, is hereby amended accordingly.

Mr. President, it was thought inadvisable, after having heard from the War Department and the State Department, to put that section in the bill, and it was omitted entirely from the bill as reported. The reasons given for omitting it are thus stated by the War Department:

The new section 2 of the House bill, as passed, should be omitted. It forbids exemption of an alien cobelligerent except where a treaty would be broken thereby. This affects principally British, Italian, and Russian subjects. The provision is unwise and needless; unwise because it would offend our allies to go about the matter otherwise than by negotiations and needless because the same object is already attained by negotiation and treaties with the British Government, and is capable of speedy attainment by negotiation with the Italian Government; and its application to Russian aliens would, in the present state of affairs with Russia, be a most dangerous element, imperiling the present delicate situation.

There are already negotiations pending with Italy and possibly with Japan and some of the other of our allies to adjust these differences by treaties. I call attention to that because I did not call attention to it particularly when the House bill was substituted for the Senate bill.

There is one other matter to which I desire to call the attention of the Senate, lest it be said hereafter that I did not direct attention to it when the House bill was substituted for the Senate bill. Section 5 of the bill now before the Senate provides:

That all men rendered available for induction into the military service of the United States through registration or draft heretofore or hereafter made pursuant to law, shall be liable to service in the Army or the Navy or the Marine Corps, and shall be allotted to the Army, the Navy, and the Marine Corps under regulations to be prescribed by the President: *Provided*, That all persons drafted and allotted to the Navy or the Marine Corps in pursuance hereof shall, from the date of allotment, be subject to the laws and regulations governing the Navy and the Marine Corps, respectively.

That was a new section not included in the House bill and not included in the Senate bill when it was pending. I therefore thought I would call the attention of the Senate to it.

Mr. THOMAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. THOMAS. I desire to know the status of the so-called Thomas amendment.

The PRESIDING OFFICER. There is no such thing as the Thomas amendment.

Mr. THOMAS. I said "so called."

The PRESIDING OFFICER. The Chair is trying to answer the Senator. What is called the Thomas amendment is embodied in the bill as reported by the committee as a substitute for the House bill.

Mr. THOMAS. Then no separate vote is required upon that amendment.

The PRESIDING OFFICER. None at all; it is a part of the substitute bill.

Mr. FRANCE. Mr. President, I was under the impression that we were amending the so-called Thomas amendment. I wish to offer to this portion of the bill an amendment which is quite important, it seems to me. Read in connection with the context it merely authorizes the President to make regulations under which all of those who are engaged in industries which shall be designated as essential may, under suitable regulations, be enrolled as though they were in the service of the United States, and may wear the insignia of such service. I offer that amendment.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the Senator from Maryland.

The SECRETARY. Following the amendment last agreed to it is proposed to insert the following:

Provided, That while any such person is so engaged in any employment or occupation, including agriculture, designated necessary or essential for the operation of the military forces or for the maintenance of the national interest, such person may be enrolled as though in the service of the United States and shall be entitled to wear some suitable badge, insignia, or uniform of such service.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Maryland.

Mr. FRANCE. Mr. President, do I understand that an amendment to any portion of the bill is now in order?

The PRESIDING OFFICER. The amendment offered by the Senator from Maryland is in order.

Mr. FRANCE. I desire to offer another amendment.

The PRESIDING OFFICER. What becomes of the amendment the Senator has already offered. Does the Senator desire to withdraw it?

Mr. FRANCE. No; I understood that it had been adopted.

The PRESIDING OFFICER. No. The question is on the amendment just offered by the Senator from Maryland.

The amendment was agreed to.

Mr. FALL and Mr. KIRBY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. FRANCE. Have I the floor?

Mr. FALL. I simply wanted to say that I have an amendment referring to section 2, which has just been under discussion, and before going to any other portion of the bill I should like to have an opportunity to offer it.

Mr. FRANCE. I will yield to the Senator from New Mexico for that purpose.

Mr. FALL. I understood that the Chair had recognized me.

Mr. FRANCE. If I have the floor I will yield to the Senator from New Mexico to perfect the portion of the bill which has just been under discussion.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. FALL. Mr. President, on yesterday I offered a proposed amendment in order that it might be printed. There seemed to be a little parliamentary tangle in reference to it. I offered it under the supposition that it might be proper as a substitute for section 2. There seemed to be confusion in the minds of all of us as to whether it should be offered in that way or upon motion to strike out section 2 as amended and insert.

The PRESIDING OFFICER. The Chair will hold that motion in order.

Mr. FALL. Then, I move, Mr. President, to strike out section 2 as amended and insert the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. In lieu of section 2 as amended it is proposed to insert the following:

That every man registered under the provisions of the draft act of May 18, 1917, or under acts amendatory thereof, and to be registered hereafter under the terms thereof and of this act, and every able-bodied man from 45 to 60 years of age, is hereby declared to be in the military service of the United States, except where heretofore or hereafter discharged from such service for physical disability or mental incompetence.

The President is hereby authorized to classify all such registered men for combat and for other service, giving permits in his discretion to those engaged in industrial and other occupations to continue therein, or from time to time to change same, always being subject, however, to call for actual military service during the period of this war.

Mr. FALL. Mr. President, the amendment just proposed does not seek to interfere with the classification which has already been made of those subject to the draft, or in any other way to interfere with any action which may have been taken by the administrative department directly or through any subordinate or by any order approved by the President. The President, under the amendment, is simply given the authority to control the able-bodied men in the United States of America. There are no exceptions provided, and if the amendment is adopted there will be none. The bank president will be in the military service of the United States as well as the janitor of the bank. The lawyer, the minister, the doctor, and every other man above 18 and under 60 will be in the military service of the United States, and can be allowed to continue in his present occupation or to change it with the permission of the President, and not to change it unless he has such permission. It makes no distinctions and no exemptions. It would cover Members of Congress, members of State legislatures, officials of the United States Government, and officials of State governments, judges, and all. It would do entirely away with all exemptions of any kind or character, except in the case of a discharge for physical disability or mental incompetency. It places the entire man power of the country in the hands absolutely of the President of the United States.

Mr. VARDAMAN. Mr. President, may I ask the Senator, does that involve all vocations? Does it give the President power to direct whether or not they shall continue their vocations?

Mr. FALL. That is my purpose. I think it would have that effect.

Mr. VARDAMAN. It gives him absolute and unlimited power over the persons between the ages named?

Mr. FALL. I think so; it is my purpose to give the President of the United States that power.

Mr. VARDAMAN. Does the Senator know of an instance where that power has ever been exercised by any potentate in the history of the world?

Mr. FALL. Yes. If time allowed, I could cite a great many instances in which it has been exercised, but not in which the authority has been invested by a parliamentary body.

Mr. PENROSE. Mr. President, will the Senator permit an inquiry?

Mr. FALL. The Senator, of course, understands that my time is very limited.

Mr. PENROSE. I do not want to take the Senator's time.

Mr. FALL. I am not intending to indicate that I will not be glad to yield to the Senator.

Mr. PENROSE. I only wish to know whether the effect of the amendment would be to give the President of the United States power to tell a Senator or a Representative that he must abandon his office to which the people have elected him and pursue some other occupation?

Mr. FALL. Of course, Mr. President, a question of that character might be answered in such a way as to lead to the ridiculous, if we assume that the President of the United States would say to a Senator, "I will place you in the military service"; but if that is the purport of the Senator's question, I say "yes"; that is what I mean; and under the amendment the President of the United States can take me from the Senate Chamber and put me into the military service to-morrow.

Mr. PENROSE. That is highly improper, it seems to me.

Mr. FALL. Well, I do not agree with the Senator.

Mr. PENROSE. I know the Senator does not.

Mr. FALL. I think if, in the opinion of the Commander in Chief, I can better serve the country in the trenches than in the Senate, it is my duty to go where he commands me.

Mr. JONES of New Mexico. Mr. President, this is a very important amendment, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The SECRETARY called the roll, and the following Senators answered to their names:

Ashurst	Gerry	Martin	Smith, Ariz.
Baird	Gore	Nelson	Smith, Mich.
Bankhead	Guion	New	Smoot
Beckham	Hale	Norris	Sterling
Borah	Henderson	Nugent	Sutherland
Brandegee	Johnson, Cal.	Overman	Thomas
Calder	Johnson, S. Dak.	Owen	Townsend
Chamberlain	Jones, N. Mex.	Penrose	Trammell
Colt	Jones, Wash.	Phelan	Underwood
Culberson	Kellogg	Pittman	Vardaman
Cummins	Kendrick	Poindexter	Wadsworth
Curtis	Kenyon	Ransdell	Walsh
Dillingham	Kirby	Reed	Warren
Fall	Lenroot	Robinson	Watson
Fernald	Lodge	Saulsbury	Weeks
Fletcher	McCumber	Shafroth	Wilfley
France	McKellar	Sheppard	Wolcott
Frelinghuysen	McNary	Shields	

The PRESIDING OFFICER. Seventy-one Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from New Mexico [Mr. FALL] to the amendment of the committee.

Mr. McCUMBER. Mr. President, I think more than a year ago I introduced an amendment of practically the same character as that which has just been introduced by the Senator from New Mexico, except that the bill which I introduced provided for service between the ages of 18 and 62 years. No action, of course, has been taken upon that bill. Another difference between the pending amendment and the bill which I introduced at that time, and which has been before the Committee on Military Affairs all this time, is that in that bill I made the exception that was then made in the draft law, and that exception applied to Federal and State officers.

I am in hearty accord with the sentiments expressed by the Senator from New Mexico and believe this ought to be the law. I believe that we ought to—if we want to use the word "conscript"—conscript all of the manhood and the womanhood, too, of the United States to end this war in the quickest possible time. I do not believe that under our Constitution, however, even as a war measure, the President could be given the power to deprive a State of its representation in Congress, either in the Senate or in the House. But whether he could or not, under such an amendment I am certain that he would never attempt to do anything of the kind.

Mr. President, when we had before us yesterday the amendment providing for educational facilities for our soldiers, I thought it best not to delay a vote, although I desired to express myself and explain my reasons for voting against it at that time, and I can not allow the matter to pass without stating that I voted against the educational provision, not because I had any objection to its merits, but because I considered that it was premature. Those who enlist will remain there undoubtedly until the close of the war, and at the close of the war we can determine who will be affected, and we can determine the cost. It has been estimated that the cost might amount to two or three billion dollars a year. That depends upon how long the war is going to last and how many people will enlist between the ages of 18 and 21. My own candid judgment is that it will cost us four billions a year, if it is construed to mean that the Government is to take the position of the father of the boy and send him to college and pay his expenses and his board and his tuition and his clothing. If that should be the case, I think it would not amount to much less than $4,000,000,000 a year at the close of this war. But in addition to that my own estimate is that if this war lasts two years longer we will be paying interest on bonds that will amount to about $4,000,000,000 more, and there is a question as to how much the Government can tax its people in time of peace for all of these extra services. Therefore I thought it best at least that that matter be deferred until after the war is over, until these soldiers return, and we can then determine the condition of our Treasury, the condition of the United States, and determine just what is intended. I do not know now whether it is intended that we shall make ministers out of all of our colored

soldiers or whether we shall make doctors or lawyers out of them, under the provisions of this amendment, or whether they are to be educated in the many vocations, and what is true of the colored people is also true of all the white people. We ought to have something more definite than a mere statement that the Government shall educate all of the boys under 21 years of age after the war is over.

That, Mr. President, is the reason why I voted against it, not but that I believed that we rather owe a duty to those boys whom we take out of school to serve their country to assist them in that which they are deprived of by reason of that service, and I shall certainly be heartily in favor of anything of that character when the proper time comes to act on it.

Mr. McKELLAR. Mr. President, I desire to call the attention of the Senate for a moment to the amendment offered by the Senator from New Mexico.

The amendment reads:

That every man registered under the provisions of the draft act of May 18, 1917, or under acts amendatory thereof, and to be registered hereafter under the terms thereof and of this act, and every able-bodied man from 45 to 60 years of age, is hereby declared to be in the military service of the United States, except where heretofore or hereafter discharged from such service for physical disability or mental incompetence.

That takes them all. There are several members of the Supreme Court of the United States who will be drafted under this amendment if it is adopted, innumerable Members of Congress, Members of the Senate, and countless members of the State governments. Surely Senators can not seriously vote for an amendment of this kind. I do not think it is necessary to argue the question. A mere statement of what it does would seem to preclude any Senator from seriously considering it. Are we going to break up our Government? Are we going to do away with Congress or with the United States Supreme Court? Are we going to do away with the State governments in the various States of our country? I am sure Senators do not want to do that; and yet that is what will be done when Senators vote for the substitution of this amendment.

I am not going to argue it further, for it seems to me that all that is necessary to be done is to call the attention of Senators to the meaning of this amendment.

The PRESIDING OFFICER. The question is upon the adoption of the amendment offered by the Senator from New Mexico [Mr. FALL] to the amendment of the committee.

Mr. FALL. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). Making the same transfer that I made on the previous roll call, I vote "nay."

Mr. JONES of Washington (when his name was called). As I announced awhile ago, I am paired for the day with the junior Senator from Virginia [Mr. SWANSON]. Were I at liberty to vote, I should vote "yea."

Mr. STERLING (when his name was called). I announce my general pair with the senior Senator from South Carolina [Mr. SMITH]. In his absence, I withhold my vote.

Mr. UNDERWOOD (when his name was called). I transfer my general pair with the Senator from Ohio [Mr. HARDING] to the Senator from Illinois [Mr. LEWIS] and vote "nay."

Mr. WEEKS (when his name was called). I transfer my general pair with the senior Senator from Kentucky [Mr. JAMES] to the senior Senator from West Virginia [Mr. GOFF] and vote "nay."

The roll call was concluded.

Mr. DILLINGHAM. I inquire if the senior Senator from Maryland [Mr. SMITH] has voted?

The PRESIDING OFFICER. He has not.

Mr. DILLINGHAM. I withhold my vote, having a general pair with that Senator. If at liberty to vote, I should vote "nay."

Mr. PENROSE (after having voted in the negative). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS], which, by arrangement with the senior Senator from Oregon [Mr. CHAMBERLAIN], I transfer to the junior Senator from Pennsylvania [Mr. KNOX], and will let my vote stand. I desire that this announcement shall stand for all succeeding votes during the day.

Mr. SHERMAN. I have a pair with the senior Senator from Kansas [Mr. THOMPSON] which I transfer to the junior Senator from Maine [Mr. HALE], and vote "yea."

Mr. SMITH of Michigan (after having voted in the negative). I observe that the senior Senator from Missouri [Mr. REED] has not voted. I have a pair with that Senator, and therefore withdraw my vote.

The result was announced—yeas 9, nays 54, as follows:

YEAS—9.

Calder	Frelinghuysen	New	Townsend
Fall	McCumber	Sherman	Watson
France			

NAYS—54.

Ashurst	Gore	Nugent	Simmons
Baird	Guion	Overman	Smith, Ga.
Bankhead	Henderson	Owen	Sutherland
Beckham	Johnson, Cal.	Penrose	Thomas
Borah	Jones, N. Mex.	Phelan	Trammell
Brandegee	Kellogg	Pittman	Underwood
Chamberlain	Kendrick	Poindexter	Vardaman
Colt	Kenyon	Pomerene	Wadsworth
Culberson	Kirby	Ransdell	Walsh
Cummins	Lenroot	Robinson	Warren
Curtis	McKellar	Saulsbury	Weeks
Fernald	McNary	Shafroth	Wolcott
Fletcher	Nelson	Sheppard	
Gerry	Norris	Shields	

NOT VOTING—32.

Benet	Hollis	Lodge	Smith, Mich.
Dillingham	James	McLean	Smith, S. C.
Goff	Johnson, S. Dak.	Martin	Smoot
Gronna	Jones, Wash.	Myers	Sterling
Hale	King	Page	Swanson
Harding	Knox	Reed	Thompson
Hardwick	La Follette	Smith, Ariz.	Wilfley
Hitchcock	Lewis	Smith, Md.	Williams

So Mr. FALL's amendment to the amendment of the committee was rejected.

Mr. McKELLAR. Mr. President, on page 8, in line 5, after the word "emergency," I move to strike out that line and lines 6, 7, 8, 9, 10, 11, 12, and 13, and the two amendments that have been since added to that particular proviso.

Just for a moment I am going to add to what I said on yesterday by calling the attention of the Senate to the provision of the present law, which I think is ample and full and complete. The draft law now provides as follows:

No exemption or exclusion shall continue when a cause therefor no longer exists.

Under that provision of law the President, through the War Department, has adopted rules and regulations by which that is being carried out, and can be further carried out. I do not think at this time that there are any reasons why we should take this matter out of the hands of the President of the United States. He is not asking that it be taken out of his hands. There are no facts, as it seems to me, which have occurred in our country that require it to be taken out of his hands and more particular directions given him as to what to do. The War Department is handling the labor matter with a great deal of skill and ability, and the President is managing the whole industrial situation with a great deal of skill and ability. We are having less trouble with strikes than was ever known in our history before, either in war times or in peace times; and I do not think we ought in this way to legislate against one class of our people without taking in the employing class also.

There is another argument against this amendment, which reason is perfectly practical. The House, which is a part of Congress, has, by overwhelming vote—about 2 to 1—voted to strike this proposition out. If it is voted in by us, it will go to conference. It seems to me that it will be a needless formality. That it will be stricken out in conference is a practical certainty. Then, why should we undertake to force it upon the House and to force it upon the country against the country's will? It seems to me there is no demand for it. It seems to me that we are doing a futile thing. It seems to me that we are stirring up trouble for ourselves when there is no trouble, other than some trifling trouble here and there, which would come whether we adopted this provision or not.

Under those circumstances—there being no demand for the legislation, there being no reason for it, there being no necessity for it—it seems to me we ought to vote to strike out this useless provision in the bill. It is already strong enough as it is in the present act. The whole subject is in the hands of the President of the United States, who is managing it well, who has done it successfully, who has probably handled the labor situation more successfully than anyone who has ever undertaken to handle it heretofore; and we ought not to interfere with him or hamper him or harass him or the country about it. I think what we ought to do is to stand by him in this matter, and leave the question entirely in his hands under the law as it now exists.

Mr. President, on the amendment to strike out I ask for the yeas and nays.

Mr. FALL. Mr. President, I am satisfied that if the Senator from Tennessee [Mr. McKELLAR] had made his very patriotic speech before the last vote was taken, that vote would have been different, and his own vote would have been cast differ-

ently. The proposition which I submitted to the Senate was to do exactly what he says he wants to do by striking out this provision—leave it entirely in the hands of the President of the United States as to what he should do.

The Senator insists that there should be no distinction made in legislation in the treatment of the employer and the employee; and yet that distinction and that difference in the treatment is now engraved in law. I proposed to do away with it, and the Senator voted against it.

Mr. President, the entire section 2 as it is drawn, as I have said on one or two different occasions, applies to only one of the three classifications. It applies to none of the others. The proposition as it is involved now, it seems, is opposed by some of the colleagues of the Senator upon the ground that the President already has the power to do it, and that this is an interference with him; and it is opposed by others upon the ground that this is giving to the President a direction to do something that we should not interfere with the President in doing, but should leave it in his hands to do or not, as he pleases. All of these different propositions were involved in the substitute for the entire section, including this portion of it which the Senator now is objecting to, and which he has just assisted in voting down.

Mr. McKELLAR. I ask you for the yeas and nays.

The yeas and nays were ordered and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). Making the same announcement of my pair and its transfer as on the previous vote, I vote "yea."

Mr. JONES of Washington (when his name was called). As I announced awhile ago, I am paired for to-day with the junior Senator from Virginia [Mr. SWANSON]. I do not know how he would vote on this amendment and I withhold my vote.

Mr. SHERMAN (when his name was called). I am paired with the senior Senator from Kansas [Mr. THOMPSON] and withhold my vote. If I were at liberty to vote I would vote "nay."

Mr. SMITH of Michigan (when his name was called). Again announcing my pair with the senior Senator from Missouri [Mr. REED] I withhold my vote. If permitted to vote I would vote "nay."

Mr. STERLING (when his name was called). I am informed that my pair if present would vote on this proposition the same way I would, and I will therefore vote. I vote "nay."

Mr. WEEKS (when his name was called). Making the same announcement as on the last vote of the transfer of my pair, I vote "nay."

The roll call was concluded.

Mr. WALSH. My colleague [Mr. MYERS] is unavoidably absent and is paired with the Senator from Connecticut [Mr. McLEAN]. If present my colleague would vote "yea."

Mr. GERRY. I wish to announce that the Senator from Mississippi [Mr. WILLIAMS] is detained by illness in his family.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS]; and

The Senator from Ohio [Mr. HARDING] with the Senator from Illinois [Mr. LEWIS].

Mr. SMITH of Michigan. I am informed that the Senator from Missouri [Mr. REED] if present would vote as I would vote, and I am therefore going to take the liberty of voting. I vote "nay."

Mr. DILLINGHAM (after having voted in the negative). I observe that the Senator from Maryland [Mr. SMITH], with whom I have a general pair, has not voted, but I have permission to vote, and I will allow my vote to stand as given.

The result was announced—yeas 29, nays 40, as follows:

YEAS—29.

Ashurst	Henderson	Overman	Shields
Beckham	Johnson, Cal.	Owen	Sutherland
Borah	Jones, N. Mex.	Phelan	Trammell
Culberson	Kendrick	Pittman	Vardaman
Curtis	Kirby	Robinson	Walsh
Fernald	McKellar	Saulsbury	
Fletcher	McNary	Shafroth	
Gerry	Nugent	Sheppard	

NAYS—40.

Baird	Frelinghuysen	McCumber	Smith, Mich.
Bankhead	Gore	Martin	Smoot
Brandegee	Guion	Nelson	Sterling
Calder	Hale	New	Thomas
Chamberlain	Hitchcock	Norris	Townsend
Colt	Johnson, S. Dak.	Penrose	Wadsworth
Cummins	Kellogg	Poindexter	Warren
Dillingham	Kenyon	Pomerene	Watson
Fall	Lenroot	Ransdell	Weeks
France	Lodge	Smith, Ga.	Wolcott

NOT VOTING—26.

Benet	Jones, Wash.	Page	Swanson
Goff	King	Reed	Thompson
Gronna	Knox	Sherman	Underwood
Harding	La Follette	Simmons	Wilfley
Hardwick	Lewis	Smith, Ariz.	Williams
Hollis	McLean	Smith, Md.	
James	Myers	Smith, S. C.	

So Mr. McKELLAR's amendment was rejected.

Mr. KIRBY. I desire to call up the amendment which has already been sent to the desk.

The PRESIDING OFFICER. It will be stated.

The SECRETARY. Amend by striking out "eighteen," in line 3, page 7, and in line 1, page 9, and inserting in lieu the word "twenty." On page 10, line 17, strike out the word "eighteenth" and insert "twentieth," and on page 11, line 1, strike out the word "eighteen" and insert "twenty."

Mr. KIRBY. Mr. President, this is the same amendment that was proposed to the Senate bill when it was pending on this question and is now renewed and presented for consideration and adoption in the passage of the present bill.

It seems to me, Mr. President, that this matter is so plain and so clearly unnecessary in one aspect of the case and so absolutely unjust, so far as reducing the age to 18 years is concerned, that it ought not to be seriously considered. It appears that there is but one reason on earth, if you have in mind the conservation of the man power of these United States, that would compel the Senate to go to the low age of 18 years in the draft.

What is the condition? The adoption of the proposals in this bill will divide the man power of the United States, so far as the registration and draft is concerned, into three classes. There is first the third class, of 31 years to 45 years of age, as proposed in the bill, and that includes over 13,000,000 men. There are of the middle class, between 21 and 31 years of age, nine and a half million men. There are in the other class, of boys between 18 and 21 years of age, 3,000,000, as the census will show and as the estimates are made.

Then when the man power of the Nation is authorized and required to stand up to bear the military burdens of the Nation you have thirteen and one-half million men standing along the line there from 45 to 31, you have nine and a half million men between 21 and 31 standing there, and you have 3,000,000 boys 18 to 21 years old standing here; and what is proposed to be done?

It is proposed by the terms of the bill here to say to the men on yonder front—13,000,000 men—1 man in every 13 stand forth for military duty, and in the classification here of nine million and a half you say to these men less than 1 man out of every 8 will move forward to take up the military burdens of the country. When you come to this third class—the 3,000,000 boys under 21 years of age—what do you say? Do you say, "Oh, Mr. Inspector of the Draft, be careful; tread lightly here; these are the darlings of the homes of America"? These boys have not yet been allowed to vote. Two-thirds of them have not finished their high-school education, and three-fourths of them have not finished their college education, such of them as are able to take it. Do you say, "Oh, Mr. Inspector of the Draft, tread softly here"? You must remember that already 1,000,000 boys out of this class of 3,000,000 have stepped forward and volunteered and gone into the United States Army and are now on the fighting front, be it said to the everlasting credit of the chivalrous patriotism of the American boy.

That is the condition that you find here to-day; and what do you propose to do? To take less than 1 in 13 out of the 13,000,000 men and less than 1 in 9 of the second class—21 to 31—but you propose to take 2,000,000 out of the 3,000,000 boys from 18 to 21 years of age. Where is the justice in that sort of a proposition? That is the condition that is proposed and brought to your attention here to-day; and it is demanded that you do this for what?

Let us see something of the dire necessity which compels the doing of such a thing, a thing so singularly unequal and unfair as to be shocking to the sense of justice.

It is said that we must have 5,000,000 men in the Army; that we have agreed with our allies to put 80 divisions in France, and we have agreed to maintain a reservoir of 18 divisions here in the United States, which will be slightly under 5,000,000 men.

What is the condition so far as the man power is concerned? Already in sight there are 1,500,000 men in France. There are 1,500,000 men in camp in the United States in uniforms now. Three million men have already been raised. There are 580,000 men in class 1 who have not yet been called in the old draft. There are over 600,000 men eligible for service under the new registration above 21 years old. That is 1,100,000

men. There are 100,000 men, or, say, 90,000, every month coming of age. There is that much more, and it is proposed to take 601,000 men out of the classification above 31 years of age. That will furnish you more than 5,000,000 men—yes, a million more than the 5,000,000 they say it is necessary to raise.

Then, why should you take these boys and send them yonder to the battle line? That seems to be the condition that is here. If you wipe out all the figures there, if you take out this estimate and that estimate and the other and get down to a plain, practical, common-sense proposition, France has borne the brunt of the war for four years, a war raging on her own territory and at her own front door. France has only called her 18-year-old boys this summer, after four years of fighting. That was what France regarded as the necessity for going down and taking the boys out of school—that man power, if you will call that man power. That was their idea of what necessity required, and what is ours? That of the 31 to 45 class less than 601,000 shall be taken out of 13,000,000, men who are hale and strong and vigorous and have made their fortunes, and who are subject to military duty and capable of performing it. You take less than a million men out of 13,000,000 in this classification, about a million out of the 21 to 31, but you put 2,700,000 boys from 18 to 21 years of age in the Army.

That is what is proposed to be done here, and why? Is there any fairness in that sort of a proposition? It seems to me that there is none, and that there can not be any argued into it. What is put in this bill here in order to make it look a little more smooth and be a little more palatable? They said it is true we are going to take the boys out of school and out of the colleges, but if they come back alive and are able after this war is over, we are going to allow them to go to school for a year, or it may be two years, and some of the Senators are objecting to that. Why? Because they say it will cost these other men who have not gone to war more than they ought to be required to pay for the benefit of the education of the men who have stood up at the call of the country and fought its battles. That is the condition that has been shown here on the floor to-day. That is the condition which confronts us now.

Now, what is the necessity for it? The Senator from New Mexico [Mr. FALL] has offered an amendment here to take in men from 45 to 60 years of age. Why should they be put into the classification when all the 13,000,000 men now between 31 and 45 years of age are excused except 601,000?

If our Army of 5,000,000 men is supposed to be strong enough to take care of the condition—and I believe it will be; the Chief of Staff says it is and will be—if we can raise the Army to 5,000,000 men without taking these boys under 21 years of age, then there are 600,000 boys between 20 and 21 years of age who can be better spared from that class than the others.

Add the 600,000 more, and you have 5,600,000 men, and Senators I think that a reasonable estimate, and nobody needs to increase it beyond that. I think we will not expect to lose more than 100,000 men killed and disabled a month during the progress of this war, and there come of age every month 100,000 men in these United States who will keep the Army up to fighting strength and excuse about seven and a half million men in deferred classifications, in the present draft, and 13,000,000 men in the draft above 31 years of age. It will exclude them absolutely from military service.

That is the condition, it seems to me, absolutely and clearly. It is before us to-day. That is what we expect to do. Why? Because we need an army. It is not said that we need any particular kind of an army but only men who make good soldiers, and no man, military or civilian, but will write himself down as incompetent to decide the matter who would tell you that a man from 21 to 31 years of age is not in his full physical power.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KIRBY. I regret exceedingly that I have no opportunity to finish.

Mr. OVERMAN. Mr. President, in explanation of the vote I am about to cast I desire to make a few remarks and only a few.

I am opposed to compelling our boys of 18 years of age to be taken to France to fight overseas unless it is absolutely necessary. I would have these boys called and trained and put in a deferred class to be a great reserve army to be held and called only when absolutely necessary to win the war. I believe from the figures reported by the War Department we will be able to get the 4,000,000 men without calling these boys. I prepared an amendment that I propose to offer in the following language:

That all persons 18 years of age who may be drafted under the provisions of this act shall be placed in a deferred classification and be trained for military service at such time and under such rules and regulations as the Secretary of War may prescribe and held in reserve, subject only to be called to the colors overseas whenever the President in his judgment shall deem it necessary for the winning of the war.

Mr. President, last Saturday night I bought the New York Evening Post after I had prepared this amendment, and strange to say the amendment that I had prepared was almost the language of the French amendment that was passed two weeks ago. I ask the Secretary to read one paragraph only from the New York Evening Post as to the action of France on this subject.

The PRESIDING OFFICER. The Secretary will read as requested.

The Secretary read as follows:

France, too, is concerned at the present moment with its boys of 18. On August 1 the chamber voted for the registration of the class of 1920. The formal vote for the call to the colors is still to come, but the Government has announced its intention of bringing the recruits into training in October or November. "By the end of the spring of 1919," said the undersecretary for war, "we want to have all our cards in our hands," with a view to a swift and decisive victory. That the same sentiment which has manifested itself at Washington had to be taken into account in the Chamber of Deputies appears from a communication from Gen. Foch read in Parliament. "It goes without saying," wrote the commander in chief, "that the class of 1920 is to be called only when the circumstances demand it, and that under all circumstances it will be kept for instruction in the depots until after winter. Even after the completion of training the young soldiers will not be sent to the front except in case of absolute necessity." At the same time that the registration of the boys of 18 was asked for the Government proposed to release entirely or conditionally the classes from 1888 to 1891, that is to say the men of 50 down to 47. In other words, at a time when France still finds it impossible to spare men of 46, it nevertheless recognizes that the employment of boys of 18 is an enterprise justifiable only by imperative demands.

Mr. OVERMAN. Mr. President, France has 37,000,000 people and without taking her 18-year-old boys they raised 7,000,000 men. The United States with her 110,000,000, and with figures I contend shown by the War Department, we can raise 5,000,000 men, and we need to raise only 4,000,000 it is said; without taking these young men we can raise the 4,000,000 which is needed in France.

With these facts in my mind, with this editorial and this amendment proposed, I went to the Secretary of War to discuss with him my amendment. He assured me that he did not intend to call the boys of 18 years of age until an emergency should arise. I asked him if I could make that statement upon the floor of the Senate. He said yes.

Therefore, Mr. President, relying upon his statement, relying upon the facts that appear before me, I am going to vote for this bill. I am not going to offer this amendment, trusting and believing that these boys will be trained as they ought to be trained—trained, Mr. President, without discrimination. I have heard it said that they were going to take the college boys and those in the high schools and exempt them. Mr. President, that is not fair. We ought to have them all in the same class and treat them all alike, the boy on the farm, the boy at the workbench, the laborer's son, and the college boy together. If one is to be exempted, exempt them all. If you take one, take them all. If they are needed take them and let us win this war. As I said, the Secretary of War assures me that he is not going to take them except the emergency arises when we need them to win this war, and with that statement, desiring to carry out the program of the War Department, I shall vote for the bill without amendment.

Mr. POMERENE. Mr. President, I am very glad to hear the statement that has just been made by the Senator from North Carolina [Mr. OVERMAN], but if I understand the history of this bill, it is presented here in the thought that it is necessary to have the 18-year-old boys drafted at this time for the purpose of winning the war. The statement of the Secretary of War is to the effect that he will not draft these 18-year-old boys or require them to go to war until after the other classes are exhausted.

Mr. OVERMAN. I did not say that. I said he would not call them overseas until the emergency should arise.

Mr. POMERENE. Very well; I want to be entirely accurate in the matter. These boys, then, will not be required to go across the sea until among the last. If that is the policy, and knowing the Secretary of War as I do, I believe that statement; but if that is the policy of the Department of War, then pray tell me what is the objection to having a provision of that kind in the bill itself?

Mr. President, I yield to no man in my desire to win this war. If the department had come here to the Senate and said that it was necessary to have 5,000,000 men or 7,000,000 or 8,000,000 men in the Army, I would have accepted that statement without any qualification whatever and acted accordingly. If it had been necessary to raise an army of that proportion now, then it might have been necessary to take the 18-year-old boys. But I can not find it in my heart to draft the 18-year-old boys when

I receive information every day to the effect that in nearly all the substantial communities of Ohio and elsewhere throughout the country there are many married men with wives who are not dependent upon them for support, who have their own means of acquiring a livelihood, or who perhaps before their marriage were dependent upon their own efforts or were supported by their parents. I can not under these circumstances say to those men, "You need not go to service; we will let the 18-year-old boys fight not only their battles but your battles as well."

Mr. VARDAMAN. I wish to call the attention of the Senator from Ohio to a statement made by the Chief of Staff, Gen. March. He said:

All of the men obtained under the proposed change in the draft law—approximately 2,300,000—we expect to have in France by June 30, 1919.

I submit that there is nothing in the suggestion made by the Senator from North Carolina that these boys are not going to be used.

Mr. POMERENE. I am obliged to the Senator from Mississippi for that contribution to the debate. When it comes to the qualification of these boys for service I beg to refer Senators to the debate which occurred in the House just two or three days ago, in which Gen. March, the Chief of Staff, was quoted as having said before the Military Affairs Committee of the House that the 20-year-old men made better soldiers than the 21-year-old men.

Mr. CHAMBERLAIN. May I interrupt the Senator from Ohio?

Mr. POMERENE. Yes.

Mr. CHAMBERLAIN. The only thing in this bill that would authorize the dividing of these young men into classes and retaining the 18-year-old class until the last is to be found on page 7, line 6, which reads as follows:

Provided, That the President may draft such persons liable to military service in such sequence of ages and at such time or times as he may prescribe.

I have no question about the statement of the Senator from North Carolina [Mr. OVERMAN]; I have no question but that he received that information from the Secretary of War; but I say to the Senator that I am not going to be a party to the deception of the American people in any way, shape, or form. If this bill passes as it is, we might as well understand now as in the future that these young men will be needed in France before this war is over, and possibly by next June.

Mr. POMERENE. Mr. President, when they are needed, I shall vote to send them, but not before.

Now, I want to call the Senator's attention to the very phraseology which was read by the Senator from Oregon. Under that phraseology the War Department could, if it would, send over the 18-year-old boy before it sent the 19-year-old boy or the 20-year-old boy or the 25-year-old man or the 30-year-old man.

Mr. President, of course, if the Senate, in its wisdom, shall vote down this amendment, I hope that another amendment will be offered limiting the age to 19. If those amendments are defeated, of course I shall surrender my judgment to the superior wisdom of the Senate and vote for the bill, but never will that vote have the consent of my judgment.

Mr. TOWNSEND and Mr. POINDEXTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. POINDEXTER. Will the Senator from Michigan allow me to offer an amendment to the pending amendment, so that they may be discussed together?

Mr. TOWNSEND. If it will not be taken out of my time, I will yield to the Senator in order that he may introduce his amendment.

The PRESIDING OFFICER. The Senator from Michigan has the floor.

Mr. TOWNSEND. Mr. President, I regret exceedingly that it is very difficult for a legislator to determine exactly what the needs of the Government are at this time. Only a few weeks ago we were told by the War Department that it was not necessary or advisable to change the age limit. Has anything happened in the meanwhile to change the situation? Nothing has been shown. We then believed that the Secretary of War was right, and I still believe he was so far as a change in the minimum age is concerned. I believe, as the Senator from Oregon [Mr. CHAMBERLAIN] has stated, that the people ought to be told the truth. I know that there is altogether too much deception and misrepresentation in this most serious matter. What are the facts the Senate ought to know before it takes this proposed step?

The Senator from Arkansas [Mr. KIRBY] has suggested that probably the casualties to our Army will not exceed 100,000. The best informed men who are in Europe and who have considered this matter understand that the casualty list of the American Army will number at least a million men if the war continues another year.

Mr. President, we are forming an army. We are governed by two desires in this—one is to create the most efficient army possible, and the other is to disturb home industries no more than is necessary. When the original draft bill was up for consideration, the limits proposed were 19 and 25 years of age. I opposed both limits at that time, believing that 21 should be the minimum and 45 the maximum. A compromise was finally secured which agreed upon 21 and 31 years. I then stated reasons which were sufficient, for me at least, why boys under 21 should not be drafted. I realize that of our Army now, the larger part of it, is composed of boys below their majority; boys who have voluntarily enlisted with the consent of their parents. We now have left in the country millions more of boys who have not yet enlisted, a great many of them not fit for military service because of immaturity.

But the Senator from North Carolina [Mr. OVERMAN] says that the Secretary of War tells him that these boys are not to be called. In saying this the Secretary admits that they ought not to be drafted. Mr. President, let the people of the United States understand that this age limit has been contended for by the Army from the beginning. The boys who are used to obeying their parents and teachers, who have not yet acquired the habit of independence, will make good soldiers of course; they will go wherever they are sent. They have not yet learned the meaning of discretion, but those boys are the hope of their country's future.

What is the use of fighting, of making all this sacrifice, if we are to have nothing left when it is over? Oh, but it is said we need them to make our Army, for there are a great many within the present draft age who have been exempted for one reason or another. Let me call your attention to two cases. There is in the State of Michigan a young man whose father is worth millions who has been exempted. His exemption was against the decision of the exemption board, who knew his circumstances well, but by appeal to the President he has been relieved of the obligation of serving in the Army. He insisted that he was necessary to industry. The board did not believe it; nobody else believed it; but he was exempted; he does not have to go. There are hundreds of thousands of similar cases no doubt.

I received a letter yesterday from a woman saying, "I have four boys already in the Army. For God's sake spare my baby"—her last son, hardly out of knee trousers, almost in the nursery, still in the school. You propose to take him and exempt the other. Is that just? Is it in keeping with the spirit of democracy?

I say to you, Mr. President, it should be the duty of the War Department to go over the exemption list that has been created heretofore and to select the men who can go, who can be better spared in the future than these boys can now be.

To take these boys is a great mistake. For four years of desperate war three nations, whose combined population is scarcely equal to that of the United States, have held the German forces without calling upon their boys of 18, but now you propose at the beginning to compel our boys to fight this war for you. Those whose fortunes and futures are established are to be exempt and innocent youth is to make the country safe through its sacrifice. England and France have fought their great battles with men and not with irresponsible, unthinking boys. I would like to have the boys left at home and in school until they are needed. If the country requires them, I shall vote to take them; but it has been proved here over and over again that they are not needed, although they are demanded. There are plenty of men who will be left within the draft age who can be better spared than can these boys. I repeat, it is the object of this legislation to take these lads. There is no use trying to dodge the fact, for it is true, whatever the Secretary of War may state. The War Department is going to control this army; it is wrong to deceive the people by misrepresenting the facts to them.

I know we must have more men, of course. This bill comes, as many other bills have come, in such a way that if we can not amend it we have got to vote for it. I want to vote to perfect the bill, to strike out the minimum age limit and to leave it at 21 years. Failing in that, what is left me but to vote for this bill, for we must have more men? It is the argument of a miserable timeserver to say in this crucial hour, when the future must be considered quite as much as the present, that any man who opposes this limit is opposed to creating a sufficient Army and Navy. Every patriot is for an adequate Army. It should have been created long ago. Congress made

ample provision for it. It has voted billions of dollars and will vote to conscript every man necessary, including youth and old age. The first question for us to decide is what is necessary now. The logic and proof is against this minimum limit. Let us say to the mothers of this country, "You may keep your children until ultimate necessity demands that they shall go to the front. You will then be willing to give them to your country." I feel very deeply about this, Mr. President, as I did when the original draft bill was under consideration.

The Senator from Nebraska [Mr. HITCHCOCK] offers no adequate excuse for changing his former vote when he says that conditions have changed. Oh, no; conditions have not changed a particle, so far as the material for the Army is concerned. We have enough fit men for 5,000,000 soldiers and yet leave these young boys exempt for the present. We ought not to vote this day against our better judgment, but we should proceed conscientiously; I confess, as I said to begin with, that it is difficult sometimes to understand the situation. We can not learn it from those in charge of the War Department, for they seem to believe that deception of the people is an essential to the conduct of the war. The patriotic mothers of the country will not be deceived. They will know and understand that their undeveloped, dependent boys have been taken and men with political influence and those alleged to be necessary to industry, but who refuse to work if conditions do not suit them, are exempt.

Mr. President, I shall support this amendment because it more nearly approximates my idea of justice than does the bill itself. Therefore, I shall vote for it. I shall vote for any proposition which will increase the minimum age limit over that proposed by the committee. If all amendments fail, I shall still vote for the bill, because I realize that we must make provisions for a larger army. I regret that there is no alternative for me.

Mr. KIRBY. I should like to ask the Senator from Michigan a question.

The PRESIDING OFFICER. The time of the Senator from Michigan has expired.

Mr. KIRBY. Then I want to correct a statement made by the Senator. I intended to say that I did not think that the casualty list could be more than a hundred thousand a month, and that that many men were coming of age monthly.

Mr. STERLING. Mr. President, I understand the amendment of the Senator from Arkansas [Mr. KIRBY] is the pending amendment. I offer the amendment that I send to the desk as a substitute for that amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. After the word "prescribe," in line 8, on page 2, it is proposed to insert the following:

> Except that persons under the age of 20 years shall not be called into other than training service, and that periods of training for persons under such age shall be so prescribed as to least interfere with farm work or production on the part of those actually so engaged or with the attendance of duly registered and bona fide students at school or college.

Mr. STERLING. Mr. President——

Mr. SMOOT. Mr. President, will the Senator from South Dakota yield just a moment?

Mr. STERLING. I yield to the Senator from Utah.

Mr. SMOOT. I do not want to interfere with anything that the Senator desires to say, but I was wondering whether this is a proper time, whether it is now in order, to offer this amendment. Is it not an amendment in the third degree?

Mr. STERLING. I do not think it can be.

Mr. SMOOT. I make the suggestion in order to save time, I will say to the Senator from South Dakota.

Mr. STERLING. The Senator from Arkansas moves an amendment to the bill—not to the amendment, as I understand, but to the bill.

Mr. SMOOT. There is only one amendment that we are considering; it is an amendment to the House bill. That is the unfortunate situation the bill is in, and the Senator from Arkansas now offers an amendment to that amendment. If the amendment to the amendment is offered I think it will be an amendment in the third degree. I simply make the suggestion now in order to save time.

Mr. STERLING. I think, perhaps, the Senator from Utah is right. I overlooked the fact that the bill as presented is really an amendment; but, Mr. President, I hope I may be allowed to proceed, because I want this proposition to come squarely before the Senate and desire to submit a few observations in regard to the principle of the amendment which I have sent to the desk.

The PRESIDING OFFICER. The Senator's amendment would be in order if it applied to the amendment offered by the Senator from Arkansas, but it does not seem to touch that amendment. That amendment is amendable so far as that is concerned.

Mr. STERLING. I offer it as a substitute for the amendment of the Senator from Arkansas, and it seems to me it is a proper substitute.

The PRESIDING OFFICER. But it does not go to the question of the draft age.

Mr. SMOOT. I may be mistaken, but it seems to me it is an amendment in the third degree.

Mr. CUMMINS. Mr. President, no time ought to be lost in this matter, because only three-quarters of an hour remain for discussion.

The PRESIDING OFFICER. The Senator from South Dakota will proceed.

Mr. STERLING. Mr. President, if I may proceed, I shall do so as hurriedly as possible. I have already spoken at some length on my amendment, and I shall occupy the time of the Senate very briefly now.

The more I have thought of the proposition to draft young men of 18 or from 18 to 20 into active service the more am I convinced that under present conditions we make a mistake in taking such a step. Until recently men within these ages have been permitted to volunteer and many thousands of them have taken advantage of the opportunity. We have applauded their action and we have congratulated the mothers of such young men on having raised their boys to be soldiers, with the heroism and patriotism to dare and to do for their country, to make the supreme sacrifice, if necessary, in behalf of freedom.

But, Mr. President, while these eager and enthusiastic thousands have volunteered their services, there are other thousands between those ages who have not done so. They outnumber by far those who have. Will you reproach them for being slackers, or will you consider their environment, their occupations, the necessity of their home life, filial affection itself, their ambitions, any or all of these, and others I might mention, as good and sufficient reasons for their remaining at home to help on the farm, in the store, in the shop or office, or to attend school or college until at least in a time of greater need their services are required or until having reached their majority they are free?

Mr. President, if these considerations are worth while as excuses for the boys who have not yet volunteered, they are worth while now when it comes to considering who shall be made subject to the draft. There ought to be yet an opportunity for them to serve in important industries, to assist in the maintenance of their families, to help in supplying the greatest of industrial needs, that of farm labor, to obtain an education, if they are otherwise so situated as to be able to secure it, and the opportunity also for the proper mental and physical development of those of slower growth.

Yet, Mr. President, I would not diminish the number which the Chief of Staff expects would be raised under this bill by a single man. Let there be but a fair distribution of the burden among those who are under the same or even greater obligations to bear it, and there will be no difficulty in raising the 2,300,000 of additional forces for the western front by June 30, 1919.

Gen. March says this number will be raised if the draft-age limit shall be extended from 18 to 45 years, but his estimate is based on the theory that out of the more than 10,000,000 of males between the ages of 32 and 45 every one of the nearly 8,000,000 of married men within those ages shall have deferred classifications, and that no married man shall be subject to draft in the first instance. Thus it is that the principle of liability of all men between 18 and 45 to military service, a principle embodied in the law from the beginning of the Government down to the present time, is to be rendered absolutely nugatory so far as married men of whatever age between these limits are concerned.

It is not a question of dependency on the married man at all. Marriage itself under this bill and under the theory of the War Department is to be the badge of exemption from military service, and the boys—thousands of them mere boys—are left to bear the burden and fight all the battles for the maintenance of the free institutions which exist for the benefit of the married as well as for themselves. It is an exemption which loyal and patriotic married men will themselves not claim.

To my mind, Mr. President, there is gross injustice in the plan, and that this is the plan, I think I am warranted in saying from the evidence before the Senate. It has been stated here more than once that the idea is to take into service at once the boys between 18 and 20 years of age, and when Gen. in France by June 30, 1919," he means that it includes the March says, "We expect under this bill to have 2,300,000 men boys from 18 to 20. It is an injustice because it is a discrimina-

tion in favor of married men who, as well as the boys, owe a duty and an obligation in regard to military service; it is opposed to the spirit of our institutions.

Mr. President, the idea involved in my amendment does not exempt from draft; the boys are to be drafted for training service between the ages of 18 and 20, and as they become 20 they are liable to active service and are then prepared for it. Meanwhile they have been all the time in the service of their country, in the shop forging the instruments both of industry and of war, or on the farm engaged in the production of food for ourselves and our allies, or in the schools preparing for fields of higher usefulness, or in training for war; and meanwhile, too, without going to the extreme contemplated by the bill, we shall have raised for our armies all the men who can be used and all the Secretary of War, with his now enlarged vision, demands.

Mr. BORAH. Mr. President, I wish to state in a few words my opposition to this particular amendment, although I am in favor of the amendment offered by the Senator from Arkansas. There can be only one reason in the world for drafting boys of 18 and 19, and that is imperative necessity. If the Congress determines that the necessity exists, I do not desire myself to put any embarrassment in the way of the executive department or the Commander in Chief as to how he shall use the force which we have determined it is necessary to give him. If we shall determine as a result of the vote to-day that the boys are to be drafted, it must be by reason of the fact that they are needed, because Gen. March and Gen. Crowder were very frank in saying that all these men would be in the service in Europe by the 30th of June next. So that it is not, in my judgment, in accordance with wisdom or the best service to be had to throw any embarrassment around the manner in which the executive department shall use the boys after we have determined that the boys are imperatively necessary.

Mr. CUMMINS. Mr. President, speaking upon the amendment proposed by the Senator from Arkansas, when class 1 of the men within the present draft age shall have been exhausted, our Army will number 3,500,000 men, rather more than less. The Provost Marshal General has reported that there are effectives, even with his rigorous standards, within the ages of 31 and 45, inclusive, numbering 601,000 men. In my opinion, and using the same basis adopted by the Provost Marshal General, there will be, between the ages of 31 and 45, more than one million men capable of bearing arms who can be classified in the first order. The men of 20 will number more than 700,000. Adding these together, we have an addition to the Army, if the ages of 18 and 19 are excluded, of at least 1,700,000. I think there will be more rather than less, because in the reconsideration of the classification which must necessarily take place a great many men who have heretofore been deferred in classification will be advanced to the first rank. Adding the 1,700,000 men to the 3,500,000 who are now in the Army, or will be as soon as the present class 1 is exhausted, we will have an Army of 5,200,000 men. This Army will fully meet all the requirements the Chief of Staff has said it is now necessary to meet.

I am in favor of sending everybody to France if it becomes necessary, but I would send the boys of 18 the very last of all. Common humanity, common sense, I had almost said common decency, require us to hold these boys until the last. I would send next to the last the boys of 19. Whenever it shall appear by any sort of showing to be necessary to sacrifice these boys to the awful necessities of this conflict, I am ready to do that; but I am not ready to do it until it does become necessary. It is not necessary at this time. I intend to vote for the amendment proposed by the Senator from Arkansas, and I sincerely hope, if his amendment is not adopted, that he will then give us an opportunity to vote with respect to drafting boys of 18. All that I ask is that we send them last and not first.

Mr. VARDAMAN. I am not going to occupy the time of the Senate in discussing the merits of this measure now, but I wish to move to amend the amendment offered by the Senator from Arkansas [Mr. KIRBY] by striking out "twenty," where it occurs, and inserting "twenty-one." I merely wish to make that motion in order to have the privilege of voting on it, and then, if that is not adopted, I shall vote for 20, and if that is not adopted, I shall vote for 19. If that is not adopted, I shall vote against the whole amendment.

Mr. CHAMBERLAIN. Mr. President, I am not going to make any speech. I just want to call attention to a little bit of the testimony.

The step that the Senate is about to take is a serious one. I know that the taking of young men from their homes and sending them to the battle front is one that touches the heart of every man, woman, and child in America; and nothing in the world except what seems to me to be a necessity would lead me to vote to do that. My principal object in rising now is that there may be no misunderstanding about the course that is suggested in this bill.

There has been more or less of misunderstanding about what the Secretary of War proposes to do. Under this bill the President has the power to divide these young men into classes, and in that way retain the 18-year-old men in this country a little while longer than he might retain the older ones; but that is the beginning and the end of his power, and there is no reason for any of us to misunderstand what the purpose of the War Department is. That is why I get up to say that I shall not be a party to misleading the American people with reference to these young men. Whatever may have been said on the side by the distinguished Secretary of War, whatever may have been said on the side and in some desultory conversation by the Chief of Staff, the record shows what they intended to do, and the record made by Mr. Baker before these committees shows what he intended to do, and that is what I intend to do when I vote to take these young men of 18. I vote to do it because I believe that in the emergency which confronts us, if we intend to win this war, we must get these young men over to the front, and get them there just as soon as they can possibly be sent there and sufficiently trained.

Now, let us see what the Secretary of War said. In his hearing before the House committee, he said:

> There are two reasons. In the first place, the men from 36 to 45 are all older men, and it would be unwise to have military units or contingents made up entirely of older men rather than a mixture of young and old. You want the superior youthfulness of some and the superior maturity of others to make a good composite, but the controlling reason is that the need for men will be such that the classes below 21 must be made immediately available in order to have enough men.

Is there any equivocation about that language?

Then he was asked this question by Mr. GARRETT:

> If you should call, according to the tables in the report of the Senate committee, men from the ages of 32 to 40, you would not get as many men between those ages as you will from 19 to 20 if you should take all.
>
> Secretary BAKER. That is perfectly true, and therefore if we are to get the men we need and as fast as we need them, we must have more men available than there are expected to be available in the ages above 31.

Mr. BRANDEGEE. Mr. President, on what page of the House hearings is that

Mr. CHAMBERLAIN. That is on page 10, in Part II.

Now, Mr. President, what does Gen. March say? There is not any equivocation about that language of Mr. Baker, and the substance of it is contained in the Senate Military Affairs hearings. When they were discussing this question of the young men the Senator from Missouri [Mr. REED] asked Gen. March this question:

> And you do expect that that will take all of the men between 18 and 45, either in France or in the camps?
>
> Gen. MARCH. Before the year is out; I do.
>
> Senator REED. So that for all intents and purposes we might as well understand here that the 18-year-old has got to be ready to put on his uniform, not to-morrow or the next day, but within a very few months or weeks.
>
> Senator SMITH. Does it not amount to this——
>
> Senator REED. Just permit me to finish the sentence—and that you may delay him in camp and give him the benefit of the six months' training after you get it all organized, but that is where we come out; is not that so?
>
> Gen. MARCH. Yes; the fact of the matter is that the last man of the 2,300,000 men, in order to get him to France as a trained man by June 30, 1919, must inevitably be called out by at the least the first of next year, so that the most that anybody can gain will be the difference of age between when he becomes 18 years of age and next spring.

In other words, it is the purpose of the War Department to have these young men over there by June 30, 1919. Now, it is immaterial to me how Senators vote. I shall vote because I believe the necessities of this war require these young men there. That is the only thing that induces me to do it now, in addition to the fact that I believe the young men make the best soldiers after all. But I did not propose to sit here and have the American people deceived as to the purpose of this bill, which affects the whole life of the Republic and every home in the Republic. If it passes, every man within these draft ages—between 18 and 45—may be called by the 30th of June next, and only the President has power to detain them here for a short while if he wants to.

Mr. WOLCOTT. Mr. President, I desire to ask if the Senator from Mississippi [Mr. VARDAMAN] made a motion, or just gave notice that he was going to make a motion, to amend the amendment offered by the Senator from Arkansas?

Mr. VARDAMAN. Does the Senator direct his remarks to me?

Mr. WOLCOTT. Yes.

Mr. VARDAMAN. I have made the motion. I have moved to amend by striking out "twenty," where it appears in the amendment, and inserting "twenty-one." That leaves it where it was.

Mr. WOLCOTT. Then the motion which I was about to make would not be in order. I was going to move to amend the motion

made by the Senator from Arkansas by striking out the words "twentieth" and "twenty," where they occur, and inserting in lieu thereof "nineteenth" and "nineteen." The manifest purpose of that motion would be to make the draft ages within the limits of 19 and 45.

Mr. VARDAMAN. I will say to the Senator, if he will pardon the interruption, that the Senator from Washington [Mr. POINDEXTER] has an amendment making it 19. I think all of those ages are covered.

Mr. WOLCOTT. Mr. President, I shall support the proposition that the limits shall be 19 to 45. I desire to state that I have a very sincere purpose to vote for a bill that will yield to the War Department every man that it asks for. I would not consent to any limits that would rob the War Department of even so small a number as 100,000 men. I want to see the Army increased to the full strength that the experts say it should be, and when they speak I accept their judgment as final, because upon the proposition of how many men we should have in the Army I confess that I am not qualified to speak. They tell us that we need 4,800,000 men. I have very carefully read the testimony given before the Senate Military Affairs Committee, and I am frank to say that, in my judgment, the figures as embodied in that report do not demonstrate the necessity of reaching down below the age of 20 years for this army.

I fear I have made somewhat of a nuisance of myself by addressing inquiries to members of the Senate Military Affairs Committee, asking them in all seriousness to enlighten me upon the question of why it is necessary, in view of this testimony, to go below 20 years of age; and, Mr. President, no member of that committee has given me one particle of satisfaction. I have been referred to Gen. Crowder, and have been referred elsewhere; but that committee has not yet laid before the Senate anything in the way of information that will satisfy any reasonable man who can perform the grammar-school act of addition as to why we ought to go below 20 years of age.

I made my calculation based upon the figures in that hearing. I reached the conclusion—and it took no expert to guide me in this conclusion, because the simple process was one of addition and subtraction—that we did not have to go below 20. In my extreme anxiety, however, to go right in this matter I called this morning upon the gentleman in the War Department who I think is best informed about those figures and he demonstrated to me that it is necessary to make some rectification in the reported figures. As the result of what he told me I am persuaded that the only safe course for me to pursue as a Senator of the United States is to resolve all doubts in favor of the Army; and, resolving all those doubts in favor of the Army, I can not vote to seize 18-year-old boys. I am extremely liberal if I vote to take a 19-year-old boy. I shall, however, in order to be on the safe side, in the light of my recent information, vote for the 19 to 45 limits.

To me, Mr. President, it is shocking to take an 18-year-old boy from an American family and put him into the welter of this world war. I would do it if it were necessary; I would do anything if it were necessary; but to seize a boy in his knickerbockers, so to speak—a boy who is regarded by his parents as yet at that age when he can not be out at night without their knowing where he is—is so shocking to me that under no circumstances would I do it until somebody who ought to be here to speak demonstrates by cold figures that it is necessary.

Mr. PHELAN. Mr. President, I desire to submit an amendment.

The PRESIDENT pro tempore. The amendment offered by the Senator from California is not in order at this time, as there is an amendment in the second degree pending.

Mr. PHELAN. May I have the amendment read for the information of the Senate?

The PRESIDENT pro tempore. The Secretary will read the amendment for the information of the Senate.

The SECRETARY. The Senator from California will propose the following amendment: Add a new section, to be known as section 9, as follows:

SEC. 9. So much of "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1919," approved July 9, 1918, and reading as follows:

"That any and all members of the military forces of the United States serving in the present war be, and they are hereby, permitted and authorized to accept during the present war or within 1 year thereafter, from the Government of any of the countries engaged in war with any country with which the United States is or shall be concurrently likewise engaged in war, such decorations, when tendered, as are conferred by such Government upon the members of its own military forces; and the consent of Congress required therefor by clause 8 of section 9 of Article I of the Constitution is hereby expressed granted: *Provided*, That any officer or enlisted man of the military forces of the United States is hereby authorized to accept and wear any medal or decoration heretofore bestowed by the Government of any of the nations concurrently engaged with the United States in the present war.

"That the President is authorized, under regulations to be prescribed by him, to confer such medals and decorations as may be authorized in the military service of the United States upon officers and enlisted men of the military forces of the countries concurrently engaged with the United States in the present war."

Be, and is hereby, repealed.

Mr. PHELAN. Mr. President——

The PRESIDENT pro tempore. The Senator from California.

Mr. PHELAN. The principle involved in that amendment——

Mr. SMOOT. Mr. President, a point of order. Nothing can be done now, with the exception of considering the amendments that are before the Senate, except by unanimous consent. Now, I object. I want to vote on these amendments.

The PRESIDENT pro tempore. The amendment offered by the Senator from California will await its turn for voting. The Senator from California was recognized, presumably for the purpose of speaking on the pending amendment.

Mr. SMOOT. I did not understand that the Chair had recognized him.

Mr. PHELAN. Mr. President, the principle involved in my amendment can be stated very briefly. Last year the Congress generously provided for medals of honor to be awarded its men by the United States for special acts of bravery. The United States has failed in nothing to reward and stimulate meritorious acts; but in order to overcome the inhibition of the Constitution, forbidding its men to accept foreign decorations, the provision which I now seek to repeal somehow crept into the military bill, and, I believe, thoughtlessly. Let me read the provision of the Constitution, Article I, section 9:

No title of nobility shall be granted by the United States; and no person holding any office of profit or trust under them shall, without the consent of the Congress, accept of any present, emolument, office, or title of any kind whatever from any king, prince, or foreign State.

But here is an attempt to give a blanket consent to our military forces, both of the Army and Navy, to accept honors conferred by king, prince, or foreign State. The Constitution provides that such things shall not be done without the consent of Congress, manifestly meaning, in the judgment of the makers of the Constitution, in all human probability, that special consent should be given in individual cases. That would have been a great honor—two countries concurring.

Pursuant to that act of Congress giving general consent, the United States is obliged to now acquiesce in any selection. The order of Grand Knight Commander of the order of the Bath, I believe, has been conferred upon Gen. Pershing, and Grand Knight Commander of the order of St. Michael and St. George has been conferred upon Gen. Bliss, Gen. March, Vice Admiral Sims, Rear Admiral Rodman, and Rear Admiral Strauss. These are not medals, they are titles of knighthood. That is the extent, so far as I am advised by the department, of the conferring of these honors—except the distinguished-service order to Lieut. Commander Carpendor—and I submit that it should rest there. These are our great commanders. If any evil has been done, it is well that there be an end of it; and, as the honors have been conferred upon worthy men, there is no reason for complaint, except from those who object as un-American to the conferring of titles, medals, presents, or emoluments upon any American citizen by a foreign Government. The only palliation would be in specially honoring our citizens with war medals, not knighthoods, while in the service of a foreign State, and before we entered the war; and that is provided for and is not being disturbed.

My objection to the practice is that it is un-American. It is repugnant to the Constitution and hateful to the fathers of the country, and where there has been any departure from the Constitution it has been only by special consent of Congress. Even Canada has revolted against it. We are told by Lord Robert Cecil that there are 22 States in the commercial compact now, indicating that there are 22 sovereignties that are interested in winning this war, and I suppose under this provision, if unrepealed, each of these sovereignties will compete with the others in conferring honors, emoluments, and titles upon our brave commanders. What a spectacle for a democracy! Then there is the evil to the commanders themselves, as we know that from our executive and legislative experience, of the seeking by devious means the possession of such honors. I can not imagine anything that would be more demoralizing to the service, but I have in mind also the period after the war, when we will find many men eminent in the service of the United States under obligation to foreign Governments for these honors, titles, and emoluments. We want no temptations to a double allegiance, no lukewarm Americans. Perhaps we may have in good faith to salute these gentlemen as "Sir This" and "Sir That." Why not? You can see how utterly repugnant it is to our American ideas and to American institutions, and, indeed, to American laws.

I therefore submit, for the betterment of the service, in order to cut out possibly any manifestation after the war of undue snobbishness on the part of the men and jealousies on the part of others in the service, and in order to have our Americans come back Americans, under obligations to no foreign Government, that the amendment which I present should be adopted. It simply restores the constitutional prohibition and saves possible friction—a thing to be deprecated in the pursuit of either war or peace.

Mr. GORE. Mr. President, I am aware that the pending amendment possibly may not be accepted by the Senate. In case of its defeat I shall wish to submit the amendment which I send to the desk and ask to have read for the information of the Senate.

The PRESIDENT pro tempore. Without objection, the Secretary will read the amendment for the information of the Senate.

The Secretary read as follows:

Provided, That steps shall be taken to prevent, so far as possible, the call of men to serve abroad before they attain the age of 19.

Mr. GORE. Mr. President, the amendment which has just been read is copied literally from the British statute, from the military-service act passed in 1916. This proviso I shall undertake to transport, if occasion arises, into the pending measure.

The pending bill, as I understand, is brought forward in order to carry out an agreement entered into at an interallied war council. It is proposed to carry out our part in supplying an adequate man power at the front to insure early and complete victory. If the interallied war council have resolved that our Army should be 5,000,000 men, then our Army ought to be raised to 5,000,000 men, and that at the earliest practicable moment. We ought to have men enough at the front—the United States and the allies—to assume the offensive. Only the offensive can win; and when the final offensive is assumed we ought to have men enough to take the excessive losses which attend the offensive and still press the offensive to success. Otherwise the slaughter is in large measure waste—waste of the most priceless of all treasure.

Mr. President, necessity is the law of war. Necessity can not be temporized with. We as a people have voluntarily consented not to plead the law of necessity in justification of a breach of international law, not to plead necessity in justification of a breach of the obligations of right and justice and honor and other superior obligations which rest upon and which bind our conscience as a Nation. If the necessity has arisen to draft men between the ages of 31 and 45, that necessity must be obeyed. If the necessity has arisen to draft men between the ages of 20 and 21, that necessity must be obeyed. If the necessity has arisen to draft men between the ages of 19 and 20, then, sir, that necessity will insist upon obedience. If in truth the necessity has arisen to draft men between the ages of 18 and 19, that necessity will be equally imperious; and I take it that if the necessity should come upon us to draft men between the ages of 17 and 18 and men between the ages of 16 and 17, that necessity would also be compiled with. You can not answer necessity with sentiment; but I do not believe—I am not convinced—that the necessity has yet arisen to draft men between the ages of 18 and 19. I doubt if the American people are convinced that the necessity has as yet arisen. If they were convinced, I believe they would comply, if not with good cheer, at least with a sense of duty which was compelling and irresistible.

I know it will be asked, "Who is the best authority as to whether or not this necessity has arisen?" The question will be asked, "Are not the Secretary of War and the Chief of Staff the best authority upon this subject?" I am obliged to answer in the affirmative. They, perhaps, are the best authority upon this subject; but, sir, their authority is not conclusive. Their authority is not final. In this country we are entitled to act upon evidence and facts and circumstances and precedent. We are privileged to pass judgment for ourselves, without accepting the authority of anybody as final, certainly upon a subject of this description.

Mr. President, that even the Secretary of War and the Chief of Staff are not infallible upon this point has been recently and conclusively demonstrated. About two months ago the Senate was on the verge of adopting an amendment of this character. The Secretary of War and the Chief of Staff came hurrying to the Capitol in order to intercede with the Senate not to adopt that measure; and the distinguished chairman of the Committee on Military Affairs [Mr. CHAMBERLAIN], whose services can not be praised beyond their deserts, vacated his own views and expostulated with the Senate not to adopt that amendment. Now, sir, what has transpired in two months to revolutionize the situation in such a fundamental and far-reaching way as this? The original draft law provided that men as low as the age of 19 should be drafted. The Chief of Staff thought it was desirable then. The event has proven that it was not necessary, even though desirable.

Now, Mr. President, even though the Secretary of War and the Chief of Staff recommend this, that is not of necessity binding upon the judgment of Senators. I have just read a speech of Lloyd George, when he was minister of munitions in the cabinet of Premier Asquith, and Lloyd George said in his speech that the man who professes to agree with every word that falls from his leader's lips has already betrayed him. He exclaimed: "Good Heavens! Of what use would I be if I agreed with him in every particular?" He answered his own question by saying, "I would be of no use at all," and he suggested that if men should do that they would degenerate into mere automatons. He said that if he was to be a counsellor he would be glad to serve, but that if he were to play the part of a "penny-in-the-slot machine" he had no taste, no ambition, for such a part.

But I think not only have the Chief of Staff and the Secretary of War failed to demonstrate the necessity of this measure, but the Senator from Idaho [Mr. BORAH] and others have demonstrated that the necessity does not exist.

Great Britain, with a population of 47,000,000, raised an army of 5,000,000 before drafting men under the age of 19, and raised an army of six and a half millions before sending those below the age of 19 to the front. We have 110,000,000 of people. Our quota is 5,000,000. Can we not raise an army of 5,000,000 of men out of a population of 110,000,000 without invading the nursery and without robbing the cradle?

Mr. President, there is a great deal of force, in my judgment, in the argument that men should not be drafted before they are 21, before they have a right to vote as sovereign citizens of this Republic. That, I say, is a strong argument, but it must be admitted that it is not a controlling argument. But, sir, in the proposition to draft youths of 18 there is something shocking to the sensibilities. It is urged that they make the best soldiers. I believe they do. That fact, sir, is due to the inexperience and to the indiscretion of youth. Shall we take advantage of a limitation for which they are in no wise responsible?

There is something in this proposal to draft boys of 18 that makes one think of robbing a bird's nest. We impute to the Germans as a grievous fault that they are destitute of sentiment, that they are devoid of the finer sensibilities, that they lack the finer feelings which not only characterize but which constitute the civilized man. France has responded to those finer sensibilities, and, in legislative enactment, has provided that youths under 19 shall not be taken until the necessity arises—not upon the assurance of the prime minister or the minister of war, but they wrote it into the law. In the public prints to-day I see it charged against the Germans that they are cold-blooded in their calculations and destitute of sentiment and sensibilities. The English have written a provision into their law that youths below 19 years of age shall not be drafted until the national necessity is imperious. Let us emulate the example of France and Great Britain. Let us exhibit the same solicitude and extend the same protection to our youths that they extended to theirs until the summons of necessity was imperious and uncompromising.

Mr. President, it is sentiment which constitutes the better part of human nature and human life. It is sentiment which binds the mother to her babe, and impels her to lay down her own life to save the life of her children. It is sentiment which impels us to march in mournful procession to the grave, and to inter with fitting ceremonials the ashes of our departed friends. It is sentiment which impels us to erect enduring monuments to the memory of the mighty and sceptered dead, whose spirits still rule us from their sacred urns. Let us not surrender the most sacred sentiments of the human heart to a less imperious challenge than that of necessity.

The PRESIDENT pro tempore. The hour of 4 o'clock having arrived, further debate is not in order. The pending question is on the amendment offered by the Senator from Mississippi [Mr. VARDAMAN] to the amendment of the Senator from Arkansas [Mr. KIRBY].

Mr. VARDAMAN. On that I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment to the amendment was rejected.

Mr. POINDEXTER. I offer the following substitute for the amendment of the Senator from Arkansas, inserting "nineteen" instead of "twenty."

The PRESIDENT pro tempore. The amendment to the amendment will be stated.

The SECRETARY. Making the minimum age limit for the draft 19 years.

Mr. POINDEXTER. Upon that I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDENT pro tempore. The Secretary will call the roll.

Mr. SMITH of Georgia. A number of us do not understand just what the question is.

The PRESIDENT pro tempore. The Secretary will state the proposed substitute.

The SECRETARY. To make the minimum age limit for the draft 19 years.

Mr. VARDAMAN. It is an amendment to the amendment of the Senator from Arkansas.

Mr. HITCHCOCK. It is not clear yet what is the amendment proposed by the Senator from Arkansas and what is the amendment proposed to it.

The PRESIDENT pro tempore. The Secretary will read the amendment of the Senator from Arkansas and the amendment to the amendment on which the vote is about to be taken.

The SECRETARY. The Senator from Arkansas offers the following amendment: Strike out the word "eighteen," in line 3, page 7, and line 1, page 9, and insert in lieu thereof the word "twenty"; on page 10, line 17, strike out the word "eighteenth" and insert the word "twentieth"; and on page 11, line 1, strike out the word "eighteen" and insert the word "twenty."

The Senator from Washington offers as a substitute the following: On page 7, line 3, strike out "eighteen" and insert "nineteen"; on page 9, line 1, strike out "eighteen" and insert "nineteen"; on page 10, line 17, strike out "eighteenth" and insert "nineteenth"; on page 11, line 1, strike out "eighteen" and insert "nineteen."

The PRESIDENT pro tempore. The Secretary will call the roll.

Mr. TOWNSEND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. TOWNSEND. Is not this an amendment in the third degree?

The PRESIDENT pro tempore. It is not. Under Rule XVIII of the Senafe it is only in the second degree. The proposed amendment of the committee is an independent proposition. The Secretary will call the roll on agreeing to the amendment to the amendment.

The Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). Making the same announcement of my pair and its transfer that I made on the previous vote, I vote "nay."

Mr. JONES of Washington (when his name was called). As heretofore announced, I am paired for the day with the junior Senator from Virginia [Mr. SWANSON]. Therefore I withhold my vote. If I were at liberty to vote, I would vote "yea."

Mr. WALSH (when Mr. MYERS's name was called). My colleague [Mr. MYERS] is unavoidably absent. He is paired with the Senator from Connecticut [Mr. MCLEAN]. If my colleague were present, he would vote "nay."

Mr. SHERMAN (when his name was called). I am paired with the senior Senator from Kansas [Mr. THOMPSON]. I believe I am at liberty to vote, however, on this amendment, and I vote "nay."

Mr. STERLING (when his name was called). Not knowing how my pair would vote on this question, I withhold my vote.

Mr. UNDERWOOD (when his name was called). I transfer my general pair with the junior Senator from Ohio [Mr. HARDING] to the Senator from Illinois [Mr. LEWIS], and I will let this announcement stand for the day. I vote "nay."

Mr. WEEKS (when his name was called). Making the same transfer of my pair that I made on the previous vote, I vote "nay."

Mr. WOLCOTT (when his name was called). I transfer my pair with the Senator from Indiana [Mr. WATSON] to the Senator from New Hampshire [Mr. HOLLIS] and vote "yea."

The result was announced—yeas 14, nays 58, as follows:

YEAS—14.

Bankhead	Kendrick	Pomerene	Townsend
Borah	Kenyon	Shields	Wolcott
Cummins	McNary	Smith, Mich.	
Guion	Poindexter	Sutherland	

NAYS—58.

Ashurst	Calder	Curtis	Fletcher
Baird	Chamberlain	Dillingham	France
Beckham	Colt	Fall	Frelinghuysen
Brandegee	Culberson	Fernald	Gerry
Gore	McCumber	Ransdell	Thomas
Hale	McKellar	Reed	Trammell
Henderson	Nelson	Robinson	Underwood
Hitchcock	New	Saulsbury	Vardaman
Johnson, Cal.	Norris	Shafroth	Wadsworth
Johnson, S. Dak.	Nugent	Sheppard	Walsh
Jones, N. Mex.	Overman	Sherman	Warren
Kellogg	Owen	Simmons	Weeks
Kirby	Penrose	Smith, Ariz.	Wilfley
Lenroot	Phelan	Smith, Ga.	
Lodge	Pittman	Smoot	

NOT VOTING—23.

Benet	James	McLean	Sterling
Goff	Jones, Wash.	Martin	Swanson
Gronna	King	Myers	Thompson
Harding	Knox	Page	Watson
Hardwick	La Follette	Smith, Md.	Williams
Hollis	Lewis	Smith, S. C.	

So Mr. POINDEXTER's amendment to the amendment was rejected.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Arkansas [Mr. KIRBY].

Mr. WOLCOTT. Mr. President, a parliamentary inquiry. I desire to know whether it is necessary to reserve a vote on the 19-year-old proposition?

The PRESIDENT pro tempore. It can be offered again in the Senate. It is usual to give notice when a Senator desires such a vote.

Mr. WOLCOTT. I give that notice, Mr. President.

The PRESIDENT pro tempore. The question is upon the amendment offered by the Senator from Arkansas [Mr. KIRBY].

Mr. BORAH. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). Making the same announcement that I made on the previous vote I vote "yea."

Mr. WALSH (when Mr. MYERS's name was called). If my colleague [Mr. MYERS] were present he would vote "nay."

Mr. STERLING (when his name was called). Making the same announcement of my pair as on the former vote I withhold my vote.

Mr. WEEKS (when his name was called). Making the same announcement of the transfer of my pair as on the last vote I vote "nay."

The roll call was concluded.

Mr. JONES of Washington. I desire to make the same announcement of my pair with the Senator from Virginia [Mr. SWANSON] as heretofore and I withhold my vote.

Mr. SHERMAN. I am paired with the senior Senator from Kansas [Mr. THOMPSON] and withhold my vote. I would vote "nay" if at liberty to vote.

The result was announced—yeas 12, nays 60, as follows:

YEAS—12.

Borah	Curtis	Kirby	Pomerene
Culberson	Gore	McNary	Townsend
Cummins	Kendrick	Norris	Vardaman

NAYS—60.

Ashurst	Guion	Nugent	Smith, Ariz.
Baird	Hale	Overman	Smith, Ga.
Bankhead	Henderson	Owen	Smith, Mich.
Beckham	Hitchcock	Penrose	Smoot
Brandegee	Johnson, Cal.	Phelan	Sutherland
Calder	Johnson, S. Dak.	Pittman	Thomas
Chamberlain	Jones, N. Mex.	Poindexter	Trammell
Colt	Kellogg	Ransdell	Underwood
Dillingham	Kenyon	Reed	Wadsworth
Fall	Lenroot	Robinson	Walsh
Fernald	Lodge	Saulsbury	Warren
Fletcher	McCumber	Shafroth	Watson
France	McKellar	Sheppard	Weeks
Frelinghuysen	Nelson	Shields	Wilfley
Gerry	New	Simmons	Wolcott

NOT VOTING—23.

Benet	James	McLean	Smith, S. C.
Goff	Jones, Wash.	Martin	Sterling
Gronna	King	Myers	Swanson
Harding	Knox	Page	Thompson
Hardwick	La Follette	Sherman	Williams
Hollis	Lewis,	Smith, Md.	

So Mr. KIRBY's amendment was rejected.

Mr. GORE. I desire to submit to the Senate the amendment of which I gave notice a few minutes ago.

The PRESIDENT pro tempore. The Secretary will read it.

The SECRETARY. Insert at the proper place in the bill the following proviso:

Provided, That steps shall be taken to prevent so far as possible the sending of men to serve abroad before they attain the age of 19.

Mr. GORE. Upon that amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

On a division the amendment was rejected.

Mr. KIRBY obtained the floor.

Mr. GORE. In section 4, the line and page I do not recall, after the word "forty-five," where it reads "between the ages of 18 and 45," I move to insert the words "at the date of the approval of this act."

The PRESIDENT pro tempore. The Chair had recognized the Senator from Arkansas [Mr. KIRBY] and will recognize the Senator from Oklahoma [Mr. GORE] later.

Mr. KIRBY. If in order, I should like to take the sense of the Senate finally on the matter as between 18 and 19. The way the vote was taken awhile ago was rather between 19 and 20 or 20 and 21. If in order, I would like to move that "19" be substituted in the bill for "18" where it appears and take the vote of the Senate upon it and get through with it one way or the other.

The PRESIDENT pro tempore. The Chair will state to the Senator from Arkansas that the Senate decided that question on the substitute offered by the Senator from Washington [Mr. POINDEXTER].

Mr. KIRBY. The Chair then holds that this question has been determined?

The PRESIDENT pro tempore. It has been determined.

Mr. GORE. I send to the desk the amendment which I propose, which will raise the question submitted by the Senator from Arkansas.

Mr. POINDEXTER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. POINDEXTER. I desire to reserve the right to have a separate vote in the Senate on the question to fix the minimum age limit at 19.

The PRESIDENT pro tempore. The Senator can make that motion in the Senate.

Mr. POINDEXTER. I do not desire, however, to offer it as an amendment to the amendment of the Senator from Arkansas, but for the same reason he stated a moment ago in order to get a square vote on the proposition itself, I desire to offer an amendment in the Senate to the bill itself.

The PRESIDENT pro tempore. The Senator can do that. That motion will be entertained by the Chair. The amendment submitted by the Senator from Oklahoma [Mr. GORE] will be read.

The SECRETARY. On page 2, line 8, after the colon, insert the following:

A. That whenever the President shall ascertain, determine, and publicly announce that all of said persons above the age of 21 years have been drafted into the military service of the United States as far as consistent with the public interest, he is authorized thereupon to draft any of said persons who are between the ages of 20 and 21 years at the date of the approval of this act in the same manner and to the same extent as if they were 21 years of age and over.

B. Whenever the President shall ascertain, determine, and publicly announce that all said persons over the age of 20 years have been drafted in accordance with this act and the acts of which it is amendatory so far as is consistent with the public interest, he is thereupon authorized to draft any of said persons who were between the ages of 19 and 20 years at the time of the approval of this act in the same manner and to the same extent as if they were 21 years of age and over.

C. Whenever the President shall ascertain, determine, and publicly announce that all said persons over the age of 19 years have been drafted in accordance with this act and the acts of which it is amendatory so far as is consistent with the public interest, he is thereupon authorized to draft any of said persons who were between the ages of 18 and 19 years at the time of the approval of this act in the same manner and to the same extent as if they were 21 years of age and over.

D. Nothing in this section contained shall be construed to prevent the registration, examination, and classification of such persons between the ages of 18 and 21 years as if they were above the age of 21 years, nor to prevent the training of any such persons for a period of six months prior to being finally and formally drafted into the military service.

Mr. GORE. Mr. President, on that amendment I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. GORE. On page 9, line 2, after the word "inclusive," I move to insert the words "at the date of the approval of this act"; and I ask for the yeas and nays on the amendment.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. CUMMINS. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Iowa will be stated.

The SECRETARY. On page 10, line 24, after the words "this act provided," it is proposed to insert the following:

Provided, That the registration of male persons between the ages of 31 and 45, inclusive, and 18 and 20, inclusive, shall take place in three groups successively, to wit: First, those between the ages of 31 and 35, inclusive, and of the age of 20; thereafter, and whenever in the judgment of the President more men are necessary for military duty, those between the ages of 36 and 40, inclusive, and of the age of 19; thereafter, and whenever in the judgment of the President still more men are necessary for military duty, those between the ages of 41 and 45, inclusive, and of the age of 18.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. FALL. I send to the desk an amendment which I ask may be read.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. It is proposed to insert after section 8 a new section as follows:

SEC. 9. Any such person shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws: *Provided*, That any requirements as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service: *And provided further*, That applications for entry may be verified before any officer in the United States or any foreign country authorized to administer oaths by the laws of the State or Territory in which the land may be situated.

Mr. CHAMBERLAIN. I am willing to accept that amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. CUMMINS. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Iowa will be stated.

The SECRETARY. On page 13, line 2, after the word "President," it is proposed to insert:

No person subject to registration shall depart from the United States and enter any adjacent foreign country for the purpose of engaging in labor therein and with intent to be absent more than one week without the written consent of an officer or board authorized under the regulations to issue the same.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. PENROSE. I offer the amendment which I send to the desk, to be inserted at the proper place.

The PRESIDENT pro tempore. The amendment offered by the Senator from Pennsylvania will be stated.

The SECRETARY. At the end of section 2 it is proposed to insert the following:

And provided further, That the local boards shall determine in the first instance from the answers in the questionnaire of each registrant whether or not any person is entitled to deferment or exemption without requiring registrants to claim such deferred classification or such exemption.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STERLING. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. After the word "prescribe," in line 8, on page 7, it is proposed to insert the following:

Except that persons under the age of 19 years shall not be called into other than military training service.

Mr. STERLING. On that I ask for the yeas and nays.

The PRESIDENT pro tempore. The Senator from South Dakota asks for the yeas and nays on his amendment.

The yeas and nays were not ordered.

The amendment was rejected.

Mr. BRANDEGEE. Mr. President, I offer an amendment, to come in on line 10, page 12, and I call the attention of the chairman of the Committee on Military Affairs to it. The bill at that point now reads:

Soldiers and sailors, regardless of age, shall, when they are accepted as volunteers or when they shall have been drafted, be eligible to receive commissions in either the Army or Navy.

I move, after the word "Navy," in line 10, to strike out the period and to add the words "according to the service in which they volunteered or were drafted."

Mr. CHAMBERLAIN. I have no objection to that amendment.

Mr. BRANDEGEE. As it stands it would really authorize a man to enlist in the Navy and to be entitled to a commission in the Army.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Connecticut.

The amendment was agreed to.

Mr. CUMMINS. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 8, line 13, after the word "provision," it is proposed to insert the following:

The regulations relating to classification and exemptions shall be so framed that there shall at all times be in civil employments a number of persons sufficient to produce enough to maintain, equip, and transport our military forces, support our civil population, and furnish to the countries cooperating with us in the war the supplies which their necessities demand. And all said regulations shall enforce, in so far as practicable, the duty of every qualified citizen either to labor in a useful way or bear arms in the defense of his country.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Iowa.

The amendment was rejected.

Mr. FLETCHER. Mr. President, there seems to be a misprint in line 13, on page 12, to which I call the attention of the chairman of the committee. The language is:

But shall not be barred from or discriminated against on account of age.

I presume that means "shall not be barred therefrom," referring to schools. The word "from" ought to be changed to "therefrom."

Mr. CHAMBERLAIN. I think that is correct; it ought to be "therefrom."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. FRANCE. I offer an amendment, which I ask may be read.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 7, line 6, after the word "Act," it is proposed to insert the following:

Provided, That under such draft all those between the ages of 18 and 19 years, inclusive, shall be drafted as soon as practicable after the passage of this act, but they shall be drafted only for education and training, military, nonmilitary, or both, either in cantonments or, when advisable, at the expense of the United States Government in military and technical studies in approved educational institutions, or drafted for other forms of noncombatant national service in this country, or for combatant service in this country in an emergency only, but that those under 20 years of age shall not be employed for active military service abroad, and—

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was rejected.

Mr. PHELAN. I ask for a vote on the amendment I sent to the desk a little while ago.

The PRESIDENT pro tempore. The Chair understands the amendment of the Senator from California has already been read.

Mr. PHELAN. The amendment has been read.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from California. [Putting the question.] By the sound, the noes seem to have it.

Mr. PHELAN. I ask for the yeas and nays.

The yeas and nays were not ordered.

The amendment was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the committee as amended.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended.

The PRESIDENT pro tempore. The question is on concurring in the amendment made as in Committee of the Whole.

Mr. POINDEXTER. I offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 7, line 3, it is proposed to strike out "eighteen" and insert "nineteen"; on page 9, line 1, to strike out "eighteen" and insert "nineteen"; on page 10, line 17, to strike out "eighteenth" and insert "nineteenth"; and on page 11, line 1, to strike out "eighteen" and insert "nineteen."

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Washington.

Mr. POINDEXTER. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). Making the same announcement concerning my pair and its transfer as heretofore, I vote "yea."

Mr. JONES of Washington (when his name was called). I have already announced my pair with the junior Senator from Virginia [Mr. SWANSON], but, from my conversations with him, I am satisfied that he would vote on this amendment the same as I intend to vote. Therefore, I feel at liberty to vote, and vote "yea."

Mr. SHERMAN (when his name was called). I announce the same pair as heretofore. Not knowing how the Senator from Kansas [Mr. THOMPSON] would vote, I withhold my vote. If I were at liberty to vote, I should vote "nay."

Mr. STERLING (when his name was called). Making the same announcement in regard to my pair as heretofore, I withhold my vote.

The roll call having been concluded, the result was announced—yeas 21, nays 52, as follows:

YEAS—21.

Bankhead	Gulon	Norris	Townsend
Borah	Jones, Wash.	Poindexter	Vardaman
Cummins	Kendrick	Pomerene	Wolcott
Curtis	Kenyon	Shields	
France	Kirby	Smith, Mich.	
Gore	McNary	Sutherland	

NAYS—52.

Ashurst	Gerry	New	Simmons
Baird	Hale	Nugent	Smith, Ariz.
Beckham	Henderson	Overman	Smith, Ga.
Brandegee	Hitchcock	Owen	Smoot
Calder	Johnson, Cal.	Penrose	Thomas
Chamberlain	Johnson, S. Dak.	Phelan	Trammell
Colt	Jones, N. Mex.	Pittman	Underwood
Culberson	Kellogg	Ransdell	Wadsworth
Dillingham	Lenroot	Reed	Walsh
Fall	Lodge	Robinson	Warren
Fernald	McCumber	Saulsbury	Watson
Fletcher	McKellar	Shafroth	Weeks
Frelinghuysen	Nelson	Sheppard	Wolfley

NOT VOTING—22.

Benet	James	Martin	Sterling
Goff	King	Myers	Swanson
Gronna	Knox	Page	Thompson
Harding	La Follette	Sherman	Williams
Hardwick	Lewis	Smith, Md.	
Hollis	McLean	Smith, S. C.	

So Mr. POINDEXTER's amendment was rejected.

Mr. FRANCE. Mr. President, I desire to offer the amendment which I send to the desk, which is necessary in order to perfect the amendment adopted as in Committee of the Whole.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 8, line 13, it is proposed to strike out the words "this provision," and insert in lieu thereof the words "these provisions."

The amendment was agreed to.

The PRESIDENT pro tempore. The question is on concurring in the amendment made as in Committee of the Whole.

The amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The question is, Shall the bill pass?

Mr. CHAMBERLAIN, Mr. REED, and Mr. McKELLAR called for the yeas and nays, and they were ordered.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). Making the same announcement as before, I vote "yea."

Mr. SUTHERLAND (when Mr. GOFF's name was called). I desire to announce that my colleague [Mr. GOFF] is absent on account of illness. If he were present, he would vote "yea."

Mr. JONES of Washington (when his name was called). The junior Senator from Virginia [Mr. SWANSON], with whom I am paired for the day, would vote as I shall vote on the passage of this bill. Therefore I am at liberty to vote. I vote "yea."

Mr. BRANDEGEE (when Mr. McLEAN's name was called). My colleague [Mr. McLEAN] is unavoidably detained from the Senate. He is paired with the senior Senator from Montana [Mr. MYERS]. I am authorized by his secretary to state that if he were present he would vote "yea" on the passage of this bill.

Mr. WALSH (when Mr. MYER's name was called). My colleague [Mr. MYERS] is unavoidably absent. He is paired as heretofore announced. If he were present, he would vote "yea."

Mr. PENROSE (when his name was called). As this is a final vote, I will again announce that I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS]. I transfer that pair, by arrangement with the senior Senator from Oregon [Mr. CHAMBERLAIN] to my colleague, the junior Senator from Pennsylvania [Mr. KNOX], and will vote. I vote "yea."

Mr. SHERMAN (when his name was called). I am paired with the senior Senator from Kansas [Mr. THOMPSON], who is necessarily absent. I am informed that if present he would vote "yea." Therefore I am at liberty to vote. I vote "yea."

Mr. STERLING (when his name was called). Knowing that my pair would vote on this bill as I shall vote, I vote "yea."

Mr. WEEKS (when his name was called). I make the same transfer that I made on the previous roll calls to-day and vote "yea."

The roll call was concluded.

Mr. MARTIN. I desire to announce that my colleague [Mr. SWANSON] is detained from the Senate by illness in his family. I wish also to state that the junior Senator from South Carolina [Mr. BENET] telegraphs me that he is detained at home because the primary election is held there to-day and that had he been present he would have voted for the bill on its final passage and also for the draft from 18 to 45.

Mr. GORE. Mr. President, I am not willing to be the one Senator to stand in the way of a unanimous vote in favor of the passage of this measure. For reasons, however, indicated in part in my remarks—the absence of a demonstrated necessity for drafting men so young as the bill provides and the conclusive demonstration to my own mind that the necessity has not arisen—I can not prevail upon myself to vote in favor of its passage. In order, therefore, that the RECORD may exhibit to the allies, the world, and the enemy a unanimous vote indicating a united purpose, shared by us all, to win the war, I request the Senate to excuse me from voting, under Rule XII.

The PRESIDENT pro tempore. The question is, Shall the Senator, for the reasons assigned by him, be excused from voting? [Putting the question.] Leave is given the Senator to refrain from voting.

Mr. CURTIS. I ask to have printed in the RECORD a telegram from the junior Senator from Georgia [Mr. HARDWICK], with whom I am paired, showing how he would vote on this question.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The telegram is as follows:

PELHAM, GA., *August 14, 1918.*

Senator CHARLES CURTIS,
United States Senate, Washington, D. C.:

I can not get back to Washington until after September 11. I am in favor of raising draft age to 45, but unalterably opposed to lowering it below 21.

THOMAS W. HARDWICK,
United States Senator.

Mr. GERRY. I desire to announce the unavoidable absence of the Senator from South Carolina [Mr. SMITH], the Senator from New Hampshire [Mr. HOLLIS], the Senator from Utah [Mr. KING], the Senator from Illinois [Mr. LEWIS], and the Senator from Kansas [Mr. THOMPSON], on account of important business. I wish also to announce the absence of the Senator from Mississippi [Mr. WILLIAMS], on account of illness in his family.

The roll call resulted—yeas 75, nays 0, as follows:

YEAS—75.

Ashurst	Guion	New	Smith, Ariz.
Baird	Hale	Norris	Smith, Ga.
Bankhead	Henderson	Nugent	Smith, Md.
Beckham	Hitchcock	Overman	Smith, Mich.
Borah	Johnson, Cal.	Owen	Smoot
Brandegee	Johnson, S. Dak.	Penrose	Sterling
Calder	Jones, N. Mex.	Phelan	Sutherland
Chamberlain	Jones, Wash.	Pittman	Thomas
Colt	Kellogg	Poindexter	Townsend
Culberson	Kendrick	Pomerene	Trammell
Cummins	Kenyon	Ransdell	Underwood
Curtis	Kirby	Reed	Vardaman
Dillingham	Lenroot	Robinson	Wadsworth
Fall	Lodge	Saulsbury	Warren
Fernald	McCumber	Shafroth	Watson
Fletcher	McKellar	Sheppard	Weeks
France	McNary	Sherman	Wilfley
Frelinghuysen	Martin	Shields	Wolcott
Gerry	Nelson	Simmons	

NOT VOTING—20.

Benet	Hardwick	La Follette	Smith, S. C.
Goff	Hollis	Lewis	Swanson
Gore	James	McLean	Thompson
Gronna	King	Myers	Walsh
Harding	Knox	Page	Williams

The PRESIDENT pro tempore. The Senate having voted unanimously to pass the bill, the bill is passed. [Manifestations of applause in the galleries.]

Mr. CHAMBERLAIN. I move that the Senate request a conference with the House upon the bill and amendment, and that the Chair appoint the conferees on the part of the Senate.

Mr. JONES of Washington. Mr. President, before the motion is put I want to say just a word.

This bill contains a provision that has passed the Senate now four times. It has never yet been voted upon in the House. I refer to the provision with reference to furnishing uniforms to officers. I think it fair to say to the chairman of the committee that if the conferees bring in a report excluding that provision I shall ask the Senate to reject the report, so as to give the House at least an opportunity to express its judgment upon it before a final conclusion is reached.

Mr. PENROSE. Mr. President, when I offered the amendment which was adopted a short time ago, I did not have an opportunity to call the attention of the Senate to it. I refer to the amendment which permits the local draft boards to grant exemptions or deferred classifications, without a formal request, upon the answers in the questionnaire. I call the attention of the chairman of the committee to it especially, as I think it a very just and equitable measure.

In order to perfect the record, I desire to state that this amendment was offered at the suggestion of a gentleman in Pennsylvania, an Army officer, who has had very wide experience in the registration work of that great Commonwealth. He says:

In accordance with our telephone conversation of this afternoon, I would strongly urge that when the draft bill comes up in the United States Senate you urge its being so drawn as not to make it necessary for a man to claim deferred classification. The boards should determine, from the answers in the questionnaire, whether or not the man is entitled to deferment. This would relieve registrants who are entitled to deferred classification from the probable embarrassment of having to claim it.

At the present time, while the boards pass on the validity of the claim, yet the man himself must put in his claim in his questionnaire. There will be a great many more men entitled to deferred classification between the ages of 31 and 45 than was the case between the ages of 21 to 30. I have heard a great many men say that while they believe they should have deferred classification they would not claim it, as they in a way feel that they would be slackers by doing so.

Mr. POMERENE. Mr. President, a few moments ago the Senator from Washington [Mr. JONES] made reference to the amendment which was inserted in this bill authorizing and requiring the Government to sell uniforms to officers at cost. I most heartily concur in that amendment; and, as one Senator, I want to appeal to the conferees who may be appointed to insist upon its being retained in the bill. A bill of that character passed the Senate some time ago, and for some reason has not been passed by the House. I have before me now a letter from the father of one of these young boys who got a commission in the aviation branch of the service, and he tells me that he was compelled to pay about $700 for the uniforms which were required. His law partner had a similar experience. For an overcoat that ordinarily is furnished by the Government to the private soldier at a cost of $14 or $15 he was compelled to pay $50, and the charges for boots and for other articles of apparel are similarly excessive. I do not understand them. I should like to see one other amendment added to this bill, and that is to the effect that those who have been profiteering in the charges that they have made for these clothes should themselves be sent to the trenches. [Manifestations of applause in the galleries.]

The PRESIDENT pro tempore. The Chair will not warn the occupants of the galleries again. No demonstration of applause is permitted, and he will have to order the galleries cleared if this occurs again. The question is on agreeing to the motion of the Senator from Oregon that the Senate request a conference with the House of Representatives on the bill and amendment, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. CHAMBERLAIN, Mr. HITCHCOCK, and Mr. WARREN conferees on the part of the Senate.

Mr. CHAMBERLAIN. Mr. President, I move that Senate bill 4856 be indefinitely postponed.

The motion was agreed to.

STIMULATION OF AGRICULTURE.

Mr. GORE. Mr. President, I ask unanimous consent that the Chair lay before the Senate the unfinished business, House bill 11945.

The PRESIDENT pro tempore. The Chair thinks it consistent with the unanimous-consent agreement to lay before the Senate the unfinished business, which was temporarily laid aside.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

EXECUTIVE SESSION.

Mr. HITCHCOCK. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 5 minutes spent in executive session the doors were reopened.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed a bill (H. R. 12098) to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (S. 4527) to authorize the payment of indemnities to the Government of Greece for injuries inflicted on its nationals during riots occurring in South Omaha, Nebr., February 21, 1909, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS.

Mr. LODGE presented petitions of the Charles A. Eaton Co., of Brockton; of the congregation of the United Presbyterian Church of Chicopee; of the Woman's Christian Temperance Union of Wollaston; of the Woman's Christian Temperance Union of Worcester; of the Woman's Christian Temperance Union of Springfield; and of the Skandia Society, of Worcester, all in the State of Massachusetts, praying for national prohibition as a war measure; which were ordered to lie on the table.

He also presented a memorial of the New England Hotel Association, remonstrating against the passage of the proposed prohibition amendment, which was ordered to lie on the table.

He also presented a resolution adopted by 2,000 citizens of Boston, Mass., and a resolution adopted by Quinsigamonds Val Lodge, No. 1, Independent Order of Grand Templars, of Worcester, Mass., favoring the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

Mr. NELSON presented a memorial from the Belden-Evans Co., of Minneapolis, Minn., remonstrating against the proposed increased tax on shirts, which was referred to the Committee on Finance.

He also presented the memorial from J. V. Vanderbilt, of Minneapolis, Minn., remonstrating against the proposed increased tax on automobiles; which was referred to the Committee on Finance.

Mr. PHELAN presented a memorial of the Central National Farm Loan Association, of Santa Rosa, Cal., remonstrating against the adoption of the proposed prohibition amendment; which was ordered to lie on the table.

Mr. BRANDEGEE (for Mr. McLEAN) presented resolutions adopted by sundry Lithuanian citizens of Hartford, Conn., and by the Lithuanian Association of Bridgeport, Conn., pledging their support and loyalty to the United States and its allies; which was referred to the Committee on Foreign Relations.

He also (for Mr. McLEAN) presented petitions of sundry citizens of Norwich, Wethersfield, Manchester, Bethel, Stamford, Glastonbury, Hockanum, New London, New Haven, Norwalk, Wallingford, Unionville, Milford, of the Woman's Auxiliary of Salisbury, of the congregations of the Shilo Baptist Church of Hartford, the Congregational Church of Guilford, and of the Second Congregational Church of Manchester; of the Woman's Home Missionary Society of Manchester, of the congregations of the First Baptist Church of Putnam, the Congregational Church of Stratford, the Baptist and Congregational Churches of Tolland, Conn., the Plymouth Congregational Church of Milford, Conn., the Trinity Methodist Episcopal Church of New Britain, the Advent Christian Church of East Norwalk, the Methodist Episcopal Church of South Manchester, the First Congregational Church and Baptist Church of Riverton, and of the Swedish Congregational Church of Bristol, all in the State of Connecticut, praying for national prohibition as a war measure; which were ordered to lie on the table.

He also (for Mr. McLEAN) presented memorials of the Central Labor Union of Bridgeport, of the Printing Trades Council of Hartford, of the Street Railway Union of Hartford, of the Brass Molders' Union of Hartford, and of the Cigarmakers' Local Union of New Haven, all in the State of Connecticut, remonstrating against the passage of the proposed prohibition amendment; which were ordered to lie on the table.

He also (for Mr. McLEAN) presented petitions of the District Epworth League, of New York; of the Pattern Makers' Association of Hartford; of the Molders' Union of Hartford; of the Carpenters and Joiners' Union of Hartford; of the Bricklayers and Masons' Union of New Haven; of the Collin County Woman Suffrage Association; of the Bakery and Confectionery Union of Hartford; of the Fairfield County Suffrage Association; of Putman Grange, Patrons of Husbandry, of Putman; of the Wiremen's Union of Hartford; of the Capitol Lodge of Machinists, of Hartford, and of sundry citizens of Hartford and Middletown, all in the State of Connecticut, praying for the submission of a Federal suffrage amendment to the legislatures of the several States; which were ordered to lie on the table.

He also (for Mr. McLEAN) presented a memorial of the board of directors of the Connecticut Association Opposed to Woman Suffrage, of Hartford, Conn., and a memorial of the Connecticut State Association Opposed to Woman Suffrage, of New Haven, Conn., remonstrating against the passage of the proposed suffrage amendment; which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HENDERSON:

A bill (S. 4885) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of certain ores, metals, minerals, intermediate metallurgical products, alloys, and chemical compounds thereof, including power to the United States to contract therefor; to requisition and sell the same; to acquire and develop lands and plants producing or capable of producing the same; making appropriations therefor, and for other purposes; to the Committee on Mines and Mining.

By Mr. JONES of Washington:

A bill (S. 4886) providing for the sale of certain lands in the original town site of Port Angeles, Wash.; to the Committee on Public Lands.

By Mr. PITTMAN:

A bill (S. 4887) making an appropriation for a sewer system at the Carson Indian School at Stewart, Nev.; to the Committee on Indian Affairs.

By Mr. PHELAN:

A bill (S. 4888) for the relief of former officers of the Philippine Scouts; to the Committee on Military Affairs.

LEAVE OF ABSENCE.

Mr. REED. Mr. President, I ask consent of the Senate that leave of absence be granted me for 45 days.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Missouri is granted.

REPORT OF THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA (H. DOC. NO. 1265).

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read and referred to the Committee on the District of Columbia and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith for the information of the Congress the reports of the clerk and chief probation officer of the Juvenile Court of the District of Columbia for the two years ended June 30, 1917.

WOODROW WILSON.

THE WHITE HOUSE,
27 August, 1918.

NOTE.—The reports accompanied a similar message to the House of Representatives.

HOUSE BILL REFERRED.

H. R. 12098. An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

ADJOURNMENT.

Mr. HITCHCOCK. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, August 28, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate August 27 (legislative day, August 22), 1918.

REGISTER OF LAND OFFICE.

Edward D. Gianelloni, of Louisiana, to be register of the land office at Baton Rouge, La. Reappointment.

RECEIVER OF PUBLIC MONEYS.

William W. Ventress, of Louisiana, to be receiver of public moneys at Baton Rouge, La. Reappointment.

PROVISIONAL APPOINTMENT IN THE ARMY.

INFANTRY.

George Tucker Metcalf, late sergeant, Battery C, One hundred and third Field Artillery, National Guard, to be second lieutenant with rank from October 24, 1917.

CONFIRMATIONS.

Executive nominations confirmed by the Senate August 27 (legislative day, August 22), 1918.

MINISTER RESIDENT AND CONSUL GENERAL.

Joseph L. Johnson to be minister resident and consul general to Liberia.

SECRETARIES OF EMBASSIES OR LEGATIONS.

CLASS 1.

James G. Bailey to be secretary of embassy or legation of class 1.

Edward Bell to be secretary of embassy or legation of class 1.

Sheldon Whitehouse to be secretary of embassy or legation of class 1.

CLASS 2.

William W. Andrews to be secretary of embassy or legation of class 2.

Jefferson Caffery to be secretary of embassy or legation of class 2.

Charles B. Curtis to be secretary of embassy or legation of class 2.

Frederick A. Sterling to be secretary of embassy or legation of class 2.

Hugh R. Wilson to be secretary of embassy or legation of class 2.

CLASS 4.

Henry I. Dockweiler to be secretary of embassy or legation of class 4.

James Theodore Marriner to be a secretary of embassy or legation of class 4.

STEAMBOAT-INSPECTION SERVICE.

William Fisher to be supervising inspector, eleventh district, Steamboat-Inspection Service.

SURVEYOR GENERAL OF COLORADO.

John B. McGauran to be surveyor general of Colorado.

REGISTERS OF THE LAND OFFICE.

Carl A. Ferguson to be register of the land office at Visalia, Cal.

Frank M. McHaffie to be register of the land office at Missoula, Mont.

Shober J. Rogers to be register of the land office at Carson City, Nev.

John R. Beavers to be register of the land office at Hugo, Colo.

RECEIVERS OF PUBLIC MONEYS.

John J. Missemer to be receiver of public moneys at Hugo, Colo.

Albert T. Forse to be receiver of public moneys at Independence, Cal.

John E. Barrett to be receiver of public moneys at Topeka, Kans.

James L. Travers to be receiver of public moneys at Duluth, Minn.

James P. Bole to be receiver of public moneys at Bozeman, Mont.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

The following-named ensigns, for temporary service, to be lieutenants (junior grade):

Collins R. Buchner,
Warwick M. Tinsley,
Archie R. Wolfe,
Francis P. Brewer,
Henry A. Stuart,
Aaron Eldridge,
Judson E. Scott,
Clyde H. Dougherty,
Edward L. Newell,
Robert B. England,
Howard S. Raber,
George O. Farnsworth,
Lars O. Peterson,
Omar B. Earle,
Alfred R. Eubanks,
Thomas Flynn,
John F. Piotrowski,
Alexander B. Holman,
Ralph A. Scott,
Michael Burke,
Irwin V. Herin,
William F. Schlesinger,
Herman A. Bauchot,
Earle G. Gardner,
William W. Eagers,
William K. Johnstone,
John F. Craig,
Frank T. Green,
Augustus K. Goffe,
Robert S. Savin,
William J. Graham,
Emmette F. Gumm,
George B. Evans,
Edwin Fisher,
Charles O. Bain,
Clarence H. Fogg,
Joseph A. Flynn,
James J. Lucas,
Thomas Southall,
Bernard S. Riley,
George C. Neilsen,
Sidney C. Seale,
Joseph C. Herman,
Thomas G. Shanahan,
George R. Blauvelt,
Eric P. Teschner,
Erich O. Tauer,
Jens Nelson,
Harry A. Bryan,
Edwin H. Briggs,
George Schneider,
Frank V. Shepard,
Warren L. Graeff,
Hector L. Ross,
Emmet L. Bourke,
John H. Chinnis,
Earl V. Hand,
Alonzo W. Esworthy,
Abram L. Broughton,
Robert I. Hart,
Albert F. Blake,
Charles Waters,
William F. Morris,
Jesse S. Hooper,
Edward I. Dailey,
John Heep,
James H. Cain,
Hugh J. Finn,
Carl J. Hanson,
William H. Wright,
Thomas T. Emerton,
Charles F. Ware,
John R. McMeekin,
Edgar T. Hammond,
John R. McKean,
John D. Thompson,
Raymond R. Smith,
Clarence E. Williams,
George E. Tarbell,
Albert Wing,
John L. Scheidemen,
Harold A. Clough,
Earl Swisher,
Albert C. Buck,
Walter L. Hawk,
Jesse L. Harmer,
Fred H. Stewart,
John W. Ross,
Francis H. McAdoo,
Almy C. Maynard,
James A. Burbank,
Ralph L. Dodge,
Charles K. Cobb, jr.,
Thomas W. Mather,
Joseph L. Day,
Charles L. Poor, jr.,
Raymond L. Watrous,
Bulkeley L. Wells,

Winn D. Faris,
Walter R. O'Sullivan,
Chester L. Nichols,
Jay H. Keller,
John S. Brayton, jr.,
Thomas M. Leovy,
Conant Wait,
John Hemphill,
Charles R. Westbrook,
Richard S. Maynard,
Robert M. Curtis,
Ernest Gregory,
George T. Jarvis,
Thomas Robins, jr.,
Arthur C. Saxe,
George G. Jones,
Samuel E. Raymond,
Lyman S. King,
Evans R. Dick, jr.,
Miles Wambaugh,
Herbert M. Corse,
George E. McQuesten,
Arthur W. Ford,
Delancy Nicoll, jr.,
Lewis G. Smith,
Schuyler Dillon,
Paul A. Scherer,
Frederick A. Merrill,
Douglas G. Lovell,
William F. Kurfess,
William W. Slaymaker,
Harold F. Fultz,
Alfred G. Gennert,
Edwin Cowles,
Sydney P. Clark,
John A. Burgwin,
Frank T. Hogg,
Walter H. Wheeler, jr.,
Junius S. Morgan,
Folke E. Sellman,
Walter P. Shiel,
Arthur M. Tschirgi,
Wayne F. Palmer,
George D. Howell, jr.,
Donald McClench,
Charles Higginson,
Clifford D. Smith,
Hamilton Vose, jr.,
Robert F. Herrick, jr.,
Joseph C. Storey,
Horton Brown,
William C. Bok,
John H. Wilcox,
Edward Lloyd, jr.,
Donald M. Ryerson,
Elmer J. Stoffel,
Horace Butler,
Selim E. Woodworth,
Benjamin W. Cloud, 2d,
John S. Lionberger,
Philip C. Kauffman,
Roy D. Keyes,
Richard H. Cobb,
Frank W. Morrell,
Franklin King,
Francis T. Hunter,
Conrad Chapman,
Harold S. Simmons,
George Taylor,
Robert W. Emmons, 3d,
William Thompson Kirk, 3d,
Arthur T. Leonard,
William H. May,
John L. Merrill,
John E. P. Morgan,
William V. Couchman, jr.,
Thomas N. Page,
William W. Grace,
George R. Hann,
Winslow H. French,
Andrew C. Little,
Irving R. Gale,
Hallowell V. Morgan,
Howard G. Cann,
Robert B. Noyes,
Thomas I. H. Powell,
Eugene R. Sturtevant,
Bryan Frere,
Henry Hale, jr.,
Thornton Emmons,
Chester J. La Roche,
Mallery K. Aiken,
Milton H. Bird,
Paul A. Hourigan,
John R. Litchfield,
Stanford Harmon,
John D. Schuler,
Carter B. Burnet,
Clarence W. Schmidt,
John T. Scully,
Arthur C. Smith,
William J. Curtis, jr.,
Howard P. Hart,
Hayden Crocker,
Frederick S. Connor,
Matthew P. Waller,
James L. Sprunt,
Robert R. Theobald,
Arthur C. Hoyt,
Marion W. Lee,
Ralph W. Preston,
Gould T. Miner,
James H. R. Cromwell,
William E. D. Stokes, jr.,
Robert D. Bartlett,
Charles H. Bowman,
George F. Talbot,
Herbert D. Glass,
Percival V. Harris, and
Allan C. Brown.

The following-named warrant officers, for temporary service, to be ensigns:

James P. Steedley,
Edward A. O'Neill,
Joseph M. Jensen, and
William W. Brougham.

The following-named enlisted men to be ensigns, for temporary service:

Theodore D. Case,
Raymond A. Talbot,
James C. Smith,
William T. Van Voris,
Fred Ford,
Allen P. Judson,
William F. Roessler,
Maitland Bakewell,
Russell D. Richardson,
William E. Phillips,
John C. Hobart,
Roy Jackson,
Ruley E. Mullis,
Thomas Ryan, jr.,
Raymond G. Deewall,
Clovis N. Fontaine,
Oscar Henrichsen, and
John Q. Chapman.

Ensign Manning W. Hodgdon, United States Naval Reserve Force, to be an ensign.

The following-named temporary warrant officers to be ensigns for temporary service:

Joseph A. Kelly,
Grover F. Coulson,
Jesse G. Hughes,
Jesse E. Jocoy,
John de Rue,
Earl B. Brix,
James H. Francis,
Stanley Limont,
Elmer E. Watkins,
Frank W. Rasch,
Perle M. Lund, and
Louis P. Ledoux.

The following-named enlisted men to be ensigns in the Navy for temporary service:

Worthy J. F. Forward,
Van Buren Jarvis,
Harry F. Newton,
Henry M. Parker,
James G. Finton,
Harry C. Rohlfs,

Bernard C. Parker, and
Lyle Turner.

The following-named ensigns of the United States Naval Reserve Force to be ensigns for temporary service:

James M. Haralson,
Fairfield E. Raymond,
Leonard S. Moore, and
John V. Murray.

Pay Clerk Alexander Riggin to be an assistant paymaster for temporary service.

Stephen J. Callender, a citizen of Pennsylvania, to be an acting chaplain for temporary service.

William E. Harrison, jr., to be an acting chaplain for temporary service.

Gunner Walter T. Keller to be an ensign for temporary service.

The following-named acting pay clerks to be assistant paymasters for temporary service:

Elwood J. Higley, and
Robert H. Mattex.

The following-named officers on the retired list of the Marine Corps to be majors in the Marine Corps:

First Lieut. Samuel J. Logan,
Capt. Frederick M. Eslick,
Capt. Samuel A. W. Patterson,
Capt. Leon M. Harding,
Capt. Charles J. E. Guggenheim,
Capt. Lovick P. Pinkston, and
First Lieut John W. McClaskey.

The following-named officers on the retired list of the Marine Corps to be captains in the Marine Corps:

First Lieut. Fred A. Udell,
First Lieut. William A. Howard,
First Lieut. Renato Tittoni,
First Lieut. Harold C. Daniels,
First Lieut. Frederic Kensel,
First Lieut. Frank L. Martin,
First Lieut. Daniel M. Gardner, jr.,
First Lieut. Cleyburn McCaulley,
First Lieut. Harold Colvocoresses, and
First Lieut. Alexander B. Mikell.

The following-named officers on the retired list of the Marine Corps to be majors in the Marine Corps:

Capt. Arthur Stokes,
Capt. Arthur P. Crist,
First Lieut. Fred A. Udell,
Capt. Thomas F. Lyons,
Capt. Edward S. Yates,
Capt. Sidney W. Brewster,
Capt. Frederick C. McConnell,
Capt. Thomas A. Mott,
Capt. Harrison T. Swain,
Capt. John G. Muir,
First Lieut. William A. Howard, and
First Lieut. Renato Tittoni.

Brig. Gen. John A. Lejeune to be a major general in the Marine Corps.

Brig. Gen. Littleton W. T. Waller to be a major general in the Marine Corps, for temporary service.

The following-named colonels to be brigadier generals in the Marine Corps, for temporary service:

James E. Mahoney,
Charles G. Long,
Ben H. Fuller,
Wendell C. Neville,
John T. Myers, and
Albertus W. Catlin,

Col. Cyrus S. Radford to be an assistant quartermaster in the Marine Corps, with the rank of brigadier general, for temporary service.

The following-named lieutenant colonels to be colonels in the Marine Corps, for temporary service:

Newt H. Hall,
Smedley D. Butler,
George C. Thorpe,
Charles S. Hill,
George C. Reid,
Robert H. Dunlap,
Randolph C. Berkeley,
Carl Gamborg-Andresen,
Harry Lee,
John F. McGill,
Louis M. Gulick,
Hiram I. Bearss,
Frederic L. Bradman,
James C. Breckinridge,
Arthur T. Marix,
George Van Orden,
James T. Bootes,
Logan Feland,
William Hopkins,
Dickinson P. Hall,
Charles H. Lyman,
Charles C. Carpenter,
Louis McC. Little,
Frederic M. Wise,
Richard M. Cutts, and
Henry C. Davis.

Lieut. Col. William B. Lemly to be an assistant quartermaster in the Marine Corps, with the rank of colonel, for temporary service.

Lieut. Col. David D. Porter to be an assistant adjutant and inspector in the Marine Corps, with the rank of colonel, for temporary service.

Lieut. Col. William G. Powell to be an assistant paymaster in the Marine Corps, with the rank of colonel, for temporary service.

The following-named majors to be lieutenant colonels in the Marine Corps, for temporary service:

Harold C. Snyder,
Alexander S. Williams,
Julius S. Turrill,
James McE. Huey,
Jay M. Salladay,
Macker Babb,
Frank E. Evans,
Harry R. Lay,
Charles B. Taylor,
Rush R. Wallace,
John W. Wadleigh,
William C. Harllee,
Richard S. Hooker,
Richard P. Williams,
John C. Beaumont,
Paul E. Chamberlin,
Lee B. Purcell,
Douglas C. McDougal,
Presley M. Rixey, jr.,
Theodore E. Backstrom,
William H. Pritchett,
Thomas H. Brown,
William G. Fay,
Robert Y. Rhea,
Eli T. Fryer,
Thomas Holcomb,
Edward A. Greene,
Edward B. Manwaring,
Thomas M. Clinton,
Hamilton D. South,
James T. Buttrick,
Giles Bishop, jr.,
Frank Halford,
James K. Tracy,
Berton W. Sibley,
William Brackett,
Chandler Campbell,
Arthur J. O'Leary,
William L. Redles,
Charles T. Westcott,
Frederick A. Ramsey,
Earl H. Ellis,
John A. Hughes,
Thomas C. Turner, and
Raymond B. Sullivan.

The following-named assistant quartermasters with the rank of major to be assistant quartermasters in the Marine Corps with the rank of lieutenant colonel, for temporary service:

Henry L. Roosevelt,
Norman G. Burton,
Hugh Matthews,
Frank J. Schwable,
Rupert C. Dewey, and
Walter E. Noa.

Maj. Harold C. Reisinger to be an assistant paymaster in the Marine Corps, with the rank of lieutenant colonel, for temporary service.

Maj. Elias R. Beadle to be a major in the Marine Corps.

Maj. Arthur B. Owens to be a major in the Marine Corps.

The following-named temporary major to be a major in the Marine Corps:

Alexander M. Watson.

Capt. Wilbur Thing to be a major in the Marine Corps, for temporary service.

Capt. Edwin H. Brainard to be a major in the Marine Corps, for temporary service.

Capt. Alfred A. Cunningham to be a major in the Marine Corps, for temporary service.

The following-named captains to be majors in the Marine Corps, for temporary service:

Alley D. Rorex,
Samuel M. Harrington,
Harold L. Parsons,
Chester L. Gawne,
Dwight F. Smith,
Thomas E. Thrasher, jr.,
Ernest A. Perkins,
Nedom A. Eastman,
Randolph T. Zane,
Clarence C. Riner,
Leon W. Hoyt,
Julian C. Smith,
Charles J. Miller,
Otto Becker, jr.,
Leander A. Clapp,
William S. Harrison,
Robert W. Voeth,
Thomas S. Clarke,
Clarence E. Nutting,
Bernard L. Smith,
Edward M. Reno,
Joseph C. Fegan,
Joseph D. Murray,
Woolman G. Emory,
George H. Osterhout, jr.,
John Q. Adams,
Francis T. Evans,
Charles G. Sinclair,
Adolph B. Miller,
Allen E. Simon,
Ralph E. Davis,
Harry W. Weitzel,
Sidney N. Raynor,
Frederick R. Hoyt,
Alexander A. Vandegrift,
Fred S. N. Erskine,
Roy S. Geiger,
Ernest C. Williams,
Richard H. Tebbs, jr.,
Robert E. Messersmith,
George W. Van Hoose,
Arthur J. White,
Samuel P. Budd,
Charles D. Barrett,
Edmond H. Morse,
James T. Reid,
Robert P. Peirce,
Oliver Floyd, and
Gerald A. Johnson.

First Lieut. Arthur B. Jacques to be a captain in the Marine Corps, for temporary service.

First Lieut. William Merrill to be a captain in the Marine Corps, for temporary service.

First Lieut. Joseph Jackson to be a captain in the Marine Corps, for temporary service.

First Lieut. Clate C. Snyder to be a captain in the Marine Corps, for temporary service.

First Lieut. Thomas B. Wood to be a captain in the Marine Corps, for temporary service.

First Lieut. William J. Borden to be a captain in the Marine Corps, for temporary service.

The following-named first lieutenants to be captains in the Marine Corps, for temporary service:

Joseph M. Swinnerton,
Leslie G. Wayt,
Charles A. Smith,
Archie Farquharson,
Robert W. Winter,
Edward P. Oliver,
Sidney O. Thompson,
Glen C. Cole,
Max Cox,
William H. Haggerty,
Walter J. White,
Edgar S. Tuttle,
Thomas L. Edwards,
Charles McL. Lott,
Joseph Reardon,
David T. Jackson,
Russell A. Presley,
William L. Erdman,
John H. Nichols,
Ernest L. Russell,
Frank N. Gilmore,
William J. Flanagan,
James F. Robertson,
George L. Littlefield,
William F. Becker,
Charles H. Martin,
Rolin A. York,
Charles F. Kienast,
Harvey B. Mims,
Earl B. Hammond,
Charles G. Haas,
Charles E. Rice,
Mark A. Smith,
Timothy J. Holland,
Vincent E. Healy,
Daniel J. Readey,
Charles D. Sniffin,
Walter A. Powers,
William H. Abrams,
Edmund G. Chamberlain,
Clarence E. Nelson,
George H. Martin, jr.,
Benjamin DeW. Knapp,
Robert J. Archibald,
Gilder D. Jackson, jr.,
Franklin T. Steele, and
Percy D. Cornell.

Second Lieut. Arthur B. Jacques to be a first lieutenant in the Marine Corps, for temporary service.

Second Lieut. Roswell G. Ham to be a first lieutenant in the Marine Corps, for temporary service.

Second Lieut. Antonio Moschella to be a first lieutenant in the Marine Corps, for temporary service.

Second Lieut. Earle F. Swett to be a first lieutenant in the Marine Corps, for temporary service.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service:

George L. Cherry,
Walter S. Poague, and
Paul S. Hanway.

Second Lieut. William W. Nottingham to be a first lieutenant in the Marine Corps, for temporary service.

Second Lieut. Charles J. Churchman to be a first lieutenant in the Marine Corps, for temporary service.

Second Lieut. Allan C. Perkinson to be a first lieutenant in the Marine Corps, for temporary service.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service:

Everett R. Brewer and
Blythe G. Jones.

Second Lieut. Robert D. Evans to be a first lieutenant in the Marine Corps, for temporary service.

Second Lieut. Melvin H. Hass to be a first lieutenant in the Marine Corps, for temporary service.

Second lieutenant Henry Gund, jr., to be a first lieutenant in the Marine Corps, for temporary service.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service:

Philander B. Briscoe,
Herman R. Anderson,
Clarence M. Ruffner,
Philip B. Blake,
Albert C. Simonds,
Horace L. Hirschler,
Kenneth K. Boynton,
Frederick L. Kolb,
George R. Coxe,
Paul E. Cheney,
Samuel J. Melick,
Darrell J. Bogardus,
Walter M. Brewer,
Garrison P. Anthes,
Chester L. Fordney,
William J. J. Elger,
King H. Young,
Hu H. Phipps,
Harold P. Nachtrieb,
Roy E. Bledsoe,

Thomas A. Langford,
Lucius Q. C. L. Lyle,
Alexander P. Brown,
Walter E. Lawson,
Neil F. Dougherty,
Evans Spalding,
Carman B. Smith,
Donald U. Bathrick,
Norman E. Burbidge,
Leland I. Tolman,
Ulva L. Ettinger,
Gerald J. Pyle,
Frederick C. Lusk,
Matson C. Terry,
Willis F. Ostrander,
Frank J. Haight,
Roy A. Stoner,
Thomas G. MacCarthy,
James H. Williamson,
David A. Redford,
George G. Munce,
Carroll F. Byrd,
Frederick S. Manter,
Ralph W. Marshall,
Samuel F. Hollins, and
Raymond J. Kirwan.

The following-named officers of the Marine Corps Reserve to be second lieutenants in the Marine Corps, for temporary service:

Second Lieut. Henry D. F. Long,
First Lieut. James Diskin,
First Lieut. Ross L. Iams,
Second Lieut. Lee Carter,
First Lieut. George Nielson,
First Lieut. Wyle J. Moore,
First Lieut. Charles D. Baylis,
Second Lieut. Richard B. Dwyer,
Second Lieut. William G. Kilgore,
First Lieut. Harry E. Leland,
Second Lieut. John F. Leslie,
Second Lieut. David R. Nimmer,
First Lieut. William J. Platten,
Second Lieut. Allen G. Williams,
First Lieut. Georges F. Kremm,
First Lieut. Jesse F. Dunlap,
First Lieut. Melchoir B. Treifall,
First Lieut. Walter H. Batts, and
First Lieut. Trevor G. Williams.

Marine Gunner Winfield S. Cranmer to be a second lieutenant in the Marine Corps, for temporary service.

The following-named officers of the Marine Corps Reserve to be second lieutenants in the Marine Corps, for temporary service:

James McI. Adam,
Corlies Adams,
Herbert F. Adey,
Harvey B. Alban,
Norman T. Alexander,
Raymond D. Andrews,
Ray M. Angell,
Theodore F. Appleby,
Anthony G. Armstrong,
George S. Atkinson,
John Ayrault, jr.,
Harry W. Bacon,
David Ball,
George L. Ball,
Robert L. Bard,
William D. Bassett,
Arthur J. Bancroft,
John W. Beckett,
Robert S. Benepe,
Byron M. Bickford,
Paul E. Bierly,
Ivan E. Bigler,
Frank X. Bleicher,
Arthur O. Bodine,
John J. Bogardus,
Edwin M. Borgen,
William E. Bowe,
Sherman H. Bowles,
Richard Boydston,
Eugene D. Bradbury,
Alfred H. Branham,
Frank B. Bready, jr.,
Charles N. Briggs,
Clarence E. Briggs,
Leslie Brown,
Irwin T. Brown,
Oliver D. Brown,
William F. Brown,
Joseph F. Burke,
Leonard S. Burns,
Richard L. Byrd,
Laurence D. Berlin,
Charles C. Cameron,
Henry A. Carr,
Robert T. Carrithers,
Theodore H. Cartwright,
Arthur D. Challacombe,
Arthur F. Chmelik,
Solon B. Clark,
Bernard W. Coldewey,
Charles F. Conahan,
John F. Connaughton,
Stewart P. Corning,
William S. Cowles, jr.,
Alfred C. Cottrell,
David S. Craig,
Gerald A. Craig,
Charles W. Creaser,
John W. Cunningham,
James B. Darby,
Hubert J. Davis,
Louis J. Davis,
Edward Earle,
Nathaniel W. Emery,
Fred N. Estopinal,
Phillips Eastman,
Charles W. Ebnother,
Carlton E. Edwards,
John F. Ellis,
John J. Emmons,
John F. Eskay,
William W. Eustis,
James C. Faw,
Francis I. Fenton,
Guy L. Ferguson,
Michael J. Finn,
Carlton A. Fisher,
George C. Flanders,
James W. Flett,
Charles P. Flood,
Harry G. Fortune,
James Gandee,
Frank B. Geottge,
Frank D. Gibson,
Wallace G. Gibson,
Frank S. Gilman,
Newell S. Gordy,
Moses J. Gould,
Frank P. Graham,
Homer J. Gravelle,
Edwin U. Hakala,
Charles H. Hassenmiller,
August L. Huhn, jr.,
George M. Hunter,
Robert E. Hutchinson,
Henry N. Hale,
Elmer E. Hall,
William C. Hall,
John Halla,
Charles F. Hansel,
Eugene B. Hanson,
Page V. Hart,
Clarence H. Hartley,
Leo Healey,
Frank W. Heinrichs,
Gerald K. Hemsing,
Frank W. Hemsoth,
Eugene G. Henry,
Russell A. Hicks,
Grant L. Hill,
Ogbourne A. Hill,
Sidney Hodges,
Leo W. Horejs,
George W. Houghton,
Morton B. Houston,
Ross M. Hutchinson,
Charles E. Huntting,
Kenneth A. Inman,

Elijah H. Ikard,
Orrel A. Inman,
Charles V. Iredell,
Edward B. Irving,
William S. Ive,
John R. Jacob,
Paul Jahn,
Elmer W. Johnson,
Robert L. Jarnagin,
Robert B. Jeffrey,
Irving A. Jennings,
Barton I. Jenson,
Byron F. Johnson,
Harold S. Jones,
William J. Jones,
Earl F. Johnson,
James B. Johnson,
Nathaniel B. Johnson,
Oscar B. Kaufman,
Loren P. Kesler,
James J. Keating,
Oscar D. Keown,
Frank M. Keller,
Oscar E. Kelly,
William S. Kelley, jr.,
Harold E. Kellogg,
Harold E. Kelsey,
Arthur F. Lamey,
Irving H. Lambert,
Fletcher H. Lansing,
Arnold C. Larsen,
Aubrey O. Loughmiller,
Ralph K. Lawson,
Paul A. Lesser,
George R. Lewis,
Charles E. Lighter,
Jack B. Loraine,
Keesler B. Low,
Orlando A. MacKinnon,
Paul F. Moran,
Grover C. Moore,
Joseph E. Magnus,
Edward W. Mahan,
Edward E. Mann,
Cyril W. Martyr,
Lester N. Medaris,
Frank A. Messmer, jr.,
Sidney M. Michael,
Wells W. Miller,
George E. Monson,
Edward B. Moore,
Robert B. Moore,
Roy S. Moore,
Gomer W. Morgan,
Charles F. Morrison,
Melville L. Moore,
Merwin C. Morrison,
Richard F. Mott,
Robert P. Moyer,
Sydney M. Moore,
Chauncey L. Mullen,
William W. Multer,
Raymond F. Murphy,
Maxwell F. Musser,
Frank C. Myers,
Gail D. McDowell,
Oscar D. McDaniel,
Homer H. McIntyre,
William R. McKee,
James P. J. McKevitt,
John C. McLean,
Clinton W. McLeod,
Martin L. McManus,
John W. McNamara,
Hubert B. McPeak,
Wendell S. McRae,
John A. McShane,
Edmund D. Nelson,
Edmund C. Norton,
Nathan S. Noble,
Joseph L. Nolan,
Emil M. Northenscold,
James C. Norton,
Donald G. Oglesby,
William G. Olive,
Ruel G. O'Neel,
Edward B. Orr,
Ralf C. Paddock,
Jackson C. Palmer,
William C. Parker,
Bradford A. Parrish,
Farold K. Patchen,
Gerald R. Patten,
Albert W. Paul,
Donald E. Paul,
Louis F. Peifer,
Louis A. Perraud,
Lynn E. Perry,
Charles P. Phelps,
Claude A. Phillips,
Basil H. Pollitt,
Leigh A. Poole,
Lester E. Power,
William B. Pressey,
Clifford Prichard,
Lindley H. Pryor,
Irving B. Purdy,
Alfred Putnam,
Harry S. Radcliffe,
Joseph W. Rafter,
Charles J. Reilly,
Eldred I. Rawles,
Charles E. Richardson,
Howard A. Rogers,
Howard E. Rothrock,
Frank W. Rugg,
Earl L. Ryan,
John F. Ryan,
Samuel B. Ryan,
Robert K. Ryland,
George C. Schleeter,
Harry N. Salet,
Joseph F. Simmons,
Leslie R. Smith,
Paul R. Schoenlaub,
Carey J. Scott,
Jesse C. Scroggins,
Edward Selby,
John T. Selden,
Arthur F. Sennholtz,
Allen R. Sherman,
Henry D. Shields,
Edward P. Simmonds,
Frank P. Simons,
Earl K. Smith,
Francis M. Smith,
James E. Smith,
Dale R. South,
Fred R. Sparger,
Frederick L. Spear,
Harry P. Strong,
Edward W. Staunton,
Kenneth M. Stead,
Melvin J. Stinchfield, jr.,
Uley O. Stokes,
Ray Sunderland,
Harry R. Swanson,
Joseph F. Szeszycki,
George Tholin,
Bruce E. Tow,
Robert E. Towey,
John A. Tracey,
Charles L. Turner,
Pierson M. Tuttle,
Frank D. Upchurch,
Ross G. Van Gundy,
Alfred J. Wainman,
John D. Wagstaff,
Arthur L. Whiteside,
Alphonse H. Wambsgans,
William J. Wallace,
James D. Waller,
Byron J. Walters,
Joseph E. Watson,
Harvey D. Weaver,
Hilliard C. Wellborn,
James G. White,
Maurice B. Wiedemer,
Hansel D. Wilson,
Hobert A. Wilson,

Norman H. Wilson,
Stanley E. Wilson,
Kenneth A. Williams,
Harold P. Williamson,
Carl D. Wingstrand,
Earl J. Witt,
Clinton H. Wooten,
William D. Wray,
Ernest L. Wright,
Joseph A. Yeager,
Sherman L. Zea,
Chester A. Zeller,
John H. Andrews,
Edward C. Apperson,
Clay R. Apple,
Michael J. Barry,
Merton J. Batchelder,
Olin L. Beall,
Kenneth R. Berkey,
Thomas E. Boliver,
Josiah B. Bristol,
Marshall Y. Chapman,
Daniel L. Clifford,
Alan M. Cohen,
Harry P. Crouch,
Charles A. Craig,
George W. R. Davidson,
Joseph De Paiva,
James D. Desmond,
Joseph L. Doll,
James H. Eason,
Earle S. Eastham,
Walter S. Farley,
Kenneth S. Ferguson,
John McP. Gault,
George M. Goodman,
James B. Gracy,
Miner P. Gross,
Tom H. Hayden,
Lyle Harper,
John W. Housewright,
William T. Howze,
George S. Huggard,
Joseph A. Jensen,
Aubrey L. Johnson,
Michael J. Kelley,
Sherman B. Kramer,
Clinton S. King,
Leonard Kinsell,
Charles T. Langan,
William R. Langford, jr.,
Phillips T. Lehmer,
Harry B. Liversedge,
Guy Lewis,
Frank C. Logue,
Ralph W. Luce,
William G. Lodwick,
Nathan D. McClure,
Dan McFarland,
Hugh A. McGann,
John M. McGregor,
Clifton G. McMeen,
Colin J. Macdonald,
Maurice F. Mackey,
Jo G. Martin,
William F. May,
Howard Mayes,
Norman McA. Moss,
Don D. Newton,
Bertram S. Nickerson,
Vincent M. O'Donnell,
James W. O'Neil,
Robert C. Patchell,
Lawrence R. Patterson,
Otey H. Pettigrew,
Francis A. Porter,
Arthur C. Prine,
William B. Prior,
Stewart W. Purdy,
Laurens H. Reyburn,
Herbert B. Renninger,
Harvey J. Rice,
Richard V. H. Ridgely,
Ralph R. Rieker,
Walter Roll,
John A. Scanlon,
Barney M. Shively,
Rees Skinner,
Francis McF. Snider,
Kenneth B. Stiles,
Alvan E. Stoddard,
Donald G. Stookey,
Harry C. Swanstrom,
William M. Thomas,
Samuel F. Vance,
Joseph F. Verhelle,
Robert L. Waddell,
George M. Wolcott,
Ray F. Wetter,
James F. Wilmeth,
Hubert C. White,
Charles F. Worthen,
John A. Zimmerman,
Horace Talbot,
David Kipness,
Earl W. Garvin,
Harold W. Whitney,
Fred Thomas,
Victor F. Bleasdale,
Harold F. Swindler,
Harold T. Palmer,
Merwin H. Silverthorn,
Aaron J. Ferch,
Russell C. Bayne,
Jacob H. Heckman,
Kyle C. Hash,
Arthur J. Pelander,
Tolbert W. Wagoner,
Herbert G. Joerger,
Claggett Wilson,
Charles R. Francis,
Oscar A. Swan,
Joseph C. Grayson,
Walter S. Caspar,
Henry McClintock,
John H. Parker,
Nicholas E. Clauson,
Carl P. Hedberg,
Roger B. Kirkbride,
Sydney Thayer, jr.,
Arnold D. Godbey,
Herman L. McLeod,
Joseph D. Broderick,
Carl R. Dietrich,
George Ehrhart, jr.,
Donald S. Gordon,
William T. Hutchinson,
Harold Powell,
Albyn A. Wilcox,
Donovan Wilmot,
Alfred Wilkinson,
Joseph M. Mueller, jr.,
Jacob Lienhard,
Patrick J. Grealy,
James G. Brennan,
Robert E. Conner,
James P. Schwerin,
Bernard L. Fritz,
William J. Mosher,
Vernon Bourdette,
Robert I. Avery,
Samuel T. Jackson,
Guy L. Pyle,
Marvin Scott,
William P. Henchel,
Irving F. Bigelow,
John L. Hunt,
Delos D. McKenzie,
Charles A. Ingram,
Edward T. Bayman,
John T. Thornton,
Fitzhugh L. Buchanan,
Joseph N. Shaw,
Ralph C. Judd,
Chauncey H. Applegate,
Edward F. O'Day,
James McClelland,
Tom E. Wicks,
John A. Gustafson,
David P. Colvin,

Jacob J. Kesel,
James Carbary,
Murl Corbett,
William H. Schmidt, jr.,
Ray Rindfleisch,
William P. Grow,
Eugene West,
Amor L. Sims,
Robert C. Pitts,
Joseph B. Carhart,
George L. Brown,
Howard L. Vose,
Emmet Trainor,
Earl T. Martineau,
Kenneth W. Harding,
Joseph F. Maher,
Peter Morgan,
Henry L. Nabbefeld,
Hugh P. Kidder,
William A. Zook,
George Bower,
Charles W. Brooks,
Ben L. Taylor,
William F. Dummer,
Lloyd E. Battles,
Jay Van Housen,
Palmer Ketner, jr.,
Henry P. Cottingham,
Arthur C. Cooper,
Charles H. Ray,
John Groff,
Henry P. Glendinning,
Willis H. Prather,
Prentice S. Geer,
Irving G. Beckwith,
William R. Bockus,
George W. Walker,
Richard R. Day,
Marshall E. Simmons,
George Draine,
William A. Bradley,
George R. Rowan,
Leonard E. Rea,
Harry G. Lane,
James E. Stanners,
Clell G. Johnson,
Lucas I. Bruns,
Richard H. Schubert,
Herbert V. Hansen,
Egbert J. Wood,
Melvin E. Fuller,
George E. Gardner,
Holton Y. Ditto,
Claude B. Taugher,
William B. Kinkead,
Bruce C. Lubers,
Thomas R. Wert,
Charles F. Dalton,
Samuel K. Eaves,
Charles M. Adams,
Earl F. Lucas,
Axel G. Johnson,
Bert O. Herreid,
William K. MacNulty,
Edwin J. Davenport,
Hamlet C. Sharp,
Edward C. Fowler, and
Richard Cornelius.

First Lieut. Earl C. Nicholas to be a captain in the Marine Corps, for temporary service.

First Lieut. Frank F. Zissa to be a captain in the Marine Corps, for temporary service.

First Lieut. Martin J. Kelleher to be a captain in the Marine Corps, for temporary service.

First Lieut. Martin Canavan to be a captain in the Marine Corps, for temporary service.

Quartermaster Clerk David L. Ford to be a second lieutenant in the Marine Corps, for temporary service.

Second Lieut. Josephus Daniels, jr., Marine Corps Reserve, to be a second lieutenant in the Marine Corps, for temporary service.

The following-named first lieutenants to be captains in the Marine Corps, for temporary service:

Newton Best and
Angus A. Acree.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service:

Clifton B. Cates and
George T. Hall.

The following-named officers of the Marine Corps Reserve to be second lieutenants in the Marine Corps, for temporary service:

William English,
George W. Hopke,
Frederick Israel,
Carl J. Norstrand,
Cecil J. Widdifield,
Robert C. Babcock,
Dave W. McClain,
Frank Neider,
Morris C. Richardson,
Goerge Belmont,
George B. Batten,
John T. Foster,
William Zoltowski,
Russell M. Frederick,
Edward E. Lindgren,
Bayard Vasey,
Jesse L. Crandall,
Vincent A. Brady,
Edward F. Dunk,
Harry L. Smith,
Robert L. Young,
Charles S. Thompson,
Terrence J. Callan,
Paul J. Ogden,
Maurice E. Barnett, jr.,
William W. Rogers,
George F. Stockes,
William J. Whaling, and
Curtis T. Beecher.

HOUSE OF REPRESENTATIVES.

TUESDAY, *August 27, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in Heaven, impart unto us, we pray Thee, grace sufficient unto the needs of the day; wisdom unto these Representatives of a great people to guide them in all their legislative acts; patriotism unto the American people, so pure, so deep, so broad, so strong, that we, in conjunction with our allies, may gain the war for humanity; in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MOTION TO DISCHARGE A COMMITTEE.

Mr. DOOLITTLE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DOOLITTLE. There has been pending in the Committee on Agriculture for several months a bill introduced by my colleague, Mr. AYRES, of Kansas, a resolution fixing the price generally on articles enumerated in the bill. No action has been taken in the committee. Repeated attempts have been made by members of the committee, including myself, to get action upon it. The gentleman from Kansas [Mr. AYRES] has filed a motion to discharge the Committee on Agriculture from further consideration of the resolution No. 253. Query: When would it be in order to ask for recognition on his motion to discharge the committee?

The SPEAKER. It can not be done except on the first and third Mondays, and it could not be done then until the whole Unanimous Consent Calendar has been disposed of and motions to suspend the rules are disposed of. It comes third in order. If we ever get a chance to clear up the Calendar for Unanimous Consent and there are not enough motions to suspend the rules to take up the balance of the time, then that particular list of motions will be taken up; I do not know how many are pending.

Mr. DOOLITTLE. It could not be taken up prior to that time except by unanimous consent?

The SPEAKER. No. The Clerk informs me that there are 35 motions on the list.

Mr. DOOLITTLE. The only way it could be taken up is by unanimous consent?

The SPEAKER. Yes; and that is very doubtful. The Chair would have to look into that and see whether it could be done. A former Speaker, Mr. CANNON, once announced that you could put anything through the House by unanimous consent, even an

elephant, but the Chair doubts very much the correctness of that decision.

PAIRS.

The Chair wishes to make a further statement. Two or three times lately there has been a sort of commotion about pairs. The Chair has stated half a dozen times that the Chair has nothing on earth to do with pairs and neither has the House except as stated in the rules. The other morning the gentleman from Texas [Mr. GARNER] asked unanimous consent that the Speaker inform the pair clerks that they must not pass up any pairs except those signed by the Members. That is precisely what the rule provides now. It is one of those things that the Chair does not have always in mind unless attention is called to it. The rule provides:

Pairs shall be announced by the Clerk after the completion of the second roll call from a written list furnished him and signed by the Member making the statement to the Clerk, which list shall be published in the RECORD as a part of the proceedings, immediately following the names of those not voting, provided pairs shall be announced but once during the same legislative day.

And then in Rule XV it provides—

and thereafter the Speaker will not entertain a request to record a vote or announce a pair unless the Member's name has been noted under clause 3 of this rule.

The Chair knows, and everybody else knows, that as a matter of practice a Member will go to the pair clerk and say, "Pair me with Representative Jones, Smith, or Brown," or whoever the Member may be. The difficulty about the pair business comes where the pairs do not indicate which way the Member would vote if he was here. The Chair does not see how a man can tell what is going to come up in the three or four weeks that he may be absent when making a pair for that length of time. He can not go off and expect the pair clerk to know how he would vote. In the opinion of the Chair the whole thing is a nuisance.

Mr. WALSH. Mr. Speaker, will the Chair allow an interruption?

The SPEAKER. Certainly.

Mr. WALSH. The Chair would not interpret that rule to require a Member himself to sign a request for each individual pair? If he knows he is going to be absent for a definite length of time he leaves general authority to be paired on all questions.

The SPEAKER. The Chair read the rule, and it is plain as day. In old times, when everything was political, Democrats and Republicans, two Members could make a pair, and the clerk would know that the Republican voted with the Republicans and the Democrat with the Democrats, but lately you can not tell "tother from which." [Laughter.] And many times they are not very far apart.

ORDER OF BUSINESS.

Mr. SIMS. Mr. Speaker, I wish to ask what amount of time is to be taken up by speeches to-day for which unanimous consent has been given.

The SPEAKER. Two hours and ten minutes.

Mr. SIMS. It would not be in order for me to move to go into Committee of the Whole until that time has been consumed?

The SPEAKER. No.

Mr. SIMS. I am very busy in the hearings on the war emergency power bill. I hope there will be no requests for further speeches to-day by unanimous consent and let us continue the consideration of the water-power bill.

Mr. WALSH. Does the gentleman intend to sit here and listen to the speeches?

Mr. SIMS. I have just stated to the gentleman that I am very busy in the committee hearing on the emergency power bill.

Mr. WALSH. Oh, I thought the gentleman meant that he was going to adjourn his hearings.

Mr. SIMS. Oh, no. Therefore, Mr. Speaker, I shall return about 2 o'clock to move that the House go into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill, and will do so so soon as the speeches set for this morning are concluded. I hope that no other gentleman will make a request in my absence to be permitted to address the House.

LEAVE OF ABSENCE.

Mr. HADLEY. Mr. Speaker, I ask unanimous consent that my colleague, Mr. LA FOLLETTE, be granted indefinite leave of absence, on account of illness in his family.

The SPEAKER. The gentleman from Washington asks unanimous consent for indefinite leave of absence for his colleague, Mr. LA FOLLETTE, on account of sickness in his family. Is there objection?

There was no objection.

JESSIE T. LOVELL.

Mr. PARK. Mr. Speaker, I present a privileged report (H. Rept. No. 761) from the Committee on Accounts, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 423.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, to Jessie T. Lovell, clerk to James H. Davidson, a Representative from the State of Wisconsin at the time of his death, August 6, 1918, the sum of $166.66, being an amount equal to one month's salary of a clerk of a Representative in Congress.

The SPEAKER. The question is on agreeing to the resolution.

Mr. GILLETTE. Mr. Speaker, I will ask the gentleman from Georgia if this is the usual practice?

Mr. PARK. It is.

The resolution was agreed to.

ORDER OF BUSINESS.

The SPEAKER. The gentleman from Missouri [Mr. HAMLIN] is recognized for 30 minutes.

Mr. WALSH. Mr. Speaker, the gentleman from Missouri [Mr. HAMLIN], I believe, is first in order in remarks that are to be made to-day. Mr. HAMLIN is a gentleman who has had a long and distinguished career here in the House, and I know his remarks will be of very great interest to the membership. I think we ought to have a larger attendance, and I therefore make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. Evidently there is not.

Mr. FOSTER. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Farr	Kreider	Scully
Aswell	Fess	La Follette	Sells
Austin	Flynn	LaGuardia	Shackleford
Bacharach	Foss	Lever	Sherley
Barkley	Francis	Linthicum	Sherwood
Black	Frear	Little	Shouse
Booher	Freeman	Lobeck	Siegel
Brand	Fuller, Mass.	Lundeen	Sims
Britten	Gallivan	Lunn	Slayden
Browne	Gandy	McCormick	Slemp
Browning	Garland	McLaughlin, Pa.	Smith, C. B.
Butler	Garrett, Tenn.	Maher	Smith, T. F.
Byrnes, S. C.	Glass	Mann	Snell
Candler, Miss.	Glynn	Mays	Snyder
Carew	Goodwin, Ark.	Meeker	Stafford
Carter, Mass.	Gould	Miller, Minn.	Stephens, Miss.
Church	Graham, Pa.	Miller, Wash.	Sterling, Pa.
Clark, Fla.	Gray, Ala.	Montague	Stevenson
Coady	Gray, N. J.	Moores, Ind.	Sullivan
Connally, Tex.	Green, Iowa	Mott	Sumners
Connelly, Kans.	Greene, Mass.	Mudd	Swift
Cooper, Wis.	Gregg	Neely	Switzer
Copley	Griest	Nelson	Tague
Costello	Griffin	Nicholls, S. C.	Talbott
Cox	Hamill	Nichols, Mich.	Taylor, Colo.
Crago	Hamilton, N. Y.	Nolan	Templeton
Cramton	Haskell	Oliver, Ala.	Thompson
Crosser	Hastings	Oliver, N. Y.	Timberlake
Curry, Cal.	Heaton	O'Shaunessy	Tinkham
Dale, N. Y.	Heintz	Padgett	Van Dyke
Dallinger	Hensley	Parker, N. Y.	Vare
Darrow	Hicks	Peters	Venable
Davis	Hood	Powers	Vinson
Delaney	Howard	Ragsdale	Walton
Denison	Hull, Iowa	Randall	Ward
Dewalt	Husted	Rankin	Watkins
Dies	Hutchinson	Riordan	Watson, Pa.
Dill	Jacoway	Robbins	Watson, Va.
Dillon	Johnson, S. Dak.	Roberts	Welling
Dominick	Jones	Rogers	Whaley
Donovan	Juul	Rowe	Wilson, Ill.
Dooling	Kahn	Rowland	Wilson, Tex.
Doremus	Kearns	Russell	Wingo
Drukker	Keating	Sabath	Wise
Eagan	Kelley, Mich.	Sanders, La.	Wood, Ind.
Edmonds	Kennedy, R. I.	Saunders, Va.	Woods, Iowa
Emerson	Kiess, Pa.	Schall	Wright
Estopinal	King	Scott, Mich.	
Fairchild, G. W.	Kitchin	Scott, Pa.	

The SPEAKER. Two hundred and thirty-six Members have answered to their names, a quorum.

Mr. MADDEN. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

THE JUVENILE COURT (H. DOC. NO. 1265).

The SPEAKER laid before the House the following message from the President of the United States which was read, and

with the accompanying papers referred to the Committee on the District of Columbia:

To the Senate and House of Representatives:

I transmit herewith for the information of the Congress the reports of the clerk and chief probation officer of the Juvenile Court of the District of Columbia for the two years ended June 30, 1917.

WOODROW WILSON.

THE WHITE HOUSE,
27 August, 1918.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed without amendment the bill (H. R. 12704) to authorize the importation without the payment of duty of sundry articles for the American National Red Cross to be donated or used by it solely to or for the benefit of the land or naval forces of the United States or its allies, or for the relief of the civilian population of the United States or of its allies.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 12704. An act to authorize the importation without the payment of duty of sundry articles for the American National Red Cross to be donated or used by it solely to or for the benefit of the land or naval forces of the United States or its allies, or for the relief of the civilian population of the United States or of its allies.

THE CHARACTER AND PATRIOTISM OF THE MEMBERSHIP OF THE HOUSE.

The SPEAKER. The gentleman from Missouri [Mr. HAMLIN] is recognized for 30 minutes.

Mr. HAMLIN. Mr. Speaker and colleagues, as a result of the recent primary in my State I will not be a Member of the House after March 4 next. Therefore no sinister or selfish purpose can be attributed to me in what I shall say on this occasion. Neither can it be called in any sense a "swan song," for I undertake to say that no man has quit the service in this House with less bitterness in his soul or with a less feeling of chagrin than I will.

For the last 16 years I have been in one continuous political battle. For eight consecutive terms I have been the nominee of my party and have been elected to this House seven times, and each time I have had to fight both for the nomination and election. The people of my district have been good to me. They have kept me here, under the adverse circumstances mentioned, longer than any man who ever represented the district, and therefore it is with a feeling of relief rather than grief that I retire to private life.

The only regret I have is the severing of the delightful ties of friendship which I have been able to form with Members of the House—representative men from every part of these United States. In this, however, I will be the only loser, for in my successor you will find a big-hearted, whole-souled, likable fellow, whom to know will be to love, and you will therefore too soon forget that I have ever been here.

This, however, is not the purpose of my addressing you at this time. Now that the situation is changed and that I can not be accused of selfish reasons, I want to combat and denounce as best I may the libelous criticisms of Congress gratuitously made by a few yellow papers and other publications throughout the country directed against the whole membership of Congress.

There are a few papers printed in the large cities of the country, but which find an echo here and there in the papers of some of the smaller towns, that are not, in fact, patriotic and that have not courage enough to show their real colors, but that seek to cripple and hinder the prosecution of this war by bringing into disrepute and distrust by the vilest misrepresentations the legislative branch of the Government.

The columns of these publications are filled with hypocritical protestations of loyalty to our Government in these hours of stress and trouble, but they are also filled with an indictment of the whole membership of the lawmaking body by characterizing them as unintelligent, unscrupulous, unpatriotic, and, in fact, slackers. They say Congress has not done and will not do anything toward helping to win this war except such things as it is forced to do under the lash of public opinion. In other words, these pro-German publications—for they are nothing else—seek, under the guise of high-powered patriotism upon their part, to poison the minds of the people and create distrust and lack of confidence in the lawmaking body of their country, and in doing that believe that they can effectively cripple the prosecution of the war. This is not only unjustified and wrong but is infamous. There may be some men in Congress who ought not to be here, but I undertake to say that I do not believe that 533 men composing the membership of the House and Senate can be gotten together from the body of the people, or from any particular class of the people even, who would represent a higher order of intelligence, probity, and patriotism than those who now constitute or do constitute from time to time the membership of the great lawmaking body of our country. Of this I am sure: It has never been my privilege to come into contact with men possessed of purer motives, higher ideals, or more patriotic purposes than those composing the Congress of the United States from time to time. The fact is they are so far above the slimy creatures who seek to traduce them that it is a shame to mention both in the same connection.

Not to refute this calumny, for the intelligence of the country will do that, but that the truth may be known, let us see if the records bear out or even lend color to the statement that Congress is unpatriotic or neglectful of their country's interest in these times of stress. In other words, is it true that Congress does nothing?

When we declared war on Germany we had practically no army, no equipment, and no ships. On the 6th of April, 1917, when the declaration of war was made, we found ourselves in the position of being at war with the greatest military machine in the world and with an army numbering approximately only about 100,000 men. Within 15 months from that time we had in uniform, fully equipped, comfortably housed, in training, and upon the battle field 3,000,000 as brave boys as ever went to battle. [Applause.] When we declared war we had no ships—for years we had depended upon foreign ships to do our overseas carrying—but since that time we have builded shipyards and extended others and have been able to launch already more ships flying the Stars and Stripes than we had launched in any 10 years of our previous history. Within that time we have transported and have on the plains of France 1,500,000 of the best fighters that ever went to battle, as evidenced by the fact that the ruthless Hun started back toward Berlin as soon as a small contingent of our soldiers appeared in the front-line trenches. And yet these yellow pro-German publications have the audacity to tell the people that Congress has done nothing. The truth is not one pound of powder could have been made available, not one gun made, not one shell manufactured, not one boy put in uniform, not one soldier transported beyond the seas, not one wheel turned if Congress had not first enacted the laws providing for the same and had not made available the money for which to carry on this work. And yet in the face of these facts these infamous, slanderous sheets say Congress is unpatriotic and neglectful of their country's interest.

I undertake to say that no country since history was first written ever prepared an army so well and in so short a time and never transported across 3,000 miles of sea, infested with the deadly submarine and treacherous mine, 1,500,000 men without practically the loss of a single one, or so well provided for its soldiers and their dependents as has this war Congress. And yet these libelous journals would have the country believe that Congress is in open rebellion against the executive department and will not support it in this time of war. Let me give you a sample of some of this infamous misrepresentation. I read an extract from one of these yellow journals published in my district headed:

CONGRESS IN REBELLION.

As a rule, it is better for the country if Congress is in vacation. The President has often shown a disposition to keep Congress away from Washington. Nevertheless, there is certain necessary work for Congress to do. Secretary McAdoo wants revenue legislation of an important character acted on at once. It is necessary for the conduct of the war, yet Congress is almost in rebellion rather than do its plain duty. * * * Congress should be a leader in patriotic work instead of trying to avoid a little effort in the summer months.

And so forth.

This statement is made in the face of the fact that the records will show that Congress has promptly and gladly and almost unanimously enacted every piece of legislation asked by the executive department in the prosecution of this war. It is only fair to say that political lines have been obliterated in Congress; it is impossible in the consideration of war legislation to determine who is a Democrat or who is a Republican. Practically every man has stood shoulder to shoulder and presented a united front in giving the Commander in Chief of the Army and Navy—one in whom everybody in and out of Congress has confidence—every and all support requested by him. [Applause.]

I also undertake to say that the history of civilization does not disclose any country in any period of the world that ever provided for its soldier boys in entering a war as well and as generously as this Congress has. It has provided not only for them but for their dependents. Every soldier who dons a uniform and leaves at home a wife or child is assured by an act of Congress that those loved ones will not be neglected. Congress has provided that the private soldier shall be furnished everything by the Government in the way of food, clothing, and other necessities of life, and that he, if married, shall allot $15 per month of his pay to the support of the wife and child, if any; but when he does this the law enacted also provides that the Government shall add to that allotment $15 per month for the wife, $10 for the first child, $7.50 for the second, $5 per month additional for each additional child. No other country has ever been so generous, and yet they say Congress is unpatriotic and has done nothing. For the unmarried private Congress has said to him: "If you have a dependent father or mother, or sister or brother, and will allot a portion of your pay for their support, the Government will supplement that allotment with a payment each month of $10."

Congress did not stop there, but said to the holders of indebtedness against a soldier, that they can not foreclose or enforce the payment of the indebtedness while the soldier is fighting for his country, and turn his dependents out of doors. And yet they say that Congress has done nothing.

Not only that, but realizing that the very best blood of the nation was being suddenly placed in hazardous employment and could not therefore obtain insurance in the usual way at reasonable prices, it being ascertained that insurance on the lives of such boys as are taken in the Army could be carried in peace times at $8 per $1,000 per year, but would cost in war times $58 per $1,000, Congress said that it would not be right to force these young men into this hazardous employment and then penalize them by compelling them to pay $58 instead of $8 per $1,000 per year insurance by reason of their situation. Consequently, Congress provided by law for the organization in the Treasury Department of an insurance bureau, enabling these boys to provide for the future by taking insurance from $1,000 to $10,000 at $8 per $1,000 per year, the amount required in ordinary peace times, and that the Government would carry the extra risk of $50 per $1,000 occasioned by the war. No other country in the history of the world has ever done this and yet these pro-German publications say that Congress has done nothing.

Congress has made available not only millions, but billions of dollars in the prosecution of this war. In order to do so, it has been necessary to call upon the people to generously loan to Uncle Sam all the money that they can possibly spare, for which he gives his bond, behind everyone of which is pledged all the resources and the manhood of the richest and greatest democracy on earth. In addition to that it is necessary for taxes to be laid upon the people, heavier, perhaps, than in the history of the country before, but fully justified by conditions, for everyone realizes that the very existence of our Government is in the balance, and the man who is not willing to make sacrifices for his country does not deserve to have a country. Any man who is not willing to defend the Stars and Stripes with every dollar that he possesses and every drop of his blood, if necessary, ought to leave the country and not longer disgrace it with the claim of citizenship.

I have a suspicion that in this very question of taxes may be found the motive for these misrepresentations and indictment of the patriotism of Congress. For years and years some of these publications, at least, have been receiving a bonus from the Government. Their effusions have been carried through the mails of the United States for years at a net loss of about 7 to 8 cents per pound, amounting to millions of dollars each year, which the taxpayers of the country have had to contribute. Some time ago Congress concluded that in these times of trouble, when everybody ought to do his duty, to increase in a small way the postage on this second-class mail matter. Immediately there was set in motion a propaganda denouncing Congress, and every Member has been bombarded with letters and telegrams, many of them from good citizens, who were induced to send them under a misapprehension of the facts, protesting against this increase of second-class postage. Many of these same publications which are now denouncing Congress as unpatriotic and as slackers are not patriotic enough to pay even a small modicum of the expense that the Government is put to in distributing their literature over the country. In my opinion this is the secret, very largely, of their attack.

Whatever purpose these publications had in attempting to indict the whole of Congress, it was unjustified. When the life of our country is hanging in the balance, the man who would attempt to cause distrust and lack of confidence in those in authority, when the facts do not justify it, is an infernal traitor and ought to be treated as such. They may try to call it politics, but there can be no politics among patriots when the life of the country is at stake. Politics, as stated by the President, must under these circumstances "stand adjourned." In ordinary peace times we can have our political bouts both here on this floor and out on the hustings, and who is there that does not enjoy it? But now that we are in the midst of a great struggle for existence we must forget politics. I can only hope that the men here who have so loyally and patriotically supported the Nation in these dark hours shall have the approval of the patriots of their respective districts by being returned to their places in November. And it makes no difference whether you sit upon the east or west side of this House. May I not also hope—in fact, may I not predict with all confidence—that our present great Speaker, than whom no fairer or more competent man ever presided over the deliberations of this House, may be reelected to that position in the new Congress, regardless of the results throughout the country in November?

If you gentlemen can be returned and the organization left undisturbed, so that the well-oiled machinery may continue to run without disturbance, and the Department of Justice will get busy and enforce the espionage law as it may be enforced and thereby rid this country of all anti-Americanism, then, and not until then, will we be doing simple justice by the boys who are so valiantly giving their lives that we may continue to have a country in which to live. To this let us dedicate all our energies, all our time, and our lives, if necessary. [Applause.]

THE FEDERAL TRADE COMMISSION.

The SPEAKER pro tempore (Mr. DEWALT). The gentleman from Illinois [Mr. MADDEN] is recognized for 20 minutes.

Mr. MADDEN. Mr. Speaker and gentlemen of the House, the Congress of the United States has from time to time enacted laws creating commissions for the regulation of certain branches of the Government and the activities of the business industries of the country, and among these commissions is one known as the Federal Trade Commission, created in 1914. The object of the creation of that commission, as I understood it and as I think the American people understood it, was to so regulate the conduct of the business of the country that there would be no monopoly in any line of trade and that combinations in the restraint of trade might be discovered and prosecuted and such combinations dissolved. In a recent investigation of the packing industry of the United States the Federal Trade Commission made serious charges against five of the great packing institutions, Armour & Co., Swift & Co., Morris & Co., Wilson & Co., and others. They charged them with all kinds of crimes and misdemeanors. They made every kind of investigation that it was possible for them to make under the extensive powers granted to this commission by the law. They exploited the commission and its members for political reasons more than they exploited the iniquities of the institutions whose crimes, or purported crimes, they pretended to investigate.

They made every kind of a charge, and when they failed to prove the charge they withdrew or ignored them. They undertook to break into the safe of the people whose business they were investigating. They did that without warrant of law. The courts held that they had no right to do the things which they undertook to do. This commission has proved itself not only to be a menace to the people of the United States but to be unworthy of confidence. They have not proved one charge made against the institutions that I have indicated. They not only have not proved the charges, but in making their reports they have ignored their charges. If the charges they made were true they should have been prosecuted. Have they done so? Not at all. What is it that they have done? They have recommended to the President of the United States that the subsidiary activities of the packing industries of the United States shall be taken over by the Government. They want the refrigerating plants taken over; they want the retail meat markets in the various sections of the United States taken over and run by the Government. They claim that the railroad companies are in combination in restraint of trade with the packers. They have not proved it. They ignore the charge in their recommendations. The recommendations have taken no account whatever of the charges made. They have exploited themselves for the political advancement of the individual members of the commission. They have degenerated into a Bolsheviki organization. They are no longer representative of the idea that was conveyed in the enactment of the law. They no longer speak for the conservative wisdom of the American people.

Mr. PLATT. Will the gentleman yield?

Mr. MADDEN. The commission ought to be abolished, or its personnel should be changed. I yield to the gentleman.

Mr. PLATT. I want to ask the gentleman whether one of the chief duties was not the furnishing of candidates for the United States Senate?

Mr. MADDEN. They had that as one of the objects of the investigation. They took a man named Heney, I think, from California, who tried the case he was employed to investigate in the newspapers, who made new charges every morning through the columns of the press. He received, I understand, $18,860 from the Government Treasury as compensation for seven months and six days' services, and he finally announced himself as a candidate for governor of California while the case was pending. Now, what other members of the board have become candidates for office I do not know, but I do assert that there are members of the board who would resort to anything if they could get their names in the headlines of the newspaper.

Mr. MOORE of Pennsylvania. Does not the gentleman remember that a member named Davies became a candidate, with the President's indorsement, for Senator in the State of Wisconsin?

Mr. MADDEN. He was not a member of the commission when the report I am speaking about was sent here, but he was a member of the commission when the investigation was on.

Mr. MOORE of Pennsylvania. Well, apart from the President's indorsement of him as a Democratic candidate for Senator, was not one of the things said to his credit as a public man that he had been a member of the Federal Trade Commission?

Mr. MADDEN. The President stated that he stood against the McLemore resolution. I do not see how he could have stood against the McLemore resolution when the fact was that he was not a Member of either House.

Mr. MOORE of Pennsylvania. Does not the gentleman recall that a great fight has been waging in the State of Georgia and that the senatorial timber recommended by the President and now making a campaign against the sitting Member is one Harris, formerly Director of the Census, and subsequently a member of the Federal Trade Commission?

Mr. MADDEN. I recall that, but I do not want to have my talk degenerate into a political talk. [Applause.] I want to be understood as presenting this case on the theory that the Federal Trade Commission is organized for the purpose of regulating businesses of the United States in a judicial way. I want to be understood in presenting this case that I do so as a protest against the methods of the Federal Trade Commission. I present the protest because I am opposed to any commission created to regulate the business of the country conducting its affairs along political lines. It should be nonpartisan, it should be unbiased, it should be just, it should be fair, it should be decent, it should be representative as the conservative thought of the American people.

Mr. MOORE of Pennsylvania. So long as the gentleman has made that declaration, which I think is highly commendable, will he permit me to say that my observation was no imputation against the gentleman's desire to keep politics out of his speech. The whole matter was introduced by the gentleman from New York [Mr. PLATT] and was logically followed up by the question by the gentleman from Pennsylvania——

Mr. MADDEN. I do——

Mr. MOORE of Pennsylvania. So the fault is not with the gentleman from Illinois. The subject was introduced by the gentleman from New York, but I trust the gentleman will not take it out of the RECORD, because it may prove to be valuable reading matter in the further consideration of this theme, especially if the gentleman will permit me to add to the Federal Trade Commission list the name of David J. Lewis, of Maryland, who was appointed to the commission by the President after he had made a fight for Senator and lost.

Mr. MADDEN. Of course I have not the right to take out of the RECORD any statement made by a gentleman which I permit him to make in response to an inquiry.

Mr. BLANTON. Mr. Speaker——

Mr. MADDEN. Mr. Speaker, I refuse to yield. Now, I want to say once for all that the Federal Trade Commission in the investigation of the subject matter to which I have alluded has ignored completely the fact that the packing industries of the United States have been under the control of the Government of the United States since 1917; that the railroads of the United States, against whom they charge the packers with being in coalition, are also under the control of the Government of the United States. I wish to call the attention of the Federal Trade Commission also to the fact that the packing industry of the United States is engaged in one of the most important war works of this country. They are doing a thing that is more essential to the successful conduct of the war than any other similar institution in the country. They are engaged in a line of business in which every man, woman, and child in America is interested.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. MADDEN. Not just at the moment. And I maintain that the Federal Trade Commission ought not to so conduct its investigations as to throw discredit upon the activities that are engaged in great war work. We are engaged in a great war. I wonder if the Federal Trade Commission understands that. The recommendations which the Federal Trade Commission have made have nothing whatever to do with the war; they have no place in the activities of the business of the country. The Government should not be called upon to run retail meat markets, nor to run refrigerating houses; no business to run the different branches of the packing industries, as suggested by the Federal Trade Commission. Has it got to a place where three or four men appointed by the President to regulate the business of the United States can say to the American people that everything that everybody owns, that all of the activities of the country, must be under and controlled and operated by the Government of the United States if we expect to get the kind of service that we ought to have?

Mr. CAMPBELL of Kansas. The question I had in mind would come in there now.

Mr. MADDEN. All right.

Mr. CAMPBELL of Kansas. To what extent does the Government control the packing industry to-day?

Mr. MADDEN. The Government controls the packing industry to the extent that they limit the amount of profit the packers make to 9 per cent. They control them to the extent that they practically fix the price for all the supplies that the packers buy. The packers own nothing in the way of raw material. They are manufacturers. They have to buy the material from the agricultural producers. Hogs, for example, have been fixed at a certain price; cattle are practically fixed at a certain price, and there is nothing left for these packers to do except to pay the price.

Mr. HAUGEN. It is true, as the gentleman has stated, that the Government has fixed the profit at 9 to 15 per cent——

Mr. MADDEN. At 9 per cent.

Mr. HAUGEN. But the report shows that Morris & Co. were making 263 per cent, which is far in excess of 9 per cent. The four packers made $120,000,000 in one year in excess of the prewar profits.

Mr. MADDEN. When the Federal Trade Commission made a statement of what the packers made last year and compared that with previous profits the commission purposely misstated the facts.

Mr. KNUTSON. Has the gentleman ever tried to sell cattle to the packers at the large terminals?

Mr. MADDEN. Anybody can sell cattle to the packers.

Mr. KNUTSON. Surely they can, if they give them away.

Mr. MADDEN. And they are selling them at higher prices than ever before, and the Government is regulating the whole packing industry. But aside from all that, the main thing is that in the investigation of the packing industry or any other industry the Federal Trade Commission, as a Government agency, should be just and fair. They ought not to make charges that are untrue. If they make the charges and can prove their truth, they ought not to back away from them. They ought to prosecute those against whom they prove charges. They have made charges that are not true and have backed away from them, and they have not prosecuted. And there is not a scintilla of truth in any charge they have made against these great packing industries. [Applause.]

THE INVESTIGATION OF THE PACKERS BY THE FEDERAL TRADE COMMISSION.

This investigation began about August 1, 1917, and a corps of accountants spent several months in going through our cost-keeping records and financial accounts. On the whole, the investigation promised to be a fair one, and the Federal Trade Commission specifically promised that we should be given a fair hearing before any results were published. Aside from the writing of a letter, asking four very general questions, about August 1, 1917, we have been given no opportunity whatever to present our side of the case.

The biased and unfair attitude of the trade commission became evident from the appointment of Francis J. Heney as special attorney. In carrying out his part of the investigation the usual procedure was departed from and ex parte hearings were held in various parts of the country. No attorneys or representatives of the packers were present at these hearings, and the packers' side of the case was never presented in public.

One feature of the Heney hearings was the introduction of correspondence gleaned from the files of the packers. Agents of the commission were permitted to go through the most confidential files of the executives of our company. Letters and fragments of letters were selected in such a way and were read into the record with such misleading and invidious comments, as to give a totally wrong impression of the actions and motives of the company. We doubt if there is a single large corporation which does not contain in its files confidential

and offhand comments made by the executives to each other, which could be presented by an unscrupulous lawyer in such a way as to indicate unfair methods and questionable motives. Whereas the agents of the trade commission would seize on one scrap of correspondence that would serve their purposes, they would pass by a hundred bits of correspondence that would show the keen rivalry and competition among the packers and their law-abiding spirit.

The only refusal of permission to examine files during this investigation was that made by Mr. Henry Veeder, attorney for Swift & Co. It is thought by a good many people that Swift & Co. refused access to its vaults, but this is not so. Mr. Veeder is an independent attorney, and has other clients besides Swift & Co. He merely stood on his constitutional rights as a matter of principle in refusing to allow the trade commission agents to go through his private files. He also offered to let them have whatever they were entitled to. The Circuit Court of Appeals and the Supreme Court of the United States upheld Mr. Veeder in his contention.

It is perfectly obvious that political considerations have affected the attitude of the Federal Trade Commission. When Mr. Davies was chairman of the commission he took part in the public hearings that Mr. Heney conducted and resigned in the midst of these hearings to campaign for the senatorship from Wisconsin, using the material from the packer hearings as campaign material. Mr. Heney was an avowed candidate for governor of California. Mr. Harris resigned from the Trade Commission to further his candidacy for senatorship from Georgia. It is rumored that Mr. Victor Murdock wants to become Senator from Kansas. It might also be noted that Mr. Basil Manley, Washington correspondent of the Newspaper Enterprise Association, in which Mr. Colver, chairman of the Trade Commission, is supposed to have an interest, was made a special examiner of the Trade Commission. This newspaper association, together with the group of papers owned by Mr. Colver in the Northwest, represents about the yellowest journalism to be found in the United States.

THE REPORT ON PROFITEERING.

Coming now to the report on profiteering issued by the Trade Commission on June 29, it is generally recognized by the best papers and by bankers and business men that this report is entirely unfair and misleading, and that it offers an extremely dangerous basis for Congress to proceed on with respect to excess-profit taxation.

The most obvious attempt of the Trade Commission to juggle figures is found in the comparison between the three-year aggregate war profit of four large packers and an average one-year profit for the prewar period. The Trade Commission says that the aggregate profit for the three war years was $140,000,000 and that the average profit for the three years before the war was $19,000,000, thus claiming an excess of $121,000,000. This comparison of a three-year profit with a one-year profit is enough to condemn the whole report as misleading and unscientific. Furthermore, a careful scrutiny of the figures shows that the profits enumerated for the three years 1915, 1916, and 1917 as quoted by the Trade Commission do not total $140,000,000, showing that there is an absolute inaccuracy in the figures.

It is also absolutely unfair to speak of $140,000,000 as the aggregate profit for three years without mentioning the fact that this profit was earned on total sales of over four and one-half billion dollars. In other words, the profit was only about three cents on each dollar of sales, and was therefore so small as to have practically no effect on prices. With this fact in mind, the accusation that the packers have "preyed upon the people unconscionably" falls to the ground. It is also misleading and unfair for the Trade Commission to give the impression that this $140,000,000 profit was a clear profit that was pocketed by the owners of the businesses. As a matter of fact, much more than half was returned to the respective businesses of the packers to increase facilities and to finance heavy stocks of goods at extremely high prices. For example, Swift & Co.'s profit during 1917 was $34,000,000; only $10,000,000 of this sum was paid to stockholders in the form of 10 per cent dividends; the remaining $24,000,000 was returned to the business.

Before the war Swift & Co. had to keep about $50,000,000 tied up continuously in stocks of goods in process, in storage, and on the way to market; to-day these inventories run over $150,000,000. Even after putting profits back into the business Swift & Co. has had to issue capital stock to raise additional funds to help finance operations.

Is it right to accuse an industry of profiteering when it reinvests the major part of its earnings to improve facilities, to mantain its efficiency, and to finance operations? American business has been developed largely by reinvestment of earnings, and this is generally conceded to be a praiseworthy method. There can be even less question about this practice in an industry like the packing business, where the profits on sales are so small that if they were eliminated entirely there would be no noticeable effect on prices. The profit amounts to only a fraction of a cent per pound of product sold.

Another indication of the unfairness of the Trade Commission is the way in which it featured the fact that Morris & Co. earned a profit of 263.7 per cent on its capital stock. It is true that the Trade Commission says that this was equal to a rate of 18.6 per cent on the net worth of the company in 1917; but to even mention the fact that the profit was 263 per cent on the small nominal capitalization of $3,000,000 is evidence of the commission's desire to present sensational and misleading information. The extent to which the press dispatches throughout the country have featured this 263 per cent, without any explanation, is ample proof that the commission was unjust in presenting the figure the way it did.

In connection with the press dispatches it might also be mentioned that the stories sent broadcast for the newspapers were considerably worse than the report itself. The method in which the press dispatches were prepared might bear looking into. It is also worth while to note that the story was given out on a Saturday noon, at a time when business men are not likely to be on hand to prepare proper statements in reply to sensational and unsupported charges.

The one very serious feature of the report is that on page 7 the packers are accused of having monopolistic control of the meat industry and that they have manipulated the market without regard to law. Absolutely no proof is given of these statements, and the issuance of such sensational charges could have been only for the object of exciting public opinion and playing upon the prejudices that are known to exist. Swift & Co. has no form of agreement with other packers to control prices of live stock or meats. These prices result from open and active competition. Swift & Co. also does its utmost to obey the law. It even has to lean backward to avoid the semblance of infringing on either the spirit or the letter of the law.

One other feature of the Trade Commission's report is the absolute misstatement of facts that it makes with regard to the prices of hides. The report, on page 15, says that "during 1917 the prices of hides, particularly packer hides, were advanced very rapidly, notwithstanding that during the period of advance great supplies of hides were withheld from the public."

As a matter of fact, the prices of hides did not advance during 1917; on the other hand, the general tendency was downward, as shown by the following table of 10 grades of packer hides:

January	$30.34
February	29.71
March	28.43
April	28.11
May	29.74
June	29.91
July	30.35
August	29.81
September	26.34
October	27.41
November	28.46
December	27.55

Although stocks of hides were slightly larger during 1917 than during 1916, this was due to a much larger supply of hides on account of the largest killings of cattle in the history of the country, and to the fact that demand did not keep pace with supply. Swift & Co. sold 20 per cent more hides during 1917 than during 1916, and many sales were made at a loss.

The Federal Trade Commission was designed originally to serve a useful and nonpolitical purpose; it has already been used as a stepping-stone for political aspirants, and it is degenerating into a vehicle for the issuance of sensational and misleading statements about American business.

There can be no objection to a fair statement of war profits on the part of the Government, as a foundation for excess-profit taxation, but there can be no excuse for seizing such an opportunity to discredit honest American business concerns, especially those that have done their utmost, and successfully, to meet war demands.

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SWIFT & CO.,
Union Stock Yards, Chicago.

We wish to call your attention to the fact that Swift & Co. has protested to the Federal Trade Commission that its report on war profits for the years 1915, 1916, and 1917, issued June 29, contains unfair and misleading statements about the packing industry.

In this protest, copy of which is inclosed, we call attention to certain unfounded charges and to unfair statistical comparisons. It is a matter of national concern that a department of the Government, established largely to prevent unfair business methods, should itself issue misleading statements and attempt to throw discredit on an honestly conducted industry that has met all emergency war demands promptly and completely.

Swift & Co. has nothing to conceal and fears nothing from unbiased investigation of its finances or impartial appraisal of its conduct.

The unusual economic conditions of the past three years have necessarily resulted in larger than normal profits in the packing industry, as in other industries; but this profit can hardly be considered excessive, because it has been just as essential as has been the largely increased income of the farmer and wage earner.

Our increased profits have been used to help finance large inventories at exceptionally high prices and to build at increasing costs extensions and improvements, which are made necessary largely by unprecedented war demands.

After paying 10 per cent dividends to more than 20,000 stockholders out of the 1917 earnings, Swift & Co. found that, even after putting the balance of its profits back into the business, it has had to issue additional stock in order to raise more money to finance operations and to maintain efficiency; it has also had to increase its borrowings from the banks by over $75,000,000 as compared with prewar times. Whereas Swift & Co.'s inventories were about $50,000,000 before the war, they now run in excess of $150,000,000.

We are, of course, not protesting against excess-profit taxation, nor against fair investigation of war profits, but it would be easy to cripple the packing industry by allowing it an inadequate income. A net profit of $2,000,000 to-day goes no further in furnishing a proper return for investors, in financing heavy inventories, and in allowing for extensions and improvements than a $1,000,000 profit did four years ago.

We wish to call your attention to the fact that the profits mentioned by the Trade Commission were earned prior to November 1, 1917. Since that time the profits on the meat departments of our business have been limited by the Food Administration to 9 per cent of the capital employed, or to about 2 cents on each dollar of sales. Other departments are in competition with manufacturers whose profits are not restricted. Swift & Co. is living up to all Government regulations.

The Trade Commission emphasizes the fact that the aggregate profit of four large packers for the three war years was $140,000,000, a figure that could have been derived by anyone from the published statements of the companies concerned. The commission neglected to mention that this profit was earned on total sales of over $4,500,000,000 and that it amounted to only about 3 cents on each dollar of sales, thus forming a negligible factor in prices.

Respectfully, yours,

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CHICAGO, *July 1, 1918.*

Mr. LEONIDAS L. BRACKEN,
Secretary Federal Trade Commission, Washington, D. C.:

Swift & Co. protests against certain unwarranted statements in the report issued by the Federal Trade Commission on war profits, in that they give the public a false impression regarding the profits and the conduct of the packing business.

Swift & Co. can justify its profits as not only reasonable but necessary for efficient conduct of the business, to finance large inventories at high prices, and to expand facilities at increasing costs.

This report states that the five large packers have a monopoly of the meat industry, and manipulate the market without regard to law. This is a serious charge, unsupported by facts. Swift & Co. is in competition with all other packers, has no control over prices, and the policy of the company is to obey the law.

Packers' profits are unjustly exaggerated by the statement that four large packers made a profit of $140,000,000 during the three war years, as against an average annual profit of $19,000,000 for the three years before the war. This compares a three-year profit with a one-year profit, and the $19,000,000 should have been $57,000,000 to make the comparison just.

It would be fair to the industry if the report had stated that this $140,000,000 profit of four large packers was earned on sales of nearly $5,000,000,000, and amounted to about 3 cents on each dollar of sales

This profit amounts to only a fraction of a cent per pound of product. In view of these facts the packers can not be justly accused of having "preyed upon the public unconscionably." The Trade Commission's report, as a matter of fairness, should have explained this and that it covered transactions prior to establishment of control by the Food Administration in November, 1917. Since that time our profit has been limited to 9 per cent on capital employed in the meat business, equal to about 2 cents on each dollar of sales.

The impression has gone broadcast that license control has been flouted by the packers. Swift & Co. has at all times endeavored to live up to all regulations of the Food Administration, both as regards the handling and marketing of food products and also as to profits.

LOUIS F. SWIFT,
President Swift & Co.

HISTORY OF THE INVESTIGATION OF FILES IN OFFICE OF ALBERT H. AND HENRY VEEDER AFTER THE DISPOSITION OF THE VAULT CASE.

After the decision of the United States Supreme Court, refusing to review the decision of the circuit court of appeals in the vault case, Col. Chantland, chief examiner of the Federal Trade Commission, called upon Mr. Veeder and requested an examination of the papers and documents in his files to which the commission might be entitled. Col. Chantland stated that he would not copy and publish letters which were private in their nature or contained mere gossip and that he would not take original documents from Mr. Veeder's office. It was Mr. Heney's insistence upon doing these very things that caused the resistance to his investigation, and as Mr. Veeder particularly desired once for all to lay at rest the sensational charges that his files contained papers and documents which would show that the packers were in combination in restraint of trade and had committed felonies, he gave the Federal Trade examiners free access to all his files.

Four or five examiners were six days making the examination of Mr. Veeder's files, and at its conclusion they stated that there were not more files they desired to examine. They asked permission to copy a few letters, which Mr. Veeder refused, on the ground that the letters were his personal property and otherwise not subject to the commission's inquiry. The examiners, however, said that they were through and satisfied with their examination.

Twelve days later Col. Chantland again called upon Mr. Veeder and submitted four written demands, addressed to Swift & Co., Louis F. Swift, president, and Henry Veeder, for examination and the right to copy certain specified letters and memoranda, charging that such right had been refused in the previous examination, which was true only as to the right to copy. These demands contained statements that certain files "were empty and bore evidence of having contained a number of papers," apparently overlooking the fact that Mr. Veeder's vault had been under seal or guard of the Federal Trade Commission's examiners or the United States marshals from January 25, 1918, until the conclusion of the examination on May 2, 1918, by the Federal Trade Commission, when the possession of the vault was voluntarily turned over by the examiners to Mr. Veeder with the statement that they were satisfied. Col. Chantland also served upon Swift & Co., Louis F. Swift, president, and Henry Veeder two subpœnas requiring the production before a Federal trade examiner of certain specified letters and memoranda.

Col. Chantland, upon being reminded of the agreement he had made at his first interview, to the effect that any differences of opinion between the trade commission's examiners and Mr. Veeder were to be passed upon by himself and Mr. Veeder's counsel, and upon Mr. Veeder's stating that he was prepared to carry out his part of the agreement, the examination of Mr. Veeder's files by the commission's examiners was resumed on May 17, 1918, and again pronounced completed on May 25, 1918. On this second examination the examiners reexamined many of the files passed in their original investigation as containing no papers relevant or competent to the commission's inquiry, and the examiners requested the privilege of copying a mass of papers from these and additional files, apparently for the purpose of making up in quantity what the papers lacked in probative value.

Upon request of the examiners, Mr. Veeder waived his objections that these papers were largely, if not entirely, his personal property, or otherwise not subject to the commission's inquiry, and permitted the examiners to copy, without exception, all papers which they desired. The papers which were copied were largely descriptive and historical, and none of them even tended to prove the commission of any crimes by the packers.

The fact that since the completion of the examination of the packers' and Mr. Veeder's files the commission's statements have contained only vague and indefinite charges by inference and innuendo instead of direct charges of violations of law would seem to be conclusive proof that the charges made by Mr. Heney originally and from time to time were not justified by the facts.

STATEMENT OF HENRY VEEDER IN REGARD TO RECOMMENDATIONS OF FRANCIS J. HENEY, SPECIAL ATTORNEY FOR THE FEDERAL TRADE COMMISSION, FOR ADDITIONAL LEGISLATION PERTAINING TO SEARCH WARRANTS.

FOREWORD.

On February 27, 1918, the Federal Trade Commission transmitted to Congress the recommendation of Francis J. Heney, its special attorney, for an amendment to the search-warrant act of June 15, 1917, which in effect would enable a special agent, with the aid of one United States district judge, to set aside all constitutional guaranties against unreasonable search and seizure, and which would deprive the citizen of any right of appeal, no matter how flagrantly unlawful was the invasion of his rights. This recommendation has been published as Document No. 961 of the House of Representatives.

Inasmuch as the unlawful search and seizure of my law office in Chicago was made the pretext for this remarkable recommendation, I wrote to the President of the Senate, the Speaker of the House, the chairmen of the Senate and House Judiciary Committees, and the chairman of the House Committee on Interstate and Foreign Commerce, protesting against the enactment of any such un-American legislation. My letter and the opinion of the United States circuit court of appeals quashing the void warrant upon which my office was raided and searched and my papers seized are printed herewith.

HENERY VEEDER.

CHICAGO, *March 20, 1918.*

MARCH 11, 1918.

SIR: On February 27, 1918, the Federal Trade Commission transmitted to Congress the recommendation of Mr. Francis J. Heney, one of its attorneys, for an amendment to Title XI of the act of June 15, 1917, commonly known as the search-warrant act. Although there was at that time pending in the United States Circuit Court of Appeals of the Seventh Circuit a proceeding involving a search of all the papers in my law office in the city of Chicago, Mr. Heney used this illegal search of my office on a void warrant as the example which demonstrated the necessity for an amendment to the law.

The story in the next day's papers recited some of the more sensational statements made by Mr. Heney in his letter, and this impelled me, on February 28, to send to the President of the Senate, to the Speaker of the House, and to the chairman of the Judiciary Committee of each House the following telegram:

"Mr. Heney's statement to Congress through the Federal Trade Commission, as reported in the public press to-day, that I am the custodian of many papers which have been used as instrumentalities in the commission of felonies is false and on a par with the conduct of his investigation of the packers, which has been a travesty upon justice and an outrage upon decency. Mr. Heney has shown no respect or regard for the laws he is sworn to enforce, and now that he is compelled to attempt to justify his conduct in the Circuit Court of Appeals of this circuit, he appeals, according to to-day's Associated Press dispatches, to Congress for amendments to the law which will prevent American citizens having free access to the courts of the land to protect the security of their persons, houses, papers, and effects.

I have afforded to the Federal trade examiners and to Mr. Heney full opportunity to examine and copy every book, document, or paper in my files to which they are entitled under the law. Their reply was a search warrant so general and sweeping in its character as to permit a search and seizure of every paper in my office. I have been a practicing lawyer in Chicago for more than 25 years and have numerous clients, many of them individuals and corporations in no wise related to or connected with the packing industry, and the search warrant which I am resisting in the courts permits a search of all of the confidential and privileged communications which have passed between those clients and myself, as well as my purely personal and private papers. I would be false to my clients and to myself if I did not resist such a flagrant, unreasonable search and seizure, which partakes most strongly of the outrageous writs of assistance which in large measure inspired the formation of this independent Government. Members of Congress are entitled to know how the power they place in the hands of bureaucrats is used, and to that end I shall write to you within a few days a plain, truthful statement of how the paper search which Congress authorized in the espionage act, on the representation that it was necessary to search out papers used in aid of a foreign enemy, has been used by Mr. Heney in Chicago in his campaign of backstairs gossip and innuendo to harass patriotic American citizens who are cooperating loyally and wholeheartedly with the United States Government in its conduct of the war.

"Very respectfully,

"HENRY VEEDER."

I have awaited the decision of the Circuit Court of Appeals before complying with the promise in my telegram that I would forward a statement of the details of this illegal proceeding. Such a statement very properly should be before you, in view of the request on Congress for an amendment to the law, which request has been printed and circulated as House Document 961. The decision of the Appellate Court was handed down on March 9. A copy is inclosed. It is entitled "Henry Veeder, plaintiff in error, *v.* United States of America, defendant in error, No. 2591. In the Circuit Court of Appeals, Seventh Circuit."

The court holds that the search-warrant act as passed by Congress clearly observed the limitations of the fourth amendment to the Constitution, but orders the warrant quashed, because, while the law under which the warrant issued is constitutional the principles of natural justice as well as the constitutional and statutory provisions were so outraged and ignored in the procedure by which the warrant was obtained that it was void. The court said in this connection:

"One's person and property must be entitled in an orderly democracy to protection against both mob hysteria and the oppression of agents whom the people have chosen to represent them in the administration of laws which are required by the Constitution to operate upon all persons alike."

Proceeding now to the inception of this extraordinary affair, it appears that the Federal Trade Commission is conducting an investigation of the meat packers. I happen to be general counsel for Swift & Co., one of the larger meat packers, and in January of this year certain examiners of the Federal Trade Commission appeared in my law office, in the city of Chicago, and made known their wish to inspect, examine, and copy certain books and documents in my custody and belonging to my client Swift & Co. Permission was readily granted, and the examiners began their work. It was not long, however, before it developed that the examiners desired to search every file in my office, personal, private, confidential, or privileged, and many of them relating in no way to any legitimate inquiry of the Federal Trade Commission.

For the past 25 years I have been a practicing attorney in Chicago and I have many clients, both corporations and individuals. I could not conceive it to be compatible with my duty to these clients to allow any third person to examine and pry into their affairs merely to gratify suspicion and curiosity. Such a course would violate my duty as an attorney charged with the protection of his clients' privilege, and, accordingly, I notified the chief examiner, a Mr. McIsaac, that while he was at liberty to examine any of the corporate papers of Swift & Co. in my possession, I could not permit him to make an indiscriminate search of all the papers in my office on the pretext that he was looking for papers which, under the Federal Trade Commission act, he was entitled to examine. Wishing, however, to be obliging and accommodating, I informed Mr. McIsaac that I would even allow him to make such an inspection of the other papers in the office as would show him that the papers I refused to allow him to examine were of the character I claimed them to be and were not properly subject to his examination.

For a few days the examiner appeared satisfied with this method, which I carried out in good faith, but he became dissatisfied with this arrangement because it did not permit him to search in his own way all my personal, confidential, private, or privileged papers without any regard to propriety, decency, or color of legal right. When I refused to allow him to do this he broke off the examination, sealed my vault (without any authority of law), and announced that he would await the instructions of the attorney for the Federal Trade Commission, Mr. Francis J. Heney.

From day to day on one excuse or another I was put off with the explanation that Mr. Heney's instructions had failed to arrive, and meanwhile every time I needed a paper from the vault I was compelled to wait until an examiner could be found when the vault would be unsealed by him, and with his permission I would get my own paper after he had inspected it and then the vault would be resealed.

Finally, on February 4, 1918, after the vault had been sealed for several days, I grew tired of this farce and notified Mr. McIsaac that I proposed to have free access to my own vault, and in his presence on that day I opened the vault, breaking the seals he had placed thereon. That same day about noon, Mr. McIsaac returned to my office in company with Mr. Heney, and these two gentlemen served me with a written statement, dictated in my office, in which Messrs. McIsaac and Heney as representatives of the Federal Trade Commission demanded access for the purpose of examination and the right to copy any documentary evidence of Swift & Co. in my possession, "particularly those certain files which are contained in wrappers under the general index 'Swift & Co.' and also certain files relating to Morris & Co., Cudahy & Co., Wilson & Co., and Armour & Co., and other corporations in the meat packing and affiliated businesses contained under the general index entitled 'General File.'"

In addition to this written demand, Messrs. McIsaac and Heney orally demanded the right to search through all of the letters and files in my office for the purpose of ascertaining what documents, if any, they as agents of the Federal Trade Commission might be entitled under the law to have access to for the purpose of examination and copy.

In answer to these written and oral demands, I wrote to Messrs. McIsaac and Heney on the same day (February 4) informing them that, under the law, they had no right to institute and carry on a general search of the files and letters in my office to see if perchance there might be among such files some documents which they would have a lawful right to examine and copy. I also informed them that none of the files referred to in their written demand was the property of Swift & Co. or any of the other corporations named in the demand, but, on the contrary, that those files were my own personal and private files and that many of the papers in such files were communications made to me as attorney by my clients, or communications from me to them in my professional capacity, and therefore privileged. Further, I informed these gentlemen that if they would indicate either verbally or in writing any particular paper in my possession which they desired to examine and copy I would at once afford them the opportunity of so doing if the document was one to which they were entitled.

Copies of the communications between Messrs. McIsaac and Heney and myself on February 4 are attached hereto, marked, respectively, Exhibits A and B.

The following day I received the reply to my letter to Mr. Heney. It was in the form of a general search warrant and was delivered by seven armed deputy marshals, Federal trade examiners and attorneys, including Mr. Heney, who invaded my office, brushed me and my assistants aside, and proceeded to search my letter files and laid violent hands upon such of my private papers as suited their fancy.

These high-handed proceedings were carried on under color of a void search warrant issuing out of the United States district court, and based upon a remarkable affidavit and deposition by the Examiner McIsaac.

In this affidavit not a single statement of fact is verified by McIsaac's oath. All he swore to was that he had good reason to believe and did verily believe so and so. He did not say that so and so are true. He did not say why he believes. He gave no facts or circumstances to which the judge who issued the warrant could apply the legal standard and decide that there was probable cause for the affiant's belief. There was nothing in the affidavit but McIsaac's application of his own undisclosed notion of the law to an undisclosed state of facts. This description of the affidavit upon which my office was raided and my private papers seized is not mine, but is the description of the affidavit given by the circuit court of appeals. The court remarks in this connection, "And under our system of Government the accuser is not permitted to be also the judge." The deposition made by McIsaac was not, so the court said, "any better than the affidavit."

While Messrs. Heney and McIsaac, and their assistants, the other examiners, and the deputy marshals were pawing through my private papers, I read the search warrant and found that it was therein charged in blanket terms that I was the custodian, or had in my office several hundred thousand different papers, none of which was described, but each and every one of which McIsaac swore had been used as the means of committing a felony. He had to swear that each and every paper had been used as the means of committing a felony for, as the circuit court of appeals says in its opinion, the statute intends that "papers and documents which afford evidence that a felony has been committed but which were not the means of committing it are immune from seizure." The papers mentioned but not described in the warrant included my check books, books of account, receipt books, etc., and every letter, opinion, and paper in my office accumulated during 25 years of practice, through which Heney et al. were privileged to search and to despoil me of at their pleasure.

My course at this moment was not exactly clear. My remedy was not apparent. True, Congress had said that, if in the process of securing a search warrant, any person swore falsely he should be liable to prosecution for perjury, but this affidavit and deposition were so cunningly drawn that there were no facts stated under oath, and so there could be no prosecution for perjury, although the affidavit and deposition were crammed with conclusions which were absolutely false. Also the law provided that I might controvert the grounds upon which the warrant was issued, but here again I was met with the condition that no grounds were stated, hence none could be controverted.

After consultation with my attorney, it was decided to apply to the district judge who had issued the warrant and to call the lack of legal grounds for issuing the warrant to his attention. Accordingly late in the afternoon of February 5 this was done and the district judge, on my application, caused the United States attorney to come into court, when a stay was ordered until the matter could be argued on the following day.

Meanwhile, and as I believe, after they were notified of my application in the district court, the Government agents hurriedly gathered together some 2,000 of my personal private papers along with a number of newspaper clippings and some other documents, quickly dumped them into a suit case, brought with them apparently for that purpose, disregarded my request for a receipt specifically describing the papers (although the statute provides that such a receipt shall be given before any papers may be taken), and carried my papers to the marshal's office, where they still remain. The following day, during the course of the argument in court, the various United States attorneys, special attorneys, etc., arose and stated that each or some of them had examined my papers before the stay order forbidding them to do so had been entered.

Subsequently the questions involved were argued before the district judge and briefs were filed, the stay order meanwhile preventing the Government agents from further inspecting or using the papers already seized, or making further search or seizure. Meantime my vault remained in the custody of the United States marshal. At this point, I may state that under this void warrant my office for weeks has been and now is policed night and day by three shifts of two men, one a Federal trade examiner, the other a deputy United States marshal. These men sit before the open door of my vault, which door the Government representatives have refused to allow to be closed although I have offered the United States attorney the privilege of putting his own combination upon the door. This has forced me to employ men to watch the other Government watchers, for with my present experience of the utter disregard of the law of the land and of the rights of the citizen by some agents of the Government, I can not feel it safe to leave my papers exposed to further prying, although they are protected by an order of the court. For the next 30 days, under the rules of the circuit court of appeals, the Government has the right to file a petition for a rehearing, etc., and so, during that time I presume I must be put to the same annoyance and expense, and all without redress or satisfaction.

The district judge declined to quash the search warrant or to return the papers already taken, whereupon I sued out a writ of error to the circuit court of appeals, with the result stated.

The writ of error to the circuit court of appeals operated, of course, as a supersedeas, and this was the text or pretext upon which the letter of Mr. Heney, now before Congress, was written. He argued that the action of the circuit judge in allowing the writ of error as a matter of course, which writ operated as a supersedeas, disclosed a defect in the law which called for additional legislation of an amendatory nature.

I invite your very careful attention to the legislation Mr. Heney recommends. When you have considered it, you will not wonder that the Federal Trade Commission tactfully avoided indorsing Mr. Heney's views when he says:

"Congress should immediately amend or supplement the act of June 15, 1917, by declaring that no writ of error or of certiorari shall lie in such a case, and that the decision of the judge who issues the search warrant shall be conclusive upon the question of the existence of probable cause, and that the summary proceedings already provided by the statute for the determination of this question, and of the question as to whether or not the property seized under the writ was used as the means for the commission of felony and is the identical property described in the writ, shall likewise be conclusive for the purpose only of enabling the court which has jurisdiction of the felony alleged to have been committed to retain such property in the custody of the law until the purpose for its seizure has been served."

This recommendation is made in connection with the seizure of my papers. Let us see what would have been the result if such a grotesque statute were already upon the books at the time of that seizure. The recommendation is in part that the decision of the judge who issued the warrant shall be conclusive upon the question of existence of probable cause. In my case the warrant was issued upon an affidavit and a deposition which are described by the three circuit judges who sat in the case and quashed the warrant in the following words:

"Applying these principles to McIsaac's affidavit, we observe that not a single statement of fact is verified by his oath. All he swears to is that 'he has good reason to believe and does verily believe' so and so. He does not swear that so and so are true. He does not say why he believes. He gives no facts or circumstances to which the judge could apply the legal standard and decide that there was probable cause for the affiant's belief. There is nothing but the affiant's application of his own undisclosed notion of the law to an undisclosed state of facts. And under our system of government the accuser is not permitted to be also the judge.

"Assuming that the 'other documents,' which are listed under reference letters and figures, are described with the particularity required by the statute, we observe that the proceeding mentioned 'books of account, minute books, letter-press copy books, ledgers, journals, cash books, day books, memorandum books, bank books, check books, and receipt books' are only generically described.

"We observe, too, that McIsaac states his belief that 'said property was used as a means of committing certain felonies,' without stating the basis of his belief that the various items were so used. If the facts were disclosed, they might or they might not afford probable cause for believing that Veeder's In Memoriam File, his lists of law books, his copies of the smoke and the wide-tire ordinances of Chicago, his office keys, etc., were the means used in committing the packers' assumed crime of controlling the price of beef.

"Further we notice that neither time nor place is laid for the unnamed acts that are supposed to constitute felonies. We take it as unquestionable that the statute contemplates the issuance of search warrants only when felonies have been committed that are presently prosecutable within the United States. We assume that no judge would issue a search warrant directing the officer to break into a museum and seize and carry away the dagger Brutus used in assassinating Cæsar. The district attorney suggests that we must take judicial notice of the fact that some of the criminal statutes which are believed to have been violated were enacted within the past three years. True; but there is nothing in the record to show that McIsaac did not believe that such statutes could be used retroactively to punish acts done generations ago.

"Turning to McIsaac's deposition, we note his statement of fact that there are in Veeder's office many papers and documents relating to Swift & Co., and that he has seen some and had a glance at others. But he utterly fails to state what he saw. He gives a mixed legal and fact opinion that the undisclosed things he saw establish that many papers and documents were used in the commission of various felonies, including conspiracy, false entries, and hoarding food. Neither with respect to the authorization of a search warrant nor the particularity with which instruments of crime must be described is the deposition any better than the affidavit."

So if the decision of the district judge upon the question of probable cause had been final in this case, I would have been despoiled of my constitutional rights and have lost my private papers, all under an absolutely void warrant, and the decision would have been irrevocable.

Turning to the operation of the proposed amendment upon a suppositious case, imagine an agent of the Comptroller of the Currency asserting in a similar affidavit and deposition that the money in the largest national banks in Chicago and New York was used as the means for the commission of various felonies such as improper speculation by bank officers in violation of the laws of the United States, or in attempted bribery of a bank examiner. Some judge, upon an affidavit and deposition in which not one fact is averred under oath, issues a warrant for the seizure of all the money in the banks, and upon a hearing he holds that probable cause has been shown and sustains the warrant. All of the assets of the bank are carted away to

be held until the purpose of the seizure is accomplished, viz, the trials of the accused officers if they should ever thereafter be charged with the crimes.

If such an amendment were adopted and should stand the constitutional test, it would put it within the power of some subordinate Government official and one district judge to disrupt and paralyze the business operations of the United States, while the entire judiciary, including the Supreme Court of the United States, could only stand supinely by and impotently watch despotism oust liberty and star-chamber practice upset the traditions of our country.

Surely such a state of affairs, while it may not be "an absurdity so profound as to startle the brain of an idiot," is certainly sufficiently absurd to astound any sane man.

The search-warrant law is, in my opinion, proper and sufficient as it stands. It goes as far as the Constitution, which sets the outer mark of the invasion of the citizen's premises and effects at a reasonable search and seizure. No good citizen will complain of a law which provides that property used as the means of committing a felony or property or papers which have been used in aid of a foreign government and in violation of the laws of the United States shall be subject to search and seizure under the restriction imposed by the search-warrant act, but all fair-minded men will condemn any effort to override the law of Congress and the Constitution by Government officials who are zealous in the discharge of their duties, perhaps too zealous to regard the rights of a private citizen or to observe the method of performing their duties which has been laid down by the Constitution and by Congress.

My case here in Chicago is an instance of the latter sort. Congress has given the Federal Trade Commission broad powers of investigation. It has provided in the Trade Commission act ample means of compelling the attendance of recalcitrant witnesses and the production of any papers to which the commission or its agents are entitled. Instead of following these orderly processes of the law laid down to be followed in Federal Trade Commission investigations, a sensational raid was made without any authority of law and in utter disregard of a citizen's rights.

It is respectfully urged that the Congress, instead of amending the search-warrant act in the particulars demanded by the agents of the Federal Trade Commission, shall seek some means of impressing upon the minds of departmental subordinates the salient fact that "one's person and property must be entitled, in an orderly democracy, to protection against both mob hysteria and the oppression of agents."

Very respectfully, yours,

HENRY VEEDER.

Inclosures:
1. Demand on Veeder by Heney and McIsaac.
2. Veeder's reply.
3. Copy of opinion of circuit court of appeals, seventh district.

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DEMAND ON VEEDER BY HENEY AND M'ISAAC.

On behalf of the Federal Trade Commission, Mr. Hugh McIsaac and Mr. Francis J. Heney now and here demand access to, for the purpose of examination, and the right to copy any documentary evidence of Swift & Co. now in the files of you, Henry Veeder, at and in your possession at the Fort Dearborn Bank Building in the city of Chicago, Ill., or which is in your possession or under your control, and particularly those certain files which are contained in wrappers under the general index "Swift & Co.," and also certain files relating to Morris & Co., Cudahy & Co., Wilson & Co., and Armour & Co. and other corporations in the meat-packing and affiliated businesses contained under the general index entitled "General file."

This demand is made in connection with an investigation now being conducted by the Federal Trade Commission pursuant to and under the authority of that certain letter of the President of the United States, dated February 7, 1917, addressed to Hon. W. J. Harris, chairman of the Federal Trade Commission, in words as follows:

"Pursuant to the authority conferred upon me by the act creating the Federal Trade Commission, therefore I direct the commission within the scope of its powers to investigate and report the facts relating to the production, ownership, manufacture, storage, and distribution of foodstuffs and products or by-products arising from or in connection with their preparation and manufacture; to ascertain the facts bearing on alleged violations of the antitrust acts, and particularly upon the question whether there are manipulations, controls, trusts, combinations, conspiracies, or restraints of trade out of harmony with the law or the public interests.

"I am aware that the commission has additional authority in this field through the power conferred upon it to prevent certain persons, partnerships, or corporations from using unfair methods of competition or commerce.

"I presume that you may see fit to exercise that authority upon your own initiative, without direction from me, and also pursuant to the provisions of sections 9 and 10 of the Federal Trade Commission act."

—

VEEDER'S REPLY.

FEBRUARY 4, 1918.

Mr. FRANCIS J. HENEY,
Mr. HUGH MCISAAC,
Chicago.

DEAR SIRS: Referring to written demand which you dictated in my office about noon to-day, you are hereby informed that you or any other agent of the Federal Trade Commission, may have access at all reasonable times, for the purpose of examination, and the right to copy any documentary evidence belonging to any of the corporations mentioned in your said demand which may be in my possession or within my control.

You also verbally requested permission to search through all the files in my office to ascertain and determine what documents, if any, you, as agents of the Federal Trade Commission, are entitled, under the law, to have access to for the purpose of examination and copying.

In reply to such verbal demand, I desire to inform you that it is my contention that under the law you have no right to institute and carry on a general search of the files in my office for the purpose of ascertaining whether or not there may be among such files some documents which you might desire to examine and copy. If, however, you will indicate, either verbally or in writing, any particular document or documents which you desire to examine and copy and if the required document is in my possession and is one which under the law you are entitled to examine and copy, you will at once be accorded access to the same.

In your written demand of this day, you request the opportunity to examine and copy—

"certain files which are contained in wrappers under the general index 'Swift and Company' and also certain files relating to Morris and Company, Cudahy and Company, Wilson and Company, and Armour and Company, and other corporations in the meat packing and affiliated businesses contained under the general index 'General File.'"

Permit me to inform you that I have no files indexed under the title "Swift and Company" and "General File." I have, however, certain files which are indexed under the titles "Swift Letter File" and "General Letter File," and it is to these I assume you refer in your written demand. Since the receipt of your demand, I have made a cursory examination of the files indexed under the last-named titles. The number of subject matters discussed in the documents contained in the files in question number approximately 1,000, while the documents embraced therein probably exceed in number 12,000. None of these files is the property of Swift and Company or any of the other corporations named in your written demand. They are my personal files and communications made to me by my clients or by me to them in my professional capacity and are, therefore, privileged. You have already recognized the fact that I have in my possession files and documents which are not the property of any of the corporations mentioned in your demand, but which belong to me personally. You have also recognized the fact that I have in my possession documents which are privileged under the law and which I may not be compelled to produce.

If you will indicate any particular document, paper, or letter which you may desire to examine and copy, I will institute immediate search for such document, letter, or paper, and if it appears that the document is one which you are entitled to examine and copy, I will at once afford you an opportunity to do so.

HENRY VEEDER.

[Copy of opinion of circuit court of appeals, seventh circuit.]

In the United States circuit court of appeals for the seventh circuit. No. 2591. October term, 1917, January session, 1918. Henry Veeder, plaintiff in error, *v.* United States of America, defendant in error. Error to the district court of the United States for the northern district of Illinois, eastern division.

Before Baker, Kohlsaat, and Evans, circuit judges.

Baker, circuit judge, delivered the opinion of the court:

This writ of error challenges the sufficiency of the affidavit and deposition on which a search warrant was issued under Title XI of the act of June 15, 1917.

By the fourth amendment to the Constitution the people declared the limit beyond which Congress may not go in authorizing search warrants, namely:

"The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated, and no warrants shall issue but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized."

This limitation was clearly observed in the act in question.

Section 2 defines the property and papers that may be seized as follows:

"(1) When the property was stolen or embezzled in violation of a law of the United States.

"(2) When the property was used as the means of committing a felony, in which case it may be taken on a warrant from any house or other place in which it is concealed, or from the possession of the person by whom it was used in the commission of the offense, or from any person in whose possession it may be.

"(3) When the property or any paper is possessed, controlled, or used in violation of section 22 of this title."

Section 22, so referred to, reads thus:

"Whoever, in aid of any foreign government, shall knowingly and willfully have possession of or control over any property or papers designed or intended for use or which is used as the means of violating any penal statute, or any of the rights or obligations of the United States under any treaty or the law of nations, shall be fined not more than $1,000 or imprisoned not more than two years, or both."

Sections 3 and 5 prescribe the character of application that must be made for the search warrant:

"SEC. 3. A search warrant can not be issued but upon probable cause, supported by affidavit, naming or describing the person and particularly describing the property and the place to be searched."

"SEC. 5. The affidavits or depositions must set forth the facts tending to establish the grounds of the application or probable cause for believing that they exist."

McIsaac, an examiner in the service of the Federal Trade Commission, made an affidavit "that he has good reason to believe, and does verily believe, that in and upon certain premises within said district and division, to wit, in suite 1200 in the building at 76 West Monroe Street, in the city of Chicago, known as the Fort Dearborn Bank Building, said suite being the offices occupied by one Henry Veeder, there has been and now is located and concealed certain property, to wit, books of account, minute books, letter-press copy books, ledgers, journals, cash books, day books, memorandum books, bank books, check books, receipt books, and other documents, which other documents are more particularly enumerated, described, and indexed by words, letters, and figures as follows, to wit:" (then follows a list of references to letter files and document files, comprising about 2,000 items) "which said property has been used as a means of committing certain felonies; that is to say, the felony on the part of Swift & Co., a corporation organized under the laws of the State of Illinois, of storing, acquiring, and holding for the purpose of limiting the supply thereof to the public, and affecting the market price thereof in commerce, among the several States, of certain articles suitable for human food, to wit, meats, canned vegetables, canned fruit, canned fish, poultry, cheese, butter, eggs, and oleomargarine; the felony on the part of said corporation of willfully making false entries and statements of fact in certain reports pertaining to the ownership and control of subsidiary corporations by said corporation, which the Federal Trade Commission required it to make under subdivision (B) of section 6 of the act approved September 26, 1914, entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes'; the felony on the part of said corporation of willfully making false entries in divers accounts, records, and memoranda kept by said corporation of all facts and transactions appertaining to the business of said corporation, it being a corporation subject to said act of Congress; the felony on the part of said corporation of willfully neglecting and failing to make or causing to be made full, true, and correct entries in said accounts, records, and memoranda of all facts and transactions appertaining to the business of said corporation; and the felony of engaging in a conspiracy with Armour & Co., Morris & Co., Wilson & Co. (Inc.), Cudahy & Co., and with divers other corporations and divers individuals and partnerships to defraud the United States through and by means of collusive bidding upon contracts to be let to the lowest bidder to furnish to the United States large quantities of meats, hides, leather, canned goods, and other commodities for the use of the military and naval forces of the United States."

As illustrative of the wide scope of the list included in the affidavit and covered by the search warrant the following items are noted:

Anthony, D. M., for memorial papers (see "In memoriam file")	A- 37
Accidents, Swift & Co	A- 26
Attorneys' lien	A-135
British income tax	A-231
Cases, reference to pending and disposed-of cases	A- 58
Chicago Daily Law Bulletin	A- 98
Chicago Law Institute	A-114
Law books	A- 80
Lost bonds	A-103
Purchase of, South Eastern Reporter, North Western Reporter, South Western Reporter	A-190
Smoke violation, Chicago	A- 52
Wide-tire ordinance, Chicago	A- 34
Adamson law	644
Estate of Samuel W. Allerton	401
Cook County Employees' Benevolent Association	590
Deep waterway, Illinois	42
Estate of Theodore Newcomber	613
Inheritance-tax laws of various States	658
Kenwood Evangelical Church	367
Lake Forest University	146
Office keys	400
United States Supreme Court	275
West Point Academy	638
West Skokie drainage district	146

McIsaac's deposition is as follows:

"Q. State, if you know, whether there are certain papers and documents there in the office of Mr. Veeder relating to Swift & Co.

"A. Yes, sir; there are.

"Q. Just state, if you will, what those papers and documents are.

"A. There are a large number of papers.

"Q. Also state the occasion of your going and seeing them there.

"A. I made a partial examination of the papers of Henry Veeder, and he has a large quantity of files among the papers showing that they have been used in the commission of various felonies, one of them being in connection with the alteration of the books of Swift & Co. and other companies—some of them concerning violations of law that would make them guilty at this time of hoarding not only beef but of storing food products with the ultimate purpose of enhancing the prices thereof.

"Q. What food?

"A. Canned goods, canned fish, poultry, cheese, butter, eggs, all kinds of canned vegetables, and other foods. There are also papers there which show the false entry of various false entries made in books, account books, and papers required under the Federal Trade Commission act.

"Q. Books of whom?

"A. Books of Swift & Co. in the possession of Henry Veeder.

"Q. What else?

"A. There are other records which have been used in the furtherance of a conspiracy between Swift & Co., Armour & Co., Morris & Co., Cudahy & Co., and Wilson & Co. for the purpose of defrauding the United States Government in bidding upon contracts for the supply of hides, foods, leather, etc., for the Government.

"Q. What else did you see there?

"Judge LANDIS. You say you have seen these papers?

"A. I have seen some and have had a glance at others, which I was not permitted to inspect in detail, and apparently there are a great number of files there which relate to all these matters."

A brief statement of the applicable principles of law will suffice, for they are so well settled, so obvious from a reading of the constitutional and statutory provisions in question, so founded in the instinctive sense of natural justice, that no elaboration of the ground therefor is needed.

One's person and property must be entitled, in an orderly democracy, to protection against both mob hysteria and the oppression of agents whom the people have chosen to represent them in the administration of laws which are required by the Constitution to operate upon all persons alike.

One's home and place of business are not to be invaded forcibly and searched by the curious and suspicious. Not even by a disinterested officer of the law, unless he is armed with a search warrant.

No search warrant shall be issued unless the judge has first been furnished with facts under oath, not suspicions, beliefs, or surmises, but facts which, when the law is properly applied to them, tend to establish the necessary legal conclusion or facts which, when the law is properly applied to them, tend to establish probable cause for believing that the legal conclusion is right. The inviolability of the accused's home is to be determined by the facts, not by rumor, suspicion, or guesswork. If the facts afford the legal basis for the search warrant, the accused must take the consequences. But equally there must be consequences for the accuser to face. If the sworn accusation is based on fiction, the accuser must take the chance of punishment for perjury. Hence the necessity of a sworn statement of facts, because one can not be convicted of perjury for having a belief, though the belief be utterly unfounded in fact and law.

The finding of the legal conclusion or of probable cause from the exhibited facts is a judicial function, and it can not be delegated by the judge to the accuser.

No search warrant should be broader than the justifying basis of facts. For example, if a murder has been committed by means of a shot from a gun and by no other means, the search warrant should not direct the officer to enter the accused's home and seize the family register of births and deaths. And as the serving officer has no discretion in executing the search warrant in its entirety, the householder is entitled to have the search warrant quashed.

It is not every kind of property that may be seized under a search warrant. Limited by McIsaac's accusation, the statute applies only to property that "was used as the means of committing a felony." By exclusion, therefore, papers and documents which afford evidence that a felony has been committed, but which were not the means of committing it, are immune from seizure.

Applying these principles to McIsaac's affidavit, we observe that not a single statement of fact is verified by his oath. All he swears to is that "he has good reason to believe and does verily believe" so and so. He does not swear that so and so are true. He does not say why he believes. He gives no facts or circumstances to which the judge could apply the legal standard and decide that there was probable cause for the affiant's belief. There is nothing but the affiant's application of his own undisclosed notion of the law to an undisclosed state of facts. And under our system of government the accuser is not permitted to be also the judge.

Assuming that the "other documents," which are listed under reference letters and figures, are described with the particularity required by the statute, we observe that the precedingly mentioned "books of account, minute books, letterpress copy books, ledgers, journals, cash books, day books, memorandum books, bank books, check books, and receipt books" are only generically described.

We observe, too, that McIsaac states his belief that "said property was used as a means of committing certain felonies," without stating the basis of his belief that the various items were so used. If the facts were disclosed, they might or they might not afford probable cause for believing that Veeder's In Memoriam File, his lists of law books, his copies of the smoke and the wide-tire ordinances of Chicago, his office keys, etc., were the means used in committing the packers' assumed crime of controlling the price of beef.

Further, we notice that neither time nor place is laid for the unnamed acts that are supposed to constitute felonies. We take it as unquestionable that the statute contemplates the issuance of search warrants only when felonies have been committed that are presently prosecutable within the United States. We assume that no judge would issue a search warrant directing the officer to break into a museum and seize and carry away the dagger Brutus used in assassinating Caesar. The district attorney suggests that we must take judicial notice of the fact that some of the criminal statutes which are believed to have been violated were enacted within the past three years. True; but there is nothing in the record to show that McIsaac did not believe that such statutes could be used retroactively to punish acts done generations ago.

Turning to McIsaac's deposition, we note his statement of fact that there are in Veeder's office many papers and documents relating to Swift & Co., and that he has seen some and had a glance at others. But he utterly fails to state what he saw. He gives a mixed legal and fact opinion that the undisclosed things he saw establish that many papers and documents were used in the commission of various felonies, including conspiracy, false entries, and hoarding food. Neither with respect to the authorization of a search warrant nor the particularity with which instruments of crime must be described is the depostion any better than the affidavit.

We thoroughly agree with the learned district judge that the shield of the Constitution does not protect property that has been used in the commission of a felony, and that such outlaw property is subject to seizure by search warrant under this statute. But we find that the Constitution and this statute forbid a search warrant unless the issuing magistrate shall first properly draw the necessary legal conclusion from facts duly presented to him under the oath of the accuser. And in the record now before us we find no such presentation of facts.

Needless to say, the present judgment is not a bar to further proceedings.

Reversed, with direction to quash the search warrant.

A true copy.

Test:

EDWARD M. HOLLOWAY,
Clerk of the United States Circuit Court of Appeals for the Seventh Circuit.

[SEAL.] By FREDERICK G. CAMPBELL,
Deputy Clerk.

REPLY OF SWIFT & CO. TO QUESTIONS SUBMITTED JULY 23, 1917, BY THE FEDERAL TRADE COMMISSION.

SWIFT & CO.,
UNION STOCK YARDS,
Chicago, August 25, 1917.

Hon. JOSEPH E. DAVIES,
Federal Trade Commission, Washington, D. C.

DEAR SIR: In reply to your letter of July 23, in which you ask us questions about the live stock and meat situation, we have prepared the attached statement.

We have dealt with the subject at some length in our desire to cover it fully and trust that the commission will find the information of value.

Yours, respectfully,

SWIFT & CO.,
L. F. SWIFT,
President.

Question 1. "As you are aware, there is widespread complaint among consumers as to the prices of meats and other animal food products. The commission would like your views as to the cause of present high prices, to what extent they are justified, and if in your judgment there is not complete justification for them, what factor or factors in the production and distribution of meat animals and their products can be justly criticized?"

Our reply to this question is as follows:

PRICES OF ALL COMMODITIES HAVE RISEN.

The recent increase in meat prices has been part of an upward movement of prices in general. As compared with other commodities, it does not appear that meat prices have risen abnormally; nor, in fact, as much as many other important food products. Preliminary figures obtained from the United States Bureau of Labor Statistics show the following percentage increases in wholesale prices for June, 1917, over the prices for July, 1916, for meats and various other products:

Increases in wholesale prices, June, 1917, over July, 1916.

	Per cent increase.
Cattle, good to choice steers	25.6
Beef, fresh, native steers	15.0
Hogs, heavy	59.8
Bacon, short clear sides	54.1
Lard, prime, contract	61.8
Wheat, No. 1 northern	130.3
Flour, standard patent	127.8
Corn, No. 2 mixed	112.4
Potatoes, white	241.8
Cotton, upland middling	96.2
Wool, fine fleece, scoured	77.1
Coal, bituminous	172.7
Copper, electrolytic	22.6
Pig lead	66.6
Pig tin	61.9
Pig iron, Bessemer	149.2
Petroleum, crude	19.2

The same thing is true with regard to retail prices, as shown by the following figures, also from the United States Bureau of Labor Statistics (Monthly Review of the United States Bureau of Labor Statistics, July, 1917, p. 131), which indicate the percentage increases in prices for May 15, 1917, as compared with the average prices for the whole year 1916:

Increases in retail prices, May 15, 1917, over average for 1916.

	Per cent increase.
Sirloin steak	18
Round steak	21
Rib roast	21
Chuck roast	27
Pork chops	35
Bacon	45
Ham	32
Lamb	59
Hens	24
Eggs, strictly fresh	6
Butter	18
Cheese	31
Bread	30
Flour	98
Corn meal	58
Potatoes	127
Onions	76
Beans, navy	74
Sugar	25

The average increase in retail prices for May 15, 1917, over the year 1916 for all foodstuffs reported by the Bureau of Labor Statistics was 33 per cent; the average increase for fresh beef cuts, pork chops, bacon, and ham was only 28.6 per cent.

These figures prove that the prices of dressed meats, especially beef, have not risen as much as the prices of other foods, and that the prices of such staple products as cotton, wool, coal, and pig iron have risen much more than foods in general. The preceding statement of wholesale prices also shows that the prices of dressed meats have not increased as much as the prices of live animals—a point which will be discussed below. It would appear reasonable to ask not only why have meat prices risen as much as they have but why have they not risen as much as the prices of other commodities? This question we shall attempt to answer.

REASONS FOR HIGH PRICES.

The fundamental reasons for the recent abnormal increase in the general price level are to be found, first, in an enlarged money supply; second, in an unprecedented demand due to foreign buying and domestic war-time prosperity; and, third, in an actual shortage of many important commodities.

The first two of these reasons—the large money supply and the unprecedented demand—account for the increase in meat prices, but an unusually large supply in the case of meat has operated to keep prices from going so high as they otherwise would, or so high as the prices of other agricultural products have gone.

THE UNUSUAL DEMAND FOR MEAT PRODUCTS.

The unprecedented demand for meat products has been due, as stated above, to prosperity at home and to foreign buying. As for the excessive domestic demand this is caused by general industrial prosperity, high wages, and steady employment. The purchasing power of the American public was never so great as it is now. Many people who ordinarily use meat sparingly have been earning so much more money in industries boomed by the war that they are buying meat more plentifully now than ever before, in spite of the higher prices, thereby more than offsetting the reduced consumption among salaried people who have not benefited from war conditions. Furthermore, the facts that more people are at work than ever before and that there have been no periods of unemployment during the past two years have also contributed to the tremendous demand. In our opinion the unprecedented demand is the principal reason for the increase in meat prices.

This domestic demand has been accompanied by a large foreign demand. The exports of meat in 1916 showed a great increase over the figures for the year preceding the European war. For example, exports of beef and beef products increased from 148,000,000 pounds in 1914 (year ending June 30) to 444,000,000 pounds in 1916; fresh pork increased from less than 3,000,000 pounds to 63,000,000 pounds; and cured pork products from 405,000,000 pounds to 925,000,000 pounds.

Except in the case of pork products, the exports for 1917 do not show any very large increases over 1916. The following figures represent quantities exported during the 10 months ending April 30, 1916 and 1917:

Exports for 10 months ending April 30.

	1916	1917
	Pounds.	*Pounds.*
Fresh beef	176,700,000	152,300,000
Canned beef	34,600,000	47,300,000
Pickled and other cured beef	33,600,000	49,300,000
Bacon	483,400,000	555,900,000
Hams and shoulders	232,700,000	222,000,000
Lard	332,400,000	389,900,000
Total	1,293,400,000	1,416,700,000

For the aggregate beef and pork products enumerated in this table the exports for the 10 months ending April 30, 1917, were about 10 per cent greater than for the corresponding period in 1915–16. This is enough of an increase to account partly for the advance in domestic prices.

The great foreign demand for cured pork partly accounts for the fact that prices of pork products have increased more than the prices of beef. One reason for the great foreign demand for our meats has been the shortage of ocean carriers, which has forced England and France to buy in the United States what they would otherwise have bought in more distant countries.

THE MEAT SUPPLY.

The reason that meat and live-stock prices have not advanced as much as the prices of other commodities is that the supply of meat animals has appreciably increased. The quantity of live stock marketed and slaughtered in 1916 was the largest in the history of the country: and the significant thing is, to quote from the annual report of the Secretary of Agriculture for 1916, "this heavier slaughtering has been accompanied by an increase in the remaining stock of animals."

It is, of course, only natural that as the western ranges have been broken up, as the cost of live-stock raising has increased, and as the area available for live-stock production has not increased in proportion to the growth of population, the production of live stock per capita should have shown a tendency to fall off during the past 20 or 30 years. The estimates of the United States Department of Agriculture and the census figures, on which have been based so many statements to prove that per capita production of live stock has fallen off seriously, are of at least questionable accuracy. The changing of the census date from June 1 to April 15 in 1910 further complicated the situation, and rendered comparisons for years before and after that date of doubtful validity, because the new date of April 15, to which recent figures apply, excludes a large proportion of the calf, lamb, and pig crops that was previously included.

Data concerning live-stock and meat production are estimates at best, but we believe that the figures of meat production shown in the accompanying table come as near the facts as it is possible to get. In constructing this table we have used the exact number of animals slaughtered in the United States inspected houses, and have expanded these into total number of pounds of meat produced by using the same method as that used in report 109 of the United States Department of Agriculture, "The Meat Situation in the United States, part 1," page 263. The percentages and weights used in constructing it are shown in an explanatory note at the end of the table:

The production of meat, 1909–1917.

1909.

	Number of head.	Dressed weight of carcass.	Other edible portions.	Total.
		Pounds.	*Pounds.*	*Pounds.*
Cattle	13,650,245	7,412,083,035	1,337,724,010	
Calves	6,524,786	685,102,530	63,290,424	
Sheep	14,736,552	604,198,632	29,473,104	
Hogs	53,287,705	8,206,306,570	1,332,192,625	
		16,907,690,767	2,762,680,163	19,670,370,930

1910.

Cattle	13,815,000	7,501,545,000	1,353,870,000	
Calves	6,675,000	700,875,000	64,747,500	
Sheep	16,122,000	661,002,000	32,244,000	
Hogs	44,158,000	6,800,332,000	1,103,950,000	
		15,663,754,000	2,554,811,500	18,218,565,500

1911.

Cattle	13,496,000	7,328,328,000	1,322,608,000	
Calves	6,511,000	683,655,000	63,156,700	
Sheep	18,216,000	746,856,000	36,432,000	
Hogs	57,905,000	8,917,370,000	1,447,625,000	
		17,676,209,000	2,869,821,700	20,546,030,700

1912.

Cattle	12,821,000	6,961,803,000	1,256,458,000	
Calves	6,790,000	712,950,000	65,863,000	
Sheep	19,461,000	797,901,000	38,922,000	
Hogs	56,044,000	8,630,776,000	1,401,100,000	
		17,103,430,000	2,762,343,000	19,865,773,000

1913.

Cattle	12,338,000	6,699,534,000	1,209,124,000	
Calves	5,667,000	595,035,000	54,969,900	
Sheep	18,715,000	767,315,000	37,430,000	
Hogs	59,652,000	9,186,408,000	1,491,300,000	
		17,248,292,000	2,792,823,900	20,041,115,900

1914.

Cattle	11,944,000	6,485,592,000	1,170,512,000	
Calves	5,060,000	531,300,000	49,082,000	
Sheep	18,486,000	757,926,000	36,972,000	
Hogs	55,298,000	8,515,892,000	1,382,450,000	
		16,290,710,000	2,639,016,000	18,929,726,000

1915.

Cattle	12,645,000	6,866,235,000	1,239,210,000	
Calves	5,424,000	569,520,000	52,612,800	
Sheep	15,865,000	650,465,000	31,730,000	
Hogs	65,071,000	10,020,934,000	1,626,775,000	
		18,107,154,000	2,950,327,800	21,057,481,800

The production of meat, 1909–1917.—Continued.

1916.

	Number of head.	Dressed weight of carcass.	Other edible portions.	Total.
		Pounds.	*Pounds.*	*Pounds.*
Cattle	14,687,000	7,975,041,000	1,439,326,000	
Calves	7,058,000	741,090,000	68,462,600	
Sheep	15,500,000	635,500,000	31,000,000	
Hogs	75,070,000	11,560,780,000	1,876,750,000	
		20,912,411,000	3,415,538,600	24,327,949,600

EXPLANATORY NOTE.—The basis of this table is the number of head slaughtered in inspected houses. From this is estimated the total number slaughtered by applying the percentage of total slaughtered in inspected houses in 1909, as shown below. The number of pounds is found by multiplying the number of head by average dressed weights of carcasses, also shown below. "Other edible portions" include such things as hearts, livers, edible fats, etc., the number of pounds of which per head is also shown in following statement:

	Per cent of total in inspected houses.	Average weight dressed.	Other edible portions per animal.
		Pounds.	*Pounds.*
Cattle	56.39	543	98
Calves	35.46	105	9.7
Sheep	76.95	41	2
Hogs	58.86	154	25

Using the figures of total meat production in this table and the census figures of population, the per capita production of meats for each year from 1909 to 1916 was as follows:

	Pounds.
1909	217.2
1910	197.7
1911	219.1
1912	208.2
1913	206.5
1914	191.9
1915	210.0
1916	238.7

It will be seen from these figures that the per capita production of meats has not only held its own since 1909 but that in 1916 it was much larger than in any year shown. And the most significant fact of all is that, although the per capita production of meats was so large in 1916, the actual number of live animals on farms on January 1, 1917, also showed an appreciable increase.

These facts concerning meat production not only prove our statement that increased production accounts for the fact that prices of meats have not advanced as much as prices of commodities in general but they appear to disprove the general belief that there is a serious shortage of live stock and the charge that production has been discouraged by low prices.

The fact that the prices of dressed meats have not advanced as rapidly as the prices of live animals deserves further emphasis. The following actual figures taken from the records of Swift & Co. for corresponding weeks of 1916 and 1917 show the facts for beef and live cattle. The selection of any other weeks during the last few months would yield similar results.

	Week ended July 1.			Week ended July 8.		
	1916	1917	Per cent increase.	1916	1917	Per cent increase.
Live cattle	$8.24	$10.00	21.3	$8.08	$10.00	23.7
Dressed beef	12.90	14.72	14.1	12.87	14.80	15.0

From this table it will be seen that whereas the prices paid for live cattle increased 21.3 and 23.7 per cent, respectively, for the two weeks under review the prices received for dressed beef increased only 14.1 and 15 per cent, respectively. In other words, the prices received for live stock by growers have increased faster than the prices we have received for meats. The fact that Swift & Co.'s gross margin on beef to cover expenses and profits has been a smaller percentage of selling price in 1917 than in 1916 has been made possible by the high prices prevailing for hides and other by-products.

As bearing on this same significant fact, the accompanying diagram 1 has been prepared based on figures from Swift & Co.'s books showing the relation between the price paid for live cattle, the price of dressed beef, the value of by-products, and the net profit per hundred pounds of dressed beef weekly for the year ending June 30, 1917. Since cattle bought at any one time are sold as dressed meat a week or so later the sale price of dressed beef as shown in the diagram is for one week later than the price paid for cattle. This makes the comparison approximately accurate.

Several important facts are revealed by this diagram. First, it will be seen that in general the prices of beef and cattle fluctuate together; second, the actual margin between sale price of beef and cost of live cattle widens out somewhat as prices rise, due to the fact that beef yield is only a little over 50 per cent of the live weight, so that the price of beef has to increase or decrease faster than the price of cattle. As the actual spread widens, however, it becomes a smaller proportion of the selling price.

Finally, and most significant, the diagram shows that the net profit remains within narrow limits, whatever the prices of beef and live stock, and that for many weeks during the recent era of high prices actual losses have been suffered by the beef branch of Swift & Co.'s business. There could be no better evidence of an absence of control over prices of beef and cattle.

CONCLUSIONS WITH REGARD TO PRICES.

From the foregoing discussion of prices in answer to question 1 the following facts have been established:

1. The increase in meat prices has been part of a general movement toward higher price levels due to economic causes that are not peculiar to the packing industry.

2. Meat prices have not advanced as much as the prices of foodstuffs in general, nor as much as the prices of other important articles of commerce.

3. Meat prices have not advanced as much as the prices of live stock.

4. A record quantity of live stock marketed accounts for the fact that meat prices have not advanced as much as the prices of other commodities.

5. These greater marketings of live stock have not been accompanied by a diminution of the number of animals on farms, as is popularly believed, but rather by a definite increase of the live-stock supply. In other words, live-stock production has not been discouraged.

6. There is nothing about recent price tendencies which indicates or suggests that there have been any unnatural or artificial causes at work with regard to meat prices.

7. The only way to promptly reduce prices appreciably under present conditions would be to induce or to compel consumers (at home and abroad) to use less meat; but this would react on the farmer by reducing the price of live animals, and this in turn would curtail production.

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Question 2. Since question 2 asks how the present agencies in production and distribution fail to perform their economic functions in serving the ultimate consumer this question will be answered under question 4, which asks for economic weaknesses in the present system and the remedies therefor.

Question 3. "In your opinion is the present vast system of conducting the meat business from the raising of the animals on the range and farm through all the steps to the table of the consumers the result of the operation of healthy, natural laws or is it in part the result of efforts, either conscious or unconscious, to interfere with the operation of such laws?"

Our reply to this question is as follows:

We believe the present system of marketing live stock from the ranch or farm to the consumer's table is the result of "healthy, natural laws," and that it has not been the result of efforts "to interfere with the operation of such laws." We further believe this fact is susceptible of conclusive proof to the impartial student. The reasons that we advance for this belief, which will be enlarged on below, are as follows:

1. Each middleman or manufacturer now engaged in the marketing of live animals and meats performs necessary and useful functions.

2. The development of large packing companies is the natural result of the economies of large-scale production and distribution.

3. The packers buy animals and sell meats in open competitive markets.

1. SERVICES PERFORMED BY THE VARIOUS MIDDLEMEN.

The channels of trade through which live stock generally passes from producer to consumer are as follows: At country points growers either ship direct or sell to a "shipper" or "cattle buyer," or in some cases ship through a cooperative association. When a grower raises enough live stock to ship in car lots there is little or no need of a middleman at country points. On the other hand, when farmers raise animals on such a small scale as to have only a few head to market at one time it becomes practically necessary for some agency to gather the offerings of individual farmers for car-lot shipments. In some cases this service is performed by the farmers cooperatively through their own shipping associations.

On leaving country points live stock is shipped to commission merchants in the large central markets. These commission merchants look after the interests of shippers and attend to the handling and feeding of stock in the yards. They are expert judges of live-stock values, know the needs and peculiarities of the various buyers, and obtain the highest possible price for their consignments.

Although "dealers" and "shippers" handle part of the receipts in all large stockyards and have an important and beneficial influence on prices, the next important step is the packing house, which not only performs the necessary functions of slaughtering and dressing but ordinarily markets through an extensive selling organization to retailers all over the country. The retailer is the final step in the marketing process, and his services are just as necessary as those of the various other agencies described above. In fact, there seems to be sufficient economic justification for the general organization of the marketing process.

2. REASONS FOR THE DEVELOPMENT OF LARGE PACKING HOUSES.

This brings us to the organization of the packing business itself and the fact that there has been a development of large companies. This has happened, as in other industries, though to no greater extent than in many, because of fundamental economic advantages which accompany large-scale production. These advantages are as follows: Minute division of labor and specialization in the manufacturing department of the business; utilization of by-products; efficient marketing organization and methods; as a result of these three advantages, a surprisingly low cost of production and distribution; and, finally, the production of the highest possible quality of meats and the standardization of grades.

Division of labor and specialization: The packing industry offers one of the best examples of economies resulting from minute subdivision of the manufacturing process among specialized workmen. Because business is done on such a large scale it is possible to let each employee specialize on some single process, thereby bringing about the highest possible degree of accuracy, skill, and speed.

Utilization of by-products: The packing industry is the classic example of economies effected through the utilization of by-products, and this point does not need to be enlarged on.

Efficient marketing organization and methods: One of the most important features of the present organization of the packing business is the fact that meats are distributed direct to retailers in the larger cities and towns of the country through the branch houses of the packers. Branch-house distribution is supplemented by the "car routes," which reach towns that are not large enough to support branch houses. This extensive marketing organization results in the most scientific and skillful handling of the perishable products sold and makes them available to all parts of the country. Since different cities demand different qualities of meat, this organization makes possible the shipment of just the quality demanded; since the quantity demanded by different sections fluctuates from week to week, meats can

be sent to markets where demand is the greatest and kept away from those markets where demand is slack. Only a country-wide organization can do this with the greatest efficiency. Furthermore, a well-organized export department takes care of the foreign business.

The efficiency of marketing is also enhanced by the fact that each of the large companies has a number of packing houses distributed throughout the producing sections, enabling the most efficient and economical assembling of the different qualities of animals from various parts of the country and the shipment of meats from the nearest plant in each case. The efficiency due to size applies not only to the marketing of meats, but to the manufacturing and marketing of by-products as well.

Low cost of slaughtering and marketing: As a result of these advantages of large-scale production, the expenses of slaughtering, dressing, and marketing have been reduced to a minimum, and the packer takes out an astonishingly small margin between producer and consumer. One of the most striking facts that illustrate this point is that the price paid to the stockman by the packer for cattle is about 90 per cent of the price actually realized by him in the sale of beef and by-products.

In a recent bulletin on the Meat Situation in the United States, issued by the United States Department of Agriculture, figures are presented showing the marketing costs on nine lots of cattle from country shipping points through the retailer to the consumer. Interpreting these figures, the bulletin says (Report No. 113, p. 71): "The distribution of returns indicated by the data is approximately two-thirds to three-quarters to the stockman, 3 to 4 per cent shipping and stockyards' expense, 5 to 6 per cent packing and wholesale distribution, and 15 to 20 per cent retailing." These percentages are based on final retail prices. It must be borne in mind that the packer has to pay his expenses of buying, maintenance and operation of slaughtering plants, transportation, and selling through branch houses out of this 5 or 6 per cent as well as make his net profit.

These figures prove conclusively that the packer performs his services at low cost, and that he receives a surprisingly small part of the total spread between the price of live cattle and the price paid for meat by consumers; the inspection of the Swift & Co. accounts by the auditors of the Federal Trade Commission will reveal these facts even more convincingly.

Improvement and standardization of meat quality: Possibly the greatest advantage of all is the improvement and standardization of the quality of meat sold, as well as the condition in which it is delivered to retailers. In the first place, the scientific methods used by the packers yield the very highest quality and condition of meats from the animals available for slaughter, and this is one of the greatest contributions of the large-scale packing industry. Furthermore, the qualities and grades are standardized, and the large packers are able to supply a definite standard of quality month in and month out to any individual dealer who has a definite and established trade. The qualities of meat demanded by different sections of the country, and even by different cities in the same section, vary; and the packer, with his large supply and assortment, can adjust his shipments to suit these various demands. In other words, the large packer makes possible the production of the highest possible quality of meats, their availability in perfect condition, the standardization of grades, and, in general, the most efficient utilization of the meat supply.

PROFITS.

From the gross margin, as explained above, the packer must not only pay his expenses but he must also obtain his net profit. Swift & Co.'s average net profit over a series of years has been less than 3 cents per dollar of sales.

Profits on cattle and sheep: For the five years ending with September 30, 1916, Swift & Co. in all of its plants together made a profit of $1.22 per head of cattle before paying interest on borrowed money. The net profit by years was as follows:

Profit on cattle,	Per head.
1912	$0.707
1913	.776
1914	1.171
1915	1.643
1916	1.651

This profit amounts to about one-eighth of a cent a pound live weight, or one-quarter of a cent a pound dressed weight, including returns from all the by-products.

It has been commonly said that the prices prevailing for fat cattle in the year 1915 were unprofitable to the producer. It has also been intimated that the general business situation justified much higher beef and cattle prices and that, as a matter of fact, the packers had, by reason of low cattle prices, made exorbitant profits on cattle in 1915. Our profits on cattle during 1915 were $1.64 per head, approximately one-eighth of a cent per pound live weight, or one-quarter of a cent per pound dressed weight of beef, including all of the by-products. Our profits during that year were seldom as high as one-half cent per pound of beef. This was also true in 1916.

In arriving at the profit for the five years we have taken into account the actual amount of money which the retail dealer paid us for the sale of the dressed beef; and the sale of livers, hearts, tails, etc.; the sale of casings, oleo oil and stearine, tallow, blood and tankage, bones, hoofs, horns, and, in fact, all of the by-products produced. We have taken into account the actual sale of the hides, the major portion of which is sold to tanneries in which we are not interested. The hides which we have sold to our own tanneries have been charged to them at the full market price current on the day of sale.

From these sales we have deducted the actual cost of the live cattle and actual expenses and freight incurred. All expenses deducted represent actual money out of pocket, except depreciation, which has averaged less than 2½ per cent on buildings and 8 per cent on machinery.

Even if Swift & Co. should waive all beef profit and give it to stock raisers, they, the stock raisers, would receive less than $1.50 a head more than they now realize; if it should be given to consumers in the form of lower meat prices, it would reduce the cost to the average individual less than 25 cents per year for all the beef that he eats. As a matter of fact, if the packer should give up his net profit on slaughtering and meat packing, the effect on both live-stock prices and retail meat prices would be inappreciable; it would be practically nil. If these facts could be generally realized, they would dispel the popular illusion that the packers manipulate prices so as to make extortionate profits.

On sheep and lambs, Swift & Co.'s average profit for the five years ending September 30, 1916, was only 14.9 cents per head, including the sale of all by-products. The profit by years was as follows:

Profit on sheep.	Per head.
1912	$0.156
1913	.126
1914	.115
1915	.157
1916	.200

Hog profits: In considering hog profits it should be realized that hog packing differs from cattle and sheep slaughtering in important respects. There are larger elements of uncertainty in the hog industry; whereas the dressed meat of cattle and sheep is sold almost immediately after slaughter, the greater portion of the hog goes through various processes of curing and preparation, which means that such products made from hogs bought to-day will not be sold for several months. The probable future value of these hog products is therefore much more speculative than the products of cattle, sheep, and lambs, which are sold before the market has had time to change to any great extent, and the value of the live hog is therefore influenced largely by the trader's estimate of future conditions. It should also be noted that hog values depend more on world conditions and influences, whereas values of cattle and sheep depend more on domestic supply and demand.

For the five years ending September 30, 1916, Swift & Co.s average net profit on hogs was 58.5 cents per head. The profits by years have been as follows:

Profit on hogs.	Per head.
1912	$0.503
1913	.603
1914	.567
1915	.186
1916	.974

No interest on borrowed money has been deducted in obtaining these results; and such interest charge is greater for hogs than for cattle and sheep. The speculative nature of the results is indicated by the wide fluctuation in profits from year to year from a minimum of 18.6 cents a head in 1915 to a maximum of 97.4 cents in 1916. The figures do not include profits on refined lard. Even if they were to be included—and the refining of lard is an entirely separate business—the net profit per hog would be raised to only 66.5 cents instead of 58.5 cents as shown above.

It will be found by the accountants of the Federal Trade Commission, who are working on our books at the time this is written, and who can verify the figures shown above, that the profits for the nine months ending June 30, 1917, have been running larger than during recent years. But even during this period the net profit on all cattle, sheep, and hogs slaughtered has been less than 1 cent a pound, dressed weight. It is impossible to obtain final figures for 1917, especially on hogs, until later in the year. Our stocks of cured meats reach their maximum in July and actual profits can not be computed until they have been sold late in the fall.

The principal reason for higher profits during recent months is that values have been advancing so rapidly and steadily that between the time of slaughter of animals and the time of sale of the resulting meats the enhancement of values has been much greater than we could anticipate. When the tide turns and values begin to recede the effect on our profits will be just the opposite, i. e., they will be reduced or turned into losses. For this reason we do not consider such additional profits as available for distribution among shareholders, but expect to conserve them in the nature of a reserve to take care of possible losses in the future.

In connection with the profit figures shown above, some one may say that though the profit per head is small the profit in the aggregate is large. It is, of course, only because of the immense volume that the packer can afford to do business on the slender margin that ordinarily prevails and still earn a fair return on capital invested. It is safe to say that the profits on capital invested earned by the large packers are no more than reasonable. If some earn more than others, this is the reward of greater efficiency. It is also a significant fact that the earnings of the packers, even during recent months, have been small as compared with the profits reaped in other lines of business during war times.

If those who are so suspicious of the big packers could only visualize the position the packers occupy—the fact that after having developed the best buying methods possible, the most efficient manufacturing methods, and the most effective sales organization, they are able to realize over long periods only a fraction of a cent net profit per pound, and that it requires a continuous and aggressive policy of maintained and improved efficiency to save this slender margin of profit after all expenses are paid, then those who are fair-minded could not help but change their views—they would come to the realization that the big packing industry is something for the country to be proud of and that its operations are a benefit to both stock raisers and meat dealers in that under no other system could the margin between cattle prices and meat prices be as small as it is.

3. THE PACKER BUYS ANIMALS AND SELLS MEATS IN OPEN COMPETITIVE MARKETS.

It has already been shown in reply to question 1 that the prices of beef and live cattle fluctuate together and that the net profit to the packer, although it varies from week to week, averages less than a half a cent a pound and bears no relation to the prices of dressed beef and live cattle. This in itself constitutes a proof that prices are not manipulated so as to yield extortionate profits to the packers; but there are numerous other features of the live-stock and meat trades which would render it extremely difficult, if not absolutely impossible, for any set of operators to control prices even if they should attempt to do so. Some of these features are discussed below.

The demand for fresh meat, which is perishable, fluctuates greatly. Live stock is worth to the packer only as much as it can be sold for after it has been converted into dressed meat and by-products. Although Chicago live-stock prices are looked on as basic, it is little realized how much they, in turn, depend on the prices of dressed meats in large consuming centers, such as New York, Boston, and Philadelphia; and the demand in these large consuming centers fluctuates from day to day, with consequent rapid variations in price, over which the packer has no control.

Approximately 90 per cent of the fresh beef marketed is simply refrigerated, rather than frozen, and is therefore extremely perishable. It must be sold within about two weeks from the time of slaughter. This complicates the packer's problem of meat disposal, because rather than let meat spoil he must sell it for any price that he can get. When the packer buys live animals he has no way of foreseeing exactly what the demand for meat is going to be a week or two later; he knows only what meat is worth at the time the animals are bought,

and this is the only basis he has to go by. He may anticipate a larger demand than occurs and send too much meat to some particular market, and under such conditions he often has to sell at a loss rather than let it spoil. Or the demand may be heavy for chucks and light for hind quarters, with a resulting scarcity of one cut and oversupply of the other. These vagaries of demand are absolutely uncontrollable.

The supply of live stock at the large markets varies from day to day and from week to week, and can not be controlled by the packers. Most manufacturers can order such quantities of raw materials as they desire, and have them delivered at convenient dates. Not so in the packing industry. Live stock comes to market in a constant but unsteady stream. The packers have to absorb this supply of raw materials, even if the market for dressed meat is poor. When the demand for meats is slack and prices are declining, and the packer has all the stuff he can carry, competition among buyers is listless, and the packer must naturally try to buy live animals at lower prices in an effort to avoid loss in the sale of the meat. It is the pressure of trade conditions during such a situation over which he has no control that forces the packer to buy at lower prices if he can; he can't be expected to deliberately buy animals at prices which apparently will result in loss after conversion into dressed meats.

How different it is when the demand for dressed meats is brisk, the meat stocks are low, and the live-stock receipts are light! The buyers of the packers are in the market bright and early, with orders to get the stuff; they compete actively with each other and with shippers, and the price goes up. Although this happens just as often as the other occurrence—in fact, much oftener during recent years—it is accepted as a matter of course.

These two points, that the packer can not control the demand for meats nor the supply of live stock, are of fundamental importance. If the packer could set a definite price for his meats and could then control his purchase of live stock and output of meats, as in the case of the ordinary manufacturer, who sets a price for his product and regulates the purchase of material, and the output of goods in accordance with the quantity that can be sold at the price set, the situation would be different. But no! There are too many uncontrollable factors: The demand for meat and by-products; the supply of live animals coming on the market; the perishability of the product, which makes it necessary to sell meat before it deteriorates, regardless of price. All these things, together with the fact that if prices were artificially boosted consumption would be curtailed, point to the absurdity of the charge that the packers control prices.

Dealers and shippers in live-stock markets offer effective competition: Besides the packers there is another set of buyers in every live-stock market, who have an important influence on prices. These are the dealers and shippers. Just as soon as the price in any single market sags below what a dealer believes it ought to be, or will be the next day, he immediately steps in and buys. Or, if he sees that the price has gone low enough to yield a possible profit by shipping to some other market, he buys and takes a chance that the other market will stay up long enough for him to get his stock there. In other words, there are those in every market who stand ready to buy whenever the price falls below what they believe conditions justify; they have a steady effect on the market; their operations help to keep the various markets of the country "in line" with each other.

Price fluctuations are not so severe as is generally thought, and frequent fluctuations indicate free competition: Over short periods the fluctuations in the price of live stock are not severe, as compared with the prices of most other commodities. An increase in the price of steers from $12.50 to $12.60 represents a change of less than 1 per cent; an increase from $12.50 to $13 represents a change of only 4 per cent.

Packers do not like price fluctuations any better than do live-stock producers, and do not benefit by them. In fact, the packers have two sets of fluctuating prices to contend with—those of live stock and those of dressed meats. As pointed out before, one of the packers' principal problems is to know market conditions so thoroughly that he can buy live stock and sell meats a week or two later in such a way as to average his quarter-of-a-cent net profit, notwithstanding the fluctuations in prices of both factors.

Furthermore, frequent price fluctuations represent a high degree of competition rather than the reverse. A study of the markets for other commodities proves this statement. Where competition is continuous and severe, as in an organized wheat market, the price oscillates continuously, but only an eighth of a cent at a time. In the potato market, which is less highly organized and where competition is not so severe, the price remains constant for days at a time, and jumps or falls perhaps 5 cents a bushel. Steel rails remained for years at $28 a ton! As a general rule, the less severe the competition the less frequent the fluctuations in price.

Price fluctuations are caused primarily by changes in the demand for meat on the one hand and the changes in the supply of live stock on the other. The marketings of live stock are uneven, both within a single week and over long periods. Only by bringing about a steady demand for meat products and a better regulation of meat supply and of live-stock marketings can the severity of live-stock price fluctuations be reduced.

The prices of cattle, hogs, and sheep do not move together, nor do the prices of different grades of the same kind of animal. It frequently happens that the price of steers may be advancing, while the price of hogs remains constant or even falls. The market for fancy steers may be dull, whereas the market for lower grades is active. This is another definite indication that prices are the result of competition, and that they are determined by conditions of supply and demand.

The packing business could not be transacted successfully at arbitrary or fixed prices. Our business of buying and selling has to be done "at the market," because, as pointed out above, we neither control the supply of our raw material nor the demand for our finished product. To set an arbitrary price on live stock would result either in encouraging too large a supply or in keeping live stock off the market. To set an arbitrary price for meats would mean either that there would not be enough sold to use up the supply or else that there wouldn't be enough to go around. Fresh meats are perishable, and we have to sell them for what we can get before they spoil. No set of men could set arbitrary prices all along the line and conduct the business successfully. Market prices govern, and we have to follow them.

SUMMARY OF REPLY TO QUESTION 3.

In our reply to question 3 we believe we have established the following facts:

1. The organization of the whole marketing process for live stock and meats appears to have ample economic justification.

2. The development of large houses in the packing industry, as in many other lines of business, has come about because of greater efficiency of large-scale production and marketing.

3. The packers' gross margin to cover expenses and profits is astonishingly small and accounts for but a small proportion of the total spread between farm price of live stock and the retail price of meats. The farmers get nearly 90 per cent of the prices received by the packer for his dressed meat and by-products, and from two-thirds to three-quarters of final retail prices.

4. The profits of Swift & Co. over a period of years have averaged less than 3 cents on every dollar of sales. On either a "per-head" or invested-capital basis they appear to be reasonably moderate.

5. The larger profits of 1916–17 have been caused principally by a steady increase in values of goods in process of manufacturing and marketing, and corresponding losses on a future declining market must be provided for.

6. Fresh meats are perishable and have to be sold within a short time for what they will bring; the demand for meats is continuously fluctuating and can not be controlled. Similarly the supply of live stock fluctuates greatly from week to week and can not be controlled. All the facts of the case indicate that there is free competition in both the dressed-meat and the live-stock markets.

Question 2. "The meat packer stands between the producers of meat animals on the one hand and the retail distributor of their products on the other. In what respects, if any, does either of these three agencies, in your opinion, fail to perform its proper function in serving the ultimate consumer?"

Question 4. "What, if any, are the economic weaknesses of the existing system, and what remedies do you suggest for any existing evils?"

Since these two questions are so similar in character we are taking the liberty of answering them together.

WEAKNESSES IN PRODUCTION AND MARKETING OF LIVE ANIMALS.

1. Uneven marketing of live stock.—The quantity of live stock marketed fluctuates greatly from day to day and from week to week. In the first place, shipments are concentrated too heavily into two days of the week, as shown by the accompanying Diagram II, which gives the average receipts of cattle at Chicago for each day of the week for the two months, November and December, 1916. More serious than this concentration within the week are the recurrent gluts and scarcities of live stock in the principal markets, as indicated by Diagram III, which gives the receipts of cattle and hogs at seven large markets for each week of 1916. This uneven marketing is due partly to insufficient knowledge on the part of shippers concerning market conditions and prospects. There is no way of forecasting exactly what conditions will be when a load of live stock reaches the market, but improvement in this respect can be made through the means of more authentic and comprehensive market reports than have heretofore been issued. The Office of Markets of the United States Department of Agriculture has recently extended its Market News Service to include the prices and movements of live stock and market conditions and prices of dressed meat, and this will undoubtedly be beneficial in bringing about a more even marketing and in lessening the severity of price fluctuations. It might even be possible for the Federal Trade Commission and the Office of Markets of the United States Department of Agriculture, in cooperation with live-stock exchanges, commission men, and shippers, to inaugurate a system which would have the effect of controlling live-stock shipments, so as to make the receipts at the principal markets more uniform and more in accord with market requirements.

2. Extensive speculation in cattle feeding.—The buying up of cattle for the purpose of feeding them for market is, of course, a legitimate as well as a specialized business. It is, however, an exceedingly speculative one, and one that should not be entered into lightly without an expert knowledge of feeding, as well as an intimacy with market conditions. It appears that ofttimes too many men without the proper qualifications go into this business and suffer losses. It would be much better in many such cases if the farmer who raised the animal in the first place had done his own feeding. The promiscuous speculation in feeders also results in an unnecessary amount of transporting of animals from place to place.

3. Inefficient production of live stock on farms.—Although there has been a vast improvement in live-stock production, there are still many farmers who raise poor breeds of animals, which do not yield the greatest possible amount of weight for the quantity of feeds consumed. There are also many losses from disease, which could be avoided by a better knowledge of live-stock raising. The United States Department of Agriculture estimates that the annual loss from disease and exposure runs from something over 3 per cent in the case of cattle to over 6 per cent in the case of hogs, and that the aggregate loss of cattle, hogs, and sheep from these causes is over $200,000,000 a year.

The remedy for this situation is to be found only through the gradual education of farmers, and this is the province of the Federal Department of Agriculture and the State agricultural colleges.

4. Practices of commission men and dealers in the large live-stock markets.—The functions of these middlemen are necessary and important, but it is acknowledged that occasionally commission men fill outside orders from their own consignments, and that sometimes dealers fill such orders from stock that they own themselves. The live-stock exchanges have taken cognizance of these practices and are trying to eliminate them.

5. Inefficiency of local stock buyers and shippers.—In sections of the country where live stock is not raised on a large enough scale to permit individual farmers to ship in carloads, local stock buyers go about from farm to farm and buy up the small offerings of individual farmers, and combine them for carload shipments. There are often four or five such buyers at a single country point, resulting in duplication of effort and in relatively large overhead expense for each shipper.

One remedy for this situation is the development of cooperative shipping associations by the farmers themselves, in sections of the country where stock is raised on a small scale. Such associations have been developing very rapidly in the Northwest, especially in Minnesota. They save unnecessary expense of driving around from farm to farm, and avoid the duplication of effort which results when there are a number of independent buyers at a single shipping point.

WEAKNESSES CONNECTED WITH THE PACKING INDUSTRY.

1. Fluctuating supply of live stock.—The uneven marketing of live stock, discussed above, is a weakness of the present system, not only from the standpoint of the stockman but it is a serious disadvantage to the packer. Since the offerings of live stock at the central markets have to be absorbed within a short time after their arrival, this means that the packers have to buy uneven quantities of their raw material from day to day—a condition that almost no other kind of manufacturer has to face. This means that animals have to be slaughtered, and meat marketed, in uneven quantities, and not in accordance with the demand for meats.

2. Uneven marketing of meats.—Although the quantities of live stock marketed from week to week fluctuate more than do the quantities of dressed meat marketed, yet the distributing organizations of the packers have not reached such perfection but that there is often an oversupply or undersupply, of meats in large consuming markets. When there is an oversupply, the price has to be cut in order to move the perishable goods before they spoil; when there is an undersupply, competition of purchasers forces the price up. The net result of these gluts and scarcities is a constantly fluctuating price, which could be largely avoided if the packers could foresee more accurately the quantities needed in individual markets. Acting individually, the large packers are probably doing as well in this respect as could be expected, inasmuch as they have well-organized selling branches with expert managers at their heads.

3. Loss by condemnation.—A third matter that may be considered a weakness, but one for which the packers are not responsible, is the fact that the packers have to stand the burden of loss resulting from the condemnation of diseased animals after they are slaughtered. This loss, by becoming an expense to the packers, is reflected back to all producers through prices paid, and not to the particular producers who ship diseased animals, who, therefore, are not penalized. This situation tends more to encourage than to discourage the marketing of diseased animals, and is one reason why the efforts to eradicate disease have not been more effective than they have.

STOCKYARDS.

In addition to the weaknesses alluded to above, it is often claimed that the financial interest in some of the stockyards by packers is unfortunate. As a matter of fact, the principal reason why packers have become interested in yards at all has been to develop them to the highest point of efficiency. When a live-stock market is young and undeveloped, the opportunity to make profits is hardly sufficient to induce private capital to enter the business; it has, therefore, devolved on the packing companies to develop the yards in some cases, so as to establish a market which will attract shipments, and to provide facilities for the proper handling of animals, and this the packers have done.

Since the primary desire of the packers in connection with stockyards is efficient service, Swift & Co. would be perfectly willing to relinquish such financial interests as it has in stockyards, provided it can be assured that the present high standard of efficiency in operation be continued.

Furthermore, if the Federal Trade Commission should discover any features of stockyards management and operation which are unsatisfactory, Swift & Co. will be glad to cooperate to the fullest extent in their improvement.

MARKET PAPERS.

Another feature that has frequently been attacked is the financial control by packers of some of the live-stock market papers. We admit that in principle it is not the best plan for a market-reporting paper to be financially controlled by any firm dealing in the commodities which are quoted in such a paper. But here again, the only reason why Swift & Co. has ever interested itself in such a paper has been to develop an efficiently managed and meritorious paper—one that will be a credit to and an advertisement of the market which it represents. As in the case of the stockyards, Swift & Co. would be glad to relinquish its interests in market papers, provided it can be assured that such papers will be efficiently edited and managed.

There are various other complaints made against the packers which we shall be glad to answer at any time if the Federal Trade Commission cares to go into them.

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GENERAL CONCLUSIONS.

In answering your questions we have shown that the prices of meats have not risen as much as the prices of commodities in general, nor as much as the prices of live animals. What increase of price there has been has been due to natural causes and not to any causes inherent in the packing industry alone.

The reason why live stock and meat prices have not advanced as much as the prices of other commodities is that there has been an increased supply of live stock. This is an extremely significant fact, especially when it is realized that the record marketings of live stock in 1916 have been accompanied by an increase in the number of live animals on farms. This is a clear proof that live-stock production is profitable. There are numerous other evidences of this fact: Experiment stations report handsome profits from their feeding activities; the steady increase in land values in stock-raising sections furnishes another proof, because land values depend on the profit-producing powers of the land; the testimony of innumerable stockmen also points to the same conclusion. If the trade commission requires any further evidence on this point, we can furnish the names of a large number of growers who have achieved very satisfactory results.

In fact, all who are really conversant with the industry know that stockmen and feeders have been making unusually large profits during the past few months, and that the accusation that the packers hold down the prices of animals to such an extent as to discourage live-stock production falls to the ground.

It has also been shown that the whole organization of the marketing process for live stock and meats is fundamentally sound, and that all agencies perform necessary functions. The development of large concerns has come about through greater efficiency and economy which result from division of labor in production, utilization of by-products, large-scale and effective marketing methods, and the ability to produce the best and most uniform quality of meats from the raw materials available.

The packers make astonishingly small gross margins between farmer and consumer, and their net profits are not only infinitesimal per pound of meat sold but they yield a return on capital invested which is only normal and reasonable. The increased profits of the past few months have been due primarily to the steady increase in values of stock in process of slaughtering, dressing, curing, and marketing, and will be counterbalanced by reduced profits, if not actual losses, when the market begins to recede. Furthermore, the increased profits of the packers have been as nothing compared with the profits earned in other industries under war conditions.

It has also been pointed out that the packers purchase animals and sell meat in open competitive markets. There are conditions affecting the demand for meats in principal consuming markets, and effecting the fluctuating supply of live stock from week to week, which are the real factors determining prices, and over which the packers could exercise no control, even if they should try to do so collectively.

Finally, it has been pointed out that there are certain definite weaknesses in the system of marketing live stock, such as the uneven marketing of live animals, the uneconomic practice of country shippers, and certain practices of commission men and dealers, all of which are possible of improvement. We have also pointed out certain practices and conditions which may be considered weaknesses of the present organization and methods of the packing industry, and Swift & Co. expresses its willingness to cooperate to the fullest extent with the Federal Trade Commission, or under its control and direction, to make such changes as may seem reasonable and desirable.

In discussing the weaknesses of the system we have said nothing about the retail butcher. The cost of retailing, on account of the elaborate and expensive service that consumers demand, is larger than the packer's expenses for slaughtering, transporting, and handling through branch houses, as shown in Report No. 113, United States Department of Agriculture, quoted above. We are not prepared to express an opinion on the reasonableness or unreasonableness of the retailer's expense and gross margins, and we presume that the Federal Trade Commission will satisfy itself on this point.

In presenting these answers to your questions we have attempted to stick to facts. The intimate figures concerning our costs and profits are possible of verification by your accountants who are working on our books. We believe that the packing industry is established on sound economic principles, that it has attained an exceptionally high degree of efficiency, and that the facts of the case prove that there is no ground for the suspicion prevalent in the public mind.

Chicago, August 25, 1917.

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SWIFT & CO., UNION STOCK YARDS,
Chicago, August 22, 1918.

Hon. MARTIN B. MADDEN,
House of Representatives, Washington, D. C.

DEAR SIR: I wrote you on July 3 regarding the Trade Commission's report on profiteering. Since that time another document has been issued by the Trade Commission dealing particularly with the meat-packing industry. This report has received wide circulation. It is an entirely one-sided statement of the case.

The subject is of vital importance, not only to the packing industry but to the Nation at large and to the nations associated with us in the war, who are depending upon the live-stock producers and packers of the United States to keep up a continuous supply of wholesome meat products for the civilian and fighting populations.

We consider it our duty, therefore, to put before you, as a Member of the present Congress, the inclosed statement of Swift & Co. I know that in a matter of the importance of this one you will want to be fully informed, and I earnestly urge that you give careful thought to what is said in the inclosed statement.

There is no monopoly in the packing business. Swift & Co. is in active competition with all other packers and is employing its every resource to further our successful prosecution of the war.

Such an organization, composed of over 22,000 shareholders, with over 48,000 employees, is, I am sure you will agree, entitled to the earnest consideration which we bespeak of you.

Yours, respectfully,

L. F. SWIFT, *President.*

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STATEMENT OF SWIFT & CO., ISSUED AUGUST 19, 1918, ON SUMMARY OF THE REPORT OF THE FEDERAL TRADE COMMISSION ON THE MEAT PACKING INDUSTRY OF JULY 3, 1918.

ABSTRACT OF STATEMENT OF SWIFT & CO.

Swift & Co. proclaims that it is in active competition with all other packers and can prove that the Federal Trade Commission has failed to establish its statement that the packers are in combination in restraint of trade.

Swift & Co. is glad that it has developed an organization which has been able to take care of war business and it does not believe that this is a time for the Federal Trade Commission to suggest drastic Government experiments or to throw discredit on an essential industry.

The Trade Commission's investigation was a one-sided affair; the packers were given no chance to present their side of the case; the report is so constructed that it imparts a glamour of importance and significance to matters that are trivial; the whole report is biased and presents many matters in a false light.

The commission presents only such facts as it could use by adroit construction and inference to appear to substantiate the thesis it set out to prove. It omits scores of salient facts which prove that the packers are in competition with each other; that the profits are so small as to have practically no effect on prices; that the packers have performed an indispensable service to the country during peace and war times.

The commission failed to mention that the packers are now operating under Government supervision and that their profits have been limited by the Food Administration since November 1, 1917.

In attacking packer ownership of stockyards, the commission does not explain that the principal reason why packers have become interested in stockyards has been to provide proper and efficient facilities for the care and sale of live stock. Such ownership gives no control over prices. Swift & Co. would be willing to relinquish its interest in stockyards if the continuance of efficient operation can be assured. Stockyards are now under the control of the United States Department of Agriculture.

Swift & Co. owns refrigerator cars because the railroads refused to furnish them. Swift & Co. is willing to leave it to the judgment of the Railroad Administration, which now has general supervision over our cars, as to whether service can be improved by the Government's taking them over.

Analysis of all the reasons advanced by the commission for its belief that the packers are in combination with each other shows that not one of them is valid. The commission bases its case primarily on the fact that the proportions of live-stock receipts bought by the different packers remain fairly constant from year to year, and that, therefore, there must be an arbitrary division of receipts.

The fact is that the packers are in such active competition with each other that not one of them is willing to lose ground to the others in volume of business handled. Accordingly, they watch each other so closely that no single packer is able to increase his purchases inordinately.

The Trade Commission's own figures, however, show that Swift & Co. has been able to increase its proportion in four years to such an extent that it slaughtered about 90,000 more cattle in 1917 than if it had not increased its proportion since 1913.

Division of shipments of dressed meats to eastern markets, another matter referred to in the report, was abandoned in 1902.

There is nothing illegitimate or suggestive of conspiracy in restraint of trade in the fact that the packers have maintained a joint fund for mutual protection from unfair attacks against their oleomargarine business. Associative action among competitors for such purposes is found in many trades.

The suggestion that the Government operate branch houses of the packers as public markets is impracticable and visionary and indicates how little the Trade Commission understands the relation between branch-house organization and large-scale packing units, or the extent to which the efficiency of branch-house operations depends on skill, experience, and personal initiative. To attack branch-house organization as giving the large packer an advantage over the small packer is merely to attack bigness in itself with its resulting efficiency and indispensable service.

The Federal Trade Commission, even by purposely omitting all facts favorable to the packers, has failed to prove that the packers are in combination. They are in active competition with each other and have no control over prices.

STATEMENT OF SWIFT & CO.

Swift & Co. rejoices that through its long experience in the packing industry it has been able to develop such large and efficient packing units and nation-wide and even international distributing organizations as to have been able to serve our armies abroad and the armies and civilian populations of the allies during this period of war emergency. Because of our extensive facilities, we have been able to accept orders for millions of pounds of meat from the Food Administration and begin shipment of such orders within a few hours after they have been received.

At this time governmental as well as industrial energies should be centered on those things which facilitate our war activities. If the recent report of the Federal Trade Commission on the packing industry should result in drastic Government experiments in the handling of that industry, the results might be serious from a war-time standpoint. We do not believe that the report will result in any such drastic measures; even so, it tends to throw discredit on an essential industry; it arouses suspicions in the minds of the public; and it possibly lessens confidence among live-stock producers, some of whom may for this reason slacken their efforts to continually increase meat production.

The report of the Federal Trade Commission states that the five large packers are in combination in restraint of trade. Swift & Co. is in open and active competition with all other packers. Although a department of the Government naturally carries a great deal of authority in such a matter, and although the report of the Trade Commission may sound plausible to a great many readers, especially those who have never studied the packing business, we believe that we can prove to any unprejudiced person that the facts and insinuations in the Trade Commission's report do not substantiate the charge that there is monopoly in the packing industry.

It should be understood in the first place that the whole investigation of the Trade Commission has been a one-sided affair. Probably no big American industry has ever been subjected to such scrutiny without having been given an opportunity to present its side of the case or to explain data and correspondence gleaned from the private files of its executives. At the beginning of the investigation during the summer of 1917 the Trade Commission promised a fair hearing to the packers before any report was published. Aside from five general questions that were submitted in writing to Swift & Co. and answered, over a year ago, this company has had no opportunity to be heard. It has been an ex parte investigation from start to finish.

The Federal Trade Commission's report is adroitly constructed. It succeeds in imparting a glamour of importance and significance to trivial matters; it describes occurrences which are perfectly reasonable, legitimate, and ethical in themselves in such a way as to suggest ulterior motives and purposeful wrongdoing; it quotes letters and fragments of letters in such a way as to give a totally wrong impression concerning the relations between the large packers; and it has failed to use hundreds of letters which might have been taken from our files showing keen competition and rivalry among the packers, where it took one that by sinister construction seems to indicate collusive action.

Important facts omitted: The investigation of the packing industry was supposed to have been a complete and dispassionate one. Unfortunately, however, on account of its one-sided character, it neglects to mention many fundamental and significant facts that one would expect to find in such a report.

The Trade Commission never mentions, for example, that the packing industry has been operating under license and has had its profit limited by the Food Administration since November 1, 1917. It says nothing about the important part that we have played in the development of the live-stock industry and in the supplying of all parts of the country with a continuous supply of fresh and wholesome meats. It says nothing about the low unit costs of preparing and shipping meat to market due to large-scale production and elimination of waste. It says nothing of the minuteness of our profits per pound of product handled, a circumstance which destroys the popular notion that packers' profits account for high prices of meats.

In attempting to prove that the five large packers are working together, the Trade Commission neglects to mention numerous evidences that active competition exists. It says nothing of the rivalries evident from correspondence gleaned from the packers' files; it says nothing of the relation between live-stock prices and dressed-meat prices and how their concurrent fluctuations offer as good an illustration of the law of supply and demand as can be found in any trade; it says nothing of the fact that packers' profits fluctuate from week to week and that during the year ended June 30, 1917, Swift & Co. lost money on its beef operations during 13 out of 52 weeks.

The report fails to say that competition is evident from the fact that retail buyers shop around from the branch house of one packer to the branch house of another, finding differences in prices for qualities desired; it says nothing about the competition of shippers and speculators in the principal live-stock markets; it says nothing about the competition between markets which automatically keeps prices in line in different sections of the country and makes impossible any manipulation of live-stock prices; it does not explain that fresh meat is a perishable commodity that has to be sold within a few days for whatever it will bring; it never even considers war-time problems and the important part that the packing industry is playing; in short, the commission avoids the presentation of all facts and circumstances that definitely controvert the thesis that it tries to establish.

The spirit of the report: From a scientific point of view it is unfortunate that such an important Government document should so definitely reflect the temper of its authors and should contain such glaring instances of prejudice. Before analyzing the main body of the report the following enumeration of some of the most conspicuous examples of misleading presentation of facts will serve to illustrate the spirit in which the report was prepared:

On page 14 it says that "Armour is the only one of the big packers who appears to be interested in the grain trade, although James A. Patten, a large stockholder of Swift & Co., is also one of the important factors in the cereal markets." The implication is that Swift & Co. has interests in the grain trade. Mr. Patten happens to be a stockholder of Swift & Co. for investment purposes, just as he is a stockholder in other corporations. He has nothing to do with the management of Swift & Co., and Swift & Co. has no interest in the grain trade.

On page 39 (and referred to on page 9) there is reproduced part of a letter written by a committee of "confidential employees" of Swift & Co. before the Trade Commission investigation began, in which it is said: "We believe that as it stands to-day nothing could stop criminal prosecutions." The inference is that representatives of the packers believed themselves guilty and subject to prosecution. The fact is that all this committee meant was that the attitude among certain stock raisers and among radical Congressmen in Washington was such as to indicate that they would probably attempt to bring about criminal prosecution.

On page 41 the Trade Commission gives the three following principal causes of violent fluctuations in the price of live stock: first, collusive manipulation by the packers; second, disagrements among the packers; third, raising prices in a particular market to keep out a competitor. Lack of evidence to substantiate these reasons will be shown in this analysis; the matter is mentioned here to indicate the absolute failure of the commission to consider the fundamental economic principles underlying the formation of market prices, such as fluctuating receipts of live stock and the varying demand for meat.

In connection with this question of price fluctuations the commission quotes on the same page from an official of the American National Live-stock Association to the effect that price fluctuations are serious because "fully three-quarters of the cattle are bought on the days of heavy receipts, reducing the average cost far below the average daily prices." Previous to recent regulations by the Food Administration, the bulk of receipts arrived at market on Mondays and Wednesdays; this quotation infers that the prices on those days are lower than the prices on other days. The Monthly Crop Report of the United States Department of Agriculture for January 31, 1916, says: "An examination of the market quotations for the bulk of sales of beef cattle by days of week indicates that quotations rule highest on the days of largest receipts; that is, on Mondays and Wednesdays, and lowest on days of smallest receipts." A study of daily hog prices for 1917, as published in the Drovers' Journal Yearbook, shows that average prices for all Mondays and Wednesdays throughout the year were slightly higher than the average prices for the other days. This indicates that the Trade Commission must have a very imperfect grasp of live-stock prices.

The part played by Mr. Heney: The Trade Commission upholds and praises the work of Francis J. Heney, who was employed as a special attorney during the course of the investigation. Mr. Heney's sensational methods, his unfair use of testimony drawn from prejudiced witnesses, his device of holding hearings to make public his insinuations without giving the packers an opportunity to present their side of the case, and his frequent announcement of serious charges that were not substantiated by fact are too well known to need comment here. We submit that when the attorney of the Trade Commission publicly charges the packers with collusion on Government contracts whereas the only basis for such a charge was that they were called into conference by, and in company with, officials of the Food Administration—conferences expressly sanctioned by the President of the United States—there is no reason to expect fair and impartial results from that portion of the investigation in which Mr. Heney took part.

EXTENT OF PACKERS' INTERESTS.

The foregoing incidents, which might be multiplied indefinitely, are unimportant in themselves but they indicate the general spirit of the report. To proceed with the line of argument used, the commission tries to show the extent of the interests of the five large packers by saying that they account for about "70 per cent of the live stock slaughtered by all packers and slaughterers engaged in interstate commerce;" that they have extensive foreign interests; and that they have reached out into other fields which have no relation to the packing business.

Proportion of total meat business: The commission claims that the packers juggle figures by saying that the five largest account for only 33⅓ per cent of the total meat production of the country, because in such an estimate they include all animals slaughtered on farms. Mr. Hoover, in a recent public statement, said that the large packers accounted for less than 40 per cent of the total meat supply of the country. The commission overlooks the fact that the large packers sell meat in small country towns all over the United States, and that they come in direct competition with home-killed live stock; also, that home-killed meats constitute a potential competition that affects live-stock and meat values in the most distant cities.

Be that as it may, and assuming that the five large packers account for approximately 70 per cent of the total interstate slaughter, this is nothing alarming when it is considered that this business is done by five companies in competition with each other—a situation that will be established in the course of this analysis. There are many industries in the country where a single corporation accounts for as large or a larger proportion of the total output as do the five large packers together.

The fact that the large packers have heavy foreign interests will, of course, be readily admitted, but this is of little consequence in an argument to prove that monopoly exists. The statement that the packers have rached out into other fields, however, is worthy of consideration, because the commission implies that there has been no justification for so doing, and that the only object has been to get control of the food supply of the Nation.

Butter, eggs, and other products: Swift & Co. has gone into no field that is not closely related to the packing industry, either in the utilization of by-products or in the utilization of its vast selling organization, which was developed primarily to take care of its meat business. The handling of such commodities as butter, eggs, cheese, poultry, and canned goods has been prompted by the needs of its customers and by the desire to use most economically its system of branch houses. The greater the volume of merchandise we can put through our elaborate distributing organization the lower the unit marketing costs and the smaller the "spread" between farm prices and consumer prices not only on butter, eggs, etc., but on meats as well. The reason that we have developed such a large volume in these products is that we represent a more economical and efficient method of marketing than is afforded by other marketing agencies. Furthermore, our system results in direct shipment in car lots from country collecting points to city distributing stations; it avoids rehandling and reshipping, and the goods go through in better condition; they are more uniform in quality; and there is less loss from waste.

Hides and leather: The commission says that the large packers hold a dominant position with reference to hides and leather and that they tan a large part of the leather produced in the United States. The large packers naturally supply the same proportion of hides as of animals

that they kill, or less than 40 per cent of the total domestic supply. Two or three of the largest packers have their own tanneries in order to insure a steady outlet for a part of their hides rather than be obliged to depend on the vagaries of the hide market. They tan less than 25 per cent, however, of the leather produced in the United States.

The Trade Commission gives a wrong impression when it says that the large packers have an advantage over independent packers and butchers because their hides are arbitrarily given a higher grading as "packer hides," whereas the others are known as "country hides." This distinction results merely from the fact that tanners value packer hides more highly than country hides, due to the fact that packer hides are removed from the animals and cured more skillfully and uniformly, and hence are of better quality; for this reason only are the packers responsible for the higher value of their hides. The packers are also accused of hoarding hides during 1917, whereas the truth is that they sold more hides than ever before and got rid of them as rapidly as the market would absorb them at constantly falling prices.

INSTRUMENTS OF CONTROL.

The Trade Commission argues that the large packers achieve control of the industry through ownership of stockyards, refrigerator cars, and cold-storage plants, through their branch-house distributive organizations, and by means of interests in banks and real estate.

Ownership of stockyards: The functions of stockyards are generally misunderstood. They are market places, supplied with pens for the animals and with watering and feeding facilities. Live stock arrives at the yards consigned to commission men, who sell to the buyers of the packers and to shippers, dealers, and speculators. Every packing center must have proper and efficiently operated yards in order to care for the animals. The principal reason that the packers have become interested in the yards has been to provide such proper facilities. Investment in stockyards, except in the very largest markets, is not attractive enough to invite outside capital. Packer ownership has resulted in the development of efficient market places that would not otherwise have existed.

Packer ownership of stockyards gives no control over prices of live stock and no control over the commission men in the yards. Yardage and feed charges are reasonable, and they are uniform to all patrons. Swift & Co. is proud of what it has done to help the live-stock industry as well as itself by developing efficient stockyards. Only recently Government regulation of yards has been established under the Bureau of Markets, United States Department of Agriculture. Furthermore, Swift & Co. would be perfectly willing to relinquish its interest in stockyards if the public demands it, especially if the continuance of their efficient operation can be guaranteed.

Refrigerator cars: It is true that only a large concern, with a nation-wide organization, can think of operating refrigerator cars in large numbers. The only reason that Swift & Co. ever embarked in this enterprise was that the railroads refused to furnish the cars. Swift & Co. has a fleet of nearly 7,000 such cars, and they form an integral part of the service rendered the public. We distribute these cars in accordance with our needs in various parts of the country, and, in order to facilitate their movement, we have them closely followed up to see that none get sidetracked or delayed. Swift & Co., however, would have no objection to their being taken over by the Government, especially as they have been a losing proposition financially to the company for several years. The only question that should be considered at present is this: Could Swift & Co. ship over 1,000 carloads of meat in a single week to the American Army at home and abroad and to the allies (as it did during a recent week) as punctually and efficiently under Government ownership of refrigerator cars as under the present system?

Cold-storage plants are necessary in the handling of perishable products, especially those of seasonal production. The holding of goods from seasons of bountiful supply to months of scarcity is an economic necessity and is specifically permitted by the Food Administration. Swift & Co. rents space to other dealers during those seasons of the year when it does not use its full capacity with its own products; during the heaviest storage periods we do not have enough space for our own products, and hence we have to store large quantities in public warehouses. The packers own but a small proportion of the total cold-storage capacity of the country.

Branch houses: Branch houses are located in all large towns throughout the country and are necessary for the proper holding and distribution of the commodities sold. They are a necessary adjunct to large, centralized packing plants, because under this system goods have to be marketed in far-distant localities. Of course, only a large company can undertake nation-wide distribution through such branch houses, but the branch-house organization in itself furnishes one of the best evidences of competition among the large packers. In addition to the five largest packers, there are a number of others that are large enough to maintain branch-house selling organizations; in the large cities there are always a number of packers represented. Retail butchers, in buying their meats, shop around from the branch house of one packer to those of the others, making their purchases where prices are lowest for the qualities desired.

Banks and real estate: The Trade Commission has gone to absurd extremes in trying to connect Swift & Co. with important banking interests. Many of the banks listed in the report, in which Swift interests are represented, are small neighborhood banks, in which members of the Swift family or employees of Swift & Co. have small personal investments. In so far as those who are connected with Swift & Co. are also interested in cattle-loan banks, they are satisfied that they have helped the live-stock industry by providing borrowing facilities for live-stock raisers and feeders, and by popularizing live-stock paper. We submit that there is nothing in this charge that indicates monopoly or undue control of live-stock facilities; the same applies to the references to ownership of real estate.

EVIDENCE OF COMBINATION.

The Trade Commission bases its conclusion that the large packers are in conspiracy to restrain trade on the ground (1) that they are largely under the management of the same families that established them, and that ownership rests in the hands of relatively few people; (2) that they jointly own various properties; (3) that the packers once had "beef pools"; (4) that memoranda from the files of Mr. G. F. Sulzberger indicate that he had interviews with other packers along about 1913 and 1914 concerning meat shipments; (5) that the percentages of live-stock receipts bought by the different packers remain approximately constant over a period of time and in individual markets; (6) that the large packers divide their foreign business; (7) that correspondence indicates that one of the packers tried to manipulate the cheese market in Wisconsin; and finally, (8) that the packers maintain joint funds to defray expenses undertaken in common.

The commission's case rests on the accuracy of these charges, and the extent to which they prove that the packers are actually in combination with each other. If it can be shown that there is nothing in these charges to prove conspiracy, the elaborately constructed case of the Trade Commission falls to the ground. These points will be considered in turn.

(1) That the management of the large packers is largely in the hands of the families that established them—a fact which is a source of pride to those families—proves nothing in itself. That the ownership lies in the hands of relatively few people proves nothing except that it would be easier for them to get together than if the ownership were more widely dispersed.

(2) The joint ownership of properties is greatly exaggerated by the Federal Trade Commission. There are cases where a part or the whole of the capital stock of certain stockyards, cattle-loan banks, and other facilities is owned by two or more packers. In other words, financial resources of large packers have in some cases been combined to establish facilities that otherwise did not exist or that existed in imperfect form. Swift & Co. submits that in so far as it owns stock in corporations in which other packers also own stock, this does not represent evidence of combination among the packers to restrain trade or to influence prices. If there is anything in this that is incompatible with the public interest, we shall be glad to make any adjustments advised by any competent and impartial tribunal that may be designated by the Government.

(3) The fact that the packers once had "beef pools" is not germane. The "beef pools"—that is, the arrangements whereby the quantity of beef that could be shipped by each packer to various large eastern markets—were discontinued in 1902. Although public opinion would probably not countenance such arrangements at present, they were undoubtedly of benefit to the public at large, in that they helped to avoid recurrent gluts and scarcities in eastern markets, and tended to steady prices.

(4) Evidence that Mr. G. F. Sulzberger had interviews with the other packers along about 1913–14 is introduced to convey the idea that there still was some control of meat shipments at that time. There was no control, or "pool," or agreed division of meat shipments. If there had been any cooperative arrangement for mutual protection, instead of keen competition, possibly Mr. Sulzberger would not have been so dissatisfied with the business his company was doing as to have sold out shortly afterwards to New York bankers.

Furthermore, the importance of all references to "beef pools," so far as they have a bearing on the present situation, is torn down by the Federal Trade Commission's own admission on page 26 that "there is apparently no 'dressed-meat pool' at the present time such as existed in the nineties, for the reason that it would be as useless as a fifth wheel on a wagon."

(5) Having to abandon the "beef pool" idea as proof of conspiracy, the Trade Commission is forced to rest its case primarily on the fact that the percentages of live-stock receipts bought by the various packers remain practically constant. This circumstance, together with memoranda and correspondence referring to these percentages, is accepted as conclusive evidence that the packers are in a definite conspiracy to divide live-stock receipts in definite proportions, and that this enables them to control prices of live stock and prices of meats.

We admit that the percentage purchased by each packer remains fairly constant, and that, on the face of it, this might appear to one outside of the packing industry as suggesting collusion. To one in the packing industry, however, it is merely an indication of keen competition and rivalry among the several large packers.

We, Swift & Co., are very jealous of the other packers in the various markets, and do not intend to let these concerns increase their businesses at our expense. We keep a weekly record of the receipts of live stock in the different markets, and figure out the percentage of total receipts that we obtain, and compare that percentage with the percentage of total receipts for the same week during the previous year. We measure our success in maintaining our position by continuously making such comparison, and we follow carefully what the other packers are doing.

Undoubtedly, the other packers feel exactly the same way toward us, and measure their success and progress in a similar manner. We are constantly striving to increase our percentage of the business, but any other packer naturally would not willingly permit us to greatly increase our percentage of the business at the expense of his volume.

The only way we could do so would be to pay prices high enough above the market to get more than our usual volume; but since, due to competition, dressed meat is handled on a profit of only a fraction of a cent a pound, it would be a disastrous thing for us to attempt. Even if we should attempt it, other packers would undoubtedly prevent us by meeting our competition and suffering losses, rather than permit us to permanently get part of their trade.

Viewed in its proper light, therefore, the bugaboo of approximately constant percentages turns out to be an evidence of rivalry and intense competition. On account of the close observation of each other's purchases, no single packer is able to substantially increase his business at the expense of the others.

Nevertheless the percentages taken by the different packers do vary to a certain extent from month to month and from year to year. In the table shown on page 27 Swift & Co.'s percentage of total cattle purchases increased from 33.90 per cent in 1913 to 35.07 in 1917, an increase of 1.17 per cent in four years; this apparently slight increase meant that in 1917 Swift & Co. slaughtered about 90,000 more cattle than if it had not increased its percentage over that of 1913.

In addition to this explanation of the reason why percentages remain constant Swift & Co. absolutely denies that it is in agreement with other packers with regard to the division of live-stock receipts. No evidence is presented by the commission as proof of such an agreement, and the letters bearing on this subject, when properly interpreted, indicate rivalry and a desire on the part of each packer to at least hold his own in the different markets.

(6) With this matter explained, there remains practically nothing on which the Trade Commission can base a claim of monopoly. So far as the division of foreign business is concerned, it is true that the large American packers, together with certain foreign companies, have had arrangements for years providing for the proportion of total shipments that each should carry between South America and England. Such a division of business was not only justifiable because it helped to make more regular the receipts of perishable meats in England, but the arrangement is countenanced by British law and has nothing to do with the problem of trade restraint in the United States. Furthermore, this arrangement is similar to the form of cooperation specifically permitted by the recent Webb bill, which is intended to encourage exportation on the part of competing firms in the United States.

Before the European war began and after the United States import duty on fresh meat had been removed Swift & Co. (through the Swift Beef Co. of London) made a contract with the Lamport & Holt Steamship Co. (a British company) providing for a certain amount of space to

be used by Swift & Co. in shipments from South America to the United States. Such a contract was made necessary by the fact that there had been practically no refrigerated shipping space in the South America-New York trade and that Lamport & Holt was the only line to equip itself with the necessary refrigerated vessels to give regular service. This contract was made independently by Swift & Co., and does not represent in any way an agreed division of shipments with the other packers. Shipments to the United States have been limited only by amount of steamship space offered, and Swift & Co. has continuously been in the market for all space obtainable.

Our London representatives have always been under instructions not to enter into agreements with other packers involving division of shipments to the United States. To-day there are no shipments of refrigerated meat from South America to the United States, because of insufficiency of refrigerated vessels and shipments to England are controlled by the British Government.

(7) Correspondence presented by the Trade Commission indicates that one of the packers had attempted to influence the price of cheese on one of the "cheese boards" in Wisconsin. In quoting this correspondence an attempt is made to implicate Swift & Co. by stating in parenthesis (without explanation that the parenthetical remark was added by the commission itself) that Swift & Co. buys four-fifths of the sales of a certain concern mentioned in the correspondence. Swift & Co. has no financial interest in the concern named; it buys over 90 per cent of its Wisconsin cheese purchases from wholesale dealers in whom it has no financial interest and the remainder direct from cheese factories. It buys none on the cheese boards in that State. It has never tried to affect the quotations on the cheese boards and has never been in conspiracy with other packers or dealers to do so.

(8) There remains only the statement that the packers have maintained joint funds to defray expenses undertaken in common as proof of conspiracy. It is true that the five packers have maintained a joint fund referred to by the Trade Commission as "the oleo pool," but the expenses incurred under this arrangement have been to afford adequate protection against unfair attacks made against the oleomargarine business and the use of this product. It is a very common occurrence for competing manufacturers in various trades to adopt associative action for protective purposes; we see nothing reprehensible in this arrangement, especially as it has nothing to do with prices or division of business.

There are other cases in which the attorney of Swift & Co. has prorated the expenses of the large packers in legal cases where two or more packers were involved; attorneys of the other packers have often acted in a similar capacity. We submit that there is nothing in an arrangement of this sort that can possibly prove that the packers have acted in restraint of trade.

Conclusions on monopoly.—The foregoing discussion shows that the points made by the Trade Commission to uphold their contention that a monopoly exists have no basis in fact, and that they would not only be useless in proceeding against the packers in the courts but that they do not even represent any infractions of accepted standards of commercial ethics. There may have been instances years ago when the packers acted together in such a way as to indirectly curtail competition and to affect prices. There may also have been instances in the past where individual packers indulged in practices which have during recent years come to be considered "unfair competition." Years ago they probably received reductions from established railroad rates, just as shippers of all commodities did; so far as local price discriminations are concerned, however, Swift & Co. has been very careful to reduce prices only when forced to do so to meet competition and not to destroy competitors.

The packers are also accused of abusing their power by acquiring stock in and operating "bogus independents." Swift & Co. owns stock in a great many corporations that are not operated under the name of Swift & Co., although the policy of the company has been to gradually bring its interests under that name. Swift & Co. is interested in such corporations not for the purpose of carrying out destructive competitive policies, but has acquired them to extend its own facilities and improve its service. Here, again, Swift & Co. would be glad to make any reasonable adjustments requested by any independent and impartial tribunal that might be designated.

If the Trade Commission has definite evidence that the packers are guilty of unfair trade practices, the Trade Commission has ample power to eliminate these practices. It is Swift & Co.'s policy to live up to both the letter and the spirit of the law, and we know that we are conducting our business honestly and in active competition with all other packers. We also believe that an unprejudiced study of the Trade Commission's report and the foregoing analysis of its evidence will prove conclusively that there is no ground for the charge that the packers are conspiring together in restraint of trade.

RESULTS OF ALLEGED COMBINATION.

Packers' profits.—The Federal Trade Commission says that the packers have exported excessive profits from the people of the United States, especially during war times, but does not explain how small these profits are as compared with sales, and that they amount to only a fraction of a cent per pound on meats. A fair interpretation of packers' profits proves conclusively that they are an infinitesimal factor in prices, and that the common impression that high meat prices are due to packers' profits is utterly without foundation. It would seem that one of the vital and fundamental questions an investigation of the packing industry ought to reveal would be: What are the effects of packers' profits on prices?

Although the report states that the 1917 profit of the five large packers amounted to 21.6 per cent of their net worth, the commission failed to explain that it was very fortunate, not only for the packers but for the country, that their earnings offered some assistance in financing the larger operations and heavy high-priced stocks of goods, caused largely by the war. Swift & Co.'s inventories of goods in process and on the way to market averaged about $50,000,000 before the war; to-day they amount to about $150,000,000.

We do not consider that our book profits of the past few months have been permanently earned because they have been tied up so largely in these inventories, which are bound to decrease in value at some time. Only reasonable dividends have been paid, and even with the remainder of our profit reinvested in our business, we have had to issue additional stock to raise more funds to finance operations. The difficulties of war-time financing of a business that has to be run largely on borrowed money might well have been explained by the commission in its report.

Profits have been only large enough to maintain efficiency, and any drastic reduction of the profit now allowed by the Food Administration would undoubtedly result in making it impossible for some of the less efficient packers to continue in business.

RECOMMENDATIONS OF THE COMMISSION.

Live-stock cars.—The first recommendation of the commission is that the Government acquire, through the Railroad Administration, all live-stock cars owned by the packers. It intimates that the ownership of stock cars gives the packers a certain power of control and a manipulation of the means of transportation. During 1917 less than 1 per cent of the receipts of live stock in Chicago arrived in stock cars owned by the five large packers. It is true that Swift & Co. owns stock cars which are used in hauling animals from the Middle West to plants on the Atlantic coast through territory where the railroads do not operate stock trains as regularly as in the West. These cars are now under the supervision of the Railroad Administration, and Swift & Co. is perfectly willing to relinquish its ownership if the Railroad Administration believes that service can thereby be improved. They form an extremely insignificant factor in the operations of Swift & Co.

Stockyards.—The second recommendation is that the Government acquire the principal stockyards of the country through the Railroad Administration. As already explained on page 13, Swift & Co. has become interested in stockyards for the purpose of improving marketing facilities. Ownership of yards gives no control over the prices of live stock or the methods of trading. Although all stockyards have recently been brought under the control of the United States Department of Agriculture, here again Swift & Co. would be willing to part with its ownership if a continuance of the present standard of efficient operation can be guaranteed.

Refrigerator cars.—The third recommendation is that the Government acquire all privately owned refrigerator cars through the Railroad Administration. The reasons why Swift & Co. owns refrigerator cars were explained on page 14. It is also pointed out in that place that our cars are under the supervision of the Railroad Administration and that we would be perfectly willing to relinquish ownership if it can be shown that service during war times can thereby be improved.

Branch houses and storage plants.—We believe that the fourth suggestion of the commission that the Government acquire branch houses and cold-storage plants belonging to the packers is an impracticable one, in that it would destroy individual initiative, result in poorer handling of meats, and prove more costly. Branch houses are an essential part of a system of which large centralized packing plants are the basis. The operation of a branch house requires skill and initiative on the part of an experienced manager, and the efficiency of the organization would suffer if they were made into public markets with the manager responsible only to the Government.

In one sense the branch-house system gives the large packer an advantage over the small packer who can not afford such an organization, but to attack the packers on this score is to attack mere bigness—bigness that has made possible the development of this efficient form of marketing which has been of inestimable value to the public at large.

CONCLUSION.

It has been shown that the Federal Trade Commission, in spite of clever use of the complete and intimate data to which it had access, has not been able to prove that the large packers are in a conspiracy to restrain trade and to manipulate prices. Not only has the commission failed to establish a case against the packers, but Swift & Co. proclaims to the world that it is in active and honest competition with all other packers.

The packing industry consists of a great number of competing units—some large and some small. A few are big enough to achieve the economies and render the broad and efficient service resulting from nation-wide organization. Scores of smaller packers offer effective competition in their more localized, yet prosperous, efforts.

Competition, bigness, an open field for small producers—what other industry approaches more nearly the American ideal of business organization?

APPENDIX.

[New York Times, New York, N. Y., Aug. 10, 1918.]

However the matter is looked at, there is a scandal in the charges against the meat packers by the Federal Trade Commission. If the charges are true, no honest man would object to punishment to fit the crime when proved. If the charges are false, the scandal is in the publication of such an attack on one of the greatest agencies for winning the war, and appropriate punishment for the Trade Commission's bearing false witness would be in order. Caution is necessary in taking the charges as facts, for on the same day that the charges are made disproof is published regarding another scandal which was taken as truth too easily. * * *

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The Trade Commission's report is not necessarily malicious, even if untrue. It bears current date, but really is a survival of the time when each city slaughtered for itself. There are New Yorkers who remember when there were slaughterhouses on almost any block, and when it was a custom of school children to cluster around them to see the sights, while the blood filled the gutters. The commission's report relates to that juvenile stage of the industry, which it would like to restore, for the benefit of the neighborhood butchers who have suffered for the superior efficiency of central supply. * * *

[Boston Transcript, Boston, Mass., Aug. 9, 1918.]

The probe of the packing industry of the country by the Federal Trade Commission has resulted in a report to the President which consists of sensational charges and revolutionary recommendations.

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* * * Now is not the time to discuss, much less initiate economic revolution predicated upon conditions that certain doctrinaires believe will confront us when the war has been won. It may be that the new world into which we shall then enter will require all the Government acquisitions which the commission now urges upon the President to make, but there are those, and their number is by no means small, who prefer before taking the leap to supplement with expert opinion the quack judgments of the political "hand-me-downs" who at present constitute the controlling force in the Federal Trade Commission.

[San Francisco Chronicle, San Francisco, Cal., Aug. 10, 1918.]

* * * * * * * *

All these charges involve questions of fact to be proved or disproved before a tribunal which hears evidence on both sides. * * *

On the other hand, the Trade Commission is an accusing body which has sometimes shown animus, whose result is that the public can not assume guilt in all who fall under its condemnation. * * *

[Baltimore News, Baltimore, Md., Aug. 9, 1918.]

* * * * * * * *

It is not necessary to be a sympathizer with Swift & Co., Armour & Co., et al., to find in the Federal Trade Commission's report on their business some remarkable statements and recommendations. * * *

These practices, if actually indulged in and if the terms by which they are described have the accepted meaning, are covered by the anti-trust statutes. * * * The commission uses language that the courts have been unable to substantiate. Is that an advisable, even if it were a warrantable, thing to do at a time when the Government should be trying to keep public sentiment on an even keel?

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[Newark News, Newark, N. J., Aug. 9, 1918.]

* * * And the last move—the recommendation of the Federal Trade Commission that the Government monopolize all departments of the industry except the actual packing—looks like a gesture of despair.

* * * * * * * *

This is war time, and the first need is to guarantee that the meat products handled by the five great major groups of packers be kept moving steadily to supply the Nation's fighters and civilians and the Nation's allies. It is not contended that there has been any lack of efficiency in the performance of this huge task, which has been carried on by the packers—recently under Government direction. * * *

[St. Louis Times, St. Louis, Mo., Aug. 9, 1918.]

* * * * * * * *

The packing-house matter, however, appears to be entirely different. There doesn't seem to be any question of military necessity involved. Whatever military necessity has existed has been met by the packers with success amounting to a triumph. It would have been quite impossible for Secretary Baker to move a million men to France and feed them, to say nothing of the millions of English and French, without the well nigh perfect system developed through many years by American packers.

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[New York Tribune, New York, N. Y., Aug. 10, 1918.]

* * * Yet this letter is not forwarded to the Department of Justice for action or sent to Congress with any recommendations. Is it that the President believes that these sensational charges are untrue and unsubstantiated? Are the packers to be indicted before the public upon groundless accusations? Are we to have a repetition of the aircraft "scandal" and the Hog Island "scandal"?

The public has no way of judging as to the truth of these matters. It seems as if it might expect from the Government its careful judgment upon the charges, instead of having them flung about to inflame all the discontented and trouble making elements of the country.

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[Rocky Mountain News, Denver, Colo., Aug. 9, 1918.]

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* * * Mr. Heney was employed by the commission to conduct the "investigation" of the packing industry brought by the commission, and it has not escaped public memory the manner in which he staged the hearing, following in the main the scenario of a moving-picture production—breaking into safes, rushing into court at all hours, seizing papers, and other spectacular stunts, with Mr. Heney always catching the spotlight.

When the preliminary report was published regarding the profits of the packing companies it was evident that the chief aim was to make political capital out of the whole proceedings. Figures under the adroit handling of a Heney can be made to tell anything.

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This report is a political document to be used in the autumn campaign * * *

Seriously, is it not time to call a halt? Are we not hastening our course toward Bolshevism that laid Russia low and made it an easy prey to the enemy? * * *

[Chicago Evening Post, Chicago, Ill., Aug. 13, 1918.]

* * * * * * * *

* * * Political and economic adventuring is dangerous enough in days of peace; it is lunacy at an hour of high crisis in the country's history.

* * * Francis J. Heney furnished the material upon which this report is based after a prolonged fishing expedition, improperly dignified as an investigation. Mr. Heney paraded his catch in the columns of the press, using the magnifying glass of his imagination to make minnows look like whales and sardines like sharks. * * *

Even were we to accept the construction placed upon facts and alleged facts by Mr. Heney, we would still find ourselves unable to agree with the conclusion reached by the commission. * * *

* * * * * * * *

On the other hand, it may be shown beyond question that the business of feeding our Army and Navy has been marvelously facilitated by the efficient methods of the packing industries. * * *

[Grand Forks Herald, Grand Forks, N. Dak., Aug. 9, 1918.]

* * * * * * * *

It is unfortunate, however, that the reports of the commission on some of these matters have not always been such as to inspire confidence or command respect. Some of its pronouncements in connection with the meat industry have been such as to cause distrust, because they have been rather in the nature of appeals to the emotions than sober statements of material facts which would aid to an intelligent understanding of the situation. * * *

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois [Mr. RODENBERG]. [Applause.]

Mr. ANDERSON. Mr. Speaker, before the gentleman from Illinois proceeds, I make the point of order there is no quorum present.

The SPEAKER pro tempore. The gentleman from Minnesota makes the point of no quorum. The Chair will count. [After counting.] A quorum not appearing, the Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Farr	Kitchin	Russell
Aswell	Fess	Kreider	Sabath
Bacharach	Fields	La Follette	Sanders, La.
Barkley	Flood	LaGuardia	Schall
Bell	Flynn	Lazaro	Scott, Mich.
Blackmon	Fordney	Lever	Scott, Pa.
Booher	Foss	Linthicum	Scully
Brand	Francis	Lobeck	Sells
Britten	Frear	Longworth	Shackleford
Browne	Fuller, Mass	Lundeen	Sherley
Browning	Gallivan	Lunn	Shouse
Brumbaugh	Gandy	McCormick	Siegel
Burnett	Garland	McCulloch	Sinnott
Butler	Glass	McLaughlin, Pa.	Sisson
Byrnes, S. C.	Goodwin, Ark.	Maher	Sloan
Candler, Miss.	Graham, Pa.	Mann	Smith, C. B.
Cantrill	Gray, Ala.	Mays	Smith, T. F.
Caraway	Gray, N. J.	Meeker	Snell
Carew	Greene, Mass.	Mondell	Snyder
Carlin	Gregg	Montague	Stafford
Carter, Mass.	Griest	Mott	Sterling, Pa.
Chandler, N. Y.	Griffin	Mudd	Stevenson
Clark, Fla.	Hamill	Neely	Sullivan
Connelly, Kans.	Hamilton, N. Y.	Nelson	Sumners
Cooper, Wis.	Harrison, Miss.	Nichols, S. C.	Swift
Copley	Haskell	Nichols, Mich.	Switzer
Costello	Hastings	Oliver, Ala.	Tagué
Crago	Hayes	Oliver, N. Y.	Talbott
Cramton	Heaton	Olney	Templeton
Crisp	Heintz	O'Shaunessy	Thompson
Crosser	Hensley	Overmyer	Tinkham
Curry, Cal.	Hicks	Overstreet	Van Dyke
Dale, N. Y.	Hood	Padgett	Vare
Dallinger	Howard	Park	Venable
Darrow	Hull, Iowa	Parker, N. J.	Vinson
Davis	Husted	Peters	Walker
Delaney	Hutchinson	Polk	Walton
Dent	Jacoway	Pou	Ward
Dickinson	Johnson, S. Dak.	Powers	Watkins
Dies	Jones	Ragsdale	Welling
Dillon	Juul	Rainey, H. T.	Whaley
Dominick	Kahn	Randall	Williams
Donovan	Kearns	Rankin	Wilson, Ill.
Dooling	Keating	Riordan	Wilson, Tex.
Drukker	Kelley, Mich.	Robbins	Wise
Eagan	Kennedy, R. I.	Roberts	Wood, Ind.
Edmonds	Key, Ohio	Rogers	Wright
Emerson	Kiess, Pa.	Rowe	
Estopinal	Kincheloe	Rowland	
Fairchild, G. W.	King	Rucker	

The SPEAKER pro tempore. On this roll call 233 Members have answered. A quorum is present. The Doorkeeper will open the doors, and——

Mr. FERRIS. Mr. Speaker, I ask unanimous consent to proceed for one minute.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move that further proceedings under the call be dispensed with.

Mr. FERRIS. I move that further proceedings under the call be dispensed with.

The SPEAKER pro tempore. The gentleman from Oklahoma moves that further proceedings under the call be dispensed with. The question is on agreeing to that motion.

The motion was agreed to.

THE FEDERAL TRADE COMMISSION.

Mr. FERRIS. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER pro tempore. The gentleman from Oklahoma asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. FERRIS. Mr. Speaker, a moment ago the gentleman from Illinois [Mr. MADDEN] presented to the House what to me was a very serious, a very strong, and, I think, too strong a castigation of the Federal Trade Commission. The substance of it was that a band of socialists, five or six in number, had prepared a report on the Beef Trust, every word of which was untrue. I do not know whether it was untrue or not, but——

Mr. MADDEN. I did not say that. I said the statement had nothing to do with the facts.

Mr. FERRIS. My contention is that there is nothing presented here to prove that the findings of the Federal Trade Commission were untrue.

Mr. MADDEN. Mr. Speaker——

Mr. FERRIS. I ask unanimous consent, Mr. Speaker, to print in the RECORD, immediately following the gentleman's speech, the report of the Federal Trade Commission on this Beef Trust investigation so that the House and the country can take the gentleman's speech and the report of the Federal Trade Commission and read them and analyze the two together.

Mr. GILLETT. How long is it?

Mr. FERRIS. I have not gone into it carefully enough to know.

Mr. GILLETT. I will object to it until I can ascertain how long it is.

Mr. JOHNSON of Washington. Has it not already been printed?

Mr. FERRIS. I understand it is about 20 pages long.
Mr. GILLETT. I object.
Mr. FERRIS. I think it ought to be printed.
The SPEAKER pro tempore. The gentleman from Massachusetts objects. The Chair recognizes the gentleman from Illinois [Mr. RODENBERG].

WINNING THE WAR.

Mr. RODENBERG. Mr. Speaker and gentlemen of the House, the one vital, overshadowing issue before the American people to-day is that of winning the war and winning it now. The consideration of all problems not directly or indirectly related to the one great, all-absorbing issue must and should be suspended for the time being. [Applause.] The heart and soul of every loyal American is to-day imbued with but a single thought and purpose, and that is the speedy and conclusive triumph of democracy over autocracy, of republicanism over militarism. [Applause.]

When, on that fateful day in April, 1917, the Congress of the United States, which, under the Constitution alone has the power to declare war, passed the resolution declaring that a state of war existed between the Government of the United States and the Imperial Government of Germany, then and there and at that very moment all argument as to whether or not we should have entered the war was forever closed, and every American worthy of the name adopted as his motto the motto of the immortal Decatur: "Our country! In her intercourse with foreign nations may she always be in the right; but our country, right or wrong!" Then and there and at that very moment it became the patriotic duty of every citizen, without regard to creed, color, or nationality, to give wholehearted and undivided support to his Government in the prosecution of the war. No matter how great the cost, no matter how terrible the sacrifice, no matter how stupendous the task, our one and only concern at this time should be the welfare and the protection of the gallant young heroes who, on the bloody fields of France, are fighting for the honor and integrity of the American flag, the symbol of liberty, justice, and humanity wherever it is unfurled to the breeze. [Applause.] This is the platform on which I stand and on which I shall continue to stand so long as my country is at war. It is the platform on which every true American stands to-day.

In a Republic like ours, the Government must of necessity be administered by and through political parties; but, thank God, the patriotism of America is not confined to any single political party. [Applause.] No one political organization in this land of the free has a monopoly on loyalty. To the everlasting glory of our citizenship, be it said, that in this great conflict in which our country is now engaged those of us who are politically opposed to the present administration have responded loyally and cheerfully to every demand made upon us by the Nation's necessities. In this great crisis Republicans in and out of Congress have been guided by the highest standards of genuine Americanism and have ungrudgingly supported every measure which those in authority have recommended as necessary for the success of American arms and American valor. This is as it should be for this, after all, is the only true test of national patriotism. The loyalty of no man is to be determined by his eagerness to plunge his country into war, but rather by the manner and spirit in which he supports the Government when his country is at war. [Applause.] Nor is his loyalty to be determined by subservient acquiescence in every whim and caprice of an administration which, unfortunately, has never yet overlooked a single partisan advantage. In helping to make the world safe for democracy it is in no sense a reflection upon the loyalty of the citizen if, at the same time, he declines to help make this country safe for the Democratic Party. [Applause.] Constructive criticism has always been the handmaid of real efficiency and is welcomed by every honest man. Incompetency alone shrinks and cowers before publicity and takes refuge behind a camouflage of spurious patriotism when the searchlight of truth is turned upon it. [Applause.] If the time should ever come when dereliction of duty on the part of those high in authority and charged with solemn responsibilities, involving the very life and death of our sons and brothers, can not be fearlessly and frankly criticized without subjecting the critic to the charge of disloyalty, then, indeed, may we despair of the future of the Republic. The American people, however, are intensely jealous of their inalienable, constitutional right of free speech, and they have sufficient intelligence to differentiate between criticism of a partisan administration and criticism of the Government itself. And it is to some of the grossly partisan acts of a partisan administration that I shall address myself for a few minutes to-day.

Shortly after the close of the recent senatorial campaign in Wisconsin, which resulted so disastrously to the administration's candidate, Mr. Davies, and in which the Democratic Vice President brought his great office into public contempt by brazenly and brutally insulting the patriotism of every Republican in that great Republican State, President Wilson addressed a joint session of the House and Senate. In the course of that address which, for beauty of diction and redundancy of rhetoric, was more or less of a literary masterpiece, the President, in urging immediate action on a new revenue bill, told us, among other things, that "politics is adjourned." When he gave utterance to that expression I happened to be looking toward this part of the Hall in which the members of the Cabinet were seated and I thought I detected the suspicion of a smile on the benign and beatific countenance of our amiable, nonpartisan Postmaster General, the Hon. Albert Sidney Burleson. [Laughter and applause.] And, if I mistake not, I also saw the heir apparent, the Hon. William Gibbs McAdoo, whose thoughts are always foreign to every consideration of practical politics, nod his head in silent approval of the presidential statement.

But the President did not smile or give any outward manifestation that he was not entirely serious, although the mind of every Senator and Representative who heard him instinctively reverted to the intensely partisan letter which he addressed a few weeks before to the Democratic candidate for Senator in Wisconsin and in which he sought by implication to discredit the loyalty of one of the bravest, one of the truest, and one of the most patriotic Americans who ever occupied a seat in this Chamber, the Hon. IRVINE L. LENROOT. [Applause.]

Politics is adjourned! Indeed! How very, very interesting. Why, my friends, since 12 o'clock noon on the 4th day of March, 1913, politics in this country has not been adjourned for a single, solitary minute. It has not even been held in abeyance. It permeates the very atmosphere. It surrounds us on all sides. It controls every official act and every official appointment. It is found in every branch of the public service. It lurks in the corners of every Government building. It makes daily trips to the golf links and accompanies the President to the vaudeville on Monday, to the drama on Tuesday, to the comic opera on Wednesday, and to the movies on Thursday. Like Banquo's ghost, it will not down, but is ever present morning, noon, and night.

Was politics adjourned when the President wrote a letter antagonistic to the candidacy of the very able and distinguished Representative from Texas, Mr. SLAYDEN, who has faithfully served his constituency with conspicuous ability for the past 22 years—a letter designed to promote the political aspirations of his opponent who, by a remarkable coincidence, happens to be the brother-in-law of the present nonpartisan Postmaster General? [Applause.]

Was politics adjourned when the President sent a telegram to Alabama intended to compass the defeat of our brilliant young colleague, Mr. HUDDLESTON, and which was answered by an indignant constituency in tones so clear, so full, and so convincing that "he who runs may read"?

Was politics adjourned when the President interfered in the senatorial primaries in Mississippi and requested the repudiation of the fiery and eloquent Senator from that State, Mr. VARDAMAN, and by his interference no doubt materially reduced the majority that was obtained by the gentleman who enjoys the respect and confidence of every Member of this House, Mr. HARRISON?

Was politics adjourned when the stamp of presidential approval was placed on the senatorial aspirations of his former appointee, Mr. Harris, in Georgia, in preference to the fearless and independent Senator from that State, Mr. HARDWICK, and our own interesting, versatile, and popular colleague, Mr. HOWARD?

Was politics adjourned when only a few days ago the iridescent and irrepressible Democratic Senator from Illinois was sent posthaste, whiskers, spats, rainbow vest, and all, to France on a most mysterious mission, which, of course, is to be capitalized later on in his campaign for reelection to the Senate of the United States?

And right here I wish to digress for a moment. I hold in my hand a copy of the Congressional Directory containing the autobiographies of the Members of the Sixty-fifth Congress. On page 21 I read as follows:

JAMES HAMILTON LEWIS, Democrat, of Chicago, was born in Virginia; is 48 years of age; reared and schooled in Georgia; attended the University of Virginia; went to the State of Washington and began the practice of law. * * * Was presented by the Northwestern Pacific Coast States as candidate for the Vice Presidency in the Democratic

convention of 1900; joint author with Prof. A. H. Putney of Laws and Decisions upon Elections; also Lewis and Putney on Constitutions, Statutes, and their Construction.

From this biography, written by the Senator himself, and which must therefore be accepted as in every way authentic, it would appear that he was presented as a candidate for Vice President in the Democratic convention of 1900, or 18 years ago. Inasmuch as the Senator is only 48 years of age, it is apparent that he was a candidate for Vice President at the age of 30. The Constitution of the United States in fixing the qualifications of the President and Vice President provides that these officials must have attained the age of 35. [Laughter.] It would seem to me that a joint author of a work on constitutions and their construction should have held his vice presidential aspirations in check at least until he had reached the constitutional age of eligibility. [Laughter and applause.]

I have here also the complete Biographical Congressional Directory published in 1913, at a time when the Senate was not yet electrified and illuminated by the effervescing effulgence of the senior Senator from Illinois. On page 807 I read as follows:

LEWIS, JAMES HAMILTON, a Representative from Washington; born in Danville, Va., May 18, 1868; moved with his parents to Augusta, Ga., in 1866; attended Houghton College and the University of Virginia; studied law, was admitted to the bar in 1882—

And so forth.

While this biography adds two years to the Senator's age, it will be noted that his precocity was so remarkable that, though the year of his birth is given as 1868, he moved with his parents to Georgia in 1866, or two years before he was born [laughter], probably to show them the way. [Laughter.] It will also be noted that his precocity increased with the years, for, according to this biography, he was admitted to the practice of law in 1882, or at the age of 14 years. It seems to me that in these days of lurking submarine dangers and floating mines and long-distance guns it is unfair to the people of my State and to the country itself to subject one so young, so unsuspecting, and so precocious, and who has contributed so much to the gayety of nations, to the hazards of an overseas voyage. [Laughter.] I am indeed surprised at the thoughtlessness of the President.

Mr. THOMAS. Will the gentleman yield?

Mr. RODENBERG. I can not yield. Was politics adjourned when President Wilson selected the multimillionaire, Henry Ford, as his candidate for Senator in Michigan and notified all Democratic aspirants to "keep off the grass"? True, the great jitney builder, prior to the declaration of war, was "in no way a supporter of the administration," to use an expression that is rapidly becoming stereotyped, but when "politics is adjourned" many strange and remarkable things are apt to happen. It must not be forgotten, however, that it was Henry Ford who conceived the fantastic project of sending a shipload of impractical visionaries across the seas to take the boys out of the trenches before Christmas. It was Henry Ford who said that no man is patriotic and that the word "patriotism" is the last resort of a scoundrel. It was Henry Ford who, less than four months ago, declared:

"I don't believe in the flag; it is only something to rally around; when the war is over those flags shall come down, never to go up again."

It was the money of Henry Ford that paid for the highly sensational, full-page advertisements that appeared in the metropolitan press before the declaration of war impugning the integrity of purpose of every man who did not subscribe to his ultrapacifist views. It was the influence of Henry Ford and his millions that secured exemption from military service for his son Edsel, who is of draft age and in the very prime of vigorous young physical manhood. [Applause.] And yet, despite all these facts and at a time when the "acid test" is being applied ruthlessly and indiscriminately to others, it is Henry Ford who to-day basks in the sunshine of presidential favor. It is he who, although less than 5 per cent fit by virtue of his intellectual equipment and experience in public affairs, has been stamped, tagged, and labeled by the President himself as 100 per cent available as a candidate for the Senate from the great Republican State of Michigan.

It is unnecessary for me to continue to pile up evidence to show that the expression "politics is adjourned" is a mere figment of the presidential imagination, an empty, meaningless phrase. It is unnecessary to refer to the President's activities in South Carolina which eliminated the brilliant and highly efficient chairman of the House Committee on Agriculture [Mr. LEVER] from the senatorial race in that State, and thereby made possible, but I hope not probable, the election of the notorious and malodorous Cole Blease to the seat once adorned by the great John C. Calhoun. It is unnecessary to refer to many other instances of presidential interference, past and present; but at this point, without any comment of my own, but simply to illustrate the difference in the theory of a patriotic writer and the practice of a domineering Executive, I wish to call attention to the following excerpt from a work entitled "Constitutional Government of the United States," published in 1908 and reprinted in 1911 and 1913, and of which Woodrow Wilson, then president of Princeton University and now President of the United States, is the author. On page 71 I read as follows:

There are illegitimate means by which the President may influence the action of Congress. He may bargain with Members not only with regard to appointments but also with regard to legislative measures. He may use his local patronage to assist Members to get or retain their seats. He may interpose his powerful influence, in one covert way or another, in contests for places in the Senate. He may also overbear Congress by arbitrary acts which ignore the laws or virtually override them. He may even substitute his own orders for acts of Congress which he wants but can not get. Such things are not only deeply immoral, they are destructive of the fundamental understandings of constitutional government, and, therefore, of constitutional government itself. They are sure, moreover, in a country of free public opinion, to bring their own punishment, to destroy both the fame and the power of the man who dares to practice them.

Oh, consistency, thou art a jewel, but thy name is not Woodrow Wilson! [Applause.]

Would to God that politics was in reality adjourned in this hour of the Nation's peril! Would to God that presidential practice and performance could be made to square with presidential promise and profession! I, for one, do not believe that this is the time for politics. It is not the time for party contentions and party divisions. Uncompromising and orthodox as I have always been in my allegiance to the Republican Party, I can truthfully say that since the day war was declared I have not knowingly or consciously cast a partisan vote, and I do not intend to do so while my country is at war. I believe that unity of action and harmony of purpose on the part of the electorate are absolutely essential to American success, and if that unity and harmony can only be secured and maintained by foregoing a heated and bitter political contest in the various congressional districts of the country, then I am unqualifiedly and unreservedly in favor of the elimination of the political campaign, let the results be what they may. In this hour of stress and strife and sorrow and suffering I am more deeply and more vitally concerned about my country's welfare than I am about my own political fortunes.

Ah, my friends, those of us who draw our inspiration of patriotism from the life and teachings of the Godlike Lincoln are more than willing to have the "acid test" applied to us. The record is made, and that record speaks for itself. It gives to the Republicans in Congress a much cleaner bill of patriotism in upholding the President on every important war measure than is held by the members of his own political party. That record proves conclusively that it is to the Republican Party, which was conceived in a spirit of liberty and dedicated to the proposition of universal equality, that the Commander in Chief of the Army and Navy is compelled to turn whenever a great emergency confronts the country. It is the one and only political party that has always rung true and that has never failed, and never will fail, to place patriotism above partisanship.

I impugn neither the motives nor the loyalty of any Member of this Chamber. But in the light of the history of the past, in the light of the character of the presidential campaign of two years ago, I can not help wondering just what would have been the measure of support accorded to the administration on the part of the Democratic membership of this House if Charles Evans Hughes were to-day President of the United States and our country was at war. I can not help wondering just what would have been the individual attitude of certain vociferous, noncombatant patriots in this Chamber, the men who affect to believe that they and they alone are responsible for putting the "glow" in Old Glory, if a Republican President occupied the White House to-day. I recall that two decades ago William McKinley was our President and that our country was at that time at war with Spain. I recall, too, that when the bill providing for a bond issue of $600,000,000, to finance our war activities, came to a vote only six Democrats out of the entire Democratic membership voted in the affirmative, and their names are Cummings, Driggs, and McClellan, of New York; Fitzgerald, of Massachusetts; McAleer, of Pennsylvania; and dear old Gen. Joe Wheeler, of Alabama. Contrast that, if you please, with the action of the Republican membership of the present Congress on all the bills providing for bond issues made necessary by our war with the Imperial Government of Germany. The record will show that every one of these bills received the unanimous support of the Republican Members of this House.

I well remember, too, the bitter partisan attacks made in this Chamber in 1898 on the President of the United States. I remember how the gentle and beloved McKinley, whose every

heartbeat was in sympathy with the downtrodden and the oppressed, was denounced as a tyrant, a despot, a despoiler of the liberties of his fellow man. I recall the unfounded, reckless, and sensational charges of official graft and corruption hurled at every member of the Cabinet, the outrageous and un-American appeal to passion and to prejudice. No opportunity was overlooked by the Democratic leaders of that day to gain a partisan advantage out of a war also waged for humanity, and which resulted in the liberation of the unhappy people of Cuba from the brutal yoke of Spanish oppression.

Will any Democrat to-day deny that in the campaign for the Presidency in 1916, more than two years after the beginning of the European war, the Democratic Party adopted as its slogan, "He kept us out of war"? Will anyone deny that it was on that paramount issue that the Democratic Party appealed to the country for the reelection of Woodrow Wilson? Do you remember the alliterative little "stickers" that were spread broadcast over the country and one of which was preserved and handed to me by a friend whose politics I shall not mention? It reads as follows: "Wilson's wisdom wins without war." Have you forgotten the lurid posters that were to be seen on every billboard in every doubtful State, and especially in those States in which women have the right of suffrage, depicting the awful horrors of war? I well remember the picture. It was a gruesome, heartrending scene, a scene of carnage and death—ruined homes and wasted fields, frenzied men, with dripping knives in clenched hands, faces distorted by passion and lust of blood; others lying on the ground, writhing in mortal agony, with great gaping wounds from which gushed forth the blood of life, and over in the lower right-hand corner an anxious mother, with two little children tugging at her skirts, pointing to the picture of Woodrow Wilson and exclaiming, "He protected me and mine." Have you forgotten the impassioned appeal of the President himself, made at Shadow Lawn on the very eve of the election and in which he solemnly warned the American people that if his opponent, Mr. Hughes, were elected our country would become involved in the great conflict that was destroying the very flower of the world's civilization? Have you forgotten these things? Some of you would no doubt like to forget them, and they should be forgotten in the interest of our country and our country's cause. I refer to them only to remind you that if, in view of what you said and did in 1916, you should attempt in the year 1918 to make political capital out of the war and to appropriate the American flag as the personal property of the Democratic Party you will make the discovery that you have wholly underestimated the discriminating intelligence of the American voter. [Applause on the Republican side.]

The contest for supremacy in the Sixty-sixth Congress must be waged on higher and broader lines. It is not now a question as to what may have been your views two years ago nor what may have been your individual opinion as to a proper governmental policy prior to the declaration of war. The fearful fact remains and confronts us that our country is now at war with a foreign power, and that war must and will be fought to a victorious conclusion. [Applause.] We must banish forever all thought of "peace without victory" and never again entertain the miserable delusion that the American people are "to proud to fight."

The bugle has sounded. The call to arms has gone forth. The young men of America, animated by the spirit that comes to them from the inspiring memories of Lexington and Bunker Hill, of Monterey and Chapultepec, of Gettysburg and Missionary Ridge, of Santiago and Manila Bay, are marching forth to the strains of martial music, ready and willing to do or to die. [Applause.] The mothers of America, God bless them, brave of heart and smiling through their tears, are kissing their soldier sons good-bye, perhaps forever. With an abiding faith in the justice of our cause, with full confidence in our country's glorious mission, no sacrifice can be too great, no burden too heavy, no hardship too severe, when borne by us to help the boys who are fighting "over there" that an enduring peace may be the heritage of the children of the world. [Applause.]

From the depths of every loyal heart, and with all the fervor that exalts and glorifies every patriotic soul, there is echoed to-day throughout the Nation, united in thought and purpose and consecrated to the sacred cause of civilization, this one sentiment:

"Here's to the blue of the wind-swept North
When they meet on the fields of France.
May the spirit of Grant be with them all
As the sons of the North advance!

Here's to the gray of the sun-kissed South
When they meet on the fields of France.
May the spirit of Lee be with them all
As the sons of the South advance!

Here's to the blue and the gray as one,
When they meet on the fields of France.
May the Spirit of God be over them all
As the sons of the Flag advance!"

[Loud applause.]

INTERNATIONAL LEAGUE TO SECURE PEACE.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York [Mr. LONDON] for 20 minutes.

Mr. LONDON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER pro tempore. The gentleman from New York asks unanimous consent to extend and revise his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. LONDON. Mr. Speaker, I intend to address my remarks to the subject of an international league to secure peace. I delivered an address on this very subject on the 11th day of January of this year. Last December I introduced a resolution asking that Congress should initiate the organization of an international league to secure peace. Nothing has been done by the Committee on Foreign Affairs with the resolution. It sleeps a quiet sleep. The Committee on Foreign Affairs seems to be working, or rather not working, under the impression that the Committee on Foreign Affairs of the House is a nominal committee, without any functions, without any real duties, and that whatever the parliaments of other countries may do the Committee on Foreign Affairs of the House of Representatives has nothing whatever to do with the subject of foreign relations. I expect, however, to reintroduce my resolution in a new form, asking that Congress should at least appoint a joint commission to make a study and inquiry into the problems connected with the subject of an international league to secure peace. I proceed upon the theory that the allied countries are not going to rest until Germany is defeated. [Applause.] I take it for granted that Germany is now defeated, because her entire foreign commerce has been destroyed, because she has been isolated from the rest of the world, and because she has arraigned against herself something like eight-tenths of the human race. But the mere military defeat of Germany would be a negative result. The allies are united to-day in a common hatred. Can they be united in a common love? Twenty-two or twenty-three nations find themselves to-day in a combination to defeat one military power.

This combination is not the result of any arrangement made prior to the war. Had there been an alliance of 23 nations, representing four-fifths of the population of the world and of the physical and material forces of the world in 1914, when Austria started the war by attacking Serbia, there would have been no war. Every reasonable man will be willing to concede that. Every one of the nations that is fighting Germany, with the exception of England, France, and Russia, entered the contest for its own reasons and at its own convenience. To what extent is there unity of policy among the allied nations? To what extent is there unity of purpose among the allied nations? To what extent is each of the nations now opposed to Germany willing to subordinate its own national aspirations and its own selfish desires to the welfare of humanity as a whole? To what extent do the respective national ambitions of the allies conflict, and, if so, can the conflict be removed? Shall the world, after Germany has been defeated, or shall the allies, after the central powers have been defeated, get to fighting among themselves as to the rearrangement of the world? Shall they continue competing with one another for foreign markets or for the acquisition of colonies or for trade concessions or for spheres of influence or for the control of maritime routes or railroads or for outlets to the sea? Shall tariff walls continue to divide them? What shall be done with the so-called semicivilized races? Shall there be rivalry for the privilege of exploiting the less-developed countries, or shall they be placed under the common protection of the civilized nations? And what is to be done with defeated Germany? Shall a new map be carved out by the sword, or shall certain fundamental principles justly applied to a concrete situation determine the basis of an enduring peace among the allies and between the allies and the central powers when the latter concede their defeat? Can the world disarm after the war, or shall armaments increase and militarism become a permanent institution throughout the world? These are some of the problems connected with the organization of a league to secure peace.

I do not believe in the slogan, "My country, right or wrong." It is a dangerous theory.

There is a nobler slogan, "My country must be right." And if I understand the spiritual aims of this war, and if I properly understand the message that President Wilson is trying to convey to the liberal and democratic elements of the world, it is that America is in this war as an agent of humanity and as a servant of humanity, and not to promote any selfish purposes of its own. "The world is to be made a safe place to live in." "It is to be made safe for democracy." Are these slogans mere catchwords, mere beautiful phrases to ensnare the unwary, or have they a meaning? If they do have a meaning, why should

not the Congress of the United States immediately take up the question of organizing a permanent league to secure peace to the world after the war is concluded? Why not lay the foundation for it now? Why not at least inquire into the subject? We need men who will take up this problem. How can we talk about democracy in international relations when the very Members of Congress who have declared war refuse to consider any suggestion to study the international situation? How can we talk of democracy in international relations when everything is left to one man? How can we lead the fate of the world to one intellect?

I ask that Congress take up the study of this problem. I ask that Congress put itself in communication with the parliamentary representatives of the allied countries, that they meet in international conference. Only then will we give life to the principle that there should be democracy in international relations.

Mr. DENISON. Will the gentleman yield?

Mr. LONDON. I will.

Mr. DENISON. Is it the idea of the gentleman from New York that this movement ought to be started and carried on among the allied nations or the representatives of the allied nations?

Mr. LONDON. Well, this movement has been really started. The labor elements of Great Britain—and they are the most important social and political element in Great Britain—have continuously demanded the organization of a league for a durable peace. The independent socialists of Germany insist that the peace which is to come is to make the recurrence of war impossible by the creation of a supernational authority. So does the French socialist movement. Last August, as the gentleman will remember, there came to this Congress from the French Chamber of Deputies the chairman of the committee on foreign affairs of that body, inviting the Congress of the United States to join an interallied conference of the allied parliaments. On the 4th of August of last year, and before the visit of our French guests, I introduced a resolution to that effect. Only a few days ago I read of Lord Cecil suggesting that if an international league is to be formed it must be formed on a basis of a supernational patriotism. We here are backward. The Federal council of the Swiss confederation has organized a committee to study this very problem.

Mr. DENISON. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. DENISON. I was going to ask the gentleman from New York if he did not think, if the plan should be formulated and to any extent matured by representatives of the allied nations while the conflict is still in progress, that that very fact would prevent or would tend to prevent the central powers from participating in it or joining in it?

Mr. LONDON. I would organize such a conference of the allied parliaments now.

Mr. REAVIS. The gentleman made reference to the chairman of the committee on foreign relations of the Chamber of Deputies in France. Within the last three or four weeks some 12 or 14 Members of this House were given a luncheon by Monsieur Bouillon, of the Chamber of Deputies, and in an address at that luncheon he made the statement that with the position the United States now occupies in the minds of European nations, if there were affirmative action on the part of the Congress of the United States it would give an impetus to that movement that would mean its manifest success.

Mr. LONDON. Exactly. Every thinking man throughout the world believes so. We suffer too much from the theory that in times of war all the affairs of the country should be handled and all of the thinking of the country should be done by one man.

Now, while I am a Socialist, I do believe that, so far as the executive part of the Government is concerned, so far as the duty of carrying out the laws is concerned, the more concentration the better. But to concentrate all the thinking in one man means the very death of democracy, and for that matter the very death of all civilized life. I would like to see Members of our Congress begin to cooperate with the members of the parliamentary bodies of other countries. Every government has an official press. We do not know what the truth is. We do not know what the facts are. Our newspapers unfortunately are not a reservoir of truth, and it all depends on who owns the pen of the editor who scribbles and who advises Congress what to do. And their impudence has no bounds. Some of them support the "National Obscurity League." [Laughter.] It has probably a larger percentage of profiteers than any other organization in the world, and this "National Obscurity League" has the arrogance to declare that only 47 out of 435 Members of the American Congress are 100 per cent loyal. It seems to have examined the record of votes of 347 Members. I suppose that is the kind of information that Bernstorff was furnishing his Government with.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. LONDON. Yes.

Mr. RAKER. Is it not a further fact that in the records of the National Security League the men who are unfortunately absent—and I will use that word advisedly—and not in attendance at the sessions of the House are put down as voting right, and they are given 100 per cent, whether they voted or not?

Mr. LONDON. It is not a calamity to be denounced by the National Security League. [Laughter.] Every self-respecting Representative should rejoice at being repudiated by that crowd. It is not a misfortune to anybody.

But I have digressed from my subject. We should draw a distinction between executive work and the work of shaping broad and deep policies. Let us be honest about it. You know the facts respecting our entry into the war. Our entry into the war was not the result of a definite and mature policy covering a period of years. We drifted into it. We were not ready for war at the time. Very likely if our Atlantic coast had been supplying the allied powers with munitions of war and the Pacific coast had been supplying the central powers with munitions we would not have been at war, because the business world was neither pro-German nor pro-English. In fact, the business world was ready to supply hell itself with fire and brimstone if hell were an accessible customer. [Laughter.]

Our right to freedom of the seas having been brutally disregarded, we entered the struggle.

I say we have drifted into this war. Having drifted into this war, shall we drift on? Should we not rather give shape and permanence to our policies? And then, gentlemen, do not make this mistake: Somehow people assume that there is great wisdom on top. It is a mistake. There is very little of it. I am not referring to the President in this particular instance, because I regard him more highly than any living man in American political life. I have no higher regard for any living man, and I regard hopefully the fact that the radical and liberal elements of Europe respect him and respect his views and take seriously the things he advocates as slogans for the termination of the war. I am glad to see that. But you must not assume that over there on top, the various cabinets that rule the world to-day, are pure reservoirs of wisdom.

A few days ago I read that Lloyd-George had said in Parliament that before the war England had promised France to supply her with eight divisions against Germany in case France were attacked. When I read that I thought what a bunch of incompetents they were in expecting that eight divisions would be much of a force against Germany. Just think of it! Eight divisions, which, according to the English rule, means in the aggregate 104,000 effectives, in order to help France fight Germany! What an ignorance it displayed of the power of Germany! What a failure to appreciate the fact that Germany occupied a compact and contiguous territory of a homogeneous population, with all her railroads constructed with strategic purposes in view, enabling her to transport hundreds of thousand of men from one front to the other in less than 24 hours. How little they knew the country which was permeated with military ideals. What a failure to understand conditions! What a failure to understand the enemy they had to contend with! And this was not the only blunder made by the allies. There are very few of the old statesmen to whom we can intrust the conclusion of this war on a basis which will guarantee to the world a lasting and durable peace. All the genuinely democratic elements in the allied countries would welcome with joy our effort to prepare the groundwork for a permanent union of the nations.

I take the position that a Member of Congress is an important man, in spite of the fact that he has to go to his constituents and ask every individual to vote for him—a disgusting proceeding. [Laughter.] He is the man who has the power to declare war, to send millions of his fellow countrymen into carnage and to death. He should have the courage to take a hand in shaping the foreign policies of his country. [Applause.]

A UNITED COUNTRY.

The SPEAKER. The time of the gentleman from New York has expired. The gentleman from Illinois [Mr. MASON] is recognized for 15 minutes.

Mr. MASON. Mr. Speaker, my socialistic friend [Mr. LONDON] has given us some food for reflection, and his amendment to the doctrine that the country must be right meets with favorable consideration; but who is to decide? Are we to set our judgment up against the wish of the Government after the Gov-

ernment has decided upon a course of action? I agree to the doctrine, "My country, right or wrong." I agree that the country must be right, and I agree that when the country decides a question, as it has upon this question of war, no individual has the right to set his own personal judgment against the judgment of his Government.

Mr. Speaker, when I asked permission yesterday to proceed for 15 minutes here upon the theory that a "united country added to the military strength of the nation" I did not know that there was on the way a message from Gen. Pershing which seemed to give me a text for the theme which I had already selected. A dispatch from Gen. Pershing, printed this morning, says:

> It is the consciousness that the soldier has behind him an undivided Nation which enables him, whatever his rank, to face his task with courage.

It is for that undivided Nation that I plead to-day.

Mr. Speaker, our first great duty is to win the war, and I speak to-day in protest against those gentlemen who seek to make political profit out of our unhappy condition. The profiteer is a man who makes unreasonable profits in dealing with his Government. The man who takes from his Government in stress of war an unreasonable profit is a profiteer and an undesirable citizen, and under our ethics the man who seeks to make political profit out of the blood of our sons is in the same class. I purpose to show in the brief time I have to-day that the Democratic leaders have, since the very day of the inception of this war, "capitalized" the war for the purpose of political gain. In other words, in the stress of war, while fighting for success, they have sought to make two by-products—one, the permanent establishment of the Democratic Party in the United States; and, second, the absolute destruction of the party of Abraham Lincoln.

When war was declared every man who voted against the declaration of war surrendered his personal opinions and stood ready to make every sacrifice for the success of our arms. We had wiped out the middle aisle that separated the Republicans and Democrats and vied with each other to see who could render the best service in our preparation. Inside of 30 days after the declaration of war, Mr. Sulloway, a Republican of New Hampshire, died and there was no occasion to seek to elect a Democrat in his place. The party in power had a working majority in the House, and everyone of us was satisfied with the distinguished and patriotic services of the Speaker of the House. Notwithstanding that fact the RECORD shows that the Democratic leader in the Senate went to New Hampshire and declared that a vote for a Republican was a vote for the Kaiser. This unkind statement was made at a time when there could be no occasion for it except to humiliate Republicans and increase the Democratic majority in the House of Representatives. Of course the people in New Hampshire resented it and returned a Republican in place of Mr. Sulloway. I did not believe that that conduct met the approval of the President of the United States until subsequent conduct of the Commander in Chief of the Army and Navy is conclusive that he intended that his party should profit in the by-products of war; for, inside of 60 days thereafter, a Republican who had been elected in Indiana answered the last roll call, and that State was to furnish a man in his place. The same condition existed as existed in New Hampshire. There was no need, for war purposes, to increase the Democratic majority of the House, yet the Commander in Chief of the Army and Navy became so anxious to have a Democrat to succeed the Republican who died that he wrote a personal letter that was sent to every voter in the district and displayed in large headlines in the newspapers, asking for the defeat of the Republican whose loyalty had never been questioned and the election of a Democrat. That letter is dated June 19, 1917, when we were trying to organize an army and build airplanes to defend our boys. I will not quote the letter in full; it can be found in the CONGRESSIONAL RECORD of June 29, 1917. The President put away his sword long enough to write in his letter for the Hon. Finly H. Gray, "It would afford me the greatest satisfaction to see him returned to the House of Representatives." Can you imagine a more deliberate attempt to utilize, capitalize, and profiteer politically out of the by-products of the war? I have never criticized any military act of our Commander in Chief and certainly will not during this war, but I respectfully protest against the great power he has now being used for political purposes.

An examination of the speech of our colleague, Mr. WOOD of Indiana, shows that Mr. Gray opposed, when he was in the Sixty-fourth Congress, the enlargement of the Army and Navy, that he voted against the volunteer-army plan recommended by the President, and the speeches of Mr. Gray quoted in the CONGRESSIONAL RECORD of June 29, 1917, show that, notwithstanding the existence of war abroad, he was "opposed to any military plans for this Nation calling for vast expenditures of money."

People of the sixth district of Indiana resented this military interference and elected a Republican, our colleague, Mr. ELLIOTT, who has industriously given his whole strength for legislation in the interest of the successful carrying on of the war. I may be permitted to say, in passing, he was elected by a larger majority than his predecessor had in the fall election.

The next election was in Wisconsin, where a United States Senator was to be elected. It is fresh in the minds of the people. I call attention to it for the purpose of respectfully protesting and also to warn that great body that believe in the economic and political principles of the Republican Party, that an effort is being made to drive them, either by false patriotism or fear, out of their party into the party of the President of the United States. There is no more reason to change our party to please the President than there is to join some particular church because he belongs to it. It will be remembered that Mr. LENROOT, one of our distinguished leaders, was nominated by the Republicans of Wisconsin, and notwithstanding the fact that he had voted for the declaration of war as recommended by the President and had voted for every proposition asked for by the Executive, yet the President of the United States once more unsheathed his sword and with that brilliant literary art with which he is gifted he attempted to brand LENROOT with that peculiar "acid test" of disloyalty. It is no wonder that the bright and shining Democratic lights of Wisconsin, getting the inspiration of the President's letter against LENROOT and seeking to capitalize and make use of this by-product of the war, saw, or thought they saw, a chance to get the soldier vote of Wisconsin. Many of these boys were in Camp Grant, Ill., being taught obedience to their superior officers, and this is the advertisement that appeared in the Democratic paper at Rockford, where Camp Grant is located:

> Tuesday, April 2. To the Wisconsin soldiers at Camp Grant: You are entitled to vote for United States Senator from Wisconsin to succeed Senator Paul O. Husting. President Wilson, your Commander in Chief, desires all loyal Americans to vote for Joseph E. Davies for United States Senator. Davies's election means joy at Washington and gloom at Berlin. Davies's defeat means gloom at Washington and joy at Berlin.

I call this advertisement an infamous thing. It not only shows a desperate attempt of the Democratic leaders to use the war forces for political profit, but it is humiliating and disgusting to every American citizen who believes in the separation of the military from the civil power of the Government. It states that the election of a Republican was in the interest of Germany and would bring joy to Berlin, whereas the man who really brings aid to the Kaiser is the man who falsely states to the world that the Republican Party, the party of Lincoln, is friendly to our enemy in time of war. Of course Wisconsin resented it, and I had hoped that the President of the United States and the leaders of that party found this by-product of war was not such a valuable asset as they imagined and would desist in such use of it as Democratic aid. It seems that they have not profited by their experience—New Hampshire, Indiana, or Wisconsin—and once again, while the airplane inspector in Chicago was robbing the Government and using in the most wicked way his appointing power to assist favorites to escape the draft, our Commander in Chief hears with alarm that my distinguished friend, Senator LEWIS, of Illinois, is about to retire to private life, and once again he turns his eyes away from the airplane and Hog Island, and once again his face from the western front, and takes his pen in hand to implore the Democratic leader from Illinois not to dream of resting under his "vine and fig tree," but to go forth with his spear and shield of the Democratic Party in order that the "real issue" may be made plain in the State of Illinois.

The Democratic committee of our State caught the voice of their leader and immediately called a meeting of the State committee and issued the most thrilling screed of patriotism that it has ever been my pleasure to read. It is long and wide, transparent and not deep. When analyzed it is this: First, the President wants LEWIS for Senator from Illinois; second, anyone who opposes the President's wish in Illinois politics is a traitor; third, a vote against LEWIS is a vote against the President; therefore, with logic as clear as mud, a vote against Senator LEWIS is a vote for the Kaiser. This is what the Republicans of Illinois have to contend with, and I resent the statement made by the State committee as an insult to every intelligent elector in the State, and in my humble opinion it will be resented by men of all parties at the polls in November.

I have not time or space to call attention to the President's suggestion that they nominate a man already named by the Democrats for Senator from Michigan. I have the highest respect for Mr. Ford. I am not one of those who sneer at his honest effort to bring about peace. I respect him and honor him for it. He is not seeking the Senatorship, apparently, and

the presidential interference in his behalf is uncalled for, to say the least, and is part and parcel of that political "generosity" displayed in Minnesota, where the Democrats declined to run anyone against my old friend and colleague, Senator NELSON, which the Republicans have generously answered that in return we will not run anyone in Georgia, Mississippi, Alabama, or adjoining territory.

The whole plan of the Democratic Party is to put the stain of disloyalty upon every Republican likely to be nominated, and certain organizations, leagues, and societies that were formed originally in the high thought of the good of this Government are being commercialized and used in the interests of candidates before primaries in both parties. It is being aided by many good people who have been misinformed as to the attitude of the Republican Members and Senators; it is being aided by some who imagine they have an absolute monopoly on patriotism and loyalty; it is being aided by some who, lacking physical and moral courage, will employ scandal mongers to assassinate character; and I believe it will become the duty of the Congress of the United States in the interests of the success of this war to investigate the German propaganda they are now putting out to the effect that thousands of our Americans are disloyal. Yet, Mr. Speaker, in the language of TOM WILLIAMS, our Illinois colleague from Egypt, "It is no new sensation for a Republican to be loyal." No Republican ever fired on the American flag. Our Democratic brethren, in the dark days of sixty-four, declared in a convention that the war for the preservation of the Union was a failure and demanded an immediate cessation of hostilities. If any party was to do that now they would get punishment that they justly deserve. In the Spanish War, when we did not know the attitude of all of the nations of the world toward us when we declared war against Spain, my distinguished friend, the Senator from Illinois, had the honor of being a Member of this body as a Representative from the State of Washington, and voted against a bond issue of only six hundred millions, and not only did he vote against it, but when, under the direction of President McKinley, the revenue bill was pending, which the Senator voted against, he took the floor in opposition to the measure. His voice to-day is constantly "Stand by the President," and we agree with him when it refers to matters of winning the war. But then, when President McKinley wanted money to win the war, the Senator said:

I have listened too often, Mr. Speaker, to the constant cry of "patriotism" as the reason for legislating measure after measure here, and only the other day we heard from our honorable friends on the other side that patriotism should always drive us into the line of action which shall execute the desire of the other side, irrespective of any virtue or vice of the measure.

On this side of the House there arises, now and then, as did my friend from New York, the distinguished and honorable gentleman, Amos Cummings, who advised this assembly that he "put his country above party," and under that cry certain gentlemen on the floor, under his leadership, calling themselves Democrats, found it agreeable to support the measure mortgaging the generation and their children yet unborn, irrespective of the fundamental justice of it. (CONGRESSIONAL RECORD, legislative day, May 3, 1898.)

Mr. Speaker and gentlemen, consider if $600,000,000 at the beginning of the war was a mortgage upon our children for generations yet unborn, irrespective of the "fundamental justice of it," what should we say as to the billions and billions of dollars we voted for in this war and not a single Senator or Representative, either Republican or Democratic, has lifted his voice against or cast a single vote against the bonds or appropriations asked for by the President of the United States? It seems what is a virtue in a Democrat becomes a vice in a Republican. In the vote against the declaration of war we were about evenly divided, as I now recall it.

Our distinguished Speaker, as I remember, made a very eloquent speech against conscription.

Mr. CAMPBELL of Kansas. For volunteers, not against conscription.

Mr. MASON. For volunteers, yes; and it was the best speech on that side, unless mine on the same side might have been. [Laughter.] They have not prosecuted him or persecuted him. He was immediately thereafter offered a Democratic Senatorship, and has been renominated, as he ought to be, and will be reelected. Our distinguished Democratic leader [Mr. KITCHIN], who voted against war and made one of the most splendid speeches I ever heard—no one has ever heard of his being persecuted for that vote; and I say again, is it fair in this campaign to make what is a virtue on that side of the Chamber a vice on this side?

Everyone who voted against war has voted for every man and every dollar asked for. We have tried to show the world and our enemies a united country, and any man who seeks to make political capital or dig up a thing that happened before the declaration of war for the purpose of disturbing the forces of this country is doing it for some selfish purpose and injuring the cause for which we are fighting.

If a Republican calls attention to Hog Island it is an unpardonable offense. If one-half of the money we have appropriated had been honestly used to build airplanes, such as were being built in Italy, France, and Great Britain, the Hindenburg line would have been moved ere this to the River Rhine. In modern warfare airplanes are the eyes of the Army. When a Republican mentions this fact it becomes treason or sedition. But when a Democrat has the courage to mention it, it is called "constructive criticism."

Mr. Speaker, I briefly call attention to the disposition of the party in power to its political illusions at the expense of the Government. It will be remembered in our first revenue bill we put an increase of 10 per cent on import duties. The brilliant and distinguished leader of the Democratic Party in this House, whom it is an honor to know, saw that it was impinging somewhat upon Democratic principles, but patriotically put his country above his party and adopted that policy. Word came from higher up that it might protect some American industries, and notwithstanding the fact that the bill was a revenue bill and we needed the revenue, yet that provision which would have produced us $3,000,000, approximately, or $600,000,000 under a Republican tariff bill, was stricken out, and the millions of dollars worth of silks and other luxuries came in under the low tariff, and we have levied upon the little children who patronize the moving pictures. A tariff for revenue has been one of the principles always claimed by our Democratic brethren, and in this hour of stress when revenue is so much needed the party in power continues to operate under the low tariff as in times of peace, rather than add anything that would look like giving a substantial protective tariff. Every one of our allies has a larger per capita import tax than we have. England has $10.25 per capita; we have $1.68—bringing approximately $168,000,000. The Payne-Aldrich schedule would bring $600,000,000, and the English schedule would bring $1,127,000,000, or nearly a billion more than we get now.

Has the soft pedal been put on the campaign song of a "Tariff for revenue," for fear the incidental protection might become the real thing? In times of war prepare for peace.

I ask you frankly, is that politics or patriotism? Again, was it politics or patriotism that refused to accept the offered volunteered services of the four divisions of over 100,000 men above the age of 27 who were ready to go to France on a moments notice? Gentlemen have not forgotten the record. The conscription act was passed by this body leaving out those four divisions. The Senate heard from the people, and Clemenceau, the great Frenchman, begged that Roosevelt be sent. Roosevelt did not ask to command a division, and when the conscription act came back to this House the four divisions were in, and the roll call was had and it became a part of the law. It was passed by the House and Senate, and the President signed the bill. It was openly stated here on the floor of the House that the President would nullify that act by refusing the volunteers, notwithstanding section 6, which "authorized" him to accept the volunteers in the same legislative language as the other section which "authorized" him to raise an army by conscription. Is it any wonder that when we are told that he kept us out of war that we answer that the only man he kept out of war was Theodore Roosevelt? [Laughter.]

Under the Constitution of the United States the Congress is authorized to make rules for the government of our Army and Navy; yet no one of us at either end of the Capitol dare raise the inquiry, In what cantonment we are now using the military knowledge and skill of Leonard Wood?

Mr. Speaker, I have said that I would never make anything like a political speech during this war, but I see the party intrusted in the last election with the government of this country neglecting the business of the Government in order to place the stain of sedition upon the Republican Party. I am bound by a sense of duty which I can not resist to resent it. One gentleman running for Congress on the Democratic ticket makes this statement:

The Republican Party is and has been spreading the propaganda of the German Kaiser. The Republican leaders have their hands stained with the blood of their countrymen and are spreading propaganda of the Kaiser.

If this sort of rot is what we Republicans have to contend with the sooner we know it the better. Who helps the Kaiser? Who gives encouragement to our enemies while our boys are fighting "over there" and all of our women, Democratic and Republican alike, are knitting and praying for the success of our arms? Who is sowing the seeds of discord and trying to make political profit out of the blood of our sons? The men who are saying to the world "that great body of citizens organized in the Republican Party are in sympathy with those vampires who seek to dominate the world."

The SPEAKER. The time of the gentleman has expired.

Mr. MASON. I will ask for five minutes more of the indulgence of the House.

The SPEAKER. The gentleman asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. MASON. In this last conscription act which we passed we differed on one point as to the age of the conscripts, but the House did not divide on party lines, and when the bill came for final passage there was not three votes against it. And yet statements like that simply say to our enemy, "Fight on and hold the lines until the Republican Party comes into power; then you can treat with them, for they will betray their country." That is not the message Pershing asks for. No Republican has ever voted against any bill on its final passage for raising men and money to prosecute this war. Four men have resigned their seats in Congress to fight the battles of their country, and every one of them was a Republican. We love our great Republican Party and its traditions. We respect you for your devotion to the party of your principles, but we deny that you have any monopoly on patriotism, and you should not seek to destroy the reputation of Republicans simply to appeal to the passion or the prejudice of the people, when you should be giving all of your time to the prosecution of this war. You say we will not swap horses crossing a stream. It is not trading horses to climb off a bow-legged donkey onto a healthy elephant.

If the CONGRESSIONAL RECORD of last Thursday, showing the wicked and corrupt management of our airplane department, made under the present administration, reported by a Democratic committee, and published to the world, could be printed in Germany, it would give more comfort and add more to the morale of the broken German Army than the winning of a German victory. The following is from the report of the Senate Military Committee:

On July 24, 1917, Congress appropriated $640,000,000 to carry out the aircraft program. This fund has been, either by actual expenditure or by commitments, exhausted. * * * We have not a single American-made chasse (or plane of attack) upon the battle front. We have not a single American-made bombing plane upon the battle front. We have not developed or put in quantity production a successful chasse or fighting plane. * * * As early as the month of October, 1917, we were in possession of the necessary facilities to construct the Caproni, a powerful and successful heavy bombing plane, approved both by the Italian and English aeronautical engineers. Expert Italian engineers have been upon the ground since the month of January, yet the fact remains that we have up to date constructed only one experimental machine which is equipped with Liberty motors. Nearly a year has elapsed since we might have begun work upon these machines and by this time have been in quantity production.

The report of the inspection department, which has been published, shows not only the wanton and woeful robbing of the Government of the United States, thereby aiding the enemy, but it was used as a cloak under which the friends of those appointed by this administration could creep by the score to escape military service. I did not write this report, and I have no desire to use it in a political campaign, but I give you notice now that the wickedness which deprives our boys on the battle front of the protection which the American people have paid for can not be covered up by the false, wicked statement that the Republicans are spreading German propaganda.

See what our soldier boys are doing. The world's history has never recorded greater military skill and bravery than is being written day by day on the western front. If we had spent one-half of the money that has been squandered or stolen to build the airplanes already approved by Italy, France, and Great Britain, we would have 10,000 in the sky above our boys on the western front and driving the enemy back to the River Rhine before the close of this campaign. There is no place hot enough for the American who would line his pockets and put out the eyes of the American Army; and next to the man who robs our Government at this time is the man who seeks political power either for himself or his party by appealing to the prejudice and credulity of our fellow citizens. The Republican Party has made no attack upon the loyalty of the Democrats in this House. We know you are loyal. You will be tried in the districts of this country where two men are running for Congress not upon the question of your loyalty but upon the question of your efficiency and the honesty of the man appointed to discharge governmental duties, and the sooner you abandon the doctrine of a monopoly on patriotism, the sooner you quit calling everybody a traitor who does not vote the Democratic ticket, the sooner you realize that your boy and my boy are over there fighting together for our flag, the sooner you realize that it is not a question of who shall be elected to Congress but a question of who can do the most efficient work to aid the glory and prestige of the American arms, the sooner you do these things the sooner the prospects of the Democratic Party will brighten. The paramount issue will be, Who can furnish the best skill and brain to win this war? And upon that issue we will go to trial with you in November and let the American people decide.

I plead for neither your party nor mine, but for our country's sake. Quit giving out false statements as to the loyalty of Republicans. Let us go into the field and on the hustings, say to the world that though we differ on great economic questions, questions of military policy, we are one on winning the war. Let us make every political meeting a patriotic meeting. Let us see who can sell the most liberty bonds. Let us see who can do most for the noble Red Cross, the Young Men's Christian Association, the Knights of Columbus, and the Salvation Army. Let us quit calling every American with a foreign name a traitor. A united country strengthens our military arm. The morale of the German Army is gone because the German people have lost faith in their cause. Our boys are fighting; my God, how bravely they fight! The blood of age rushes like the blood of youth through my veins when I hear of their bravery. Let no civilian hurt them by the slanderous statement that one-half of our people are not with them. It is not true; it is a lie, a damnable lie.

Mr. Speaker, your boy and mine are fighting side by side. Let us, you and I, do the same. Let all political parties do the same. This, sir, will be notice to the Imperial Government of Germany—to the Kaiser himself—that, no matter what the political vote in November, the unanimous vote of America sustains the prestige of American arms. That Americans on the field are united, and about the firesides of our homes we are not divided. [Applause.]

THE INDEPENDENCE OF IRELAND.

Mr. GALLAGHER. Mr. Speaker, I ask unanimous consent to address the House for about five minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent for five minutes. Is there objection?

There was no objection.

Mr. GALLAGHER. Mr. Speaker and gentlemen of the House, the entrance of our country into the terrible struggle now raging in Europe, and the many reasons given for our entering the contest, has brought hope to the people in many of the smaller countries of the world, to none more than to the people of Ireland. I will endeavor to be brief and to take up but a few minutes of your time for the purpose of calling your attention to a petition that I have been requested to present to Congress by a committee of ladies, who were here in Washington a short time ago representing the Mothers' Mission, a body of some 75,000 women, many of whom were born in Ireland, and the balance of Irish extraction. My purpose is to call the attention of the President and Congress to the petition, which contains the signatures of over 600.000 men of the Irish race in the United States, who love liberty and believe in making this world a decent place to live in.

The petition and the drafting of same is the result of the action of a convention of American citizens of Irish blood, held in the city of New York, on the 18th and 19th of May last, asking "That you take such action as in your best judgment will secure for Ireland the same rights accorded to all the other small nations." The delegates to this convention were from every section of the United States, who now have many thousands of near relatives serving this Republic in the Army and Navy fighting for liberty and the rights of small nations.

I will take up your time for a minute longer to read the heading of the petition, which is quite short:

PETITION TO THE PRESIDENT AND CONGRESS FOR THE INDEPENDENCE OF IRELAND.

We, as American citizens, respectfully state to the Government of the United States that Ireland is a distinct nation, deprived of her liberty by force and held in subjection by England by military power alone. As America has entered the war for the preservation of democracy and the freedom of small nationalities, this Government is in honor bound to apply this principle impartially in all cases of peoples held in subjection, whether they be under the jurisdiction of Germany, like Belgium, or of England, like Ireland. As America can not be a party to any scheme of world-peace which withholds from any nation the God-given right of freedom, the only final settlement must be the complete independence of Ireland.

America has the right, by her entry into the war, to demand it from England, not in the peace conference at the close of the war but now.

We therefore respectfully urge upon the President and the Congress the necessity and good policy of giving a great example to the world by insisting that England shall grant Ireland complete national independence. We earnestly hope that, like Cuba, Ireland will be made free by the action of America.

I ask, Mr. Speaker, that the petition, with the signatures, be given its proper reference.

The SPEAKER. It will be referred to the Committee on Foreign Affairs.

Mr. WALSH. The 600,000 names certainly are not going to be printed.

Mr. GALLAGHER. No; nothing will be printed except what I have read. But I have here a letter from the Mothers' Mission, addressed to the President of the United States, that I would like to have published in the RECORD in connection with these remarks, calling his attention to this petition.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

The letter is as follows:

CHICAGO, ILL., *July 9, 1918.*

Hon. WOODROW WILSON,
President of the United States of America,
Washington, D. C.

YOUR EXCELLENCY: A convention of American citizens of Irish blood was held in New York City on the 18th and 19th of May for the purpose of drafting a petition to your honored self and to the members of the Congress, asking that you take such action as in your best judgment will secure to Ireland the same rights accorded to all the other small nations.

The delegates to this convention were men and women representing large bodies of citizens in every section of the United States who have many thousands of near relatives serving this Republic in the Army and Navy.

Among the women delegates were many mothers of sons now among America's fighting forces in France, and many more who have sons in the training camps here ready and eager to join the forces abroad for the purpose of defending with their lives American ideals.

A number of these mothers were born in Ireland, and the balance are of Irish extraction. Naturally they are interested in the fate of unhappy Ireland and the recent events over there have rendered them very uneasy. They say that their boys, too, are uneasy, not knowing what may be happening to their kin in the cradle land of the race. Many of these mothers feel that if they could get an interview with you, Mr. President, and in that interview present Ireland's case in the name of their boys for your consideration that you would take up the cause of the Irish people in Ireland and see that they also are included among the peoples for whom you so nobly advocate the right of self-determination. These mothers have cheerfully given their boys for the sacred cause of American freedom as well as the cause of the oppressed races of the earth, and they are positive that even though you have never mentioned Ireland in your public declarations on behalf of these oppressed races nevertheless they can depend on you to see that no injustice is done to Ireland at the peace conference, because she happens to be held in bondage by one of our cobelligerents.

After discussing matters of this nature these mothers petitioned the writer to organize what they were pleased to term a "Mothers' Mission to the President and the Congress of the United States," who would proceed to Washington and lay their troubles at the feet of you, the Chief Executive. I was not chosen as organizer of this mission because I had sons with our fighting forces in France. Almighty God did not bless me with sons. I have, however, three nephews wearing Uncle Sam's khaki, two of them now in France. I have eight other nephews who will be called later on; I have several young cousins in the ranks, and I have a son-in-law whom I love as much as if he were my own flesh and blood who expects to join his country's colors sometime the present month.

I was chosen because of the fact that I am the national president of the ladies auxiliary to the Ancient Order of Hibernians, an organization composed of 75,000 American women of Irish blood, thousands of whom are the mothers of sons already enrolled in America's Army of democracy. Many of these sons are to-day in France and constitute a large part of that Army.

I have written to your secretary, Mr. Tumulty, asking that he arrange for this interview. I am informed by him that, owing to the great demands upon your time it will be impossible for you to arrange a date to receive the Mothers' Mission just now. Mr. Tumulty kindly suggests that I place in the form of a memorandum the matters which we wish to lay before you; he promises to bring same to your attention at the earliest possible moment, and in this communication I am complying with Mr. Tumulty's suggestion.

We have no desire, Mr. President, to add to your already heavy burden of care nor do we wish to embarrass you in any way, but things are transpiring every day which are tending to make matters so grave for us that we feel we can not keep silent any longer. Speaking from my own knowledge and for the Irish in America as I have come in contact with them, I have this to say: My official duties have taken me into 30 States of the Union since Good Friday, 1917. I have addressed gatherings of my people in many towns in these States; I have met with them afterwards in groups and singly and have listened to their conversations, and can truthfully state, Mr. President, that they are backing America to win, win against the whole world if necessary, and they are giving very substantial testimony of this, both in man power and worldly means.

When Gen. Washington raised the flag of a new Republic on this continent 142 years ago, Irishmen and the sons of Irishmen rallied to his standard in amazingly large numbers; in every crisis that threatened the life of the Republic from that time to the present Irishmen have no cause to hang their heads in shame because of the part they played. In the days of stress and trial for the young Republic the Irish in Ireland nobly played the part of a friend in need; they gave ample proof of this friendship many a time since when danger threatened America; in fact, the destinies of the two countries have always been enshrined as one in the hearts of Irishmen in America and in Ireland, and in the hearts of grateful Americans as well.

For 30 years the Irish members of the British House of Commons have been begging and pleading for even a small measure of home rule, but all to no purpose. You are no doubt familiar with the gallant action of the young Irish Democrats who raised the flag of a Republic in Ireland Easter week, in the year 1916. They had grown tired of promises that were never kept. The young men who sacrificed everything for liberty as being the one thing above all others that would bring happiness and contentment to their unhappy land, paid the penalty which many lovers of freedom have had to pay, but the cause of the Irish Republic is alive to-day, safely enshrined in the hearts of tht great majority of the Irish in Ireland. All this led to the firm stand taken that Ireland would give no more men to the English Army until England conceded to Ireland the right she is apparently willing to concede to Poland and the other small nations.

After the terrible series of tragedies following Easter week, 1916, England made a show of trying to settle the Irish question by means of a hand-picked convention. This convention remained in session nearly one year and adjourned without accepted results. A few days later, like a thunderbolt out of a clear sky, came the news that England had voted to conscript the Irishmen in Ireland.

True, Americans were conscripted, but it was by vote of their duly elected representatives who had the vested right to make whatever laws they deemed necessary for the safety of the Nation. Canadians were also conscripted, by their own vote. In Australia conscription was defeated on referendum to the people. Ireland alone was denied the right to say what should or should not be done with her own men.

When the smoke of battle has lifted and men will be able to think clearly again and dispassionately and without prejudice, we wonder how will this act of England appear; we wonder what impression will be made on the American mind by this picture of England voting to conscription against its will, the remnant of Irish manhood which remains in the island.

In the House of Commons, June 25, Mr. Lloyd-George admitted that England is governing Ireland without the consent of its people. Notwithstanding this, Lord French, the military governor of Ireland, said on the same day that he would enforce conscription "unflinchingly and in the face of whatever opposition, whether criticism or actual force, may be attempted."

Up to the passing of the conscription act in Ireland the Irish people in America were seemingly a part in the drama, but not of it. We watched with pride the brave struggle our people were making against the power and force of a mighty nation. We could not well understand how statesmen on each side of the Atlantic were willing to accord independence to the Poles and the Bohemians and to all other oppressed races and deny the same right to the Irish. The passing of the conscription act, however, brought the trouble into our very midst. Should the British Government persist in enforcing it against the wishes of the overwhelming majority of the Irish people, a crime may be enacted which will cry to heaven for vengeance.

Whether by accident or otherwise, a portion of the American press has lent itself to a campaign which is tending to place not only the Irish in Ireland, but the Irish in America, in a false light before the American public—in fact, the position of the Irish in America, because of this press propaganda, is daily growing more and more intolerable. These papers take no account of the fact that to give in man power proportionately according to population to that which Ireland has already given, America will have to place 5,500,000 of her sons under arms and transport them to the battle front in France.

England could settle the Irish difficulty with one stroke of the pen, if she wished to settle it according to the American standard. To the average person the matter seems very simple; the majority of the Irish want the right to govern themselves. The minority do not want to accord them this right. The minority have had their way for several centuries, and it would seem but fair and just to give the majority their turn now.

On the 22d day of May the English prime minister announced that he had proof that the Irish in Ireland were plotting for another rebellion. Immediately about 100 Irish men and women were arrested and deported to England and thrown into prison for the ostensible purpose of preventing this rebellion. Now, Mr. President, the people in Ireland know and have declared that no such rebellion was ever intended, and no proof has been given to the contrary. What they do declare, and what the world knows, is that the people were taking radical steps to resist conscription by every means in their power, and one of the chief reasons for the arrests was to remove those whose leadership and support were to be relied on most in meeting the criminal menace to the liberties of the Irish people. There has been no attempt to bring those arrested to trial and to give them a chance to defend themselves. The British Government gives lame excuses for its failure in this respect, but continues to make vague charges, which are poisoning the minds of Americans against Ireland. If fresh proof of conspiracy existed last month, the then Lord Lieutenant of Ireland, Lord Wimborne, and his staff, would have been cognizant of it, but he has definitely and publicly stated that they had none. In view of this and the statements of the Irish people themselves, those of us in America who decided to take the word of our kinsmen rather than that of the British prime minister are amply justified.

Justice demands that a man be held innocent until he is proven guilty before a jury of his peers, but this brand of justice seems to be missing in the characters of many of our foreign correspondents and in a considerable section of the American press. In their minds no proof of the accusations against the Irish people is necessary. If Mr. Lloyd-George makes them, that is sufficient, and so the poison that is endangering the peace of many of our communities is being persistently distilled through the columns of our daily papers.

In seeking justice and fair play for our kin in Ireland we feel that we deserve recognition at the hands of our fellow American citizens. contribution to American greatness. We only ask an examination of what we are doing to-day. We think it will be found that, according to our numbers, we are contributing as much man power, and perhaps more, than are any of the other races which go to make up America's population. The boys we have given have come from good, clean stock; they have been reared in simple, wholesome surroundings, and have There is no need of going back to past history for proof of the Irish been trained according to our good, old-fashioned ideals, which means they have known the proper discipline in the homes. Hence, I venture to say that they are not giving their commanding officers much trouble either in the camps or in the trenches. The daily casualty lists are plentifully interspersed with the names of these boys who have already sanctified the cause of American freedom with their lives. I know personally of several homes where sadness reigns to-day because a brave boy will never return, but there is no repining in these homes; rather, you will find that America has become all the more dear to them because of the brave young life given for its cause. We are not seeking to minimize the sacrifices which those not of our own blood are making, but we feel a just resentment because of these prejudices which have arisen against us, as we know that we are not deserving them in the least.

We have no one to go to with our troubles, Mr. President, but you, Mission humbly solicit your friendly interest in our present perplexities, our beloved Commander in Chief, hence the members of the Mothers' The mothers ask this friendly interest from you in the name of the boys they have willingly given to you to help you vindicate the principles of democracy—principles of which they know you are the greatest living exponent.

And, Mr. President, the Mothers' Mission have commissioned me to ask you, in their name and in the name of their boys, to be Ireland's friend at the peace conference. With Irish optimism we are not looking at the present carnage but to the horizon where we see the dawn of a glorious peace with victory and honor. *Emblazoned in letters of gold* we see in that glorious dawn "America's Army victorious!"

You have given every evidence of splendid statesmanship; by your lofty ideals, so in keeping with America's noble history, you have induced many of the European countries who are engaged in this struggle on our side to assume a less vindictive and mercenary attitude. You have endeavored to keep our beloved country on the very highest pin-

nacle of nobility of soul by your oft-repeated assertions that America wants no material gain in this contest, that we desire only to help make the world a better place in which to live. Naturally you will be the biggest factor in this peace conference, and may Almighty God preserve you in health and wisdom for that happy day.

In conclusion, Mr. President, just about the time this document reaches your secretary, Mr. Tumulty, a committee from the Mothers' Mission will present to the Congress petitions signed by over one-half million American citizens, claiming that "As America can not be a party to any scheme of world peace which withholds from any nation the God-given right of freedom, the only final settlement must be the complete independence of Ireland." We are satisfied that nothing less will satisfy the aspirations of the Irish people; that without complete national independence the Irish question will continue to disturb the peace of the world. England herself now admits that the settlement of the problem is a most important and necessary item toward the winning of the war. Therefore we pray you, our Chief Executive, to demand of England immediate justice for Ireland!

We hope you will pardon this long letter, but you seem near and dear to us, and so, Irishlike, we have "made our own of you." We know that your life to-day is not a bed of roses; we know that you have great trials to overcome, and we are constantly praying that our Heavenly Father will spare you to the sacred cause for which we are all fighting, and you may rest assured that the members of the Mothers' Mission will aid you in every possible way—even if it entails the giving of our very lives.

MARY F. MCWHORTER,
On behalf of the Mothers' Mission.
MRS. WILLIAM MCWHORTER,
1021 East Forty-sixth Street, Chicago, Ill.

Mr. FOCHT. Mr. Speaker, I ask unanimous consent to proceed for 10 minutes.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. SIMS. Reserving the right to object, let me say that there is no man in the House that I should rather accommodate at this time than the gentleman from Pennsylvania.

Mr. FOCHT. Now is the time to do it.

Mr. SIMS. Two months ago to-morrow the water-power bill was reported and has been on the calendar ever since, and I have been trying to get it considered.

Mr. FOCHT. I am willing to sit here right along until it is through with.

Mr. SIMS. Then if consent is given to the gentleman from Pennsylvania some one else will want five minutes, and so it will go.

Mr. FOCHT. I have really an important matter I wish to call to the attention of the country and the House.

Mr. SIMS. What is it?

Mr. FOCHT. If the gentleman will give me 10 minutes I will try to make clear to him what it is.

Mr. SIMS. Is it a matter of politics?

Mr. FOCHT. No; no politics in it. I would not discuss politics here and at this time. I will refer to an economic question of vital importance.

Mr. SIMS. I will not object, Mr. Speaker, but I give notice that I shall object to any further requests.

Mr. FOCHT. That is all right about any further requests. [Laughter.] Mr. Speaker, I want to call the attention of the House and the country, and I must do it hurriedly, to some facts I have gathered from an investigation as to the result of the notice that has been given by a branch of the War Industries Board having control, or which undertakes to regulate, the consumption of news-print paper. There are several points I wish to allude to, and as I shall not have time to conclude I ask unanimous consent now to revise and extend my remarks in the RECORD should I so desire.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

Mr. FOSTER. This is not to contain any new or extraneous matter?

Mr. FOCHT. No; nothing extraneous but absolutely on this subject.

The SPEAKER. Is there objection?

There was no objection.

Mr. FOCHT. It is to be undertaken by this board to have the country newspapers—I believe it applies to all newspapers, but I am speaking particularly for the country newspaper on account of the inevitable ruin to be wrought. They are the papers that have a particular form, using a four-page or an eight-page, and the board undertakes to say that publishers must reduce their paper consumption 15 per cent. Also that the newspapers will not be allowed to make a contract with subscribers—that is to say, you must collect your subscriptions within three or six months after the subscription expires. These are the two points uppermost in mind at present: Reducing the consumption of print paper and compelling publishers to drop from their lists all subscribers who do not make cash renewals within three months after the expiration of their subscriptions. It is self-evident that whoever conceived this plan of curtailing news-print consumption is not familiar with either the cause of the shortage of news print or the management of a country weekly newspaper. For the shortage there is a ready remedy, while the dropping of subscribers is as hopelessly impracticable as it is unjust, while it would put out of business half of the country weeklies and hamper and hinder the rest.

Our first suggestion is to stop right here in Washington the reckless waste by the newly created departments, where extravagance in the use of paper paid for by the Government is a common scandal. Instead of spending large sums for an army of clerks and inspectors to apply the crude remedy proposed upon country editors, those in charge of the War Industries Board could get better results and save twice the 15 per cent if they would at least start the curtailment in the departments in Washington. In an address before the House on June 28 I pointed out specifically where there was gross wastefulness in the use of paper and how it might be remedied. I wish to now read into the RECORD a letter received from a gentleman well known and of high repute, who in his county has charge of the sale of war-savings stamps. This is what he says:

PORT ROYAL, PA., *July 9, 1918.*

Hon. BENJAMIN K. FOCHT,
Washington, D. C.

DEAR CONGRESSMAN: I read your remarks in which you referred to a recent visit to one of the chairman of war-savings-stamps campaign and was not long in coming to a conclusion as to whom you referred to.

You know we have about 15,000 people in our county. To be exact, we do not have quite that many, and I put in my requisition for supplies. I told them that I would need only 4,000 cards to notify those registered in our county of the meetings at the schoolhouse, and they sent me 50,000. (Sample inclosed.)

I received 50,000 pledge cards for the drive. That gave me three cards and 5,000 over for every man, woman, and child in our county. I have 60 per cent left and do not know what to do with them.

Of the large lithographs, etc., which are only good for the drive on June 28, I had 1,000 left over after billing the county all over, and the committee men I know had a lot left over. All this wastefulness makes me sick at heart, since the people are doing everything they can to save and save and buy bonds and war stamps. I really do not know what to do with this lot of circulars they are sending me, and I am told by other county chairmen that they have been likewise loaded up.

Very truly, yours,

WILLIAM HERTZLER.

I have had a Member of this House tell me of a like experience and that the bank of which he is president is jammed with literature which can not possibly be used. My further remedy is not to spend vast sums harrassing country editors who are already sufficiently disgusted with the Postmaster General's freakish zone system as applied to country papers, to save the 15 per cent, but to increase production by restoring to the country the news-print paper mills which have been closed in the United States and driven to Canada on account of short-sighted tariff adjustment. At present we are wholly at the mercy of Canada for print paper and must pay any price asked. The consequence of this has been the ruin of hundreds of newspaper enterprises and the necessity of nearly all the rest endeavoring to survive by increasing the subscription price. Here is a fine example of where the news-print paper manufacturer of Canada profiteers by milking the public through the helpless American publisher. Therefore either increased production or economical use of paper by the departments in Washington will meet every requirement without any interference on the part of the War Industries Board with the business of publishers who weekly in the aggregate use thousands of columns of copy without cost to the Government in booming liberty bonds, war-savings stamps, and the Red Cross. To attempt to force the discontinuance of subscriptions which are not paid in three months is the limit of oppression and interference with the right of contract. If this principle of business were carried out in every branch of industry or trade, the country would go plumb to smash the first hour it is tried. With from 90 to 95 per cent of the business of the country being done on credit the folly of this proposal is plainly apparent. With as much justice and common sense might this branch of the war board, desiring something to occupy its time, notify the Palais Royal, or Kahn's, or John Wanamaker that your wife or mine might not be allowed a credit of one or two dollars for a longer period than three months. It is all too preposterous for further discussion, and to save the newspapers of the country from ruin, and for the good of the Nation, I hope this division of the War Industries Board may devote their energies toward closing the wasteful leak here in Washington and assisting in restoring by wise tariff legislation the great news-print mills which have been driven from the country by experimental and unwise legislation.

EXTRACTING GREASE FROM GARBAGE.

Mr. WEBB. Mr. Speaker, I ask unanimous consent to insert in the RECORD a letter which I received from Col. Kennon, at Camp Greene, with reference to extracting grease from liquid garbage. It is a very interesting process, and I think the country should have information in respect to it.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, who is the author of the letter?

Mr. WEBB. Col. Kenuon, at Camp Greene. I think it is a process which should be put into operation at every camp.

Mr. WALSH. How long a letter is it?

Mr. WEBB. It is just a page and a half.

The SPEAKER. Is there objection?

There was no objection.

THE WATER-POWER BILL.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

MISSION FROM URUGUAY.

Mr. FLOOD. Mr. Speaker, before the Chair puts the motion, the mission from the Republic of Uruguay is here, comprising Dr. Baltasar Brum, minister for foreign affairs of Uruguay; Dr. Cesar Miranda, vice president of the House of Representatives; Dr. Xavier Mendivil, senator; Dr. Asdrubal Delgado, financial delegate of the executive power; Dr. Justo Jose Mendosa, secretary to the minister of foreign affairs; and Lieut. Canosa, aid-de-camp to the minister. These distinguished gentlemen are at present in the gallery of the House, and I ask unanimous consent that the House stand in recess for 15 minutes so that they may be invited to the floor.

The SPEAKER. The gentleman from Virginia asks unanimous consent that the House stand in recess for 15 minutes.

Mr. WALSH. Mr. Speaker, before that request is put, I make the point of order that there is no quorum present, and I do that because I think we should have a full representation of the House here to welcome these distinguished guests.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. Evidently there is not.

Mr. FLOOD. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Estopinal	Kiess, Pa.	Scott, Pa.
Aswell	Evans	King	Scully
Austin	Fairchild, Geo. W.	Kitchin	Sears
Bacharach	Farr	Kreider	Shackleford
Barkley	Fess	La Follette	Shallenberger
Barnhart	Fields	LaGuardia	Sherley
Beshlin	Flynn	Larsen	Sherwood
Black	Foss	Lever	Shouse
Booher	Francis	Linthicum	Siegel
Brand	Frear	Lundeen	Sisson
Britten	Freeman	Lunn	Smith, Chas. B.
Browne	Fuller, Mass.	McAndrews	Smith, Thos. F.
Browning	Gallivan	McCormick	Snell
Brumbaugh	Garland	McKenzie	Snyder
Burnett	Garrett, Tex.	McLaughlin, Pa.	Stafford
Butler	Glass	McLemore	Sterling, Pa.
Byrnes, S. C.	Good	Maher	Stevenson
Candler, Miss.	Goodall	Mann	Strong
Cannon	Goodwin, Ark.	Mays	Sullivan
Cantrill	Gould	Meeker	Sumners
Caraway	Graham, Pa.	Mondell	Swift
Carew	Gray, Ala.	Montague	Switzer
Carlin	Gray, N. J.	Mott	Tague
Carter, Mass.	Greene, Mass.	Mudd	Talbott
Church	Gregg	Neely	Taylor, Colo.
Clark, Fla.	Griest	Nelson	Templeton
Classon	Griffin	Nicholls, S. C.	Thompson
Connelly, Kans.	Hamill	Nichols, Mich.	Tinkham
Cooper, Wis.	Hamilton, N. Y.	Oliver, Ala.	Towner
Copley	Harrison, Va.	Oliver, N. Y.	Van Dyke
Costello	Haskell	O'Shaunessy	Venable
Crago	Hayes	Padgett	Vinson
Cramton	Heaton	Peters	Voigt
Crosser	Heintz	Polk	Walker
Dale, N. Y.	Hensley	Pou	Walton
Dallinger	Hicks	Powers	Ward
Darrow	Holland	Pratt	Watkins
Delaney	Hood	Rainey, John W.	Watson, Va.
Denison	Howard	Randall	Welling
Dies	Hull, Iowa	Rankin	Whaley
Dillon	Humphreys	Riordan	Williams
Dominick	Husted	Robbins	Wilson, Ill.
Donovan	Hutchinson	Roberts	Wilson, Tex.
Dooling	Jacoway	Rogers	Winslow
Doughton	Johnson, S. Dak.	Rowe	Wise
Drukker	Jones	Rowland	Wood, Ind.
Dupré	Juul	Rucker	Woods, Iowa
Dyer	Kahn	Russell	Wright
Eagan	Kearns	Sanders, La.	Zihlman
Edmonds	Keating	Saunders, Va.	
Elston	Kelley, Mich.	Schall	
Emerson	Kennedy, R. I.	Scott, Mich.	

The SPEAKER. On this roll 225 Members have answered to their names, a quorum.

Mr. SIMS. Mr. Speaker, I move that we dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER. The gentleman from Virginia asks unanimous consent that the House stand in recess for 15 minutes, in order that we may receive the mission from Uruguay. Is there objection?

There was no objection.

The Chair appointed the following committee to conduct the distinguished guests to the floor of the House: Mr. FLOOD, Mr. STEDMAN, Mr. HARRISON of Mississippi, Mr. PORTER, and Mr. MILLER of Minnesota.

Accordingly, at 3 o'clock and 45 minutes p. m., the House stood in recess.

At 3 o'clock and 46 minutes the mission, accompanied by Mr. Jordan Herbert Stabler, Chief of the Latin-American Division, State Department, and Mr. Hugo D'Pena, chargé d'affaires, Uruguay Legation, and escorted by the committee appointed, entered the Hall of the House.

The distinguished visitors were escorted to the Speaker's rostrum amidst long applause and cheers.

The SPEAKER. Gentlemen of the House of Representatives, it has been the policy of the United States from the beginning to cultivate the friendliest relations possible with our sister Republics to the south of us. All together on this continent are 21 republics. The Republic of Uruguay has sent a mission here, headed by its minister of foreign affairs, Dr. Brum, whom I now introduce to you. [Applause.]

Dr. BRUM. Señor Presidente, Señores Legisladores: En nombre mío y en el de mis compañeros, agradezco intensamente este homenaje que tributáis a mi patria y a su Gobierno, El Uruguay ha alcanzado un notable desarrollo en su organización institucional y ha tenido en vista siempre el ejemplo del Congreso Americano, dictando leyes democráticas y justas por esto nos llena de gratitud esta demostración de simpatía que nos hace la más prestigiosa asamblea republicana en la sede de sus deliberaciones que es mirada por el mundo como el templo de la democracia de donde surgen las leyes más sabias para organizar la sociedad y para garantir los derechos de los hombres.

Si en cualquier momento esta recepción nos habría honrado y conmovido es lo cierto que ahora la impresión es más honda porque aquélla se produce en el instante mismo en que vuestro patriotismo, vuestra inteligencia y vuestro tiempo están consagrados a la obra magnífica de vencer para siempre al imperialismo agresivo y despótico. [Aplausos.]

Señores Legisladores: Formulo los más íntimos votos porque los Estados Unidos de América, vuestra poderosa e inteligente cooperación, impongan al mundo el reinado de la justicia entre los hombres y del derecho de todos los pueblos a gobernarse a sí mismo. [Aplausos.]

[Translation.]

Dr. BRUM. Mr. Speaker and gentlemen of the House of Representatives: In my name and in that of my companions I wish to express my intensely grateful acknowledgment of the homage paid by you to my country and its Government. Uruguay has achieved a notable development in its institutional organization and has always kept in view the example of the American Congress in enacting democratic and just laws. Therefore we are filled with gratitude at this manifestation of sympathy extended to us by the most republican assembly at the seat of its deliberations, which the world looks upon as a temple of democracy where the wisest laws for the organization of society and the protection of man's rights are given birth.

While this reception would have given us honor and emotion at any time, the impression is assuredly more profound now because of its being made at the very moment when your patriotic intelligence and time are devoted to the magnificent undertaking of conquering forever an aggressive and despotic imperialism. [Applause.]

Gentlemen of the House of Representatives, I make the most earnest wishes that the United States of America, through your powerful and intelligent cooperation, may impose on the world the kingdom of peace among men and the right of all the peoples to govern themselves. [Applause.]

The members of the mission then took their places at the right of the Speaker's rostrum, and the Members of the House were presented to them. The distinguished visitors were then escorted from the Hall of the House.

The recess having expired, the House was called to order by the Speaker.

ORDER OF BUSINESS.

The SPEAKER. When the recess was taken the gentleman from Tennessee [Mr. SIMS] had moved to go into the Committee

of the Whole House on the state of the Union for the further consideration of the water-power bill.

Mr. SIMS. Mr. Speaker, it is now 4 o'clock, and I do not think it would be possible to keep a quorum here and to commence a large bill like this after 4 o'clock on a hot, oppressive day. I do not think it a wise thing to do, and therefore I move that the House do now adjourn.

Mr. DEWALT. Mr. Speaker, before that is done I desire to present a request for unanimous consent at this time. I ask permission to address the House to-morrow morning after the reading of the Journal and the disposition of the usual business on the Speaker's table for 30 minutes on the question of whether politics is adjourned.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that to-morrow after the reading of the Journal and the cleaning up of business on the Speaker's table that he be permitted to address the House for 30 minutes on the question of whether politics is adjourned.

Mr. RAKER. Mr. Speaker, reserving the right to object, could not the gentleman make his address this afternoon? The water-power bill ought to have consideration by the House and not be held up by the revenue bill. Let the gentleman make his request for permission to address the House this afternoon.

The SPEAKER. Does the gentleman withdraw his motion to adjourn?

Mr. SIMS. I will withdraw the request and take up the bill if there is going to be time used to-morrow, but let the gentleman submit his request.

The SPEAKER. The gentleman has submitted his request.

Mr. SIMS. But it has not been acted on.

The SPEAKER. The Chair knows it has not been; it has not been put.

Mr. SIMS. If it is granted, then I will move to go into the Committee of the Whole House on the state of the Union on the bill to-day.

Mr. CAMPBELL of Kansas. I hope nobody will object to the request of the gentleman from Pennsylvania.

The SPEAKER. Is there objection?

Mr. ANDERSON. Mr. Speaker, reserving the right to object, we have been trying to get this water-power bill up for consideration for some days, and while I do not want to prevent any gentleman from making a reply to the speech of Mr. RODENBERG, or any other speech, I am not willing that the water-power bill to-morrow shall be displaced by a speech or preceded by a speech, and I shall object to a speech being made to-morrow.

Mr. RAKER. Mr. Speaker, could not we obviate this matter if the gentleman from Tennessee ask that when the House adjourns to-day that we meet at 11 o'clock to-morrow? The gentleman from Pennsylvania could take 30 minutes, and possibly we will be able to start on the bill before 12 o'clock.

The SPEAKER. The Chair will make one remark. His observation of this 11 o'clock business is that invariably, nearly, somebody raises the point of no quorum and we waste 30 minutes on a roll call. Why not resolve the House into the Committee of the Whole House now and let the gentleman make his speech?

Mr. SIMS. That is the motion I was going to make—that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The SPEAKER. The gentleman from Tennessee moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

On a division (demanded by Mr. WALSH) there were—ayes 71, noes 2.

WATER-POWER LEGISLATION.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, with Mr. WEBB in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, which the Clerk will report by title.

The Clerk read as follows:

An act (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce.

The CHAIRMAN. The Clerk will read the bill under the five-minute rule.

The Clerk read as follows:

Be it enacted, etc., That a commission is hereby created and established, to be known as the Federal Power Commission (hereinafter referred to as the commission), which shall be composed of the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture. Two members of the commission shall constitute a quorum for the transaction of business, and the commission shall have an official seal, which shall be judicially noticed. The President shall designate the chairman of the commission.

Mr. RAKER. Mr. Chairman——

The CHAIRMAN. The gentleman from Pennsylvania [Mr. DEWALT] asked for recognition.

Mr. DEWALT. Mr. Chairman, I ask unanimous consent now that I may be permitted to proceed for 30 minutes out of order.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for 30 minutes. Is there objection? [After a pause.] The Chair hears none. The gentleman from Pennsylvania is recognized for 30 minutes.

Mr. DEWALT. Mr. Chairman and gentlemen of the committee, I recognize at once my inability to cope in any way either with the eloquence or, perhaps, with the great temerity that the gentleman from Illinois [Mr. RODENBERG] exhibited in his address to the House only a short time ago. I recognize, too, that there is in this House, and has been ever since I have been here, a certain rule of precedence which gives to older Members and those who are more accustomed to the ways and procedure in the House an undoubted right to express their views on almost any question without interference, and that young Members are usually relegated to the rear and are supposed to keep silence, even upon very important questions. But, in my judgment, the time has come now when a Democrat from the greatest Republican State in the Union, with the exception of one, should voice his sentiments in protest against the utterances made by the gentleman from Illinois. [Applause.]

His conduct upon this occasion, as compared with his past record, reminds me of a little distich that I heard many years ago, a corruption of the stanza in an old hymn, which runs something like this:

Whilst the light holds out to burn,
The vilest sinner may return.
Whilst there's grace enough to save us,
Still there's hope for Charley Davis.

When I look at the record that the gentleman from Illinois has made for himself upon the different war measures as presented in this Congress and in the last Congress, I am somewhat astonished that he should, in the opening of his remarks to this august body, have said that since the declaration of war he had always supported the administration and had been for every measure which was called up by the administration in the prosecution of the war. Usually people judge others not so much by the sound of their voice or by the utterances that they make as by their acts, and, if this judgment is to be taken, then I would refer to this assembly what the record of the gentleman from Illinois [Mr. RODENBERG] shows.

I have in my hand a tabulated statement, a record of votes, and the first that I find upon that record is a bill to provide revenue to defray the war expenses, and for other purposes. An amendment was offered that a tax of 5 per cent should not be collected on automobile manufacturers until they shall have earned a profit of 8 per cent upon actual capital invested. Mr. RODENBERG voted "yea," as did 147 Republicans and 26 Democrats; and on the passage of the bill Mr. RODENBERG voted "nay," as did 76 Republicans and no Democrats. It therefore appears from that record as established that Mr. RODENBERG, of Illinois, voted against the revenue measure for the prosecution of the war.

I also find upon that record "a resolution declaring that a state of war exists between the Imperial German Government and the Government and the people of the United States and making a provision to prosecute the same." When the roll call was ordered there were yeas 373, and there were nays 50. And I find to my utter surprise and somewhat, possibly, to the surprise of this House, that this gentleman who was condemning the President of the United States for taking care of the interests of the Nation in its time of peril was one of the 50 who voted against the declaration of war, although he is now proclaiming his patriotism as beyond all question.

Perhaps it might be informing at this time to refer to the fact, and I do it in no invidious way, but refer to it merely as a fact which seems to be established beyond the peradventure of a doubt, that the people of the district from which this speaker comes repudiated such action, and if the truth be entirely known, or if public prints are to be believed, they not only repudiated that action but they actually besmirched him by holding him up to public ridicule and hanging him in effigy.

I find also a bill "to punish acts of interference with foreign relations, the neutrality, and the foreign commerce of the United States, and for other purposes," and in looking at that I find that Mr. RODENBERG voted "yea," as did 146 Re-

publicans and 38 Democrats. When there was a roll call there were yeas 260, and nays 106, and Mr. RODENBERG voted "yea," but 97 Republicans and 3 Democrats voted "no." I find, also, a record of the gentleman's vote in regard to another matter which was of supreme importance. The Committee on Rules reported a rule making in order a resolution requesting the President to warn Americans against traveling on American ships of any kind. On the previous question being called on the rule, the roll was called and there were yeas 256, and noes 160. Mr. RODENBERG of Illinois voted "no," as did 138 Republicans and 32 Democrats.

And yet after that record, as it is established in this House, the eloquent gentleman from Illinois has the temerity to come here on this day, without a word of warning to anyone of his purpose, and condemn, if you please, the patriotic acts of the President of the United States in demanding the defeat of the McLemore resolution. And in spite of the fact that he says that from the time of the declaration of war he was supporting the President of the United States I find the damning record here that he voted against the interests of the American people and attempted to keep them from the privilege of traveling upon the high seas in the common pathways of commerce.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. DEWALT. I can not at this time. Immediately after I have practically concluded I will.

Mr. CAMPBELL of Kansas. I will ask the gentleman the date the McLemore resolution was up in the House.

Mr. DEWALT. I have not the date.

Mr. CAMPBELL of Kansas. It was a year before war was declared.

Mr. DEWALT. Mr. RODENBERG voted "no" on the tabling of the McLemore resolution.

I find, too, that in regard to a bill to tax incomes, corporations, munition manufactures, and other products, and for other purposes to carry on the war, on a motion to recommit the bill to the committee with instructions to amend so as to raise an equitable proportion of the required revenue by a protective tariff, a point of order was made against the motion and sustained by the Speaker and an appeal was made from that decision of the Chair and a motion made to lay the appeal on the table, and Mr. RODENBERG voted "no," as did 191 Republicans and no Democrats. A vote of "no" was equivalent to a vote of "yes" to recommit.

Now, my friends, the eloquent speaker from Illinois quoted a sentence in which he said that "patriotism was a mask behind which scoundrels hide," or words to that effect. During my short career in the House of Representatives I have heard many men declaim their patriotism. It has been a common practice here on both sides of this central aisle for men to proclaim in the highest terms their individual patriotism. I do not disagree with a sentiment of that kind, nor do I disagree with the gentleman from Illinois when he says now, that in spite of his past votes and past record, he is patriotic. I do not question that. But I do question the sincerity of the gentleman who by his past record has established that he was against the administration in the beginning of this war and in the prosecution thereof, as shown by the record, when he now condemns in part at least, or attempts to belittle, if you please, the acts of the executive officers of this great Nation.

Now, how does he propose to condemn them? But before I go to that I find also that in respect to a bill to provide increased revenue to defray the expenses of the increased appropriations for the Army and Navy and the extension of fortifications, and for other purposes, Mr. FORDNEY made a motion to recommit the bill to the committee, and I find on a record vote that Mr. RODENBERG voted "no," which was equivalent to a vote of "yes" to recommit, as did 195 Republicans and no Democrats.

I find also this significant fact in the record: With respect to a bill authorizing the President of the United States to supply merchant ships, the property of citizens of the United States and bearing American registry, with defensive arms, and for other purposes, Mr. COOPER of Wisconsin made a motion to recommit the bill with instructions to the committee to report it back with the following amendment:

Provided, That no ship of American registry armed in the manner aforesaid shall carry cargo consisting in whole or in part of arms or ammunition consigned to a belligerent country or to a citizen thereof.

And on it there were 125 yeas and 293 noes. Mr. RODENBERG voted "yes," as did 76 Republicans and 47 Democrats. On the passage of the bill, the roll call was—yeas 403, and noes 14.

After the other remarkable vote Mr. RODENBERG voted "yes." Eleven Republicans voted "no." In other words, my esteemed friend from Illinois voted for the Cooper amendment in this very shipping bill in regard to the arming of merchant ships of the United States; and it comes with poor grace, my friends, after this lapse of time, for one as distinguished as the gentleman from Illinois has the right to claim himself to be, to now, in unmeasured terms condemn and belittle and, if you please, worse than that, traduce the Chief Executive of this Nation.

Now, how does he propose to prove his case? After first uttering in these blatant terms, as I may call them, his patriotic sentiments, he then speaks of the necessity of political parties. No one will dissent from that position. As our Government is formed, we must have partisanship, if you please, and we must have political parties. The very foundation of our Government is established upon the keynote that there must be an honest diversity of opinion about the policy of the Government by the different parties thereof, and when that is once established and accepted, necessarily there are political parties. But there never should be an extreme of partisanship at any time, whether in peace or in war. But when I listened to the gentleman's speech, while I had the temporary honor of presiding over this House, I came to the conclusion that he not only had forgotten that there are not to be parties, but he has forgotten entirely the fact that he is a partisan and a partisan of the rankest sort.

I find, too, in the course of his remarks that he said that the President of the United States, immediately after 1918, had said that politics was to be adjourned, in part at least; that he then, at that time, decided that there should be no partisanship displayed in the disputation in Congress or in the general public at large.

Granted that be true, was it not the duty of the President of the United States, at any time and at all times whilst we were going in preparation for this titanic struggle, to attempt to get all parties, whether Democrats or Republicans or whatever their party appellations might have been, to join under one banner and to forget for the time being that there was a party distinction? And yet he says now that politics has not been adjourned. Why? Because the President of the United States has seen fit, as he calls it, to interfere in the election of Congressmen and Senators of the United States.

Now, let us see how that looks. I base my argument largely upon this proposition, that a good Republican is at any time a great deal better than a bad Democrat, and so I believe that inherently this follows, that a patriotic man in either House of Congress, whether in the Senate or the House of Representatives, if he be patriotic, whether he be a Republican or a Democrat, is to be preferred to anyone, whatever his politics may be, if he displays by his action unpatriotic sentiments or deeds. [Applause.] He referred specifically to the case of Senator VARDAMAN. I have no personal acquaintance with the gentleman. If my personal feelings were to be regarded and had I been a citizen of the great State of Mississippi, I should unhesitatingly cast my vote for the gentleman who is about to succeed him, the Hon. PAT HARRISON. [Applause.]

But be that as it may, the record establishes the fact that the gentleman from Mississippi who nows occupies the senatorial chair and wears the senatorial toga voted very much akin to and like the gentleman from Illinois, who now claims to be so patriotic. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Chairman, I call the attention of the Chair to the fact that the rules of the House are being transgressed by the reference of the gentleman from Pennsylvania to the votes and acts of a United States Senator on the floor of the Senate.

Mr. DEWALT. I would not have had the temerity to refer to the matter at all had it not been called in question by the distinguished colleague of the gentleman from Kansas, the gentleman from Illinois [Mr. RODENBERG]; but when the subject has been opened, and when it is made a cause of complaint against the President of the United States because he patriotically stands up and says boldly to the people of Mississippi that he is against the manner and the means and the methods of a candidate for United States Senator, I say he is performing a patriotic duty which is imposed upon him by the Constitution. [Applause.]

Mr. COOPER of Ohio. Will the gentleman yield there?

Mr. DEWALT. Certainly.

Mr. COOPER of Ohio. Will the gentleman tell us why the President of the United States opposed that great patriotic young American, IRVINE LENROOT, in Wisconsin?

Mr. DEWALT. I can not. I can not tell what his motives were. I only know this one fact, that the President of the United States did, as the gentleman from Illinois [Mr. RODENBERG] said, possibly promote the fact that the Vice President of the United States went to the State of Wisconsin and there made public speeches against Mr. LENROOT. I say frankly to this assemblage, because I desire to be honest and frank in all

discussion, I have never for a moment questioned the loyalty of Mr. LENROOT, now Senator of the United States from that great State [applause], and I grant you, for the sake of the argument, that I believe oftentimes the Executive interference in matters of this kind is harmful instead of beneficial. [Applause.] But I take the broad ground, also, that where there is undoubted disloyalty exhibited by the actions of any man, whether his name be DEWALT or VARDAMAN or LENROOT, it becomes the bounden duty of the protector of the Constitution of the United States, to wit, the President of the United States—it becomes the duty of the Commander in Chief of the Army and Navy to see that some record of that be made by him in saying that he believes that an individual has not acted loyally.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. CAMPBELL of Kansas. In view of the President's "acid test" in Wisconsin, can the gentleman tell us why the President is now supporting Mr. Ford for Senator from Michigan?

Mr. DEWALT. I believe that the answer to that is this: Whatever may be said against Mr. Ford's past record in reference to his pacifist tendencies, I believe the record seems to show that Mr. Ford is a promoter of what he believes at this time to be loyal sentiments, and which are in reality loyal sentiments.

Mr. CAMPBELL of Kansas. He will not let his son fight.

Mr. DEWALT. Now, my dear sir, you are bringing the personal equation into the fight. What the reasons are, or what the local board's reasons are, for the excusing of Mr. Ford's son from this particular service, and giving him a deferred status, you and I can only judge by inference, and I never yet have convicted a man upon hearsay testimony, and you never did either, and never pleaded for it in a court of justice.

Mr. KNUTSON. Mr. Speaker, will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. KNUTSON. Would the gentleman uphold the President's interference in branding the gentleman from Texas [Mr. SLAYDEN] as undesirable timber for membership in this House?

Mr. DEWALT. I know nothing of the record of the gentleman from Texas [Mr. SLAYDEN], except what I have noticed here in the House. I do not know what his record is as to voting on different questions, but I say now, frankly and openly, that if my record discloses that by votes I have refused to recognize the necessities of this war, and that I have failed to support the administration in the measures asked for and demanded by it, then I am deserving of defeat, and deserving of condemnation, whether my name be SLAYDEN or whether it be DEWALT. That is the broad proposition.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. DEWALT. Certainly.

Mr. GREENE of Vermont. Will the gentleman say who is to constitute the arbiter and judge and the court of honor by which the loyalty of citizens like ourselves is to be decided?

Mr. DEWALT. That is the easiest thing in the world.

Mr. GREENE of Vermont. Shall one man do it?

Mr. DEWALT. No.

Mr. GREENE of Vermont. One man seems to try to do it.

Mr. DEWALT. That resolves itself into this finality, as the gentleman well knows: The people of the district in which the man lives will decide that question; and if the President of the United States falsely makes a charge against an individual, I premise as a fact to be established in the near future, perhaps, that they will repudiate any such charge.

Mr. GREENE of Vermont. Does the gentleman base that observation on the result of the recent election in a district in Alabama?

Mr. DEWALT. No; I do not. There were other circumstances which led to the result there, and the gentleman possibly knows what they were. The gentleman from Alabama [Mr. HUDDLESTON] comes from a highly congested district, a manufacturing district in Birmingham and a portion of the county outside of Birmingham. I understand, although I do not know it positively, that the liquor question came largely into the canvass, and the gentleman from Alabama [Mr. HUDDLESTON] took the broad ground that these men were not to be deprived of what they had usually had in that regard, and the issue was made up in that way. I may be mistaken in that, as I am only repeating what I have heard.

Mr. GREENE of Vermont. Then John Barleycorn came to the rescue of the candidate, instead of the administration.

Mr. DEWALT. John Barleycorn has helped many men into difficulty and many men out of difficulty. [Laughter.] I hope the gentleman is not one of them.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. DEWALT. I yield to the gentleman from Ohio.

Mr. COOPER of Ohio. A few moments ago the gentleman stated that the President had a right to indorse certain candidates for the House and the Senate.

Mr. DEWALT. No; I did not state that.

Mr. COOPER of Ohio. I would like to call the gentleman's attention to a letter which the President sent to ex-Senator Chilton, of West Virginia, in which he said that he disliked to indorse the candidacy of any individual on the ground that what he might say would be resented, and rightly so, by the constituents in that district.

Mr. DEWALT. I saw that letter; that is what I am calling the attention of the House to. The gentleman asked me a few moments ago who was to be the final arbiter on the question, and I repeat again what I have said, that irrespective and regardless of my opinion or the behests or suggestion of the executive favor, if the people of the district are convinced, in their own mind, that the individual has been loyal and true they will reelect him, provided all other facts show that he is fit for the position.

Mr. COOPER of Ohio. If the President would write a letter like that to ex-Senator Chilton, why should he write a letter in favor of Senator LEWIS and Mr. Davis and other men he has indorsed for sentatorial and congressional position?

Mr. DEWALT. When a gentleman propounds a conundrum of that kind, let him answer it. There are individual distinctions and differences sometimes made, but there are also moving causes in the mind of every one which operate at the time he makes the move. I declare affirmatively now that this general charge, this blanket accusation, if you please, that the President of the United States by attempting, as it is called, to interfere with elections, has only suggested to the people at large what his views are in regard to the patriotism or nonpatriotism of individuals running for office.

Now, I find that my friend from Illinois referred specifically to his Senator, the Hon. J. HAM LEWIS. Of course, argument is one thing and ridicule is another. It may be a matter of misfortune, or perhaps good fortune, that the Senator from Illinois is adorned with pink whiskers, as some people say. It may be his good or ill fortune that the biography, as established by the book which the gentleman read, makes him younger than he actually is, and makes him very precocious, but that does not meet the proposition at all. The proposition is just this: Is the Preseident held up to ridicule by the fact that he sent Senator LEWIS to Europe, and is he there upon a special mission? There is no proof of that. I am glad gentlemen enjoy what is being said about Senator LEWIS. Whether he is sent on a private or special mission is not the business of this House at this time, because the foreign relations of this country are purely an executive function and have always been so considered.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. DEWALT. Yes.

Mr. GREENE of Vermont. The Constitution provides that those who are sent abroad shall be confirmed by the Senate.

Mr. DEWALT. What proof have you or any other Member of this House that the honorable Senator from Illinois has been sent abroad on a mission?

Mr. GREENE of Vermont. The report as published in the newspapers and the attempted excuse that the gentleman makes for his being so sent.

Mr. DEWALT. I do not attempt to excuse him or the President of the United States any more than I would excuse or condemn the President of the United States for sending Col. House from Texas.

Mr. DOUGHTON. Will the gentleman yield?

Mr. DEWALT. Yes.

Mr. DOUGHTON. Is it not a fact that the President suggested that some of the Republican Senators should not be opposed on account of patriotic services? Did he not in the case of Senator NELSON?

Mr. DEWALT. Yes; and more. It is more significant possibly in reference to other matters. The President as you all know sent Mr. Root to Russia. I do not think he was confirmed by the Senate of the United States.

Mr. GREENE of Vermont. No; but that commission and its purpose was openly avowed and understood by the people of the United States. May I ask the gentleman what particular State has a candidate of Republican faith that the President has indorsed?

Mr. DEWALT. The gentleman from North Carolina just referred to one, Senator NELSON.

Mr. DOUGHTON. I suggested the case of Senator NELSON.

Mr. GREENE of Vermont. In a Republican State.

Mr. DOUGHTON. I am not talking about that.

Mr. COOPER of Ohio. In answer to my friend on my left, it is true that the President offered no opposition to Senator NELSON, and Republicans are not advocating any opposition to JOHN SHARP WILLIAMS, of Mississippi.

Mr. DEWALT. And there they show their good sense. [Laughter.]

Mr. SIMS. Will the gentleman yield?

Mr. DEWALT. Yes.

Mr. SIMS. What the gentleman from Illinois read in the biography of Senator LEWIS—that he moved to Georgia two years before he was born—was a typographical error and really beneath being referred to by the gentleman from Illinois.

Mr. DEWALT. It was really too small a matter for consideration by as big a man as is the gentleman from Illinois.

Mr. Chairman, I ask unanimous consent to proceed for 10 minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GILLETT. Mr. Chairman, will the gentleman permit me to make a correction there?

Mr. DEWALT. Certainly.

Mr. GILLETT. In respect to this misprint, to which the gentleman from Tennessee refers, in the Biographical Directory, I referred to the biography of the Senator from Illinois in the Congressional Directory when he was a Member of the House from the State of Washington, and in that Congressional Directory I find that he was born in 1863. [Laughter.]

Mr. STEENERSON. The gentleman will have him only 11 years old when he was admitted to the bar.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Yes.

Mr. SABATH. I do not quite understand some of the frivolous questions that have been asked by some gentlemen on the other side pertaining to Senator LEWIS. Is there anyone on that side who has questioned his loyalty or his ability? If there is, I would like whoever does to stand up. I think the mere fact that he is a year older or younger does not in any way affect his standing or ability or patriotism. He has at all times demonstrated that fact, and therefore is entitled to the support of all good people, not only in his State but all over the United States.

Mr. GILLETT. Mr. Speaker, will the gentleman yield?

Mr. DEWALT. No; I can not yield further.

Mr. GILLETT. The gentleman permitted the gentleman from Illinois to make a statement——

Mr. KNUTSON. In fairness the gentleman ought to hear the other side. The Senator voted against the bond issue in 1898.

Mr. DEWALT. I heard, too, from the gentleman from Illinois [Mr. RODENBERG] a rather astounding statement, that when these great war measures, in which the administration called for the support of its policy, were under consideration the President was obliged, if you please, to look to the Republican side of the aisle for support. I beg gentlemen upon that side of the aisle to refer to the record as it stands, so that they may ascertain how many of them as loyal men voted against the tabling of the McLemore resolution.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Always to the Nestor of the House.

Mr. CANNON. And I hope the gentleman may have his time extended. I voted against the laying of the McLemore resolution on the table—a year before war was declared between this country and Germany.

Mr. CAMPBELL of Kansas. Thirteen months.

Mr. DEWALT. Very well; but at the same time, although I have the greatest affection and respect for the gentleman from Illinois [Mr. CANNON], I believe, too, that possibly he has seen the light of day and repents the action he took at that time in the light of subsequent events. We are all mistaken, of course, at times, and although I can affirm as a positive assertion that the distinguished gentleman from Illinois has perhaps been less mistaken than any other man in the House, yet he is not above and beyond the fact that sometimes people do make mistakes.

What is the fact in regard to this matter? In all these great propositions in regard to the war there was, if you speak frankly, no division upon partisan lines. Republicans joined in support of the administration, and I am quite glad and willing and frank enough to say so. The Democrats also joined in those measures, and it becomes, in my judgment, not only partisanship but bitter partisanship for a Member of the House, with a record such as I have established for the gentleman from Illinois [Mr. RODENBERG] by that which I have shown, now to make this invidious distinction about either side of the House.

There are but 7 Democrats who are members of the delegation from Pennsylvania. The rest of the 36 members, with the exception of 1, are Republicans, and I lay down the affirmative proposition now that every one of those men, whether he be Democrat, Independent, or Republican, is just as loyal as I am, and I propose to be loyal and affirm that I am. I do not think there is any distinction. I think that same thing could be said generally throughout the membership of the House. What, then, was the purpose of this argumentation here this morning? Was it to enlighten this House, or was it following the example set, if you please, at the other end of the Capitol, following the example of Senator LODGE, in proclaiming that now there must be a peace with victory, and that there must be certain established rules and edicts made before this war could be concluded. In reference to that, permit me to say that the President of the United States is blamed for keeping us out of war, and for saying that he proposed to be elected upon a platform "He kept us out of war." The gentleman from Illinois [Mr. RODENBERG] showed to us a little tag with the words upon it "Wilson's wisdom wins without war." I wish to God he had been able to win without war, and I do not believe there is an honest man here who does not voice that same wish. The gentleman says there must be peace with victory and that we must proclaim now that we are not ashamed to say that we demand a peace with victory, and that we shall from this time forth not say "we are too proud to fight." I have said that the President of the United States did keep us out of war as long as it was possible. When the inevitable came on the 6th day of April the consensus of opinion was so great that there were no votes, comparatively speaking, against his judgment. Why did he keep us out of the war and was trying to keep us out of war as far as possible? He was preparing the country with sentiment for the inevitable thing about to come. There was another momentous thing that occurred between the 2d day of April and the 28th of February. What was that? The revolution in Russia that occurred between those two dates, and, in my judgment—I may be wrong and faulty in it—I believe the President of the United States then determined it was absolutely necessary to take charge of the situation and ask for a declaration of war. But more than that, the President had warned Germany time and time again, had plead with Germany that it should cease its submarine warfare. Instead of that Germany kept on, and there was absolutely nothing else to do except to ask for a declaration of war.

Now, let me conclude by saying this: I unite with every Republican and every Democrat here in all patriotic sentiments that look to the prosecution of this war, and I believe inherently that this is the wrong time and particularly the wrong place to cast aspersions and attempt to belittle or besmirch or besmudge the official acts or the character of the President of the United States [applause], particularly when I find that in doing so the gentleman holds up to ridicule the Chief Executive of the Nation by saying that he goes to the drama, that he goes to the movies, and goes to the theater, and with him there he carries politics. It seems to me that it does not lie in the mouth of a Representative from a great State like Illinois to come to this assemblage and say that the President of the United States in pursuit, if you please, of recreation and relief from his ardent duties, should be belittled and ridiculed simply because he takes his wife and members of his official family to the theater, and therefore is accused of using politics in that direction. [Applause.]

I might add that the beloved martyr, Abraham Lincoln, to whom the gentleman from Illinois referred, was foully murdered in a theater whilst seeking recreation and alleviation from the great burdens he then so nobly bore in the defense of the Nation.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I ask that I may revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. WALSH. Mr. Chairman, reserving the right to object, I want to ask the gentleman if the remarks he is about to make upon this——

Mr. RAKER. I am going to devote my time and attention exclusively to the water-power bill.

Mr. WALSH. And that his remarks relate——

Mr. RAKER. To the water-power bill.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

THE NECESSITY FOR WATER-POWER DEVELOPMENT.

Mr. RAKER. Mr. Chairman, the requirements of war have shown the tremendous necessity for the utilization of the falling waters of not only the United States but of the whole world for the production of electric energy.

As was recently truly said:

The development of our water powers would make the United States impregnable in time of war, commercially dominant in time of peace. Impregnable in time of war through furnishing the energy required for production of explosives and munitions, for operation of railroads, and in a thousand ways in the conduct of hostilities, thus releasing our man power for the Army and Navy; commercially dominant in time of peace through furnishing energy for industrial activities, electrical and electrochemical processes, for transportation, for agriculture, and for the innumerable things into which the use of power enters in the daily life of our citizens.

The safety, the welfare, the prosperity, and the progress of the Nation demand the prompt enactment of water-power laws in which protection of the public interest shall be coordinated with fairness toward capital. Power, electric energy, terrible in its war uses, but a God-given blessing when used to promote the comfort of mankind.

As our man power decreases—a considerable actual decrease is inevitable, and, relatively to the size of our task, a very great decrease is already upon us—the shortage in man power must be made up by the use of automatic machinery and various power-consuming appliances. There is scarcely any characteristic of these extended new enterprises so striking as the extent to which they use and depend upon electrical energy.

This increasingly great use of electric power is not something which will end with the war, so we should not allow any lingering apprehensions of future idle equipment to damp our energies in meeting the emergency demands which are upon us. In Great Britain plans far more comprehensive than anything even talked of here are being laid years ahead for increasing, interconnecting, and centralizing the supply of electrical energy, for making it the very lifeblood of a greater industrial England. This country must keep its place in the industrial world after the war—must increase it if our promised 25,000,000-ton merchant marine is to be given cargoes. If we grant this we are permanently face to face with this problem of power supply in all of its new-found importance. We must make our present emergency an opportunity, must keep mobilized our war-time spirit of comprehensive organization and efficiency. This is the time to formulate comprehensive plans for our future power supply.

I quote from an article recently published by a well-known engineer upon the "Coal supply of the United States":

The coal reserves of the United States are widely regarded as so enormous that no present thought need be given to their possible exhaustion. Enormous they unquestionably are, but at the rate at which coal consumption is increasing their life will become a matter of concern within another generation. Coal consumption during the last three years has been increasing at a rate of over 10 per cent per annum. For the past 20 years the increase amounts to 6½ per cent annually. The necessary production for 1918, as estimated by the Fuel Administration, is 710,000,000 tons, an increase over 1917 of 14.4 per cent. A conservative estimate of our present normal rate of increase is 7 per cent. On this basis, and with a rate of recovery from the mines as high as 67 per cent, the life of our known coal reserves would be as follows:

	Years.
Eastern district, which includes the most accessible and best quality of our fuel	56
Eastern, central, and southern districts	64
Entire United States and Alaska, over two-thirds of this being low-grade coals and lignites	83

(These figures are based upon estimates of the United States Geological Survey. They include coal in veins as shallow as 14 inches (35.5 cm.), all coal up to 30 per cent ash, and all known deposits within 6,000 feet (1,828 m.) of the surface. Obviously, on a corresponding basis the life of the coal reserves minable and usable under present standards would be much shorter. The reserves of fuel oil and natural gas are relatively so insignificant that they would have no appreciable effect on these figures.)

The figures are even more impressive when we consider that the United States has about 52 per cent of the coal reserves of the entire world and North America about 69 per cent. Outside of North America the only really large deposits are in China, and are not readily accessible. The next largest are in Germany. This means that in the future we must more and more be called upon to export coal.

Curtailment in our rate of increase in fuel use means either checking of our industrial development or increasing economy in the consumption of our fuel resources. Power supply is going to be the backbone of our future industrial development, and it is going to make increasingly great demands upon our fuel reserves. At the same time, power use of coal is the use which is most wasteful of its chemical and thermal value. Accordingly, every feasible fuel economy in power generation is called for.

The following estimate of the United States Geological Survey shows the available water horsepower in the different sections of the United States if developed to the practicable maximum without storage:

North Atlantic States	4,910,000
South Atlantic States	5,107,000
North Central States	4,270,000
South Central States	3,342,000
Western States	44,049,000
Total available potential horsepower	61,678,000

It is also estimated that with practicable maximum storage the total available water horsepower that could be produced in the United States would be 200,000,000. The present actual water-power development in the United States is about 6,000,000 horsepower, or 10 per cent of the amount available without storage and 3 per cent of the amount available with storage.

The Geological Survey report for the year 1913 shows that our consumption of coal for all purposes was about 570,048,125 short tons, of which the railroads alone used about 20 per cent. In addition to this, the petroleum used in 1913 was equivalent to 24,000,000 tons of coal. Every water horsepower now going to waste which could be economically substituted for fuel power would represent approximately 5½ tons of coal per year based on an average of 12 hours per day. To indicate what are the possibilities of conservation along this line we need merely to reflect upon the fact that the ultimate development of 61,678,000 horsepower on the foregoing coal-consumption basis is equivalent to the annual use of nearly 340,000,000 tons of coal—60 per cent of the total amount used in the United States—which at $2 per ton represents an annual value of $680,000,000. If all the water at these power sites were used constantly the foregoing coal-consumption figures would be doubled. Of course, this represents the maximum attainable development, which in all probability will not be approached for a long period, but it also represents the end which may finally be achieved. It is certain, however, that unless a start is made by the enactment of fair and practical legislation efforts to accomplish this much-to-be-desired result, even in small part, will fail. Every undeveloped water power for which a market now exists represents a willful waste of an exhaustible natural resource.

It is estimated that over 10,000,000 horsepower could be produced from dams installed in connection with the improvement of our inland waterways, and that were locks installed in the power dams over 4,000 miles of the upper reaches of these streams would be opened to navigation. The cost of these river improvements would be upward of $800,000,000, and, if accomplished by private capital for purpose of power production, would not cost the Government a dollar except for the bare locks and removal of minor obstacles in those portions of the streams not connected with power development. If these river improvements were in one stream, it would be equivalent to creating a navigable waterway across the continent from New York to San Francisco. But in reality it means the extension of navigation for an aggregate of 4,000 miles in 35 rivers, traversing 20 States in such widely different sections of the country as Connecticut, Massachusetts, Pennsylvania, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Alabama, Georgia, Tennessee, Florida, Arkansas, Ohio, Kentucky, Missouri, Wisconsin, Minnesota, Washington, and Idaho.

While it will take a long period of time to improve all the inland waterways which could be made navigable in connection with development of water powers, yet every 100 miles helps, and the construction of river power dams will be begun in many different sections of the country as soon as Congress passes laws permitting safe investment of capital in water-power developments.

The inland waterways of the warring countries of Europe are being used to their utmost limit, and hundreds of miles of new canals have been built since the war began. A new waterway 182 miles long, connecting the Oder and the Vistula Rivers, has recently been opened to traffic, and 500-ton boats can go direct from Berlin to Warsaw and to the seaport of Danzig.

Germany has thousands of miles of canals and rivers which have been made navigable, and are being used for carrying heavy freight, leaving the railroads free to be used for the rapid transportation of troops and food supplies. It is said that were it not for her freight-carrying inland waterways the war would be over and Germany beaten, because the rapid movement of her troops from one front to another would have been seriously impeded had the railroads been occupied with heavy freight.

The greatest and most beneficial result of the utilization of our now-wasting water powers will be in their use in connection with the increase of food production through manufacture of electro-fertilizers.

Seven million tons of fertilizer, valued at $170,000,000, were sold in the United States during 1913, and for its manufacture over $40,000,000 of nitrogenous and other material was imported, most of which could have been made in this country with the aid of electricity. The average amount of fertilizers used in the United States is 28 pounds per acre of cultivated lands, against 200 pounds per acre in Europe, with the following results:

Comparison of average yield per acre, in bushels, of crops in the United States and Europe.

	Wheat.	Oats.	Barley.	Rye.	Potatoes.
Europe	32	47	38	30	158
United States	15	29	25	16	96

In 20 years some of the European countries have, through the use of fertilizer, increased the average of all crops to double the yield per acre in America. Before the war, Germany, with 70 per cent of the population of the United States and cultivating but one-fourth the area, produced 95 per cent of the food products which she consumed.

The crops harvested annually in the United States abstract over 1,000,000 tons of nitrogen from the soil, and as the world's supply of combined nitrogen is increased only slowly and in small degrees by nature, the soil of farmed lands is entirely dependent upon fertilizer for replenishment of the stock of nitrogen which it gives up in its yield of crops.

The present method of manufacture produces a finished product containing but 12 per cent of active fertilizer, and 88 per cent of utterly useless material, on which freight and haulage must be paid by the farmers; whereas, the electro-fertilizer product contains 60 per cent of fertilizing material.

The use of fertilizer has a most intimate relation to the cost of living, which has increased in this country at a much more rapid rate than it has abroad.

The population of the world doubles in 65 years, and with increase in numbers there is an increased per capita consumption of food.

The extraordinary increase in the cost of living in the United States has been principally in the cost of food products, while other items than foods have increased at only the general rate prevailing throughout the world. From 1900 to 1910 the cost of foods in the United States increased 35 per cent, and abroad only 15 per cent. While our population increased 21 per cent during those 10 years, crop production increased only 10 per cent, and our exportation of wheat and flour decreased from 31 per cent to 13 per cent of the amount produced. The rapid increase in food cost in this country can only be checked by increased crop production, just as food prices are held down in Europe through increase in yields per acre obtained without additional labor through the use of fertilizer. The countries of highest agricultural development are the largest consumers of fertilizers. If our use of fertilizer in 1913 had been equal to one-half of that of Europe per acre cultivated, 24,000,000 tons would have been required of the value of $600,000,000, and in the production of which 12,000,000 water horsepower must have been utilized, and the resultant increase of crop value would have exceeded $2,000,000,000.

It is estimated that there are at least 10,000,000 acres of arid lands located in the Far Western States, lying above the reach of gravity water, that can only be reclaimed through water raised by pumps operated by the cheap hydroelectric power now latent and wasting in the various streams from which the water would be pumped. Thus the land, and at a lower level the water to irrigate it, and the power to raise the water to the land are often all assembled at one point. Given water, these lands will produce every fruit, vegetable, and grain that is native to the temperate zone, and are capable of supporting a population of 2,000,000 people. With our water powers under development, it is safe to say that hundreds of thousands of water horsepower will be utilized within the next 10 years in connection with the reclamation of arid lands, and that in addition to what the Government service will accomplish, hundreds of millions of dollars of private capital will be used for establishment of reclamation projects in connection with pumping plants. Lands are being irrigated in 27 States and as far East as New Jersey and Florida, and two Western States have now nearly 5,000,000 acres of land under irrigation.

The internal development of a country must precede its external commerce, and the development of our water powers is vitally necessary to the industrial progress of the Nation, and will be of enormous importance after the war to the maintenance and growth of its foreign trade. In every one of the 20 years preceding the war of 1914 the foreign commerce of Germany exceeded that of the United States. For the single year 1912 it was $853,000,000 greater, and for the whole 20 years was $7,700,000,000 greater. There is nothing in that record for the United States to be proud of, for we have an area 17 times as great. We have 30 per cent more population; three times the accumulated wealth, and our natural resources are 20 times greater than those of Germany.

Looking forward to probable financial conditions after the close of the war. Property of all kinds will have depreciated greatly in physical condition and will have to be repaired. Stocks of merchandise will have become depleted and will have to be replenished. Projects of all kinds, interrupted by the war, will have to be completed. The commercial and industrial progress of the Nation, which will have practically been at a standstill during the war period, will be resumed and go forward with a mighty rush. This will mean an abnormal demand for money, and if to the risks and burdens of a naturally hazardous business, such as the operation of a water-power plant, is added harsh and restrictive government requirements and regulations, it will be impossible to secure capital for the pioneer work of power development.

American capital and investment is expected to supplant German capital in Italy and in many of the South American countries which have heretofore turned to Germany for the means of developing and financing natural resources. American capital in volume will be needed to finance the harnessing of Italy's water powers and electrification of her industries. Italy has no coal and the war has brought home to her realization of the necessity of availing herself of her water resources for the generating of motive power. Italian capital is not sufficient to cope with the immensity of the problem, and she will undoubtedly turn to the United States for financial aid.

I am credibly informed that large banking houses in New York have already received urgent appeals for money to be used in development of foreign water powers, with the assurance of practically unlimited franchises and in some cases government bonuses.

We must not make the Federal laws governing development of the water powers of the United States so restrictive as to turn American capital too much toward development of foreign water powers. Legislation should encourage business, not hamper it. The development of our water powers is of vital necessity for promoting the safety, the comfort, the welfare, and the prosperity of every citizen of the United States.

Mr. Chairman, these remarks I have just made are in regard to the general development of water-power legislation. We are now down to the real meat of this bill. General debate has concluded and it will be now up to the Congress and this committee in the first instance to report any amendment that may be offered or some that may be added if thought necessary to make this bill actually workable. I believe in a general way the bill is workable. The bill contains necessary legislation that will develop the water powers of this country some 60,000,000 horsepower. Much time and much attention has been given to this subject in the House in the last six years. Much time has been given it in the Senate. It has been my fortune to have been on the Committee on Public Lands for the last six years, having supervision of water-power legislation as relating to the public lands, which bill has passed the House twice and is again reported this year, and under the arrangement in appointing the Special Water-Power Committee in the selection of five members from the Committee on Public Lands, Committee on Interstate and Foreign Commerce, and the Committee on Agriculture I am again placed as one of the members of that committee, and I have heard all the testimony not only that in the Public Lands Committee of the House, but have read that which has been given before the committee in the Senate for the last six years and have heard the testimony as given before the special Water-Power Committee, which in all amounts to many thousand pages. The last volume is over a thousand pages.

Mr. WALSH. Will the gentleman yield just for a question?

Mr. RAKER. I yield for a question.

Mr. WALSH. The reason I wanted to ask the gentleman a question is because of the great and serious attention that he has given to this subject, and I know that he is familiar with the problems that present themselves in his part of the country. Now, I would like to ask him if he can tell me quickly and briefly, within the time he has remaining, which plan he favors on the recapture proposition?

Mr. RAKER. I am going to do that before I get through.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. I ask unanimous consent that I may have 10 minutes at this time. I took no time under general debate, and it was understood we should have liberal debate under the five-minute rule. I would like to make a few general remarks now and take as little time as possible when we come to the general provisions of the bill.

The CHAIRMAN. The gentleman from California asks unanimous consent to proceed for 10 minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. SINNOTT. Will the gentleman yield?

Mr. RAKER. I will.

Mr. SINNOTT. The gentleman spoke of the estimate of 60,000,000 horsepower. That is without storage. The storage, I understand, is something like 200,000,000.

Mr. RAKER. This is without storage; yes. This is only about 60,000,000 and about 200,000,000 with storage. Of course, there is a difference between the engineers as to the exact amount, but that is near enough, approximately.

I was present at the time the conference was held with the President by these three committees, and I have given the subject some consideration. Like others, we differ. But there are some of these things that are to my mind, as I view it, familiar. While I might differ with others, I am going to give the House, as I see it, some of the benefit of that study and consideration. I want to say, generally, that I believe this water-power legislation as now presented, with the exception that I am going to name, is workable, that it will protect the Government in the rights that it now holds; that it will give the investor fair and decent treatment and a fair return for the money invested and a sufficient opportunity to develop these powers. And it will give the consuming public a fair opportunity to receive electrical energy at a reasonable rate and not overburden it with fictitious charges and watered stock, and other conditions that are so burdensome at the present time. The question of the length of time, guarded as it is, I believe is all right. Under the present system where we have a revocable permit, no man can develop, no institution can develop, no association, no municipality, can develop; and there should be a fixed period, with rules and regulations for control, to the end that the investor may know, that the public may know, and the consuming public be treated fairly and properly.

These general matters have been provided for in the bill by the creation of a commission, and turning over the authority to the Government where there is no State commission, and to a State commission where there is a commission authorized and organized for the purpose of adjusting these rates and fixing the question of the bond issues and capital issues, and so forth. The commission is the proper thing. It brings unity of action from the three departments, where the Interior Department and the Department of Agriculture and the War Department can combine their judgment. And you will get better results than if you leave it to one. And so while one man may be familiar with the particular subject in hand, the others, by studying the conditions, may be able to secure better results.

I want to say that some of the western papers, and I notice the Oregon Voter—and I will insert some of their opinions in my remarks later—say that the bill is all restriction and gives the investor no opportunity. I think it is wrong on that. The farmers' organization stands the other way, and says that the bill is all for monopoly and corporation, and gives the consumer and public no opportunity. They are both wrong.

Mr. McARTHUR. Will the gentleman yield?

Mr. RAKER. No; I can not yield for just a moment.

One leans too far one way and the other leans too far in the other direction—both leading apart and getting no results.

Now I yield to the gentleman from Oregon.

Mr. McARTHUR. By the farmers' organization does the gentleman mean the grange or this disloyal, nonpartisan league we hear about?

Mr. RAKER. Oh, I do not know anything about that. This comes from the farmers' national headquarters. They have sent out a circular opposing this legislation because it gives a 50-year lease, and saying it is intended to prohibit future Government ownership or municipal ownership.

Now, this bill provides for that. It provides that the State or municipality may apply for this lease and may obtain it, and there is no preferential right given except in one instance, where a license may be issued to any citizen of the United States, or any association of citizens, or to any corporation, or to a State or municipality, for the purpose of constructing, and so forth. Then there is another provision that provides in section 7 that "in issuing preliminary permits or licenses hereunder, the commission may, in its discretion, give preference to applications therefor by States and municipalities, provided the plans for the same are deemed by the commission to be best adapted to conserve and utilize in the public interest the navigation and water resources of the region." So that we find that both parties, as I believe, are far afield. What we want is legislation that is workable, that will protect the Government, and at the same time give capital fair treatment and the consuming public as well, but will not prohibit the States or municipalities from operating if they desire. That must be right.

But now in the bill there are two fundamentally wrong propositions, and I must say in frankness that as to one I do not believe it was called to the attention of the committee. That is the one providing that we give to any corporation the right to this permit or license, irrespective of its nationality, irrespective of whom the members may be, aliens or otherwise. When that is called to the attention of the House I do not believe there will be any doubt but that we will amend it, as to what corporations shall get this license for 50 years, to the end that foreigners may not go on our public domain and obtain water-power leases for 50 years. It ought not to be permitted. I know it was not called to the attention of the committee.

It was in connection with former legislation in the Committee on Public Lands, in regard to the leasing of coal and gas and phosphates, and to the House in this bill. But the question in the Committee on Water Power was overlooked. I overlooked it, although I had an amendment that I had prepared in connection with the former legislation that I wanted to call to the attention of the committee. But this Congress ought not to permit a corporation composed of aliens to receive these permits or licenses. It says "any corporation or association." That would permit a foreign corporation. But the language later restricts it, where it says, "It shall be a domestic corporation in any State or Territory." It should be provided that at least a majority of the organization or stockholders should be citizens of the United States.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask for five minutes more. I want to submit one more question. Then I shall not take any further time to-night.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. SINNOTT. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. SINNOTT. I wish to call the gentleman's attention to the definition of a corporation in section 3. A corporation must be a corporation organized under the laws of a State.

Mr. RAKER. That might include a foreign corporation. Then, there is another suggestion, and that is that the majority of the stockholders might be foreigners. They should not be allowed to obtain a lease or license for 50 years. The bill should be amended in that particular. At the proper time I will offer the amendment.

Now, there is another thing which is fundamental, and it surrounds this entire legislation, and this is the "net-investment clause." The more one studies that the more one is compelled to come to the conclusion that the net-investment idea in this bill is wrong from every standpoint. The original provision of the bill fixing "the fair value, not to exceed actual cost," and so forth, for recapture gives the man all that he is entitled to; and with the provision in section 14, which says that he shall not charge for gifts or donations or rights of way or other property, that is fully protected and the consuming public is protected, so that when water rights are given him he can not turn around and charge enormous profits to the Government on recapture and ask millions of dollars for it.

Now, I have been trying to find out what this net-investment proposition is. I want to call your attention to the fact that that was not put in the hearings and there is no discussion of it in the hearings. I do not believe that there is any man on the floor of the House who can define what it is from the language used in this bill. Let me read it to you:

"Net investment" in a project means the actual legitimate original cost thereof as defined and interpreted in the "Classification of investment in road and equipment of steam roads, issue of 1914, Interstate Commerce Commission," plus similar costs of additions thereto and betterments thereof, minus the sum of the following items properly allocated thereto, if and to the extent that such items have been accumulated during the period of the license from earnings in excess of a fair return on such investment: (a) Unappropriated surplus, (b) aggregate credit balances of current depreciation accounts, and (c) aggregate appropriations of surplus or income held in amortization, sinking fund, or similar reserves, or expended for additions or betterments. The term "cost" shall include, in so far as applicable, the elements thereof prescribed in said classification, but shall not include expenditures from funds obtained through donations by States, municipalities, individuals, or others.

What is that? Was it before the committee? Who has read it? A man came into my office a few days ago and said, "Will you show me that report? Will you show me what that means?"

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In a moment. I began to investigate. I began to investigate through the Interstate Commerce Commission, and tried to dig out what it means. Here is the report that is referred to, and I do not believe there is a man on the floor of the House to-day who can determine what "net investment" is from that report. Then, I want to read to you a letter from the Interstate Commerce Commission received to-day. I read:

Replying to your inquiry as to the meaning of the term "net road and equipment charge," appearing in the Statistics of Railroads of the United States for 1914, I would say that this is the book value of the road and equipment owned by the railways in the United States, less the reserve for accrued depreciation. This reserve for accrued depreciation results from charges made annually to operating expenses on account of depreciation in equipment. It does not represent the full

amount of the depreciation of the railroad property which might be shown by an inventory, such as our Bureau of Valuation is now making. The difference between the cost of all the property new and its present condition is doubtless greater than is shown in the reserve for accrued depreciation.

Now, this is what I want to call your attention to:

It should be stated that the form of the balance sheet was changed after 1914.

Continuing:

I am sending herewith a copy of the text of the Statistics of Railways in the United States for the year 1916. On pages 94 and 95 the investment in road and equipment is shown on the asset side and the reserve for accrued depreciation is shown under unadjusted credits on the liability side, and the latter of these items must be subtracted from the former in order to get a figure corresponding to the net road and equipment charge in the 1914 statistics.

I am also sending a copy of the preliminary statistics of common carriers for the calendar year 1916, which will show these figures for individual large roads. The corresponding publication for 1917 is in the hands of the printer.

I am also sending copies of the classifications of operating revenues, operating expenses, income, and general balance sheet accounts which are now in effect.

It is only a question of form, and after investigating it the Interstate Commerce Commission has changed this form, page after page of it, by adding to it and subtracting from it. That is, as to the net investment on a railroad property. Now, after a man has used a water power for 50 years and received a proper return on it for costs and charges, for upkeep and maintenance, instead of saying, "We will pay you the actual cost of it at the time we take it over," if you say that it must be according to this hard and fast form, it is confusing and misleading. The Interstate Commerce Commission, as I say, have been compelled to change this form since it was printed in 1914. Why should we make it a hard and fast rule of net investment? If we enact this into law, we make it hard and fast and can not change it. If the Interstate Commerce Commission after their investigation find that they should make still further changes, we will have adopted a hard and fast rule which we can not change after the 50-year license has been granted. Why not adopt the sensible rule of "paying the fair value not to exceed actual cost of the property," and so forth, to the licensee for his property at the time you take it over and make it a part of the contract that can not be changed. Everyone then knows just what will happen upon recapture of the property. The bill should be changed in this respect back to its original form.

Mr. SIMS. Mr. Chairman, it is late and very few of the Members are present. I want to say that we have the remaining four days of this week for the consideration of this bill; but further, there are a number of Members who took no part at all in the general debate whom I assured that when it came to the five-minute debate, and to the contested portion of the bill, there would be reasonable liberality in allowing debate upon the contested matter. I want to do that. I want to keep that prominent throughout. Therefore I shall object to any further requests for unanimous consent to make speeches on any subject, no matter what it is, except this water-power bill, and the debate on the bill must be confined to the subject matter under discussion.

Therefore, Mr. Chairman, after giving this notice, which I think is fair and proper, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, and had come to no resolution thereon.

Mr. FERRIS. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess in honor of the Uruguay delegation to-day, including a translation of the speech of Dr. Brum, be printed in the RECORD.

The SPEAKER. The gentleman asks that the proceedings during the recess in honor of the Uruguay commission, including a translation of the remarks, be printed in the CONGRESSIONAL RECORD. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. SIMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 4 minutes p. m.) the House adjourned until Wednesday, August 28, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HAMILTON of Michigan, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 12631) granting the consent of Congress to the county of Winnebago, in the State of Illinois, and the town of Rockford, in said county and State, to construct a bridge across Rock River at or near Camp Grant, reported the same without amendment, accompanied by a report (No. 762), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PARK: A bill (H. R. 12819) amending an act to provide for the operation of transportation systems while under Federal control, and for the just compensation of their owners, and for other purposes, by extending to lines not under Federal control the rights, privileges, and immunities extended to those under Federal control; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLARK of Pennsylvania: A bill (H. R. 12820) granting a pension to William H. Sigendall; to the Committee on Invalid Pensions.

By Mr. COPLEY: A bill (H. R. 12821) granting a pension to Sarah A. Vaughn; to the Committee on Invalid Pensions.

By Mr. GARD: A bill (H. R. 12822) granting a pension to Elizabeth Daub; to the Committee on Invalid Pensions.

By Mr. OSBORNE: A bill (H. R. 12823) granting a pension to Frederick M. Miller; to the Committee on Invalid Pensions.

By Mr. STEENERSON: A bill (H. R. 12824) granting an increase of pension to Jonathan Harding; to the Committee on Invalid Pensions.

By Mr. TAGUE: A bill (H. R. 12825) granting a pension to Daniel O'Connell; to the Committee on Pensions.

Also, a bill (H. R. 12826) granting a pension to John J. Coughlin; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Loyal Order of Moose of Coeur d'Alene, Idaho, favoring House bill 5407, to admit osteopaths to the medical service of the Army; to the Committee on Military Affairs.

Also (by request), resolution of the National Committee on Prisons and Prison Labor, favoring House bill 9683; to the Committee on Labor.

Also (by request), petition of James P. Fulton, of Stanley, N. Y., favoring a bill to increase pensions to maimed soldiers; to the Committee on Pensions.

Also (by request), petition of W. H. Morse, of Warrenton, Mo., urging the passage of the retired officers' bill; to the Committee on Invalid Pensions.

Also (by request), petition of the Night and Day Bank of St. Louis, Mo., against the Norris amendment to the emergency Agricultural appropriation bill; to the Committee on Agriculture.

Also (by request), resolution adopted by the Central Conference of American Rabbis anent the Balfour declaration; to the Committee on Foreign Affairs.

Also (by request), resolution of the Carnegie Endowment for International Peace, concerning its attitude toward the war; to the Committee on Foreign Affairs.

Also (by request), resolution of the United Mine Workers, of the Fairmont, W. Va., field, relative to the Mooney trial; to the Committee on the Judiciary.

Also (by request), petition of sundry business firms throughout the United States, of the St. Louis Typographical Union, of the Manufacturers and Dealers' League of the City and State of New York, and of the Union Label Trades Department of the American Federation of Labor, against prohibition as applied to wines and beer; also, petitions of sundry citizens and resolutions by the Five Years Meeting of the Friends in America and by the annual camp meeting held in Pasadena, Cal., urging immediate passage of war prohibition legislation; to the Committee on the Judiciary.

Also (by request), petition of sundry citizens of the United States, favoring independence for Ireland; to the Committee on Foreign Affairs.

By Mr. BESHLIN: Petition of the United Evangelical Church, of Greenville, Pa., urging the adoption of war-time prohibition; to the Committee on the Judiciary.

By Mr. CARY: Memorial of the Union Label Trades Department of the American Federation of Labor, protesting against further legislation designed to prohibit the manufacture or sale of beer; to the Committee on the Judiciary.

Also, resolution of the Wisconsin State Council of Defense, urging that a labor census be taken; to the Committee on Labor.

By Mr. DALE of New York: Memorial of the Brooklyn Central Labor Union, against Senator THOMAS's labor-conscription amendment to the selective-draft law; to the Committee on Military Affairs.

By Mr. ELSTON: Petition of the North Congregational Church of Berkeley, Cal., for the immediate passage of war-time prohibition; to the Committee on the Judiciary.

By Mr. OSBORNE: Petition of 68 citizens of Los Angeles County, Cal., favoring a bill to provide for the substitution of the oath required of enlisted men for the oath required of officers; to the Committee on Military Affairs.

Also, petition of Jacob B. Mujdorff, Soldiers' Home, Los Angeles, Cal., for bill covering Indian wars; to the Committee on Pensions.

By Mr. SNYDER: Petitions of the Albany Street Baptist Church, Utica, for immediate passage of war-time prohibition; also, petition of residents of Watertown, N. Y., against further legislation in the matter of war-time prohibition; to the Committee on the Judiciary.

By Mr. STEENERSON: Petition of Charles Kittleson, of Minneapolis, Minn., in favor of Senate bill 130 and urging early and favorable action thereon; to the Committee on Military Affairs.

By Mr. STINESS: Memorial of the War Council of the Providence (R. I.) Chamber of Commerce recommending exercise of greater care in guarding against duplication of Government literature in the mails; to the Committee on Printing.

By Mr. TAGUE: Resolutions of the New England Hotel Association against prohibition; to the Committee on the Judiciary.

By Mr. TEMPLE: Petition of sundry citizens of Pennsylvania for the passage of House bill 10266, a bill to provide for the substitution of the oath required of enlisted men for the oath required of officers, in order to relieve those who object on conscientious grounds to the oath prescribed by law for officers; to the Committee on Military Affairs.

By Mr. VARE: Memorial of the Union Labor Trades Department of the American Federation of Labor against prohibition; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, *August 28, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, in the pursuit of the ideals upon which we have founded a Government and in following the lines of life laid down for us by our fathers we have been called to make a complete surrender of ourselves, of our interests, of our powers in furtherance of our great spiritual democracy. We pray that Thy blessing may be upon us as we enter more and more into a world conflict. As we lay our fortunes, as we send our boys, as we give our lives to the interests of humanity do Thou, O God of us all, smile upon us, give us success, and bring us to speedy victory.

Again and again we are called upon to mourn the loss of one of our leaders and master spirits. To-day the news reaches us of the death of the senior Senator from Kentucky. This great man so lately stood among us in strength and glory of young manhood, endowed with splendid qualities of leadership, strong in his friendships, loyal to the country, and devoted to the highest ideals of our national life. In Thy providence his spirit has been called back to God who gave it.

We thank Thee for all the service he rendered to our Government and for the devotion which he manifested in the well-being of humanity. Let Thy mercy be with those who constitute the inner circle of his family and friends, and enable us to perpetuate in our lives all that was best in his.

For Christ's sake. Amen.

On request of Mr. THOMAS, and by unanimous consent, the reading of the Journal of the proceedings of the legislative day of Thursday, August 22, 1918, was dispensed with, and the Journal was approved.

AIRCRAFT PRODUCTION.

Mr. THOMAS. Mr. President, my attention has been called to the fact that the Associated and other press dispatches have misstated the recent report of the Senate Committee on Military Affairs upon the subject of aviation in a very important particular. I refer to the first appropriation of $640,000,000 for aviation purposes, a substantial part of which the committee reported to have been practically wasted.

The statement which has gone the rounds of the press is that according to the report the entire sum has been wasted. That does injustice, and very serious injustice, to the authorities having the disposal of this fund, scarcely one-half of which up to this time has been actually expended.

The necessity of calling attention to this is due to the facts, and because wide publicity has been given to the erroneous statement, which if uncontradicted will be accepted as true, when the facts are otherwise.

Mr. BRANDEGEE. Will the Senator from Colorado be kind enough to inform me whether he can state that half of the appropriation of $640,000,000 is still subject to the disposal of the proper officials?

Mr. THOMAS. Commitments have been made for it through contracts and orders in process of performance.

Mr. BRANDEGEE. That is what I wanted to find out.

DEATH OF SENATOR JAMES.

Mr. BECKHAM. Mr. President, it is my sad duty to announce to the Senate the death of my distinguished colleague, Hon. OLLIE M. JAMES, which occurred at the Johns Hopkins Hospital in Baltimore this morning about 6.30, and while it has not been unexpected for some time it comes as a great shock to all of us and to all who knew him. I am sure, Mr. President, that in my State there is universal and profound sorrow, and I feel equally sure that here in this body among the Members who have associated with him for nearly six years there is also the deepest sorrow. We shall miss his genial, generous character, and among all of the losses which our body has sustained in the present Congress none, I am sure, will be felt more than that of Senator JAMES.

It is unfortunate, Mr. President, it seems to us, that we can not understand the Divine purpose when a young man of his age, in the very prime of his manhood, and at a time when his splendid abilities and services were most useful to his State and to the Nation, should be taken away.

But it is not now the time to pay full and proper tribute to his character and life. Upon another occasion later on those of us who knew him so well, who loved and admired him, will have the opportunity of doing so.

I send to the desk, Mr. President, resolutions which I ask may be read and adopted.

The PRESIDENT pro tempore. The Secretary will read the resolutions.

The resolutions (S. Res. 294) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow of the death of the Hon. OLLIE M. JAMES, late a Senator from the State of Kentucky.

Resolved, That a committee of 15 Senators be appointed by the President pro tempore to take order for superintending the funeral of Mr. JAMES, to be held in the city of Marion, Ky.

Resolved, That the Secretary communicate these resolutions to the House of Representatives.

Under the second resolution the President pro tempore appointed Mr. BECKHAM, Mr. SIMMONS, Mr. WILLIAMS, Mr. SMITH of Arizona, Mr. POMERENE, Mr. PITTMAN, Mr. UNDERWOOD, Mr. KENDRICK, Mr. PENROSE, Mr. BORAH, Mr. WEEKS, Mr. KENYON, Mr. FALL, Mr. CURTIS, and Mr. HARDING as the committee on the part of the Senate.

Mr. PITTMAN. Mr. President, this was the day which had been agreed to by the Senate for holding memorial exercises in respect to the memory of the late Senator from Nevada, FRANCIS G. NEWLANDS. I, as does every Member of the Senate, concur in the sentiments expressed by the Senator from Kentucky relative to our beloved friend, and, of course, in the circumstances it is fit and proper that this body shall adjourn in accordance with custom, and I have been informed by the Senator from Kentucky that he is about to make such a motion. I know that the action proposed by the Senator from Kentucky will meet with the entire approval of the family of the late Senator and that this custom of the Senate is thoroughly understood. But before action is taken upon that motion out of respect to the late Senator JAMES, I give notice that on Monday morning, immediately after the Senate convenes, the memorial exercises in respect to the memory of the late Senator FRANCIS GRIFFITH NEWLANDS will be held by unanimous consent.

Mr. BECKHAM. Mr. President, as a further mark of respect to the memory of Senator JAMES I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 12 o'clock and 10 minutes p. m.) the Senate adjourned until to-morrow, Thursday, August 29, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *August 28, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in Heaven, we thank Thee that the American Army in France has for its commander in chief not only a brave, gallant, and efficient soldier, but a Christian gentleman, whose faith in God is unbounded as disclosed in the incomparable life, character, and precepts of His son Jesus Christ, who represents the Father in the concrete and man at his best.

The words which come from Gen. Pershing to the people of America are altogether reassuring:

"The invisible, unconquerable force let loose by the prayers, hopes, and ideals of Christian America is incalculable, and furnishes the soul and the motive for the military body and its cooperation; it steadies us to resist manfully the temptations which assail us in the extraordinary conditions in which we find ourselves."

God be with him, his soldiers, and their associates, and grant them a speedy victory for the world.

Our Father, again we are called upon to mourn the loss of one of the congressional family. We knew him on the floor of this House—a strong, efficient, wise man. We have known him as a Senator, full of enthusiasm, strength, and potency. Comfort us and be especially with his widow and those who are near and dear to him, and bring us at last into one of those many mansions prepared by the Savior for Thy children. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendment the bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," had requested a conference with the House of Representatives on the bill and amendment, and had appointed Mr. CHAMBERLAIN, Mr. HITCHCOCK, and Mr. WARREN as the conferees on the part of the Senate.

CHANGES IN DRAFT LAW.

Mr. DENT. Mr. Speaker, I move that the House disagree to the Senate amendments to the bill H. R. 12731 and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Alabama asks unanimous consent to disagree to the Senate amendments to the House bill 12731 and agree to the conference asked by the Senate. Is there objection?

Mr. McCULLOCH. Mr. Speaker, reserving the right to object, I would like to ask if there will be an opportunity for the House to express itself in regard to an amendment which I introduced, which was adopted by the House, drafting aliens, and which was left out by the Senate?

Mr. DENT. I will say to the gentleman that I can not make any promises as to what the conferees will do, but I will say that I think I have an idea as to what the sentiment of this House is on that subject, and I shall try to carry out the sentiment of the House in conference.

Mr. GILLETT. Will the gentleman yield?

Mr. DENT. I will.

Mr. GILLETT. It seems to me that this proposition is different from the ordinary amendment. Here was a case where the House by an overwhelming majority put on an amendment against the position of the committee, and therefore the conferees, as the House knows, are personally, or were at the time, against the action of the House. So it seems to me that it would be no more than fair for the conferees to agree in such a case that the House should have an opportunity before they assented to the Senate proposition to express its opinion.

Mr. DENT. I will say to the gentleman from Massachusetts that the conferees on the part of the House have always undertaken to carry out the will of the House whenever expressed, even if contrary to their own personal judgment. I shall undertake to do that, and I think I can speak for the other conferees to the same effect.

Mr. GILLETT. I assume that, but at the same time the gentleman will recognize that human nature is such that the House would have more confidence if the conferees were in sympathy with the action of the House, and under these circumstances it does not seem too much for the gentleman from Ohio to ask that the House shall be assured of an opportunity to express its views.

Mr. DENT. Would not the House have the opportunity to do that?

Mr. GILLETT. The gentleman well knows that after a conference report is agreed to it is very difficult to vote down a conference report simply on that ground, much more difficult than it would be to have a vote on that one proposition.

Mr. DENT. I trust that the gentleman from Massachusetts will not insist that the conferees, whoever they may be, shall make any absolute promise as to what may be done. I hope the gentleman will allow them to go into conference with their hands untied after making the statement that I have made that they propose to stand by the will of the House, as they understand it, as far as they are able.

Mr. MAPES. Mr. Speaker, reserving the right to object, the Senate has put on an amendment which requires the Government to furnish uniforms of officers at cost. That was on at least one other bill as it passed the Senate, and the conferees took it out, as I understand it, because the department said that the same result would be accomplished by regulations.

Mr. DENT. Because the department said it was being taken care of.

Mr. MAPES. The fact is it has not been taken care of.

Mr. DENT. I have not been so informed, but I will try to ascertain, and if the department has not taken care of the situation by regulation I shall have no objection to having it go into the bill.

Mr. MAPES. I looked it up within the last 10 days, and it had not been taken care of. Personally I can see no objection whatever to its being incorporated into the law even if it is being taken care of by regulation of the department.

Mr. DENT. The only objection to incorporating it into the law is that a situation might arise that would embarrass the Government in the administration of this matter; that is the only objection I have ever had to it. If the department has not done as they indicated to me I have no objection to its incorporation into the bill.

Mr. MAPES. I do not ask the gentleman to commit himself definitely, but as I understand he is favorable to the legislation.

Mr. DENT. Yes; with the exception that I have stated.

Mr. MAPES. I hope it may remain in the bill. I have received a great many complaints about the abuses sought to be corrected by it.

Mr. McKENZIE. Will the gentleman yield?

Mr. DENT. Yes.

Mr. McKENZIE. I desire to say to the chairman in regard to the question raised by the gentleman from Michigan [Mr. MAPES] that I understand the Senate amendment provided for different classes of uniforms for officers of different ranks. I wish to say that if the amendment remains in the bill I hope the conferees will see that there is no discrimination between officers of the United States Army as to the character of the uniform.

Mr. DENT. I agree with my colleague on the committee in respect to that idea.

The SPEAKER. Is there objection?

Mr. BURNETT. Mr. Speaker, I would like to ask the gentleman a question. I understand that the Senate has struck out the amendment known as the McCulloch amendment in regard to drafting cobelligerents and aliens.

Mr. DENT. That was stricken out by the Senate. I have just made a statement that I hope the House would not undertake to tie the hands of the conferees upon any subject matter involved in this bill. I understand the sentiment of the House upon that subject, and if I am appointed as a conferee I propose to carry out the will of the House as far as I am able.

Mr. BURNETT. Before the gentleman would agree with the Senate in striking it out, would he not agree that we should have an expression from the House in regard to the matter?

Mr. DENT. As I have already stated, I hope the gentleman will not insist upon my making an absolute promise of that kind. If I did it in this respect, I would be expected to do it in many other respects, and the result would be that this bill would be going backward and forward for no one knows how long. I hope the House will trust the conferees to carry into effect what is known to be the sense of the House on that proposition.

Mr. BURNETT. The gentleman realizes there was a very emphatic expression of the House upon that proposition.

Mr. DENT. I do. I think I understand the will of the House upon that subject and shall undertake to carry it out.

Mr. BURNETT. I am willing to trust the gentleman and the conferees in regard to that matter.

The SPEAKER. Is there objection?

Mr. McCULLOCH. Mr. Speaker, reserving the right to object, I desire to say, in view of the statement of the gentleman from Alabama [Mr. DENT] that he will give this matter consideration, and that the House will have an opportunity to act upon it probably, I shall not object.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER announced the following conferees: Mr. DENT, Mr. FIELDS, and Mr. KAHN.

SPEAKER PRO TEMPORE FOR TO-MORROW.

The SPEAKER. The Chair appoints the gentleman from North Carolina [Mr. KITCHIN] to preside to-morrow as Speaker pro tempore.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed the following resolutions:

Resolved, That the Senate has heard with profound sorrow of the death of the Hon. OLLIE M. JAMES, late a Senator from the State of Kentucky.

Resolved, That a committee of 15 Senators be appointed by the President pro tempore to take order for superintending the funeral of Mr. JAMES, to be held in the city of Marion, Ky.

Resolved, That the Secretary communicate these resolutions to the House of Representatives.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

DEATH OF THE LATE SENATOR OLLIE M. JAMES.

Mr. JOHNSON of Kentucky. Mr. Speaker, I offer the following resolutions, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 426.

Resolved, That the House has heard with profound sorrow of the death of the Hon. OLLIE M. JAMES, a Senator of the United States from the State of Kentucky.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of 16 Members be appointed upon the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The SPEAKER. The question is on agreeing to the resolutions.

The resolutions were agreed to.

The SPEAKER. The Chair announces the following committee, which the Clerk will report.

The Clerk read as follows:

Mr. JOHNSON of Kentucky, Mr. HELM, Mr. THOMAS, Mr. CANTRILL, Mr. FIELDS, Mr. ROUSE, Mr. KINCHELOE, Mr. GARRETT of Tennessee, Mr. HEFLIN, Mr. HARRISON of Mississippi, Mr. LANGLEY, Mr. CANNON, Mr. KAHN, Mr. DYER, Mr. CAMPBELL of Kansas, and Mr. WALSH.

Mr. JOHNSON of Kentucky. Mr. Speaker, I offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

Resolved, That as a further mark of respect the House do now adjourn.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was unanimously agreed to; accordingly at 12 o'clock and 20 minutes p. m. the House adjourned until to-morrow, Thursday, August 29, 1918, at 12 o'clock noon.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER: A bill (H. R. 12827) granting a pension to Thomas Alley; to the Committee on Pensions.

Also, a bill (H. R. 12828) granting a pension to Ellsworth G. Beers; to the Committee on Pensions.

Also, a bill (H. R. 12829) to authorize the appointment of John Fawcett, a lieutenant colonel in the National Army, to the rank of major in the Regular Army; to the Committee on Military Affairs.

By Mr. CHARLES B. SMITH: A bill (H. R. 12830) granting a pension to Albert E. Keily; to the Committee on Pensions.

Also, a bill (H. R. 12831) granting a pension to Richard Van Dusen; to the Committee on Invalid Pensions.

By Mr. TEMPLETON: A bill (H. R. 12832) for the relief of John McCarthy; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolutions adopted by a mass meeting held under the auspices of the Russian Workers' Council of Seattle, concerning intervention in Russia; to the Committee on Foreign Affairs.

Also (by request), petition of citizens of Steuben County, Ind., favoring suffrage and immediate war prohibition; to the Committee on the Judiciary.

Also (by request), memorial of the Highway and Automobile Associations of Dallas, Tex., asking that road bonds be exempt from taxation; to the Committee on Ways and Means.

By Mr. TAGUE: Telegram from I. S. Johnson & Co., dealers in proprietary medicines, 39 Sudbury Street, Boston, Mass., protesting against proposed increase on nonbeverage alcohol tax; to the Committee on Ways and Means.

SENATE.

THURSDAY, *August 29, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, as we come together to give expression to the will of a great people and to help shape the policy of a nation, we feel the ever-increasing weight of the responsibility of this high office, and we seek Thy favor and blessing. As we toil to-day over the problems that present themselves to us at home, we remember the boys on the battle front, those who have been wounded, those who are crowding into the hospitals, those who are trooping to the colors. We ask Thy blessing, O God, the God of nations, upon them. Shelter them from harm. Give them the divine presence. Guide them in the day of their danger. Sanctify the supreme sacrifice of any who may be called upon to die for us and for our land, and hasten the day when they shall come back with victory upon their banners. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House disagrees to the amendment of the Senate to the bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. DENT, Mr. FIELDS, and Mr. KAHN managers at the conference on the part of the House.

The message also transmitted to the Senate resolutions on the death of Hon. OLLIE M. JAMES, late a Senator from the State of Kentucky.

ENROLLED BILL SIGNED.

The message further announced that the Speaker of the House had signed the enrolled bill (H. R. 12704) to authorize the importation without the payment of duty of sundry articles for the American National Red Cross to be donated or used by it solely to or for the benefit of the land or naval forces of the United States or its allies or for the relief of the civilian population of the United States or of its allies, and it was thereupon signed by the President pro tempore.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore (Mr. SAULSBURY) presented a petition of sundry citizens of New Castle County, Del., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. McCUMBER. I present petitions from various citizens of North Dakota, praying for prohibition for the period of the war. I ask that they may be noted in the RECORD and referred to the appropriate committee.

Mr. McCUMBER presented petitions of the congregation of the First Presbyterian Church of Larimore; of Robert R. Hedtke, of Mandan; of the Sunday school of the Methodist Church of Edgely; of the congregation of the Methodist Episcopal Church of Cathay; and of sundry citizens of Berwick, Bethania, Tunbridge, Maza, Douglas, Dawson, Minnewaukan, Walhalla, and Cavalier, all in the State of North Dakota, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. SMITH of Georgia. From the State of Georgia I present a large number of telegrams, petitions, and letters on the same subject, and on the same side of the same subject.

Mr. THOMAS. The Senator from Georgia has made a statement which is applicable to the petition which I present from the State of Colorado.

Mr. SMITH of Georgia presented telegrams in the nature of petitions from sundry citizens of Fort Valley, Covington, Canton, Atlanta, Hamilton, Union Point, Richland, Chipley, and Macon, and petitions of sundry citizens of Quitman and La Grange, all in the State of Georgia, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. THOMAS presented a petition of the congregation of the Edgewater Community Church, of Colorado, praying for na-

tional prohibition as a war measure, which was ordered to lie on the table.

Mr. KENYON. I present a petition in the form of a letter from the board of temperance of the Presbyterian Church in the United States, and they ask to have it printed in the RECORD. I should like to have the letter read.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the Secretary will read.

The Secretary read as follows:

THE BOARD OF TEMPERANCE OF THE PRESBYTERIAN CHURCH IN THE UNITED STATES OF AMERICA,
Pittsburgh, Pa., August 28, 1918.

Hon. WILLIAM S. KENYON,
United States Senate, Washington, D. C.

DEAR SIR: The Presbyterian Church in the United States of America, with a membership of more than 1,700,000, through its board of temperance, most earnestly petitions the United States Senate to vote for the entire prohibition of all alcoholic beverages during the period of the war and demobilization and provide that the same shall go into effect at the earliest practicable date, at least not later than January 1, 1919.

This church has tens of thousands of sons in the service of their country, behind whom are a host of patriotic, anxious parents, eager that every reasonable safeguard shall be afforded their sons in order that they may render the highest and largest possible service.

Respectfully submitted.

THOS. WATTERS,
President of the Board.

Mr. KENYON presented petitions of sundry citizens of Sheffield, Brandon, Sanborn, Essex, Cedar Rapids, Janesville, and Fayette, all in the State of Iowa, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. SMITH of Michigan. Mr. President, I have a telegram from the president of the University of Michigan, of the Michigan Agricultural College, of Adrian College, of Hope College, of Olivet College, of Alma College, of Hillsdale College, and of Kalamazoo College, all of Michigan, urging that the exemption clause of section 700 of the present war-revenue act be retained in the revenue bill now being formulated. I desire to have the telegram referred to the Committee on Finance.

The PRESIDENT pro tempore. That action will be taken.

Mr. SHEPPARD. I have letters from the Anti-Saloon League of America and from the National Woman's Christian Temperance Union in favor of war prohibition, which I ask to have read.

The PRESIDENT pro tempore. Is there objection?

Mr. SMOOT. Mr. President, we have agreed in the past not to fill the RECORD with such letters. While I am in full accord with the statement made in the letters—we have all received them—I object to having any more read into the RECORD.

Mr. SHEPPARD. Why did not the Senator object to the letter submitted by the Senator from Iowa [Mr. KENYON] from the president of the board of temperance of the Presbyterian Church?

Mr. SMOOT. The Senator presented it and said it was only a short letter or I would have objected. I do not want the Senator to make the request because we are not going to encumber the RECORD with these matters.

Mr. SHEPPARD. Does the Senator object to having the letter read from one organization?

Mr. SMOOT. I do.

The PRESIDENT pro tempore. Objection is made.

Mr. SHEPPARD. I withdraw the letters and will read them in my own time later.

Mr. SMOOT. That is all right.

The PRESIDENT pro tempore. The letters will be returned to the Senator from Texas.

Mr. CALDER. I present the petition of the Intercollegiate Prohibition Association, which I ask to have read.

Mr. SMOOT. I object to its being read.

The PRESIDENT pro tempore. Objection is made.

Mr. CALDER. I ask to have the fact noted in the RECORD that I presented the petition.

The PRESIDENT pro tempore. That will be done.

Mr. CALDER presented a petition of the Intercollegiate Prohibition Association, by its president, D. Leigh Colvin, praying for national prohibition as a war measure; which was ordered to lie on the table.

Mr. CALDER. I also present other petitions from citizens of various cities in New York State on the subject of war-time prohibition, which I ask be appropriately referred.

The PRESIDENT pro tempore. That action will be taken.

Mr. CALDER presented petitions of the Anti-Saloon League, of New York, and of sundry citizens of Waterville, Cobleskill, Ransomville, Plattsburg, Niagara Falls, Tannersville, Penn Yan, and Huntington, all in the State of New York, praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. JONES of Washington. Mr. President, I have in my hand petitions from hundreds, if not thousands, of citizens of my State urging war-time prohibition. I am not going to ask that they be printed in the RECORD, and I am not going to send them to the desk, but I simply make this statement so that the RECORD will show that the people of our State are extremely interested in favor of the passage of this legislation.

Mr. VARDAMAN. Mr. President, I present a telegram from Miss M. L. Montgomery, president of the Woman's Christian Temperance Union of Mississippi with the request that it be printed in the RECORD. I understand the order has been made by the Senate prohibiting such telegrams from being printed in the RECORD, and I want the facts in this message to appear in the RECORD. The petitioner expresses a very earnest desire that this war-prohibition measure may be enacted to take effect immediately. And I approve of that sentiment most heartily. If we need prohibition in this country at any time, and I think we do, we need it now. To postpone prohibition as is proposed in this amendment is, in my judgment, a betrayal of the cause of temperance.

Mr. SMITH of Arizona. I shall object hereafter to explanations of telegrams. It does not save the RECORD and does not save paper, and we might just as well print them as to have a statement made. I assure my friend from Mississippi that my remarks are not directed especially to his position this morning, but under the law passed by this body, affecting the printing, the mere presentation of petitions is noted, by whom presented, and what was embraced in the petition itself.

Mr. VARDAMAN. May I ask the Senator if that is a rule adopted by this body, or has it been dictated by the Senator to us?

Mr. SMITH of Arizona. Unquestionably it is the rule. It is one of the oldest rules of the Senate, that in the morning hour a Senator can be called to order if he undertakes to read a petition at length. At another time of the day the Senator may take the floor and make a speech and have it printed in the RECORD if he wants to do so.

Mr. VARDAMAN. I do not desire to transgress the rules of this body, but I have a right to speak for the people of Mississippi, touching matters which concern them, in the morning hour. And the people of Mississippi are very much interested in the question of prohibition.

Mr. PHELAN. Mr. President, I present a memorial of wine growers of California, and ask that it be printed.

The PRESIDENT pro tempore. Does the Senator ask that it be read or just noted?

Mr. PHELAN. I ask that it be printed in the RECORD.

The PRESIDENT pro tempore. The Senator from California asks that the memorial presented by him be printed in the RECORD.

Mr. SMOOT. I object to its being printed in the RECORD.

The PRESIDENT pro tempore. Objection is made.

Mr. PHELAN. The only reason why I make the request is in view of the fact that a petition in behalf of prohibition was allowed to be printed in the RECORD, and under the right of petition I think that both sides should be fairly represented to this body.

Mr. SMOOT. There is no objection to that if it is in order, but it is not in order at this time.

Mr. PHELAN. Then, I shall have to read it in the course of my address.

The PRESIDENT pro tempore. The memorial will be noted in the RECORD.

Mr. PHELAN presented a memorial of the California Grape Protective Association, remonstrating against national prohibition as a war measure, which was ordered to lie on the table.

Mr. PENROSE (for Mr. KNOX) presented petitions of sundry citizens of Altoona, Lash, Kerrmoor, Lowber, Bloom, Lumber City, Pittsburgh, Mechanicsburg, Ransom, York, Harrisburg, Berlin, and Philadelphia, all in the State of Pennsylvania, praying for national prohibition as a war measure, which were ordered to lie on the table.

He also (for Mr. KNOX) presented a petition of sundry citizens of Allegheny County, Pa., praying for the substitution of the oath required of enlisted men for the oath required of officers, which was referred to the Committee on Military Affairs.

Mr. SMITH of Maryland presented petitions of sundry citizens of Cardiff, Relay, Highlandtown, Cumberland, Brooklandville, Solomons, Rising Sun, Riderwood, Baltimore, Hagerstown, Govans, Havre de Grace, Oldtown, Northeast, Ellicott City, Laurel, Port Deposit, Frostburg, and Reisterstown, and of sundry citizens of Montgomery and Dorchester Counties,

all in the State of Maryland, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. BRANDEGEE (for Mr. McLEAN) presented a memorial of Capitol City Lodge, of Hartford, Conn., and a memorial of Charter Oak Lodge, of Hartford, Conn., remonstrating against the passage of the proposed prohibition amendment, which were ordered to lie on the table.

He also (for Mr McLEANQ presented petitions of the Methodist camp meeting of Willimantic; of the congregation of the Methodist Episcopal Church of Thomaston; of the Seymour Manufacturing Co., of Seymour; of Clinton Grange, Patrons of Husbandry, of Clinton; of the congregation of the Methodist Episcopal Church of Cheshire; of the congregation of the Methodist Church of New London; and of the Red Cross Auxiliary of Plainfield, all in the State of Connecticut, praying for national prohibition as a war measure, which were ordered to lie on the table.

He also (for Mr. McLEAN) presented a petition of the Theatrical Federation, of Hartford, Conn., and a petition of Elm Lodge, of New Haven, Conn., praying for the submission of a Federal suffrage amendment to the legislatures of the several States, which were ordered to lie on the table.

Mr. WEEKS presented petitions of sundry citizens of Roxbury, Charlton, and Medford, all in the State of Massachusetts, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. WARREN presented petitions of 55 citizens of Gebo; of 85 citizens of Midwest, and of 300 citizens of Laramie; of the Woman's Christian Temperance Union of Gillette; and of sundry citizens of Casper, Rock Springs, Cody, Hanna, Upton, and Cheyenne, all in the State of Wyoming, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. TOWNSEND presented a petition of sundry citizens of Hubbell, Calumet, Lake Linden, and Perry, and a petition of the congregations of the Methodist Episcopal and Presbyterian Churches of Decatur, all in the State of Michigan, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. HALE presented a petition of sundry citizens of Bucksport, Me., and a petition of sundry citizens of Orland, Me., praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. SHAFROTH presented petitions of sundry citizens of Denver, Glenwood Springs, Golden, Pueblo, Fort Collins, and Sterling, all in the State of Colorado, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. WADSWORTH presented petitions of sundry citizens of Syracuse, Dewitt, Watertown, Rochester, Auburn, Sanborn, Cardiff, Gainesville, White Plains, Madison, Waterloo, Buffalo, Brooklyn, Staten Island, Jamestown, New York City, Frankfort, Lakewood, and Hartsville, all in the State of New York, praying for national prohibition as a war measure, which were ordered to lie on the table.

He also presented memorials of sundry citizens of Kingston and Newburgh, and of the Retail Liquor Dealers' Association of New York City, all in the State of New York, remonstrating against the passage of the proposed prohibition amendment, which were ordered to lie on the table.

INDEPENDENCE OF LITHUANIA AND LETTONIA.

Mr. LODGE. Mr. President, I am going to ask to have something printed in the RECORD. It relates to the speech I made last Friday, a brief speech in regard to the essential terms of peace. This is a statement in regard to Lithuania, Livonia, and Esthonia. I did not attempt in that speech to cover every possible phase of the relations of different people in Europe. It was utterly out of the question to go into every detail. But I did know about the Lithuanians and the Letts, who are people of a different race, neither Germans nor Slavs. I think there are ten or twelve million, and I am in entire sympathy with their desire and their rightful aspirations for an independent republic. They cover what are known as the Baltic Provinces of Russia.

I have a brief statement here in regard to them which I should like to print in the RECORD in connection with what I am now saying. The writer says that I disagree with President Wilson's principle on the liberation of races and nations. I do not. That is a complete mistake. I took pains to mention in another part of my speech that I favored as one of the objects of the war the independence of races and nations as defined by the President.

I merely desire to print this with what I am now saying in order to correct a wrong impression in regard to my previous speech and also to lay before the Senate and the country the case of the Lithuanians and Letts, with which I have the deepest sympathy, and which I sincerely hope and believe will be brought to pass, giving them an independent life as a nation when peace is reached.

The PRESIDENT pro tempore. Is there objection to the publication of the statement in the RECORD?

Mr. SMITH of Arizona. I could not hear the Senator distinctly on account of an excessive cold I have. I ask the Senator whether it is in the nature of a personal explanation?

Mr. LODGE. What I have said was a personal explanation. What I ask to have printed is a statement in regard to the Lithuanians and the Letts, which I ask to have printed in the RECORD, because I am in entire sympathy with it and desire the Senate to know about it. It is in connection with the speech I made.

Mr. SMITH of Arizona. It is in connection with the Senator's speech?

Mr. LODGE. It is entirely in connection with it—nothing else.

Mr. SMITH of Arizona. Under that peculiar condition I shall not object.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A BRIEF WHY LITHUANIA AND LETTONIA SHOULD BE RECOGNIZED AS AN INDEPENDENT NATION.

"August 23, 1918, the CONGRESSIONAL RECORD published the speech of Senator LODGE in the United States Senate which is considered to be of world-wide importance, since it was applauded in Great Britain, France, and other countries.

"Among other matters the Senator says:

"'We must face facts and strive for a complete veracity of mind. * * * Generalities will not serve. * * * It must be a just and righteous peace. * * * We intend to make the world safe for democracy. * * * We are fighting and our allies are fighting with us for security, for independence, for the right of nations, great and small, to govern themselves in their own way; for organized races and peoples to have the opportunity to govern themselves in independent states; for the sanctity and observance of treaties; for the general disarmament of nations. * * * Broadly speaking, there is only one way to obtain this security of the nations, this safety of democracy, this preservation of freedom and civilization, and that is by reducing Germany to a condition where by no possibility can she precipitate another war for universal conquest, with all its attendant horrors, upon an unoffending world. * * * (Belgium, Alsace-Lorraine, Italia Irridenta, Serbia, Roumania, and Greece must be made secure.) Most important of all, if we are to make the world safe in the way we mean it to be safe the great Slav populations now under the Government of Austria—the Jugo-Slavs and the Czecho-Slovaks, who have been used to aid the Germans, whom they loathe—must be established as independent states. The Polish people must have an independent Poland. * * * The Russian Provinces taken from Russia by the villainous peace of Brest-Litovsk must be restored to Russia. The President, as you all remember, has announced the vast importance of sustaining Russia. If Germany continues to hold a large part of Russia the world for years to come will be under the shadow of another great war, which will surely be precipitated upon us when Germany has developed her Russian possessions to the point of yielding her men, money, and supplies. * * * Palestine must never return to Turkish rule, and the persecuted Christians of Asia Minor—the Syrians and the Armenians—must be made safe. * * * Our part and our business is to put Germany in a position where she can do no more harm in the future to the rest of the world. * * * As this war is utterly different from any war that the world has ever known, so must the peace which concludes it be utterly different from any peace which the world has ever known. It can not be a peace of bargain, of give and take, and of arrangement.'

"Now has come the time to put an end to all injustices in the relations of nations to each other. The rights as well as duties of all peoples and by all nations must reciprocally be recognized and acknowledged.

"Yet in the speech of Senator LODGE 'the Russian Provinces taken from Russia by the villainous peace of Brest-Litovsk must be restored to Russia.'

"Russia consisted of 116 nationalities; the majority of them were robbed of their liberty by the force of arms, by might having been placed before right.

"We are standing for the rights of the Lithuanians and the Letts, which, in our mind, are unassailable, as clear as the rights of the Poles, Czecho-Slovaks, or the Jugo-Slavs.

"Lithuania had constituted itself as the grand duchy; the Letts were subjugated by the Teutons.

"Lithuania entered the Union of Lublin 1569, with Poland, by the authority of the King, against the protest of the representatives of the Nation. In 1562 even the Letts had come under the suzerainty of Lithuania and Poland.

"Lithuania remained an independent state, its relations to Poland can be compared to the relation of the Magyars to the Germans in Austria to-day: The Lithuanians maintained their highest dignitaries, their own administration, judiciary, and the Lithuanian statute, their own army and finances.

"Through the machinations of Prussia, Russia, and Austria, Poland and Lithuania were partitioned in 1772, 1793, and 1795. Russia has since then oppressed and persecuted the Lithuanians as well as the Poles most cruelly.

"In 1831, 1863, 1905 the Lithuanians sought their freedom, but were suppressed.

"In 1914 they were not guilty in the provocation of the world war, nor were they asked to give their consent to it; Lithuania became the battle field between the powers of Russia and Germany until at last, 1915 to 1917, Germany occupied Lithuania, Courland, and Livland; after the Brest-Litovsk treaty Esthonia and the district of Vitebek (the Lettgalls) were added to the territory occupied by Germany.

"In Europe the world war was advertised as the war for liberation of smaller and oppressed races and peoples. President Wilson, admitting the principle that 'the peace of the world should rest upon the rights of the peoples, not the rights of the governments' reply to Pope, August 27, 1917—pronounced that "no people must be forced under sovereignty under which it does not wish to live'—message to Russia, May 26, 1917.

"The Lithuanian army of 400,000 men had valiantly fought under Russia, and later, after the revolution demanded Lithuania's independence in several of the soldiers' conferences, 1917.

"The exiles and refugees in their conventions at Petrograd voiced nothing less than independence of Lithuania.

"Immigrants to the United States, citizens as well as noncitizens, in their conference in New York, Chicago, and so forth, stood up only for the emancipation of the Lithuanian nation from all foreign rule. The Lithuanian-Lettish republic is the generally recognized ideal.

"The Lithuanians in the territory occupied by Germany, in the convention of Vilnius, September, 1917, unanimously voted for the independence of Lithuania from all her neighbors—Russians, Poles, and Germans—and the National Council of Lithuania has declared Lithuania independent, February 16, 1918, and asked the recognition of independence by Russia, Germany, and other powers.

"Committees for independent Lithuania are working in Switzerland, Sweden, and Denmark.

"The congress of 22 nationalities of Russia, held in Kiev, September 8 to 16, 1917, acknowledged to the Lithuanians the right 'to the formation of its sovereign Lithuanian State out of districts of the Russian and Prussian Lithuania, and also of the Lithuanian parts of the district of Suvalkai.'

"That means a united Lithuania. Besides, the Lithuanians were first to promulgate the necessity of a confederation between the smaller, free, and democratic nations in the western belt of the previous Russian empire, in order to assure an effective barrier against the encroachments of Germany in the eastern Europe, as well as to make the Baltic Sea secure against the German hegemony, dreaded equally by all peoples living on its shores—Scandinavians and Poles, as well as Lithuanians and Letts, Esthonians and Finns.

"Already in 1914 and 1915 the Lithuanians in their conventions made it clear that the fate of the nation shall be decided only by the peace congress and not by separate powers, be it Russia or Germany.

"The Lithuanians in their conventions expressed their desire to enter the society of nations after the war, having as a nation clear conscience, since Lithuania has never broken her treaties nor has she ever considered treaties to be scraps of paper. Cases of broken treaties are unknown in Lithuania's history.

"If at the beginning of the war the Lithuanians inclined to be neutral toward their neighbors, since 1917, when the revolution broke out in Russia and when the United States entered the war, they decidedly sided with the entente. But Germany forced compacts on the national council of the occupied Lithuania, which compacts have no legal standing in the international law and shall be set aside by the peace congress.

"The Lithuanians were never barring the road to independence to the oppressed neighboring peoples and nations; they have always advocated the liberation of White Russia, Poland, Ukraine, Esthonia, Finland, Armenia, the various Slav races, and so forth. Their only desire was that these peoples shall not encroach upon the territory of their neighbors and disturb the national development of the smaller, downtrodden, and unawakened races or peoples.

"Under the circumstances, as set forth above, to compel the Lithuanians back into the embracement of Russian ochlocracy or into any other subjection can not mean the restoration of peace in Europe or make the peace secure for any length of time. On the contrary, the Balkans of eastern Europe will be established, since the Lithuanians are now determined either to get their independence or to perish. 'Now or never' is the slogan of the nation.

"We complain that diplomatic and political triumphs of the allies in the east are outclassed by the Germans. This is apt to happen as long as the allies are not outspoken for the independence of the smaller nations on the western belt of the previous Russian Empire.

"Why demoralize the people and break up their work, so wonderfully progressing under the most exacting conditions? Disregarding requisitions and military German oppression, the Lithuanians have established 2,500 common schools, more than 20 high schools; the University of Vilnius is being started this fall. Some 20,000 Lithuanian telegraphers, postmen, and the railroad men in Russia are well organized and awaiting for the opportunity to serve their mother country. Physicians, engineers, technicians, chemists, teachers are already on the spot to perform their duties, and the army under Gen. Klimaitis is waiting for a juncture with the allies' Murmansk expedition.

"These are facts, as far as we know them.

CONCLUSION.

"Senator LODGE, in our conviction, disagrees with President Wilson's principles on the liberation of races and nations. 'The vast importance of sustaining Russia' can only mean the ethnographical Russia, or Great Russia, as it is called. And a supplementary statement in this sense by Senator LODGE would remove a stone from the throbbing hearts of thousands of citizens and peoples who are devoted to liberty and democracy and to the cause of the allies.

"When even the Asiatic Syrians and the Armenians 'must be made safe,' why not the progressive Lithuanians and Letts, the oldest living race of the Indo-European family, who nowadays have to steer between the Scylla and Charybdis, the Russian ochlocracy and the German superman, the junker class?

"Give either liberty or death!

"For the executive of the Lithuanian National Council.

"JOHN SZLUPAS, M. D."

BILL INTRODUCED.

Mr. PENROSE introduced a bill (S. 4890) granting an increase of pension to Charles F. Doepel, which was read twice by its title and referred to the Committee on Pensions.

PROTECTION OF TRADE-MARKS.

Mr. FLETCHER. I introduced a bill known as Senate bill No. 4783, June 27, calendar day July 1. It was referred to the Committee on Commerce. The committee have held some hearings on the bill and now authorize me to report in lieu of that bill a committee bill, which I send to the desk and ask that it may be placed on the calendar.

The bill (S. 4889) to give effect to certain provisions of the convention for the protection of trade-marks and commercial names, made and signed in the city of Buenos Aires, in the Argentine Republic, August 20, 1910, and for other purposes, was read twice by its title.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

STIMULATION OF AGRICULTURE.

Mr. GORE. I desire to offer an amendment at this time which I intend at the proper time to offer to the pending unfinished business, being the food-production bill. I ask that it be printed and lie on the table.

The PRESIDENT pro tempore. That will be the order.

PENSIONS AND INCREASE OF PENSIONS.

The PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 4723) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors.

Mr. WALSH. I move that the Senate disagree to the amendments of the House, and request a conference with the House on the disagreeing votes of the two Houses thereon, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the President pro tempore appointed Mr. WALSH, Mr. JOHNSON of South Dakota, and Mr. SMOOT conferees on the part of the Senate.

ANARCHISTIC ALIENS.

The PRESIDENT pro tempore. The morning business is closed.

Mr. GORE. I wish to say for the information of the Senate that I shall move to take up the unfinished business at the close of the morning hour, and if we finish the bill I now move to take up before that time I shall ask for the consideration of the unfinished business before 2 o'clock.

I move that the Senate proceed to the consideration of the bill (H. R. 12402) to exclude and expel from the United States aliens who are members of the anarchistic and similar classes.

Mr. SMOOT. Did I understand the Senator to say that he was going to move to take up the agricultural bill?

Mr. GORE. I shall move to take up the unfinished business at 2 o'clock, and will move to take it up before that time if the Senate disposes of the bill which I have already asked to have considered.

The PRESIDENT pro tempore. The Chair is in doubt whether the motion of the Senator from Oklahoma can be made in accordance with the unanimous-consent agreement. The Senator, however, can ask unanimous consent to take up the bill, the Chair thinks.

Mr. SMOOT. I am going to object. I want the unanimous-consent agreement carried out, and after the morning business to-day the only thing to be considered is House bill 11945.

Mr. GORE. Before the Senator makes his objection finally I should like to say to him that the bill which I ask to have considered is a bill authorizing the deportation of alien enemies. I brought it up on three different occasions, and I think the objections were explained away. The department is extremely anxious to have the measure passed. They say they are annoyed by these people; that they have no power to dispose of them at this time; and it is a source of infinite annoyance. It is at the urgent instance of the department that I am seeking to take up the matter.

I will say further to the Senator that, in order further to eliminate the objections which have been heretofore suggested, I intend to move an amendment limiting the operation of the bill to the period of the war.

Mr. SMOOT. I have no objection at all to the bill, but I know that there are some Senators here who are remaining in the city to-day in order that they may vote upon House bill 11945. I will say that I do not believe it is going to take very long to dispose of that bill. Let us get it out of the way, and then I shall be perfectly willing to assist the Senator from Oklahoma in passing his bill to-day before we adjourn.

Mr. GORE. I will say to the Senator from Utah that I do not think it is possible to dispose of the bill to which he refers to-day.

Mr. SMOOT. I think the bill will pass this body to-day.

Mr. GORE. I do not think it will.

Mr. SMOOT. Well, we can try it.

The PRESIDENT pro tempore. The Chair thinks that, under the terms of the unanimous-consent agreement, the only business which can be considered, except when it is temporarily laid aside, is House bill 11945.

STIMULATION OF AGRICULTURE.

Mr. GORE. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDENT pro tempore. The Senator from Oklahoma asks that the unfinished business be laid before the Senate.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

The PRESIDENT pro tempore. The pending amendment is that of the Senator from California [Mr. PHELAN].

Mr. TOWNSEND and Mr. CURTIS. Let the amendment be stated.

The PRESIDENT pro tempore. The Secretary will state the amendment.

The SECRETARY. On page 6, line 11, after the numerals $6,100,000, it is proposed to strike out the remainder of the paragraph and to insert the following:

That after December 31, 1918, until the conclusion of the present war, for the purpose of conserving the man power of the Nation and to increase efficiency in the production of arms, war munitions, ships, food, and clothing for the Army and Navy, it shall be unlawful to sell for beverage purposes any distilled spirits, and during said time no distilled spirits held in bond shall be removed therefrom for beverage purposes except for export. After November 1, 1918, until the conclusion of the present war, no grain, cereal, fruit, or other food product shall be used in the manufacture or production of beer, wine, or other intoxicating malt or vinous liquor for beverage purposes. After December 31, 1918, until the conclusion of the present war, no beer, wine, or other intoxicating malt or vinous liquor shall be sold for beverage purposes except for export. The Commissioner of Internal Revenue is hereby authorized and directed to prescribe rules and regulations subject to the approval of the Secretary of the Treasury, in regard to the removal of distilled spirits held in bond after December 31, 1918, for other than beverage purposes, also in regard to the sale and distribution of wine for sacramental, medicinal, or other nonbeverage uses. After the approval of this act no distilled, malt, vinous, or other intoxicating liquors shall be imported into the United States.

Any person who violates any of the foregoing provisions shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding $1,000 or by imprisonment not exceeding one year, or both.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. JONES of Washington. Mr. President, I do not understand what the amendment of the Senator from California is.

The PRESIDENT pro tempore. The Secretary has just stated it.

Mr. JONES of Washington. That sounds like the amendment proposed by the committee. I should like to know what change the Senator from California proposes to make in the amendment of the committee.

Mr. PHELAN. Mr. President, I understood the amendment which was just read by the Secretary was the amendment which was before the Senate when it last had this measure under consideration.

Mr. JONES of Washington. Did the Senator from California reintroduce it?

Mr. PHELAN. This is the old amendment of July 8, 1918. At the time of adjournment—the recess agreement—I had two amendments, I think, on the desk extending the date.

Mr. JONES of Washington. Mr. President——

The PRESIDENT pro tempore. The Senator from California, as the Chair understands, has taken the floor to reply to a question of the Senator from Washington.

Mr. JONES of Washington. I want to ask a further question. I hold in my hand a printed amendment reported by the Senator from Oklahoma [Mr. GORE] to the bill. As I understand, that was, in effect, substituted in the bill for the amendment originally proposed by the committee.

Mr. NORRIS. Mr. President, I think the Senator from Washington is right. As a matter of fact, I think the RECORD will show that the amendment which he holds in his hand, a committee amendment, was in fact substituted by the Senate for the amendment as printed in the bill; so that the amendment as printed in the bill really is not the amendment which has been agreed to, because another amendment was substituted for it by the action of the committee, whose action was concurred in by the Senate before we entered upon the recess program. So the pending amendment is really the amendment of the Senator from California to the amendment reported by the committee, which is printed in amendment form but which has not been printed in the bill, the bill not having been reprinted, I presume. Therefore the amendment does not appear in the bill itself, but it has been substituted for the committee amendment, which begins on line 21 of the bill itself and ends at the bottom of page 7. I believe the RECORD will bear me out in that regard, that such action was formally taken by the Senate.

The PRESIDENT pro tempore. The Chair will state that, upon inquiry of the Secretary, he is informed that the pending amendment is that of the Senator from California [Mr. PHELAN]; the Secretary confirms that statement now. But the Secretary will, by direction of the Chair, state the amendment regarding which the Senator from Washington [Mr. JONES] made inquiry.

The SECRETARY. Mr. PHELAN proposes to strike out, on page 2, line 2, the word "fruit"; on the same page, line 3, to strike out the word "wine"; on line 4 to strike out the words "or vinous"; on line 6 to strike out the word "wine"; and on line 7 the words "or vinous."

Mr. JONES of Washington. I think that gives me the information which I desire. The Senator from California takes the committee amendment and proposes certain amendments to it.

Mr. NORRIS. That is right, Mr. President; but the Secretary did not read the proper amendment. The Secretary read the amendment that is in the bill. As a matter of fact, that was changed by action of the Senate, a committee amendment printed in regular amendment form having been substituted by the Senate upon the recommendation of the committee for the amendment which was read by the Secretary.

Mr. PHELAN. I ask that the Secretary read the amendment which has been adopted.

Mr. NORRIS. The Senator from California made his motion properly, and it is the pending motion, I think, without any doubt; but it applies, as the very reading of it will show, to the committee amendment printed in regular amendment form and not to the one which was printed in the bill itself, which, as I

have said, was changed by the action of the Senate and another amendment substituted for it.

Mr. VARDAMAN. Mr. President, the amendment to which the Senator from Nebraska refers is the one which reads:

That after June, 1919, * * * for the purpose of conserving the man power and to increase the efficiency in the production of arms, war munitions—

And so forth.

Mr. NORRIS. No, Mr. President; the Senator is in error.

Mr. VARDAMAN. That, though, is the amendment offered by the committee.

Mr. NORRIS. No; that amendment was offered by the committee and was printed in the bill, but another amendment was substituted for it.

Mr. VARDAMAN. It is in the bill.

Mr. NORRIS. It is in the printed bill now, but before the Senate agreed upon the recess plan in July the committee reported another amendment, which was adopted in its stead. There has been no reprint of the bill, and hence the amendment which has been adopted is not formally printed in the bill. That amendment was printed in regular amendment form and was agreed to by the Senate and substituted for the one that is in the bill.

Mr. VARDAMAN. Well, the amendment to which the Senator has reference and is holding in his hand is the one that does not begin to conserve the man power and increase the efficiency of the manufacture of war munitions, and so forth, until a year from now?

Mr. NORRIS. No; the Senator is not right. It is the one that begins as follows:

That after December 31, 1918, and until the conclusion of the present war—

And so forth.

That amendment is not printed in the bill.

Mr. VARDAMAN. Is that the amendment of the committee presented yesterday?

Mr. NORRIS. That is the amendment the committee reported before we agreed upon the recess plan.

Mr. VARDAMAN. Do I understand that to be the amendment the committee reported yesterday?

Mr. NORRIS. The committee did not report any amendment yesterday.

Mr. VARDAMAN. I thought they did.

Mr. NORRIS. No. There has been some kind of an agreement about a substitute even for the amendment which has been agreed to; but the parliamentary situation is that before we agreed to the recess plan we took out of the bill the amendment that is printed in the bill, the one which the Secretary read, and substituted for it another one which the committee reported. That amendment is now printed in amendment form and begins as I have indicated. So what is printed in the bill is not now the committee amendment. That amendment has been taken out. The amendment of the Senator from California [Mr. PHELAN] shows on its face that that is right, because if you will listen to its reading you will see that it refers to words, lines, and pages, that do not correspond at all if tried to be applied to the printed bill. He applies it, and properly so, to the pending amendment of the committee which was substituted for the one printed in the bill.

Mr. WADSWORTH. Mr. President, will the Senator yield to me?

Mr. NORRIS. I yield.

Mr. WADSWORTH. The Senator a moment ago alluded to some agreement which possibly has been reached involving another change.

Mr. NORRIS. Yes.

Mr. WADSWORTH. Can the Senator inform us whether that agreement has been arrived at and what the proposed change is?

Mr. NORRIS. I will not undertake to inform the Senator in detail as to that, because I think the proposed amendment is going to be offered by the Senator from Texas [Mr. SHEPPARD]. It is an amendment that the committee has not acted upon and which has no parliamentary standing here now, as it has never been offered, as a matter of fact.

Mr. WADSWORTH. The purpose of my inquiry, if I may be permitted, is to indicate that it is quite useless for the Senate to proceed to discuss that portion of the bill which just now is contained only in the printed amendment and to compare that with the provision which is actually printed in the bill if, after we discuss that a while, another suggestion is put forward under some kind of an agreement entered into by those who propose this legislation.

Mr. NORRIS. Mr. President, let me explain to the Senator that there is not anything irregular about it. There has not been a reprint of the bill, and that is the reason why the amendment, which has been agreed to by the Senate in place of the one that was in the bill, is not printed in the bill. That amendment, however, is before the Senate; it is subject to amendment under the parliamentary situation, and the Senator from California has offered an amendment to it. Now, it will be perfectly proper, as we proceed, for some Senator to offer a substitute for it. I do not intend to offer one, but I understand that such a substitute will be offered as has been agreed on by many Members of the Senate. That substitute has not been brought up yet, but I understand that is going to be done.

Mr. JONES of Washington. Mr. President——

Mr. WADSWORTH. Mr. President, I am not contending that there has been any irregularity.

The PRESIDENT pro tempore. The Senator from New York has the floor. Does he yield to the Senator from Washington?

Mr. NORRIS. I thought I had the floor and yielded to the Senator from New York.

The PRESIDENT pro tempore. Then, to whom does the Senator from Nebraska yield?

Mr. NORRIS. I will yield to the Senator from New York first, and then I will yield to the Senator from Washington.

Mr. PHELAN. I thought I had the floor, but I will yield.

Mr. WADSWORTH. Let me say to the Senator from Nebraska that I am not contending that there is any irregularity about the printing of this particular amendment, nor that the parliamentary situation has become impossible or will become impossible, but I think, nevertheless, there will arise a mental confusion here in the Senate if the amendment now proposed by the Senator from California, which is the pending amendment for discussion, applies to one committee amendment when shortly thereafter another amendment is going to be offered, to which the amendment of the Senator from California will be inapplicable and which will require that it be redrafted in order to harmonize.

Mr. NORRIS. That happens often in the case of bills under consideration; but there is not any parliamentary way that I know of to prevent the Senator from California from offering an amendment to the amendment pending. So we have, then, this situation: There is a committee amendment, namely, the one printed in amendment form—and it would be just as good in the parliamentary sense if it had not been printed in that form—which the RECORD shows has been agreed to and substituted for the other amendment in the bill. Now, the Senator from California, and any other Senator, has the right to offer an amendment to the substitute, and then another substitute amendment can be offered. It may create some difficulties, as the Senator says, in the mental processes of Senators, but it is something that frequently happens in the consideration of bills, and is not contrary to the rule.

Mr. WADSWORTH. Mr. President, I merely ask the Senator from Texas, if he has an amendment to offer, to offer it now so that we will know where we start.

Mr. NORRIS. Even if the Senator from Texas offers his substitute now, the amendment of the Senator from California to perfect the text would have precedence over it, and if there is any confusion the offering of another amendment would only add to it. I yield now to the Senator from Washington.

Mr. JONES of Washington. Mr. President, I was under the impression that the Senator from California [Mr. PHELAN] had the floor and I was going to suggest to the Senator from New York that when the Senator from Texas could get the floor after the Senator from California was through that he was prepared to propose a substitute; but, of course, that he can not do while the Senator from California has the floor. Apparently the Senator from California has not the floor.

The PRESIDENT pro tempore. The pending amendment is that offered by the Senator from California.

Mr. PHELAN. Mr. President, in order to clear the parliamentary situation, I withdraw my amendment in order that the substitute to be offered by the Senator from Texas may be presented at this time.

The PRESIDENT pro tempore. The amendment offered by the Senator from California is withdrawn.

Mr. SHEPPARD. Mr. President, before making a statement regarding this matter I desire to read two communications to the Senate, one from the Woman's Christian Temperance Union, the other from the Anti-Saloon League of America:

NATIONAL WOMAN'S CHRISTIAN TEMPERANCE UNION,
August 27, 1918.

Senator MORRIS SHEPPARD,
United States Senate:

The Woman's Christian Temperance Union, with its more than half a million members, has championed war prohibition because of a deep conviction that it would help win the war. This conviction is based

upon statements from high Government officials and expert authorities studying conservation of food, fuel, man power, and transportation facilities.

In a recent report from the National Coal Association it is emphatically stated that national prohibition during the period of the war is absolutely neccessary to make effective any other plan for increased coal production. Following this comes a proclamation from the President of the United States declaring "the existing scarcity of coal is creating a grave danger, in fact, the most serious which confronts us." In view of these and other startling facts, we, as patriots and mothers of the boys who are in service, and whose younger sons are soon to be called, would not be true to our flag without making a last appeal to you to enact a law for war prohibition to be effective not later than January 1, 1919.

ANNA A. GORDON, *President.*
MARGARET DYE ELLIS,
LENNA LOWE YOST,
Legislative Representatives.

The other letter is as follows:

NATIONAL LEGISLATIVE COMMITTEE,
THE ANTI-SALOON LEAGUE OF AMERICA,
Washington, D. C., August 27, 1918.

Hon. MORRIS SHEPPARD,
United States Senate, Washington, D. C.

DEAR SENATOR: The case for war-time prohibition has been won at the bar of public opinion. The masses of the people believe in it and urge it a real necessity in this emergency.

It would "speed up" every industry which is essential to the winning of the war—food, coal, munitions, and ships. The production of all these prime war needs would be largely increased by the early adoption of nation-wide prohibition. The people believe this; the experience with prohibition where it has been tried justifies the belief.

The testimony from the shipyards and mines confirms the statements from industrial plants located in prohibition territory throughout the country. Nor can it be successfully denied that prohibition makes for maximum production and highest efficiency in every line.

We are asked—in fact, compelled—to conserve foods and deny ourselves what would not hurt but help us; we are urged to save coal in view of the horrible conditions the country faced last winter and in prospect during the next. We urge our people to buy bonds, but the Nation's direct expenditures for intoxicating liquors for less than five years would buy all the liberty loan issues we have floated in our three great drives. With three years' liquor expenditures we could absorb the next call of six billions and buy as many war-savings stamps as have so far been sold since the war.

We have advocated war-time prohibition solely because we believe in ways that have been specifically mentioned, and in untold ways as well, its adoption will not only help win the war but help win it quick. Nation-wide prohibition is coming by the process of constitutional amendment within the next year and a half, but we need its benefits in this emergency.

A war-time prohibition measure has been before Congress for more than a year. In fact, it was actually adopted by the House of Representatives in June, 1917, and the provision in that measure, as far as it related to beer and wine, was eliminated in the Senate for reasons well known to Senators. Since that time the sentiment for war-time prohibition has been growing by leaps and bounds. The brewers and liquor dealers have continued to waste fuel and food needed for war purposes. Transportation facilities and man power have been crippled by this useless and harmful traffic.

We have asked the Congress for immediate national prohibition as representatives of our church and temperance constituency throughout the country. We have given the facts; we have made no misstatements to achieve success; we have made no threats; our constituency will continue to be as intensely loyal to our country's cause in this conflict as they have been from the beginning, though they will be deeply grieved if Congress and the Executive should fail to respond to this plea of the best citizenship of the Nation at this time.

The liquor interests are pleading for unreasonable delay. Every other interest is subordinated to the winning of the war. The Congress is asked to treat this condemned traffic as having rights superior to other business and as too sacred to be disturbed, even when we are face to face with the greatest crisis of time.

The Comptroller of the Currency has refuted the claims of financial ruin as a result of immediate war prohibition, and has stated that six months would be ample time even to make commercial readjustments. On the other hand, from the standpoint of the present emergency, the reasons are very strong why it should become immediately effective. There is no compelling necessity for the revenues derivable from intoxicating liquors. The liquor traffic yielded considerably less than $500,000,000 in revenue last year, and they collected that from the people who, in the last analysis, always pay the taxes, and who are willing to raise and pay the needful money to win this war without dependence upon a criminal and debauching traffic that unfits our people both for war and for peace.

We feel also that ample provision should be made for continuing the prohibition during the period of demobilization, which may be quite as important as during actual hostilities.

We feel that we have done our full duty. We have pleaded for action. We have asked for immediate, emergency prohibition not only as a means of winning the war but winning it quick, and thus conserving thousands of lives of our brave boys and billions of our Nation's money. The responsibility for delay—if unreasonable time is given the traffic—is not upon us. If the country shivers with cold next winter, the old and the young and the sickly die from lack of heat; if we fail to keep our men overseas supplied promptly with food and clothing and arms and munitions, either from lack of coal or steel or ships or labor to produce and transport them, the responsibility is not upon us.

We hope you will use your influence to have the war-prohibition measure go into effect at the earliest possible date consistent with justice to all concerned, and we will appreciate it if you will communicate to the Senate the sentiments herein expressed.

With much respect, we are,
Yours, sincerely,

EDWIN C. DINWIDDIE,
Legislative Superintendent.
P. A. BAKER,
General Superintendent.
JAMES CANNON, Jr.,
Chairman.
WAYNE B. WHEELER,
Secretary.
ERNEST H. CHERRINGTON,
A. J. BARTON,
Legislative Committee.

Mr. President, I have prepared an amendment or a substitute which I believe represents the best that can be done in a matter that presents many difficulties. I submit this substitute to the Senate with the hope that it will aid in solving the question now before us. That question is as to the date on which the prohibition amendment to the emergency Agricultural appropriation bill shall become effective.

Mr. JONES of Washington. Mr. President——

Mr. SHEPPARD. I yield to the Senator from Washington.

Mr. JONES of Washington. I was going to suggest to the Senator that before he makes his statement with reference to it he have the substitute read. I know that there are several Senators who are anxious to know what the substance of the substitute is.

Mr. VARDAMAN. I was about to make the same suggestion.

Mr. SHEPPARD. I intended to have it read after I made the statement, but in view of the suggestion of the Senators I ask that it be read now.

Mr. JONES of Washington. I suggest to the Senator from Texas that he present it as a substitute and have it read.

The PRESIDENT pro tempore. The Secretary will read the proposed substitute.

Mr. SMITH of Georgia. Mr. President, this is a motion to strike out and insert, I suppose?

The PRESIDENT pro tempore. The Chair will ascertain from the Secretary what the provision is.

The SECRETARY. It is proposed to substitute the following:

That after June 30, 1919, until the conclusion of the present war, and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States, for the purpose of conserving the man power of the Nation and to increase efficiency in the production of arms, munitions, ships, food, and clothing for the Army and Navy, it shall be unlawful to sell for beverage purposes any distilled spirits, and during said time no distilled spirits held in bond shall be removed therefrom for beverage purposes except for export. After May 1, 1919, until the conclusion of the present war, and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States, no grains, cereals, fruit, or other food product shall be used in the manufacture or production of beer, wine, or other intoxicating malt or vinous liquor for beverage purposes. After June 30, 1919, until the conclusion of the present war, and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States, no beer, wine, or other intoxicating malt or vinous liquor shall be sold for beverage purposes except for export. The Commissioner of Internal Revenue is hereby authorized and directed to prescribe rules and regulations, subject to the approval of the Secretary of the Treasury, in regard to the removal of distilled spirits held in bond after June 30, 1919, until this act shall cease to operate, for other than beverage purposes; also in regard to the sale and distribution of wine for sacramental, medicinal, or other than beverage uses. After the approval of this act no distilled, malt, vinous, or other intoxicating liquors shall be imported into the United States during the continuance of the present war and period of demobilization.

Any person who violates any of the foregoing provisions shall be punished by imprisonment not exceeding one year or by fine not exceeding $1,000, or by both such imprisonment and fine.

Provided, That the President of the United States be, and hereby is, authorized and empowered, at any time after the passage of this act, to establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants, and such other plants for war material as may seem to him to require such action, whenever in his opinion the creation of such zones is necessary to, or advisable in, the proper prosecution of the war, and that he is hereby authorized and empowered to prohibit the sale, manufacture, or distribution of intoxicating liquors in such zones, and that any violation of the President's regulations in this regard shall be punished by imprisonment for not more than one year or by fine of not more than $1,000, or by both such fine and imprisonment.

Provided, however, That nothing in this act shall be construed to interfere with the power conferred upon the President by section 15 of the food-control act approved August 10, 1917 (Pub. No. 40, 65th Cong.).

Mr. SHEPPARD. Mr. President, this amendment establishes complete war-time prohibition, and is the final measure of a series of war prohibition measures already adopted.

What are the war prohibition measures already in operation? Soon after America's entrance into the present struggle a law was passed forbidding the sale of intoxicating liquors to anyone in the uniform of the Army or Navy, and authorizing the President to establish prohibition zones around military camps, cantonments, and so forth. These zones have been established. Later, the manufacture of distilled liquors during the war was prohibited, and the President was given authority to diminish the alcoholic content of malt and vinous liquors, or to stop their manufacture altogether, as in his judgment might seem desirable. He was also given power to commandeer distilled liquors already in existence.

Under the authority conferred on him the President this year limited the amount of grain to be used in making beer to 70 per cent of the amount used in 1917, and has limited the alcoholic content of beer to 2¾ per cent. He has also limited the amount of barley to be used in brewing beer.

Furthermore, an amendment to the Federal Constitution for nation-wide prohibition was submitted to the States by Congress before the close of 1917, and will in all probability be ratified by the middle of 1919, and in operation by the middle of 1920, at the

latest. In addition, let it be said that prohibition by State and local action is already in operation in more than four-fifths of all the territory of the United States, and that this prohibition area contains more than two-thirds of the American people.

It is the conviction of the Committee on Agriculture, and I believe of a majority of the Senate and House of Representatives, as well as of the American people, that the time has arrived when there should be complete war-time prohibition at the earliest practicable moment. The President is in sympathy with a measure of this kind, provided sufficient time may be had for necessary adjustments. The Committee on Agriculture, which held hearings on this subject, has at different times reached different conclusions as to what will be a sufficient period. The great temperance and prohibition organizations want the measure at the earliest practicable date. Various Senators have suggested different periods.

The various periods thus suggested ranged from three months to one year and even a year and a half after the passage of the bill. The President thought that a year would be needed. Representatives of the grape growers, the wine makers, owners of distilled liquors, and of the financial interests involved appeared before the Committee on Agriculture and insisted on a year and a half as a minimum. After presenting the situation to a number of Senators on both sides of the question—I regret that there was not time to see them all—I found the consensus of opinion to be that June 30, 1919, was the earliest practicable date. In order, however, that no possible emergency might be overlooked a clause has been added to the amendment giving the President authority at any time after the passage of the act to establish prohibition zones about coal mines, munition factories, shipbuilding plants, and such other plants for war material as may seem to him to require such action whenever, in his opinion, such step is necessary to or advisable in the proper prosecution of the war. A clause has also been added making it clear that the President's existing authority over wines, beer, and whisky is in no way interfered with.

With this brief statement, I present the substitute for the careful consideration of the Senate as representing the consensus of opinion of friends and opponents of the original proposition as to the most practicable action that could be taken under the circumstances.

Mr. VARDAMAN. Mr. President, may I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from Texas yield to the Senator from Mississippi?

Mr. SHEPPARD. I yield.

Mr. VARDAMAN. Can the Senator state the amount of grain that can be manufactured into beer per month now?

Mr. SHEPPARD. The total yearly amount is between forty and fifty million bushels, as I am informed.

Mr. VARDAMAN. I should like to have the Senator give me the benefit of his opinion on this question: It is stated in the amendment that for the conservation of man power, to encourage the building of ships, and to strengthen our forces generally the manufacture of beer is to stop after the 1st of May, 1919. If it will conserve man power to stop it next year, why will it not conserve man power to stop it now?

Mr. SHEPPARD. It will. That is true. We had to arrive at some time, however, and practically everybody thought that some time should elapse between the passage of the act and the beginning of its operation.

Mr. VARDAMAN. If it is a war measure what reason has anybody ever given for the length of time which is stated in the amendment?

Mr. SHEPPARD. The main reason given by the President was the prevention of financial disturbances that might result from too sudden liquidation of the immense amount of bank paper that is in existence with beverages as security.

Mr. VARDAMAN. Is one of the reasons given that a tax upon it will be needed in order to raise revenue?

Mr. SHEPPARD. No; that reason was not advanced.

Mr. President, I have received a letter on this subject from the American Hotel Association. I know it is on the other side of this proposition, but I believe it is but fair that it should be read. I have read letters on our side of the question, and I am going to read this for the information of the Senate in order to show the Senate the different views that have been presented:

AMERICAN HOTEL ASSOCIATION OF THE
UNITED STATES AND CANADA,
Chicago, Ill., August 29, 1918.

Hon. MORRIS SHEPPARD,
United States Senator, United States Senate, Washington, D. C.

DEAR SIR: The members and officers of the American Hotel Association of the United States, to the number of 96, in meeting assembled at the Willard Hotel, representing approximately 8,000 hotels and giving employment to hundreds of thousands of citizens, and also investments running into the billions, unanimously resolved that they earnestly pray your honorable body to consider the date for the application of war-time prohibition to begin on January 1, 1920.

The necessities for this extension of time are many and seriously imperil the successful operation of the hotel business of the country, for the reason that we can not dispose of our large and valuable stocks of wines and liquors now on hand, which have taken long years to acquire and possess, and which can not be disposed of in a few short months by any system of merchandising now known to the trade.

With the great loss of revenues incident to prohibition, the hotel keeper is confronted with grave financial responsibilities accruing from leasehold contracts already existing under present business conditions. Any abridgement of present incomes and revenues will render the leaseholder unable to meet his obligations and thus practically destroy a now prosperous business which has been established under Federal and State licenses and regulations.

For your information we attach a copy of petition and resolutions of the American Hotel Association, which were widely distributed among 56 hotel associations throughout the country, and also among bankers, insurance companies, real estate boards, and other business organizations. These resolutions have been approved by the signatures of thousands of petitioners, which petitions we have here ready to be presented to you and your confreres if so desired.

Respectfully submitted.

W. N ROBINSON,
President.
E. M. TIERNEY,
Vice President.
J. K. BLATCHFORD,
Secretary.

—

AUGUST 14, 1918.

To the PRESIDENT, SENATE, AND HOUSE OF REPRESENTATIVES
OF THE UNITED STATES:

The undersigned are opposed to any further legislation prohibiting the sale of liquors during the period of the war. We believe that this question has already and very wisely been left to the sound judgment of President Wilson, and we also believe that additional legislation of this kind will be an irreparably disturbing influence to both capital and labor, thereby seriously interfering with the successful prosecution of the war.

Yours, respectfully,

GARLAND SABIG.
President Guaranty Trust Co. of New York.

—

RESOLUTIONS PROPOSED BY THE AMERICAN HOTEL ASSOCIATION.

The Pennsylvania National Bank (here fill in the name of hotel association, real estate organization, board of trade, chamber of commerce, retail merchants' association, bank, or whatever institution or association as shall be appropriate) respectfully submits to the President and Congress of the United States as follows:

That this association and the members thereof have from the day war was declared given their utmost assistance, cooperation, and labors to the furtherance of each and every measure and regulation tending to bring about a successful conclusion of the war. The labors and record of this association and its members for over a year speak louder than any words we could use of our intense loyalty, patriotism, and overwhelming desire to contribute substantially to the vigorous prosecution of the war in all of its phases, regardless of any self-denial or hardship which may be imposed thereby.

That this association and the members thereof hereby formally pledge themselves to continue in ever-increasing measure the labors and efforts which they have expended in the past in cooperating and assisting in war work.

That this association and its members unreservedly approve and uphold all measures and regulations tending toward the successful prosecution of the war.

That this association and its members have not only given the most careful, unbiased thought and consideration to the pending prohibition amendment to the emergency Agricultural appropriation bill now pending in Congress, but have also exhaustively investigated and inquired as to the attitude and opinion of the substantial members of this community.

That as a result of such investigation, inquiry, and consideration we are absolutely of the opinion that the enactment of such prohibition legislation, far from assisting in the successful prosecution of the war, will not only cause dissension and unrest among our people but because of its disastrous effect upon real estate values, upon financial institutions, upon business generally, and upon the confidence of the common people of this country, will cause irreparable and immeasurable harm to the unified, patriotic, and successful cooperation among all the people of the United States, which is essential to the carrying on of the war.

Believing as we do, and bearing in mind the action of Congress with respect to legislation covering similar subjects (for example, the Food Administration legislation), it is our sincere hope and earnest desire, inasmuch as the President already has full power to restrict, limit, or prohibit the manufacture and sale of alcoholic beverages in any locality which it shall appear to him to be wise, expedient, or necessary, that the subject matter of the prohibition legislation now pending before Congress be likewise left to the sound discretion and wisdom of the President, in whose judgment, intelligence, courage, and patriotism this association and every member thereof has the utmost and absolutely unqualified confidence.

And finally, we desire formally and officially to pledge this association and its members to a complete, loyal, and whole-hearted acquiescence in whatever action the President shall be authorized and take with respect to this or any other measure which shall be deemed necessary and expedient for the best interests of the country at large.

That copies of the foregoing be forwarded by the officers of this association to the President and the Congress of the United States.

Dated at Pottsville, Pa., August 24, 1918.

THE PENNSYLVANIA NATIONAL BANK,
By FRANK D. YUENGLING, *President.*

Mr. VARDAMAN. I take it that that did not appeal to the Senator.

Mr. SHEPPARD. It did not appeal to me, because I am not willing to consent to any longer time than June 30, 1919. Indeed, I would favor a far earlier date if I believed it could be enacted finally into law.

Mr. PHELAN. Mr. President, the Senator from Texas has just stated that it is the consensus of opinion that June 30 of next year—1919—be the day agreed upon both by the friends and opponents of the measure on which it shall be unlawful to sell vinous, malt, or spirituous liquors. I have been very much interested in this discussion, and I have not been consulted. So I am not a part of that consensus. The hotel men, in the letter which has just been read, ask that it be made January 1, 1920. The President of the United States, according to the speech just made by the Senator from Texas, said that a year's time ought to be allowed in which to dispose of the stocks of wines and liquors.

I, therefore, would like to ask the Senator from Texas how the consensus was made up, and who, on behalf of the wine industry, for instance, agreed that June 30 of next year would be any relief at all.

Mr. SHEPPARD. Of course, I did not mean to say that it was the unanimous opinion, but the Representative from California [Mr. KAHN], when he appeared before our committee, gave October 1 of this year as an acceptable time.

Mr. PHELAN. Then I must understand from the Senator that the consensus, so far as it relates to the wine men, is the opinion of Congressman KAHN, of California?

Mr. SHEPPARD. He appeared there as the representative of the wine industry, and I so understood it, and I think the committee understood it that way. I do not want to misrepresent anyone.

Mr. PHELAN. I am doing no injustice to the Representative from California [Mr. KAHN] when I state that he represents, being a Congressman from an urban district, not the grape growers, nor does he pretend to represent the grape growers, but the manufacturers of wines. Of course, if the grape growers are not allowed to crush the grapes on the vines to-day and make another vintage the manufacturers of wine are not much concerned, because in the State of California there is a very large corporation—the California Wine Association—that does all that work, and if no more wine is put on the market they would have an increased demand for their large supplies on hand.

Therefore, we must distinguish, Mr. President, between the grape growers and the wine manufacturers. I doubt that the wine manufacturers are interested in projecting the date too far in advance; and it is a grave question whether the wine manufacturers will manufacture this year's crop if the substitute offered by the Senator prevails, because they would not only have to make the wine but they would have to dispose of it, and they have the power, I regret to say, and I know no law that could compel them otherwise, to refuse to manufacture into wine this year's crop. So the wine grower is in a better position to be crushed than the grape.

This matter has all been explained to the committee by a gentleman from California representing the wine growers, the executive officer of the California State Viticultural Commission, charged by the State with the duty of conserving that industry, and Mr. Hiliary Welch, of Lodi, Cal., representing a very extensive wine district, and the bankers of California as well. They were appointed at a general assembly of the grape growers. They have given accurate information to the committee of which the Senator from Texas is a most deserving member. They stated yesterday that the time in the substitute—June 30, 1919—within which all the wines would have to be disposed of was of no value to them whatever, because it is impossible to take this year's crop upon the vines, now ripe for the picking, and make wine out of it and dispose of it within that time. They can make the wine, but they can not dispose of it.

I may say here in passing that every grape grower has two stocks on hand, last year's and this year's stock. That has been shown by the report of the Internal-Revenue Department, which made an extensive inventory of the wine, malt, and liquor interests of the country. They have reported the exact amounts on hand of wines, beers, and liquors. All the wine men have two stocks on hand after the crushing of this year's crop. They have last year's and they have this year's. That means that it would be utterly impossible for them to dispose by June 30 next of the crop of this year and the crop of last year.

It is no relief, therefore, to the wine men. I do not know why the Senator states that it is the general consensus of opinion that June 30, 1919, would be a fair compromise, when the President of the United States says that these men can not dispose of their stocks within that time, when every California wine grower says so, when only interested parties in the manufacture of wines, having stocks on hand, raise a question, and then in a qualified way. So it is creating a wrong impression in the Senate for the Senator from Texas to say that there has been any agreement upon that subject so far as the wine growers are concerned.

I have here a tabulation of figures showing the wines produced to June 30, 1918, and the wine on hand July 1, 1918, which verifies what I said as to the conclusions of the Internal-Revenue Department. I ask that it be inserted in the RECORD as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The statement referred to is as follows, and was prepared by Mr. E. M. Sheehan, executive officer of the California Viticultural Commission:

	Dry.	Sweet.	Total.
Wines on hand in United States in bonded premises Sept. 8, 1916, just before the vintage or wine-making season	*Gallons.* 19,441,564	*Gallons.* 12,758,690	*Gallons.* 32,200,254
Wines produced Sept. 8, 1916, to June 30, 1917	23,976,872	17,740,111	41,716,983
Wines on hand July 1, 1917	22,969,250	18,637,736	41,606,986
Wine produced July 1, 1917, to June 30, 1918	33,501,990	14,341,195	47,843,185
Wine on hand July 1, 1918	24,374,271	17,388,400	41,762,671

These figures taken from official data submitted by the Commissioner of Internal Revenue justify the accuracy of a statement that at the close of each vintage season after the wine grape crop is made into wine, there are in bonded premises throughout the country two years' supply of wine, and that during the year following the vintage season and until the next season arrives, one year's production has been tax paid and disposed of.

It is therefore safe to say that if you propose to stop the sale of wine after June 1, 1919, you not alone prevent the disposition of the old crop of wine on hand, but you make it entirely out of the possibilities to dispose of the crop of grapes of this season now hanging on the vines ready for harvest next month, the value of which to the vineyardists approximates $14,000,000, and you destroy Government revenue in an equal amount on the product of one single season. It takes time to prepare and put wine on the market and have the market absorb it.

These official figures are conclusive evidence that if you would not knowingly destroy at the opening of the harvest season an agricultural industry that this Government has fostered and is now fostering, you must not curtail the sale of domestic wines until at least July 1, 1920.

By drastic action you do by far greater harm to the producers than to the wineries. The latter can refuse to make wine and sell only what is on hand, at a full profit; but the unfortunate vineyardist finds himself with a fresh crop of grapes on hand, and no sale for them—a crop on which he has already spent $40 per acre in cultivating and for which he realizes nothing, besides being out a year's labor.

Mr. PHELAN. Now, Mr. President, the schedule which I have given shows exactly what I have said, that these wine growers have two crops on hand when the crop of 1918 is harvested, and therefore it is impossible for them to make the new crop and sell the stock on hand and the stock which they will necessarily have by the making of the new vintage within the time limit. They are in this precarious position, I wish to repeat, that they have no facilities for making wine. The making of the wine is in the hands of the California Wine Association, which may refuse to manufacture the product. I may be doing an injustice to the California Wine Association, now liquidating its affairs, which has been cooperating in this legislation, and I only mentioned it because the name of the Representative from California, my friend Mr. KAHN, was introduced.

I see in the testimony here, which verifies the statement of the Senator from Texas, that Mr. KAHN thought that four months' time would be sufficient, but what he clearly had in mind was the taking of the crop off the vines within four months' time and nothing else. In fact, it would not require four months' time from to-day. That testimony was given last July. The picking of the grapes is now about to be made in California, and before November 1 the crop will be harvested, but the problem is then for these unfortunate people who are in grave peril by threatened legislation what to do with a crop valued at $15,000,000, the largest crop ever harvested in California, and the largest crop because they pruned their vines not for the perpetuity of the vine and its health but for the purpose of getting the maximum yield, realizing the fact that national prohibition is imminent.

They concede the prophecies made by the gentlemen of the Agricultural Committee that in the spring or not later than the summer of 1920 the prohibition amendment will be in full force and effect. That is to say, it is the belief and the prophecy of these gentlemen of the Agricultural Committee that the constitutional amendment will prevail by having received the ratification of 36 States in the spring of 1919, and by its own provision it will not go into effect until one year later than that. Therefore, it is safe to agree with these gentlemen that there shall be national prohibition, country-wide, dry as a bone, in the spring of 1920, and why torment these people, who are looking the utter extinction of their industry in the face? What is the meaning of this flare-up of war prohibition? It is simply this, that when you have your opponent going it

is the time to follow up your advantage. I have read in a prohibition organ, "Go while the going is good." It is not a humane or Christian sentiment, but that is the spirit in which this war prohibition is proposed, because these gentlemen know they will have accomplished their dearest desires in the spring of 1920, and now they desire to rub in, war to the knife and the knife to the hilt, at the expense of their opponent who admits that he is beaten and helpless—a most Christian and humane attitude for Christian gentlemen preaching honesty and morality.

I will digress to say that I find on my desk a telegram from the distinguished divine, Dr. Parkhurst. It is the only testimony I have to offset the telegrams which have been read into the RECORD this morning from church societies. We can produce much evidence from scientific societies and from civic bodies, but we have very little testimony to submit from church societies. So it interests me to find this telegram which I will read. Says Dr. C. H. Parkhurst:

NEW YORK, *October 20, 1914.*

A. SBARBORO, Esq.,
San Francisco:

I am amazed at the possible prohibitory action of California touching the matter of the manufacture, sale, and transportation of wine. Such action would be a short-sighted contribution to the cause of sound and wholesome temperance.

People are going to drink, and they are going to drink something that has a measure of stimulus in it, and to let them drink light wines is one of the surest means of preventing their drinking heavy whisky. I know that from having lived in wine producing countries, where wine is freely used by old and young, and intoxication exceedingly rare.

Tying a man up too strongly in sumptuary matters means that in course of time he will break his bonds and the last estate of that man will be worse than the first.

That is a sort of a prediction of a revulsion of feeling, a revolution against restraint. He adds:

It is un-American and immoral to dictate to a man what his conduct shall be in matters that are not intrinsically evil.

C. H. PARKHURST.

That telegram is addressed to Mr. A. Sbarboro, of San Francisco, and is signed by Dr. C. H. Parkhurst. He believes that light wines and beers prevent hard drinking and speaks from his personal observation and knowledge as a reformer and moral teacher.

I was referring to the statement of Mr. KAHN, and I observed that coming from an urban district, where there are no grape growers, he necessarily must speak in behalf of the wine manufacturers.

The attorney of the California Wine Association, my friend, Mr. Oscar Sutro, telegraphed me this last July, when the matter was up for consideration, and which may serve to explain the attitude of that corporation, as follows:

Jones amendment allows no opportunity to complete liquidation of wine industry or to dispose of growing crops. Vineyard cultivation this year cost more than $10,000,000; I think will all be lost if proposed legislation enacted. Anticipating national prohibition, wine industry in this State is now in liquidation. Transportation and sale of existing wine stocks, consisting mainly of sweet wines with low alcohol content, should be permitted in any event, even if further manufacture prohibited. More than half a million dollars in fortifying taxes was paid last year to the Federal Government to preserve wines, which Jones amendment would now confiscate. Amendment would also confiscate thousands of tons of grapes useful for no other purpose. There is no food conservation in Jones amendment, since wine grapes are not food. For fuel tonnage and food-conservation purposes, there is no more reason for legislating against grapes and wines than against nonalcoholic beverages which require as much if not more foodstuffs, fuel, and transportation tonnage.

OSCAR SUTRO.

The original Jones amendment to which Mr. Sutro refers reduces the time within which wine might be manufactured and sold to January 1, 1919, as I understand the Jones amendment. So the attitude of the California Wine Association, the large monopoly in the manufacture of all wines in California, having absorbed all the smaller concerns, is not in favor of limiting the time for which I plead for the distribution of wine. They have large stocks on hand, and logically they would be in favor of the extension of time for the sale of the product. So Mr. KAHN must have had in mind not the sale but the harvesting of the crop.

If this legislation prevails and the time for sale is limited to June 30, 1919, this corporation will have a clear way of some eight or nine months in which to dispose of their entire stock, and they may be able to do it; and anyone speaking for them would not enter serious objections to the proposal of the Senator from Texas; but what of the men who have their grapes now upon the vines, which they have to manufacture into wine in order to be compensated for their labor and their property? It costs $350 an acre to put a vineyard into cultivation and production. These gentlemen have expended $40 an acre for cultivation this year; there are the luscious grapes waiting for the harvest; and the Senator would give them until June 30 to harvest and to dispose of them.

They either have to go to the wine association on their knees and ask for the privilege of having these grapes made into wine or they have to let them rot upon the vines. If the wine association refuses, as it has a right to refuse—and it would be in its financial interest to so refuse in order to prevent the increase of stocks of wine on hand—if it refuses to make wine out of this $15,000,000 crop of the growers of the grapes, then the grapes will be lost and the producer will suffer. The Wine Association in good faith might say, "Gentlemen, we should like to make wine out of your grapes, but we can not do so, because there is no opportunity within the short period to sell all the wine which we have on hand, let alone what you are about to introduce into the market; therefore we refuse."

Gentlemen from California have asked me if there is any way to amend the law so as to compel the wine association to manufacture wine out of these grapes, or rent their plant. Although we are living in the day of arbitrary government, although we are granting extraordinary powers, I do not know of any way by legislation of compelling these men to manufacture wine for the grape growers against their own financial interests. If there is a way I should like to find it. The theory of arbitrary government and the granting of extensive powers is not to help the individual, no matter what he manufactures or grows, but it is to help the State. It might be urged that wine will help to win the war. Then we should come well within the war powers which are being so generously exercised; or it might be urged that money is necessary to win the war and that grapes to the value—tax value—of $15,000,000 should not be allowed "to lie in cold obstruction and to rot," but that the collector should collect the tax and cover it into the Treasury.

It would be very easy to make an argument to show that such a law would be well within the powers of Congress under the war powers granted by the Constitution, for where there have been great victories by our gallant allies in France every man who "went over the top" and carried further the cause of civilization by the destruction of the Hun had his ration of good French or California wine. It is necessary in those dismal swamps, those forbidding trenches, those conditions of warfare which rack men's nerves, to give them occasional stimulation, and it is the universal practice in France and in Italy to give wine as a daily ration to the troops. Our own boys also without hindrance drink the native wines. Therefore I submit as an argument in favor of exercising the war power to compel the wine association to manufacture grapes of the wine growers into wine that wine is a cardinal necessity for the winning of the war. We can not certainly hope to overcome the Hun on a diet of pork and Boston baked beans. "Tell me what a man eats," said Brillat Savarin, "and I will tell you what he is." The Frenchman eats well-cooked food—their chefs are famous—and drinks his well-aged wine every day in the year; so does the Italian; and they are giving a good account of themselves.

If I were making an argument for efficiency and courage and steadfastness, I might well cite the influence of beer upon the German people. It may be the conflict going on there to-day is between beer and wine, and that the chances are in favor of wine. But it has never been urged that spirituous liquors are helpful in any fight except in a bar room. However, wine and beer bring cheerfulness and contentment, and men will fight for their country when they are cheerful and content, as they will work for their country better and produce more when they are cheerful and content. They will love their country if their country loves them. Beware of rousing their resentment. That is the testimony of the United States Shipping Board, which is charged with the gravest duty which has been conferred upon any commission—the building of a new fleet, without which our troops, munitions, and food are in vain, because they have to be sent "over there." The Shipping Board has said that if you deny the worker his beer and his wine, accustomed as he is to them, for his lunch and his dinner, not involving any question of intoxication, you reduce his efficiency by 25 per cent. That is another reason why under the war power we should, at any rate, look with indulgence upon the plea which we make for beer and for wine.

We are not asking that this free people be allowed without molestation to drink wine and beer for all time. That argument was made when the question before the Senate was the adoption of the proposed constitutional amendment. It is too late to make it now.

We concede that the country is going on a "dry" basis in the spring of 1920. Why should not we allow all these interests—spirituous, malt, and vinous—that short period in which to dispose of their property? I am not speaking for all of these interests; I have a tender regard, however, for malt and vinous drinks; but why not give them all, in good American fairness, an opportunity to dispose of their stock on hand? The Presi-

dent says give them a year. What does that mean? It means two things: First, that, like good, honest gentlemen, we allow them to reimburse themselves for a capital and a total loss, so far as possible, out of the stocks on hand. There has been no proposition here to compensate them for their property. I spoke to a venerable and voting Prohibitionist—a Member of this body—and I said: "The Government of the United States has fostered this industry and lived off of it for years. It is estimated that it will yield a revenue this year of $800,000,000 with which to win the war. The Government, I repeat, has fostered it and lived off of it; it is a party, as much as one can be, to the production of wine and beer and spirituous liquors. Would you confiscate the property under those conditions or would you compensate?" "Why," he said, "of course I would compensate." But he voted the other way. Men do not always vote as they think or as they drink. As a cynical philosopher said, this is a free country, and a man should not be tyrannized over even by his own principles. It is true that the Government has recognized this as property in all these years, and it would be manifestly unjust to deny it the poor privilege to liquidate. Abraham Lincoln was in favor of buying and freeing the slaves out of the Federal Treasury; and how much better it would have been to have purchased the slaves and released them rather than to have killed hundreds of thousands of men in doing so and making scars which are hard to obliterate.

Now, we are making an exhibition here of a Hunish spirit in forcibly taking away from these people, without compensation, what can only be regarded in law and in morals as property and denying them a few short months in which to reimburse themselves. I can only conceive of the most narrow intellect, tainted, I believe, with no strict code of morals, that would deny a man the privilege of reimbursing himself out of his own property when the property itself is inevitably doomed in a very short time to destruction. The prohibition propaganda should be well satisfied with compassing its death without adding robbery and torture.

So far as that is concerned, the Constitution says that you shall not take away from persons property without due process of law and without just compensation. We are here sworn to uphold the Constitution; and it is a very forced construction to say that in doing this dishonest act we are promoting the interests of the war—the only justification offered for it. When I show you that neither beer nor wine brings anything but victory to our troops; that beer and wine bring nothing but efficiency to our shipyards, what do you say? It is, indeed, a very forced construction to say that we are not violating our oath in good imperial Prussian style by the subterfuge which has been urged, namely, that a few brief months of the use of these beverages will be so disastrous to our troops that they can not fight the battles of their country and so paralyzing to our workmen that they can not construct ships and munitions. Why, we are doing it; we are building ships; and in those yards where beer and wine are accessible to the men without inhibition up to this time there has been the maximum of speed in producing them.

What is the situation, Senators? The President of the United States has been empowered by Congress to regulate this traffic. He can determine the alcoholic content of wine and beer, and he can regulate the volume of production; he can regulate the amount of fuel that is allowed to breweries, and yet the gentlemen who are so eager to bring about—who are pressing their advantage and "going while the going is good"—a radical, sudden, and unexpected change are not willing to acquiesce in the law of the land as it is to-day, but desire to force the discretion of the President by another act of Congress. That President who is toiling for the express purpose which we have of winning the war, and with no other purpose in his mind, subordinating everything else to the one end, says that it is untimely to introduce these questions which divide our people, upon which there is no unanimity, certainly, and which can only irritate the men who labor in the shops and in the yards.

He says that with a beneficent smile, for there is no hate and no bitterness in the President; those attributes belong to the crusaders against wine and beer and liquor. As I observed the other day in the hearings of the committee, the only men who showed any hate were the men who were the advocates of prohibition; they seem to have a capacity of self-intoxication; and they are so endowed that they can get along without the stimulus of drink—a most delightful condition. I repeat there is no bitterness or hate in the President. He simply says: "This legislation is not timely. I have exercised my discretion in reducing the volume of beer by 40 per cent, by reducing the fuel allowed to these industries, by reducing the percentage of alcohol in malt liquors 2¾ per cent. I have done all of these things and yet they are not satisfied." And when they went to him he said: "Well, give a year at least." But the Senator from Texas comes in with a substitute, giving only to June 30 of next year for the sale and disposition of the stocks now on hand.

The date the President had in mind—and it is an open secret—was January 1, 1920. The California wine growers asked till July 1, 1920. So even what the President proposed is hardly adequate for the purpose of saving this year's grape crop. There is no intention on the part of the wine growers of California or of New York of harvesting any other crop but the crop of 1918, and the time in the substitute is fixed so they can not get another crop—it is expressly forbidden—but of selling the crop which is now upon the vines and the stock which is now on hand.

I speak, it is true, for California, because her production is very large. One hundred and seventy-six thousand acres are in wine grapes in California; I am informed there are 60,000 acres in New York State, which is the second in interest; and there are devoted to the cultivation of wine grapes perhaps 30,000 acres in Missouri and Ohio and other grape areas scattered in several other States. But the East and the West, so far as the wine makers and the wine growers are concerned, are of one mind that this legislation will be absolutely disastrous and confiscatory unless an opportunity is given them to sell their product up to July 1, 1920; and before this matter is disposed of I shall move an amendment to that effect.

Mr. President, there is no use of traversing the whole subject of alcohol; but the very latest expression, which favors neither side of the controversy, as I see it, I found in a report, official I believe, of the British Government. The commission consisted of Lord D'Abernon, Sir George Newman, Prof. Cushny, Dr. H. H. Dale, Capt. M. Greenwood, Dr. W. McDougall, Dr. F. W. Mott, Prof. Sherrington, and Dr. W. C. Sullivan.

Their report is entitled "Alcohol: Its Action on the Human Organism," published in London in 1918. In reviewing it, Mr. W. M. Bayliss, in The Living Age, says:

> The form of this little volume is a welcome innovation in Government reports, attracting instead of repelling the reader. Its object is to present the conclusions arrived at by a committee of the liquor control board after a cold and dispassionate examination of the effects of alcohol. No statements are made without exact scientific evidence, which is clearly explained. On account of the moderation of the general tone of the book, it will probably fail to please extremists of both camps, neither of whom will be able to derive much comfort from its pages. Although the authors have been unable to find evidence of an injurious action of moderate doses, well diluted, and at such intervals as to insure the elimination of a previous dose, on the other hand they show that its action is bad when taken otherwise than as mentioned, and that it is devoid of beneficial effect in any form whatever, except in certain abnormal states, to be referred to below. This point in its favor is somewhat depreciated, however, when it is pointed out that even moderate doses involve some impairment of the higher nervous functions. In one or two places the impression is given that an attempt is being made to make out the best case for it, and, on the whole, the reviewer finds himself somewhat surprised that so little is actually made out on its behalf. * * *
>
> The first chapter is devoted mainly to the explanation of certain terms used and to physiological preliminaries, which are, indeed, remarkably well done. It is pointed out that there is no mutual exclusion between the properties of a food and of a poison or drug; a substance, such as alcohol, may be both. The nature of alcohol as a food is discussed in the second chapter. It is oxidized almost completely and can afford energy for muscular work as well as heat. But it can not be stored, as fat and carbohydrate are stored.

I shall not read it all. It winds up:

> On the whole, it seems to the reviewer that if a man knowing nothing about the question were to pick up this volume he would scarcely be tempted to commence the consumption of alcohol. A careful study of this excellent survey of the facts is to be recommended to everyone who takes an interest in the welfare of his fellow men, and it is to be hoped that its price will not tend to restrict the wide diffusion that the book ought to have.

What struck me in reading this review is that a scientific report by scientific men under Government authority up to date has been made, and they conclude that alcohol is a food, that it creates heat, that it can not be stored as fat and carbohydrates are stored, and that it is questionable whether it does any injury or not, except to the higher nervous functions. There is no attempt to encourage people to drink alcohol, although under certain circumstances of one's condition it is good medicine. But if we were to listen to the gentlemen on the other side, we would think that there would be no palliation whatever for its use, that it was in itself injurious and damaging in the last degree to the human system; and when I read this same article I really had a better opinion of alcohol than that which I had previously enjoyed. It is not particularly helpful to the human system. On the other hand, if taken in moderate doses, it is not hurtful, and in certain cases beneficial.

The people who use beer and wine are the people who take in moderate doses beer and wine at their meals. You see the workingman drinking his beer with his bread and meat at the midday. It cheers, but not inebriates; and you find in all the Latin countries, and among the Latin peoples in America, in New York, New Jersey, and California as well, that they take

their claret with their meals, and in their thrift they very often buy the grapes from the grower and make several hundred gallons of wine for yearly domestic consumption; and all members of the family, small and large, drink their claret with their meals. The revenue laws are so indulgent as to exempt from taxation, which is heavily borne by the producers of wine, 200 gallons of wine so made annually by these honest consumers.

It is well known that there is no question of food conservation embraced in the manufacture of wine. Hence I would complain in a constitutional argument, were we not deaf here to constitutional arguments, that no question of food conservation being involved, it is therefore against the Constitution to regulate a man's drink, and that those police powers are without doubt reserved for the States themselves. It has never been attempted before to go into the States and violate the rights which they enjoy under the Constitution.

There is no power in Congress to tell a man what he shall drink and what he shall not drink; how he shall live; what he shall eat. These are intimate affairs which concern the government that is closest to him, the State government. State governments sometimes pass sumptuary legislation, but never the Federal Government. Our sphere is limited by the powers delegated by the States, and they have never surrendered their powers in this respect. Therefore, when I tell you that not even the food conservationists or the prohibitionists claim that there is any loss of foodstuffs by the making of wine—that is to say, that grapes are not foodstuffs, as barley and wheat—it is a nice question whether we are not transcending constitutional limits and violating our oaths of office by dragging the little innocent wine of the people into the category of whisky and of beer.

I might grant you, as a food-conservation matter exclusively, that beer and distilled spirits are well within the purview of criticism, but not wine; and must wine suffer for her bad associations? Wine never was a popular beverage over the bars of the country. We are all in favor of closing the saloons. They will be closed; and it is the offense of the saloon as a breeding place of sin, vice, and crime that has brought down upon alcohol the condemnation of the people. But wine, I say, is a table beverage. I doubt if I ever saw a man order a glass of dry wine over a bar; so it should not be associated with the evils of the saloon. But—

The storm that rends the oak uproots the flower.

I look upon wine as something apart and by itself, and I think it should be so treated; and it would be the generous thing for those in charge of this bill, instead of haggling about dates, to exclude wine entirely from its operation, and let it fall under the general operation of the constitutional amendment, which will be in full force and effect in the spring of 1920. It would be a delicate compliment to wine, which has never fostered the saloon, which has never promoted sin or crime, which is the fond beverage of the people of Latin extraction, so largely represented in this country—they and their descendants and many besides. Shall we repel them? Shall we divert the Latin peoples to other and freer lands when we look for the rehabilitation and replenishment of our population after the war? Think of that. What would be the effect of exempting wine? The immediate effect would be to prevent a diminution of the food supplies which inevitably will follow the prohibition of wine-drinking among the great mass of the Italian, Portuguese, Spanish, and Slavic workers of this country, who are forging the thunderbolts to hurl against the insolent foe.

The effect would be to drive them to a tea and coffee diet, and there would immediately be a loss of food. If there were any way, in case wines were not produced in the United States, of substituting light wine for tea and coffee, it doubtless would be recommended by the Food Administration, in order to save tea and coffee and milk and milk products and sugar, all of which go into the tea and coffee, thus diminishing the food supply necessary to feed our own population, and the military and civil population of the countries of our allies and our own boys over there. So it is a grave mistake from the point of view of the Food Administration—I will not say that they are guilty of it—it is a great mistake from the point of view of those concerned in the prosecution of this war to deny the use of wines and beer, because necessarily the people deprived of them will take tea, coffee, milk, and sugar in their place.

I do not know that there is anything more to say. By the prohibition of wine, we do not conserve food. By the prohibition of wine you deprive the Government of revenue necessary for the successful prosecution of the war. By this proposed restriction you do a great injustice to men who have been prosecuting an industry supported by the State and Federal Government. There are 13 agricultural stations in my State teaching the people how to cultivate the grape, and what varieties to introduce. By these restrictions you confiscate this property that has been nourished by the Government, and are heedless of the appeals of your fellow citizens for relief. The whole thing is repugnant to men of sense and sentiment, led by the President of the United States, himself a prohibitionist, when it is sought to anticipate the date of effective operation of the constitutional amendment in the spring of 1920 by limiting the sale of these commodities now. It will accomplish no good. It will do a great injustice. It will reduce the revenue, if spirits are included, by nearly a billion of dollars, which will have to be raised from the thrifty and the sober, if you please. That is the punishment that will be inflicted upon them for the persistency of fanatics in anticipating the constitutional amendment. But no one in that spirit would impose taxation. Taxation is necessary for the prosecution of the war. Here is a billion dollars to be obtained by merely exercising the machinery of the Internal-Revenue Department, already organized, and it does not involve any new question. Hence the sin and the folly of raising this question at this time.

There is no consensus of opinion as to June 30, 1919, when it shall be forbidden to dispose of wine, beer, or spirits. The wine growers of California and of New York protest that they can not harvest and dispose of this year's crop, which is clearly their property, planted under the protection of the laws, within that time. Therefore, Mr. President, I shall move that June 30, 1920, be substituted for June 30, 1919, the date contained in the substitute offered by the Senator from Texas [Mr. SHEPPARD], so that it will read:

That after June 30, 1920, until the conclusion of the present war, and thereafter until the termination of demobilization, the date of which shall be determined and proclaimed by the President of the United States, no beer, wine, or other intoxicating malt or vinous liquor shall be sold for beverage purposes except for export.

That gives the wine grower and the beer maker until June 30, 1920, to sell their products. In case that amendment does not prevail, I shall offer another amendment embracing wine alone. It will be observed that this does not affect spirituous or distilled liquors, because there is already a prohibition upon their manufacturer. Beer, in the hands of the President, has been reduced in alcoholic content and volume of production. Wine has been unaffected, because there has been no need, apparently, so far as the President is concerned, of interfering with its production and sale.

By the substitute proposed by the Senator from Texas all this will be changed. There will be no longer an opportunity to derive governmental revenue from spirits in storage, which does not concern me, but does concern the public revenues. There will be no opportunity for the wine grower to harvest his crop if this substitute prevails. The only thing we ask is the privilege of harvesting this year's crop and disposing of it. As to the brewers, they can dispose, under the substitute, of their beer after June 30, 1919. The amendment which I have just proposed would give the brewers and the wine growers an opportunity to dispose of their stock up to June 30, 1920, and by that time, according to the prediction, aye, before that time, probably, the constitutional amendment will have been adopted. But this is an assurance by those who believe that that date might for one reason or other be postponed for a month or two months or six months. They will be sure under the proposal which we make of having prohibition in 1920. I think I have shown that neither wine nor beer affects, except advantageously, the conduct of the war. No appeal, therefore, can be made to the patriotism of this body to prohibit the sale of wine or of beer. We have been guided in all these matters by our great President, both sides of the Chamber acquiescing in his judgment in many matters affecting the conduct of the war, on account of his great and intimate knowledge of the Nation's needs. He is seeking to prevent industrial unrest, which might overthrow the whole structure which we have erected. He is using his diplomacy, his sense of justice, in behalf of the American workingman in guiding us faithfully through a tortuous channel of selfishness and greed. What does the President say? He says give these people another year. That is what my amendment calls for.

Therefore, I am opposed to the adoption of the substitute submitted by the Senator from Texas without amendment, and I pray that my amendment, giving an extension of time for one year longer than proposed by the substitute, will be voted by this body.

I submit the following communications as a part of my remarks:

SAN FRANCISCO, CAL., *July 1, 1918.*

Hon. JAMES D. PHELAN.
United States Senate, Washington, D. C.:

Voicing sentiments and interests of 200,000 Italians in California, while thanking you for your strenuous fight to save wine industry, beg you to renew your efforts not only on behalf of Italian interest but, above all, for interest of whole Nation. The numerous Italians employed in war-material factories and in all branches of activities,

and especially agriculture, which is now the most important factor to hasten victory, would be greatly discouraged even though Jones amendment would go into effect next year. Apart from the great losses caused by the destruction of wine industry, the wines the aliens drink at meals, to which they have been accustomed since childhood, gives them strength and energy and acts as a preventive against alcoholism. Statistics both in America and Europe give Italians rank of honor in sobriety, which fact scientists attribute to their moderate use of wines. Prohibitionists should during these grave times avoid cause for dissension and give example of abnegation as all other elements and parties are doing. Kindest regards.

ETTORE PATRIZE,
Editor of l'Italia.

—

NEW YORK, *July 15, 1918.*

Senator JAMES PHELAN,
Washington, D. C.

DEAR SENATOR: * * * I am convinced that wine has been, is, and always will be a very healthy beverage, and that the use of wine is the best means of preventing use and abuse of intoxicating, poisonous drink. Hoping that the country will be saved such a big loss, I am,

Sincerely, yours,

PAOLO DE VECCHI, M. D.

—

SAN FRANCISCO, CAL., *July 9, 1918.*

Senator JAMES D. PHELAN,
Senate, Washington, D. C.:

You might remind the Senate that California, by population furnished most troops, most money, most food for war. Would Congress reward California by destroying three greatest industries—barley, wine, hops? Barley depends here on brewing, and grapes on wine industry. California elected Wilson President.

R. M. WOOD.

—

SANTA ROSA, CAL., *August 1, 1918.*

Hon. JAMES D. PHELAN,
Senate Chamber, Washington, D. C.

SIR: At the regular meeting of the directors of the Sonoma County Farm Bureau, held on July 20, 1918, a committee was appointed to make representations to the President and others concerned regarding the passage of the Norris prohibition amendment. As members of that committee, which speaks for an organization representing 1,400 loyal farmers of Sonoma County, we desire to call your attention to some of the certain effects of the adoption of the prohibition amendment to the Agricultural appropriation bill.

First, vineyards: The wine-grape industry in Sonoma County has been fostered by the State and Nation until there are now 20,000 acres of wine grapes within the county, 75 per cent of which is on land not adapted for the production of any other crop. The curtailment of the manufacture of this year's grape crop will mean economic ruin to hundreds of families in Sonoma County whose sons are now offering themselves for the supreme sacrifice. All principles of justice and equity demand that the owners of these vineyards be compensated if they are summarily to be forced out of business.

Second, hops: The unfairness of prohibitory legislation at a time of year when all the work has been done on the present crop is apparent to all who have even a rudimentary knowledge of the business of hop producing. Immediate and sumptuary prohibition will mean the total loss of capital and labor involved in the production of the present crop and will not result in the increase of a single pound of food during the present season. A reasonable extension of time of the enacting clause in the prohibition amendment will enable the hop producers to prepare and execute their plans for the production next session of essential crops on land that is now producing hops.

Third, business conditions: Immediate prohibition will mean the loss of $4,000,000 this year to the producers of Sonoma County. Obviously this loss will seriously impair the ability of the banks of the county to meet their quota of liberty bonds, war-savings stamps, certificates of indebtedness, etc., and will probably make it impossible for the county to raise its share of the Red Cross and other funds necessary for the conduct of the war.

Trusting that our appeal for justice in the matter will meet with your earnest consideration and hearty approval, we are

Yours, very truly,

SONOMA COUNTY FARM BUREAU,
By SHERIDAN W. BAKER,
GEORGE E. MERRILL,
T. P. DOYLE,
C. E. HUMBERT,
Committee.

Mr. PENROSE. Mr. President, I desire to address an inquiry to the Senator from Texas having this matter in charge. He has presented his substitute which is before the Senate but of which unfortunately there are no printed copies. I think it would be well, in order to perfect the RECORD, if he would state, and I certainly would like personally the information, just how the substitute alters the amendment as printed in the bill before the Senate. In what particular does it change the committee bill?

Mr. SHEPPARD. Mr. President, by the amendment proposed by the committee and which was pending at the time the Senate informally recessed the sale of all intoxicating liquors is to be stopped January 1, 1919, and the manufacture of beer and wine is to stop on November 1, 1918. The amendment I now propose stops the sale of all intoxicating liquors on June 30, 1919, and the manufacture of beer and wine on May 1, 1919. It provides—

That nothing in this act shall be construed to interfere with the power conferred upon the President by section 15 of the food-control act, approved August 10, 1917.

A provision is also added giving the President authority to establish dry zones around shipbuilding plants and other plants for the manufacture of war material if he should deem that the emergency was sufficient to justify such action.

Mr. PENROSE. The Senator, I understand, is explaining how the amendment alters the present law.

Mr. SHEPPARD. No; I am explaining how it alters the amendment that was pending before the Senate when the Senate took a recess.

Mr. PENROSE. I do not see, from comparing them, that it alters it materially at all. The bill that I have here before me prohibits the manufacture of these products after June 30.

Mr. SHEPPARD. That was the amendment which was first reported by the Committee on Agriculture.

Mr. PENROSE. Then I have the wrong amendment.

Mr. SHEPPARD. Exactly.

Mr. PENROSE. I wish I could get a copy of the right one. In a matter of this importance it is very unfortunate, I think, that members of the Senate are unable to get copies of the Norris amendment, I believe it is called, or of the Sheppard amendment.

Mr. SHEPPARD. The confusion is due to the fact that the Senate took a recess before it voted finally on the amendment proposed by the committee shortly before the recess, which was to take the place of the amendment they had already reported as a part of the bill.

Mr. PENROSE. Then, as I understand it, the Senate has never acted on the amendment which was considered by the committee before the recess.

Mr. SHEPPARD. It had not taken final action. The only action that it took was to pass on the point of order which the Senator made against it.

Mr. PENROSE. I am glad the Senator has refreshed my memory, because the impression has undoubtedly gone abroad that in some way that amendment had been adopted by the committee and even by the Senate. Then the Senator offers this as a substitute for the so-called Norris amendment?

Mr. SHEPPARD. I offer it as an amendment to the amendment which was reported by the committee, and which was pending when the Senate recessed.

Mr. PENROSE. Then I should like to ask the Senator a question for the RECORD and for the information of myself and many thousands of citizens interested in this question. I may say I have no desire whatever to delay this matter. In what particular does the amendment now pending to-day differ from the amendment which was pending prior to the recess?

Mr. SHEPPARD. The amendment last offered before the recess stops the sale of all intoxicating liquors January 1, 1919. This amendment which I propose to-day extends that time to June 30, 1919. This last committee amendment stops the manufacture of wine and beer November 1, 1918, while the amendment I propose stops it May 1, 1919. Those are the material alterations.

Mr. PENROSE. The effect is to stop the manufacture and sale of everything after June 30?

Mr. SHEPPARD. Exactly; that is true; the manufacture of wine and beer on May 1 and the sale of all intoxicating liquors on June 30.

Mr. PENROSE. One more question and I will be through, Mr. President. As to the provision regarding the Commissioner of Internal Revenue the amendment says:

The Commissioner of Internal Revenue is hereby authorized and directed to prescribe rules and regulations, subject to the approval of the Secretary of the Treasury, in regard to the removal of distilled spirits held in bond after June 30, 1919, until this act will cease to operate, for other than beverage purposes; also in regard to the sale and distribution of wine for sacramental, medicinal, or other than beverage uses.

I should like to ask the Senator whether that phraseology is adequate? It permits the sale and distribution for sacramental uses, but when the present supply of wine is exhausted by reason of the stoppage of its manufacture where will the wine be forthcoming for these religious purposes?

Mr. SHEPPARD. The Senator will note the clause relating to wine in the bill which prohibits the manufacture and sale of wine for beverage purposes.

Mr. PENROSE. I understand that.

Mr. SHEPPARD. That means that it may be manufactured for nonbeverage purposes. Sacramental use is a nonbeverage purpose.

Mr. PENROSE. Does the Senator construe it under the phraseology that wine can really be manufactured for sacramental and medicinal purposes?

Mr. SHEPPARD. I do.

Mr. PENROSE. That is distinctly understood by the committee and by you?

Mr. SHEPPARD. I think so.

Mr. PENROSE. That is to say, if a physician recommended a quart of champagne to a patient, he could draw a prescription to that effect?

Mr. SHEPPARD. If it was for medicinal purposes, he could.

Mr. PENROSE. There is a ray of hope. I was more particularly interested in knowing whether the language here fully covers all religious purposes, concerning which I have had some communications. If the Senator construes the act that way, which it seems to me would be rather vague, I am satisfied.

I should like to ask the Senator one more question. This legislation permits the exports of all spirits, wine, and beer, as I understand it. Is that correct?

Mr. SHEPPARD. It does.

Mr. PENROSE. Has the Senator in mind any purpose for which we should be called upon to export these products? If they are bad at home, why should we export them or permit them to be used abroad? I am just a little curious to know.

Mr. SHEPPARD. I think that is a question to be decided by the people of other countries.

Mr. THOMAS. I suggest to the Senator that perhaps the purpose is to get the people of other countries drunk and then trade with them. [Laughter.]

Mr. PENROSE. That might be, and it might be an economic question after the war, but with 4,000,000 soldiers by next summer in France it does not seem to me that the purpose of this legislation will be fully carried out. With 4,000,000 Americans over there, full permission to export these materials to France would seem to me largely to nullify the object the Senator from Texas has in view. I am still a little curious to know why that exception was made. I do not object to it.

Mr. SHEPPARD. If we could control the disposition of alcoholic liquors in other countries, there might be something in the question of the Senator.

Mr. PENROSE. As a food-conservation proposition why should we permit grain and fruit and cereals to be used in the manufacture of wine and beer and whisky to be exported?

Mr. SHEPPARD. We can not accomplish everything at once.

Mr. PENROSE. Would the Senator be willing to accept an amendment to forbid the export? I do not intend to offer it, however.

Mr. SHEPPARD. If the Senator will offer an amendment to that effect——

Mr. PENROSE. No; this is really a search for information.

Mr. JONES of Washington obtained the floor.

Mr. THOMAS. If the Senator from Washington will yield, I should like to ask the Senator from Texas whether the last clause of his amendment does not nullify the amendment. It provides that nothing in the amendment shall affect the powers given to the President under section 15 of what is known as the food-conservation act. My reading of that section gives rise to the impression that if the power now possessed by the President under existing law is not to be affected then we are wasting time in legislating upon the subject.

Mr. SHEPPARD. I do not think it would nullify the amendment. The existing powers of the President have no application to sales.

Mr. SIMMONS. Mr. President, I desire to ask the Senator from Texas a question. Unfortunately, as the Senator from Pennsylvania has observed, the substitute offered by the Senator from Texas has not been printed, so that we could have an opportunity to read it and know its contents except as read from the Secretary's desk. I understood the Senator from Texas to say in reply to a question asked by the Senator from Pennsylvania that the substitute permitted the indefinite manufacture of spirituous liquors for the purposes of export. Is the Senator correct about that? My impression was that it only permitted the withdrawal of liquors already manufactured for purposes of export abroad, but it did not permit the further manufacture of liquors for the purpose of export.

Mr. SHEPPARD. My proposed amendment applies to the sale of liquors and not to the manufacture.

Mr. SIMMONS. Then I understand the Senator to say that while any liquor already manufactured and in bond may be withdrawn and exported after June 1, 1919, it does not permit liquors to be manufactured after that time for the purpose of export?

Mr. SHEPPARD. My amendment deals only with sales of distilled liquors. Under the food-control act they may still be made for nonbeverage uses.

Mr. SIMMONS. That was my understanding.

Mr. PENROSE. But, if the Chair will permit me, it does permit it. I understood the Senator from Texas to declare that wines and spirits and beer may be manufactured for medicinal and sacramental purposes. Is that correct?

Mr. SHEPPARD. Yes; that is correct.

Mr. PENROSE. They can continue to manufacture beer or wine or whisky for medicinal purposes and wine for sacramental purposes. Is that the understanding of the Senator from North Carolina? It is very important that we understand that.

Mr. SIMMONS. From the reading of the amendment it was my understanding that they could continue to manufacture wine for sacramental purposes, but it was not my understanding that they could continue to manufacture liquors for medicinal purposes.

Mr. PENROSE. The Senator from Texas has distinctly stated that to be the case.

Mr. SIMMONS. I should like to have the Senator from Texas examine the amendment and state whether that is true or not.

Mr. SHEPPARD. It is my understanding that it permits the manufacture of liquors for nonbeverage uses.

Mr. SIMMONS. To be used for medicinal purposes. It must be consumed by the patient.

Mr. SHEPPARD. Yes.

Mr. SIMMONS. My impression had been that while it permitted the manufacture for purposes of the sciences and art and the manufacture for munitions and things of that sort it was not to be permitted to be manufactured for medicinal purposes.

Mr. SHEPPARD. Will the Senator allow me to read the clause in the amendment?

Mr. SIMMONS. Yes; I should like to hear it.

Mr. SHEPPARD (reading)—

> After May 1, 1919, until the conclusion of the present war and thereafter until the termination of demobilization, the date of which shall be determined by the President of the United States, no grains, cereals, fruit, or other food products shall be used in the manufacture or production of beer, wine, or other intoxicating malt or vinous liquor for beverage purposes.

Mr. SIMMONS. Then the Senator's construction is that it would not interfere with the manufacture of liquor for medicinal purposes?

Mr. SHEPPARD. That is the construction, and I have so answered the Senator from Pennsylvania. The existing food-control act permits the making of distilled liquors for nonbeverage purposes, while my amendment permits the making of other liquors for such purposes.

Mr. PENROSE. I will state that notwithstanding the construction of the Senator from Texas I still think the bill is rather vaguely drawn on that point.

Mr. VARDAMAN. Mr. President, there seems to be such a variety of views regarding the meaning of the amendment, as the Senate has not had an opportunity to study it and analyze it, I suggest that the amendment be printed, and that the matter go over until to-morrow morning.

Mr. PENROSE. We can not do it. We are operating under a unanimous-consent agreement.

Mr. SHEPPARD. The matter is plain. There is no just basis for any variety of view.

The PRESIDENT pro tempore. The Senator from Washington has been recognized and he will proceed.

Mr. JONES of Washington. Mr. President, I agree with the statement just made by the Senator from Texas that there is no variety of opinion about what this amendment means. This is a matter that has been discussed and has been printed for weeks. The substitute proposed by the Senator from Texas does not change the language of the amendment the committee reported several weeks ago except in so far as the date itself is concerned. The language with reference to exports and the language with reference to manufacture is exactly the same, and there can not be any question, at least there is not in my mind, but that there is no interference whatever with reference to the manufacture of wine for sacramental purposes or medicinal purposes. If my friend from Pennsylvania is exercised over the export matter, and if he desires further restrictions and limitations, they will be welcomed by the friends of temperance.

Mr. PENROSE. I am afraid they would be welcomed with such mental reservations that it would be an act of cruelty to propose the amendment.

Mr. JONES of Washington. They would be welcomed just as the Reed bone-dry amendment was welcomed.

Mr. VARDAMAN. I want to assure my friend the Senator from Washington that the suggestion I made was not with a view of delaying action upon this amendment. I have not had an opportunity myself to study the amendment, but if it is satisfactory to the powers that be it is going to be adopted. I would like to have prohibition go into effect at once. That is what I am more interested in than anything else. That is not going to be done, and so far as I am concerned, if it is satisfactory to the Senate I am willing to vote on it right now.

Mr. JONES of Washington. I think there is no difference between the Senator from Mississippi and myself in reference

to those matters. I merely wanted to call attention to the fact that the amendment printed July 8 contains exactly the language of the substitute of the Senator from Texas except a change in date and then the two new propositions.

Mr. President, I had prepared a speech, at least to my satisfaction, to be made on the propositions advanced by the Senator from California [Mr. PHELAN] and others. I am not going to make that speech; I am going to lay it aside, but I am going to take the time of the Senate for just three or four minutes to make a brief statement as to my position in reference to this substitute.

Mr. President, there are millions of men and women who will be grievously disappointed at the action we propose to take. They are of the best and most patriotic citizens of this Republic and there will be no sulking and no rebelling upon their part. These men and women feel that prohibition now would be one of the most effective means of doing what everybody says we seek to do—win the war. I believe they are right. To this end I introduced this amendment:

From and after 30 days from the date of the approval of this act no foods, fruits, food materials, or feeds shall, during the continuance of the present war, be used in the production of malt or vinous liquors for beverage purposes, and anyone who willfully violates this provision or any rule or regulation made to carry the same into effect shall be punished by a fine not exceeding $5,000 or by imprisonment for not more than two years, or both.

The President and the Food Administration said this would lead to an "orgy of drunkenness" unless Congress should stop the sale of distilled liquors. To meet this objection I introduced the following amendment:

Provided, That from and after the date of the approval of this act and during the continuance of the present war it shall be unlawful to sell, furnish, or transport distilled spirits for beverage purposes, and no distilled spirits held in bond at the date of the approval of this act shall be removed therefrom for beverage purposes, and from and after 30 days from the date of the approval of this act no food, fruits, food materials, or feeds shall, during the continuance of the present war, be used in the production of malt or vinous liquors for beverage purposes, and the President is hereby authorized and directed to prescribe any and all rules and regulations deemed necessary to carry the foregoing provisions into effect, and anyone who willfully violates any of the foregoing provisions or any rule or regulation made to carry the same into effect shall be punished by a fine not exceeding $5,000, or by imprisonment for not more than two years, or both. The Commissioner of Internal Revenue and all other officers of the United States shall have all the power for the enforcement of the foregoing provisions which is conferred by law for the enforcement of the existing laws relating to the manufacture, sale, or transportation of intoxicating liquors under the revenue laws of the United States or otherwise.

After extensive hearings, the committee finally reported the provision now pending and for which a substitute is offered and which is substantially my amendment with the time extended. This amendment reads as follows:

That after December 31, 1918, until the conclusion of the present war, for the purpose of conserving the man power of the Nation and to increase efficiency in the production of arms, war munitions, ships, food, and clothing for the Army and Navy, it shall be unlawful to sell for beverage purposes any distilled spirits, and during said time no distilled spirits held in bond shall be removed therefrom for beverage purposes except for export. After November 1, 1918, until the conclusion of the present war, no grain, cereal, fruit, or other food product shall be used in the manufacture or production of beer, wine, or other intoxicating malt or vinous liquor for beverage purposes. After December 31, 1918, until the conclusion of the present war, no beer, wine, or other intoxicating malt or vinous liquor shall be sold for beverage purposes except for export. The Commissioner of Internal Revenue is hereby authorized and directed to prescribe rules and regulations subject to the approval of the Secretary of the Treasury, in regard to the removal of distilled spirits held in bond after December 31, 1918, for other than beverage purposes, also in regard to the sale and distribution of wine for sacramental, medicinal, or other nonbeverage uses. After the approval of this act no distilled, malt, vinous, or other intoxicating liquors shall be imported into the United States.

Any person who violates any of the foregoing provisions shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine not exceeding $1,000 or by imprisonment not exceeding one year, or both.

The Senate was ready to adopt this amendment by a large majority. The President urges now that more time be given to permit the distillers to dispose of their stocks on hand. Instead of an "orgy of drunkenness," our Commander in Chief has other fears which are not officially disclosed. I believe he is wrong, but I may be mistaken. His opinion on a matter of such moment and of such direct relation to the conduct of the war should have great weight, and very properly does have great weight in the Congress of the United States. Without going further into the reasons for my conclusion, I am satisfied we could not enact this provision into law to go into effect sooner than June 30, 1919. We can do that, and therefore I favor it as the best legislative solution of the situation.

The provision giving the President authority to establish dry zones about coal mines, munition plants, shipyards, and so forth, is of supreme importance. The President may never use it; but if the need for coal, ships, munitions, and so forth, becomes imperative and the power is not used, the responsibility will be certain. I believe the need is imperative now for the exercise of this power.

Mr. President, I desire to place in the RECORD as a part of my remarks the appeal of the coal operators with reference to this matter and also the President's proclamation regarding it, if I may be permitted to do so.

The PRESIDENT pro tempore. Without objection, leave is granted.

The matter referred to is as follows:

COAL OPERATORS APPEAL.

Regardless of political affiliations of the members of the association, and leaving out of consideration the moral issues involved, and basing its opinion entirely on economic and patriotic grounds, the committee unanimously and unqualifiedly believes that national prohibition for the period of the war is absolutely necessary to make effective this or any other plan for increased coal production. A comparison of the records of production of mines in wet and dry territories furnishes ample proof of the need of prohibition. The various instances cited to you to-day need not be repeated here, but they typify the experience of operations throughout the entire country.

Chairman A. R. Hamilton of the committee said:

"Our committee is composed of practical operating men, representing all the principal producing districts of the country. They are men of all shades of personal opinion. Some come from wet States, some from dry States, and some from States partly wet and partly dry. They all told their stories and presented their figures to show not only the relative efficiency of the mines as between wet and dry States, but the difficulties of working out any practical benefits from drink restriction along the border line between wet and dry territory. The result was a determined and unqualified stand for national prohibition.

"The committee feels that the drinking evil has become so rampant in the mining communities that its complete elimination is fundamentally necessary in the effort to speed up the mines sufficiently to get the 100,000,000 additional tons of coal this country will require this year. It is now up to Congress to make a clean-cut choice between booze for the mining communities and coal for the war and the public."

Here is an account of the action of another coal operators association:

"Coalless breweries should be made by legislation to succeed lightless nights and heatless days. This is a conviction that is heard expressed wherever a patriotic and unprejudiced study of the questions of prohibition and fuel production is made. It is evident that the two questions are inseparable. A discussion of the coal supply and distribution inevitably develops into the great waste of coal in the manufacture of beer."

That coal operators are aware of this fact is evident from a letter sent to President Wilson recently by the Pittsburgh Vein Operators' Association of Ohio. This letter was as follows:

"DEAR MR. PRESIDENT: At the monthly meeting of the Pittsburgh Vein Operators' Association of Ohio, representing an annual production of 18,000,000 tons, the principal subject of discussion was the uncalled-for loss of production resulting from failure of employees to report for work on days preceding and following holidays and immediately after semimonthly pay days. Coupled with these periods of idleness are the foreign holidays.

"Taken as a whole, the loss of production in this one industry, especially at this time, is immeasurable. In this district alone the loss of production on Friday, the 5th of July, was at least 30,000 tons.

"It was the unanimous opinion that the only way to correct the evil is to eliminate the cause; that halfway measures would accomplish nothing; that patriotic appeals on one side could not cope with the saloon on the other; that the elimination of drinking places, at least for the period of the war, would add 10 per cent or more to the production of things necessary for the carrying on of the war.

"A committee was appointed to present the following facts to you for your consideration:

"First. That idleness among employees in the industrial plants of this country on days following holidays and pay days is the direct result of intoxicants.

"Second. That the abolition of intoxicants for the period of the war will add at least 10 per cent to the production of the commodities necessary for the conduct of the war.

"Third. That there is a body of able-bodied men outside the draft age engaged in manufacturing and selling liquor whose energies should be devoted to some necessary occupation.

"Fourth. In order to bring our soldiers and sailors to the highest state of efficiency it was found necessary, and commendably so, to abolish intoxicants from the service. If this be necessary, where men are under the strictest discipline, how much more necessary is it to the vast number of employees upon whom the welfare of our soldiers and sailors depends, and over whom there is no discipline, that the same limitation should apply.

"Fifth. We are strong advocates of 'personal liberty,' but at the same time we are reaching out into the homes and taking our boys to the battle fronts in Europe. If this so-called 'personal liberty' urged by the advocates of the saloon is working to the detriment of or danger to these boys, the question of its sacrifice should be secondary, and no citizen of the United States who is a real patriot can honestly take any other position.

"We therefore urge upon you that you use your influence to have immediate steps taken to correct this evil from which we are now suffering.

"Respectfully, yours,

"PITTSBURGH VEIN OPERATORS' ASSOCIATION OF OHIO,
"By C. E. MAURER,
"F. A. PRENDERGAST,
"W. R. WOODFORD."

The President's proclamation reads as follows:

"To all those engaged in coal mining: The existing scarcity of coal is creating a grave danger—in fact, the most serious which confronts us—and calls for prompt and vigorous action on the part of both operators and miners. Without an adequate supply, our war program will be retarded; the effectiveness of our fighting forces in France will be lessened; the lives of our soldiers will be unnecessarily endangered and their hardships increased, and there will be much suffering in many homes throughout the country during the coming winter.

"I am well aware that your ranks have been seriously depleted by the draft, by voluntary enlistment, and by the demands of other es-

sential industries. This handicap can be overcome, however, and sufficient coal can be mined in spite of it, if every one connected with the industry, from the highest official to the youngest boy, will give his best work each day for the full number of work hours. The operators must be zealous as never before to bring about the highest efficiency of management, to establish the best possible working conditions, and to accord fair treatment to everybody, so that the opportunity to work at his best may be accorded every workman.

"The miners should report for work every day, unless prevented by unavoidable causes, and should not only stay in the mines the full time but also see to it that they get out more coal than ever before. The other workers in and about the mines should work as regularly and faithfully, so that the work of the miner may not be retarded in any way. This will be especially necessary from this time forward, for your numbers may be further lessened by the draft, which will induct into the Army your fair share of those not essential to industry. Those who are drafted, but who are essential will be given deferred classification, and it is their patriotic duty to accept it. And it is the patriotic duty of their friends and neighbors to hold them in high regard for doing so. The only worker who deserves the condemnation of his community is the one who fails to give his best in this crisis; not the one who accepts deferred classification and works regularly and diligently to increase the coal output.

"A great task is to be performed. The operators and their staffs alone can not do it, nor can the mine workers alone do it; but both parties, working hand in hand with a grim determination to rid the country of its greatest obstacle to winning the war, can do it. It is with full confidence that I call upon you to assume the burden of producing an ample supply of coal. You will, I am sure, accept this burden and will successfully carry it through, and in so doing you will be performing a service just as worthy as service in the trenches, and will win the applause and gratitude of the whole Nation.

"WOODROW WILSON.

"THE WHITE HOUSE, *August 9, 1918.*"

The statement of the operators' association is as follows:

"Unless the production of domestic sizes of anthracite can be increased—something impossible unless the labor power can be increased, and entirely possible should it be—the distribution of anthracite will fall short of that which was contemplated in the allotment made by the Fuel Administration for the 12 months ending April 1, next.

"Such allotment was based upon an estimated production of 54,345,783 tons of domestic anthracite for the coal year. The actual output of domestic anthracite sizes for the three-month period to the end of June was 13,279,889 tons. That is at the rate of 53,120,000 tons for the year, or 1,226,000 tons less than was counted upon in the estimate.

"Unless there can be accomplished a decided pick-up in the output, and only additional labor power for the anthracite industry can make this possible, it will be necessary to proportionately cut down on the allotments of anthracite to the New England and Atlantic States, to which materially increased tonnages of coal were allowed to meet their larger requirements.

"Under such conditions it will be impossible to increase any of the curtailed shipments of anthracite to the Central and Northwest States, as had been hoped, and to which States the promise was made that their necessary reduced allotments would be increased should it be possible to extend the total production above the 54,545,783 tons of domestic coal estimated as the output for the year.

"Labor shortage has become more and more a restricting factor on production. There are only 144,000 mine workers in the anthracite industry, a number 33,000 less than before the war."

The Fuel Administration's estimate of the average daily requirements of bituminous coal for summer months to September 30 is 3,100,000 tons. The Geological Survey reported on Sunday that the average of the mines for the week ended July 20 was 2,154,000 tons; for the week ended July 27, 2,137,000 tons; and for the week ended August 3, 2,070,000 tons, or a daily shortage of 30,000 tons.

WASTE OF COAL PROTESTED—LATITUDE GIVEN TO BREWERS STIRS LOCOMOTIVE ENGINEERS.

CLEVELAND, OHIO.

W. S. Stone, grand chief of the Brotherhood of Locomotive Engineers, is watching with some interest the preliminary campaign of northern Ohio Congressmen this summer, because it was to them, as well as to the two United States Senators from Ohio, that Chief Stone addressed his recent communication in regard to national prohibition, and especially to the fact that the distillers, brewers, and saloon keepers of the United States were being permitted to consume both foodstuffs and fuel, while the Nation is resounding with exhortations from both the Fuel and Food administrations over the serious situation concerning both these materials which confronts the American people.

"Billboards, newspapers, posters on hotel and restaurant walls," Chief Stone said to a representative of the western bureau of the Christian Science Monitor a few days ago, "proclaim in colored type the necessity for the conservation of food and fuel; yet millions of bushels of grain are being wasted through the liquor traffic. Last year the slogan, 'Save a shovelful of coal' was perpetually presented to our eyes, while the breweries, saloons, and distilleries of the United States were permitted to burn up 3,000,000 tons of coal. While this waste was being permitted, the Federal Fuel Administrator was enforcing 'heatless days' and 'workless days' on the workers of America.

"Such a situation is so ridiculous and incongruous that it is difficult to see how a sane people can permit its existence. What would be thought of a railroad engineer who ran past such signals as these? We all know what would happen; he would probably wreck his train and lose his job. Yet here are storm signals and danger signals flaunting in the face of every intelligent newspaper reader in the country; and still the saloon keeper goes merrily on his way. Workingmen may freeze or go hungry, or the country itself may go to pieces, yet he, apparently, goes free. It has got to a point in this country where the liquor interests are greater than the flag. They certainly seem to have very little interest in that emblem. They have become a law unto themselves, and go their own way, while other people suffer.

"I would like to ask some of our labor friends what they think would become of a labor leader who undertook to defy public sentiment in the manner that the distillers, brewers, and saloon keepers of America are apparently defying it. If they undertook anything of a similar character, they would promptly be landed in jail.

"I recently had occasion to send a protest on behalf of the Brotherhood of Locomotive Engineers of the United States to the representatives of the State of Ohio in the United States Senate and the representatives of two of the Cleveland districts in Congress. I am not sure that it did very much good. Some of these Congressmen are now seeking a renomination. I think I can see the result. I believe that the defeat of one of them is assured, because, after all, the people at large do see these things, even if their representatives for the time being do not. The Brotherhood of Locomotive Engineers is a strictly temperance organization. It has no place in its ranks for the patron of the saloon, the distillery, or the brewer."

Mr. JONES of Washington. I also desire to read a brief extract from the Washington Post of Sunday, August 25, 1918, bearing on that matter:

HAIG AND FOCH ASK COAL—BRITISH MINERS URGED TO INCREASE OUTPUT FOR UNITED STATES ARMY'S NEEDS.

LONDON, *August 24.*

Marshal Foch, Field Marshal Haig, and Admiral Beatty, commander in chief of the grand fleet, sent messages to the meeting of the coal miners' federation at Southampton this week urging a greater output of coal.

"Coal is the key to victory. The miners of Great Britain must help me," was the message from Marshal Foch.

Baron Calthrop, the coal controller, told the miners that the supply was 36,000,000 tons short this year. Among other factors making for an increased demand for coal was the increasing flow of American troops to France.

Mr. KENYON. Mr. President——

Mr. JONES of Washington. I yield to the Senator.

Mr. KENYON. The Senator speaks of the plea of the coal operators in a general way. What was that plea?

Mr. JONES of Washington. The plea of the coal operators was in brief that this country faced a proposition where it would have to choose between "booze" and coal, and if we chose "booze" we would be short of coal this winter by many millions of tons.

Mr. KENYON. The time fixed in the bill does not affect that situation.

Mr. JONES of Washington. The time will not, but the authority given to the President to establish free zones about coal mines can be used to help very greatly.

Mr. KENYON. I agree with the Senator about that, but the time fixed in the bill would not affect it.

Mr. JONES of Washington. That is true. I can not defend, as far as the merits of the proposition are concerned, the extension of this time. I am not trying to do it. I do not pretend to do it. It makes me sick when I try to satisfy my own convictions in reference to the matter. It is only the legislative situation and the executive situation that lead me to accept this proposition, together with the clause in this substitute that I am just referring to.

Mr. VARDAMAN. If the Senator will permit me, can he state about how much coal is used in this manufacture?

Mr. JONES of Washington. I understand it is about 3,000,000 tons a year.

Mr. VARDAMAN. I think the Senator could not advance a reason for that consumption of one of the prime necessaries of life.

Mr. JONES of Washington. I can not, satisfactory to me.

Mr. VARDAMAN. I do not think anybody else can.

Mr. JONES of Washington. I have a letter from the neighboring State of New Jersey that bears upon this order of the President as a necessity for it that speaks very loudly. It is a letter from a member of the county executive committee of the National War Savings Committee. The writer says:

Please allow me to give you several additional points regarding results of liquor at near-by munition plants. At the recent fire at the Atlantic Loading Co. plant, when a heavy financial loss occurred and 30 horses were killed, the firemen report that the first four men encountered on the reservation were grossly intoxicated. A fifth man, apparently sober, was found who offered to show the firemen a water plug. As soon as he had gone a hundred feet or so he pulled out a quart bottle of whisky and offered to treat the firemen. There are millions of pounds of deadly explosive stored at this plant.

During May 2,500 laborers were hired, but at the end of the month there was a net gain of less than 100, as over 2,400 laborers quit, many were fired for laziness, due in part to semidrunken condition, many for gross intoxication, and many quitting because they did not care to associate with such an element. And this plant needs 2,000 more laborers and is held back until it gets same.

Mr. President, I can not refrain from reading a brief statement from a copy of a letter that was sent by a lady to a Senator from one of the great States of this Union. It applies, of course, to only one particular case, but it can be multiplied thousands and thousands of times throughout the country. This lady says:

I am a resident of your own State of ———. My husband is a railroad engineer, who has lost every position he ever had because of his weakness for drink. He now has a good position with the United States Steel Corporation. The foreman of the roundhouse has told him he will surely discharge him if he does not stop drinking. He gets very large wages, and in the past has laid off a great deal recovering from the effects of drink. I am trying to hold him up until the awful curse is driven from the State. Won't you help me by voting for the prohibition amendment? Prohibition is coming anyway, but it may be too late for me. If you want to help your country, then help by your vote to free it from that which is destroying its men and bringing sorrow to the homes. You will be glad of it when history is written.

Mr. VARDAMAN. Does she want it stopped in June next year?

Mr. JONES of Washington. No; she wants it stopped at once.

Mr. President, I have been for war-time prohibition purely as a war measure. Prohibition as such has not entered into it with me at all. I am heart and soul for pushing this war with all our power of men, money, and resources. We have just voted to take our 18-year-old boys to the battle line, despite the protests of the mothers of the land. It seems almost a mockery to heed the cry of the whisky dealer for more time to profit out of broken hearts, impoverished homes, and destroyed man power. With a very sad heart I shall vote for this substitute, believing it the best we can get and hoping that the vital authority placed in the hands of the President to care for the coal, shipping, and munition situation will be promptly and freely used by him.

Mr. President, I simply ask to put into the RECORD one or two matters. The Senator from California [Mr. PHELAN] referred to the Shipping Board as favoring the continuance of the manufacture and sale of intoxicating liquors, and as having stated that the best work is done in a shipyard where beer and wine were used. I ask to have printed in the RECORD, as a part of my remarks, without taking the time of the Senate to read it, an article from the Philadelphia North American of July 1, starting in this way:

When Edward N. Hurley, chairman of the United States Shipping Board, expressed fears to Congress last week that a nation-wide ban on booze would retard shipbuilding, hundreds of brawny patriots who are pounding out ships in Camden in record time replied:

"Tell it to Tommy Mason!"

The PRESIDENT pro tempore. Without objection, the article referred to will be printed in the RECORD.

The article referred to is as follows:

[From the North American, Philadelphia, July 1, 1918.]

SHIPBUILDING RECORD BREAKERS DISPROVE HURLEY'S BEER PLEA—NO BOOZE SECRET OF SUCCESS AT CAMDEN YARD, THEY SHOW—CRACK GANG'S CHIEF BARS ALL DRINKERS.

When Edward N. Hurley, chairman of the United States Shipping Board, expressed fears to Congress last week that a nation-wide ban on booze would retard shipbuilding, hundreds of brawny patriots who are pounding out ships in Camden in record time replied:

"Tell it to Tommy Mason!"

Tommy Mason was superintendent of the construction work on the *Tuckahoe*, the naval collier turned out of the yards of the New York Shipbuilding Co. in 27 days, breaking a world's record.

After the launching of the *Tuckahoe* Charles M. Schwab, director of the Shipping Board, sought Mason to learn how he and his men had made such phenomenal speed.

"I want to pass your secret along to the other shipyards," said Schwab.

"No booze," replied Mason. "That's the secret."

Schwab didn't testify before the congressional committee last week in the hearing on war prohibition, or he might have repeated the story as Tommy Mason gave it to him.

YARD'S MOST EFFICIENT GANG.

He might have told them Mason's group of workers, each of whom received a reward from Schwab, not only broke a world's record in turning out the *Tuckahoe*, but how it has attained a reputation in the Camden shipyards as the gang that can do the fastest work, has fewer absences from all causes, and 50 per cent fewer accidents than any other group of workmen of the same size in the plant.

He might have told how Mason, when the order of the day in the Nation's shipyards was "speed up," watched to see that no boozers got places on his gang. Mason has spent almost a lifetime in the shipyards and experience told him that booze and efficient work don't mix.

There were just two exceptions to Tommy Mason's ban on boozers. They were two riveters, whom he permitted to remain in his gang for a while, although he knew that they "took a drink or two" in the morning before they came to work.

But Mason also discovered that it was several hours each day before these two men reached their maximum speed, and occasionally they failed to report for duty.

The superintendent took a pencil and paper and did some calculating. He found out what the delay of these two men was costing the work of the gang. He deducted the number of rivets which "a drink or two" in the morning was costing.

He found that sober riveters had a larger average of rivets to their credit at the end of the week, and the two boozers left. The *Tuckahoe's* record satisfied him that he is on the right course.

Tommy Mason isn't the only shipbuilder who has arrived at the same conclusion. Heads of plants in Camden have asked the excise commissioners to close the city's saloons in the morning until after the workmen have reported for duty.

BOOZE CUTS EFFICIENCY 20 PER CENT.

Opinions of Hurley and Bainbridge Colby to the contrary, these practical business men say that rum lessens the efficiency of shipyard workers 20 per cent. And a 20 per cent delay in ship construction these days may mean disaster. Excise commissioners in Camden complied with the request, and saloons were closed in the mornings. But now the men go to work on various shifts at all hours of the day, and the saloons open inviting doors. Besides, superintendents can not be as particular in their choice of men to-day as was Tommy Mason when he picked the gang that broke the record on the *Tuckahoe*. Laborers are not so plentiful. Sometimes it is necessary to take a man who is known to be a boozer or try to run the plant short handed.

With labor conditions and the absence of restraining laws thus helping them, saloonkeepers in the neighborhood of Camden's shipyards are doing a rushing business. Workers line up outside to wait their turn at the bar. According to events in Washington last week, Tommy Mason's secret of the *Tuckahoe's* record has not reached Chairman Hurley and some other members of the Shipping Board. It should also be stated here that Tommy Mason is no "prohibition fanatic," as some of the booze allies call them. When a clergyman, who is pastor of a church attended by a member of the shipbuilding firm, heard of Mason's refusal to hire boozers, he went to Mason to congratulate him.

"Now don't get me wrong," replied Mason. "We may both be aganist booze, but for different reasons. My objections are based on the fact that it lessens the efficiency of the men. I'm against booze because it interferes with the building of ships, and we need ships."

Mr. JONES of Washington. I hope that the Senator from California will read that article. If so, he will find that the record was made by a crew from which the booze consumers had been removed; that the record there made was made by temperance workers, just as the great record made in the yards on the Pacific coast as shown by the publication of the Shipping Board itself demonstrates.

Mr. PHELAN. Mr. President, I did not understand the Senator from Washington. He referred to Tommy Mason. Who is he?

Mr. JONES of Washington. If the Senator from California will read the article which I have asked to put into the RECORD, he will find that Tommy Mason was the foreman of the crew that helped to make the record on the *Tuckahoe*, of which so much has been said in the press, and of which our Emergency Fleet Corporation has very justly been proud; but they fail to show that the speeding up by which that record was made was done by a crew from which, as I said a moment ago, the liquor drinkers had been taken away.

Mr. President, I have some extracts, together with brief explanatory comment upon them, taken from the Emergency Fleet News, a publication issued by the Shipping Board, with the contents of which they were probably not very familiar, for they refute all the arguments and statements and suggestions which they made before the committee, which I ask that I may print as a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Hon. Charles Piez, vice president and general manager of the United States Emergency Fleet Corporation, testified before the House Committee on Appropriations as follows:

"The CHAIRMAN. In that connection do they get the same ton output per man on the Atlantic and on the Pacific?

"Mr. PIEZ. No.

"The CHAIRMAN. Which is the larger?

"Mr. PIEZ. It is larger on the Pacific than the Atlantic.

"The CHAIRMAN. What do you estimate your tonnage output per man on the two oceans?

"Mr. PIEZ. About as 20 to 16 from such data as we are able to get.

"The CHAIRMAN. What is the English output?

"Mr. PIEZ. Ten.

"The CHAIRMAN. Now?

"Mr. PIEZ. I do not know as to that. That was the last reported output."

It is significant that Washington and Oregon are prohibition States on the Pacific and that where the general use of beer is insisted upon the output per man is even less than on the Atlantic, where Mr. Colby, of the Shipping Board, insists the output will be diminished if we prohibit beer.

The United States Shipping Board Emergency Fleet Corporation issues a paper called The Emergency Fleet News, which Mr. Colby may not have had time to read. It contains some very interesting and significant information, however, in view of his testimony. In issue No. 2, volume 1, of March 11, 1918, on page 6, is a statement to the effect that a telegram advises Charles Piez that "the Pacific coast is still establishing new records in ship construction." The message announces that the Skinner & Eddy plant, at Seattle, a plant under prohibition, delivered to the Shipping Board February 26 the steamship *West Arrow* at noon and at 5 o'clock the same afternoon it launched the steamship *Canoga*. The article goes on to say:

"The latter vessel was originally promised for delivery June 21, but so fast is the work going forward that the company hopes to have her completed about March 20, or three months ahead of schedule. This makes a total of seven ships of 61,600 tons delivered from the five ways of the Skinner & Eddy plant during the four winter months. Word comes that this concern, which already has established a world's record in launching a ship, is endeavoring to expedite the program still further."

In recognition of the accomplishment Mr. Piez telegraphed the company:

"It is needless for me to tell you how gratified the Fleet Corporation is at the great work you are doing. The record on the *Canoga* and the promised delivery are such as to entitle you to the highest commendation."

In No. 8, of April 22, on page 3, is an article headed "West still sets pace for country. Skinner & Eddy Co. delivers all contract vessels to-day. Head of firm challenges Atlantic shipyards." The article begins:

"West coast builders are still leading the country in actual production of ships for our new merchant marine. The Skinner & Eddy Co., at Seattle, has delivered the only four contract ships completed to-day."

Another congratulatory telegram was sent the company by Mr. Cox, head of the Division of Steel Ship Construction, reading as follows:

"Congratulations on delivery of the fourth contract vessel. As you know, all contract vessels to date have been delivered by you. We are very much encouraged by your performance and look to you to keep it up. It is particularly gratifying to know that you have delivered this vessel 11½ weeks in advance of your contract schedule date."

On page 9 of the same issue is another article regarding the *West Grove* as follows:

"Another world's record was broken on March 27 when the steamship *West Grove* glided into the water 70 days (61 working-days) after the laying of the keel. This achievement transfers the blue ribbon from the Skinner & Eddy corporation to the Columbia River Shipbuilding Co., but the distinction of setting new standards for

speed still belongs to the Puget Sound district." The article ends as follows:

"The builders have promised to break this record in the near future."

On page 10 of the same issue is a statement made by Mr. Bloomfield, head of the industrial service department of the corporation, which does not indicate very much dissatisfaction with the lack of a supply of beer. He says:

"The most significant factor about the Pacific coast shipbuilding industry is the fine spirit that is developing among the workmen. I met with every labor group on the Pacific coast covering all the shipyard trades. In every case the conference wound up with the men sending a personal message to Mr. Hurley and Mr. Piez, pledging their utmost effort and most patriotic cooperation to put the new merchant marine into the water on schedule time.

In No. 9, on page 2, is a chart showing the ratings of yards on the basis of rivets driven per way and an article headed "Pacific riveters lead in averages, graphic chart shows West coast far ahead of competitors, Skinner & Eddy set pace for Nation." The article states, and the chart shows, that the Pacific-coast division drove rivets in the week ending March 30 at the rate of nearly 30,000 per way; while the North Atlantic section drove rivets for that week at the rate of about nine or ten thousand rivets per way. This article states that District 8, which includes all of the State of Washington except the Columbia River yard is ahead of all competitors with almost 32,000 rivets driven per way, and that the Skinner & Eddy plant, which leads the country in delivery of ships, also leads all yards in rivet driving with 43,000 rivets per way.

On pages 8 and 9 of this issue are interesting charts showing the rate of construction compared with promised delivery of steel ships and the statement is made that such charts will appear regularly in the News thereafter. The Pacific division is shown to lead very decidedly all the other districts.

On page 12 is an item headed "Skinner & Eddy set new launching record. Seattle concern turns out 8,800-ton freighter in 55 days." The article says:

"Another launching record has been broken by the Skinner & Eddy Co. of Seattle. This plant which set a hot pace for both launching and deliveries some time ago was not content to see a competitor holding a launching record more than a few days. When the Columbia River Shipbuilding Co. sent an 8,800-ton freighter into the water in 61 days, breaking the Skinner & Eddy mark of 64 days, the Seattle plant came back with a record of 55 days from laying of keel to launching." And in the same article it is stated that "The Skinner & Eddy corporation also has established a new record for delivery with the completion of the 8,800-ton freighter *Ossinecke*. This vessel was delivered to the Shipping Board 109 days after the date that the keel was laid."

The article gives some additional interesting information in regard to other ships.

In volume 10, on page 5, is a list of 25 ships built in shortest time graphically depicted by a chart which it is stated will be duplicated from month to month. The article states that "The records of the leading 25 (yards) are presented in comparative form showing that the best mark was made by Skinner & Eddy, of Seattle, in district No. 8, by turning out an 8,800-ton vessel in 108." The article closes as follows:

"In this chart it will be observed that Skinner & Eddy holds 8 of the 25 leading positions, a fact that may be regarded as a challenge not only to the 75 yards not listed but to the others now included."

On page 7 of this issue is an article headed "Wood-ship launching sets new world record. Grant Smith-Porter Co. gets vessel off ways in 54 days." The article says:

"What is said to be a world record in wood-ship launching was established Saturday, April 20, when the *Wakam*, a 3,500-ton vessel of the Hough type, was launched in the yards of the Grant Smith-Porter Ship Co. at Portland, Oreg. This vessel was built in 54 working days. The company has made a record by launching nine wooden boats since February 17, 1918."

It should be called to Mr. Colby's attention that Portland, Oreg., is in dry territory. In this number beginning on page 1 is an account of a monthly dinner given at the Ebbitt by the Emergency Fleet Corporation to Maj. Gen. Peyton C. March, Acting Chief of Staff. Note this significant statement made by Hon. William Pigott, district supervisor of the Northwest:

"We have men working in the shipyards drawn from every profession and every craft," said Mr. Pigott. "We have lawyers and doctors and, most of our States now being dry, many bartenders and saloon keepers." This is an awfully good suggestion as to how we can increase our shipbuilding efficiency through prohibition.

In No. 11, of May 13, will be found a series of graphic charts showing the progress of construction on steel ships and an article headed "Pacific coast tops construction chart." It is stated "The charts show the Pacific coast leads the north Atlantic coast by a ratio of about 7⅞ to 5½. It also says: "A comparison of districts on a basis of total construction shows the eighth district, which includes Washington and Oregon at the top." It also says: "In the comparison of yards, Skinner & Eddy again tops the list."

In No. 12, of May 20, on page 11, is a chart and an article headed "Chart shows speed in wood launchings; Grant Smith-Porter Co. leads competitors in fast construction." The article says: "There are 10 yards listed in this chart, and of these the Grant Smith-Porter Co. is listed seven times, holding first, second, fourth, seventh, eighth, ninth, and tenth places. Thus the Grant Smith-Porter Co. easily demonstrates that it is leading the field in wood-ship launching." The workmen of this company are without their beer.

In No. 16, dated June 17, are charts showing the ratings of yards on the basis of rivets driven per way per week for the four-week period ending May 25, 1918, and an article headed "Coast's riveting lead continues to increase." The article says:

"Other parts of the country are following far behind districts 7 and 8 on the Pacific coast in rivet driving per way per week. Among the States as already indicated in the district returns Washington and Oregon ways lead the rest of the country."

WASHINGTON, D. C.,
August 27, 1918.

To the MEMBERS OF THE SENATE OF THE UNITED STATES:

As General Secretary of the Board of Temperance of the Methodist Episcopal Church, authorized to speak in behalf of the entire denomination, which has some 10,000,000 constituents, I ask the privilege of laying before you the following considerations which concern the form of the so-called war prohibition amendment to the agricultural bill:

1. There is an intense, almost violent, feeling of resentment in every section of the country because our war policy relating to the brewing of alcoholic liquors has not been determined by the same considerations which have governed restrictions on consumption and prohibitions applying to the people as a whole. The brewing industry has had a special privilege which menaces the successful conduct of the war.

2. Particularly in view of the unsatisfactory fuel situation, which is by authoritative voice attributed to the drink trade, we feel that a vote to delay unnecessarily war prohibition not only menaces the Nation's industries, but is a vote for the suffering of little children during the coming winter.

3. The prospective drafting of boys under age is prompting an insistent demand for more comprehensive measures of protection, such as can be afforded only by nation-wide prohibition.

In view of these things we earnestly urge that prohibition be made to apply to the liquor business not later than January 1, and preferably before that date. The liquor industry has had ample warning, having maintained its existence to the distress of the country for more than a year and only by obstructive methods.

Respectfully yours,

CLARENCE TRUE WILSON,
General Secretary,
Board of Temperance of the Methodist Episcopal Church.

August 28, 1918.

Hon. WESLEY L. JONES,
UNITED STATES SENATE,
Washington, D. C.

MY DEAR SENATOR: The National Dry Federation, representing more than thirty national and State religious, reform, civic, and patriotic organizations, with an aggregate membership of more than 25,000,000, respectfully prays the United States Senate to vote in favor of national prohibition of all alcoholic beverages for the period of the war and demobilization, and to make the same effective at the earliest possible date compatible with the public welfare.

We believe that patriotism, efficiency, economy, and humanity present and future, justify and require such action by your honorable body.

On behalf of the federation, I have the honor to be,
Most respectfully,

CHAS. SCANLON,
General Secretary.

Mr. SMOOT and Mr. PENROSE addressed the Chair.

The PRESIDENT pro tempore. The Senator from Utah.

Mr. PENROSE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Pennsylvania?

Mr. PENROSE. I merely wish to give notice of an amendment which I shall introduce; but I will wait.

Mr. SMOOT. I will yield to the Senator for that purpose.

Mr. PENROSE. I merely desire to state that I intend, after the disposal of the amendment submitted by the Senator from California [Mr. PHELAN], to propose an amendment to the amendment of the Senator from Texas [Mr. SHEPPARD], so as to make clear the contention that distilled spirits, wine, and beer may continue to be manufactured for medicinal and sacramental purposes. The sentence next to the last in the first paragraph of the amendment reads:

The Commissioner of Internal Revenue is hereby authorized and directed to prescribe rules and regulations, subject to the approval of the Secretary of the Treasury, in regard to the—

There I would insert the words "manufacture, sale, and"—removal of distilled spirits held in bond after June 30, 1919, until this act shall cease to operate, for other than beverage purposes; also in regard to the—

I would there insert the word "manufacturer," so as to read:

Manufacture, sale, and distribution of wine for sacramental, medicinal, or other beverage uses.

I will ask the Secretary to draw the amendment up in some intelligent form, and I will submit it to the Senator from Texas for his examination.

Mr. ROBINSON. I call attention to the fact that in the copy of the amendment which the Senator from Pennsylvania has been using the word "than" is left out before the word "beverage" in the last line. It should read "medicinal or other than beverage purposes" in order to make it conform to the object of the legislation.

Mr. SMOOT. Mr. President, I know that nothing I can say will change the result that has been decided upon, and I may vote for the substitute amendment offered by the Senator from Texas, but I want to call attention to the fact that on July 11, 1917, when the food-control bill was under consideration, I offered an amendment under which I believe if it had been adopted no person engaged in the manufacture of distilled spirits could have justly made complaint. Every dollar would have been returned to him with a profit, and prohibition would have been in effect immediately. There would have been no necessity of the ineffective measure which is proposed at this time. Upon that occasion, Mr. President, I offered the following amendment:

Provided, That the President of the United States be, and hereby is, directed to take over for and on behalf of the Government of the United States all distilled liquors that are held in bond at the time this act goes into effect, and he is hereby authorized to pay the owners of such liquors the actual cost of the same plus a profit not exceeding 10 per cent.

At the time that bill was under consideration there were 208,000,000 gallons of distilled spirits in bond. A part of it was bottled, but the great bulk of it was in barrels. The cost of manufacturing that liquor did not exceed 30 to 32 cents per gallon. With a profit of 10 per cent upon it, allowing for the bottling of all that had been so treated, even allowing 75 cents a gallon for all of it, and even though the Government of the United States should never use a gallon of it, it would have cost the people of the United States only $150,000,000. I noticed in the newspapers the other day a list of 52 names of residents of the State of Kentucky alone who, through the sale of distilled spirits at the increased price, have been made millionaires or multimillionaires. The $150,000,000 which it would have cost if the Government had not used a drop of the distilled spirits in bond at that time would have been a mere bagatelle compared to what those men, because of the advanced price, have made out of the people to whom they have sold perhaps one-half of the amount in bond.

At that time it was stated that such action should not be taken because it would interfere with and perhaps bring great financial loss to some of the banking institutions of the country. Mr. President, at that time no bank advanced more than the distilled spirits cost, and under that amendment the Government was to pay actual cost plus a profit of 10 per cent, so that no bank would have lost one cent. The same argument is brought up to-day for our consideration.

I can not say as much upon this point to-day as I could say at that time, for now I understand that the banks have advanced not only the cost of the stuff but greatly increased amounts based on the profits that are expected to be made through its sale. Who pays for it? Every hospital that is now using distilled spirits; the people who use it for medicinal purposes, as well as those who use it for beverage purposes.

Mr. President, it seems to me that the error was made a year ago by not then providing for nation-wide prohibition. I do not consider that the passage of this bill will be a victory for prohibition. I think it will delay the day for national prohibition. I should like to see the bill provide for prohibition now. Everyone of us hopes that before June 30, 1919, this war will be over; and this proposed legislation does not take effect until that time. God grant that the war may be over before that date. Then the same program of endeavor on the part of those who believe in nation-wide prohibition will have to begin over again; the fight will have to be made again from the beginning. New excuses will be invented, and no one can tell how soon national prohibition will be accomplished. I promise, however, now that the people of the United States are going to have nation-wide prohibition. The liquor dealers have received plenty of notice, and from now on I do not want to hear the excuse offered that by immediate action on the part of Congress there will come to these industries a great financial loss.

Mr. WADSWORTH. Mr. President, will the Senator from Utah yield to me?

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I yield.

Mr. WADSWORTH. If the Senator from Utah is now in favor of immediate national prohibition, why did the Senator consent to that clause in the proposed amendment to the Federal Constitution which gives the industry a year in which to adjust itself before the amendment shall take effect?

Mr. SMOOT. I have already said that I was not in favor of the proposed extension of time. So far as I am personally concerned, I will say to the Senator from New York that what I think we ought to do is to provide for immediate prohibition. Evidently, however, there seems to be on the part of the majority, I will say, of this body a willingness to extend the time to June 30, 1919.

Mr. WADSWORTH. The Senator, I think, misunderstands my question. There is a provision in the amendment to the Constitution now pending before the State legislatures which provides that in the event of the amendment being ratified by three-fourths of the States, then another year must elapse before prohibition shall take effect.

Mr. SMOOT. Yes.

Mr. WADSWORTH. And, as I remember, all the Senators who were in favor of national prohibition agreed at that time that it would take at least one year for these industries and for the banks to readjust themselves to prohibition. If it was right then, is it not right now?

Mr. SMOOT. Mr. President, the fact that such a provision was placed in the proposed amendment to the Federal Constitution submitted to the States is no proof that it is right. Legislation is always reached by compromise, particularly such legislation as that; and it is not always passed in the form it should be passed, as everybody knows. There would have been no harm done if the proposed constitutional amendment had been passed in such a form that it would take effect immediately upon its adoption by the necessary number of States; but in order to secure its passage through Congress and in order to meet every objection raised to it, a compromise was finally agreed to granting one year, and a similar lease of life is going to be granted in this instance, so that war prohibition will not take effect until June 30 of next year, and, as I have already stated, I hope the war will be over before that time.

Mr. KIRBY. Mr. President, I feel much inclined not to vote for this amendment. It seems that for a long time the Nation has been ready to dispose of this question finally; it appears that the Senate at a previous session of Congress was ready finally to dispose of it, and attempted to do so by adopting an amendment on the floor here to a particular bill. Twice the question of nation-wide prohibition of the liquor traffic has been postponed within a year and a half and now there is this third lease of life to be granted to it, a third favor to the liquor traffic to be extended to-day. I can see it in no other light.

The pending measure is said to be a war-time prohibition measure, and is supposed to be designed to promote the winning of the war. There are three chief factors in the winning of this war or the promotion of its successful prosecution. Those factors are soldiers, fuel, and transportation. What has been the recognized effect of the liquor traffic or indulgence in liquor upon the soldier and upon the civilian in his transformation into a soldier? We have provided by legislation that there can be no liquor sold within a certain zone around any of the encampments where the boys and men of the Nation are being trained as soldiers. We have provided that no man in all the United States of America, regardless of how many licenses he may have, can sell any liquor or any intoxicating beverage to any soldier or sailor in uniform, and we have provided that the soldiers and sailors must wear their uniforms. That is what we have thought about the baleful effect of whisky and of other liquors and their use upon the soldiers. The soldier, the man in uniform with arms in his hands to uphold the policy of the Nation and protect its interests on the field of battle, is the highest expression of the power of a nation. That shows what we have thought of the effect of liquor upon the soldier.

What has been its effect upon the fuel situation? I am not going to tell you how much fuel we use in this country nor how much is consumed by the breweries; I am not going to tell you how short the fuel supply was last winter; but I am going to tell you that there was such a shortage of fuel as required the closing down of all manufacturing industries for one week last winter in order to save coal that the people might be kept warm.

Let us go a little further into the fuel question and show the favor granted to the liquor traffic. During all the time when the fuel shortage was impending and acute no brewery in the United States of America was compelled to shut down or did close down, while other manufacturing interests and factories in the United States were shut down and closed. That is a fact, as I understand, which has never been disputed.

Let us consider for a moment the food-conservation question. We said that it was necessary, in order to feed our allies and our own Army and our people, that food must be conserved. The use of wheat and wheat products and bread was limited so that citizens were not allowed to use as much as they could buy and afford to pay for, and as much as they had been accustomed to use heretofore. Why? Because the war emergency demanded that it should not be allowed. What was the effect of that? We were forced to use bread substitutes; all kinds of bread substitutes were made and used to feed our people, because the necessity required it. It made no difference how much bread you might need or how much you could afford to buy, you were restricted to 2 ounces of the kind of bread that was permitted to be sold, and you could not buy any more. But there are 40,000,000 bushels of this good grain that could be made into bread manufactured into liquor every year, and you could go into a town where liquor is sold and you could buy one drink of beer or a bottle of beer or a cask or a carload of beer, or all the beer you could pay for. There was no restriction as to amount upon the sale of beer. That is the conservation proposition we have been treated to. The bread-making product was put into beer. You could buy only 2 ounces of bread, but you could buy all the beer you could pay for. There seems to have been some discrimination against the poor man who only desired bread in favor of the other man whose spiritual disposition, in the language of Mr. Bainbridge Colby, toward his work might be improved by the drinking of beer.

How many carloads of grain and how much of obstruction to other traffic there was, I will not go into minutely. The liquor interests have boasted that in normal times they supplied 2½ per cent of the total traffic of all manufacturing industries. The breweries required the transportation of 160,000 carloads of freight every year. I refer briefly to another matter.

There is a man on the Shipping Board in this war emergency who not only believes that the use of intoxicating liquors is conducive to the efficient production of ships, but who believes that it improves the spiritual welfare and attitude of mind of the laborer toward his labor. That man is none other than one Mr. Bainbridge Colby. I voted for his confirmation when it came before the Senate, I suppose. This Mr. Bainbridge Colby came before a committee of the Senate and made a statement about the effect of the prohibition of the liquor traffic and the sale and consumption of liquor on men engaged in this war emergency in the building of ships. and he said it reduced their efficiency about 25 per cent. I quote the following from his statement:

We believe, and it is an opinion formed deliberately after much consultation and interchange of opinion, that the effect of this bit of legislation would be to reduce the efficiency of the workers in the shipyards and to reduce their output of tonnage by a very substantial amount.

A little further along he goes on to say:

But I have heard the statement made by men who are in very close touch with the work going on in shipyards that the diminution in output which they apprehend as the indirect result of this legislation will certainly be 25 per cent.

That is what Mr. Bainbridge Colby says. Let us go a little further and see what else:

And if you realized the pains that we have been to to develop in the shipyards that spiritual attitude toward the work, that morale on the part of the worker, which is a combination of encouragement and reward—

And so forth.

We have actually a man on the Shipping Board, in this war emergency, who thinks the spiritual attitude of the workmen in the building of ships, which are so imperatively needed, is increased and improved by supplying them alcohol and making them drunk.

Mr. VARDAMAN. The spiritual side he is talking about is the spirits—the alcohol.

Mr. KIRBY. I do not understand the nice distinction that this man had in his mind. This Mr. Bainbridge Colby thought so much of this opinion that he came before the Senate committee investigating the subject when this matter was under consideration and made a carefully prepared statement, and the liquor interests, or the editor, thought so much of it that they printed his statement the next day in the Washington Times. Here it is [exhibiting]. Look at it. A full page, with glaring headlines and display type. I do not know whether Mr. Bainbridge Colby handed this statement to the paper or those conducting the liquor traffic for publication before he submitted it to the committee or not, but he talks more like the paid agent of a consolidated brewery than he does like a war-industry captain or a member of the Shipping Board, whose opinion ought to be regarded so far as legislation is concerned.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Iowa?

Mr. KIRBY. Certainly.

Mr. KENYON. May I say to the Senator, in fairness to Mr. Colby, that he afterwards came before the committee and claimed that he was greatly shocked that his evidence was published in the newspapers. It was disclosed that its publication was paid for by Mr. Crane, who, as I remember, is one of the counsel of the brewing industry.

Mr. KIRBY. I should think that Mr. Colby would disclaim any such conduct indicating that he had prepared this statement and handed it out to the saloon interests before he made it to the committee. That statement was published in the Washington Times the next day, and it looks like an advertisement. It is published in large-faced type, but not marked advertisement. It would have been so marked, of course, had it been paid for.

I have been instructed, amused, and diverted frequently by the editorials of the versatile and brilliant but erratic editor of the Washington Times. He very frequently refers to the Holy Scriptures in his editorials, but I suggest that there has been, so far as the editorial policy of his paper is concerned, a singular discrimination in the particular portions of the scriptures that he fails to quote in his articles advocating the continuance of the liquor traffic.

The distinguished Senator from California [Mr. PHELAN] talked about wine and told what a wonderful beverage it is and how cheering and comforting and improving it is to the human race, but I am going to read, on account of his speech, a quotation from an old volume which was held in high regard by the mothers and fathers of this Republic, an old volume whose teachings are still believed in beyond the Halls of the United States Senate among the people of this country who are demanding war-time prohibition of a Senate which is overwhelmingly in favor of it. I am going to read from Proverbs, what are said to be the statements of the wisest man of all times, who had had wide experience, and who certainly acquired wisdom therefrom in addition to being divinely endowed therewith:

29. Who hath woe, who hath sorrow, who hath contentions, who hath babblings, who hath wounds without cause, who hath redness of eyes.
30. They that tarry long at the wine. They that go to seek mixed wine.
31. Look not thou upon the wine when it is red, when it giveth his colour in the cup, when it moveth itself aright.
32. At the last it biteth like a serpent, and stingeth like an adder.

That does not seem to be in accord with the views of the Senator from California. That quotation is taken from Proverbs, and to the Senators who are not familiar with it——

Mr. THOMAS. Mr. President, I think much of the wine produced in California is white wines, and the quotation does not apply to them. [Laughter.]

Mr. KIRBY. That may be so, but the effect seems to be somewhat the same. I intended to quote the particular proverb there, fearing that the Senate might not be altogether familiar or conversant with it; but you have the language, and you probably will be able to find the quotation.

Here is an excerpt from another authority. Headlines: "Doctors Sound Doom of Drink for All Time. Told the Evil Will Not Be Resurrected After the War."

Here is the statement of the president of the American Medical Association. Here is what he says about this favored traffic that has been permitted to engulf, you might say, the people of this country for so long:

There can be no doubt of the injurious effects of alcoholic drinks on both the physical and mental well-being of our population. There can be no doubt that the greatest single factor we can control in the interests of the public health of the Nation would be the elimination of alcoholic drink.

Then he goes on to talk about the evils that have been fastened upon the people of the world by government by autocratic power of the world, and he winds up in this way:

Among these great wrongs, too long tolerated, none has done more injury to mankind than drink. And science and education should eliminate not only the plagues and epidemics but also the curse of drink from the world.

He says it is the greatest injury to the public health that there is or can be. Now, what are the reasons for waiting until next year to put into force this war-time prohibition act? I want to mention just a little more the record made by this other shipyard—not the one that Mr. Bainbridge Colby over here controls, but this other shipyard that built the ship in 27 days and 5 hours, the fastest time in the history of all the world. Mr. Schwab said to the builder of this particular ship: "What is the secret employed in your shipyards that you have done this singularly wonderful thing? What is the secret of such a wonderful performance?" And this man replied, in language more forceful than elegant, "No booze!" Has our other great shipyard ever built a ship in 27 days and 5 hours? No; because the other man, Colby, thinks that you must have alcohol, and you must have wine, and you must have it distributed to and used by the men who are engaged in the work; otherwise you lose 25 per cent of efficiency, he says, and discourage "that spiritual attitude toward the work" which should be encouraged by the use of stimulants and alcoholic liquor.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Mississippi?

Mr. KIRBY. I do.

Mr. VARDAMAN. If the Senator will pardon me, I want to suggest to him that the amendment we are discussing now recognizes the force of his contention by saying that for the conservation of man power in the construction of ships we are going to stop the manufacture and sale of liquor next June. It is all right, apparently, to waste our man power between now and next June, but next June we are going to conserve.

Mr. KIRBY. The Government, both executive and legislative departments, has determined that the efficiency of the soldier is not promoted by the drinking of liquor. It has absolutely prohibited his getting an opportunity to indulge in it. All the great industrial concerns of this country have long recognized this condition and have prohibited the use of it by their operatives in so far as they were able to do it; and the record-breaking shipbuilding concern has said it was enabled to surpass the record of manufacture of all time and make a ship complete in 27 days and 5 hours because there was no booze permitted the employees engaged upon the work.

We need these ships made in 27 days and 5 hours, or 30 days and 5 hours, or as rapidly as they can be made. My own view about it, based on my observation of the liquor traffic and its effect on the human race and the efficiency of the men who indulge in it from the time I first came to notice it up to now, is that we might promote efficiency in shipbuilding not only by having sober workmen, who do not believe that their spiritual attitude toward their work is elevated by the drinking of alcoholic stimulants, but also by having some man in charge of that great industry who also knows that to be the case.

I say to you frankly to-day that if I had had any idea that we had a man on the Shipping Board in charge of that great work who would think that the efficiency of his labor would be reduced 25 per cent by keeping men sober, I would not in a million years have voted for his confirmation.

His testimony has been published here as an argument in favor of the continuance of the liquor traffic for another year on the part of the favored interest which was not required to quit the manufacture of beer last year when other industries were shut down to save fuel; the favored interest which has been allowed to sell a man all the beer he could drink, manufactured and composed of food products, without regard to how much he needed or could use, when that same regulation has prevented a man from buying more than 2 ounces of bread, regardless of how much money he had. The Washington Times published that Colby testimony as a full-page advertisement, and yet did not mark it an advertisement. If it did not publish it as an advertisement, did it publish it as something conducive to the improvement of the Government service, the belief and opinion of experts, that ought to be brought to the attention of the United States Senate in the papers rather than by the report of the committee that had the subject in charge; or did it publish it because it reflected this editor's own individual ideas of what should be done in the way of legislation, or what should be done to protect certain interests? It struck me as so flagrant and outrageous, an atttempted exercise of the influence supposed to be possessed by a man in charge of a great Government institution upon the legislation proposed in the United States Senate that I could not say less about it than I have said here to-day.

Twice we have postponed taking definite and final action here. All the people seem in favor of it, and yet we are again asked to give one year more of life to this traffic, which has been regarded as an outlaw, and subject to police regulation, from the foundation law in the distant past. They say it is not fair to enact such legislation as will prevent the man who is engaged in this traffic from disposing of his liquor. Of course, I do not blame him for wanting to get out without a loss. Why is it not fair? When he engaged in the manufacture of this stuff he knew that it was a business subject to regulation, restriction, and prohibition. He knew that he lived on the license of the Government, and that he could not continue without the license of the Government.

He knew that under all the precedents and under all the authorities and under all the practices, when the time came and the people said by law, "This traffic shall be prohibited," there was no legal obligation upon the part of any government, State, or city to reimburse him for liquor that he had manufactured thinking he would be permitted to sell it.

If we are going to have war-time prohibition in time to conserve food and fuel and conduce to the efficiency of our soldiers and our workmen, it is about time we had it; and if the people of the United States are insistently demanding it and the United States Senate has a two-thirds majority in favor of it, it does not seem to me that there is any necessity for putting it off another year.

Mr. WADSWORTH. Mr. President, before making a few observations on the amendment as a whole may I ask the Senator from Texas what his understanding is of the meaning of this phrase:

> The termination of demobilization, the date of which shall be determined and proclaimed by the President?

As I understand it, "demobilization" in its ordinary sense is descriptive of the period of time following the war during which the soldiers of the recent belligerents shall have all been discharged and gone to their homes. Is that the understanding of the Senator from Texas?

Mr. SHEPPARD. All those who serve for the particular period of this emergency, as I understand; all except the Regular Army.

Mr. WADSWORTH. Yes. What is the Senator's idea—and he may answer, if he is willing to, in my time—of the duration of this demobilization period, before it is accomplished, after this war is over? May I say, as illustrating the information I want to get, that it is to be fairly assumed that we will have 4,000,000 men in the United States Army, all of them enlisted for the period of the war, overseas at the end of this war, and that the demobilization, of course, can not be complete until they are all brought home and discharged and sent to their homes, which may take two years. It will have taken more than two years to get them over there; it certainly will take at least one year and perhaps two years to bring them back. Does the Senator believe that that phrase, "the termination of demobilization," is a wise one to put in this bill?

Mr. SHEPPARD. It was put in with a view to the probability that the war might end much sooner than we thought.

Mr. WADSWORTH. Oh! Then this is something more than war prohibition?

Mr. SHEPPARD. No; I consider the period of demobilization a part of the war. It is the necessary aftermath of the war.

Mr. WADSWORTH. The Senator has just said it was put in with the idea that the war might end a little sooner than was anticipated.

Mr. SHEPPARD. I meant by that the termination of actual hostilities.

Mr. WADSWORTH. But may I suggest, Mr. President, that if this is in fact, as it is claimed to be, a war prohibition measure and is being urged upon that ground, there can not be much strength to the contention that it should be continued in force for a year or 18 months after the war has ceased.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Idaho?

Mr. WADSWORTH. I do.

Mr. BORAH. Technically, of course, the war ceases with the actual conflict; but so far as prohibition is concerned it would be quite as necessary to protect the situation until demobilization as in actual conflict.

Mr. WADSWORTH. No, Mr. President; the soldiers are protected from the liquor traffic in any event.

Mr. BORAH. They are if they are stationed at particular points.

Mr. WADSWORTH. They are protected while in uniform.

Mr. SMITH of Michigan. In Europe?

Mr. BORAH. I saw an article in the New York Times the other day which demonstrated very thoroughly that they are not protected when they are in uniform if they are in people's houses, and it was a very urgent plea upon the part of an officer that the people who invited them to their houses cease giving them liquor.

Mr. WADSWORTH. I am not prepared to answer the suggestion of the Senator from Idaho, but I fail to see wherein this bill gives the slightest relief to that situation.

Mr. BORAH. Perhaps not that particular situation, but numerous instances might arise where it would be just as essential to protect the situation of the men until they were back at home as it was during the time they were actually a part of the fighting forces.

Mr. WADSWORTH. My purpose in making the inquiry was this, in brief: I understand that this legislation has been pressed because it is believed, and confidently believed, that it will be conducive to the productive energies of the United States in support of the war; and yet I find upon reading the amendment—which, although I am a member of the committee, I never saw until just now—that it is to continue in effect for at least a year or 18 months after the productive energies of the United States are no longer needed for the waging of the war. I ask the Senator from Texas to explain why that was put in, and he answers: "It was put in because we believed it possible that the war might end sooner than we anticipated." Therefore I believe my contention is right when I say that this is much more than a war prohibition measure. Further than that, Mr. President, the fact that its application is postponed until June 30, 1919, brands it as scarcely war prohibition at all. There can be no question whatsoever about it. As a war prohibition measure, Senators, this bill is a fake.

Mr. BORAH. Mr. President, the Senator is making a suggestion now which finds a great deal of response in my mind; and if those who are in favor of making it a war prohibition measure, together with the men who entertain the views of the able Senator from New York, will stand together we will put it in operation long before the 30th of June, 1919. I think it ought to go into operation just as soon as it is possible to pass it through the Senate and make it operative.

Mr. WADSWORTH. My purpose in making that observation was not to indulge in an argument upon prohibition but to expose this bill, for it is labeled "war prohibition" and it is not war prohibition; it will be advertised as war prohibition, and campaigns will be waged with this as an issue, and many will seek votes upon it.

Mr. President, this legislation has had a very peculiar history. I have been a member of the Committee on Agriculture and Forestry during most of the discussion of this topic. With some of the proposals—not with all, but with some of the proposals—I have been in sympathy, and have so stated before the committee, and upon a prior occasion in the Senate, and before the public. But as the months have gone by, Mr. President, and one suggestion after another has been made by different proponents of this kind of legislation, the attitude of mind or the details upon which they have agreed from time to time, I notice, has constantly changed. There has been no stability of opinion on the part of the backers of this kind of legislation.

First it was suggested—and I supported the suggestion—that the manufacture of distilled spirits should be prevented in the United States during this war. I would go further. I would have gone further then, and so stated upon the floor of the Senate. I would have voted then for the prohibition of the sale of distilled spirits during this war and for all time to come in the United States. That position was frankly taken, but that, apparently, was further than the proponents of prohibition, generally speaking, were willing to go, for some reason or other, I know not what; and the Congress, in which they had a majority in both Houses, confined its action to the prohibition of the manufacture of distilled spirits during this war, and gave to the President the right, in his discretion, to prohibit the manufacture of beer and wine or to limit the alcoholic content of those beverages. The President has exercised that discretion with respect to the alcoholic content of beer, having reduced it to 2¾ per cent.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Colorado?

Mr. WADSWORTH. I yield.

Mr. THOMAS. If the Senator will notice the last clause of this amendment, he will observe that it in express terms continues in force section 15 of the so-called food-conservation law. The two seem to me to be inconsistent. If I am correct in regard to that conclusion, then does it not follow that this is not a war-prohibition measure, for the reason that it contains a clause which defeats itself by preserving to the President all the authority and discretion with which he was heretofore clothed under the food-conservation act?

Mr. WADSWORTH. The Senator from Colorado has but confirmed my estimate of this bill. Discretion will still lie in the hands of the President to further reduce the alcoholic content of beer, or to prohibit its manufacture altogether until May next.

Mr. THOMAS. Or to permit its manufacture.

Mr. WADSWORTH. Or to permit its manufacture; yes; and the same with wine. But following the action of the Congress last year, which was then accepted, I believe, by a very large number of people in the United States as the wisest solution which the friends of prohibition had to offer, and which they themselves never denounced, of which they themselves for some time thereafter apparently were exceedingly proud, new suggestions began to be made, some of them indicating a lack of confidence in the President, in that he had not exercised the discretion placed in his hands by them in a manner which would be conducive to the further advertising of this movement.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nebraska?

Mr. WADSWORTH. I yield.

Mr. NORRIS. The Senator, as he says, is a member of the committee that reported the food act that contained the proviso he is talking about. I want to ask the Senator if it is not true that that committee, before it reported the provision giving this power to the President, had reported, after an extended hearing, an absolute prohibition against the use of cereals and other foods in the manufacture of beer; and is it not true that after that action was taken, at the request of the President himself that committee was reassembled, and, following out that request of the President, that action was reconsidered, and the particular language was put in that has been in the food act ever since?

I want to say to the Senator that I was one member of the committee who voted in favor of reporting out the first absolute prohibition, and I was against reconsideration, and was opposed to its modification so as to give to the President the power to prohibit, instead of enacting it as a statute on the part of Congress.

Have I not stated the true analysis and history of that particular legislation?

Mr. WADSWORTH. The Senator from Nebraska has described it accurately; but he does not, to my mind, quite account for the present situation. The Senator says very truly that the friends of war prohibition last year yielded to the request of the President to the extent that they left beer and wine alone and left that matter in his discretion to regulate; that the friends of prohibition yielded to the President's request. Since then the same friends of prohibition have agitated and agitated and agitated for actual war-time prohibition by act of Congress, and yet when the time comes when they can put it through they once more yield to the request of the President and bring in a bill which is not war-time prohibition.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

The PRESIDING OFFICER. Does the Senator from New York further yield to the Senator from Nebraska?

Mr. WADSWORTH. I do.

Mr. NORRIS. I want to ask the Senator if, in his judgment, there is any inconsistency in the position taken by Members of the Senate or of Congress who were opposed to reconsidering that positive legislation and giving the power to the President instead of making it a real law, in advocating, even after that was done, the enactment of a more drastic prohibitory war measure?

Mr. WADSWORTH. Mr. President, I would not label it inconsistency. I believe that men have a right to change their minds and to move on toward a better condition of affairs if such a proposal appeals to them, and I am not criticizing the men who yielded last year.

Mr. NORRIS. The Senator does not understand my question. I am not speaking of those who yielded. The Senator speaks of this agitation. At least those who did not yield are not inconsistent, it seems to me.

Mr. WADSWORTH. Oh, no, no.

Mr. NORRIS. Those are the ones I am speaking for.

Mr. WADSWORTH. But the fact remains that, wisely or unwisely, the legislation now before the Senate can not be truthfully and accurately described as a war-time prohibition measure. The Senator from Washington [Mr. JONES] has read a letter, a very touching one, illustrative of the necessity of war-time prohibition. I am in very deep sympathy with the sentiments expressed by the author of that letter, who asks, in effect, the aid of the Congress to save a man from the curse of liquor, particularly while the war is going on; and yet this bill subjects that man to the curse of liquor until June 30, 1919. So I say this bill is falsely labeled and it should be so understood.

I am not in agreement with all of the proposals that have been made by the friends of prohibition. I have stated so before. I recognize, however, some of the very, very grave evils incident to the liquor traffic. From the bottom of my heart I wish that they could be eliminated. My convictions as to how they might be best eliminated, most permanently eliminated, and the whole question removed from the political field, are not entertained by the majority of this body. I can not help observing that under the terms of this amendment as now proposed and as offered by the Senator from Texas, the most innocent people of all in any way connected, remotely or directly, with the so-called liquor traffic—the people who are engaged in that branch of it which is harmless—are the only ones hurt. I refer to the men who till the soil in the raising of wine grapes. Their crop of this year, now ripening upon the vines, if this bill passes can not be sold—that is conceded—and their year of labor is gone, their investment is ruined; and they are the only people who will inevitably suffer any serious financial catastrophe by reason of the passage of this act.

Mr. THOMAS. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Colorado.

Mr. THOMAS. Is not the Senator mistaken in that suggestion? Would not the Government of the United States lose a very large revenue consequent upon the destruction of this crop?

Mr. WADSWORTH. I was not regarding the Government as the people in this discussion. Of course, it will have a direct effect upon the Treasury.

Mr. BORAH. Mr. President——

Mr. WADSWORTH. I had reference to the different groups of people, good or bad, all human beings nevertheless, trying to make a little estimate as to the imperative treatment that Congress now threatens to give them. I yield to the Senator from Idaho.

Mr. BORAH. Do I understand the Senator to state that the banks and financial institutions which are supposed to have been very much interested in this bill are fully protected from any possible injury under the bill?

Mr. WADSWORTH. No; I do not believe they are fully relieved from possible injury. The testimony on that point is somewhat conflicting. The Committee on Agriculture was told yesterday that the Comptroller of the Currency believes that six or seven months would be a sufficient length of time during which the banks might readjust their loans and financial connections with the distilling trade. I am not sure that that is long enough. It may be. The bill gives them that length of time. The banks say it will take another six months, but there is a conflict of testimony on that point. At least, they get six or eight months. But the farmers who appeared before the Agricultural Committee yesterday from the grape district in New York, whose grapes are now ripening upon the vines, and who are entirely and utterly dependent upon the marketing of this year's crop for their ability to pay their notes to the local grocery stores and meat markets and to go through the coming winter, are absolutely ruined by this bill because they can not sell their crop; and they are the only people who are hurt.

Mr. BORAH. When in the course of human events could you ever enact a prohibition bill without its affecting some one at the tail end of the controversy? That is one reason why those in favor of prohibition have been permitting this postponement and that extension and this modification and that modificaton to take place. Now, there must come a time some time, if we are going to have it at all, when it must be effectuated, and at that time if people continue to engage in the industry undoubtedly some one will get hurt. How would the Senator from New York deal with the situation at this time, assuming, as I do, that the Senator from New York wants war-time prohibition? How would he effectuate it? I will vote for any bill the Senator from New York will suggest which will effectuate war-time prohibition, and just as quickly as the Senator wants it, if he wants it as quickly as I think he does from his words. I would myself be glad to put it into effect at once. I do not like this substitute.

Mr. WADSWORTH. The Senator from Idaho has made an assumption and used a definition which may be misunderstood. I am heartily in favor of war-time temperance. I do not believe you will ever get war-time or peace-time prohibition in the sense that term is generally used, and I am not willing to support a provision that is labeled that way when I know it can not be brought about. The Senator asks me what I would suggest. I believe the trouble with this whole discussion of temperance and prohibition from its beginning has been that people have not approached it with a due sense of proportion. Certain descriptive terms have come into colloquial use in connection with the liquor question which are given universal application, and the crusade or campaign—I do not mean to deride it when I use the word "crusade"—the campaign has been characterized by the use of those terms, and no distinction made whatsoever between the different types and kinds of beverages which contain in a greater or less degree some alcohol. Everything is put down under the one term "booze." That very term has been used here on the floor of the Senate this afternoon.

My contention is this: In the interest of temperance or in the interest of war-time prohibition, if I may use that term in the sense that I mean it, the consumption of wine in this country is no part of the liquor question and never has been and never will be. The consumption of wine does not fill our almshouses; it does not fill our jails; it does not lead men to commit crime or brutalize their families. It does not become a habit. The trouble is that Congress in approaching these things has not taken into account that all the beverages should not be considered upon the same plane.

If I had my way about it, I would amend the bill, if I could, so as to permit the sale of wine. It would not injure a single shipyard. Everybody knows that it is perfect nonsense to say that the consumption of wine in this country is conducive to public intoxication and drunkenness. Look at France. The whole population drinks wine, down to little children 5 or 6 years old. I have seen them doing it myself in their open cafés.

Mr. BORAH and Mr. VARDAMAN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. WADSWORTH. I yield to the Senator from Idaho.

Mr. BORAH. Suppose I agree with the Senator on the proposition which he has just advanced, that wine ought to stand in a separate classification, the question is, How are we going to reach it? Is the Senator and those who think with him willing to join us in putting through immediate war-time prohibition as to all liquors except wine?

Mr. WADSWORTH. I will be perfectly frank with the Senator. If I had my own way I would class beer with wine and would put prohibition on whisky, whence the evil comes.

Mr. BORAH. I am perfectly willing to agree that whisky is more injurious than beer, but I think nevertheless that beer has its evils, and I would not want to except beer. I understand, then, the Senator would prefer, if he had his way, to except or exclude both beer and wine.

Mr. WADSWORTH. Yes; if I had my way.

Mr. BORAH. Of course, that makes it impossible for the Senator and I to agree.

Mr. WADSWORTH. We came pretty close to it.

Mr. President, I did not mean to embark on a discussion which is really not related to this bill, but I will say very frankly to Senators I have been hoping for a good many years that we could, all of us, approach this question with minds a little bit more open and not quite so filled with prejudice one way or the other. I hate the terms "wet" and "dry." They are not descriptive of common sense on either side of this question.

It has been my privilege to observe certain foreign peoples in traveling through their countries, and I never saw a drunken native. I found on inquiry it was because they were wine-drinking people. As soon as one gets into a country where distilled spirits are the habit of any number of people, then you encounter drunkenness and the liquor question injected into politics. I have believed for a long time, and I believe to-day, if the Senator from Idaho has any curiosity to know my views on the question of prohibition and the temperance question generally, if we would drive out the distilled spirits, that kind of drinking which causes maniacs to fill our asylums upon occasion, that becomes a settled and fixed habit which the victim can not throw off, that causes crime and misery and distress, you will never hear of the liquor question in or out of politics again in the United States, because there is nothing inherently vicious, inherently dangerous, wicked, or injurious in the consumption of other beverages as they are consumed by the French people and the Italian people.

Mr. BORAH. Will the Senator go so far as to say that beer is a food product and ought to be produced during the war?

Mr. WADSWORTH. A food product?

Mr. BORAH. Yes. Would it not be a conservation of food products and fuel to prohibit the manufacture of beer?

Mr. WADSWORTH. A minute drop in the bucket.

Mr. BORAH. No; I do not think so. The figures do not show that. Take the amount of coal alone which is used in the manufacture of beer and it is a tremendous item, especially when you see breweries running and schools closed for want of coal.

Mr. WADSWORTH. I agree with the Senator from Idaho and some of the comments of the Senator from Arkansas on the method in which this conservation program has been managed during this war with respect to beer and bread. It was within the power of the Federal Government to prevent the manufacture of beer, and it is now. Why is it not done as a food-conservation measure?

Mr. BORAH. If they do not see fit to do it, does not the duty devolve on us to see that it is done now? Because the Federal administrator of the law has fallen down in the execution of the law it seems all the more an argument why we should enact a different law and one which would compel the conservation of food and fuel.

Mr. WADSWORTH. If I were persuaded, even in a slight degree, that it was necessary for food conservation to prevent the manufacture of beer, I would vote to do it; but I notice the Food Administrator has sent out a notice that on September 1 next, if I remember the date correctly, the restriction on the use of wheat flour will no longer be necessary.

Mr. BORAH. He may do a good many things, but he is not a prophet. Nobody knows what will be necessary. We know this much, that we are running close to the edge upon all these propositions, and we know, if we know anything at all, that this winter will be a severe test upon the entire situation, industrially and economically, and in every other way, for that matter; and in all probability, if the United States breaks down anywhere, it will be in the industrial situation rather than in man power on the western front. We know that last winter, at a time when the schools were closed and when dwelling houses were cold and children were in need of warmth, the breweries were running at full tilt, with their full supply of coal. The Congress of the United States has no justification to permit that to continue simply because the Food Administrator did permit it to continue.

Mr. WADSWORTH. I am in sympathy with the observations made by the Senator from Idaho as to the question of coal supply as well as bread supply.

There is one provision of this amendment which I think is very valuable, and that is the proviso which permits the President of

the United States to mark out certain zones around mines and munition plants. To my mind, it is the only constructive thing of value in the bill. I see nothing else in the bill that will be of any immediate use to the people of the United States.

Mr. VARDAMAN. Will the Senator allow me?

Mr. WADSWORTH. I yield to the Senator.

Mr. VARDAMAN. If it is necessary for the public good to give the President the power to prohibit the sale of liquor in certain zones and the President exercises that power, why should not that apply to the whole country? It is not alone a question of what effect it may have upon the people in that particular zone, but upon the people of America. It applies to the whole country quite as much as it would apply to a particular zone.

Mr. WADSWORTH. No, Mr. President; I can not quite agree with the Senator on that point. I believe the conditions differ in different parts of the country.

Mr. VARDAMAN. The Senator knows that the steady use of alcoholic drink is detrimental to human beings. It lessens their efficiency; it is hurtful. If it is hurtful in the mines, hurtful in the munition plants, it must be so in the ordinary vocations of life.

Mr. WADSWORTH. It depends entirely upon the character of the sale, the quantity that is sold, how it is consumed, the nature of the neighborhood, the character of the population. You can not draw a rigid rule over the backs of a hundred million people. That is the only way I can answer the question of the Senator from Mississippi and explain my own view about it.

Mr. VARDAMAN. I should like to have the Senator point out to me where it does any good. If it does no good, it does harm, wherever it is used, in my judgment.

Mr. WADSWORTH. There are certain elements that are exceedingly harmful; there is no question about it. I am glad the amendment at least contains that provision. It will authorize the President any time before June 30 next to cure any situation which turns out to be a bad one, wherever it is, adjacent to munition plants, shipyards, or mines. I repeat, I think that is the one feature of the amendment, the only feature of the amendment, which can have any immediate beneficial effect upon the United States in the prosecution of the war. Whatever other beneficial effect will come can not come before June 30 next, and, in my judgment, will not be as beneficial as some of its proponents believe.

Mr. NORRIS. Mr. President, I presume the substitute offered by the Senator from Texas will be agreed to, and I am rather inclined to believe that it is probably the best solution of the question that under all circumstances can be obtained by those who believe in what is ordinarily called war prohibition. Personally, I have been opposed to the making of this compromise and the extension of this time.

Mr. President, when we are all united in a determination, firm and conclusive, to do everything within our power and to require everything to be done within our power for the winning of the war, for a victorious winning of the war, it seems to me that when we are told, and told truthfully, all over the country and on almost every billboard at every street corner that "food will win the war; do not waste it"; when we are reminded dozens of times every day of the importance of food, its production, and its conservation in this great struggle; when we realize the truth of it, when we study the question and reach the conclusion we must all reach—that the production and the conservation of food are necessary for victory—when we do all that, Mr. President, it seems to me we must reach the inevitable conclusion that the wasting of food in the manufacture of intoxicating liquors is an economic and a moral sin. When we realize that fuel is a necessary thing, that we must have it not only to win the war but to keep our people warm so that they may live during the winter, and then realize that millions of tons of it are used in the production of this worse than useless product, we can not reach any other conclusion than that it is the duty of patriotic men to prevent this waste, and prevent it as soon as possible.

When we realize that one of the other great questions in connection with this war is the transportation question, and that we are short of cars and other means of transportation, and that our people's lives even are dependent upon it, that the welfare of our soldiers and their protection are dependent upon it, must we not reach the conclusion that it is our duty to prevent the use of all means of transportation in carrying intoxicating liquors from one portion of the country to another?

These things are vital, they are necessary; and yet, as has been said by the Senator from Idaho [Mr. BORAH], the schools are closed, our children deprived of the right of an education, temporarily, at least, in order that we may carry on the war. I am not finding fault with that. I can conceive of a time when every school must close—and they must be closed if it is necessary to win the war—but by the side of the schoolhouse with its closed doors is the brewery using hundreds of thousands of tons of coal every year in the production of beer.

Why this discrimination? Why shall we bend every energy in every direction as a war proposition and lie down in the face of the men who are engaged in the liquor business?

Mr. President, no one wants to do an injustice to any man. No one wants to take any action here that will be unjust to the man engaged in the liquor business. That accounts for some of the changes in the various amendments that have been proposed. Others have come about like this one now, because of the parliamentary situation, where those who believe it are driven almost in desperation to accept something rather than to get, probably, nothing.

Mr. VARDAMAN. I should like to ask the Senator, What is there in the parliamentary situation that compels anybody to submit to this miserable makeshift, this miserable surrender to the brewers, to sacrifice the men, women, and children of this country that they may continue to make profits?

Mr. NORRIS. I was going to discuss the parliamentary situation.

Mr. VARDAMAN. I wish the Senator would.

Mr. NORRIS. I did not want to do it right now; but since the Senator has asked me the question, instead of going into another branch of the subject I would just as lief take it up now and discuss it.

The Agricultural appropriation or food-control bill became a law over a year ago. It passed the Senate considerably over a year ago—perhaps 14 or 15 months ago. When it came before the Committee on Agriculture we took it up. We had hearings on the proposition of putting in a provision that would prohibit the use of foodstuffs and cereals in the manufacture of intoxicating liquors. We had extended hearings. We heard brewers from all over the country, and after those hearings and after a spirited contest in the committee we put that kind of a provision in the food-control act.

But after that action had been taken the President did not agree with the committee or its action, and at his request the committee reassembled and put in the provision that is now in the law and has been in the law ever since the food-control act was enacted, which gives to the President the power to change the alcoholic content and to prohibit the use of foodstuffs entirely in the manufacture of liquor at any time he sees fit. He has had that power ever since the act was passed.

Now, following that came this bill. It passed the House. It was taken up by the Committee on Agriculture in June, and we were told by the acting chairman of that committee when we assembled to consider the bill that it was a war measure; that we must support it and get it passed before the 1st day of July; that it was necessary to do it at once, and we did it at once. We ordered it reported that day, but we put in an amendment prohibiting the use of foods and cereals in the manufacture of intoxicating liquors.

Immediately haste disappeared. The committee was reassembled and that action reconsidered, like it was before in the food act. Then it was decided to have hearings. So it went on until from that time on hearings at various times were held, and delays came along, and the bill was not reported to the Senate until long after those who were so urgent about it as being a war measure expected to have it not only reported but passed.

Then the Senate will remember that the debate commenced on this bill. I will not call it a filibuster, although that would not be inappropriate, but it was a debate that lasted for days, not on the amendment, but everybody knew the debate was taking place because a prohibitory amendment was in the bill. It became apparent that an attempt was being made to kill the bill by dilatory tactics—this bill that originally had been proclaimed as a war measure all because it contained a prohibitory amendment. Then came the recess.

Now, suppose it passed as the committee reported this prohibitory amendment before the recess and that in that form it goes to conference. Does not everybody know, does not the Senator from Mississippi know, that it will be within the power of two or three men to hold up the conference report? Does he not know that the opponents can select these men? Does he not know that this bill, unless this compromise is agreed upon, probably will not get through the Senate in the next four weeks? Does he not know when it gets into conference it will not probably get out of conference until Congress adjourns? Those things may not happen, but they are possibilities. I think they are probabilities. I fear they are almost certainties. It has been thought best by those who favor it that this compromise should be accepted for fear that we will get nothing if we do not accept it.

In connection with that I want to take up the compromise amendment. I want to take up one provision of it. That reminds me, and I am calling the attention of the Senate to it now for that reason, that it has some redeeming features. The amendment of the committee for which this is offered as a substitute has war-time prohibition commencing on the 30th day of next January and ending with the close of the war. The substitute has war-time prohibition commencing on the 30th day of June, 1919, and extending beyond the war to the close of demobilization, which will in all probability mean from two to three years after the actual war is over, which will without any doubt run up to if not away beyond the time when we will have national prohibition by the adoption and going into effect of the national prohibitory amendment. In this respect it is better than the committee amendment. It does not commence so soon—not soon enough to suit me—but it will run much longer.

So it has some redeeming features. I do not like the idea of postponing it. I should like to see it go into effect sooner. I think it could go into effect according to the committee amendment that was proposed before the recess—on the 1st day of next January—without doing any financial injury.

The committee had some hearings on that subject, and among others a committee of bankers from New York City came here, and I think they made a great impression on the committee. I know they did on me. There was not anybody on the committee who wanted to bring on a financial panic or wanted to injure anybody financially. We were told that large amounts of money were loaned on the whisky in bond, and that when we made it illegal and impossible to take whisky out of bond men holding this kind of securities, of course, could not realize on it. We all knew that, and that it practically compelled those having that kind of securities to act within the short time we allowed or to lose their securities and perhaps the money they had invested. We were given to understand that these amounts were enormous, that it meant the closing of hundreds of bank doors, that with their financial connections it would undoubtedly bring on a financial panic and a run on all the banks of the country, and they presented a picture that made us hesitate.

After that hearing I thought I would try to ascertain the truth in regard to the financial condition surrounding the matter and I wrote a letter to the Comptroller of the Currency, of which I desire to read a copy to the Senate. On the 3d day of July, 1918, I addressed to the comptroller this letter:

JULY 3, 1918.

Hon. JOHN SKELTON WILLIAMS,
Comptroller of the Currency,
Treasury Department.

DEAR MR. WILLIAMS: I would like to know how much money is loaned, particularly by the banks, upon whisky now in bond. It has been represented to members of the Committee on Agriculture of the Senate, by a committee of bankers, that there is a very large amount of money loaned by the banks upon this whisky, and that many banks have loaned on such security a very large proportion of their assets. I would like to know how much is thus loaned and what proportion of the assets of the banks has been loaned in this way. If Congress prohibited the sale of whisky and the taking of whisky out of bond, what effect would such action have upon the banks? Would it make it necessary for any of such banks to close their doors? Would there be any other financial institutions connected with the banks but having no direct loans on whisky in bond so affected? If there is any danger of this kind, how long a time would it take for the banks to collect these loans and arrange their business so as to avoid any financial difficulty? In other words, if Congress desires to prohibit the sale of whisky as a beverage and the taking of such whisky out of bond, how much time should be given in order to avoid any financial difficulty?

Thanking you in advance for an early response, I am

Very truly, yours,

G. W. NORRIS.

On the 16th day of July the comptroller answered that letter as follows:

COMPTROLLER OF THE CURRENCY,
Washington, July 16, 1918.

MY DEAR SENATOR: I have your letter of the 3d instant inquiring as to the amount of money loaned by banks on whisky held in bond, but I regret to advise you that we do not have any comprehensive statistics on this subject.

I did, however, obtain in March of this year a statement as to the loans made by the national banks of Louisville, Ky.—which, as you of course know, is one of the largest distilling centers in the country—to whisky interests, directly or indirectly, secured and unsecured.

This statement showed that the national banks of Louisville, which on March 4, 1918, had combined capital of $4,995,000 and combined surplus of $2,835,000, had outstanding loans to whisky interests as follows:

Direct loans secured by collateral	$894,320
Direct loans not secured by collateral	307,590
Commercial paper secured by collateral	757,922
Commercial paper not secured by collateral	180,942
Total	2,240,774

The total loans of these banks on March 4, 1918, amounted to $41,517,000.

It may reasonably be presumed that the banks in other distilling centers also have comparatively large amounts loaned to the whisky interests on the security of receipts covering whisky held in bond and otherwise.

While legislation prohibiting the sale of whisky and the withdrawal of whisky from bond during the period of the war would probably result in the tying up during that period of funds of banks invested in loans of the character mentioned, I do not believe that any of the national banks would be forced to close their doors on that account.

It would seem to me advisable that such legislation as is proposed should provide that a period of, say, six months should elapse before the prohibition should become effective. I believe this would be a reasonable length of time to allow for the necessary adjustment.

Sincerely, yours,

JOHN SKELTON WILLIAMS.

Hon. G. W. NORRIS,
United States Senate, Washington, D. C.

Mr. VARDAMAN. What is the date of that letter?

Mr. NORRIS. It is dated July 16, 1918.

Mr. President, it seems to me that that disposes of the objection that the financial interests are so involved, through the banks, in the whisky business and that war-time prohibition would bring financial disaster to the country or to any of the banks. You will note that in the city of Louisville the national banks had total loans amounting to $41,517,000, and that just a little over $2,000,000 of that $41,517,000 was loaned, directly and indirectly, on whisky. With six months' time, as suggested by the Comptroller of the Currency, there can be no doubt that all those banks would be able to save themselves without any difficulty or danger whatever.

I could favor this substitute only on the theory that it is the best that can be obtained at this time.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Mississippi?

Mr. NORRIS. I yield.

Mr. VARDAMAN. I desire to ask the Senator whether he does not feel that it would be worth while to try and see whether or not this is the best which can be obtained?

Mr. NORRIS. Yes.

Mr. VARDAMAN. Let the Senate vote upon the matter and see whether it will postpone the time when the law shall go into effect.

Mr. NORRIS. I remember what happened in reference to the wheat amendment on the Agricultural bill, where the bill went into conference early in April and never came out until July; when all the items except that one were agreed to within a day or two after the conference began; when merely by the power of numbers the House conferees refused to do anything and held the matter intact without anything being done. That can also be done with this bill.

Mr. VARDAMAN. But we shall get no immediate relief by the passage of this bill.

Mr. NORRIS. I understand that; I am not going to argue that with the Senator; I dislike that just as much as he does; but, as I have said to him, we shall, on the other end, get more relief than we will under the other proposition, and that will not conserve the food, in which I am particularly interested. I think the legislation ought to go into effect much sooner.

Mr. VARDAMAN. I wish the Senator from Nebraska would throw the weight of his influence and his vote in that direction and would let us see if we can not put the law into effect much sooner and not surrender to the demand which has come in here to postpone it. As a matter of fact, I do not look for any war prohibition at all under this bill. The probabilities are that when the time comes some revenue or other contingency will arise which will postpone the date of the legislation taking effect still further.

Mr. NORRIS. If this bill goes into effect this is what it will accomplish, in my judgment: It will mean absolute prohibition after the 30th of June next up to the time when the constitutional amendment goes into effect, because it will not only mean prohibition from June 30 during the war, but it will mean prohibition during demobilization, which, as I understand, will mean after our troops shall have been brought back and sent home. With the ships at our disposal it will be a physical impossibility for that to take place in less than two years, at least, as I understand. So that, so far as the prohibitory part of the law is concerned, there is not any doubt that it will hold its sway until the national prohibition amendment, which it is conceded will be ratified by a sufficient number of the States next spring, goes into effect, which will be one year after it has been approved by a sufficient number of the legislatures. I would rather have it the other way; I would rather that the war-time prohibition should go into effect on the 30th day of December next, as the committee reported it; but I fear from our experience as to legislation that is opposed as this is, both in and out of official life, that the danger is that this Congress would adjourn without any prohibition legislation whatever.

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Mississippi?

Mr. NORRIS. Yes.

Mr. VARDAMAN. Would not the Congress have an opportunity to take the matter up again this winter?

Mr. NORRIS. I did not hear the Senator.

Mr. VARDAMAN. I say, if we can not now get what we want and what the Senator from Nebraska desires, if Congress should adjourn without the passage of a bill putting prohibition into effect on the 1st of December next, we would have time at the session next winter to enact such legislation.

Mr. NORRIS. The Senator from Mississippi does not expect to accomplish anything at that time, does he?

Mr. VARDAMAN. We have everything to gain and nothing to lose by fighting.

Mr. NORRIS. Yes; but the Senator knows in advance that if this legislation is not passed at this session there will be no opportunity to pass such a bill in the short session of Congress; that will be practically an impossibility. If the Senator will look over the history of such legislation from the beginning and remember what we have accomplished—we have accomplished something, it is true—he will find that we have not accomplished what those who believe in war-time prohibition and conservation desire to accomplish. What headway we have made, the Senator will realize, is the result of our endeavors embracing nearly two years, and that as yet we have not got much, if anything, as the result of our efforts.

Mr. VARDAMAN. If the Senator will pardon me another interruption, I desire to say that I think it would be better to let the responsibility rest with those who defeat prohibition legislation and to go on and fight for something that means some advantage to the people and to the Government by putting a law into effect at once or as early as it can be done.

Mr. NORRIS. Well, I believe that we ought to try to be practical, and, as I said before, in the conferences which have gone on personally I have objected to this compromise; I have not been in favor of agreeing to such legislation; and yet I may be wrong and the others may be right. I know they are acting in good faith and doing what they believe to be the best. Looking at it fairly, I can not help but admit that probably, judging from our past experience and what we know the present condition to be and the powers that are fighting us, they are probably right and that we will not be able to get anything other than that which is now proposed. I would rather, therefore, get this, for I think it will be a great deal accomplished. It means, in my judgment, the end of whisky and of the liquor traffic on the 30th day of June next forever. I do not think there is any doubt about that; and that is worth much, even if it does not commence as soon as it should.

Mr. President, the argument has been made that men want their beer and wine and that they will be dissatisfied if they do not get them. We are giving up our bread; we are surrendering food; we are eating less butter, less meat, and using less flour; we are conserving everywhere; we are working night and day to produce precious food; all over the country millions of patriotic men and women are bending their backs in honest toil to produce food, and we are asked to conserve it after it is produced. Is it asking too much when you call upon our citizens to eat less bread, to ask them also to drink less beer and less whisky, in order that we may have more food and have more efficiency in the coal mines, in the shipyards, in the navy yards, and in all the factories where men are working day and night to produce the necessary things to equip and to sustain our soldiers in their brave undertaking? Is it too much to say that the men who have their money invested in whisky and in breweries must also do their part, even though it may discommode them somewhat in a financial way?

To win this war we are willing to sacrifice in every way. Why not ask the liquor men to sacrifice some of their gains in order that the hungry may have more food, that the workman may be more efficient, that the schoolroom may be warmed instead of the brewery, and that the soldier may be better supplied with all the materials necessary to bring to our flag a brilliant and glorious victory?

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from California [Mr. PHELAN] to the amendment of the Senator from Texas [Mr. SHEPPARD]. [Putting the question.] By the sound the noes seem to have it.

Mr. PHELAN. I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from California demands the yeas and nays. The Senator from California will please submit his amendment in writing, or, if it is not in writing, will the Senator please state it? The Secretary states that he has not a copy of the amendment.

Mr. PHELAN. I may have to state it. I find, Mr. President, some one has removed from my desk the typewritten copy of the amendment which I had.

Mr. PENROSE. It has been read, and I think it is understood by the Senate. Let us have a vote on it.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from California to the amendment offered by the Senator from Texas.

Mr. PHELAN. I ask that it be stated; otherwise, I will state it myself.

The PRESIDING OFFICER. Let the Senator from California state it, because the Secretary informs the Chair that he has not the amendment.

Mr. PHELAN. The amendment of the Senator from Texas provides that after June 30, 1919, there shall be no sale of beer or wine. That is in the body of the amendment. I have moved to amend by changing 1919 to 1920. That will give the wine and beer industries an opportunity to sell the existing product as of May 1, 1919, within that period. I do not think the Senate is thoroughly informed, as this is a typewritten amendment, and therefore not in the possession of all Senators, exactly what it provides. After May 1, 1919, there shall be no manufacture of wine or beer, and the Sheppard amendment provides that after the next month—that is, June 30—there shall be no sale. The wine men contend that it is impossible to sell this year's vintage—and they are cut off from any other vintage by the May 1 date—by June 30. Therefore, my motion is to extend the time for the sale of beer and wine one year, or until 1920.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from California to the amendment offered by the Senator from Texas.

The amendment to the amendment was rejected.

Mr. PHELAN. I now move that the time for the sale of wine alone be extended to June 30, 1920.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from California to the amendment offered by the Senator from Texas.

The amendment to the amendment was rejected.

Mr. NORRIS. Mr. President, while I had the floor awhile ago I desired to read, but neglected to do so, a statement signed by the regular representatives of quite a large number of temperance agencies and organizations. I will take advantage of the present opportunity to read that statement. It is as follows:

To the United States Senate and House of Representatives:

Undersigned official representatives of temperance agencies, in view of the fuel situation and urgent need to protect new Army and conserve other war resources, protest against delay of war prohibition and urge every Senator and Representative to vote for the pending war prohibition amendment with no change, except to include the crucial period of demobilization, to which we believe the judicial opinions quoted to justify war prohibition would apply, and provision for immediate establishment of dry zones about coal mines and other industrial plants vitally related to war work.

Charles Scanlon, secretary Presbyterian Board of Temperance, secretary National Dry Federation; Virgil G. Hinshaw, chairman Prohibition National Committee; J. W. Graves, temperance secretary Baptist convention (northern); Deets Pickett, research secretary Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church; Wilbur F. Crafts, superintendent International Reform Bureau; D. Leigh Colvin, national president Intercollegiate Prohibition Association.

Mr. PHELAN. Mr. President, I judge from the debate that several members of the Committee on Agriculture, including the Senator from Idaho [Mr. BORAH], the Senator from New York [Mr. WADSWORTH], and possibly the Senator from Nebraska [Mr. Norris], believe that wine makers should be given an opportunity to dispose of their product, and therefore, as a minimum request, which does not interfere at all with beer or with whisky, I move that the sale of wine be permitted up to and including December 31, 1919. That is an extension of six months.

The PRESIDING OFFICER. The question is on the amendment of the Senator from California to the amendment offered by the Senator from Texas.

The amendment to the amendment was rejected.

Mr. PENROSE. I now submit the amendment which I have already offered and call the attention of the Senator from Texas to the phraseology which has been prepared by the Secretary.

The PRESIDING OFFICER. The Senator from Pennsylvania offers an amendment to the amendment offered by the Senator from Texas, which the Secretary will state.

The SECRETARY. In the amendment of Mr. Sheppard, in line 22, before the word "removal," it is proposed to insert the words "manufacture and sale of distilled spirits and"; also,

in line 24, before the word "sale," to insert the word "manufacture."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Pennsylvania to the amendment offered by the Senator from Texas.

Mr. SHEPPARD. Mr. President, I find, on examining the food-control act, that power was given to continue the manufacture of distilled spirits for other than beverage purposes. I therefore have no objection to the amendment.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Pennsylvania to the amendment of the Senator from Texas will be agreed to. The Chair hears no objection, and the amendment is agreed to.

The question now recurs on agreeing to the amendment of the Senator from Texas as amended.

Mr. THOMAS. Mr. President, I shall not detain the Senate unduly. I feel it incumbent upon me to submit some observations regarding the substitute as explanatory of the vote which I shall cast when we reach its final consideration.

During our legislation since the war began we have had occasion to consider the subject of prohibition in connection with several war measures. It came before us on two or three occasions. We considered it in connection with the Agricultural bill of last year, in the debates upon the so-called food conservation bill, and also on the proposed constitutional amendment, which is designed to prohibit the manufacture and use of intoxicants in the United States. I think it is safe to say that but for the importance of some of these measures and the necessity of their early enactment some provisions of the law would be materially different from what they are.

I am aware, Mr. President, of the fact that no Congress can bind its successor. No Congress can place a limitation upon its own actions if it sees fit to disregard them. Hence in referring very briefly to the history of our prohibition legislation, I must not be understood as criticizing the Senate for considering the subject again. I recall, however, that the enactment of the food conservation bill, if my memory serves me right, carried an implied assurance that Congress would dispose of the general subject as speedily as possible by taking up and finally voting upon the pending prohibition amendment to the Constitution. In pursuance of that implied understanding, the measure was taken from the calendar, and, after brief discussion, it received the requisite majority, since which time the forces for and against prohibition have been active before the legislatures of the different States. I felt then, Mr. President, as I feel now, that in the adoption of that amendment Congress took or should have taken its final action upon the subject, since it gave the States full opportunity either to accept or reject the amendment and thus remove the subject from the sphere of national legislation. Yet this bill now comes before us under what is termed a war prohibition proposal, ostensibly designed to apply prohibition rigidly during the existence of the war, but actually doing nothing of the sort, thus anticipating and supplementing action upon the constitutional amendment.

Mr. President, the attitude of the advocates of this measure was consistent with that purpose when they drafted and presented the amendment as it appears in the official print of the bill. Those Senators advocating the amendment are still consistent who declare that if it is to be enacted it should take effect immediately, and not be postponed to a period so far distant that the war may be ended before it shall go into effect. But those supporting the substitute can claim no such virtue. I think the criticism of the senior Senator from New York [Mr. WADSWORTH] upon that rather remarkable document is absolutely unanswerable. Whatever else it may be, it certainly can not be, in its present form, a war prohibition measure. It takes effect so far in the future that it is impossible to reconcile it with that contention.

I understand, Mr. President, as clearly as any other Member of this body that the substitute offered by the Senator from Texas is a compromise between opposing and conflicting views of its expediency and that each side has doubtless yielded something to the other, thus reaching a compromise which has finally found expression in the substitute. Of course, from my standpoint, the substitute is preferable to the original amendment, and for reasons which I shall very briefly state hereafter; but I do not think the country should be deceived or deluded into the notion that any law is a war measure which becomes operative nine months after its enactment. It may be a war measure. It may be that in the providence of God this terrible conflict will still be raging on the 1st of July, 1919, and possibly for years afterwards; but the exigency which should underlie any emergent war measure should be a present and not a future one, and upon the assumption that this amendment is necessary to increase the efficiency of the soldier and of the workman and of the country generally it is a contradiction in terms to enact that it shall not become effective until the 1st day of July, 1919. It would be quite as sensible and as consistent to have day before yesterday enacted a draft bill increasing the ages up and down for military liability and making it effective on the 1st day of July, 1919. We did not do so. I trust, therefore, that this measure will not be enacted upon the theory that it is one of immediate necessity or a war prohibition measure. It must stand upon some other ground.

Mr. President, I believe thoroughly in prohibition as an essential to the welfare of the country. My conversion to that doctrine has been along purely practical lines. I have become a convert to the doctrine because of the tremendous increase in industrial efficiency consequent upon the abolition of the saloon. With me it is not a matter of sentiment so much as it is a matter of necessity, because prohibition never will be and never has been the equivalent of absolute abstention. Many States of the Union have prohibition. I do not think any of them are dry, nor will they ever be until human nature and human appetites are radically altered. Yet the abolition of the saloon and the penalizing of liquor are worth so much to civilization that the accomplishment of those two great ends is a complete justification of those who insist upon its general application through the enactment of a Federal amendment.

But, Mr. President, we must take things as they are when we consider legislation of this kind, and, I think, pay due heed to certain stubborn facts, which should not be ignored or overlooked, lest we regret, and regret in the near future, legislation which from other standpoints seems to be obviously undesirable.

In the first place, Mr. President, we must acknowledge that many individuals and companies have large sums invested in the liquor traffic and in the manufacture of alcoholic beverages. That may be wrong; but society is itself responsible; society has legalized this traffic and the manufacture. It has given the assurance of the law's protection to those who are carrying on the business. You may say that society grievously erred in so doing, and I will admit it; but the fact remains that it has done so, and the pledge of protection implied in the existing law should not and can not be avoided. I never have believed in the confiscation of liquor without compensation, because I think that both a legal and a moral obligation rests upon the States of this Union and upon the Government, which have not only legalized but encouraged the traffic and the manufacture of distilled and other beverages, to make due compensation under the Constitution when the needs of society demand and require the suppression of the business. Legislation of this kind, Mr. President, if it does not provide for compensation, necessarily confiscates the property of every individual and of every company possessing, and lawfully possessing, such property when the legislation is enacted.

We have not only permitted but we have encouraged viticulture in America. The farmer has planted his vines, grown his grapes, and put them in the wine press with the encouragement and the approval of entire communities behind him. The industry has waxed strong and great and has contributed to the material wealth of the country, until now it has become so great that in one State it may be said to be a predominant pursuit. Now, I submit to the most extreme advocate of prohibition whether it be just and right, at one stroke of the legislative pen, to penalize this great industry and confiscate the visible proceeds, in the shape of growing crops, and in the fact that these crops can not be utilized except as they have been utilized in the past. This view justifies, as no other can justify, the postponement of the application of the proposed law. I do not believe in doing less. I do not hesitate to say it would be unjust. It is more than unjust, Mr. President, because while it denies the great proposition that the property of a man can not be taken from him without compensation, it at the same time decreases the material wealth of the country, now more than ever needed for purposes of taxation.

During this discussion I have heard no reference so far to that feature of the existing situation, and yet I think it is a very, very important one. The House of Representatives is now considering and endeavoring to frame a law under which eight thousand millions per annum are to be taken from the taxpayers of this country, and we are told that that is only 33⅓ per cent of the amount the Government will be called upon to expend during the next 12 months.

We are also told that the raising of this enormous sum is essential if the credit of the Nation is to be sustained and its bond issues disposed of at par. Mr. President, if that is so, the Nation needs all the money it can get all of the time. We have raised, I think, five hundred millions—I am giving the figures roughly—during the past fiscal year through our taxes upon wines, liquors, and beer. Perhaps I should include to-

bacco in all its forms, but even then the sum is prodigious, even in these days, when we think in billions instead of millions or hundreds of thousands. In what way, Mr. President, are we to secure revenue sufficient to supply the deficiency that will be caused by the summary abolition of this particular business? Yet if this is to be considered as a war measure at all it should take effect from and after its passage, and that would be calamitous to the National Treasury.

I grant you, Mr. President, that the prohibitionists of the country take the position, and have long occupied it, that it is wicked, immoral, and entirely indefensible to obtain revenue from such a source. If the business itself were penalized and outlawed ab initio, then I should agree to that proposition, but so long as it was not, and so long as the property itself, the article under consideration, exists and has been created by and protected under the law, just so long is it not only legitimate but creditable to the Congress that it should look to that source for a considerable part of its revenue. I think we shall have extreme difficulty in framing a measure that will produce $8,000,000,000 a year. I am not at all optimistic upon that subject, but I know, and I think every Senator within the sound of my voice knows, that if we cast aside the half billion dollars that can be raised upon and from this business it will be impossible to secure $8,000,000,000 this year or next year through the operation of a system of direct taxes, and I, for one, am not willing at this time to forego this source of revenue, which in the country's crisis becomes of the very highest importance. Why should we wipe out that source of revenue, having relied upon it, and relied upon it with much satisfaction, ever since the beginning of the War between the States?

Mr. VARDAMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Mississippi?

Mr. THOMAS. I do.

Mr. VARDAMAN. I should like to ask the Senator if he does not think it would be quite as profitable to the Government, and less hurtful to the people, if that money were raised by an organization something like the old Louisiana Lottery?

Mr. THOMAS. Mr. President, I have said that the business itself, while indefensible from any moral or industrial standpoint, has, nevertheless, been universally recognized until recent years as a lawful occupation, and under the strength and protection of the laws it has not only grown but has been encouraged. If the Louisiana Lottery had been similarly legitimatized, it would be quite as moral to collect revenue from that as from the other source. And if we had a lottery system in vogue I should hesitate to abolish it at this time, if through its continuance money could be acquired for the public expenses. We know that lotteries were resorted to in other days, in the time of Gen. Washington and afterwards, when they were regarded not only as not immoral but as very helpful to business and to progress. All these matters, Mr. President, the morality or immorality of a given business, are largely the result of progress in thought and in environment; but I should like to be told from some source where we are going to supplement this loss of revenue.

Many of my colleagues earnestly advocating the enactment of this measure have applied for, encouraged, and voted for vast appropriations from the Public Treasury for matters which, in my judgment, could well await the return of peace. I have no doubt that similar legislation will be proposed before this Congress ends. I am concerned as to where the money is coming from to meet these appropriations, to say nothing of those which are necessary for the vigorous prosecution of the war. I am not disposed now to surrender a single legitimate source of revenue, nor am I disposed to do so until peace shall have been declared and this war shall have ended. I think it is an extremely serious and vastly important feature of the discussion, and one which should be well considered before a final vote is taken upon it.

Mr. President, the Senator from Pennsylvania [Mr. PENROSE] called attention to a remarkable feature of this amendment. He presented it graphically, although briefly, to the consideration of the Senate, and I will refer to it briefly, because if the liquor traffic is so deadly and damnable—and I believe it is—to the people of the American Union it is equally so to the peoples of other countries.

Yet this amendment provides that we may manufacture and export this poison, this infamous commodity, to our friends and neighbors to the north and south of us and to all the countries of the world; we may profit by the appetite of others while condemning the things which minister to it as too abhorrent for use among ourselves. I can not understand that spirit of consistency and of Christian charity and of brotherly love which withholds the cup of poison from my neighbor's lips, but commends it to the weakness of the man who is not my neighbor. I believe that has been a principle in trade for many years with regard to many commodities, but never before with regard to the liquor traffic.

I can not sanction this proposal; therefore, even if I were otherwise in favor of the amendment, I could not vote for it with that provision. I would as soon think of using poison gas upon the Mexicans—and the Lord only knows what the extent of the traffic will be with them if this bill passes—or with the Canadians, or with the Republics of South America as to engage in a traffic which has been penalized and made criminal at home. I do not believe we should pass any such measure, because—to use another expression of the Senator from Pennsylvania a day or two ago—it smacks of stultification; and yet if we enact this measure and can get the ships, the traffic, and the railroad cars for transporting it to the border, we can still run our distilleries for the benefit of Mexico and South America and the British Provinces to the north of us, and do a flourishing business, and, like a Pharisee, thank God that we are not as other people.

Mr. President, there is another criticism of this amendment which I wish to offer. I call the attention of the Senate to the last proviso:

Provided, however, That nothing in this act shall be construed to interfere with the power conferred upon the President by section 15 of the food-control act, approved August 10, 1917.

The language there used is extremely broad. Indeed, I do not believe it could be made more comprehensive:

Nothing in this act shall be construed to interfere with the power conferred upon the President by section 15.

If nothing in this act shall be construed to interfere with it, then nothing in this act can diminish it, nothing in this act can affect it, nothing in this act can in any wise constrict or in any other manner influence the authority created by section 15 of the act herein referred to.

Mr. SHEPPARD. Mr. President——

Mr. THOMAS. I yield.

Mr. SHEPPARD. The President has no power at present with reference to sales.

Mr. THOMAS. The President may have no power with reference to sales, but that proves nothing. I have already called attention to the fact that this proviso permits sales ad libitum to people who are not so fortunate as to be citizens of this great Republic; but he has pretty nearly every other power.

Section 15 provides:

That from and after 30 days from the date of the approval of this act no foods, fruits, food materials, or feeds shall be used in the production of distilled spirits for beverage purposes: *Provided,* That under such rules, regulations, and bonds as the President may prescribe, such materials may be used in the production of distilled spirits exclusively for other than beverage purposes, or for the fortification of pure sweet wines as defined by the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916. Nor shall there be imported into the United States any distilled spirits. Whenever the President shall find that limitation, regulation, or prohibition of the use of foods, fruits, food materials, or feeds in the production of malt or vinous liquors for beverage purposes, or that reduction of the alcoholic content of any such malt or vinous liquor, is essential, in order to assure an adequate and continuous supply of food, or that the national security and defense will be subserved thereby, he is authorized, from time to time, to prescribe and give public notice of the extent of the limitation, regulation, prohibition, or reduction so necessitated.

That is to say, the President, whether we adopt this amendment or not, may at any time, if the national food condition seems to require it, place limitations upon the percentage of foodstuffs which may be used for the manufacture of wine or of beer and afterwards change them. If no limitation is placed upon the President by this act, then after its passage he can do that same thing. He may, by an Executive order, provide that 10 or 20 or 1 per cent of all the rye produced in the country may be used in the manufacture of distilled liquors. He may declare that not more than 10 per cent or 5 per cent of the barley produced in America may be used for the making of malt. He may, in other words, assign a portion of our grain products for the manufacture of the identical things to be here prohibited; and inasmuch as the law itself is not to go into effect until the 30th day of June, 1919, then he may thereafter use that power, if he sees fit, and through its exercise a vast amount of liquor and wine and beer may be manufactured, used here and also exported, sold to the people of foreign countries. I can not believe that prohibitionists will sanction this substitute when they properly understand it:

Whenever such notice shall have been given and shall remain unrevoked no person shall, after a reasonable time prescribed in such notice, use any foods, fruits, food materials, or feeds in the production of malt or vinous liquors, or import any such liquors except under license issued by the President and in compliance with rules and regulations determined by him governing the production and importation of such liquors and the alcoholic content thereof.

Mr. President, when this section was incorporated in the food-conservation act, I think it was the practical consensus of opinion in Congress that it was wise to place the control of the manufacture of these articles in the hands of the Executive, and that we had legislated fully and amply upon the subject. If that be so, what has occurred between the date of the act from which I have quoted and the present time to require additional and yet more drastic legislation upon the same subject, and legislation which at the same time will not interfere with or in any wise affect the act of August, 1917?

I do not believe there has been as much drunkenness in the country, as much consumption of alcoholic beverages since the enactment of the food-conservation act as before. I am not aware of anything occasioning this additional measure except that the gentlemen who championed previous ones feel that present conditions justify the effort to obtain more extreme and drastic legislation.

In saying that, Mr. President, I do not reflect upon the motives of any man; but we all know that when one becomes obsessed by some particular hobby his want of perspective becomes apparent; he believes that he is a crusader, commissioned to secure the accomplishment at once of the particular thing which he desires, and that unless it is done the whole world will confront wreck and disaster.

I agree, Mr. President—there is no question about it—that the efficiency of the workman is in inverse proportion to his consumption of alcohol. That is the great moving force behind and which has caused the success in recent years of the prohibition movement. It is fundamental, and it will carry, and carry within a very short time, a sufficient number of State legislatures to make national prohibition an accomplished fact. The time, however, is desirable since men can adjust themselves to the new régime when it arrives. But, Mr. President, you can not change the nature of a man overnight. You can not legislate a man into sobriety by an act of Congress or of a State legislature. We all know that practically, unless the habit has changed very materially in recent years, the majority of men engaged in factory work in summer time, and particularly in furnaces and steel works, must have their beer. It may decrease their efficiency but they must have it, and if they do not have it there is apt to be a row. If we should enact a measure providing for absolute war prohibition to-morrow, those whose habits have been fixed perhaps through many years will not change overnight; if day after to-morrow he is deprived of what he regards as a prime necessity to his well-being he will not only be discontented but he may refuse to work at all.

Now, efficiency depends primarily upon the proposition that work in some degree must be done, and in the present disturbed condition of labor I will not vote for immediate or future legislation which will radically interfere with the habits and the settled practice of a very large number of laborers at this time engaged in war work, thus sowing discontent and affording fresh and dangerous incentives to resentment and trouble.

Their interest, Mr. President, is the basis of the attitude of the American Federation of Labor upon this subject, and, I think, it is a sound one. I believe that if immediate prohibition should be enacted it will decrease the efficiency of our war industries. The one merit of the substitute is that it does not do this. That is not enough or should not be enough to save it. By continuing the present law it defeats itself by legalizing the export of liquor to other countries, it stultifies the cause of prohibition, and by postponing its operation for nine months it ceases to be a war measure.

For these reasons, Mr. President, I find myself unable to vote for this amendment.

Mr. CHAMBERLAIN. Mr. President, I am not going to make a speech, but in connection with the question of efficiency I desire to have the Secretary read a letter that I received from the executive secretary of the Portland Chamber of Commerce on this subject. I call the attention of the Senate to the fact that in the Northwest a great many ships are being built for the Emergency Fleet Corporation and in Portland a number are being built.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

PORTLAND CHAMBER OF COMMERCE,
Portland, Oreg., August 19, 1918.

HONS. GEORGE E. CHAMBERLAIN, C. L. MCNARY, WILLIS C. HAWLEY, N. J. SINNOTT, C. N. MCARTHUR,
Oregon Delegation, Washington, D. C.

GENTLEMEN: In view of the fight being made by certain interests to maintain the privilege of manufacturing alcoholic beverages in this country during the war, the chamber of commerce takes this opportunity of presenting to the members of its delegation what seems apparent to business men the result of prohibition on industrial conditions of Oregon.

Employers of labor are quite uniform in the view that the absence of alcoholic beverages from the State adds very greatly to the efficiency of the men engaged in shipbuilding and all other war industries in Oregon. Instead of alcoholic beverages being an advantage, it is quite generally conceded by those who have had opportunity to profit by its absence that it is a disadvantage in the labor problem and a handicap of such moment that the country should act without delay in removing it in this time of stress if not forever.

This organization submits that the record in shipbuilding work here may be taken with safety by the shipbuilders of the East as proof of the benefits that will come from making the Nation dry during the period of the war.

Respectfully,

W. D. B. DODSON,
Executive Secretary.

Mr. VARDAMAN. Mr. President, the letter which the Senator from Oregon has just had read by the clerk expresses more strongly my own views than I could express them myself. Prohibition is not an experiment but a demonstrative success. It has never been tried anywhere in the world and proven a failure. I am therefore for prohibition whether it be war prohibition or peace prohibition. I am for prohibition because I believe it is good for mankind. It stimulates the mind, preserves the morals, and strengthens the physical man in all the walks of life. It is the greatest conservation measure that ever engaged the attention of a legislative body.

If I were called upon at this time to name the one thing that has wrought the most harm in the world, blighted more lives, frustrated more ambitions, caused more scalding tears to fall from the eyes of woman, I should say the excessive use of intoxicating liquors. It has filled the jails with criminals, the asylums with idiots and lunatics, and the poorhouses with human derelicts. It is an evil without a mitigating incident and it seems to me that the man who refuses when he has an opportunity to remove this evil from mankind and fails to do it is an enemy to humanity.

Mr. President, it is my judgment that the pending amendment involves an unfortunate surrender to the liquor interests of America. I can not for the life of me follow the processes which lead Senators to the conclusion that it is right to postpone prohibition until next June. Of course, I would rather have prohibition next June than not to have it at all, but if prohibition will strengthen our forces, help to win the war, work for the efficiency of the men laboring in the munition plants and elsewhere after June, 1919, why in the name of God should we postpone its benign effects for a year? We need the good effects that will come from prohibition right now more than any other time.

It seems to me that the question presented is whether the Congress shall do the thing needful to win the war and save humanity from the evil effects of drink or permit the nefarious traffic to go on and thereby promote the pecuniary welfare of the brewers. That is the issue presented by this amendment as I see it. I have no enmity toward the brewers, I have no desire that by my vote anybody shall lose money, but when it comes to serving my country, preserving the morals of our people, and saving them from the disastrous effect of excessive drink, the pecuniary losses which a few men may sustain become of inconsequential concern to me. I do not believe it is the purpose of the influence that inspired and dictated the pending amendment to have war prohibition at all. This amendment, it is well known, did not find its origin and inspiration in the Senate. It came from a coordinate branch of the Government. Of course, the Congress, uninfluenced, is not going to vote for this measure in order to promote the interest of the brewers, but since the matter of money and profits has been suggested I am going to ask permission to have read a letter from Dr. Dinwiddie, dated August 23, 1918, in which will be found some figures in an article entitled "Beer or bandages," by Mark R. Shaw.

I take it that the figures presented in this communication are true, or Dr. Dinwiddie would not have sent them to me. People talk about raising money to meet the expenses of the war. The article by Mr. Shaw points out how a large amount of it might be raised without impoverishing the citizen. If the citizen would devote the money which he spends for booze to buying bonds, the money necessary to conduct the war would be furnished and the man who furnished it would be better off than if he had spent the money for liquor.

It is not my desire to delay the Senate at this time. A tired look, due to the long, hot session, which I see on the faces of my colleagues admonishes me that they vant to vote on the bill, but I desire to say in conclusion, Mr. President, that I am disappointed in the action of the Committee on Agriculture.

I am not surprised, because I understood that the amendment was being prepared and was going to be adopted. The order had gone forth that the manufacture of beer should not be interfered with for another year. I wish I were able to

defeat the measure. But I can not; therefore I reluctantly yield to the unfortunate situation.

The PRESIDING OFFICER. Without objection leave will be granted to publish the letter referred to.

The letter referred to is as follows:

BEER OR BANDAGES?

(By Mark R. Shaw.)

Uncle Samuel has asked the Nation to invest $2,000,000,000 in War Savings Stamps during 1918. According to the latest available figures our drink bill for a year is over $2,400,000,000.

During the last Liberty Loan drive I picked up a circular entitled, "Turn the Key on Kaiserism—Invest in Liberty Bonds," telling what Liberty Bonds of various sizes would purchase for the boys over there. Using these figures it is interesting to see what we could do with the money that we pass over the bar for booze every day while the boys are in France.

Our drink bill for one day would pay for any one of the following items, and for a week it would buy all of them! Did you think of this during War Savings Stamp Week?

1. Buy a $5 pair of shoes for each of 1,300,000 men.
2. Purchase gas masks for 253,000 men, at $27 each.
3. Clothe and feed 22,830 soldiers in France for an entire year, at $500 each.
4. Furnish 6,850 motor rolling kitchens, at $1,000 each.
5. Buy 4,566 motor ambulances, at $1,500 each.
6. Construct 137 base hospitals with 500 beds each, at a cost of $50,000 per hospital.
7. Fully equip 2,055 hospital wards with 50 beds each, with beds made up and linen in reserve, chairs, tables, mirrors, foot tubs, 120 pairs of pajamas, bath robes, and towels, at $3,350 per ward.

Shall we be more tender with the profits of the German brewers than with the lives of our sons?

Mr. SHAFROTH. Mr. President, I desire to present to the Senate various petitions asking for war prohibition which I have received signed by some thousands of my constituents.

Mr. President, I wish to say that while this substitute does not suit the extremes of either side, yet considering the fact that those who believe in prohibition have been attempting for years and years to get such a measure through Congress, considering that ever since war was declared we have been trying to get measures passed that would produce war prohibition, considering the fact that very little progress has been made in that direction, considering that this is not an independent bill which is presented to the Senate, but is a measure tacked on as an amendment to an Agricultural appropriation bill, you can see why it was that the prohibitionists of this body who had the matter under consideration were willing to fix May 1 as the date when manufacturing of liquor must cease and June 30, 1919, as the date upon which all sales shall end. If the Congress of the United States when war was first declared had enacted immediate prohibition as a war measure and offered to commandeer and pay for all the liquor and use it in the manufacture of explosives, which I was in favor of doing, it would have cost less than the loss which this Government has sustained by reason of inefficiency from the use of intoxicating liquors by its citizens and its workmen.

These Senators, consisting of most of the prohibitionists of this body who have been attempting to get through this measure, have met with Senators who are opposed absolutely to abolishing the use of intoxicating liquors. They have met with some people who want to have prohibition declared immediately. They have met with some people who say they will oppose to the bitter end the passage of a law that would immediately produce prohibition, even if the Government would commandeer all of the liquor.

Mr. President, there comes in the consideration of all legislation matters of give and take. The Senator from Texas [Mr. SHEPPARD] is well known to have been one of the strongest advocates of prohibition. He is the author of the constitutional amendment proposing Nation-wide prohibition. I know he found that this compromise contains the very best terms he could get. I know the Senator from Washington [Mr. JONES] has been a most ardent advocate of prohibition, and I know that he would not have consented to this compromise if he had thought that he could get better terms as to when the act should take effect, and the same is true as to the Senator from Nebraska [Mr. NORRIS] and other Members who have spoken. They preferred to take these terms than run the risk of losing the entire measure by delays and filibustering. This measure has been delayed for months and months.

Is it possible that we want to kill this measure because the time for it to take effect is not quite soon enough to suit us? Do we want to do that in view of conditions I have described and in view of the fact that we could never have gotten through an independent bill, perhaps, at all or at least as rapidly as this will be put through? We know that according to the rules of the Senate much delay must happen in the consideration of a bill that is obnoxious even to a few Members. You know and I know that if it is opposed bitterly any half dozen Senators can defeat a bill by filibustering when much important legislation is pending before the Senate.

In view of that condition, what were these men to do who had the best interests of their cause at heart? It unquestionably was to form some kind of an agreement as near to their view as they possibly could. When they have done that the Senate of the United States ought to sustain them.

Mr. LENROOT. Mr. President, I desire to say just a word with reference to the proviso in the pending substitute authorizing the President of the United States to establish zones around munition plants, shipyards, and other plants engaged in war work, in which the sale of intoxicating liquors shall be prohibited. I am glad there is no opposition to this provision here, and I sincerely hope that the Senate conferees will insist upon retaining this provision of the bill when the bill gets into conference.

My only reason for taking any time now at this late hour is to give to the Senate an illustration in my own State of the necessity of the provision.

Both the States of Wisconsin and Minnesota have local option. The cities of Superior, Wis., and Duluth, Minn., adjoin each other. Duluth has a population of about 85,000, Superior of about 50,000. In these two cities there are four shipyards, employing upward of 5,000 men. There is one steel plant engaged wholly in munition work, employing upward of 4,000 men. Both these cities are dry. Saloons have been prohibited. All the territory in the immediate vicinity of these cities is dry with the exception of one village in the State of Wisconsin, in which there were cast last April 31 votes, and which voted for saloons. This little village is located one mile and a half from the steel plant engaged in making munitions of war and in which, as I have said, there are employed upward of 4,000 men. A little farther away there is a shipyard employing, I am informed, upward of 1,500 men.

We therefore have a condition at the head of Lake Superior at this time where in this one little place there is one saloon, for under the laws of Wisconsin there can be only one saloon for every 250 inhabitants, and there are seven alleged wholesale liquor houses.

I visited this place about three weeks ago. I found that the one saloon was a very large building, jammed to the door, with 8 or 10 bartenders, with men struggling to the bar to get a drink, and several busses running from the steel plant to the village and the saloon. The seven wholesale liquor houses were not permitted to engage in business as a saloon, but regarding it as a wholesale liquor business were selling beer in pint bottles and whisky in half-pint bottles. That is a condition that we have within a very short distance of plants engaged in war work employing several thousand men.

There is no way, I am afraid, under the law of the State or under existing Federal law by which this alleged condition can be remedied. It can be remedied and will be remedied if this provision is retained in the bill.

I am informed that the officials of the steel plant engaged in munition work and the officials of the shipyard have written letters stating that the existence of these saloons in this near proximity to the plant is a very great injury to war work. I know that the officials of both Superior and Duluth have been making every effort and doing everything within their power to secure the abolition of the saloon in this place. There is, I am afraid, at present no way by which it can be done, except through the operation of this provision, and therefore I most strongly hope that the provision will be retained in the law, which, after all, only gives to the President the discretion to establish these zones in such places as he may deem the necessities of the war shall justify.

That is all I have to say, Mr. President, except that the Senator from Minnesota [Mr. NELSON] a few minutes ago handed me a letter written to him by a public official of the city of Duluth detailing somewhat more in detail the condition as I have described it. I will not read the letter, but I will ask that it be inserted in the RECORD in connection with my remarks.

The PRESIDING OFFICER. Without objection, leave will be granted. The Chair hears no objection.

The letter is as follows:

DULUTH, MINN., *July 22, 1918.*

Hon. KNUTE NELSON,
United States Senate, Washington, D. C.

MY DEAR MR. NELSON: In the interest of the general public and its industries, especially the steel plant and the shipbuilding plant, I am taking the liberty of writing you in order to make you acquainted with the evil we have to contend with, the township of Oliver, in Wisconsin.

As you well know, Duluth went dry a year ago this month and I can not tell you how well pleased we were, and how clean our city has been ever since. Our trouble then started when Superior would go dry, and thank the Lord it did go dry on July 1, 1918.

Then comes one or two liquor dealers and organized the township of Oliver, in Wisconsin, and got a few voters in there in order to vote for the license and defy the State of Wisconsin, as well as the State of Minnesota, in giving licenses to one retail liquor dealer and seven

wholesale houses. These seven wholesale liquor houses do in reality a retail business, for they sell from 1 pint to a gallon of liquor. As the laws in Wisconsin are somewhat different from ours in Minnesota, a wholesale dealer can not sell any amount. In Minnesota a wholesale dealer can not sell any less than 5 gallons.

Oliver is situated right across the bridge leading from New Duluth, and while we have officers stationed everywhere we have not enough to watch the bridge and the river, as they go by small boats across, directly opposite the steel plant and the shipbuilding plant. I have been over to Oliver several times with our chief of police and with the chief of the fire department, as well as with other gentlemen, and I tell you, Mr. NELSON, if there ever has been any injustice to humanity or crime against the industries and our Government and the sin that we allow young men to go over to be debauched by liquor, it is this Oliver. The last time I was there, which was last Friday, I found there were no less than 100 young men in the barrooms and the wholesale liquor houses sousing themselves up. Men that ought to be doing something. If they did not have the opportunity of getting liquor, they certainly would be doing something. I would suggest that some Government official take one look at the situation, and there is no doubt in my mind that he would not wait until he got back to Washington, but he would immediately recommend the closing of all saloons and liquor houses at once. For the welfare and benefit of humanity and for our Government, which needs every able-bodied man for some work, something should be done. If those saloons were in our State, our safety commission would have full power to abolish them, but the Wisconsin commission does not seem to have that power. Senator LENROOT, I understand, is at the present time in Superior, and I will take him over to Oliver to see the conditions.

One thing more: I have just learned that the whisky sold at Oliver is of such an inferior grade that about two drinks will almost put a man to sleep.

I hope, my dear NELSON, that you will take this up at once, as it is of the utmost importance, not only to the general public but to the steel plant and the shipbuilding plant as well, as one can not tell what rowdies may do when they are intoxicated. I am writing a similar letter to Congressman MILLER.

Thanking you in advance for anything you might do to have the Oliver saloons closed, I am,

Very truly, yours, B. SILBERSTEIN.

Mr. TRAMMELL. Mr. President, I desire to offer an amendment to the substitute. Wherever the date fixes the time for the operation of the law I move to substitute January 1, 1919. I offer that amendment at the proper places.

Mr. VARDAMAN. As there will probably be no roll call on it, I desire to express most heartily my concurrence in the amendment.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The SECRETARY. There are four places in the amendment where the date "June 30, 1919," occurs, and one place where the date "May 1, 1919," occurs. It is proposed to change the date from June 30, 1919, to January 1, 1919, in every instance where it occurs.

Mr. JONES of Washington. I merely wish to suggest that that would make it substantially what this is offered as a substitute for, but it does not make any difference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. TRAMMELL] to the amendment of the Senator from Texas [Mr. SHEPPARD].

Mr. PHELAN. What is the amendment, Mr. President? Please have the amendment stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. Where the date June 30, 1919, occurs in the amendment proposed by the Senator from Texas it is proposed to insert January 1, 1919.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

Mr. TRAMMELL. Mr. President, I do not propose to make a speech on behalf of this amendment to the amendment. I fully appreciate the fact that there is a desire on the part of the Senate to take a vote on and to complete the consideration of this measure this afternoon. The amendment to the amendment embraces my idea as to the date upon which this provision should go into operation, and I have offered the amendment to the amendment as expressive of my views upon the subject. I do not propose to enter into any discussion at all.

I believe in war-time prohibition. I think the conditions in our country justify it and make it a wise policy upon the part of Congress to adopt a measure along these lines. I think it should not be delayed longer than January 1, 1919, and that is my object in offering the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Florida to the amendment of the Senator from Texas.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs upon the amendment of the Senator from Texas as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question now is upon agreeing to the amendment of the committee as amended.

The amendment of the committee as amended was agreed to.

The PRESIDING OFFICER. The Chair is advised that several amendments to the bill have been passed over. The Secretary will report such amendments in their order.

The SECRETARY. The first amendment in the bill passed over is the first amendment of the committee, on page 2, line 2, where the committee proposes to strike from the House text the proviso beginning in line 4 and continuing down to and including line 18.

EXECUTIVE SESSION.

Mr. GORE. Mr. President, I move that the Senate adjourn.

Mr. ASHURST and others. Oh, no!

Mr. GORE. I understand that there is a desire to have an executive session, and so I withdraw my motion.

Mr. MARTIN. Mr. President, it is necessary to have an executive session as there are a number of nominations to be acted upon.

Mr. GORE. I have withdrawn my motion to adjourn, I will say to the Senator, in view of the desire to have an executive session, and stated that I would not make the motion at this time.

Mr. MARTIN. I did not hear the Senator, and I beg his pardon. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Friday, August 30, 1918, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate August 29, 1918.

FEDERAL BOARD FOR VOCATIONAL EDUCATION.

James P. Munroe to be a member of the Federal Board for Vocational Education.

COLLECTOR OF CUSTOMS.

Murphy J. Foster to be collector of customs for customs collection district No. 20, with headquarters at New Orleans, La.

PROMOTION IN THE NAVY.

Paymaster George M. Stackhouse, retired, to be a pay inspector on the active list, with the rank of commander.

POSTMASTER.

ALABAMA.

Lee M. Otts, Greensboro.

WITHDRAWALS.

Executive nominations withdrawn from the Senate August 29, 1918.

POSTMASTERS.

James T. Clayton to be postmaster at Elsinore, Cal.
Mamie E. Wright to be postmaster at Metter, Ga.
David A. Webster to be postmaster at Milford, Utah.

HOUSE OF REPRESENTATIVES.

THURSDAY, *August 29, 1918.*

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore (Mr. KITCHIN).

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer.

Our Father in Heaven, help us to a susceptible mood and make us tractable to that spirit which is ever going forth from Thy heart; that we may clearly comprehend our duty to Thee and our fellow men; and be quick to apprehend the right and strong to resist the evil; that we may render unto Cæsar the things that are Cæsar's and unto Thee, our God, the things that are Thine; and pursue our way rejoicing in a clear conscience; in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS.

Mr. FLOOD. Mr. Speaker, I ask unanimous consent to extend my remarks by incorporating in the RECORD an address delivered by the Minister of Foreign Affairs of Uruguay, Dr. Brum, at a banquet given in honor of the Secretary of State, Hon. Robert Lansing, night before last, and Mr. Lansing's reply. They are strong Pan American addresses and I believe will render good effect in drawing the Americas closer together.

The SPEAKER pro tempore. Is there objection to the gentleman's request?

Mr. WALSH. Mr. Speaker, reserving the right to object, what is the purpose of having it in the RECORD of Congress? It is a diplomatic affair.

Mr. FLOOD. Well, my idea was that it went more fully into the relations between the different Americas, and it is one of the most formal addresses delivered by Dr. Brum during his visit to this country and I thought it would be well to put it into the RECORD.

Mr. WALSH. That is the gentleman who made the address the other day?

Mr. FLOOD. Yes.

Mr. WALSH. I have no objection.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

APPROPRIATIONS—DISTRICT OF COLUMBIA.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution which I send to the Clerk's desk.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Joint resolution (H. J. Res. 323) making appropriations for certain necessary operations of the Government and of the District of Columbia for the month of September, 1918, and for other purposes.

Resolved, etc., That the provisions of the joint resolution entitled "Joint resolution making appropriations for certain necessary operations of the Government and of the District of Columbia for the months of July and August, 1918, and for other purposes," approved July 8, 1918, except so far as they relate to the support of the Army, are extended and continued in full force and effect for and during the month of September, 1918.

The SPEAKER pro tempore. Is there objection?

Mr. GILLETT. Mr. Speaker, reserving the right to object, will the gentleman allow me perhaps five minutes to state some general objections? And perhaps he can answer them so that I will withdraw them.

Mr. BYRNS of Tennessee. I will.

Mr. GILLETT. Mr. Speaker, I took occasion, I remember, at the end of the first Congress, some six years ago, that the Democratic Party controlled to criticize the habit of passing these continuing resolutions, and I then set forth at considerable detail the embarrassment that it is to the Government not to pass the appropriation bills before the 1st of July. I do not wish to go back and repeat the argument which I then enunciated contrasting the policy of the Democratic Party in not passing appropriation bills on time with the promptness of the Republican Party, though I still feel, as I did then, that it is extremely important that these appropriation bills should pass during the fiscal year, and it is extremely harmful to the public interests to continue this practice of continuing last year's appropriations for this year. Now, we have already, through the months of July and August, been running the government of the District of Columbia and have been running the Government appropriations for the Agricultural Department on last year's basis, so that improvements which the bills of this year projected have not been utilized. It has caused both of those departments great inconvenience, and it has undoubtedly caused the Government great expense. Now, I think it is time that both of those bills should be agreed to in some way. I do not know so much about the Agricultural bill; I do not know why that has not been agreed to. I do know more about the District appropriation bill, and I think that ought to have been agreed to before this, and I think that now, to bring this in just before the 1st of September, when there is no time for the House deliberately to pass this bill, is not the right kind of administration. I do not know what efforts the conferees on the District of Columbia bill have made to agree. I understand they have not even met for several weeks. I do not know what efforts the conferees on the Agricultural bill have made to agree; but before this House passes this continuing resolution, I think it should be informed in detail and specifically why it is at this very late day we are asked to do this, and why it is that the conferees before this have not made an agreement. Therefore, until I am enlightened on these phases and until some reason is given why an agreement has not been made and why this resolution has not been brought in earlier, because it is embarrassing to have it brought here so close to the 1st of September—Sunday—as, of course, it produces great pressure on the House to bring in the resolution now, when you can say that unless we do something there will be no appropriation at all in force and the Government must stop. Consequently I think that until these facts are explained to the House so that we are satisfied that this resolution is the only available method to meet the emergency I shall object.

Mr. BYRNS of Tennessee. Mr. Speaker, I wish to state to the gentleman from Massachusetts that I am sure no criticism can be attached to either the House or the Senate on account of these bills not having been passed prior to July 1. As a matter of fact, both of these bills did pass, according to my recollection, both bodies prior to July 1. They were then thrown in conference. The gentleman is familiar with the fact that there has been a difference between the conferees upon the District bill. If I mistake not the conferees have reported back a disagreement at least twice and the House has had a vote upon it, and the matter is still in conference. So far as the Agricultural bill is concerned the gentleman will recall that it went to the Senate and that the Senate adopted an amendment providing for $2.50 wheat; that it came back to the House, and the House and Senate finally agreed to an amendment providing for $2.40 wheat, and thereupon the bill was sent to the President and received his veto just shortly before Congress took its recess. There was not sufficient time then to present a bill eliminating the feature that was objectionable to the President and pass it before the recess was taken.

Mr. GILLETT. Does the gentleman know what efforts have been made during the last month on the Agricultural bill?

Mr. BYRNS of Tennessee. There has been no effort, because, as a matter of fact, the bill that was passed by Congress was vetoed, and it will be necessary to pass an entirely new appropriation bill. And, as I say, there was no opportunity for the chairman of the Committee on Agriculture to present that bill in time for its passage before the recess was taken. Knowing the chairman of the Agricultural Committee, as I do, I am quite sure that he will present a bill to the House at the earliest possible moment, and that it will be very quickly passed and become a law.

The gentleman from Massachusetts offers some criticism because this resolution was not introduced at an earlier date. The gentleman knows it is always the custom to withhold these continuing resolutions until about the time it becomes necessary to pass them, in order to afford opportunity to the two Houses to get together on pending bills if possible. And, of course, I had no knowledge as to whether or not the conferees would get together and agree and present a report which would save the necessity of passing this resolution. I am offering it to-day. I could have withheld it until Saturday, possibly, but I feared the Senate might possibly take a recess over until Monday, and if this resolution does not become a law between now and the 1st of the month it is going to interfere seriously with the operations and work of the Agricultural Department and the District of Columbia Government. In fact, there will be no money available for either.

Mr. GOOD. Will the gentleman yield to me 10 minutes?

Mr. WALSH. The gentleman from Massachusetts [Mr. GILLETT] has objected.

Mr. GILLETT. I reserved my objection.

Mr. GOOD. Mr. Speaker, I am not so much interested in the request so far as it affects the Agricultural bill as I am in the District of Columbia appropriation bill, and for this reason: A continuing resolution would give the Agricultural Department practically all it would have under the new law, and hence I can see no substantial objection to that, except there can be no substantial reason for the unreasonable delay. But that is not the case so far as the District of Columbia is concerned. We have in this year's appropriation increased the salaries of 2,103 employees, including 1,057 teachers in our schools. The salary paid to the teachers of the public schools in Washington is a national disgrace, and under this continuing resolution those teachers will be compelled to continue to teach, if they come back and accept their positions, at the old pay. This continuing resolution does not give them a penny of the $127,000 increased pay given them by this bill. Why, take the salaries of the teachers in class 3, and there are 408 of them, each receiving a salary of $650 a year. We increased their salaries only $100 a year, and now we would deny them the right of that increase for one-fourth of the year. We had 352 teachers in class 2, who have salaries of $600 a year, and if this continuing resolution is agreed to these teachers will be asked to come back here within two weeks and commence work at the old pay of $600 a year, when we are bringing in girls here from all over the country and paying them a minimum salary of $1,000 a year in the departments. Pass this resolution, and what will become of the schools of Washington?

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. BYRNS of Tennessee. If this continuing resolution is not adopted here, there will not be any salaries to pay any teachers.

Mr. GOOD. Yes; there will be. If this continuing resolution is not adopted, this House has sense enough and judgment enough and patriotism enough to recede on that provision which would amend the half-and-half law of the District, then pass the appropriation bill, and give to these teachers the increase

that Congress intended they should have. That is what will happen.

Mr. TOWNER. Will the gentleman yield?

Mr. GOOD. I yield for a question.

Mr. TOWNER. Would it not be infinitely better at this time to waive that action of the House regarding the half-and-half provision until, at least, this war is over?

Mr. GOOD. Absolutely. At any rate, here is an appropriation bill with legislation enacted on it, and it is the duty of the body offering that legislation to yield rather than to let a great appropriation bill fail.

I want to call the attention of the House to another thing. The situation in the District is altogether abnormal. Last year we appropriated $3,000 for portable schools, because even then large numbers of children were being brought to the District by their parents who come here to do war work, and the present school buildings were not adequate. What does this bill carry for portable schools? This bill carries $231,000 for portable schools, and it was so necessary to have them that the chairman of the committee brought in the bill which passed the House making that money immediately available upon the passage of the bill. And now, if we adopt this resolution, how much can they get for these portable schools? Not a single dollar. The money was necessary last May, and here we are approaching the 1st of September with schools convening and thousands of children in the District of Columbia will be denied the privilege of that common school education that every man, every patriotic citizen, wants them to have. Under this continuing resolution there can be nothing done to increase the school equipment.

We are bringing in to-day, I am told, soldiers from the cantonments near Washington to take the place of policemen in the District in order to police the District, because we can not get police officers at the low pay. We provided for an increase in their pay, and these men are not going to accept positions while the House and the Senate are buffeting about the ball of responsibility.

If the gentleman from Massachusetts [Mr. GILLETT] does not make a point of order, I shall, and if the gentleman from Mississippi [Mr. SISSON], the chairman of the committee, having charge of this bill, does not move that the House recede from its action to adhere and agree to Senate amendment No. 1 and involving the half-and-half proposition, I shall take the responsibility of doing what I can along that line myself [applause], because the time has come when Congress must act. Business judgment requires that it should act. Every consideration that moves a Member of Congress requires that we get down to business, both Houses, and pass the appropriations for the District of Columbia and the Department of Agriculture.

I am told that the great purchasing departments of the District, accustomed to buying in large quantities, so as to take advantage of favorable prices, have been hampered by these continuing resolutions, which prevent the purchasing officers from going into the market and buying more than one-twelfth of the supplies. This bill ought to have been a law on the 1st day of July at least, and the funds necessary to administer the District made available at that time, and now we are approaching the 1st day of September, and I undertake to say to the gentleman from Tennessee, whose desire in this matter is to be commended I am sure, that I place none of the blame or the responsibility upon him, yet Congress and the District find themselves in the same condition they were in 60 days ago. That condition must not continue to exist. September 1 will be here in a few days, and the conferees will be no nearer together than they were when we passed the former continuing resolution, and when October 1 comes we shall be confronted by the same condition that confronts us now, and the sensible thing for this House to do is to recede from its former action in its decision to adhere, and yield to Senate amendment No. 1. None of that increase for improvements on streets and roads can be obtained by a continuing resolution.

I might proceed further and give instance after instance how the growth of this city has required increased appropriations for the District of Columbia, and by our unwise action we are denying here in Washington, the seat of the Nation's Government, money that is actually necessary to conduct the schools and the business of the District in a business-like and legitimate way. [Applause.]

Mr. MONDELL. Mr. Speaker, reserving the right to object, I desire to make a parliamentary inquiry. Should objection be made to unanimous consent to the resolution that has been offered, will it be in order, Mr. Speaker, to make a motion that the House rescind its action instructing the conferees to insist upon the so-called half-and-half amendment, and move to disagree to the Senate amendments and agree to a conference?

The SPEAKER pro tempore. In the opinion of the Chair that could not be done. That question is not up under the resolution.

Mr. MONDELL. Would such a motion be in order if objection were made?

The SPEAKER pro tempore. It is not in order at this time under any circumstances. The question of unanimous consent is before us.

Mr. MONDELL. There is no object to be gained in passing continuing resolutions affecting the District of Columbia bill. By so doing we are simply continuing an intolerable condition. I am informed—and I think reliably informed—that until the House rescinds its action touching the half-and-half plan, instructing its conferees, the Senate conferees will not confer with the House conferees, and there is no possibility of securing an agreement on the bill. There is a deadlock, but it can be broken instantly by the action of the House, and when broken, if the House recedes from its insistence on its half-and-half amendment, I think there is no sort of question but that an agreement can be immediately reached. There is no good reason why such a motion should not be made. The Chair can recognize the gentleman in charge of the bill to make it, and if it is made this entire matter can be quickly settled. The conference report can be agreed upon to-day and the District bill can become a law to-morrow.

Mr. GILLETT. It is probably true, of course, as the Speaker has said, that that is not before us at this moment, but I understand the papers of the conference report are before the House, and the chairman of the House conferees could bring them up this minute if he wished to.

Mr. MONDELL. Surely.

Mr. GILLETT. And the House could vote, if it wished to, to agree.

Mr. MONDELL. Yes; and that is the only way in which this matter can be settled, either now or later. I think the gentleman from Mississippi [Mr. SISSON] in charge of this bill understands and knows that to be a fact.

Mr. BYRNS of Tennessee. Mr. Speaker, let me state this to the gentleman. This is a condition that confronts the House, and it must be settled one way or other between now and the 1st of September. If the bills are not passed before September 1, and there seems to be little or no likelihood of that being done, then this continuing resolution must be passed between now and the 1st of September, or there is going to be a most serious situation and really a stopping of the wheels of activity in the Department of Agriculture as well as in the government of the District of Columbia. For instance, not only here in the city of Washington, in the departments, but in all the activities of the Department of Agriculture throughout the country, in the gentleman's own State, in my State, and in every other State of this Union, the department will be without money to pay those in its employ. The Department of Agriculture is performing a very great and very necessary and very essential service in the conduct of this war by increasing production, and so forth.

Now, if the gentleman or any other gentleman desires to take the responsibility of absolutely disarranging and throwing into confusion the great work that is now being done in the Department of Agriculture and actually stopping the nation-wide activities of that department by objecting to a continuing resolution, which simply provides that the appropriations heretofore made shall be in force and effect for the next month, of course, he can take that responsibility.

Now, coming to the District of Columbia bill, let me say this to the gentleman: That matter is now in conference. The House is represented on that conference committee, and——

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. MONDELL. Is the gentleman entirely accurate in his statement that that matter is now in conference?

Mr. BYRNS of Tennessee. It is in conference.

Mr. MONDELL. Are the conferees meeting? Have the conferees met recently? Does not the gentleman know, as a matter of fact, that the Senate conferees have declined to meet the House conferees, in view of the action of the House?

Mr. BYRNS of Tennessee. I do not.

Mr. MONDELL. And they insist on a full and free conference on this bill.

Mr. BYRNS of Tennessee. I think not.

Mr. MONDELL. I so understand it.

Mr. BYRNS of Tennessee. That matter is now in conference between the two Houses. I have enough confidence in the conferees on the part of the House to believe that when they meet the Senate conferees they will not delay the matter, but will immediately report that bill back in disagreement, if they can not agree, and then the House will have full and ample opportunity either to recede or take such action as the majority wishes. But I submit in all fairness that it is not, if the gentleman will pardon me, wise or good judgment to undertake to interpose here the local question of the half-and-half proposi-

tion in opposition to a resolution which seeks only to continue the activities of the Department of Agriculture and the activities of the District of Columbia during the next month, pending the consideration of these two bills.

Mr. MONDELL. The gentleman has had notice served on him that there will be objection to his resolution in its present form; but the gentleman will have no difficulty at all in drafting a resolution that will continue the Agricultural appropriations, and I assume that there would be no objection to such a resolution. But it is clear from the statements that have already been made that gentlemen will disagree to that feature of the resolution which affects the District of Columbia appropriations, and they are fully justified in objecting. The House has insisted upon new legislation on an appropriation bill, and the House has further instructed its conferees to adhere thereto, and my understanding is that under those circumstances the Senate conferees refuse to confer on the subject. Now the entire matter can be settled in a moment, so far as the District of Columbia appropriations are concerned, by a motion receding from the action of the House in instructing its conferees to adhere, and by agreeing to a full and free conference on all questions in controversy on the District appropriation bill. If that is done, that bill can become a law to-morrow, the school-teachers will receive their salaries, the absolutely essential temporary schoolhouses can be erected, the streets of this District, which are a disgrace to the Nation, can be repaired, and District business go on in an orderly way. The House should rescind its action in view of the justifiable insistence of the Senate that they will not agree to important legislation on an appropriation bill. There is a reasonable, logical, proper, effective way to meet this matter and meet it at once, and gentlemen are justified in their opposition to a continuing resolution which at best will carry on the District government in a halting, ineffectual, entirely unsatisfactory way.

Mr. BYRNS of Tennessee. Mr. Speaker, I am not in charge of the District of Columbia appropriation bill, and of course under those circumstances will not make any motion with reference to it; but the attitude of the gentleman seems to be that notwithstanding the action of the majority of the House taken heretofore, and to which, I take it, the conferees on the part of the House are adhering as it is their duty to do, the gentleman, because he differs with the majority of the House upon the proposition of the half and half, proposes to interpose an objection to this resolution in order to force the majority of the House to take a position different from that which they have heretofore taken. That is the effect of his position if the gentleman objects to this resolution.

Mr. MONDELL. The impasse is due to the resolution instructing the House conferees, and its effect upon the Senate conferees.

Mr. CANNON. Will the gentleman allow a suggestion?

Mr. SIMS. As this matter is proceeding under a request for unanimous consent, I shall have to ask for the regular order.

The SPEAKER pro tempore. The gentleman from Tennessee demands the regular order.

Mr. CANNON. Will the gentleman withdraw his demand for a moment?

Mr. SIMS. I withdraw it to allow the gentleman from Illinois to make a statement.

Mr. CANNON. Personally I am not objecting to the consideration of the gentleman's resolution; but objection will be made, as several gentlemen have stated, to the consideration of the resolution in its present form. Now, if that is the case, why not let the District matter go over for the present and introduce a resolution covering the Agricultural Department only, to which evidently there would be no objection. I suggest to the gentleman, if objection is made, that he modify his resolution so as to take care of the Agricultural Department for the coming month.

Mr. BYRNS of Tennessee. I will say to the gentleman in reply that the same reason exists for the passage of a continuing resolution for the District of Columbia that exists for the passage of a continuing resolution for the Agricultural Department.

Mr. CANNON. Precisely.

Mr. BYRNS of Tennessee. Now, as I pointed out a moment ago, the House has its remedy, and if, as several gentlemen have stated, the only trouble about passing the District of Columbia appropriation bill is the half-and-half proposition, the House can easily take care of that and do it at any time that it desires to do so. I take it that the conferees will make some sort of a report within the next few days. I am quite sure that they will, and when that report comes in, if the House desires to recede, it can do so; but I submit that we ought to take no chances of absolutely depriving the District of money during the next month on a contingency such as the gentleman refers to.

Mr. CANNON. If the gentleman will allow me, in parliamentary usage when the House agrees to adhere the bill fails unless the Senate recedes. If it be true—I have no knowledge about it—that the Senate, for the reason that this involves legislation, declines to meet the House conferees, therefore the bill fails. Now, I simply suggest that we do care for the Agricultural Department, and I trust that during the day, or before the 1st of September, action may be had touching the District.

Mr. SISSON. Mr. Speaker, there is some misconception on the part of the gentlemen who have been discussing this matter as to the real parliamentary status. When the House made its motion to adhere to its disagreement to the three matters now in difference, the bill went back to the Senate, and the Senate, evidently under a misconception of the facts, simply insisted upon their further disagreement with the House as to those amendments and asked for a conference. When the House adhered to its disagreement, no conferees were appointed, of course; but when the bill got to the Senate and the Senate then insisted upon their disagreement with the House and appointed conferees and asked for a conference, as a matter of courtesy we agreed to the conference. We could not tell what proposition the Senate might make, and of course agreed to a conference. I take it that but for the change in the personnel of the conferees this matter might have been settled. I do not know that that is true, but I take it that it could have been.

Mr. GILLETT. I do not understand the gentleman. Does he mean that no conferees have been appointed by the House?

Mr. SISSON. They have been appointed.

Mr. GILLETT. I misunderstood the gentleman.

Mr. SISSON. I stated that after we had adhered, when the motion was made in the Senate to further insist upon its amendments, conferees on the part of the Senate were appointed, and the papers were sent back to the House. Then we agreed to the conference asked for by the Senate, as a matter of courtesy, believing that they, having asked for a conference, knew the parliamentary status in the House, and that they want to make some proposition different from the proposition that we had disagreed to. They might have made a proposition which the House as a compromise could and perhaps would have accepted. Therefore the House appointed conferees under the impression that the Senate knew what they were doing. I take it that the House did not want to put itself in the attitude of declining, as a matter of courtesy, to see what proposition the Senate had to make. Of course, the House conferees had no proposition that they could make except in an informal way, because they had been instructed to adhere.

Now, there is this peculiar situation in reference to this whole matter: Certain Members of the House are now criticizing the House itself for legislating on an appropriation bill when one of the items in disagreement is an item in which the Senate are insisting upon legislation, so that they can not blow hot and blow cold upon that proposition.

Mr. MONDELL. It is to be assumed that the House conferees do not agree.

Mr. SISSON. We have not agreed, I will say to my friend. Now, let us get down to the real situation. We are not going to agree to the McKellar amendment. There is no justification for it. It has been knocking about the corridors almost ever since I have been in Congress. The House has never had a single Member that agreed to it. The District authorities tell us that it will involve us in endless controversy about many of these matters where property has been condemned and adjustments have been made. So, gentlemen of the House, we can not agree to it nor will the House agree to it. But the conferees on the part of the Senate insist that we shall accept that or there will be no agreement.

To come to the real point of difference between the House and the Senate, as to the fiscal policy of the Government in the future in dealing with the District of Columbia, I do not care what position you may take to-day, this proposition is going to be before every Congress from now until this half-and-half proposition is settled and settled right.

I have stated to the Senate conferees in fairness to the House conferees that if they would state in the RECORD the reasons why they believed that the half-and-half principle ought to be maintained, that I would make a statement to the House and not make a further statement about it and let the House act on it one way or the other. That was before we made the motion to adhere. They declined to give any further reason. I then stated that if they would give me one reason upon which they were willing to stand and go before the country and say

for that reason we must insist that the half and half ought to be maintained, I would make that statement to the House. They declined to make the statement and said they had no statement to make.

I do not believe that any man can investigate the fiscal relations between the District of Columbia and the Federal Government and come to any other conclusion than that the half-and-half principle is wrong. This fundamental principle may be laid down and then every man can stand on it. The property of the District of Columbia should be assessed at a fair valuation, and upon that fair valuation should be assessed a reasonable tax rate, and the people of the District of Columbia should pay that reasonable rate upon a reasonable assessment.

Mr. BYRNS of Tennessee. If the gentleman will yield, in the event that this resolution is adopted, I want to ask the gentleman, as chairman of the conferees, if he is not willing to do what he can to see to it that within the next few days the House has full and free opportunity to pass upon the question of the half-and-half principle.

Mr. SISSON. I am going to say to my friend that the parliamentarians have been very much in doubt as to how we are going to get at it in the House.

Mr. BYRNS of Tennessee. I am asking the gentleman so far as he is personally concerned. I think the House is entitled to it.

Mr. SISSON. The House will get it, if the gentleman will allow me. Not a single member of the conferees has any disposition other than to carry out the wishes of the House. I believe that the Members upon both sides know me well enough to know that there is not in me one particle of desire to do otherwise than that which the House wants me to do. Why? Because I am the servant of the House. I cease to be a representative individual when I enter the conference. I am there as the representative of the House to represent you to the best of my ability. I do not know how we are going to arrive at the position where I can bring back to the House the question unless by unanimous consent we vacate what we have agreed upon. Some parliamentarians say differently.

Mr. MONDELL. Will the gentleman yield?

Mr. SISSON. Yes.

Mr. MONDELL. Is it not true——

Mr. SIMS. Mr. Speaker, this must come to a head pretty soon. I am going to object to any discussion on the merits.

Mr. MONDELL. Does not the present deadlock arise out of the fact that the Senate conferees decline to discuss the questions in dispute with a view of compromising the differences so long as the House insists upon its instructions to its conferees?

Mr. SISSON. No; they did not do that.

Mr. MONDELL. Is not that the practical situation?

Mr. SISSON. Here is what occurred.

Mr. GILLETT. Will the gentleman state how long ago this was?

Mr. SISSON. Just before the recess.

Mr. GILLETT. There has been no conference since?

Mr. SISSON. No. The gentleman will understand that there are other reasons why, but let me state what occurred. This happens to be my position, and I am not going to discuss the position of others: When we met I told the conferees my position and the position of the House conferees—that a motion to adhere had been made in the House and therefore we had no proposition to make, and if they had any proposition that they desired to make to us we would report it back to the House. The conferees expressed a good deal of surprise because they had chosen new conferees and did not know that we had adhered. The Senate balled the matter up by not knowing what the House had done. Mr. GALLINGER and Mr. ROBINSON left the city, as I recollect, before this report got back to the Senate, and was acted upon.

Senator UNDERWOOD and Senator CURTIS were appointed to take their places on the conference, and Senator UNDERWOOD and Senator CURTIS were utterly amazed when they found the parliamentary situation and that they themselves had asked for a conference and we had made a motion to adhere. After having made that statement, they did not see what we could do, and since we had no propositions to make they had none to make. That is the status of the whole matter.

Mr. MONDELL. Then, the situation is as I suggested.

Mr. SIMS. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is: Is there objection to the request of the gentleman from Tennessee [Mr. BYRNS]?

Mr. GILLETT. Mr. Speaker, if the gentleman will not allow it to be discussed, I object.

Mr. SIMS. We have had about three-quarters of an hour of discussion, and I hope the gentleman will not place his objection upon the ground that we have not had time to discuss it.

Mr. GILLETT. That is one ground upon which I place it.

THE SELECTIVE-DRAFT LAW.

Mr. DENT. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER pro tempore. The gentleman from Alabama asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. DENT. Mr. Speaker, I desire to state that the conferees have reached a complete agreement upon the draft bill (H. R. 1273). It will be about 3.30 o'clock before the papers can be prepared. I ask unanimous consent, notwithstanding the rule upon the subject, that the House proceed to consider the conference report at 4 o'clock this afternoon. I have spoken to the gentleman from Tennessee [Mr. SIMS], in charge of the water-power bill, which has the right of way to-day, and this agreement is agreeable to him. Furthermore, the gentleman from California [Mr. KAHN] is absent in attendance upon the funeral of Senator JAMES, and in his absence he has designated the gentleman from Illinois [Mr. MCKENZIE] to represent the minority, and he agrees to that proposition.

The SPEAKER pro tempore. The gentleman from Alabama asks unanimous consent to consider the conference report upon the selective-draft bill at 4 o'clock this afternoon. Is there objection?

Mr. GILLETT. Mr. Speaker, reserving the right to object—and I do not intend to object—I think it would be wise if the gentleman in just a minute or two could tell us what the decisions of the conferees is, so that we may know now what we will have to consider.

Mr. DENT. It would take some time for me to do that. I have not had a chance yet to prepare my statement. I have just come out of the conference room.

Mr. CANNON. May I suggest that evidently the committee would rise or the House would suspend consideration of the water-power bill when the gentleman is ready with the conference report and his statement? I have no doubt that the gentleman from Tennessee [Mr. SIMS] would agree to that.

Mr. SIMS. I would not object to its being considered.

Mr. DENT. My only purpose in making the request is to give notice to the House, so that they could adjust their arrangements accordingly.

Mr. GILLETT. I think it is wise to have an hour fixed.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. WALSH. Does the gentleman know whether or not the other branch of the Congress will be prepared to act upon the conference report this evening?

Mr. DENT. The understanding that I have with Senator CHAMBERLAIN is that if the House, which has to act first, acts this afternoon he will ask the Senate to remain in session until the report goes over there, and if the House adopts the report the Senate will take immediate action to-day.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

Mr. DENISON. Mr. Speaker, reserving the right to object, I want to ask the chairman if he can state whether or not the conferees agreed to the elimination of the McCulloch amendment.

Mr. DENT. The conferees did agree to the elimination of the McCulloch amendment. I understand that the gentleman from Ohio [Mr. MCCULLOCH] intends—and I know of no reason why he can not do it—when the conference report comes up, to make a motion to recommit with his amendment, so that the House may have an opportunity to vote upon it.

Mr. MILLER of Washington. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. MILLER of Washington. Can the gentleman state from memory that the Senate has agreed to the elimination of the provision respecting the work-or-fight order?

Mr. DENT. The Senate agreed to eliminate the work-or-fight provision.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and it is so ordered.

APPROPRIATIONS, DISTRICT OF COLUMBIA.

Mr. SIMS. Mr. Speaker, I demanded the regular order a short time ago, when we were considering the request of the gentleman from Tennessee [Mr. BYRNS], and I understand now that it is probable that with a little further discussion of the matter they may come to some agreement. I desire to withdraw the demand for regular order.

The SPEAKER pro tempore. The Byrns resolution was objected to by the gentleman from Massachusetts [Mr. GILLETT].

PRIMARY CONTEST IN NINTH CONGRESSIONAL DISTRICT, ALABAMA.

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to proceed for not exceeding 15 minutes on a matter in the nature of a personal privilege.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Mr. Speaker, if it is a question of personal privilege, I do not understand that the gentleman has to ask unanimous consent, and unless it is a question of personal privilege I think we ought to know what the gentleman proposes to talk about.

Mr. HUDDLESTON. The matter relates to statements made by Members of the House the day before yesterday touching my recent campaign for renomination.

Mr. SIMS. Under those circumstances, Mr. Speaker, I will not object.

Mr. HUDDLESTON. Mr. Speaker, I rise in good humor to call the attention of my fellow Members to the fact that there is no pleasure in being pointed at either as "a shining mark" or as "a horrible example." Such a suggestion on my part seems quite proper in view of the references which were made on the floor of the House on day before yesterday to my recent campaign for renomination.

My name has been and is being bandied about in the press on account of the fact that during my recent campaign in Alabama the President of the United States intervened and in substance expressed the desire that I should not be renominated and by the further fact that notwithstanding such intervention I was renominated, receiving over two strong opponents 60 per cent of the total vote cast. The Prsident's action has caused much comment by the newspapers of the country, which are divided very largely into two factions, the President's critics and the President's friends.

The President's critics, from my point of view, are very largely the organs of the militarists and the big business and reactionary interests, and hence they are able to see no merit in any man who happens to have been at any time a wisher for peace or opposed to vast armaments. Especially are they antagonistic to anyone who opposes the adoption at this time of a permanent system of compulsory military service, so that when after this war our soldiers come home they will find that the yoke of compulsory service has been riveted permanently upon the necks of the people of the United States. And so these gentry, high placed in the land—for wealth and place and reaction can always command the highest order of talent—can see no good in me, and they damn me with plain denunciation and say while it was a shame to renominate me and that I was utterly unworthy to come back to the House, yet the President has done an awful thing in pointing out that fact. So I suffer from these lights of the press, who call me "Socialist" and what-not. I believe that they have come in these days to regard the epithet "pacifist" as the worst they can give and as about equivalent to assassin and highwayman; so they call me that name.

The President's champions, feeling called upon to speak in his behalf, start out by saying that I am so utterly unworthy that it was the bounden duty of the President to call attention to the fact, and that there was no way for him to get around it; the reason which they present for the President's action is that I was so unworthy to come back to the House that it would have been a dereliction on the part of the President had he not struck me.

Now, as will be observed, I am being crushed between two millstones, and it is with a view to asking mercy of my colleagues that I rise. I had hoped that this controversy would be confined to the press. I lament that such is not the case, but that two gentlemen of this House, one on either side of the aisle, have referred to the situation and out of their utter lack of information on the subject have attempted to give the reason why I was renominated and received such a handsome vote from my constituents.

Of course, I can not be very hard on the gentleman from Illinois [Mr. RODENBERG], because he coupled with my name a very flattering adjective, and besides his method of treating the subject did not necessarily involve me personally. He assumed that the people of my district in Alabama, loving State rights, had resented the presidential intervention and had renominated me rather to spite the President than anything else. Well, I should not have noticed that had the matter stopped there. The gentleman's view of the situation is wholly at fault. The President's intervention did me a great injury, cost me many votes. I received only 60 per cent of the total vote, whereas had the President not intervened I believe I would have received 80 to 85 per cent of the vote, notwithstanding I was bitterly opposed by a unanimous daily press, and had against me all the "holier than thou" element and the pseudo patriotic organizations that are so flourishing among the reactionary elements in the land just at this time.

But the case of the gentleman from Pennsylvania [Mr. DEWALT] is more serious, and I am compelled to resent his attempt to give the reason why I was renominated. Mr. DEWALT in the course of his speech was interrupted by Mr. GREENE of Vermont, who asked:

Mr. GREENE of Vermont. Will the gentleman say who is to constitute the arbiter and judge and the court of honor by which the loyalty of citizens like ourselves is to be decided?

Mr. DEWALT. That is the easiest thing in the world.

Mr. GREENE of Vermont. Shall one man do it?

Mr. DEWALT. No.

Mr. GREENE of Vermont. One man seems to try to do it.

Mr. DEWALT. That resolves itself into this finality, as the gentleman well knows: The people of the district in which the man lives will decide that question; and if the President of the United States falsely makes a charge against an individual, I premise as a fact, to be established in the near future perhaps, that they will repudiate any such charge.

Mr. GREENE of Vermont. Does the gentleman base that observation on the result of the recent election in a district in Alabama?

Mr. DEWALT. No; I do not. There were other circumstances which led to the result there, and the gentleman possibly knows what they were. The gentleman from Alabama [Mr. HUDDLESTON] comes from a highly congested district, a manufacturing district in Birmingham and a portion of the county outside of Birmingham. I understand, although I do not know it positively, that the liquor question came largely into the canvass, and the gentleman from Alabama [Mr. HUDDLESTON] took the broad ground that these men were not to be deprived of what they had usually had in that regard, and the issue was made up in that way. I may be mistaken in that, as I am only repeating what I have heard.

Mr. GREENE of Vermont. Then John Barleycorn came to the rescue of the candidate, instead of the administration.

Mr. Speaker, I would not resent many imputations. I am a plain, common man, and not thin-skinned; but I do resent the insinuation that I had the support of the liquor interests in my campaign for Congress. It does me a gross injustice. It does a gross injustice to the noble body of supporters who have renominated me, and I am unwilling that it shall remain unrefuted upon the record. The situation with reference to the President's intervention in my campaign is a very delicate one. It is one that considerations of the public welfare, as well as of delicacy and good taste, forbid, for the present, at least, and except as a last resort, that I should discuss with anything like fullness. But I can not allow the statement to pass that I came back here by virtue of an alliance with the liquor traffic. And I am bound to say that there is not a single word of fact in the statement nor in the impression that was created upon the House.

My position upon the liquor question is well understood. I made a speech on the prohibition amendment when it was before the House, and because it states my views on the question better, perhaps, than I can do it again, I will read an extract from it to the House. It is as follows:

I have been an advocate of prohibition even from my boyhood. As a citizen I have voted for it whenever I consistently could. I voted for prohibition when it was a matter of local option in my home county. I voted for it when it was proposed to put prohibition in the Alabama constitution. As a Member of Congress I voted for prohibition for the District of Columbia, for Porto Rico, and for Alaska. I have voted for it on every occasion when I felt that it was a legitimate subject for Federal legislation. I would gladly vote to put prohibition in the Federal Constitution if my conscience and my principles did not forbid. I am a prohibitionist, but I am also a democrat. I do not mean that I am a democrat merely in the party sense, but that I am a democrat in that I am a believer in the right of self-government—in the right of every community and State to decide questions which concern themselves alone.

* * * * * * *

I believe in prohibition. I look on it as a good thing, but I can not vote to force it on communities remote from my own, of which I have no specific knowledge and in which I have no particular interest. In my own State we already have prohibition. The Federal amendment will be of no benefit to us. It will merely serve to inject the prohibition issue more fully into State politics. This will be harmful to Alabama. It will delay much needed reforms and divert attention from grave public matters of more pressing concern to my State. Alabama through her legislature chose prohibition voluntarily. It was not forced upon us by other States. We accepted it deliberately, not as the result of outside dictation. I am willing to accord to the people of other States the same privilege that Alabama has asserted for herself; that is, to decide for themselves whether they will stop the sale of liquors. I should resent with all my soul any attempt upon the part of a combination of other States by amendment to the Federal Constitution or otherwise to force the liquor traffic upon the people of Alabama. Likewise I shall not take part in an effort to prohibit such traffic in other States, the people of which desire that it should continue.

I voted against the Federal prohibition amendment, but it was well understood by my people at home that I was a prohibitionist. In fact, I consider myself a better prohibitionist—I am sure I have been one longer—than many men who clamored for it and many of those who are now such ardent advocates of prohibition. But I am, as I said then, also a Democrat, and my principles will not permit me to undertake to dictate upon a question of this kind to people of distant States who have the moral and natural right to govern themselves, a right that is secured to them at present

under the Constitution of the United States. My views are well known to my people. This speech, of which I have read a portion, was distributed under the title, "Democracy and prohibition" to every voter in my district, and they know exactly where I stand.

I want to say to the gentleman from Pennsylvania [Mr. DEWALT] and to the House that there were not 100 votes in my district influenced by my vote on the amendment. A few extreme prohibitionists, some of them belonging to the inner circle of the political ring that assumes the right to dictate on all matters relating to prohibition, may have voted against me. I am not able to pick out any one of them. There were perhaps a few extremists. On the other hand, knowing that I was a prohibitionist, some extreme advocates of the sale of liquor no doubt refrained from voting in the election—as we know there are a few men who will not vote for a prohibitionist even if there is no one running against him. But no substantial change was made in the result.

The question of my vote on the amendment was not referred to in the campaign. We do not have the sale of liquor in Alabama. There is no saloon element or liquor element in Alabama. The open saloon has gone just as much as the snows of last year. We will never have the sale of liquor in Alabama again, no matter what the people of the United States may do with reference to the Federal amendment. There was no question of that kind involved in the campaign in my State. The only question touching prohibition was whether the legislature which was being selected would ratify the amendment, and there was an earnest desire on the part of many of the people of Alabama to preserve States' rights in principle. Those favoring ratification of the amendment appear to have been in the majority and that is all there is to it. I told my constituents that I had done my duty as I saw it when the matter was before the House, which was enough responsibility for me, and said to them, "It is now up to you, I will be content with what you may do."

I may say also that I was viciously opposed by the two liquor dailies of my city and by all the selfish interests which in prior elections were lined up with the distillers because they expected a financial benefit from the saloon business.

I desire merely to say further, Mr. Speaker, that I will not presume at this time to undertake to tell of all the issues in my campaign nor to express an opinion as to what led to the intervention of the President in that campaign. I will not take that up at this time; but I do hope that Members will not assume, knowing nothing about the situation, to tell how I happened to get renominated. I beg that they "lay off" of the humble Member from the ninth district of Alabama in discussing the President's political activities. [Applause.]

WATER POWER.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, the water-power bill, with Mr. WEBB in the chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce.

Mr. SIMS. Mr. Chairman, I move to strike out the last two words of the section for a purpose which I will explain.

Mr. WALSH. Mr. Chairman, does the gentleman move to strike out the last two words of the first section?

Mr. SIMS. Yes; the last two words of the first section.

Mr. Speaker, on the 23d day of August I received a letter from the President of the United States, written on the 22d of August. On the 22d of August I wrote the President a letter myself and signed it at 6.30 in the afternoon and mailed it; therefore I had not received the President's letter on the 22d when I wrote mine and he had not received mine when he wrote his. I wish now to have read the letter of the President of the 22d instant and then my letter, and then the reply of the President to my letter, which was dated the 26th of August and which I did not receive until the 27th. At the present I will make no comment or explanation until later in the consideration of the bill.

Mr. JOHNSON of Washington. May I ask the distinguished chairman a question?

The CHAIRMAN. Does the gentleman yield?

Mr. SIMS. Yes.

Mr. JOHNSON of Washington. Is this letter of the President at all at variance with the views of the three Secretaries, members of his Cabinet?

Mr. SIMS. The gentleman will have to judge of that when he hears the letter read.

Mr. MONDELL. Mr. Chairman, will the gentleman yield for a question?

Mr. SIMS. Yes.

Mr. MONDELL. Is this a correspondence course in legislation? [Laughter.]

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

THE WHITE HOUSE,
Washington, 22 August, 1918.

MY DEAR MR. SIMS: I am going to venture to say to you as chairman of the special water-power committee what I hope that you will not think I am taking too great a liberty in saying, namely, that inasmuch as the House of Representatives has four times passed a water-power bill, each time with a recapture clause practically identical with the pending water-power bill as it was originally proposed by the administration and agreed upon in informal conference, I am very much in hopes that it will be the judgment of the House to reject the committee amendment and recur to the original bill in the form in which it was delivered to Mr. POU, of the Rules Committee, for introduction and consideration by the Congress. I am very much concerned about this feature of the bill and have had the privilege of being so intimately associated with those who have from time to time conferred about it that I am venturing to make this earnest suggestion.

Sincerely, yours,

WOODROW WILSON.

Hon. THETUS W. SIMS,
House of Representatives.

Mr. SIMS. Now, Mr. Chairman, I ask that my letter to the President, written the same day but before I received the President's letter, be read.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. WALSH. Did the gentleman, in his letter to the President, inclose a copy of the minority report?

Mr. SIMS. I will answer when the letter is read. The letter that is now to be read was written before I received the President's letter.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES UNITED STATES,
COMMITTEE ON WATER POWER,
Washington, D. C., August 22, 1918.

MY DEAR MR. PRESIDENT: General debate on the water-power bill has closed. Further consideration has been postponed until the man-power bill passes the House, but we will probably have time to take up the water-power bill and finish its consideration before the Ways and Means Committee will have the revenue bill ready for consideration. We are therefore in the amendment stage of the bill, which is the all-important stage.

As the bill was finally reported by the committee there is no matter of serious difference except the so-called net-investment amendment. As you know, Mr. FERRIS is very bitterly opposed to that amendment. Mr. DOREMUS agrees with him, and so do I, but as chairman having charge of the bill and representing a majority of the committee, rather than my personal views, it is rather embarrassing for me to do what I feel my duty will require me to do in the present case.

You requested the three Secretaries to prepare a bill for you. Naturally I must suppose that they gave the preparation of that bill their most deliberate and serious consideration. You presented the bill they had prepared and given you and which met with your approval as a basis upon which you asked that a special committee be created by special rule in order that all questions of water-power legislation should be included in one bill. You stated to us at the time we met you in conference that you approved the fundamental provisions of the bill. You finally gave the bill to Mr. POU, chairman of the Committee on Rules, so that it might not appear that you had any feeling or preference as between the several committees that had heretofore had jurisdiction of water-power legislation.

Mr. POU immediately had the bill printed and a thousand copies of same distributed among the Members of the House. This was all done before the Committee on Rules had brought in a rule providing for the establishment of a special committee in compliance with your request. Being satisfied with the fundamental provisions of the bill I strongly urged the Committee on Interstate and Foreign Commerce to agree to this special rule. Mr. DOREMUS helped me in the matter, but it was rather an uphill task to get the committee to agree to it, but finally it did so. The fundamentals of that bill were given to the House as the deliberately considered necessary provisions of a water-power bill carefully prepared by the three Secretaries, carefully scrutinized by yourself, and approved by all concerned. The House, feeling it to be the last word from both you and the three Secretaries, adopted the rule creating the committee. The committee was appointed, and I was honored with the chairmanship of same. But the railroad-control bill was then up for consideration by the Committee on Interstate and Foreign Commerce, therefore I could not call the Water Power Committee together or take any steps whatever in the consideration of the proposed water-power bill.

Several weeks after the committee had been created Mr. O. C. Merrill, chief engineer of the Bureau of Forestry in the Department of Agriculture, came to see me and stated to me that the three Secretaries requested that this bill which you had given us be referred back to the three Secretaries, that there were certain amendments which the three Secretaries wanted in the interest of clarity and simplicity. I told Mr. Merrill that the bill which you had given to us and which had been printed at the request of Mr. POU was not a pending bill before the committee in the sense that it could be referred by committee action, but that if the three Secretaries desired to look over the bill with a view to changing its phraseology, thereby making it more clear and simple, they could do so, and the committee would take up their suggestions and consider same when organized.

About two weeks afterwards Mr. Merrill came to my committee room late one afternoon and brought what he said was a bill with the suggested amendments proposed by the three Secretaries and also handed me a letter signed by the Secretaries. Assuming, of course, that the amendments had been submitted to you by the three Secretaries and approved by you, I never even read the bill or the letter, but went immediately to the floor of the House and had a thousand copies of the amended bill printed at once and also a thousand copies of the letter.

It was a number of days after that time when Mr. FERRIS asked me if I had read these proposed amendments. I told him I had not. He suggested that I read them immediately, as he regarded the changes made in the bill as fundamental. I then read the bill and found that Mr. FERRIS was exactly right; that instead of changing the phraseology so that the fundamental provisions of the bill would be more easily understood that the basic provisions of the bill had been completely changed. For instance, the bill you gave us provided for a license period of not exceeding 50 years. This had been changed to a specific, arbitrary 50-year period with no power to provide for a less period without the consent of the licensee. A second license period was provided for the holder of the original license, and the tender of this second license was made mandatory upon the part of the commission. The recapture provision of the bill you gave us provided for recapture upon a basis of fair value not exceeding actual cost. This provision was stricken out almost bodily and the so-called net-investment provision substituted for it.

The CHAIRMAN. The gentleman's time has expired.

Mr. SIMS. Mr. Chairman, I ask for an extension sufficient to complete the reading of that letter.

Mr. KNUTSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KNUTSON. How much longer will it take to finish?

Mr. SIMS. Only a few minutes.

The CHAIRMAN. Without objection, the request is granted.

There was no objection.

The CHAIRMAN. The Clerk will proceed with the reading.

The Clerk read as follows:

It is evident to me that the Secretaries never considered these amendments as thoroughly as they should have been considered. I could never believe that radically fundamental changes in the bill would have been suggested and pressed by the three Secretaries without first being submitted to you and having your approval.

Now, in all fairness and justice to myself as chairman of the Water Power Committee and to the members of the three committees and to the House of Representatives, who concurred in making a revolutionary change in the procedure of the House in order to consider a bill given to us by you, that radical and fundamental changes in that bill should not have been prepared and suggested by the Secretaries and given the stamp of administration approval without you or any member of the committee being consulted as to the effect these proposed changes would have upon the bill.

I, of course, took it for granted that Mr. Merrill was in all good faith representing the Secretaries in doing what he did and that they were doing what you approved. I feel absolutely sure that neither the committee nor the House of Representatives would have suggested any such amendments or would have consented to them on any other theory than that they had received your consideration and approval. The committee has acted on all the amendments, but the net-investment amendment is the bone of contention, and I ask you, if you are willing to do so, to let me know whether or not these proposed amendments were submitted to you and whether or not they were approved by you, especially the net-investment amendment as written in the reported bill.

I would like very much to have your reply before we begin considering the bill for amendment, because I feel in all good faith I must oppose this net-investment amendment.

I must assume that the three Secretaries gave the whole matter exhaustive consideration before they handed you a bill. If they did so and then afterwards radically changed almost every fundamental provision of the bill it is to me a very strange proceeding. Therefore, I can not believe that they did so with a thorough knowledge of the effect of the amendments upon the bill.

Very sincerely, yours,

T. W. SIMS, *Chairman.*

THE PRESIDENT,
The White House.

Mr. SIMS. Then the President's letter in reply.

The Clerk read as follows:

THE WHITE HOUSE,
Washington, August 26, 1918.

MY DEAR MR. SIMS: Pardon me for not having replied sooner to your important letter of August 22.

I am free to reply to it that I did not see the draft of amendments to the water-power bill which were introduced by Mr. Merrill and his associates after the bill was first put in the hands of your special committee. I do not approve of them, and it is my earnest hope that the Congress will see fit to pass the bill as it was originally drafted and provisionally agreed upon in our informal conference.

Cordially and sincerely, yours,

WOODROW WILSON.

Hon. THETUS W. SIMS,
House of Representatives.

Mr. SINNOTT and Mr. HUMPHREYS rose.

The CHAIRMAN. For what purpose does the gentleman from Oregon rise?

Mr. SINNOTT. I would like to be recognized to oppose the motion.

The CHAIRMAN. The gentleman from Oregon is recognized.

Mr. SINNOTT. Mr. Chairman, we have just had read two letters from the President. I desire to read two other letters writen by the same distinguished gentleman. One is found on page 273 of the work entitled "Congressional Government," by Woodrow Wilson. He states in this letter:

No one, I take it for granted, is disposed to disallow the principle that the representatives of the people are the proper ultimate authority in all matters of government, and that administration is merely the clerical part of government. Legislation is the originating force; it determines what shall be done. And the President, if he can not or will not stay legislation by the use of his extraordinary power as a branch of the legislature, is plainly bound in duty to render unquestioning obedience to Congress. And if it be his duty to obey, still more is obedience the bounden duty of his subordinates. The power of making laws is in its very nature and essence the power of directing, and that power is given to Congress. The principle is without drawback and is inseparably of a piece with all Anglo-Saxon usage.

Then I quote from another letter by the same distinguished gentleman, in his work on constitutional government in the United States:

There are illegitimate means by which the President may influence the action of Congress. He may bargain with Members not only with regard to appointments but also with regard to legislative measures. He may use his local patronage to assist Members to get or retain their seats. He may interpose his powerful influence in one covert way or another in contests for places in the Senate. * * * Such things are not only deeply immoral, they are destructive of the fundamental understandings of constitutional government itself. They are sure, moreover, in a country of free public opinion to bring their own punishment, to destroy both the fame and the power of the man who dares to practice them.

I thought that these two letters should appear in the same RECORD with the others. [Applause.]

Mr. RAKER. Will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the section.

This first section of the bill provides for a commission to be known as the Federal power commission, to be composed of the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture, prescribing their duties and setting some, though not many, limitations to their powers. I should like to call the attention of the chairman of the committee and of the members of the committee to the fact that for several years there has been insistence upon legislation providing for the creation of some sort of a commission, to have power in matters touching the development of water power and the regulation of navigation, and the disposition of all the useful purposes of our waterways. More than a year ago we created a commission for that purpose. We were told then that that commission was created in accordance with the wishes of the very three Secretaries who are mentioned in this bill. That provision was carried in the river and harbor bill, and we were told then by those who were interested in the passage of that bill that it was very necessary, if the bill was ever to become the law of the land, that section 18, which provides for the commission, should be incorporated in it. Now, I think section 1, providing for this commission, should be stricken from this bill—I think the gentleman will agree to that—or else we ought to repeal section 18 of that river and harbor bill. We ought not to have two commissions set to do the same work, both demanding the same initial appropriation to carry on the work, with very little limitation set to their power.

Mr. RAKER. Will the gentleman yield right there?

Mr. HUMPHREYS. For a question.

Mr. RAKER. The power given the commission in the river and harbor act relates solely to investigation and report, does it not?

Mr. HUMPHREYS. Yes.

Mr. RAKER. While this bill authorizes the granting of permits and licenses.

Mr. HUMPHREYS. Yes.

Mr. RAKER. And whatever information that commission should gather—they have not been appointed yet—this commission provided for in the pending water-power bill could call for and use in the prosecution of their work.

Mr. HUMPHREYS. It may be desirable to create one commission with power to go out and get a lot of information and pay its members $7,500 a year, authorize them to employ all the experts they want, and give them $100,000 to start with, and then before that commission is appointed create another commission and give them $100,000 and tell them to go out and do the same identical work, and excuse it by saying, "Well, the second commission will take whatever information the first commission give them." I say it is a wicked waste of money. Let me read the provisions of section 18 of the river and harbor bill approved August 8, 1917. Here is what we deliberately enacted into law last year, with the undertsanding that it was satisfactory all the way along the line, and that nothing short of it would be satisfactory:

SEC. 18. That a commission, to be known as the Waterways Commission, consisting of seven members to be appointed by the President of the United States, at least one of whom shall be chosen from the active or retired list of the Engineers Corps of the Army, at least one of whom shall be an expert hydraulic engineer from civil life, and the remaining five of whom may each be selected either from civil life or the public service.

It was worded that way in order that the Secretary of War and the Secretary of the Interior and the Secretary of Agriculture might be named on this commission. It is a rather remarkable provision. Now listen to the rest of this.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUMPHREYS. I ask unanimous consent for five minutes more.

Mr. SIMS. I ask unanimous consent that the gentleman have five minutes more.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the time of the gentleman from Mississippi be extended five minutes. Is there objection?

There was no objection.

Mr. HUMPHREYS. Now listen to this—

Is hereby created and authorized, under such rules and regulations as the President may prescribe, and subject to the approval of the heads of the several executive departments concerned—

The President prescribes these rules, but he has to get the approval of his Secretaries after he prescribes them. Now, here is what it does—I can state it more briefly than I can read it—here is this commission, consisting of seven members, with salaries of $7,500 a year each, with an initial appropriation of $100,000, to make all these investigations, and here is what this commission can do. I requested the gentleman from Louisiana, Judge WILSON, a very able lawyer, to make a critical examination of the section prescribing the powers of this commission, to analyze it and see just what they can do. Here is what the National Waterways Commission heretofore created can do, and here are its powers: It has the power to adopt rules and regulations, to form such organization and appoint such personnel as it may deem advisable, to fix salaries, and so forth; by which it is to bring into cooperation and coordination—exactly what you propose here—first, the engineering; second, the scientific and construction services; third, the bureaus; fourth, the boards; fifth, the commissions of the governmental departments of the United States; sixth, the commissions created by Congress that relate to study, development, and control of waterways, water resources, and related subjects, or the development and regulation of interstate and foreign commerce; with a view of uniting such services in investigating with respect to all watersheds in the United States questions relating to development, improvement, regulation, control of navigation as a part of interstate and foreign commerce, including therein the related subjects of irrigation, drainage, forestry, arid and swamp land reclamation, clarification of streams, regulation of flow, control of floods, utilization of water power, prevention of soil erosion and waste, storage and conservation of water for agricultural, industrial, municipal, and domestic uses, cooperation of railways and waterways, and promotion of terminal and transfer facilities and sites, and so forth.

Now, there is a commission already created under the law, seven men getting each $7,500 a year, to make this investigation and employ experts. There is no limitation upon their power to employ all the experts they want, whether they are water-power experts, experts on the reclamation of arid lands, or anything else. They can give us all that data and submit their report to Congress.

Now, you come along with this bill, with that commission created deliberately and purposely, with the Secretaries mentioned here as a part of it. You do not repeal the first law, the commission still stands, still ready to exercise its functions, still drawing its pay, and you come along with this other commission.

So far as the water power is concerned the duties of both commissions are identical.

Mr. ESCH. Will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. ESCH. Is the gentleman referring to the waterways commission?

Mr. HUMPHREYS. Yes.

Mr. ESCH. That commission has not been appointed.

Mr. HUMPHREYS. It is authorized by Congress and the appropriation made.

Mr. ESCH. Let me say to the gentleman that in the course of the hearings I propounded the question whether or not we could not utilize that waterways commission for the purposes of this act and avoid the creation of another commission, and the Secretaries seemed to be strongly of the opinion that a separate commission should be created.

Mr. HUMPHREYS. They evidently had some strong reason for that opinion, and it would be very interesting to the House if their reasons and not their conclusions were given.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. HUMPHREYS. Mr. Chairman, I ask to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. WALSH. Reserving the right to object, I think the gentleman is making an argument that ought to be heard by more members of the committee. I do not mean the Committee of the Whole, but more members of the special committee on waterways, and while I am strongly tempted to make the point of no quorum——

Mr. MOORE of Pennsylvania. The gentleman knows that it is the lunch hour and many are out on legitimate business. [Laughter.]

Mr. WALSH. In view of that observation I will not make the point.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HUMPHREYS. Mr. Chairman——

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. MOORE of Pennsylvania. Has the gentleman any information as to why the waterways commission has not been appointed?

Mr. HUMPHREYS. I have not.

Mr. MOORE of Pennsylvania. Are not the functions of that committee being performed by an inland waterways committee under the direction of the Director General of Railroads?

Mr. HUMPHREYS. I do not think so. This waterway commission was authorized to employ or retain and fix the compensation for the services of such engineers, transportation experts, experts on water development, utilization, and structures, as it might be necessary to make such investigation to carry out the purposes of this section, and $100,000 was appropriated in order to enable them to go out and perform these services.

Now, I submit that there is no justification and there is no reason—I do not care if the various Cabinet officers did say to the committee that they thought they should be given the power carried in this bill—there is no reason or justification for the creation of another commission to do this very same thing. All of us know that the Cabinet officers are not going to do the work. The Cabinet officers have their hands entirely full now, and they will and necessarily must detail somebody else in the various departments to perform these services.

This House, after several years of conference with these Cabinet officers, created this commission. After several years of discussion, as I understood it last year from the chairman of the Rivers and Harbors Committee, they all finally got together and agreed that that commission should be authorized, and so worded the act, that three of these Cabinet officers could be members of it, but they must have the assistance of four other gentlemen, who would be appointed by the President to act in this capacity, and it was created, carrying salaries of $7,500 each. Before that act gets cold we are asked to create another commission to go out and spend another hundred thousand dollars.

This Waterways Commission has got $100,000 to make these investigations for these water-power sites, and to report to Congress data, and now we are starting out with another commission to spend another $100,000 and many hundreds of thousands of dollars. It will take a good many millions to make the survey of the watershed of the Ohio River alone—not $100,000—and both these commissions are authorized to do it.

Mr. ANDERSON. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. ANDERSON. Is it the gentleman's idea that the powers proposed to be conferred in this bill should be conferred upon the commission about which he has been talking?

Mr. HUMPHREYS. Yes.

Mr. ANDERSON. Is it the gentleman's intention to offer an amendment which will accomplish that result?

Mr. HUMPHREYS. Absolutely. If we strike out section 1, then, in section 4 we could add the words:

That the Waterways Commission, hereinafter referred to as the commission, is hereby authorized and empowered—

And so forth.

Then you have got your commission appointed, with its $100,000 already appropriated, to make the investigation. Then you can proceed with your bill. I do not mean to say that I am for the bill after that is done, and I do not wish to be understood as committing myself to this bill, even if it is done, but I say that it is a wicked, useless thing to create two com-

missions and turn them loose with no limitation upon their power to spend the public money in the same work.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. SIMS. Mr. Chairman, I want to say only one or two words in reply to the gentleman from Mississippi. As a matter of course Congress has absolute power and jurisdiction to adopt the amendment which the gentleman from Mississippi has proposed and to confer the powers that are conferred upon the commission created in this bill upon that commission. There is no question about that; that can be done by Congress.

Mr. HUMPHREYS. It can be done by this amendment.

Mr. SIMS. Yes. The question is whether it is prudent or not. This commission to which the gentleman referred has seven members drawing $7,500 a year, but they have not yet been appointed. I do not know why they have not been appointed. It will cost over $50,000 a year; and I suppose, as a matter of fact, in that, as part of the commission, the three Secretaries will draw no salary as members of that commission. So it would be about $30,000 more in commission salaries. But the commission to which the gentleman referred, if it discharges all the duties imposed upon it, will have to spend a great many hundred thousand dollars and will have to have a very large force, while this commission is empowered only to execute the water-power development law as embraced in this bill.

Mr. HUMPHREYS. No; if the gentleman will yield. This commission authorized in this bill is charged with the responsibility of making investigations and collecting this data, and they can not make that investigation except by sending these engineers out to survey these water sheds at the cost of many hundreds of thousands of dollars.

Mr. SIMS. I think the gentleman is mistaken about that.

Mr. HUMPHREYS. Oh, no; I am not mistaken.

Mr. SIMS. In the first place, this commission under this bill will send out nobody to do anything except when some person or corporation applies for a permit or a license. Then, before the license is granted, I take it, the commission will have that particular project to which the license is applied investigated and reported upon. But they can do that with their own force. There are expert men who are under the War Department, expert engineers that are under the Interior Department, and expert engineers under the Agricultural Department, and they can use the force which they already have because it is a limited investigation only as to the power sites for which the license has been applied for.

Mr. WALSH. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. My point of order is that there is no quorum of the committee present. It is absolutely absurd to consider this bill with 25 or 30 Members present.

Mr. SIMS. I am through with what I intended to say.

The CHAIRMAN. Does the gentleman make the point of no quorum?

Mr. WALSH. Yes.

The CHAIRMAN. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Dies	Griffin	Lobeck
Aswell	Dill	Hamill	Lundeen
Barkley	Dillon	Hamilton, N. Y.	Lunn
Bell	Dominick	Haskell	McCormick
Booher	Donovan	Hastings	McKenzie
Borland	Dooling	Hayes	McLaughlin, Pa.
Brand	Drukker	Heaton	Magee
Britten	Dunn	Heflin	Maher
Browne	Dupré	Heintz	Mann
Browning	Eagan	Helm	Mason
Brumbaugh	Emerson	Hensley	Mays
Burroughs	Estopinal	Hicks	Meeker
Byrnes, S. C.	Fairchild, B. L.	Hood	Miller, Minn.
Campbell, Kans.	Fairchild, G. W.	Houston	Mott
Candler, Miss.	Farr	Howard	Mudd
Cantrill	Fess	Husted	Nelson
Carew	Fields	Hutchinson	Nicholls, S. C.
Carter, Okla.	Flynn	Jacoway	Nichols, Mich.
Church	Focht	Johnson, Ky.	Oliver, Ala.
Clark, Fla.	Foss	Johnson, S. Dak.	Oliver, N. Y.
Coady	Francis	Jones	O'Shaunessy
Connelly, Kans.	Frear	Juul	Overmyer
Cooper, Ohio	Freeman	Kahn	Padgett
Cooper, Wis.	Fuller, Mass.	Kearns	Parker, N. Y.
Copley	Gallivan	Keating	Peters
Costello	Garrett, Tenn.	Kelley, Mich.	Platt
Crago	Glynn	Kennedy, R. I.	Pou
Cramton	Goodwin, Ark.	Kiess, Pa.	Powers
Crosser	Gould	Kincheloe	Pratt
Curry, Cal.	Graham, Pa.	King	Price
Dale, N. Y.	Gray, Ala.	Kreider	Raney, H. T.
Dallinger	Gray, N. J.	LaGuardia	Randall
Davis	Greene, Mass.	Langley	Rankin
Delaney	Gregg	Lever	Riordan
Dewalt	Griest	Linthicum	Roberts
Rogers	Shouse	Sweet	Ward
Rouse	Siegel	Swift	Wason
Rowe	Slayden	Switzer	Watkins
Rowland	Slemp	Tague	Welling
Rucker	Smith, C. B.	Talbott	Williams
Russell	Smith, T. F.	Taylor, Colo.	Wilson, Ill.
Sabath	Snell	Templeton	Wilson, Tex.
Sanders, La.	Snook	Thomas	Wise
Saunders, Va.	Snyder	Thompson	Woods, Iowa
Schall	Stafford	Tinkham	Wright
Scott, Mich.	Steele	Van Dyke	Young, N. Dak.
Scott, Pa.	Stephens, Miss.	Vare	Zihlman
Scully	Stevenson	Venable	
Shackleford	Sullivan	Vinson	
Sherley	Sumners	Walker	

The committee rose; and the Speaker pro tempore having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 1419, and, finding itself without a quorum, under the rule the roll was called, whereupon 232 Members answered to their names, and he presented therewith the list of absentees to be recorded in the Journal.

The SPEAKER pro tempore. The committee will resume its sitting.

Mr. ANDERSON. Mr. Chairman, in order that the members of the committee may understand clearly just what the proposition now pending is, I want to restate it——

The CHAIRMAN. What request does the gentleman from Minnesota make?

Mr. ANDERSON. I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ANDERSON. Mr. Chairman, the gentleman from Mississippi has made a motion to strike out the first section of the bill, which creates the commission empowered to administer the act. He asserts that it is his purpose, if this motion prevails, to offer an amendment charging the commission created by the recent river and harbor act with the duties and obligations which are in this bill imposed upon the commission created by the first section. When this bill was first under consideration by the committee I was of the opinion that the whole question of water-power development was of sufficient magnitude and of sufficient importance to warrant the creation of a commission which should have no other duty except the duty of developing the water power of the country under the act. I was very strongly of that opinion; I still entertain that opinion. But, Mr. Chairman, the committee, or a majority of the committee, did not agree with me upon that proposition, and, unlike the chairman of the committee, I propose to be bound by the action of the committee upon this particular proposition. [Applause.] There are some reasons why, however desirable it may be to have a commission which has no other duty at all except administering the provisions of this act, that particular thing can not feasibly be done. The Secretary of War is charged with certain duties touching navigable waters. He is charged with the obligation of maintaining those waters in a navigable condition for military purposes. That power can not properly be taken away from him; and yet, if all power to deal with navigable waters provided in this bill were conferred upon a commission separate and distinct from the Secretary of War, it might, it could, it probably would interfere with the control of those waters for military purposes. Again, the Secretary of Agriculture, having jurisdiction of the national forests, of some national monuments and national parks, is charged with certain duties touching the preservation of the scenic beauties and the nonpollution of the waters within those monuments, parks, and forests.

The creation of a commission having the sole power to deal with water powers within those parks would interfere and in many instances be inconsistent with the power now possessed by the Secretary of Agriculture and which he ought to continue to have. The same sort of an argument might be made with respect to the powers now exercised by the Secretary of the Interior touching the public lands. And these considerations, urged over and over and over again in the committee, led me to dispose of my own personal inclination touching the matter and to stand by the bill as it is now proposed.

I want now to advert to what occurred here a few minutes ago. A letter was read from the President of the United States requesting or expressing the hope that a certain amendment, the net investment amendment, put in the bill by the committee, should be stricken out and the original text of the bill restored. I have no criticism whatever to offer upon the action of the President in this matter or upon any matter in which he undertakes to impress his views by the exercise of his influence or the expression of his views in a public way, and I assume that it was always the intention that the letter sent to

the chairman of the committee by the President should be made public. I have not been a Member of the House very long but during the time I have been here there have been a great many changes in the rules, written and unwritten, and with many of those changes I am in entire accord. When I came here it was the unwritten rule, seldom, I think, if ever violated, that the chairman of the committee, regardless of his own views, when his committee had once agreed upon a bill, was obliged to fight for the bill and defend it against all comers whomsoever they were, but now that rule, sanctified by 100 years of legislative experience, has been overturned and we find the chairman of this committee writing the President of the United States a letter in order that he may get an instrument with which he can submarine his colleagues.

Mr. SIMS. Will the gentleman yield?

Mr. ANDERSON. I will.

Mr. SIMS. Mr. Chairman, I want to call the gentleman's attention to what I think is a fact. He is a very fair man, I have found him to be so, that it was said from the beginning in the consideration of the water-power bill that any member of the committee was free to offer or oppose or favor any amendment that might be offered upon the floor of the House, and now I expect to support this bill whether the net investment amendment stays in or goes out.

Mr. ANDERSON. Mr. Chairman, the gentleman, the chairman of the committee, made the report upon which the Members of this House were supposed to come to some conclusion of what their duty was respecting it. I do not criticize him if he wants to support an amendment to this bill but I think he is subject to criticism when he writes the President of the United States in order to get, as I said before, the means whereby he may submarine his colleagues touching a bill which he has reported. Now, that is all I have to say upon this subject.

Mr. FERRIS. Mr. Chairman, I shall take no part in the controversy between the gentleman from Minnesota and the chairman of the committee other than to say the chairman of the committee has always been against this proposed net-investment amendment and gentlemen on the other side with equal force have advocated it. They, of course, had a perfect right to advocate it. The chairman has a perfect right to occupy the other position. What I do desire to say is in opposition to the motion of the gentleman from Mississippi [Mr. HUMPHREYS], if he had any earnestness or seriousness in offering it at all, which I do not think he had. He proposed to strike out the first section of the bill, which creates the administrative commission to operate this water-power bill. Of course, that means, or would imply, that the gentleman from Mississippi was against any water-power legislation at all, which, I am sure, is not true.

The gentleman from Mississippi [Mr. HUMPHREYS] has been a student of water power for a long time, and has been a very helpful one, and has assisted the House in carrying on water-power legislation.

Something like a year or more ago a Senate amendment was added on, known as the Newlands amendment, creating a very elaborate water-power commission, made up of seven members, with salaries of $7,500 each, and so forth. The amendment was never given consideration in this House. It was put in by the committee, and was struck out on a point of order, and the House gave no attention to it whatever. It created a commission of seven members. It is not a water-power commission. It is a commission that assumes to do most everything, but it has never even been appointed; it has never really become more than a paper commission, and I assume will never be. And I think the gentleman from Mississippi is entirely right in saying that we have too many commissions. If the gentleman will offer an amendment to abolish that commission I shall be glad to vote with him. Of course, in frankness it ought to be said it would be subject to a point of order, and if the members of the Flood Control Committee and the members of the River and Harbor Committee want to strike it out they could strike out the amendment by a point of order.

I want to be entirely fair with the gentleman. I again state that the gentleman from Mississippi has been a helpful student of water power in this House for a long time, and I, as one who has had a little to do with it, must make grateful acknowledgement to him. I was merely disappointed to find him moving to strike out the first paragraph in the bill, which is the heart of it.

Mr. HUMPHREYS. The gentleman understands my motion was to strike out the first section, with the statement that I would then move to amend section 4?

Mr. FERRIS. I understand.

Mr. HUMPHREYS. Your first section creates a new commission——

Mr. FERRIS. Made up of three Cabinet officers, who now have jurisdiction of the water power of the country. That is precisely what is desired, precisely what was agreed upon, precisely what ought to be agreed upon.

Mr. HUMPHREYS. And which does not mean anything, with all due respect. Three Cabinet officers are not going to attend to it. That we all know. They are going to appoint somebody else.

Mr. FERRIS. They are attending to it now. They will attend to it. They drew the line. They are the very ones who know most about it.

Mr. HUMPHREYS. We have not had any attention paid to the water power in this country by anybody.

Mr. FERRIS. Let me proceed a little further. The gentleman had 20 minutes and I am going to take only 5.

Mr. HUMPHREYS. The gentleman will get more time. He deflected me. [Laughter.]

Mr. FERRIS. All right. I was only trying to hang on to my modest five minutes.

Mr. HUMPHREYS. My proposition is simply not to create a new commission, but let the commission already created do the things he proposes to do there.

Mr. FERRIS. I will reply to that. That is the gentleman's position and that is the thing I want to make answer to. The commission that the gentleman proposes to put into this bill by later amendment which he proposes to offer, from his statement just made, was a Senate amendment creating a committee of seven, paying them $7,500 apiece, to go out and gather information—a kind of roving commission.

Mr. HUMPHREYS. Including these three Secretaries.

Mr. FERRIS. Now, wait a minute. Let me go ahead now. That commission has never been appointed. I assume it never will be appointed. It never ought to be appointed.

Now, if appointed or created they have no power to issue franchises; they have no power to develop water power. This is a water-power bill; it is not a roving-commission bill; and the first section of it has the provision that the three Secretaries that now have water-power jurisdiction and are now entertaining and functioning water-power jurisdiction shall go on and act in conjunction as distinguished from separate and distinct action. It provides for coordination of the three departments, and I submit that is as it should be. The Secretary of the Interior is now administering the water power to public lands. That is true, is it not? The Secretary of War is administering it on navigable streams. That is true, is it not? And the Secretary of Agriculture is administering the water power on the 365,000,000 acres of forest reserve. That is true, is it not?

Mr. HUMPHREYS. I can not answer that.

Mr. FERRIS. I can. I will answer it myself, and say it is true. It is a fact. And they already have the bureaus. The War Department has a Board of Engineers, the Department of the Interior has the Geological Survey and the water-power division, and the Secretary of Agriculture has a water-power division; and this bill proposes to bundle together those three Secretaries and the three water-power bureaus and make one of them, instead of three.

Now, to hold on to any of these outside commissions I think is folly. Whether you can get rid of them or not, I do not know. I am willing to vote for an amendment to get rid of these other commissions, but it will be subject to a point of order, and I suppose some river-and-harbor man or some flood-control man will make a point of order and knock it out. If we want this legislation, which is proposed to be a comprehensive measure, and propose to develop the water-power interests of the country, we should certainly not strike out the first section of the bill. I hope the House will sustain the committee, at least, and not strike out the heart of the bill at the beginning of it.

Mr. HUMPHREYS. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

Mr. FERRIS. The gentleman has had 20 minutes.

Mr. HUMPHREYS. Yes; when nobody was here.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. HUMPHREYS. The gentleman from Oklahoma [Mr. FERRIS] suggests that this Waterways Commission, as it is called, created a year ago, is a roving commission, with no special power, but that this commission, authorized and created in the first section of this bill, is going to take the various scientific and appropriate agencies that are now distributed throughout the different departments and coordinate them. Now, I call the gentleman's attention to the power of the Waterways Commission created a year ago.

Mr. FERRIS. Will the gentleman yield right there?

Mr. HUMPHREYS. Yes.

Mr. FERRIS. Does the gentleman contend that the Waterways Commission, created by the Newlands amendment, has any power to issue franchises for water power?

Mr. HUMPHREYS. Not a bit.

Mr. FOSTER. We can confer the power in this.

Mr. HUMPHREYS. That is what I propose to do at the "first shake out of the box," though I do not suppose the gentleman knows what that expression means.

Mr. FERRIS. I do.

Mr. HUMPHREYS. The first power conferred on the Waterways Commission is this—"to bring into coordination and cooperation the engineering and scientific and constructive services of the various boards and commissions of the several governmental departments of the United States and all commissions created by Congress that relate in any way to the development of water power or any of the other public uses of water." That commission is created with that power. They are authorized to employ scientific agents outside of the bureau.

They are authorized to employ experts to make investigations such as this commission is authorized to make. There is no limitation whatever upon their power to spend money except as Congress limits the power by appropriation, and $100,000 is given to them to go out and make the investigations.

Now, the first section of this bill proposes to create a new commission, although this other commission is already in existence, and the law so worded that these three Secretaries may be appointed to it. That was the understanding here, although the gentleman from Oklahoma says it was done without consideration. It was done with prayerful consideration. The House passed that bill because it was stated here by the chairman of the Committee on Rivers and Harbors that if we ever expected a river and harbor bill to be written on the statute books we must put this provision for the commission on it.

Mr. FERRIS. The gentleman would not impose that provision on us.

Mr. HUMPHREYS. It was forced on us.

Mr. FERRIS. Then you ought to force it out.

Mr. HUMPHREYS. You can not do that. It is the law of the land. Seven men are to be appointed, to draw $7,500 a year each; a commission, three of whom may, under the law as it is written, be the three Secretaries who are mentioned in this bill. It was stated in private conversation, but I do not know whether it was declared on the floor of the House or not, that those three Cabinet officers would be of the commission, plus these civil experts.

Now, as I say, that is the law of the land. I submit that it is a deliberate waste of money to come here in the face of that and create another commission to do exactly the same thing, to go out and employ any number of experts, to detail any number from the various departments to investigate these water-power sites and assemble the information and the data and have it printed and brought to Congress, and then have those others go out and do exactly the same thing.

Now, one of these commissions is superfluous. In view of the fact that the other is already the law of the land, with Executive approval—and it was stated here at the time that it had the approval of the Secretaries; that is what we were told—with that already on the statute books, why not give them this particular work to do? I submit to the gentleman that that ought to be done instead of creating a new commission with the hope—the vain hope—that by some legislative legerdemain we can ever repeal any law creating any commission. That is as the laws of the Medes and Persians. When you create a commission here and give a man a good salary we can not, even under the war power of the Constitution, ever repeal that law.

Mr. FERRIS. They have not been given any salary or any office, so that that would be an easy matter.

Mr. HUMPHREYS. The President, you must understand, has had tremendous burdens on him. He has not had time hitherto to give his attention to it. No doubt he will do it.

The CHAIRMAN. The time of the gentleman from Mississippi has expired. The Chair wishes to make an announcement that the gentleman from Alabama [Mr. DENT] has requested him to make, and that is that copies of the printed conference report on the selective-draft law have been received at the desk.

Mr. SIMS. The gentleman from Alabama wants it read for the benefit of the House.

Mr. DENT. I understood that the Chairman has just stated that I had secured 100 copies of the printed conference report on the draft bill which I left with the Clerk, so that the Members who desire can get copies of it.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that the debate on this amendment and all amendments thereto close in five minutes, unless some other gentleman wants time.

Mr. ESCH. Time is wanted on this side.

Mr. SIMS. Then I ask that all debate on this motion of the gentleman from Mississippi [Mr. HUMPHREYS] to strike out the first section and all amendments thereto close in 20 minutes, one half to be used on this side and the other half on that side.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the debate on the pending amendment and all amendments thereto close in 20 minutes, one half of the time to be controlled by the gentleman from Tennessee and the other half by the gentleman from Wisconsin [Mr. ESCH]. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. RAKER] is recognized for five minutes.

Mr. RAKER. Mr. Chairman, the motion to strike out the first section is important, and from the hearings and a careful analysis of the entire situation I am constrained to say that the gentleman from Mississippi [Mr. HUMPHREYS] does not seem to grasp the purpose of the commission provided for in the river and harbor act of August 8, 1917, and the business now pending before the House. As has been stated, and stated clearly, this present bill simply picks up this subject from the three departments and places it in one commission consisting of these heads. It does more than that, in that it coordinates with all the other branches of the Government and authorizes and direct that this commission may use all the information and data and knowledge that the Government has upon this subject. This bill is for the purpose of trying to dispose, for the purpose of use in a legitimate way, of all the great water-power properties of the country to municipalities, to States, to individuals, and to associations and corporations that may qualify under the act according to rules and regulations to be provided, to the end that the Government may have control over them and at the same time that they may be compelled so to conduct their business and so to make their charges that the consuming public shall get fair service at a reasonable price. The extent of the investigations of the commission provided in this bill is in accordance with the applications that are made for permits, and not otherwise. That is one of the things that ought to have been enlarged, but we believed that we had gone as far as we could under this legislation.

This is to make a thing that is going to waste usable, and nothing else. There is no use in our losing our heads over a commission such as is provided for in the river and harbor bill. It has no relation to this bill. Possibly when the time comes, if the President appoints commissioners, they will be qualified to carry out the provisions of that act, which makes a nation-wide investigation to determine our water resources, to determine questions of navigation, the improvement of navigation, to determine questions of drainage and forestry, and arid and swamp land reclamation, and so forth. Now, that is not provided for in this bill only in so far as it relates to the particular subject and the particular project in hand, and neither the gentleman from Mississippi nor anyone else can point out that this commission by virtue of an application filed for a permit or license in the State of Montana can go down to Mississippi and investigate the water resources there.

There is no doubt on earth about it. The amendment in the river and harbor act is all absorbing for the purpose of finding out the resources generally of this country, wherever they might be, in relation to the subject therein specified, not in one particular locality where an application is made, not one particular State.

It is claimed now that we have 60,000,000 horsepower undeveloped on streams that can be used now. It is fairly estimated that there is 200,000,000 horsepower that can be developed by virtue of proper restraining dams and other structures erected for the purpose of holding back the water.

The motion of the gentleman from Mississippi is to strike out the first section of this bill now, when we are starting to consider the water-power bill. There is a law on the statute books with regard to navigable rivers, and there is a law on the statute books with regard to nonnavigable streams on the public lands and in the forest reserves, and there is a statute in regard to streams on the public domain; but in the case of the two latter, namely, in the forest reserves and on the public domain, the permit granted is a revocable permit. It is considered that no municipality or individual or association can be justified in receiving or asking for a revocable permit and spend large sums of money, and the next day after that have that permit revoked, as has been done.

The purpose of this bill is to place it in the hands of some department, so that the Government can legitimately dispose of its property, to the end that these municipalities, States, and corporations may with safety ask and, after they have received, invest their money and build up great hydroelectric enterprises, whereby power may be generated and floods may be

controlled, so far as that particular locality is concerned. But the provisions of section 18 of the river and harbor bill do not apply to this particular bill, and ought not to be injected into this bill unless you are willing to say that you are not going to take an inventory of the hydraulic resources of this country. Why, one of the distinguished men who appeared before the committee was a gentleman from New York——

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. I reserve the balance of our time.

Mr. ESCH. Mr. Chairman, in the two bills reported to the House by the Committee on the Public Lands the power to issue grants was reserved in the Secretary of the Interior. In the Shields bill, providing for dams over navigable waters, the power to issue grants was placed in the hands of the Secretary of War. In the two Adamson bills reported by the Committee on Interstate and Foreign Commerce the power to issue grants was reserved in Congress. I have always advocated the latter policy, believing that where such vast power was lodged and where such great interests were involved, and where the welfare of multitudes of people was concerned, no one man should hold their destiny in his hands. For that reason I have uniformly contended that this power of issuing grants should abide where it has always abided—in Congress. But in indorsing the pending measure I have made concessions, and I am here to stand for the proposition as enunciated in the bill. I believe that where we have the power to issue grants resting in the three Cabinet officers we in large measure obviate the objection I formerly had to lodging the power in the hands of one man. It is that fact that has largely won me over to the provision contained in section 1.

The gentleman from Mississippi [Mr. HUMPHREYS] desires to have the existing Waterways Commission placed in the bill as a substitution for the commission that we herein create. If he will read that provision of the river and harbor act creating the Waterways Commission, he will find that it gives to that commission no mandatory powers whatsoever, but only powers of recommendation after investigation. This bill gives to this commission of three Cabinet officers great power, I concede, but mandatory powers to carry out the provisions of the bill in the issuing of the grant and in seeing that the provisions of the law and of the license granted thereunder are complied with. Now, in that view I believe that we can afford to support the recommendations of the committee, for the creation of a commission consisting of three Cabinet officers involves no additional expenditure. It gives to that commission the right of making investigations of regions and watersheds sufficient to give all the necessary data required by anybody desiring to make a water-power improvement. Therefore this commission would do the work which was to have been done by the Waterways Commission, but the giving of the power prescribed in this bill makes it less necessary for us to create the personnel of the Waterways Commission. That personnel has not yet been appointed, although the law creating the commission has been in existence for over a year. If this bill becomes operative as planned, there will be less likelihood of the personnel of the Waterways Commission being created. So I hope that the amendment offered by the gentleman from Mississippi [Mr. HUMPHREYS] will not be sustained and that we will sustain the proposition of a commission consisting of three Cabinet officers with an executive secretary costing $5,000 per annum, utilizing all the machinery of the three departments to carry out the plans and purposes of the bill.

The CHAIRMAN. If no gentleman cares to speak, the question is on the amendment of the gentleman from Mississippi [Mr. HUMPHREYS].

The question being taken, the amendment of Mr. HUMPHREYS was rejected.

The Clerk read as follows:

SEC. 2. That the commission shall appoint an executive secretary, who shall receive a salary of $5,000 a year, and prescribe his duties. The work of the commission shall, in so far as practicable, be performed by and through the Departments of War, Interior, and Agriculture, respectively.

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

Mr. WALSH. The gentleman can not interrupt the reading.

Mr. RAKER. I can submit a parliamentary inquiry.

Mr. WALSH. Not until the section is read.

The CHAIRMAN. The Clerk will finish the reading of the section.

Mr. RAKER. That is just what I want to know. Let us determine now whether or not we shall consider the bill by paragraphs, as the bill is divided, much of it, into paragraphs and subdivisions—(a), (b), and (c)—or whether we shall dispose of it by sections.

Mr. WALSH. There has not been any arrangement made to read it by paragraphs, so of course it is to be read by sections.

The CHAIRMAN. The Clerk will finish the reading of the section, and then the Chair will recognize the gentleman from California.

The Clerk read as follows:

All of the expenses of the commission, including rent in the District of Columbia, all necessary expenses for transportation and subsistence, including, in the discretion of the commission, a per diem of not exceeding $4 per day in lieu of subsistence incurred by the commissioners or by their employees under their orders in making any investigation, or conducting field work, or upon official business outside of the District of Columbia and away from their designated points of duty, shall be allowed and paid on the presentation of itemized vouchers therefor approved by a member or officer of the commission duly authorized for that purpose; and in order to defray the expenses made necessary by the provisions of this act there is hereby authorized to be appropriated such sums as Congress may hereafter determine, and the sum of $100,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available until expended, to be paid out upon warrants drawn on the Secretary of the Treasury upon order of the commission.

Mr. WALSH. Mr. Chairman, I reserve a point of order on the section.

The CHAIRMAN. Does the gentleman desire to be heard on his point of order?

Mr. WALSH. I will make the point of order that this section carries an appropriation of $100,000. This committee is not authorized to report a bill carrying appropriations. It was appointed as the result of a special rule brought into the House in January of the current year. That rule reads as follows:

House resolution 216.

Resolved, That the Speaker of the House be, and he is hereby, authorized and directed to appoint a special committee of 18 Members to whom all bills and resolutions hereafter introduced during the Sixty-fifth Congress pertaining to the development or utilization of water power shall be referred (notwithstanding any general rule of the House to the contrary), except, however, bills and resolutions of which the Committee on Foreign Affairs has jurisdiction under the general rules of the House.

Then there is a further resolution discharging the Committee on Interstate and Foreign Commerce from further consideration of four House bills and one Senate bill, and discharging the Committee on the Public Lands from further consideration of one House bill.

Mr. Chairman, the invariable rule is that a special committee appointed by the House does not obtain jurisdiction that may have been vested in one of the standing committees of the House, even though in creating the special committee you transfer to the standing committee measures which carry appropriations. Of course, the rules of the House set forth those committees that are authorized to report appropriations, and the Chair is familiar with the list of those committees among which is not mentioned any special committee or any committee that may hereafter be appointed. This committee was authorized to take over the consideration of the water-power bills, and when it was appointed it was expected to report out some comprehensive measure.

The committee held its hearings and has reported this bill, but the creation of that committee does not confer upon it authority to report out or to make any appropriation. This committee can recommend appropriations, but the Committee on Appropriations is the proper committee to carry appropriations for this project. Therefore, the provision in section 2 making the appropriation is clearly out of order.

Mr. ESCH. Will the gentleman yield?

Mr. WALSH. I will.

Mr. ESCH. If the word "appropriate" in line 17 were changed to "authorize," would it meet the gentleman's objection? That would require the matter to go ultimately to the Committee on Appropriations.

Mr. WALSH. I call the attention of the gentleman from Wisconsin to the provision in lines 15 and 16 carrying the authorization for an appropriation, and it would not be necessary to carry a further authorization of the $100,000 in the same bill. If you put the general authorization in the bill there is no necessity for the further authorization of $100,000.

Mr. ESCH. We carried the thought of authorization against the appropriation in lines 15 and 16, but did make a direct appropriation in line 17, and so I suggest that in line 17 we change the word "appropriate" to "authorize."

Mr. TOWNER. You would have to amend in line 17 all of the language from the word "and," including "appropriate," in the end of the line if you desire to leave only an authorization.

Mr. ESCH. No; the Committee on Interstate and Foreign Commerce is authorized to make appropriations for lighthouse service and coast-guard service. In this instance we are merely authorizing the maximum to be expended and we do not appropriate that amount.

Mr. TOWNER. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. TOWNER. If you read the language you will see, commencing in line 15, that it states:

> And in order to defray the expenses made necessary by the provisions of this act there is hereby authorized to be appropriated such sums as Congress may hereafter determine.

If you desire to make the authorization of $100,000, or not exceeding that, you qualify that by language just as if the authorization had not been put into the section by saying the sum of $100,000 is hereby appropriated. That is an absolute appropriation of money in just as distinct language as could be made.

Mr. FOSTER. If the gentleman will permit, the bills transferred to the special committee by order of the House carried appropriations. The House itself transferred its jurisdiction of those bills carrying appropriations to this special committee.

Mr. WALSH. The Interstate Commerce Committee had no jurisdiction to report this bill out with an appropriation under the rule.

Mr. FOSTER. I think, under the circumstances, there is no question but that this special committee has the jurisdiction, because the House transferred to it these bills carrying appropriations.

Mr. TOWNER. If that be true, then the language does not mean the conditions that arose, because it should be stated here that this is an authorization for an appropriation in accordance with the previous legislation.

Mr. SIMS. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. SIMS. I think the gentleman is under a misapprehension as to the jurisdiction of the Committee on Interstate and Foreign Commerce to appropriate money. We appropriated $500,000,000 as a revolving fund in the railroad bill. We have frequently appropriated money to execute the laws which we pass. The Committee on Interstate and Foreign Commerce had jurisdiction of what is known as the Shields bill, and that bill by order of the House transferred bodily to the special committee all jurisdiction of the Committee on Interstate and Foreign Commerce, thereby giving jurisdiction to the special committee on these particular bills on water-power legislation and the appropriations necessary to carry it out. But, like the gentleman from Wisconsin, if there is any trouble about it, we can strike out the word "appropriate" and say "hereby authorized," and that would completely cure it. But I think it is all right as it is. It is the difference between tweedledee and tweedledum.

Mr. WALSH. There has been a good deal of tweedledee and tweedledum about the progress of the bill, but there is no tweedledee and tweedledum about the point of order. The rules of the House specifically provide that unless the committee is authorized it can not report bills carrying appropriations. That authority with reference to the Committee on Interstate and Foreign Commerce, as the gentleman knows, only gives that committee authority to appropriate for lighthouse bills and bills of that sort. The rulings of the presiding officers have held that. These bills that were introduced may have carried appropriations.

Mr. SIMS. I have stated that the committee appropriated $500,000,000 in the railroad bill.

Mr. WALSH. But no point of order was made against it.

Mr. SIMS. No.

Mr. WALSH. If there had been, it would have been held subject to a point of order. The Committee on Interstate and Foreign Commerce under the rule can not appropriate except for life-saving service and lighthouses. Those two appropriations for lighthouses and life-saving service the Committee on Interstate and Foreign Commerce can appropriate for; but under clause 10, Rule XI, it has no authority to report out an appropriation. The farthest they can go is to report recommendations. The gentleman from Illinois suggests that because these bills as they were introduced carried appropriations and were referred to the Committee on Interstate and Foreign Commerce, therefore the House transferred to that special committee authority to report out a bill carrying appropriations. That does not follow. They may have introduced a bill which was referred to any committee carrying an appropriation, but the committee would not be authorized to report the appropriation if we transferred it to some other committee simply because the bill contained that authority and was introduced. Can the gentleman draw from that action that we are vesting authority in a special committee to make appropriations? The unbroken custom of the House has been, in creating committees, giving them this tremendous authority to appropriate money out of the Public Treasury, that unless we specifically designate it they do not have the right to report appropriations. Most of these bills came from the Committee on Interstate and Foreign Commerce. One of them came from the Committee on the Public Lands. No one would contend that in creating this committee under the language used in that special rule adopted last December that, either directly or by implication, we conferred any such authority. We have committees that are authorized to report appropriations, and they are as follows:

The Committees on Appropriations, Rivers and Harbors, Agriculture, Foreign Affairs, Military Affairs, Naval Affairs, the Post Office and Post Roads, Indian Affairs, Claims, War Claims, and Accounts to a limited extent. The Interstate and Foreign Commerce Committee is not included in that list given in the Manual, and neither is the Committee on the Public Lands. But that is beside the question. The point here is that the House by a special rule created a new committee and gave it authority to consider certain matters that have been under consideration by other committees.

The CHAIRMAN. The Chair would like to ask the gentleman a question. In the resolution to which he refers this very bill we are now considering, together with four or five other water-power bills, were taken away from various committees and referred to the Water Power Committee, which has under control this particular bill. If it should turn out that one or more of those bills referred to the Water Power Committee by this special resolution carried an appropriation, would that not, in effect, be a command from the House that this committee may consider or shall consider bills that do carry appropriations?

Mr. WALSH. Mr. Chairman——

Mr. SIMS. Mr. Chairman——

Mr. WALSH. Oh, the Chair has asked me a question.

Mr. SIMS. I want to give the gentleman some information.

Mr. WALSH. And I want to give the Chair some information. May I direct the attention of the Chair to the fact that this particular bill that we are now considering is not a bill that was referred to that committee. The bill referred to the committee did not carry any appropriation. This is a substitute that the committee had prepared, and we are considering this as an original bill.

The CHAIRMAN. The gentleman's statement is correct, because this bill we are considering is a substitute for Senate bill 1419; but the Chair does find in that bill, on page 19, some reference to an appropriation in this language:

> The charges and rents arising from such lease or leases are hereby reserved and appropriated as a special fund in the Treasury to be expended for the maintenance of said dams and the further improvement of waterways in which the same may be situated under the direction of the Secretary of War.

The Chair has not examined the other bills referred to this committee, but is informed that they do carry appropriations. The point the Chair is desirous to ask is whether, if these various bills did carry appropriations and did carry them at the time the latter was referred to this committee, that is not tantamount to authorizing this committee to report appropriations?

Mr. WALSH. Certainly not. Anyone can introduce a bill carrying an appropriation, and it might be referred to a committee that had authority to report out an appropriation bill, and the House might transfer it to some other committee. For instance, it could transfer this bill, if it had so desired, to the Committee on the Merchant Marine and Fisheries. That committee has no authority to report out appropriations. Would the Chair hold that because some one introduced a bill which carried an appropriation and the House transferred it from one committee to some other committee that it thereby vested the authority in that particular body to make appropriations?

The CHAIRMAN. In reply to that the Chair desires to say to the gentleman from Massachusetts that in Hinds' Precedents he finds the following (vol. 4, sec. 4352):

> The House itself may refer a bill or resolution to any committee, and jurisdiction is thereby conferred.

So that when the House refers a bill to a committee it may send it to any committee without regard to jurisdiction.

Mr. WALSH. Of course, jurisdiction to report it; but the House does not confer power that is not contained in the resolution of reference. You can not broaden a special rule, in violation of express rules of the House, unless you specifically mention it. That is what this committee has done. It has sought to broaden its authority under a special resolution passed by this House. The only thing that resolution did was to give the committee jurisdiction. An examination of measures heretofore introduced in the nature of water-power bills will show that almost universally they do not contain specific appropriations, such as are sought to be carried in this bill. Under the reading of the rules which the Chair quoted the Chair is perfectly correct.

You can take jurisdiction over a matter from one committee and confer it upon another committee, notwithstanding any rules to the contrary. That means that if we take a bill from the Merchant Marine and Fisheries Committee and give it to a Committee on Agriculture the Committee on Agriculture has a right to consider that bill, even though the rules of the House say that the subject matter of the bill is under the jurisdiction of the Merchant Marine and Fisheries Committee. If the House takes a measure away from the Committee on the Judiciary, for instance, and gives it to the Committee on Merchant Marine and Fisheries, then the House confers jurisdiction upon the Merchant Marine and Fisheries Committee to consider that bill, even though the rules say it ought to be considered by the Committee on the Judiciary; but that does not enlarge the power of the Merchant Marine and Fisheries Committee, and this resolution that was passed carried nothing that could in any way be construed to confer the right upon this special committee to report out an appropriation in the measure which it expected to report. As I said before, it is significant that the bills which were transferred carried no direct appropriation. The clause which the Chair read was not a direct appropriation out of the Treasury; it was a reservation, and a reservation of those receipts, and even that reservation as submitted would not confer jurisdiction upon the Interstate and Foreign Commerce Committee to appropriate them later. And I submit, Mr. Chairman, that the special committee has exceeded its authority under the resoluion creating it and under any rules and precedents in appropriating out an appropriation of $100,000.

Mr. ANDERSON. Mr. Chairman, if the general rule advocated by the gentleman from Massachusetts is correct, no committee could report any bill which contained any provision which was not within the jurisdiction of that committee but was within the jurisdiction of some other committee of the House. Suppose, for instance, that a bill should be introduced covering two subject matters, one of which, if standing alone, would be within the jurisdiction of the Committee on Agriculture and another part of it belong to the jurisdiction of the Committee on Interstate and Foreign Commerce. If the rule as contended for by the gentleman from Massachusetts is correct, the committee to which that bill was referred could only report a part of the bill, and that part which was specifically within its jurisdiction. The jurisdiction of committees is not limited in that way. When a bill has once been referred to a committee, even though it contains matter that is not within the jurisdiction of that committee and has been reported without objection, that matter is properly in the bill and properly before the House. The gentleman from Massachusetts is confused by the reversal of this proposition. In other words, it is generally true, of course, that an appropriating committee upon an appropriation bill can not report legislation, but it does not follow that because you can not carry legislation upon an appropriation bill that you can not, on the other hand, carry an appropriation on a purely legislative bill. I do not think the contention of the gentleman from Massachusetts is sound.

Mr. WALSH. Will the gentleman yield for a question?

Mr. ANDERSON. Yes.

Mr. WALSH. If the gentleman is correct in his contention, an appropriating committee bringing in legislation on an appropriation bill which should happen to be referred to it by the House you could not raise the point of order against it?

Mr. ANDERSON. The rule specifically provides in that case, although a committee has power to appropriate and power to legislate, it can not carry legislation upon an appropriation bill.

Mr. WALSH. Well, the rule specifically provides in this case here the Committee on Interstate and Foreign Commerce has no jurisdiction over appropriations, although the words clearly imply that it may appropriate for——

Mr. ANDERSON. The Committee on Interstate and Foreign Commerce has no jurisdiction over military affairs, and yet if a bill involving military affairs were referred to the committee, either originally or as a part of other legislation and was reported by that committee, it could not be stricken out, because it should have been referred, in the first place, to the Committee on Military Affairs.

Mr. WALSH. Will the gentleman state that the question of jurisdiction rests solely upon the form in which a bill is introduced?

Mr. ANDERSON. It is very frequently the result.

Mr. DEMPSEY. Mr. Chairman, I call attention to the resolution creating this special committee, which reads as follows:

That the Speaker of the House be, and he is hereby, authorized and directed to appoint a special committee of 18 Members to whom all bills and resolutions hereafter introduced during the Sixty-fifth Congress pertaining to the development or utilization of water power shall be referred.

So, if a bill were introduced that had nothing to do with the development of water power more than simply making an appropriation to develop it, would it not come within the language of that resolution? All bills dealing with water power. It does not say bills which shall not contain appropriations, it does not say bills shall be limited in their extent, it does not say bills of a certain specified time, but it says "all bills," using the broadest language possible.

Mr. WALSH. Will the gentleman yield for a question?

Mr. DEMPSEY. Surely.

Mr. WALSH. What would the gentleman say if none of these bills carried an appropriation?

Mr. DEMPSEY. I will answer the gentleman by asking a question: What would the gentleman think if this bill, instead of providing, as it does, for development by municipalities, by States, by individuals, by corporations, should, instead, provide simply and purely for development by the Government of the United States, making the necessary appropriation? Is there any doubt in the world that this appropriation would then be authorized by the language creating this committee?

Mr. WALSH. Certainly they would have authority to authorize but not to make.

Mr. DEMPSEY. It is not limited, it does not say——

Mr. WALSH. The gentleman does not distinguish between giving authority to authorize an appropriation and authority to make an appropriation. The rules of the House provide what committees can make appropriations.

Mr. DEMPSEY. Well, I know, but in this case the House can set aside its own rules and the House in this case did not limit this committee, but gave this committee authority over all water-power resolutions and bills of any and every kind without distinction, without reservation, without saying it should be limited so that they could not appropriate money; but in the broadest general possible terms and as I say you can very easily and very properly draw your conclusion by saying if there had been a bill or resolution for the Government itself undertaking to develop the water power and simply an amount of money appropriated to enable it to do that, then it would certainly come within this resolution.

Mr. WALSH. Will the gentleman yield?

Mr. DEMPSEY. Surely.

Mr. WALSH. Does the gentleman take the position that the rules of the House must be construed strictly, but when by a special rule we create a special committee that then we must construe the resolution creating the committee broadly and liberally and read into it something that is not there?

Mr. DEMPSEY. No; I take the position that when you use the word "all," and do not limit it, that it means exactly what it says and should not be limited by the rules of the House when they are not referred to and do not in any way limit or attempt to limit it.

Mr. SIMS. This rule especially says:

Notwithstanding any general rule of the House to the contrary.

That is a part of the rule.

Mr. WALSH. What is the language?

Mr. SIMS. I will read it:

Resolved, That the Speaker of the House be, and he is hereby, authorized and directed to appoint a special committee of 18 Members to whom all bills and resolutions hereafter introduced during the Sixty-fifth Congress pertaining to the development or utilization of water power shall be referred—notwithstanding any general rule of the House to the contrary—except, however, bills and resolutions of which the Committee on Foreign Affairs has jurisdiction under the general rules of the House.

Mr. WALSH. That means any general rules of the House with regard to the reference of those bills, not with regard to other matters.

Mr. SIMS. I was just going to say that it, of course, would bear that construction, but has no power broad enough to abolish the general rule so far as these particular bills are concerned.

Mr. FERRIS. I want to call the gentleman's attention to the fact that the water-power bills emanating from the Committee on the Public Lands, that were introduced and were pending and were by this resolution formally referred to the Water Power Committee, did carry an appropriation and did carry a permanent appropriation, to wit, an appropriation of 50 per cent of the proceeds. We first authorized the Government to levy a tax for the use of the land for water-power development, and then appropriated 50 per cent for the use of roads and schoolhouses and 50 per cent into the reclamation fund itself, which is a revolving fund and is permanently established and goes on and on indefinitely.

If the question resolves into one as to whether or not the bill carries an appropriation, and it hinges on the question of fact, that question would be resolved in favor of the bill from the

fact that the bill did carry affirmative appropriation. It may be $1,000,000 or $100,000,000, and may go on for one year or 100 years.

The CHAIRMAN. May I have the gentleman's attention? Will the gentleman from Oklahoma give the Chair the number of the bill to which he refers?

Mr. FERRIS. I think I have it right here.

Mr. WALSH. It is in the last resolution.

Mr. FERRIS. It is H. R. 7227, first session, Sixty-fifth Congress, and had in that same form practically passed the House twice before.

Mr. WALSH. Will the gentleman yield?

Mr. FERRIS. Yes.

Mr. WALSH. The gentleman from Oklahoma will not contend that if the Committee on the Public Lands reported that measure, and it was now under consideration, a point of order would not lie against the appropriation made?

Mr. FERRIS. I am not so sure about that. That has been tried here and adjudicated a good many times. And in the Oregon and California land grant cases we appropriated a very large sum. In fact, we appropriated something like $5,000,000.

Mr. WALSH. And it has also been adjudicated, when the point has been raised in other cases, that they did not have the authority to report bills carrying appropriations.

Mr. FERRIS. I dislike to inject myself into this argument as a sharpshooter on the rules, but I think there is something in what the gentleman says. I think it resolves itself into a question of whether or not it was done before the committee reported.

Mr. WALSH. Does the gentleman have any doubt, this question notwithstanding, that as this measure authorizes the appropriation of such sums as Congress may from time to time determine the Committee on Appropriations will make appropriations?

Mr. FERRIS. I do not know about that. I do not think this is worth the time we spend upon it, because, as a matter of fact, probably this appropriation, and many more like it, will have to be provided for by the Appropriation Committee. I do not think it is vital; but, of course, the Chair wants to rule right since the question has been raised, and I repeat, if the Chair's opinion is hinging on a question of fact as to whether any of these bills did carry an appropriation, I will state that they did carry an appropriation, and they were referred to this committee by the House.

Let me add one word more, if I may: If this House by formal action should take the District bill, or the fortifications or the legislative bill, or any other appropriation bill, and send it to the Rules Committee or Public Lands Committee and direct them to act upon it, it is the action of the House and the committee would have the power to act. The House did that with reference to these bills. It formally referred them. This bill was pending. It carried an appropriation, and the appropriation was still in the bill, and it was pending in the committee.

Mr. WALSH. Will the gentleman yield? I dislike to interrupt him, but I would like to know how the fact that the bill carried an appropriation when it was introduced makes any difference? How does the House know when the bill was to be reported it would carry an appropriation?

Mr. FERRIS. I can not think that the gentleman, with all his logic and learning on the rules, would carry through such logic as that. The House is presumed to know precisely what it did, and the thing it did was to formally direct this committee to report this bill, and this bill did carry an appropriation, and the Committee on Water Power has obeyed the summons and mandate of the House and is before you with the bill.

Mr. DEMPSEY. And is it not true that the bills were before the House and considered several times?

Mr. FERRIS. Yes; and they are well acquainted with the contents of them, and they have been formally referred.

Mr. TOWNER. Mr. Chairman, I want to make an observation. I am quite sure that the chairman recognizes the importance of this proposition, because it is a very important one. The proposition involved is as to whether or not we shall follow the rules that have been universally followed with regard to the restriction and jurisdiction of our committees to make appropriations. It makes no difference what was contained in the bill, as the gentleman from Massachusetts [Mr. WALSH] says. The point of order could have been raised at any stage of the proceedings against the consideration by any committee if it was not authorized to report appropriations. There is not any question whatever about that.

Now, gentlemen should understand that it is well settled, without any contrary opinion whatever, that only certain committees of the House have jurisdiction over appropriations, and only those. You can not by reference of a bill to a committee that is without jurisdiction as to appropriations thereby confer jurisdiction simply because the bill says "an appropriation." Still the question would be a question as to whether that committee could report an appropriation, because if it has not any jurisdiction it could not report and it would not have any right to take the bill before the House into its consideration.

Now, the Committee on Interstate and Foreign Commerce has no jurisdiction as to appropriations, except in two instances, and the exceptions strengthen the rule. Those two are the Life-Saving Service and Lighthouses. This committee has no right to report a bill carrying an appropriation; or, rather, if they do report a bill carrying an appropriation they must recognize the fact that it is subject to a point of order, so far as the appropriation is concerned.

The committee that is now considering the matter has the right to authorize an appropriation, and certainly that is all the right it has; it can not make an appropriation. If gentlemen desire to do the thing that ought to be done, they will revise the language, so that it can be properly authorized, and not insist on making an appropriation.

Mr. RAKER. Mr. Chairman, may I be heard just a moment, unless the Chair is ready to rule?

The CHAIRMAN. The Chair is ready to rule; but if the gentleman desires to be heard the Chair will hear him.

Mr. RAKER. Never mind, then; I will not take the time.

The CHAIRMAN. The Chair is thoroughly convinced that the Committee on Water Power, which has control of this bill—Senate bill 1419—has no general power to appropriate money, and the Chair would hold so immediately if it were not for the exceptional circumstances under which this committee was created and these particular bills referred to it. Senate bill 1419, which was referred specifically to this new committee by the special resolution of the House, passed on January 11 of this year, does carry appropriations. It is stated that another bill referred to specifically in the resolution and referred to this special Committee on Water Power also carries appropriations.

The Chair confesses that this is a rather perplexing question, but it seems to the Chair that inasmuch as a special rule was provided by the Committee on Rules, after careful consideration, which was finally adopted and known as resolution 216, in which resolution these four bills were specifically named and specifically referred to the Committee on Water Power, it does seem to the Chair that the House must be assumed to have known what it was doing, and that it knew that these bills did carry some form of appropriation, and that the House thereby conferred on the committee in these particular instances, and in these alone, the power to make appropriations. Therefore the Chair rules that in these specific cases the committee has jurisdiction to make appropriations. That is as far as the Chair rules, except, as I said at the beginning, the Chair believes that this committee has no further power to make appropriations.

Mr. RAKER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. RAKER offers the following amendment: After the word "appoint," in line 23, on page 33, strike out the words "an executive" and insert the word "a," so that it will read:

"SEC. 2. That the commission shall appoint a secretary."

The CHAIRMAN. Does the gentleman from California desire to be heard on the amendment?

Mr. RAKER. For just a minute.

The CHAIRMAN. The gentleman from California is recognized.

Mr. RAKER. The words there, "an executive secretary," are new, so far as legislation is concerned. You will find it in none of the acts creating secretaries of the various departments or Government establishments, and it is placed here for some purpose. It has some meaning. And this is the only meaning that we can find, and there is no doubt about it. From Words and Phrases Judicially Defined, volume 3, page 2568, I read the following:

Webster defines "executive" as qualifying for or pertaining to the execution of the law, as executive power or authority, executive duties. In government—

And here is where it applies—

executive is distinguished from legislative and judicial, legislative being applied to order or organs of government which make the laws, judicial to that which interprets and applies the laws, executive to that which carries them into effect.

Now, there is no doubt that this executive secretary does not belong in this bill. It is placed here for the purpose of having him supersede, when he is appointed, the commission in effect. He is simply a ministerial officer of that commission, nothing more and nothing less, without any powers except what they tell him to do, as they fix his duties under the bill. To authorize the appointment of a man who shall then become an executive

secretary of that body, to execute and enforce the law relating to water-power legislation, is fairly beyond the intent and purpose of this bill. We have already taken three of the Cabinet officers and made them a commission. Now we say we are going to create an executive secretary, who must be appointed by this commission, and after he is appointed we then authorize and allow him to direct the affairs of the commission. In other words, he is the man who is going to control and run the affairs of this commission.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes; I yield.

Mr. WALSH. Of course he could not do all this if he were not executive secretary, could he?

Mr. RAKER. Any man that understood the meaning of the law would clearly realize that if he was simply a ministerial officer, appointed only to perform ministerial duties as directed by the commission, he would not do anything else. What is the meaning of the words "executive secretary"? He must have some power to execute the law, to execute the measures provided in this act.

Mr. WALSH. Mr. Chairman, will the gentleman yield further?

Mr. RAKER. I do.

Mr. WALSH. Suppose this commission goes ahead and confers power and authority upon him as the secretary, which they intended to do, if we leave in the words "executive secretary"?

Mr. RAKER. They can not do it; they are the commission, and under this law they execute this law. They make the rules and regulations and must execute them, by order of the commission itself; and one commissioner in Louisiana, and another in California, and another in Maine can not execute an order; they must meet and be together. The law permits them to make rules and regulations, and then the executive secretary, to enforce the law and carry out the rules and regulations, would determine when and where licenses should be granted; and you abdicate the function of the commission and give it to the secretary. That is the purpose, and the gentleman ought to know it if he does not. That is the intent of placing the word "executive" before the word "secretary."

Mr. WALSH. Mr. Chairman, I rise to oppose the amendment. It is of little importance whether we call the official a secretary or an executive secretary. If the commission desires to confer this authority on the secretary, they can do it; and we all know that somebody has got to do a whole lot of work in order to make the law effective. The three Cabinet officers, if they have not enough to do in their own departments, will have enough to do when we compel them to administer this comprehensive law relating to power plants and sites.

Mr. RAKER. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. RAKER. Does the gentleman recognize that in the original act submitted by the President it provided that the three Secretaries should appoint a secretary—nothing less and nothing more?

Mr. WALSH. Yes.

Mr. RAKER. Then why do you want an executive secretary?

Mr. WALSH. Because I think it is intended that the executive secretary shall be the administrative officer through whom this commission will perform its functions.

Mr. RAKER. Then, why the necessity of a commission at all?

Mr. WALSH. The gentleman from Mississippi did not think there was any necessity for one. The gentleman said we do not carry any executive secretaries in any other branch of the Government.

Mr. RAKER. Not by law.

Mr. WALSH. We created the War Credits Board, providing for an executive secretary.

Mr. RAKER. Not in the law.

Mr. WALSH. I differ with the gentleman; it was in the law. We provided for the Treasury Department. It has an executive officer in one or two of its bureaus and several of the departments. The Department of Labor has an executive clerk in the Division of Conciliation, and then in several miscellaneous branches of the Government there are executive officers. But the thing I wanted to ask about was, What is the meaning of the words "The work of the commission shall, in so far as practicable, be performed by and through the Departments of War, Interior, and Agriculture, respectively." Can the gentleman give any information about that?

Mr. SIMS. The only view I have of it is that these instrumentalities all have engineers and experts, so to speak; that they should be used instead of building up an immense bureau and appointing all these people from the outside and adding them to the pay roll when we already have them on the pay roll.

Mr. WALSH. What is the need of the word "respectively"? If the gentleman from California wants to begin by eliminating words, that is a good one to eliminate.

Mr. SIMS. I will tell the gentleman what I think that means. If this project is in the forest reserve, then their experts and engineers will do the work, and the same with the Interior Department and the same with navigable rivers, for instance, in the War Department.

Mr. WALSH. The gentleman could not interpret the language to mean that—that one member of the commission could administer the law, in so far as it related to forest reserves, contrary to the wishes of the other two.

Mr. SIMS. Oh, no; but in making surveys and things of that sort there is no use of putting all of the employees in the three departments to do the work, but it should be done in reference to the work in each department—water power on the public lands by the Interior Department and navigable rivers by the War Department.

Mr. WALSH. I want to ask the gentleman from California a question.

Mr. RAKER. Will the gentleman yield for a question?

Mr. WALSH. I will yield if the gentleman will answer one that I am going to ask.

Mr. RAKER. I will if I can. I want to call the attention of the gentleman to the fact that in the original bill there was a provision for the appointment of an executive officer at a salary of $10,000 a year, to give some fellow a fat salary to run the business. The committee did not believe in that kind of work, and simply provided for a secretary. Then, after the bill had been lying there for three weeks or so, somebody in some way got this word "executive" put into the bill.

Mr. WALSH. If you strike out the word "executive" are you going to reduce the salary?

Mr. RAKER. We have already reduced it from $10,000 to $5,000.

Mr. WALSH. I know; but if you strike out the word "executive" are you going to reduce the salary still further?

Mr. RAKER. No.

Mr. WALSH. I do not think we ought to strike this word out.

Mr. ESCH. It was on my motion that the word "executive" was inserted in the bill. I stand for the bill as reported to the House by our committee. I was persuaded to reinsert the word "executive" before the word "secretary" because in the original draft of the bill, the sanctified draft which was delivered to Chairman Pou, of the Rules Committee, we used the words "executive officer." I want an executive secretary to distinguish him from the secretaries of the three Cabinet officers. That is the purpose of it.

The CHAIRMAN. The question is on the motion of the gentleman from California to strike out, in line 23, on page 23, the words "an executive" and to insert the word "a."

The question being taken, the amendment was rejected.

Mr. FERRIS. Mr. Chairman, I think the inquiry made by the gentleman from Massachusetts [Mr. WALSH] about the last part of section 2 is a very pertinent one. I do not know how far I can consistently object to parts of this bill, being a member of the committee, although I filed a minority report upon it which related to another matter than this. I think the inquiry of the gentleman from Massachusetts is one that ought to have some attention. In line 25, one page 23, I find this language:

> The work of the commission shall, in so far as practicable, be performed by and through the Departments of War, Interior, and Agriculture, respectively.

I think that will breed confusion. I think it will cause a seesawing and a pulling and hauling between those different departments that never ought to exist.

Mr. MADDEN. The word "respectively" ought to come out.

Mr. FERRIS. I think so. I think it will cause the Secretary of Agriculture to try to run with an iron hand the 365,000 acres under his jurisdiction. I think it might cause the Secretary of the Interior to rule with an iron hand the 700,000,000 acres of public lands under his jurisdiction. I think it might cause the Board of Army Engineers in the War Department to rule with an iron hand as to their schemes and to contend that the law contemplated that they should so rule with respect to their department.

Mr. MADDEN. They would not be able to coordinate.

Mr. FERRIS. I think that is true. So that a man presenting an application for a license or the modification of a license, or for any service of any sort, would never know when he was through dealing with the commission. I am not going to offer

any amendment about it. It might not come in good form from me, but I think that change ought to be made, and if the gentleman from Massachusetts [Mr. WALSH] will use the courage that he always has present with him, I would like to see him offer an amendment and take a vote of the House on that proposition.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. FERRIS. Yes.

Mr. DEMPSEY. Is not the whole theory of this bill that in the administration of this water-power proposition we shall have the joint action, the joint thought, and the joint experience of the three Secretaries?

Mr. FERRIS. Absolutely.

Mr. DEMPSEY. Are you not destroying the whole theory of the bill when you say "respectively"?

Mr. FERRIS. I confess it seems to me that way. I do not want to disrupt anything here, but I would like to see that language modified.

Mr. BURNETT. Will the gentleman yield?

Mr. FERRIS. I yield to the gentleman from Alabama.

Mr. BURNETT. It strikes me that that is a very proper function. If you do not have the word "respectively" in there, will not that mean that they have all got to cooperate together on the same thing?

Mr. FERRIS. I think that is the way it should be.

Mr. BURNETT. There are some things that are covered by the functions of one department and some by the functions of another department, and it seems to me the purpose of the word "respectively" is in order that there shall not be confusion of the very kind that the gentleman speaks of.

Mr. FERRIS. Let me reply to that for just a moment. Of course, I think the purpose of the bill is to have this subject covered under one comprehensive water-power policy, so that the applicant for a license or a modification of it will know where to go to, and will know where to go for the final word, and who is authorized to speak the final word. I think that in having a stool of three legs, if you must have the approval of each leg separately and respectively, you will never get anywhere. Personally I should like to see the action of that commission a single action, so that when action is taken, that will be the end of it. Our departments here are scattered all over town, and I do not know how other Members of the House have been impressed, but it certainly has been impressed on me when I go to transact a little business about the war or about the Navy or about any trivial thing that I start out in the morning and I wind up at night with some additional man yet to see. If this is intended to be a comprehensive measure—and I think it is, I think it is well conceived and well intended—we ought to make only one bite of a cherry.

Mr. LA FOLLETTE. Does not the gentleman think the reason that word "respectively" is put in there is because of the different functions of these three Secretaries? The Secretary of War has certain things to perform in connection with navigation, in connection with the rivers of the country, that the other two Secretaries have nothing to do with and should not have. This is put in there so that in certain cases he can go ahead without the other two having anything to do with the matter. I am satisfied it was put in there by the Secretaries because they felt it was necessary to have it in there.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. FERRIS. Yes.

Mr. RAKER. I ask unanimous consent that the time of the gentleman from Oklahoma be extended for four minutes.

Mr. FERRIS. Oh, I do not want that much time.

Mr. RAKER. Yes, the gentleman will to answer the question.

Mr. MADDEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MADDEN. What is the point before the House?

The CHAIRMAN. There is nothing before the committee.

Mr. WALSH. Mr. Chairman, I move to strike out, in line 2, page 24, the word "respectively."

The CHAIRMAN. The Chair is of the opinion that the gentleman from Illinois can not take the gentleman from Oklahoma off his feet by a parliamentary inquiry.

Mr. FERRIS. Mr. Chairman, I yield to the gentleman from Massachusetts in order that he may offer his amendment.

Mr. WALSH. Mr. Chairman, I move to strike out, in line 2, page 24, the word "respectively" and substitute a period for the comma after the word "agriculture."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 24, line 2, after the word "agriculture," strike out the comma and the word "respectively" and insert after the word "agriculture" a period.

Mr. WALSH. I now yield to the gentleman from Oklahoma.

Mr. FERRIS. And I yield to the gentleman from California.

Mr. RAKER. Mr. Chairman, in the original bill which the committee had before it there was a provision for an executive officer, whose salary was to be $10,000 a year. Then there was a further provision that the commission shall appoint a secretary, who shall receive a salary of $5,000 a year, and it shall have authority to employ and fix the compensation of such attorneys, special agents or examiners, clerks, and other employees as it may from time to time find necessary for the proper performance of their duties, and as may be from time to time appropriated for by Congress. It was discussed and considered that all three of these departments, respectively, had many attorneys, experts, and examiners that the commission could reach out at any time and go to the Department of the Interior and get some experts and examiners without saying anything about it to the other departments. They could then go to the Department of Agriculture and do the same thing, and also go to the Department of War. That provision was put in there so that the commission could order from each department as it wanted them these various competent men now in the departments and avoid the provision in the bill which gave them the right to get all of the expert attorneys and assistants they wanted. The word "respectively" ought to remain there, because you should not go to all of these departments at once. If you have an expert irrigation engineer in the Department of Agriculture, the commission may order that that engineer be sent to them, and he is brought there under this law and nothing else, and I call the gentleman's attention particularly to the fact that that was one of the matters in which we thought we were saving the Government expense, in changing it from the original bill to the way it is now, allowing the commission provided for in this act to go to any one of these departments respectively, to any two of them, whenever it wanted to get these people.

Mr. FERRIS. All I have to say about that is, that I do not think the gentleman's remedy will cure the disease of which he complains, and if the committee moved from that cause, I think they moved from a wrong premise, and convinced against my will I will be of the same opinion still.

Mr. MADDEN. I think they used unhappy language to express the thought the gentleman from California tried to convey to the House.

Mr. FERRIS. My own idea is if we are going to coordinate these three branches it will be necessary to draw them together in a compact whole and make one efficient bureau out of it and get rid of those that are of no account, if any there be. We should pick out the good men to handle this thing, and make a comprehensive project out of it. I do not want to take up any more time.

Mr. WALSH. Mr. Chairman, if the idea conveyed by the remarks of the gentleman from California [Mr. RAKER] was the impelling logic which was followed by this special committee in framing this legislation, there was no need of creating a commission. All you had to do was to start this measure with the second sentence in section 2 and say that the work required by this act shall be performed by and through these departments, respectively.

Mr. FERRIS. And they all do that now.

Mr. WALSH. We have appointed the heads of these three departments as a commission, and they have a separate entity when they sit as that commission. If they have work done by the Department of Agriculture, it is not done as the Department of Agriculture, but it is done as this commission, and the Department of Agriculture will assign one of its experts to this commission.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. RAKER. There is no doubt on earth that if anyone reads this bill, if he has any other mind upon it, he has entirely misconceived the purpose of it. We have appointed a commission, and the mere fact that these three men are respectively the Cabinet officers and the Secretaries of the three departments does not affect their powers as commissioners under this bill, and the provision was inserted that they may go to these various departments and get their assistants.

Mr. WALSH. Well, I can not agree with the gentleman. Now, the gentleman says it does not affect their powers as Cabinet officers. I submit that under the authority given this commission in this bill the Secretary of Agriculture, as the executive head of that department, can not block a project upon which the other two commissioners have agreed.

Mr. RAKER. Why, it requires a vote of two of them.

Mr. WALSH. Surely; two.

Mr. RAKER. And one can not defeat it.

Mr. WALSH. The Department of War and the Department of the Interior can adopt a project even if the Secretary of

Agriculture, as the executive head of that department, is in the minority and against it.

Mr. RAKER. Its only purpose is that all of the various officers of these departments may be called upon whenever the commission wants them for the purpose of assisting in the work and nothing else.

Mr. WALSH. If the language read something like this, I submit that the gentleman might have the correct idea:

The work to be performed by the commission shall be, so far as practical, performed by and through the Department of War—

And so forth.

But this says, "the work of the commission." Now, that means, as I understand it, that the work to be done by this commission consisting of these three executive heads shall be performed as far as practical by those three departments.

Mr. RAKER. Not at all.

Mr. WALSH. Not respectively, but by those three departments.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SMALL rose.

Mr. SIMS. As we expect to rise to take up the conference report at 4 o'clock, I want to ask that debate on this amendment cease, say, in five minutes.

Mr. SMALL. Five minutes will be sufficient for me.

Mr. WALSH. Does not the gentleman think that he ought to reserve a little of that time for himself in order that he might propose a substitute if he thinks it necessary to meet his views?

Mr. SIMS. I do not care to use any time myself, and I will withdraw the request, as the gentleman seems to oppose it.

Mr. SMALL. Mr. Chairman, I offer a substitute amendment for the amendment of the gentleman from Massachusetts.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Substitute amendment offered by Mr. SMALL: Page 23, line 25, after the word "the," strike out the word "work" and insert "conclusions and orders"; also, page 24, line 1, after "practicable," insert the words "and appropriate."

Mr. SMALL. Now, Mr. Chairman, if I may have the attention of the gentleman, if the substitute is adopted it will read in this manner:

The conclusions and orders of the commission shall, in so far as practicable and appropriate, be performed by and through the Departments of War, Interior, and Secretary of Agriculture, respectively.

Mr. WALSH. You do not perform a conclusion. It seems to me that language is not appropriate.

Mr. SMALL. Well, there is something in the suggestion, and I ask unanimous nonsent to strike out the word "conclusions" and just leave it "orders."

The CHAIRMAN. Without objection, the gentleman modifies his amendment in the manner stated.

There was no objection.

Mr. SMALL. Now, Mr. Chairman, the objection to this language as it appears has been based upon the fear that the executive or administrative powers of the commission given by this bill will be relegated, respectively, to the Departments of War, Interior, and Agriculture. Now, the purpose of the language was apparently otherwise. It was intended that these respective departments, with the organization and the machinery which they possess, should carry out the orders of the commission, and that is necessary. It makes the work of the commission easier. It is more economical. In the War Department they have the service of Army engineers particularly to call upon who have under the law jurisdiction over the improvement of navigable waterways and the construction of dams, and in the Interior Department they have jurisdiction of public lands; in the Agricultural Department, public reservations. So that this substitute makes more clear the purpose of the original language, and that is to say, in the interest of economy and good administration, to authorize the commission to call upon these three departments as might be proper to carry out their orders.

Mr. SIMS. Does the gentleman think the word "conclusions" there——

Mr. SMALL. That has been stricken out so it is simply "orders."

Mr. SIMS. That is all right.

Mr. SMALL. So that, Mr. Chairman, the substitute would then read as follows:

The orders of the commission shall, in so far as practicable and appropriate, be performed by and through the Departments of War, Interior, and Agriculture, respectively.

This seems to me to carry out in clear and unmistakable language the intent of the original clause, and, in addition, it appears to me to be good legislation.

The CHAIRMAN. The Chair desires to call the attention of the committee to the unanimous-consent agreement which was agreed to some time ago that at 4 o'clock the committee will rise for the purpose of considering the conference report on the man-power bill.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that a vote be taken on this amendment.

Mr. LA FOLLETTE. Mr. Chairman, I do not think we are ready to take this vote yet. I am of the opinion gentlemen do not really understand the purpose of this language and I want to see if I can not introduce an idea that does not seem to have been grasped here at all. The gentleman from North Carolina suggests the use of the word "orders." It is not to do work after an order is passed. These three departments now have control, one of the forest reserves, the other of public lands, and the Secretary of War of navigation. Now, if there is a question of a water-power project coming up in either one of those departments it does not mean the other two Secretaries are going to yield any right to pass opinion finally, but it means that the work connected with the investigation shall be done by those respective departments which have their officials and their labor ready to look after that department.

It simplifies the matter. It reduces the expense, and I do not think complicates anything. I think that is the significance of the language the gentleman seeks to strike out.

Mr. SMALL. I insist that the word "orders" there is better than the word "work," because "work" might imply substitution for the commission.

Mr. LA FOLLETTE. It is immaterial to me as to the words other than to have the idea maintained. The real object, I think, is to allow the different departments to look after the questions properly belonging to their respective jurisdictions.

Mr. SMALL. I think that is all right, but I think the word "orders" is better than "work."

Mr. SIMS. Mr. Chairman, let us have a vote.

The CHAIRMAN. The question is on the substitute of the gentleman from North Carolina [Mr. SMALL] to the amendment of the gentleman from Massachusetts [Mr. WALSH].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. WALSH. Division, Mr. Chairman.

The committee divided, and there were—ayes 13, noes 31.

So the substitute was rejected.

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Massachusetts [Mr. WALSH].

Mr. RAKER. Just a moment.

Mr. SIMS. I will have to move to rise.

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

Mr. WALSH. Mr. Chairman, I make the point of order the gentleman has no right to interrupt the vote by a parliamentary inquiry.

The CHAIRMAN. The gentleman can make a parliamentary inquiry. He will state it.

Mr. RAKER. Under the unanimous consent, has all time been exhausted upon this amendment?

The CHAIRMAN. It has.

The question is on the amendment of the gentleman from Massachusetts [Mr. WALSH].

The question was taken, and the Chair reported that the ayes seemed to have it.

Mr. RAKER. Division, Mr. Chairman.

The committee divided, and there were—ayes 26, noes 12.

So the amendment was agreed to.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. KITCHIN having taken the chair as Speaker pro tempore, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 1419, the water-power bill, and had come to no resolution thereon.

CHANGES OF DRAFT AGE.

Mr. DENT. Mr. Speaker, I submit a conference report on the bill H. R. 12731, the draft bill, and ask that it be considered under the special order.

The SPEAKER pro tempore. The Clerk will report it.

The Clerk reported the conference report and statement, as follows:

CONFERENCE REPORT (NO. 736).

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment

as follows: In lieu of the matter proposed by the Senate insert the following:

"That the second sentence of section 2 of the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, as amended, be, and is hereby, amended to read as follows:

"'Such draft as herein provided shall be based upon liability to military service of all male citizens and male persons residing in the United States, not alien enemies, who have declared their intention to become citizens, between the ages of 18 and 45, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this act: *Provided*, That the President may draft such persons liable to military service in such sequence of ages and at such time or times as he may prescribe: *Provided further*, That a citizen or subject of a country neutral in the present war who has declared his intention to become a citizen of the United States shall be relieved from liability to military service upon his making a declaration, in accordance with such regulations as the President may prescribe, withdrawing his intention to become a citizen of the United States, which shall operate and be held to cancel his declaration of intention to become an American citizen, and he shall forever be debarred from becoming a citizen of the United States.'

"SEC. 2. That the provision wherever occurring in section 4 of said act, 'persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency,' be, and is hereby, amended to read as follows:

"'Persons engaged in industries, occupations, or employments, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency.'

"SEC. 3. That section 5 of said act be, and is hereby, amended to read as follows:

"That all male persons between the ages of 18 and 45, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President, and, upon proclamation by the President or other public notice given by him or by his direction stating the time or times and place or places of any such registration, it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army; officers and enlisted men of the National Guard while in the service of the United States; officers of the Officers' Reserve Corps and enlisted men in the Enlisted Reserve Corps while in the service of the United States; officers and enlisted men of the Navy and Marine Corps; officers and enlisted and enrolled men of the Naval Reserve Force and Marine Corps Reserve while in the service of the United States; officers commissioned in the Army of the United States under the provisions of this act; persons who, prior to any day set for registration by the President hereunder, have registered under the terms of this act or under the terms of the resolution entitled 'Joint resolution providing for the registration for military service of all male persons citizens of the United States and all male persons residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States,'" approved May 20, 1918, whether called for service or not, and diplomatic representatives, technical attachés of foreign embassies and legations, consuls general, consuls, vice consuls, and consular agents of foreign countries, residing in the United States, who are not citizens of the United States to present themselves for and submit to registration under the provisions of this act; and every such person shall be deemed to have notice of the requirements of this act upon the publication of any such proclamation or any such other public notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided shall be guilty of a misdemeanor and shall, upon conviction in a district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their eighteenth birthday and who shall not have attained their forty-sixth birthday on or before the day set for the registration in any such proclamation by the President or any such other public notice given by him or by his direction, and all persons so registered shall be and remain subject to draft into the forces hereby authorized unless exempted or excused therefrom as in this act provided: *Provided further*, That the President may at such intervals as he may desire from time to time require all male persons who have attained the age of 18 years since the last preceding date of registration and on or before the next date set for registration by proclamation by the President, except such persons as are exempt from registration hereunder, to register in the same manner and subject to the same requirements and liabilities as those previously registered under the terms hereof: *And provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein, such registration may be made by mail under regulations to be prescribed by the President: *And provided further*, That men registered under the provisions of this act who have served in the Navy of the United States shall, upon their own application, be permitted to reenlist in the naval or marine service of the United States with and by the approval of the Secretary of the Navy.

"SEC. 4. That all men rendered available for induction into the military service of the United States through registration or draft heretofore or hereafter made pursuant to law, shall be liable to service in the Army or the Navy or the Marine Corps, and shall be allotted to the Army, the Navy, and the Marine Corps under regulations to be prescribed by the President: *Provided*, That all persons drafted and allotted to the Navy or the Marine Corps in pursuance hereof shall, from the date of allotment, be subject to the laws and regulations governing the Navy and the Marine Corps, respectively.

"SEC. 5. That the wife of a soldier or sailor serving in the present war shall not be disqualified for any position or appointment under the Government because she is a married women.

"SEC. 6. That soldiers, during the present emergency, regardless of age and existing law and regulations, shall be eligible to receive commissions in the Army of the United States. They shall likewise be eligible to officers' schools under such rules and regulations as may be adopted for entrance to such schools, but shall not be barred therefrom or discriminated against on account of age.

"SEC. 7. That the Secretary of War is authorized to assign to educational institutions, for special and technical training, soldiers who enter the military service under the provisions of this act in such numbers and under such regulations as he may prescribe; and is authorized to contract with such educational institutions for the subsistence, quarters, and military and academic instruction of such soldiers.

"SEC. 8. That any person, under the age of 21, who has served or shall hereafter serve in the Army of the United States during the present emergency, shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws: *Provided*, That any requirements as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service: *Provided further*, That applications for entry may be verified before any officer in the United States, or any foreign country, authorized to administer oaths by the laws of the State or Territory in which the land may be situated.

"SEC. 9. That hereafter uniforms, accouterments, and equipment shall, upon the request of any officer of the Army or cadet at the Military Academy, be furnished by the Government at cost, subject to such restrictions and regulations as the Secretary of War may prescribe."

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill H. R. 12731, "Amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917," submit the following written statement explaining the effect of the action agreed on:

The House receded on the proviso in the first section, to the effect that a citizen of a neutral country who has declared his intention shall be relieved from liability to service by withdrawing his declaration, which shall forever debar him from becoming a citizen of the United States.

The House receded upon its amendment known as section 2, which undertook to provide for the military service of citizens or subjects of cobelligerents residing in the United States. This provision was opposed by both the State and War Departments.

Section 3 of the House bill, made section 2 of the conference report, which relates to exemptions on account of occupations and employments, including agriculture, does not materially change the language used in the House bill. It is a mere transposition of language, and as the Senate bill was one entire amendment to the House bill the language of the Senate was adopted.

The Senate receded from the proviso known as the "work-or-fight" provision of the bill.

The Senate receded from the provision authorizing the wearing of some suitable badge, insignia, or uniform by exempted persons.

The Senate receded from the proviso authorizing local boards to designate the deferment or exemption of registrants rather than for the claim to be made by the registrant himself.

The Senate receded from its provision authorizing the appointment of nonresidents as members of local boards.

The House accepted the language of the Senate provision specifying the exception of persons who are not required to register. It was stated by Gen. Crowder that this specific statement of exceptions was made for the benefit of the administration of the law, and that it meant no more nor less than that officers or enlisted men in the service of the United States, either in the Army or the Navy, should not be compelled to register, as far as citizens of this country are concerned. It also excepts diplomatic representatives, technical attachés of foreign embassies and legations, consuls general, consuls, vice consuls, and consular agents of foreign countries residing in the United States who are not citizens of the United States. Under the law, otherwise, registration of all persons in this country, except alien enemies, is required.

The House accepted the Senate provision providing for the induction of male citizens liable to service under this act in either the Army, Navy, or Marine Corps, under such regulations as may be prescribed by the President.

The conferees agreed upon the general provisions of the House bill, authorizing the appointment of registrants between 18 and 21 as officers, but extended the language so as to make eligible all soldiers regardless of age.

The Senate receded from its provision as to the education of drafted persons after the conclusion of the war, but accepted the House provision, known as section 8, authorizing the Secretary of War to assign soldiers to educational institutions for special and technical training. It was agreed to strike out, however, the paragraph providing an appropriation, in view of the fact that in order to carry this act into effect it will be necessary to have a deficiency appropriation.

The House yielded to the Senate provision authorizing soldiers under 21 to take advantage of the homestead laws.

The House yielded to the Senate provision for officers' uniforms at cost, with some slight change in the phraseology, but struck out the provision making this applicable to the Navy. Under this provision, the Government, upon the request of an officer, must furnish the uniform at cost, subject to such restrictions and regulations as may be made by the Secretary of War.

In order to emphasize the situation, it may be repeated that the Senate accepted the House bill by striking out all after the enacting clause and inserting their bill as one entire amendment.

S. H. DENT, Jr.,
W. J. FIELDS,
JULIUS KAHN,
Managers on the part of the House.

Mr. DENT. Mr. Speaker, if the House listened, and it apparently did, to the statement that has just been read, that absolutely states the whole case of the agreement between the conferees on the part of the two Houses. And unless some gentleman desires to ask questions in regard to it, it seems to me it is not necessary to continue the discussion.

Mr. CALDWELL. Mr. Speaker——

The SPEAKER pro tempore. Will the gentleman from Alabama yield to the gentleman from New York?

Mr. DENT. I will.

Mr. CALDWELL. I will ask the chairman to state to the House whether or not he has the order of the President discharging men who have their first papers from the Army, who are already in, and if this provision as adopted conforms to the order of the President?

Mr. DENT. Is the gentleman referring to the provision in regard to the registration of subjects of cobelligerent countries?

Mr. CALDWELL. Yes.

Mr. DENT. I have the order from the President, which I will insert in the RECORD, and which was handed to me to-day while the conferees were in session, relative to the question of taking subjects of cobelligerents and neutral nations in this country. I had known for some time that the President had individually authorized the discharge of subjects of neutral countries whenever a claim was made by a representative of a country in behalf of the discharge from the Army, but I did not know that the order of the President had gone so far. I ask that this be read from the Clerk's desk. It is the official order of the President on the subject, and that is the reason that the conferees finally yielded on the McCulloch amendment.

The SPEAKER pro tempore. The Clerk will report it.

The Clerk read as follows:

THE WHITE HOUSE,
Washington, 11 April, 1918.

MY DEAR MR. SECRETARY: Returning again to the question of aliens drafted into the military service of the United States, I have felt obliged to decide in the interest of international good feeling and for the preservation of the good faith of the United States in all matters of international obligation that—

I. That both declarants and nondeclarants of treaty countries shall in all cases be promptly discharged, upon request of the accredited diplomatic representatives of the countries of which they are citizens.

II. That nondeclarants of nontreaty countries shall be promptly discharged upon the request of the Secretary of State, and also when the War Department is satisfied that a discharge should be granted in cases where a full and fair hearing has not been given by the local board.

I have had the pleasure of explaining to you orally why I have felt constrained to come to these decisions.

Faithfully, yours,

(Signed) WOODROW WILSON.

The ACTING SECRETARY OF WAR.

Mr. NORTON, Mr. McCULLOCH, and Mr. STEENERSON rose.

The SPEAKER pro tempore. To whom does the gentleman yield?

Mr. DENT. I yield to the gentleman from North Dakota [Mr. NORTON].

Mr. NORTON. Mr. Speaker, I am very much interested in section 8 of the bill as agreed to by the conferees, which provides:

That any person under the age of 21 who has served or who shall hereafter serve in the Army of the United States, during the present emergency, shall be entitled to the same right under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws.

I think that is a very good provision, but there is at the end of that paragraph this very dangerous and objectionable proviso:

That applications for entry may be verified before any officer in the United States, or any foreign country, authorized to administer oaths by the laws of the State or Territory in which the land may be situated.

I have wondered if the conferees really considered the broad effect of that provision.

As I read it, it will permit any American soldier in the United States or in a foreign country to make an entry upon Government land, and it does not require any residence on his part on the land until after the war. It occurs to me that it will result in the entry, almost at once, of practically all of the Government land in the United States. It will give opportunity for tying up Government land by other than bona fide entries. It will invite, it seems to me, widespread fraud in public-land States.

I understand that this is a provision that has been advocated by many speculators and land attorneys in the West, but I believe it is a provision that ought not to be permitted to be enacted into the law. I am personally very much in favor of giving homestead lands to those in the Army who have shown a disposition to become homestead entrymen and who have thought of the matter, but I do not believe in opening the gates wide to permit every soldier from New York, Chicago, and other of the large cities of the country to tie up the public lands when they have no intention of becoming actual homestead settlers and never had any such intention.

Mr. TOWNER. Mr. Speaker, will the gentleman yield?

Mr. NORTON. Certainly.

Mr. TOWNER. It occurs to me that the gentleman's fears are hardly well grounded. The gentleman well knows that the language is, "Applications for entry may be verified before any officer." It has reference only to the form of the verification. It would only allow a soldier, in order to make an affidavit, to make it in the form prescribed by the law. It would not by any means relieve the applicant from the necessity of conforming to all the other provisions of the law, so far as his application and right are concerned.

Mr. NORTON. In making that statement the gentleman should take into consideration the fact that under existing laws these applications must be made and sworn to in the district where the land is entered upon.

Mr. TOWNER. Yes; it does away with that, because it allows the verification to be made there. But that refers only to the form of making the verification. It allows the soldier to

do that under the forms that exist in his own State. It does away with the necessity of making the verifications in the place where the land is situated. That is true. It does do that. But it does not do away with the other requirements of the law.

Mr. NORTON. Let me call the attention of the House to this fact, that this provision not only permits but invites, where there are at the present time large tracts of Government lands, as in New Mexico, Arizona, and the Dakotas, any designing person to interest himself in having applications to enter land sent to soldiers in Europe, and have them make affidavits of entry, and have them return those applications to that designing person, who will file them in the local land office, thereby tying up large tracts of land through the agency of boys and young men who have never thought of becoming homestead entrymen, and depriving men who may come to that section of the country, and who really desire to become actual homestead settlers, of the opportunity of entering upon that land.

Mr. TOWNER. That is very true, I assume, in a sense, but you could not allow a soldier who was in France to make application for an entry unless that were proved. In other words, the gentleman, in opposing that proposition, would not give to the soldiers in France any right of making an entry while they were there?

Mr. NORTON. No. I must say to the gentleman that I believe that the only soldier who should be given the right to enter a homestead is one who, before he went into the Army, had shown an interest in taking a homestead and that his rights then should be protected.

Mr. DENT. Mr. Speaker, I think I have the floor. I yielded to the gentleman from North Dakota only to ask a question.

Mr. NORTON. I wanted to ask the gentleman whether the conferees had really taken into consideration the wide effect of that provision? I believe it should be stricken out.

Mr. DENT. I confess to the gentleman that this is a provision that was put on in the Senate. The conferees did not go into details, but the conferees agreed generally to the idea that the boy who was going to be drafted into the Army should have the right to make an entry.

Mr. NORTON. And that his rights should be protected?

Mr. DENT. Let me finish. And if there is anything about the general administration of the law hereafter that needs attention, Congress can take care of it. But the general proposition ought to be incorporated in this bill, that if you make a boy fight you should give him all the privileges of a man.

Mr. McCULLOCH and Mr. FERRIS rose.

The SPEAKER pro tempore. Does the gentleman yield; and if so, to whom?

Mr. DENT. I promised to yield to the gentleman from Oklahoma [Mr. FERRIS].

Mr. FERRIS. Of course, everyone wants to do everything that he can for the American soldier who goes out to defend the country, and if the land could really go to these soldiers I do not believe there is any better purpose that it could be put to. We are all so proud and appreciative of them and their efforts that nothing we could do would be enough. However, I can not help having some fears along the line suggested by the gentleman from North Dakota [Mr. NORTON] as to that last proviso of the amendment. I can not help believing that this amendment will make the soldiers and the public lands both just fat geese for the claim attorneys and the speculators, to speculate upon the credulity of the soldiers and use the remaining public land as a medium for their own selfish purposes. Of course, I do not want to obstruct anything connected with this bill or to say anything that will obstruct; but this legislation I am sure, could not pass if it stood alone, and I do not believe it would be advisable to let it pass in its present form. That is the danger always, of course, in allowing a foreign amendment to creep in on a bill that has to be put through to take care of some emergency. Probably there will be some 5,000,000 soldiers in the war before it is over. If each of them, through the instrumentality of a claim attorney, were to file an application for 640 acres of land, of course, there would be 3,200,000,000 acres of land required to meet the applications of the soldiers alone, which is more than four times as much public lands as we have. I do not believe even the soldiers would want this done, and I am fearful that this is doing something we ought not to do. But perhaps we can pass some supplemental act preventing, prescribing, and circumscribing the action of claim attorneys, who will at once get busy on this. If that can be done, I certainly do not want to throw a straw in the path of our soldiers. I am so afraid it is not for them; I am so afraid it will not benefit them in its present form. I will do anything I can to help them, but, of course, the public domain should not be frittered away to claim attorneys so there will be nothing left for the soldiers when they return.

Mr. DENT. Will the gentleman allow me to ask him a question?

Mr. FERRIS. Yes.

Mr. DENT. Is the gentleman opposed to the general proposition?

Mr. FERRIS. Oh, no; I am not. I would be in favor of every soldier who serves through this war having carte blanche the right to make application for entries on the public land. Give it to him; help him; do anything to help him; but it would do him more good when he comes back than to give it to him now and let him sell it, relinquish, waste it, and dispose of it before he gets back.

Mr. DENT. I was sure when I asked the question that the gentleman was not opposed to the general proposition; and I want to ask the gentleman, who is chairman of the Committee on the Public Lands, if he does not think that committee can take care of any defects that may arise in the administration of this law?

Mr. FERRIS. I think the Interior Department and the Commissioner of the General Land Office, who have to do with the administration of the public lands, ought to be immediately conferred with for the purpose of preparing and passing some legislation very quickly, to see to it that these boys are not presumed upon and that their credulity is not levied upon, and the public lands gobbled up by attorneys who are really not entitled to them.

Mr. TIMBERLAKE. I just want to call the attention of the chairman of the Committee on the Public Lands to the fact that it does not seem to me that this authorization to have soldiers' homestead applications taken and sworn to before their commanding officers, wherever they may be located, will have the effect of waiving the other provisions of the homestead law, which require that before a person can file a homestead entry he must have previous personal knowledge of the land. As the chairman of the committee will recall, the applicant must state in his application that he is acquainted with each and every subdivision of the land, and that must be corroborated by two witnesses who have knowledge of the land. With those requirements in the existing law, does the gentleman think this provision allowing them to make application before their commanding officer and to make selection of the land will lead to any fraud upon the Government?

Mr. FERRIS. If the chairman of the Committee on Military Affairs will allow me——

Mr. DENT. I yield to the gentleman to answer the question.

Mr. FERRIS. The gentleman from Colorado has very extensive information on this subject, and I think it is very possible that through that provision they may be able to control this thing. But the gentleman lives in the West and so do I, and the gentleman knows that this will be a pretty fat pasture for the claim attorneys who will at once get into communication with the soldiers and try to have them file entries on these lands, and with the multitude of applications there will be opportunity for some frauds. It is possible, however, that the administrative officers can force them to declare that they are familiar with the land, and when they are unable to make that declaration then they can reject the entry.

Mr. TIMBERLAKE. They undoubtedly would reject the entry unless the applicant complied with the provisions of the affidavit, requiring that the applicant have personal knowledge of every subdivision of the land.

Mr. FERRIS. Unless there is something in this that relieves them of that on the ground of impossibility, that might cover it sufficiently. But how can a man serving in France have familiarity with land in Colorado?

Mr. TIMBERLAKE. If a boy has lived in a certain neighborhood in Colorado and has grown up with the land, and has had his eye on it, and the opportunity comes to him when he is 18 or 19 years of age instead of 21 years of age, to file upon that land, would it not be right for him to subscribe to the affidavit?

Mr. FERRIS. Yes; that would be all right; but I think it will not work out in that way.

Mr. NORTON. Will the gentleman answer a question?

Mr. FERRIS. I do not feel that I ought to hold the floor.

The SPEAKER pro tempore. Does the gentleman from Alabama yield?

Mr. DENT. I yield to the gentleman from North Dakota for the purpose of asking a question.

Mr. NORTON. Mr. Chairman, the gentleman from Colorado [Mr. TIMBERLAKE] has been a receiver or a register of a United States land office.

Mr. TIMBERLAKE. A receiver.

Mr. NORTON. And he knows that the provision he mentions there is not complied with in the West, that in a contest action

it is not held as a ground for setting aside the entry if the entryman has never seen the land.

Mr. TIMBERLAKE. I beg leave to differ very materially from the gentleman. In the office over which I presided that provision was violated to make the entry subject to contest.

Mr. NORTON. It has never been held as a ground for setting aside an entry.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. RAKER. Mr. Speaker, I call attention to the fact that this simply affords this right to those who are not yet 21 years of age the same right that those who are now of age have. It defers their residence, or the establishment of residence, for six months after they return from the service, and then it simply authorizes the affidavit upon the application to be made before any officer of the United States or any State officer or in any foreign country before anyone who is authorized by the laws of the State or of the Territory in which the land may be situated. Several laws have been passed in the last two years that tend to do away with the land shark. It is a felony for a man to misrepresent through another the character of the land he is trying to file upon, and I think the conference committee has wisely permitted this to remain in the bill, permitting these boys to select the land now. They know it. Many of them have been over the land before they left home, boys 18 and 19 and 20 years of age. Their land will be retained and held for them, and they know as much about it as a man of age upon the ground, and if there is any possible chance for the land shark or the land grabber or the man who is holding out false advertisements we can amend the law to make it a State-prison offense, because practically everything for the last two years has been taken away from these people, and they must deal fair and square with the man who is trying to get a piece of land.

Mr. McCLINTIC. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. McCLINTIC. I want to ask if there is anybody who can answer this question: Take the case of a soldier under 21 years of age who has never seen the land that he intends to file on and who is now serving in France; can he execute the proper application for homestead entry and have his rights protected on the land that he seeks to gain possession of?

Mr. DENT. I will state that of course he could not do it if he has no information upon the subject; but he will have the right to do it and he will have the opportunity to have some friend give him the information. The whole proposition, to my mind, as I stated a little while ago, was that if you are going to make boys fight between the ages of 18 and 21 you ought to give them the same rights that you give the man who is 21, and that is all this does.

Mr. McCLINTIC. I am receiving a number of requests asking if a soldier will have the opportunity of filing on land located in the western part of the United States without going there and seeing it, while he is serving in the Army.

Mr. DENT. He is not given any authority in this act, of course. It may be that this legislation ought to be supplemented by other legislation, but what harm is there in giving this right now in this bill and then supplement the legislation later.

Mr. McCLINTIC. I am in favor of it; but I wanted to know if this produced the right effect.

Mr. SHALLENBERGER. Mr. Speaker, in regard to the making of application, if one will read the law he will find that it states that the applications of entrymen may be verified before any officer of the United States in a foreign country who is authorized to administer oaths by the laws of the State or Territory in which the land may be situated. Unless that officer has been authorized by the law of the State or the particular Territory he can not make that application.

Mr. DENT. That is true.

Mr. SHALLENBERGER. The matter is entirely protected in the law.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. CANNON. I want the attention of the House while I ask this question: Let us locate a soldier in Boston or in New York or in Chicago who has never been in a State where there is public land. Let us put him as a soldier in France. Does the gentleman claim or does any gentleman claim that a land agent, who sometimes is equivalent to a land shark, living anywhere in the West may go and look at that particular land and then for a fee enable the soldier that never saw the land to make his homestead claim?

Mr. DENT. Why, I state to the gentleman very frankly that I think this right given to the soldier should be supplemented by additional legislation.

Mr. CANNON. Then let us have additional legislation together, because if it opens the question, why then there must be legislation to modify it and I think the temper of the House would be that if a bill were passed to take care of the whole question that it will be much safer.

Mr. DENT. I agree with the gentleman's general proposition. The gentleman has been here longer than anybody else and he knows this was a Senate amendment. The general object is not objectionable and the gentleman knows that in order to get a bill you have to accept some things you would not otherwise accept.

Mr. GANDY. Will the gentleman yield?

Mr. DENT. I will.

Mr. GANDY. The first part of this section provides that young men shall have the same privilege that those over 21 years of age now possess. Now, young men over 21 years of age do not now, under the law, have the privilege of filing a homestead entry after they go into the Army, so that only inferentially does this act give the young man under 21 the right to file after he has gone in, because the last proviso says that he may make an application and that that blank for entry may be verified before any officer, and so forth. Now, if the last proviso were not in, then the young man would be just in the same shape that those over 21 years are in, but I fear, although I may be wrong about this—I think I am not—that by this amendment we are putting young men under 21 in a class by themselves and authorizing them to do something that those over 21 do not now have the right to do.

Mr. DENT. Does the gentleman mean to say by that that the verification of the application is different under this?

Mr. GANDY. The young man over 21, under the law to-day, can not make a homestead application after he goes in the Army. He can complete one that he has already made. Now, by this last proviso you are authorizing the young man under 21 to do something that the young man over 21 can not do under the law to-day and you start out by saying——

Mr. DENT. I confess I do not see the point.

Mr. RAKER. Will the gentleman yield?

Mr. DENT. I will.

Mr. RAKER. Where is the statute where a man who enters the service of the Army, drafted or volunteer, returning home on furlough can not make a homestead upon 160 acres of land that he has known ever since he was a boy?

Mr. GANDY. The gentleman must know that is all right if he can get home on a furlough.

Mr. RAKER. Exactly.

Mr. TIMBERLAKE. I want to ask the gentleman from South Dakota in what way he thinks this measure gives a privilege to a boy of 18 years of age more than that accorded to a man of 21 years of age?

Mr. GANDY. Inferentially it gives him the right to file away from home after he is in the Army.

Mr. TIMBERLAKE. There has been a law on the statute books which was passed last year giving any homestead entryman the right to complete his homestead entry and make his affidavits before his commanding officer just the same as this, providing he is in the military or naval service of the United States.

Mr. GANDY. But the gentleman from Colorado is talking about the completion of an entry made before he went in.

Mr. TIMBERLAKE. No, sir; he may have a contest already initiated before he went in——

Mr. DENT. Mr. Chairman, I yield to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, I think every one familiar with the public land laws and with the public domain realizes that it would be very unfortunate indeed if we should write into this law a provision under which, through land agents in all parts of the country and abroad, soldiers who never intend to make a home on a piece of Government land might make a filing and hold it during the entire time of their service, without cultivation, improvement, or settlement. That would not, in a majority of cases, be of any real benefit to the soldier and it would be very harmful to the western country.

No one, in my opinion, favors that sort of a proposition. On the other hand, I think we all agree that if we are to draft the boys below 21, thus placing them under all the obligations of manhood, we should grant them the same rights relative to public lands that men in the service of 21 and over have. The question is, do we accomplish that and do we avoid that which would be harmful by this provision. I regret that before this matter was agreed to some expert on the subject, like the chairman of the Committee on Public Lands, was not consulted, because I think it would have been very easy indeed to have so

modified the provision as to have made it very clear and definite.

My opinion is, however, that a fair construction of this provision would not give the soldier the right to make an entry without visiting the land and not after he had enlisted and gone into the service and obtained credit for residence, and that, therefore, there is not perhaps the danger of a deluge of entries that some fear. This provision is that those under 21 shall have the same rights as those over 21. Now, what rights under the homestead law and other land laws do soldiers now have? They have the right to make any affidavit that may be necessary after the entry is made, at home or abroad, before their officers. On the other hand, the law specifically provides that in order to secure the benefits of constructive residence the entry shall be initiated prior to the beginning of the service. Now, unless there shall be a construction of these provisions not justified by the language used, these men can not homestead unless they do so after going on the land and prior to their entry into the service.

Mr. FERRIS. What are you going to do with this proviso:

Provided further, That applications for entry may be verified before any officer in the United States or any foreign country authorized to administer oaths by the laws of the State or Territory in which the land may be situated.

I believe what the gentleman says is true, unless this takes it away.

Mr. MONDELL. That provision standing alone does not grant the right to make entry except after the necessary and usual preliminaries, and, in any event, gives no right of constructive residence, so far as it relates to affidavits related to an entry, after entry is made, it does have force and effect, but, in fact, that has already been provided for.

Mr. FERRIS. It says specifically, "Application for entry." Of course, that is the initial step in tying up a piece of land.

Mr. MONDELL. There is a law which came out of the gentleman's committee, and with which he is familiar, which provides that no credit for constructive residence shall be allowed on an entry made after the soldier goes into the service. Now, there is this possible difficulty: A liberal construction of this provision might hold that the soldier could make his entry after he got into the service. But clearly he would not be entitled to the benefit of the constructive residence, and therefore his entry would be of no value to him.

Mr. FERRIS. There is a proviso relieving him from that.

Mr. MONDELL. There is a proviso relieving him from the establishment of residence but not from continuing residence, but unless he first visits the land he can not enter.

Mr. DENT. Mr. Chairman, I yielded to the gentleman for a question, and he is making a very splendid exposition.

Mr. MONDELL. If the gentleman will give me about a minute more, I will conclude.

Mr. DENT. I regret we did not consult the experts on the public land laws, but I find they are as much in disagreement as anybody else, and I do not know that we would have accomplished anything if we had consulted them.

Mr. MONDELL. I think it is well to have an expression of opinion with regard to this matter before the conference report is adopted. I do not believe that the department could properly construe this bill in a way to allow entries by soldiers who had not visited the land, but unfortunately the language is not very clear, and in my opinion it ought to be cleared up by supplemental legislation. It is very certain we are not going now to vote against the gentleman's conference report in order to clear up the situation.

Mr. DENT. I agree with the gentleman it ought to be cleared up by supplemental legislation and handled by the Public Lands Committee.

Mr. McCULLOCH and Mr. STEENERSON rose.

Mr. DENT. I yield to the gentleman from Ohio [Mr. McCULLOCH].

Mr. McCULLOCH. The chairman of the committee will remember that yesterday I submitted to him in writing two suggestions of changes to be made in the alien-slacker amendment. One was that the amendment be made to apply to treaties that might be hereafter made or entered into by the United States with some foreign country, and I also suggested the addition of the provision that the President of the United States may at any time by Executive order suspend the operation of any of the provisions of the section as they relate to any of the cobelligerent countries if, in his opinion, the enforcement of such provisions would create any international complication. The chairman of the committee advised me the conferees have rejected not only the amendment but have rejected the two suggestions that I made. Now, will the chairman tell the House how the order issued by the President in May would conflict with this amendment should it be adopted and carry the language I have just read?

Mr. DENT. I will not undertake to say how it would conflict. I do not undertake to draw a comparison between that and the President's order.

But I will state to the gentleman from Ohio that the gentleman from California [Mr. KAHN] and the gentleman from Kentucky [Mr. FIELDS] and myself submitted his amendments to the conferees and insisted that certainly no harm could possibly be done if the amendments suggested by the gentleman from Ohio were adopted. We undertook as long as we could to get that provision upon the bill. The Senate conferees, however, were insistent against any proposition of that kind, because the State Department absolutely insisted that it ought not to be in this law. The War Department agreed that it ought not to be in this law. Gen. Crowder appeared to-day before the conferees, and I renewed the question and made a motion again to reconsider this proposition, and he said he hoped it would not be put in, and added that if the amendment of the gentleman from Ohio were adopted it would involve five Central and five South American Republics who are cobelligerents, but who themselves are not furnishing any single, solitary soldier to the army.

Mr. McCULLOCH. Did the gentleman point out the fact that the President might by an order immediately intervene and thus prevent any complications?

Mr. DENT. I did; and I think if we had adopted the amendment suggested by the gentleman, we would leave the situation exactly where it is, namely, in the hands of the President of the United States.

Mr. McCULLOCH. Why, then, was it not adopted?

Mr. DENT. What good could it accomplish?

Mr. McCULLOCH. Mr. Speaker, will the gentleman yield me five minutes?

Mr. DENT. I yield to the gentleman five minutes.

Mr. McCULLOCH. Mr. Speaker, I shall not undertake to discuss the merits of the proposal to draft aliens. The merits of that proposition have been discussed on the floor of this House, and this House has acted at least three times, indicating the temper of the Houe in regard to the proposition of drafting aliens. This House passed overwhelmingly the Burnett alien-slacker bill, which was strangled to death in another body.

Mr. GORDON. Mr. Speaker, will the gentleman yield?

Mr. McCULLOCH. I will not yield.

Mr. GORDON. I would like to ask the gentleman a question.

Mr. McCULLOCH. This House passed almost unanimously the amendment to the Army appropriation bill making effective treaties which the State Department claimed they were about to conclude. This House passed three days ago, by an overwhelming vote, the amendment which I proposed to this man-power bill drafting aliens. So that there can be no doubt in the mind of the chairman of the committee or anybody else as to the temper of this House on the proposition of drafting aliens.

Now, there are Members—and I am one of them—who would not for a minute want to support any amendment or any bill that would involve this country by its operation in international complications; neither would I want to vote for or see passed by this House a bill that would mean the violation of any treaty. I am one of those who believe that treaties should not be regarded as mere "scraps of paper." Yet I do want to say to the gentleman from Alabama that I want to see the Greeks and the Italians, fine physical specimens, in every way fit for military service, who appear on the streets of my home town all dressed up, some of them insulting women on the street, who are refusing to do even war work for less than 75 cents to a dollar an hour—I want to see them drafted and taken into the Army, and I want to see the Congress and the State Department stop temporizing with this most serious situation. [Applause.]

Now, the House of Representatives has done its part. Before I left Washington, at the time of the last recess, I called up the State Department and asked how soon the State Department could probably complete the treaties with Greece and Italy and with the other cobelligerent countries. I was told that by the time we got back here after the recess the treaties would be completed and sent to the Senate. When I got back here at the end of the recess I asked the State Department again about it and was told that it might be two months before they could work out the diplomatic differences with the Greek consul and get a treaty that would bring those Greeks who are of draft age into the Army. In my home county of Stark, in Ohio, it is estimated that there are 15,000 Greeks in that one county alone. I told the State Department that something ought to be done at once, that there had been one delay after another until everybody was losing patience as well as confidence, and I drafted this amendment. I wanted to see something done. I wanted to

see results. A day or two afterwards I called the State Department again and was informed that they were about ready to have the treaty with Greece signed. Yet it is not signed as yet. These men are still not liable to service, and it is time that this House stood pat as against the Senate and the State Department in taking out of the bill this most important amendment. Therefore, Mr. Speaker, if I am given the opportunity, I propose to make a motion to recommit this bill and have it reported back forthwith, so that there will be no delay. I know that Members are reluctant to support a motion of that kind at this time, but I feel that it is my duty to make such a motion and your duty to support it, and I intend to do my duty as I see it.

The motion to recommit will carry my amendment with the suggested changes which I proposed to the gentleman from Alabama on yesterday, which if adopted will absolutely settle forever all question that any treaty might be violated, because by the express terms of the amendment itself no treaties can be violated and the act be operative. And further, there can be no international complications, because under the proviso I suggested the President of the United States could immediately issue an order making the provision ineffective against any countries where there would be any danger of complications.

Mr. DENT. Will the gentleman allow me to interrupt him?

Mr. McCULLOCH. Just a moment, until I finish this statement.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. DENT. I yield to the gentleman one minute more. Has the attention of the gentleman been called to the fact that perhaps the amendment, if adopted, will not accomplish what the gentleman intends?

Mr. McCULLOCH. I intend by my amendment that aliens shall be drafted into the military service.

Mr. DENT. The gentleman's amendment provides that the subjects of cobelligerent countries shall not be exempt, instead of providing that the subjects of cobelligerent countries shall be liable to military service.

Mr. McCULLOCH. My amendment provides that they shall be liable to military service. The chairman of the committee is mistaken about that.

Mr. DENT. I may be, but I think the gentleman had better reread his amendment.

Mr. McCULLOCH. I do not need to reread it. I know what it provides, but for the information of the House I will read it all:

That no alien who is a citizen or subject of any of the countries cobelligerent with the United States in the present war shall, unless contrary to existing treaties or treaties hereafter concluded, be granted exemption from military service or placed in deferred classification under the provisions of this act or under any rule or regulation to be issued by authority granted under the provisions of this act solely on account of alienage: *And provided further*, That the War Department shall, immediately after the passage of this act, reclassify all aliens heretofore registered who are citizens or subjects of any of the countries cobelligerent with the United States in the present war, and who have been exempted or placed in deferred classification on account of alienage; and said aliens shall be called for service the same as citizens of the United States unless such action would be contrary to existing treaties or treaties hereafter concluded: *Provided further*, That the President of the United States may at any time, by Executive order, suspend the operation of any of the provisions of the foregoing section as they relate to any of the cobelligerent countries if in his opinion the enforcement of such provisions would create any international complications.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. McCULLOCH. Will the gentleman yield me one more minute?

Mr. DENT. I yield to the gentleman one minute more.

Mr. McCULLOCH. Now, this is what is happening in my home town and county: These aliens of cobelligerent countries are there by the thousands. They are physically fit and in every way qualified for military service, but they are claiming exemption solely on account of alienage, and they are going out onto the streets of my town and into the factories and bragging and claiming that they are specially favored by the United States Government. They are arrogant, and they refused in one instance to work for less than 75 cents an hour at common labor in loading war supplies to be sent to France to protect the health of our boys. They sit in the coffee houses, and, after working two or three days, they refuse to work any more. They sneer at our boys, their families, and friends, and say they will take the American boys' jobs, and they laugh at patriotism. It is all wrong; and I say that this House and this Congress should indicate clearly its attitude and not temporize with them any longer.

The Congress has spent a good part of a week deciding just how to reach every available source of man power in this great country. You take the American boy at the tender age of 18—and every American between the ages of 18 and 45 is held liable for military service—and if the future can be determined by what the past has been, they will all respond nobly and patriotically. But the Senate conferees say that the foreigner must not be taken, he must be specially favored. I tell you it is not right, and the delay in taking the alien is having a bad effect, and the longer the delay the worse it will get. I have this morning a letter which states the situation accurately and in a few words. A very prominent man in my district writes me as follows:

DEAR FRIEND McCULLOCH: I congratulate you on your victory in having aliens included in the man-power bill. There is nothing you have done in your public life that has met with quite the approval of your constituents as your fight for this American measure. I hear almost every day murmuring against the unfairness of taking our American boys and permitting the foreigners to enjoy our country and our freedom. In fact, these murmurings have cropped out in violence against foreigners who are reported to have said they were getting the good jobs now and the American women since the American men had gone to war. There was such an incident at Massillon, I learned, but it was not made public. Our parks are well filled on Sundays with foreigners of draft age, while the Americans are becoming scarcer and scarcer every day—and the latter are beginning to feel the unjustness of the situation.

If the Senate conferees had left my amendment in the bill drafting aliens, it would have made immediately available a source of man power estimated at near 2,000,000 men. There were 772,744 aliens of the cobelligerent countries registered at the first registration. If the alien would have to go, just as the American boy has to go, the number of American boys called would be very materially reduced. Less American boys would be taken from the farms. Less American boys would be taken from the schools. Less American boys would be taken from our industries. Why should there be a favored class, and above all why should it be the alien slacker class? If anyone is to be favored, let it be our own; but there should be no favored class anywhere.

The burdens should be placed equally on all classes. We want to win the war, and win it as quickly as possible. If this amendment is left out of the bill, I hope its adoption by the House will have the effect of speeding up the State Department. But I trust the motion to recommit will receive the support of those Members who believe in the justice of my amendment.

I am for this bill, and I do not want to delay its passage, and the motion to recommit will not delay it. [Applause.]

Mr. McKENZIE. Will the gentleman from Alabama yield to me two or three minutes?

Mr. DENT. I am going to yield to the gentleman from Alabama as soon as the gentleman from Minnesota [Mr. STEENERSON], who is a member of the committee, asks me a question.

Mr. STEENERSON. Section 1, that is now being discussed—this provision in regard to alien slackers seems to draw a very unfair distinction between an alien who has declared his intention to become a citizen of the United States and one who has not, inasmuch as after the war is over the slackers who the gentleman has described, these 15,000 Greeks in his town, can be naturalized and become full citizens of the United States, whereas those who have declared their intention, who claim their exemption, are forever debarred from becoming citizens. It seems to me that if you bar them, you ought to bar both those who have declared their intention and those who have not. The clause reads:

That a citizen or subject of a country neutral in the present war who has declared his intention to become a citizen of the United States shall be relieved from liability to military service upon his making a declaration, in accordance with such regulations as the President may prescribe, withdrawing his intention to become a citizen of the United States, which shall operate and be held to cancel his declaration of intention to become an American citizen, and he shall forever be debarred from becoming a citizen of the United States.

The further question arises: Is not this a violation of the constitutional provision which requires that Congress shall have power to make "a uniform law on naturalization"? This makes it dependent upon the order of the President as to the conditions under which a man shall withdraw his declaration and claim his exemption, and it is not uniform. Did the committee consider the question whether this complies with the Constitution requiring that a uniform rule of naturalization shall be prescribed by Congress? This seems to be violation of that. If that be so, the act would be void and you would fail to accomplish what you desired.

Mr. DENT. I will state to the gentleman that that constitutional question was not raised in conference at all.

Mr. STEENERSON. I assumed not.

Mr. DENT. I am inclined to think that where the law applies to everyone similarly situated it would be uniform.

Mr. STEENERSON. But there is a condition put in there in respect to what the President's proclamations are. That deprives it of uniformity, for you may prescribe one rule to-day and another to-morrow. It will operate unequally. If

we are passing a void act, we better see that it is corrected. While I shall vote to adopt the conference report, I think this matter should be corrected hereafter.

Mr. DENT. The act itself would not be void; only that part of it would. I yield three minutes to the gentleman from Illinois [Mr. MCKENZIE].

Mr. MCKENZIE. Mr. Speaker and gentlemen of the House, I wish simply to say that I am in entire sympathy with the purpose of the gentleman from Ohio [Mr. MCCULLOCH]. At this time, when we are about to decide to draft the American boys of 18 and 19 and put them into the Army, I naturally feel that men who have come here from foreign lands to better their conditions and enjoy the blessings of this great land of ours ought to be either willing to fight for it or be given the option of getting out of the country and going back to their native land. [Applause.] But we have made a record on this proposition in the House. I am on record as voting for this proposition every opportunity that has been presented, and when one gentleman said to me that I was inconsistent, because I knew we could not draft aliens, I said to him that I knew that but that I also know that we can give them the option of either serving under the American flag or getting out. But, Mr. Speaker, we are now considering in the last moments one of the most important bills that has ever come before the Congress of the United States, and to move to recommit the bill now, with the record of this House written in letters across the Heavens that we believe in drafting aliens or deporting them from the country, I want to say to my friend from Ohio, with all of the sympathy in my heart for the proposition he advocates, I believe it would be unwise. I do not think it would be wise to recommit this very important bill upon this subject alone. That being true, feeling as I do about it, secure in the knowledge that my record is clear upon the proposition, I shall vote against the motion to recommit in order that the bill may go to the Senate and be concurred in and become a law this day. [Applause.]

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. DENT. Yes.

Mr. TREADWAY. I would like to ask the chairman of the committee the reason that appealed to the conferees for excluding section 4 as it passed the House. I did not understand any reference to be made to section 4 from the reading of the statement by the Clerk.

Mr. DENT. There was no reference made. That is the section that was put in upon the motion of the gentleman from Massachusetts [Mr. TREADWAY], providing for inspectors. Gen. Crowder appeared before the conferees and stated that he was doing that now, and that it would be better to leave it to regulations than to put it into the law. That is the only reason. There is no objection to the gentleman's idea.

Mr. TREADWAY. May I ask, further, if Gen. Crowder gave the conferees any information as to the extent to which he was doing it under regulations?

Mr. DENT. We did not go into that section very fully, but he promised us that he proposed to do it just as fully as it possibly could be done, so that the idea of the gentleman is being carried into effect by the regulations.

Mr. TREADWAY. And will be extended, according to his statement to the conferees?

Mr. DENT. That is the promise that is made by the War Department.

Mr. DENT. Mr. Speaker, I believe I have about two minutes remaining.

The SPEAKER pro tempore. Three minutes.

Mr. DENT. I yield to the gentleman from Massachusetts for a question, and then I propose to move the previous question on the adoption of the conference report.

Mr. WALSH. Will the gentleman state whether section 8, permitting officers to buy uniforms, accouterments, and so forth, at cost, was inserted as a substitute for the provision that privates should not be any longer compelled to pay $1 a month for their laundry?

Mr. DENT. The gentleman certainly knows it was not.

Mr. WALSH. I did not know; I did not know what the Senate did with that.

Mr. DENT. No; it was not substituted for that. I thought I explained in the beginning that the provision in regard to the laundry of the enlisted men was in a portion of the House bill which provides an appropriation, and we decided that as this bill would require a deficiency appropriation all appropriations ought to be taken care of in that one bill.

Mr. WALSH. I did not hear that part of the gentleman's statement.

Mr. DENT. Now, Mr. Speaker, I move the previous question on the adoption of the conference report.

Mr. DENISON. Is all time exhausted?

The SPEAKER pro tempore. The time is exhausted. The gentleman from Alabama moves the previous question, and the question is on ordering the previous question.

The previous question was ordered.

Mr. MCCULLOCH. Mr. Speaker, I move to recommit the conference report on the bill H. R. 12731 to the conferees, with instructions to insert the following as a new section.

The SPEAKER pro tempore. The Clerk will report it.

The Clerk read as follows:

Mr. MCCULLOCH moves to recommit the conference report to the conferees, with instructions to report the same back forthwith with the following amendment:

"That every alien who is a citizen or subject of any of the countries cobelligerent with the United States in the present war shall, unless contrary to existing treaties or treaties hereafter concluded, be subject to military service and shall not be granted exemption from military service or placed in deferred classification under the provisions of this act or under any rule or regulation to be issued by authority granted under the provisions of this act solely on account of alienage: *And provided further*, That the War Department shall immediately after the passage of this act reclassify all aliens heretofore registered who are citizens or subjects of any of the countries cobelligerent with the United States in the present war and who have been exempted or placed in deferred classification on account of alienage, and said aliens shall be called for service the same as citizens of the United States, unless such action would be contrary to existing treaties or treaties hereafter concluded: *Provided further*, That the President of the United States may at any time by Executive order suspend the operation of any of the provisions of the foregoing section as they relate to any of the cobelligerent countries, if in his opinion the enforcement of such provisions would create any international complications."

Mr. CALDWELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CALDWELL. Is it in order to move to recommit and insert an amendment that was in the House bill? Would not the parliamentary proposition be to further insist, and that before the previous question was moved?

The SPEAKER pro tempore. But the previous question was——

Mr. CALDWELL. The point is this: Is it in order to move to recommit with instructions to insert an amendment that was in the House bill as passed by the House? Would not a motion to further insist on the House amendment be a proper motion, and should not that motion have been made before the previous question was ordered?

The SPEAKER pro tempore. The motion has been made. The Senate has not discharged the conferees. This motion is in order.

Mr. DENT. Mr. Speaker, I was going to suggest that I hope the gentleman from Ohio [Mr. MCCULLOCH] will get a vote on his motion.

Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken, and the Speaker pro tempore announced that the noes seemed to have it.

Mr. MCCULLOCH. Division, Mr. Speaker!

The House divided; and there were—ayes 26, noes 115.

So the motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the adoption of the conference report.

The conference report was agreed to.

On motion of Mr. DENT, a motion to reconsider the vote by which the conference report was agreed to was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATIONS.

Mr. SISSON. Mr. Speaker, I suppose the House understands the attitude in which we find ourselves in reference to the District appropriation bill (H. R. 11692).

Mr. WALSH. Is the gentleman calling up a conference report, or what is before the House?

Mr. SISSON. I am calling up the District appropriation bill, and I want to explain the position in which we find ourselves.

Mr. GARD. Will the gentleman yield?

Mr. SISSON. Yes.

Mr. GARD. I will ask the gentleman if he has the conference report?

Mr. SISSON. There is no conference report. I want to explain to the House the attitude in which we find ourselves.

Mr. GARD. The matter ought to be explained to a larger attendance than is here now, and I make the point there is no quorum.

Mr. SISSON. The point I am going to make is one which will necessitate unanimous consent, for the reason that the House made a motion to adhere. I am now endeavoring to present a proposition to the House which, I hope, will give us an appropriation bill for the District of Columbia; and if any gentleman desires to object he can avail himself of that opportunity now, because I am going to ask that in the present situ-

ation we recede from amendment No. 1, which is the half-and-half amendment, and that the House insist upon its position on amendments Nos. 61 and 83.

Mr. HUMPHREYS. What are they?

Mr. SISSON. No. 1 is the half-and-half amendment. No. 61 and No. 83—I do not recall which one—is the McKellar amendment, put on in the Senate, in reference to some property. It is an amendment that has been knocking about here for a number of years. The other is a change in relation to the playgrounds. Therefore I ask unanimous consent that the House recede from its position in amendment No. 1 and that it insist upon its position on amendments Nos. 61 and 83.

Mr. MONDELL. Mr. Speaker, will the gentleman yield for an inquiry?

The SPEAKER pro tempore. First, is there objection to the unanimous-consent request of the gentleman from Mississippi?

Mr. GARD. I reserve the right to object.

Mr. MONDELL. Reserving the right to object, the gentleman requests that the House recede from its position relative to the half-and-half amendment, and adhere to its position in regard to the other two amendments that he referred to?

Mr. SISSON. Yes.

Mr. MONDELL. Now, has the House taken officially any position, except in the general way, of disagreeing to all these later Senate amendments?

Mr. SISSON. Yes. We had a separate vote on the half-and-half amendment, and it was adhered to by 49 majority. Then I made a similar motion as to Nos. 63 and 83, and there was no roll call, but by an overwhelming viva voce vote we agreed upon the same motion.

Mr. GOOD. Mr. Speaker, will the gentleman yield?

Mr. SISSON. I yield to my colleague.

Mr. GOOD. I think the gentleman from Mississippi did not mean to ask to still further adhere. I think he meant to ask to still further insist.

Mr. SISSON. I am not going to ask that the House appoint any conferees. I am going to endeavor to do what I can to get a District bill. I think the other matter is pretty generally understood.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. SISSON. Yes.

Mr. WALSH. I do not think the gentleman will accomplish that by getting unanimous consent to do what he asked. The House has voted to adhere. He should ask, it seems to me, unanimous consent to rescind the vote by which we adhered, and ask that we still further insist on amendments 61 and 83. That is the technical situation.

Mr. SISSON. Yes. I suppose, Mr. Speaker, that that could be made in one unanimous-consent request.

The SPEAKER pro tempore. Yes.

Mr. SISSON. So I ask unanimous consent, Mr. Speaker, that the House recede from its position in regard to amendment No. 1, the half-and-half amendment, and that it insist upon its disagreement as to amendments Nos. 61 and 83 and vacate the order by which it adhered on amendment No. 1. I ask that that order be vacated.

Mr. WALSH. You want to vacate the whole order. You want to vacate all the things whereby we adhered. Now you want to insist instead of adhere as to amendments Nos. 61 and 83.

Mr. SISSON. I do not want to do further than simply to change the House position as to amendment No. 1.

Mr. WALSH. You will not get into conference on Nos. 61 and 83.

Mr. SISSON. We do not want any conference. We are going to send it over to the Senate with those two amendments. I do not believe this House is ever going to consent to the McKellar amendment. That amendment has been before the House repeatedly. I suppose the gentleman from Illinois [Mr. CANNON] recollects something about that amendment.

Mr. CANNON. I do not recollect it.

Mr. SISSON. The House has never consented to it, and I doubt if it ever will. If there is any merit in it, the claimant can take it up as a claim and prosecute it, if he gets permission to present a claim against the District treasury. The House can grant it if it so desires to do. But he has had his day in court and I will not consent to it, and I think the bill should fail rather than that we should consent to it.

Mr. FLOOD. You are pleading the statute of limitations?

Mr. SISSON. No; I am not pleading the statute of limitations in a Government matter.

Mr. MONDELL. The gentleman thinks the Senate will recede?

Mr. SISSON. I think it will.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. SISSON] asks unanimous consent that the House recede from its position on amendment No. 1 and insist on amendments Nos. 61 and 83. Is there objection?

Mr. GARD. Mr. Speaker, I do not believe that all the previous acts of the House should be set aside by unanimous consent, and I am constrained, therefore, to object.

The SPEAKER pro tempore. The gentleman from Ohio objects.

EXTENSION OF REMARKS.

Mr. BURNETT. Mr. Speaker, I ask unanimous consent to extend my remarks on the conference report on the draft law.

The SPEAKER pro tempore. The gentleman from Alabama asks unanimous consent to extend his remarks on the conference report on the draft law. Is there objection?

There was no objection.

Mr. RAKER. Mr. Speaker, I ask unanimous consent to extend my remarks on the conference report.

The SPEAKER pro tempore. The gentleman from California makes the same request. Is there objection?

There was no objection.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bill:

H. R. 12704. An act to authorize the importation without the payment of duty of sundry articles for the American National Red Cross, to be donated or used by it solely to or for the benefit of the land or naval forces of the United States or its allies or for the relief of the civilian population of the United States or of its allies.

LEAVE OF ABSENCE.

Mr. SLAYDEN, by unanimous consent, at the request of Mr. EAGLE, was granted leave of absence for the day, on account of illness.

ADJOURNMENT.

Mr. SIMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 33 minutes p. m.) the House adjourned until to-morrow, Friday, August 30, 1918, at 12 o'clock noon.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BLANTON: A bill (H. R. 12833) to provide for the common defense and general welfare by conserving and increasing the production of food, leather, and clothing, through the advancement of immediate needed relief to the drought-stricken portion of Texas, thereby saving from sacrifice several million head of cattle and other valuable live stock, and making possible the cultivation of millions of acres of ordinarily productive farm lands in Texas during the next crop year, and authorizing the appropriation of money therefor, same to be reimbursable; to the Committee on Agriculture.

By Mr. MORIN: A bill (H. R. 12834) providing increased pay for cadets of the Military Academy; to the Committee on Military Affairs.

By Mr. CLARK of Florida: A bill (H. R. 12835) to provide further for the national security and defense by authorizing the President to control rental charges in certain areas and to amend subsection (b) of section one of the act approved May 16, 1918, entitled "An act to authorize the President to provide housing for war needs," and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. MONDELL: A bill (H. R. 12836) to provide leaves of absence for homesteaders employed in necessary and essential occupations; to the Committee on the Public Lands.

By Mr. SEARS: Joint resolution (H. J. Res. 322) to authorize the Secretary of Agriculture to cooperate with and make an exhibit illustrative of agriculture progress in the United States at the Pan American International Farm and Live-Stock Exposition to be held at Jacksonville, Fla., during the fiscal year ending June 30, 1919, and for other purposes; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 12837) granting a pension to Richard Poole; to the Committee on Invalid Pensions.

By Mr. BYRNS of Tennessee: A bill (H. R. 12838) granting an increase of pension to Charlotte C. Brandau; to the Committee on Invalid Pensions.

By Mr. DENISON: A bill (H. R. 12839) granting a pension to Bronislawa Wypiewski; to the Committee on Pensions.

By Mr. DOOLITTLE: A bill (H. R. 12840) granting an increase of pension to William C. Gardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12841) granting a pension to Joseph Hughes; to the Committee on Pensions.

By Mr. HAMILTON of Michigan: A bill (H. R. 12842) to carry into effect the findings of the Court of Claims in the case of Almeron E. Calkins; to the Committee on War Claims.

By Mr. HOLLAND: A bill (H. R. 12843) for the relief of the Arundel Sand & Gravel Co.; to the Committee on Claims.

By Mr. KINKAID: A bill (H. R. 12844) for the relief of John Minahan, alias John Bagley; to the Committee on Military Affairs.

By Mr. LEHLBACH: A bill (H. R. 12845) for the relief of John R. Riley; to the Committee on Military Affairs.

By Mr. McCULLOCH: A bill (H. R. 12846) to correct the military record and grant an honorable discharge to Joseph W. Bevard; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CARY: Petitions of Day-Bergwall Co. and Yahr & Lange Drug Co., both of Milwaukee, Wis., concerning the proposed tax on nonbeverage alcohol; also the petition of L. Fuldner & Co., of Milwaukee, Wis., suggesting a "floor tax"; to the Committee on Ways and Means.

Also, memorial of the Wisconsin State Hotel Association and petition of William E. Hamilton, of Milwaukee, opposing further prohibition legislation; to the Committee on the Judiciary.

By Mr. DALE of New York: Memorial of the Insurance Federation of the State of New York concerning the disturbance of or the taking over by the Government of the insurance business of the country; to the Committee on Interstate and Foreign Commerce.

Also, memorial of the conference of mayors and other city officials of the State of New York, opposing the proposal that municipal bonds be taxed; to the Committee on Ways and Means.

By Mr. DENISON: Petition of citizens of West Frankfort, Ill., urging war-time prohibition; to the Committee on the Judiciary.

By Mr. FULLER of Illinois: Petition of John McCulloch, of Ottawa, Ill., and other citizens, for war-time prohibition; to the Committee on the Judiciary.

By Mr. KINKAID: Petitions of residents of Ord, Gering, and Danneberg, all in the State of Nebraska, for prohibition during the war; to the Committee on the Judiciary.

By Mr. SMITH of Michigan: Petition of L. E. Perry and 370 other citizens of Coldwater, Mich., favoring prohibition; to the Committee on the Judiciary.

SENATE.

FRIDAY, *August 30, 1918.*

Rabbi Edward B. M. Browne, of New York City, honorary president of the American Jewish Seventy Elders, offered the following prayer:

Our Father who are in heaven, on earth, and all over the universe, hallowed is Thy name. Thy kingdom has come with the dawn of creation and, being established upon principles eternal and universal, its laws enforce themselves alike in all climes and in all ages, wherefore Thy will must be done among the celestial in heaven, even as it is amongst Thy mortal sons on earth. Thou hast endowed nature with productive energies subservient to man's will, whereby Thou givest us this day our daily bread, while by imparting us Thy divine spirit Thou enablest us to enact laws for the guidance of society, so that human passions lead us not into temptation, but divine grace delivers us from all evil.

For that very purpose are here assembled the Senators of our great Nation in this Sinai of modern times, and as Thou hast been with Moses on the peak of Horeb so may Thy Shekinah rest to-day upon every one of the Senators here assembled and cause them to bear in mind that while here to represent the will of the people they shall not misrepresent the will of Thee, who art our Father and our Lord.

We pray, O Lord, Thy special blessing upon the President of the United States, our "olive-branch" President, who is waging this "olive-branch" war to give a genuine "olive-branch" peace to this blood-flooded world, based upon the "golden rule" and the divine principle of religious magnanimity to forgive those who trespass against us, even as Thou forgivest our trespasses against Thee.

We pray, O Lord, Thy special guidance for our own patriotic boys who are now ready to lay down their lives for the cause of justice and humanity, each of them being a "lamb of God that taketh away the sins of the world." And bless, also, the patriotic mothers who have sent out those boys in order to sacrifice themselves for their country and for humanity.

We thank Thee, O Lord, that Thou hast selected the United States as the chosen people of modern times to be the chief among all the nations of the earth in this great universal struggle. But let us not be vainglorious over that great distinction, for whatsoever are our potentialities for goodness and for greatness they are only through Thee, for Thine is the kingdom and the power and the glory forever. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives by G. F. Turner, one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

The message also announced that the House recedes from its adherence to its disagreement to the amendments of the Senate numbered 1, 61, and 83 to the bill (H. R. 11692) making appropriation to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes, agrees to amendment numbered 1, and further insists upon its disagreement to amendments numbered 61 and 83.

PETITIONS.

Mr. NELSON presented petitions of sundry citizens of Spring Valley, Mound, Belgrade, Hector, Slayton, Milan, and Verndale, all in the State of Minnesota, praying for national prohibition as a war measure, which were ordered to lie on the table.

DAUPHIN ISLAND BRIDGES, MOBILE HARBOR.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (S. 4598) further extending the time for the commencement and completion of the bridge or bridges authorized by an act entitled "An act to amend an act to authorize the Dauphin Island Railway & Harbor Co., its successors or assigns, to construct and maintain a bridge or bridges, or viaducts, across the water between the mainland, at or near Cedar Point, and Dauphin Island, both Little and Big; also to dredge a channel from the deep waters of Mobile Bay into Dauphin Bay; also to construct and maintain docks and wharves along both Little and Big Dauphin Islands," approved June 18, 1912, as extended by an act approved June 30, 1916, and I submit a report (No. 557) thereon. I ask for the present consideration of the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SMOOT. Let it be read.

The PRESIDENT pro tempore. It will be read:

The Secretary read the bill, as follows:

Be it enacted, etc., That the time for the commencement and completion of the bridge or bridges authorized by the act entitled "An act to amend an act to authorize the Dauphin Island Railway & Harbor Co., its successors or assigns, to construct and maintain a bridge or bridges, or viaducts, across the water between the mainland, at or near Cedar Point, and Dauphin Island, both Little and Big; also to dredge a channel from the deep waters of Mobile Bay into Dauphin Bay; also to construct and maintain docks and wharves along both Little and Big Dauphin Islands," approved June 18, 1912, as extended by an act approved June 30, 1916, is hereby further extended to five and seven years, respectively, from and after the 18th day of September, 1916.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAMBERLAIN:

A bill (S. 4891) making certain officers of the Army eligible for appointment as chief of staff corps and departments;

A bill (S. 4892) to amend section 4 of Chapter V of "An act making appropriation for the support of the Army for the fiscal year ending June 30, 1919," approved July 9, 1918, and to make said amendment retroactive;

A bill (S. 4893) transferring the tract of land known as Craney Island from the jurisdiction of the War Department to the jurisdiction of the Treasury Department and transferring the tract of land known as Fishermans Island from the jurisdiction of the Treasury Department to the jurisdiction of the War Department; and

A bill (S. 4894) to amend the one hundred and eighteenth article of war and to authorize the calling into service of dismissed or discharged officers; to the Committee on Military Affairs.

By Mr. CALDER:

A bill (S. 4895) granting a pension to Jenny E. Aisenman; to the Committee on Pensions.

By Mr. GERRY:

A bill (S. 4896) granting an increase of pension to William B. Douglas (with accompanying papers); to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 4897) to authorize the exchange of certain lands within the Fishlake National Forest, Utah; to the Committee on Public Lands.

UNIVERSAL MILITARY TRAINING AND EDUCATION.

Mr. WATSON. Mr. President, I wish to call the attention of the Senate to a matter printed in the Evening Star of yesterday. I ask the Secretary to read it for the purpose of interrogating the chairman of the Committee on Military Affairs or some other member of that committee as to its authenticity; that is to say, as to the correctness of the statement which was made in it.

The PRESIDENT pro tempore. Is there objection?

Mr. SMITH of Arizona. What is the request?

The PRESIDENT pro tempore. The request is that the Secretary read an article in the Evening Star of last evening as a foundation for interrogating the chairman of the Military Affairs Committee or some other member.

Mr. SMITH of Arizona. Has the morning business closed?

The PRESIDENT pro tempore. The morning business has not closed.

Mr. SMITH of Arizona. I object until the morning business is closed.

The PRESIDENT pro tempore. The question is, Will the Senate determine that this article shall be read, as requested by the Senator from Indiana? [Putting the question.] The ayes seem to have it. The ayes have it, and the Secretary will read.

The SECRETARY. Reading from the first page, Evening Star, Washington, D. C., Thursday, August 29:

UNITED STATES TO FINANCE BOYS IN COLLEGES—OPENS DOORS TO YOUTHS OF 18 WHO PASS ENTRANCE EXAMINATIONS—GEN. MARCH APPROVES.

[By David Lawrence.]

The United States Government has virtually taken over the universities and colleges of the country. Any boy of 18 who can pass the entrance requirements can go to any of the colleges, large or small, in the East or West, and get instruction and subsistence at the expense of the Government.

How long he will be permitted to stay in his course before being summoned to active service depends upon two things—his record in scholarship and the military demands of the forthcoming year.

But the War Department has just agreed to enter into contracts with upward of 400 universities and colleges, beginning on October 1, for the payment of tuition and board for all the boys of 18 who will have been registered or enrolled on September 7 next under the terms of the new man-power law. Inasmuch as most colleges depend upon tuition fees to pay their professors and instructors the Government is in a sense supporting the educational institutions during the period of the war when the calls of the Army and Navy would otherwise have disrupted the private colleges and unendowed schools of the country.

SCHEME OPERATES OCTOBER 1.

It had been intended at first to enter into contracts with the colleges only after the students became available, but the new plan just approved by Gen. March, Chief of Staff of the United States Army, is to begin the operation of the scheme on October 1, so that no time may be lost by the students or the colleges in giving the maximum amount of instruction before the boys are called to the colors.

The system of operation, therefore, will be about like this:

A boy who is not yet 18 enters college in the usual way by certificate from his preparatory school or entrance examinations, and if he becomes 18 years of age during the college year he will register under the terms of the new law providing periodical registration days, and will be promptly inducted into the military service by the military commander stationed at the university or college where the boy has begun his course.

AS TO BOYS NOW 18 YEARS OLD.

A boy who is already 18 years old will register on September 7 and will present himself in the usual way for entrance to the college or university of his preference. He will be inducted into the military service at that institution at the same time that he passes the entrance examinations or meets the requirements of the college. From that moment on he is no longer in the jurisdiction of the local or district boards of the city in which he resides, but as a member of the United States Army, subject to the orders of the military commander stationed in the district where the school or college is located.

The college year will be divided into quarters. These will undoubtedly be examinations at the end of each quarter. The question of whether a boy shall be continued in college as possible material for officers' training camps later on or transferred to a noncommissioned officers' school or ordered to report to a division of the draft army for service beginning as a private depends upon the opinion not merely of the military commander, but the college authorities, who will cooperate in passing upon the status of each individual.

CURRICULUM PLANS.

But inasmuch as the Government is bearing the cost of instruction, the War Department's special committee of Army officers and educators, who know exactly what are the needs and requirements of the Army for commissioned and noncommissioned officers, will have a great deal to say about the curriculum and how much of it shall be military, technical, or scientific, though it will have to depend upon the opinion of the college authorities and the results of examinations to determine the special fitness of each student for the different branches of the service into which the young officers can later be taken.

Undoubtedly the Navy will have a part in the plans so that a process of selection can be introduced which will enable the Navy to take men who are trained in special courses and give them naval instruction later on to fit them for commissions.

DIVIDE YEAR IN QUARTERS.

By dividing the year into quarters it will be possible to enter new students four times a year. Thus boys of 18 who have had a high-school education, but who have never prepared for college will have an opportunity, if they show aptitude for further education, to be selected from among their fellows and sent to technical schools or colleges. Merit will be the test all along the line.

If a boy of 18 can pass the examinations set before him he may conceivably have spent six months a private in the Army and be sent as a result of an examination to enter Yale, Harvard, or Princeton, or any of the numerous colleges with which the Government will have contracted for student instruction.

Thus far contracts are entered into only for the year ending June 30, 1919, but as the scheme works out during the next few months and provision must be made to take care of the boys who will be ready to enter college in the autumn of 1919, it is probable that arrangements for further instruction and cooperation with the colleges will then be made. Out of it all the Government intends that some permanent system of universal military training and education shall grow.

Mr. WATSON. Mr. President, this article shows that, with the consent and approval of Gen. March, as I understand it, 400 colleges in the United States are to be taken over under the operation of the draft act that was passed last week for the purpose of training a certain number of young men 18, 19, and 20 years of age.

I wish to ask the chairman of the Military Affairs Committee or some other member or members of that committee what authority for that action is given in that act? I was on the floor most of the time during the debate, and I feel quite sure that no person at any time during the progress of the discussion made any reference whatever to any such system as this, and I am trying to find out whether this is correctly stated, and, if so, what authority is given for it. I should be glad if the chairman would give us the benefit of his information.

Mr. CHAMBERLAIN. Mr. President, I regret very much that I can not give the Senator the information he asks for. I do not know from whence the article emanated, whether it was authoritative as having come from the Commander in Chief of the Army and Navy or from the War Department or Navy Department. I do not know where it came from. The first I knew of it was when I saw it in the Star yesterday afternoon.

I might say this to the Senator, that in the course of the consideration of the draft act Dr. C. R. Mann, who was a professor of physics at the University of Chicago, appeared before the committee and testified to some of the activities that were being engaged in by him and other members of an advisory commission—some civilians and some officers—who were undertaking to assist the War Department in the matter of the education of young men.

If the Senator will permit me, I do not know that this grows out of that at all, but it is barely possible that it emanates from this commission.

At page 91 of the hearings, Dr. Mann, after stating who he was, said he came here last fall as a member of the advisory commission of the Council of National Defense to see if he could find out what engineering and technical schools could do to help the Government in this emergency.

He said:

Out of the work of this committee gradually grew the appointment of a committee on education and special training in the War Department, which is a branch of the training section of the war plans division of the General Staff. The committee on education and special training is composed of four officers, one from the General Staff, one from the Provost Marshal General's office, one from The Adjutant General's office, and one from the training committee of the War College.

The names of the commission are given. These gentlemen have been trying, in cooperation with the General Staff, to formulate a plan for the training of the young men, and it is barely possible, though I do not know anything about it, that they have reached some conclusion with reference to the young men. This article may state the result of those conclusions;

but, so far as I am concerned, I know nothing about it whatsoever than what is published in the paper.

Mr. LODGE. If the Senator will allow me, I desire to say that the provision we inserted in the draft-extension bill in regard to education was designed for boys under 21 years of age who had served in France, for the period which the Government should supply them with education was the period which they had passed in active service, not to exceed two years. This scheme, as I heard it read, is apparently to take all the colleges now and to use them for the education of young men before they enter the Army. Does the provision in the conference report in that respect provide for such a system as that?

Mr. CHAMBERLAIN. The conferees adopted the House provision instead of the Senate provision on the subject of education. I will read it to the Senator, in order that he may see what the provision of the conference report is.

Mr. LODGE. I shall be obliged to the Senator if he will do so.

Mr. CHAMBERLAIN. Section 7 of the bill as reported and agreed upon in the conference provides:

SEC. 7. That the Secretary of War is authorized to assign to educational institutions, for special and technical training, soldiers who enter the military service under the provisions of this act in such numbers and under such regulations as he may prescribe; and is authorized to contract with such educational institutions for the subsistence, quarters, and military and academic instruction of such soldiers.

That was the House provision.

Mr. LODGE. But that does not authorize the Government to take the colleges over.

Mr. CHAMBERLAIN. Not at all.

Mr. LODGE. It simply allows the War Department to assign young men for military training to certain colleges. That has been done to some extent already. At the beginning of the war the department sent a few young men to Harvard University for instruction in radio work. That school has grown to over 3,000 by the Government sending those young men there, and the college has been struggling—I think with some success—to meet the situation. I presume that is what the provision in the conference report is aimed at and not to take possession of all the colleges of the country and use them for the general education of young men. As the Senator from Oregon has read the provision, it specifically provides for instruction in certain technical branches of military training.

Mr. CHAMBERLAIN. That is all.

Mr. SMOOT. Mr. President——

Mr. CHAMBERLAIN. Pardon me just a moment. The Senator from Massachusetts will remember that there was a good deal of discussion and criticism of the Senate provision in the Senate, and it seemed to me that when we got into conference about the matter it was pretty well granted that there was an uncertainty; that it was a future matter, one that could be provided for in the future.

Mr. LODGE. I thought so, and I therefore voted against it.

Mr. CHAMBERLAIN. But here was a present proposition; and the Senate conferees thought it best to adopt that provision for taking care of the young men now, rather than in the future.

Mr. SMOOT and Mr. KIRBY addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Indiana yield; and if so, to whom?

Mr. WATSON. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, in this connection, I wish to say that certain schools in different parts of the country have already been designated for the training of boys of 18, 19, and 20 years of age. The committee on education and special training has, I know, designated three of the schools in the State of Utah, and those schools are now preparing for the reception of students for the purpose of special instruction and training. I do not understand that the Government pays a dollar of the expense; I understand that the schools stand for the expense, with the single exception, I will say, of an Army officer designated to the particular school as instructor in military tactics. I know that is the case in my own State, and I have also understood that it was the practice in other States.

I rather think that the article that has been read at the desk refers to that particular activity on the part of the committee on education and special training in the War Department. I will say to the Senator, however, that I have no knowledge as to whether there is such a program, as is apparently outlined in this article; but up to the present time I do not believe that anything has been done to justify the statement contained therein.

Mr. WATSON. Mr. President, this article is written——

Mr. KIRBY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Arkansas?

Mr. WATSON. I will yield in just a moment. This article is written by Mr. David Lawrence, and it is generally understood that he speaks with some knowledge of the situation.

Mr. KIRBY. Mr. President——

The PRESIDENT pro tempore. The Senator from Indiana declines to yield for the present.

Mr. WATSON. This article states specifically that the War Department has entered into an arrangement with 400 universities and colleges, beginning on October 1, for the payment of tuition and board for all the boys of 18 who will have registered or enrolled on September 7. That is a definite proposition on the part of the Government.

Mr. LODGE. That is entirely different from what the law provides.

Mr. WATSON. Precisely, and I want to ascertain from some member of the Military Affairs Committee what authority exists for any such action as that by the Military Department of the Government.

Mr. WARREN. Mr. President, so far as my knowledge of the Committee on Military Affairs and its workings goes I desire to say that I know of no law under which a measure as elaborate is suggested in that article could be carried out. Certainly no consideration by that committee has been had of anything like that proposition in magnitude and general application.

Of course, there have been for many years officers detailed to colleges in the States to give instruction in military tactics. That practice may be and probably will be considerably enlarged upon under the law to which the Senator from Utah [Mr. SMOOT] has referred; also under laws now being considered as to education in specific scientific lines; but this article, of the contents of which I knew nothing until it was read to me last night, is very surprising, because action therein contemplated must have been taken under some general legislation and not under existing specific legislation in the way either of appropriation or of military law.

Mr. WATSON. I quite agree with the Senator that there is no law authorizing this sort of action to be taken; but here is a proposition substantially to take over 400 colleges in the United States and to place in those colleges, at the expense of the Government for tuition and subsistence, as many scholars as they can accommodate. There is not anything said about military training, but these young men are to be sent to college, so far as this article recites, for mental development and intellectual culture. Of course, there might be military training as a side affair; but, after all, when we passed the draft-extension bill it was done with the definite and specific understanding that these men were needed on the battle front in France in order to win the war next year; and Gen. March specifically stated—and his statement was read on this floor of the debate over and over again—that all of these men were needed and would be on the battle front in France by the 30th day of next June.

Now, here is a proposition to deflect a number of young men and to place them in educational institutions for the purpose of military instruction on the side; but, in reality, for the purpose of mental instruction, the usual college curriculum to be followed by those who thus enter the institutions.

Mr. SHERMAN and Mr. FLETCHER addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Indiana yield; and if so, to whom?

Mr. WATSON. I will yield first to the Senator from Illinois and then to the Senator from Florida.

Mr. SHERMAN. That article states, according to the Senator's explanation, that the Government is to take over 400 universities and colleges?

Mr. WATSON. Yes.

Mr. SHERMAN. Has the Senator considered whether it is not a part of taking everything that the Government can get its hands on and that is in sight?

Mr. WATSON. That is precisely what I am trying to find out. There seems to be no authority of law for this procedure. Now I yield to the Senator from Florida.

Mr. FLETCHER. Mr. President, as I understand the situation, it is intended to provide training for boys between 18 and 19 years of age. Now, whether that training is to take place in camp or whether at certain colleges where the training can be supplied properly and to the best advantage it is a question for the War Department to determine. They can decide that where boys 18 years of age are attending school or desire to attend school where they can obtain the military training that is required, they will be permitted to do so. They will be subject to call; they will be enlisted; they will get the benefit of the $30 a month and of uniform and equipment. That is the expense that is referred to, perhaps, in the article mentioned by the Senator,

just the same as they would get those things if they were in camp. The only difference is that they would be allowed to get this training in the colleges which are selected and which can afford the training and are selected for that reason. The Government will not pay any more nor any less in that event than it would pay if the training were given in the camps. The training lasts for one year between the ages of 18 and 19.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Indiana yield to the Senator from Utah?

Mr. WATSON. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, the conference report to which the Senator from Oregon has referred, in section 7, I think, after reading it carefully, gives that authority specifically, because it reads as follows:

That the Secretary of War is authorized to assign to educational institutions, for special and technical training, soldiers who enter the military service under the provisions of this act in such numbers and under such regulations as he may prescribe; and is authorized to contract with such educational institutions for the subsistence, quarters, and military and academic instruction of such soldiers.

My remarks made a few moments ago referred not to what action may be taken under the draft-extension bill when it becomes a law, but to what had been done in the past. I have no doubt, however, that, under the wording I have read, authorizing the Secretary of War to contract with educational institutions for the subsistence, quarters, and military and academic instruction of such soldiers, he is given authority to pay for the education and for all expenses attached to the education of the soldiers who may be sent to the different institutions. As to the number of colleges, there is no limit. There may be 400 or there may be 1,000. I believe that there is nothing in the provision authorizing the Secretary of War to take over the educational institutions, but it does give authority to incur the expense involved in the plan, and nobody can tell how much that will be.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator from Indiana for just a moment?

Mr. WATSON. Certainly.

Mr. CHAMBERLAIN. That is being done and has been done for a good while, as the Senator from Utah knows. As the Senator from Massachusetts [Mr. LODGE] said awhile ago, the department is utilizing some of the colleges for special training not only in ordnance and other scientific branches but in aviation as well.

Mr. SMOOT. But they are not paying the expenses, are they?

Mr. CHAMBERLAIN. But the bill under consideration is not a law yet.

Mr. WATSON. No; it is not yet the law.

Mr. CHAMBERLAIN. The Senator from Indiana was asking about the statement which he has had read. If what is referred to in the article has been done, there is no authority for it. If they are operating under the provision of the conference report, of course it is not a law yet, and I assume that they have not attempted to act under it.

Mr. WATSON. Mr. President, the article says that the department has already contracted with 400 universities. I read the testimony before the committee with some interest, because I was somewhat reluctant to vote to send 18-year-old boys to the battle front, and did not intend to do so unless the stern necessity for such action was shown. I saw nothing in the hearings with regard to a proposition of this character, and certainly there was not a single syllable uttered in the debate on the floor of the Senate with reference to such a proposition. Therefore it seems to me to run counter to the whole spirit of the bill which we passed.

The Senator from Florida [Mr. FLETCHER] has said that the soldiers who enter these colleges are to have military training at the various institutions instead of at the training camps; but, Senators, we all know how futile that sort of military training would be. If a man is there for educational purposes, and his training mentally and intellectually amounts to anything, he can not devote his time and energy to the military training which is essential to make a soldier of him, such as is required on the modern battle field. If, on the other hand, he devotes his time exclusively to military training, as he ought to devote his time if he is to be thoroughly developed, qualified and equipped for military service in these days, then his intellectual training can be of no consequence and will practically amount to a negligible quantity. Therefore, I think that the very last sentence in the article read explains the whole situation, and that is that in some way or other out of this is to grow a permanent policy; that is to say, in my judgment, it is nothing more nor less than a part of the whole socialistic policy, a part of the socialistic program heretofore adopted along so many other lines, such as the taking over of the railroads, the taking over of the telegraphs, the taking over of the telephones, and the taking over of the express companies, to be followed evidently by the taking over of the mines and then of the oil fields, and then of various public utilities and agencies. The taking over of these institutions for the purpose of educating young men at the public expense is but an additional step in the socialistic program that has heretofore been adopted in our governmental affairs by men in high places who are socialists.

Mr. LODGE. Mr. President, may I interrupt the Senator?

Mr. WATSON. Yes.

Mr. LODGE. As I understand the terms of the conference report, the intention of Congress certainly is, under the wording as I heard it read, to authorize the department to assign men drafted for military service to educational institutions for special and technical training.

Mr. WATSON. For special and technical training.

Mr. LODGE. That is being done now; but, according to the article as it has been read, the plan is to take two or three million young men registered under the new law who are not yet 21 years of age, and give them academic and general education.

Mr. WATSON. Precisely; and not only that, but it proposes to take over 400 colleges.

Mr. LODGE. That is, to absorb the whole educational system of the country?

Mr. WATSON. Precisely; there it is in a nutshell. But suppose they take over the 400 colleges. I am told by a college president, with whom I conferred this morning, that at the full limit 120,000 is the maximum that can be educated at any one time by these 400 colleges. If they can only educate 120,000, who is to select the 120,000 out of the 3,000,000 who will be drafted? He said that his theory was that the 120,000 would consist of those already in the colleges. We might naturally suppose, as this article in one place inferred, that it was the sons of the poorer persons who would be taken in and benefited by the operations of this scheme; but evidently that would not be the case if the 120,000 already in these colleges are no longer to be educated by their parents, but the expense of their education is to be transferred to the Government and from this time on their tuition and their subsistence in these institutions is to be paid for by the Government and not by their parents.

Therefore I can not see, in the first place, that there is any authority for it; and, in the second place, that any great number of people are to be benefited by it. All I can see is that it is an open door to a future policy which has been so well outlined in the previous days of this administration. That is why I object to it. I do not believe there is any authority for it; I believe it is entirely outside of the limits of the authority of the Secretary of War or Gen. March or any other person connected with the war administration and the war policies of the Government to so conduct the affairs of their department at this time.

Mr. WADSWORTH. Mr. President——

Mr. WATSON. I yield to the Senator from New York.

Mr. WADSWORTH. Mr. President, I was about to observe that were I convinced that the War Department were going to do any such thing, I would regard it as seriously as the Senator from Indiana. I have not the slightest idea that they have any intention of doing such a thing, that they have any authority for doing such a thing or any money with which to pay for it. I merely note that the article is written by Mr. David Lawrence, which explains a great deal to me. It is well known that he is fairly actively engaged from time to time in what might be called political propaganda, and the spreading of this article over the United States, where I have no doubt it will be read by thousands and thousands of parents and young boys, is calculated to give the impression that as a partial offset for whatever hardships may be incurred as the result of the new draft a paternal Government is to step in and educate free of charge every boy in this country who is 18 years of age. The vice of this article is that it is deceiving the American public, and it is not the first article of this kind that has gone out from Washington. There have been such from even more official sources than the author of this article.

In my humble judgment this article is on all fours with the deception practiced upon the people of this country in connection with the aircraft program. It is meant to assuage, it is meant to console, it is meant to give some little encouragement here or there, and for the time being tide over any little difficulty that may occur or may arise in public sentiment, if any such should arise.

I can only give my estimate of it, Mr. President. The War Department can not do this thing. It is a physical impossibility.

The vice of the matter is that every boy of 18 in this country will be misled when he reads that first paragraph, which reads:

Any boy of 18 who can pass the entrance requirements can go to any of the colleges, large or small, in the East or West, and get instruction and subsistence at the expense of the Government.

Senators, that is not true.

Mr. BRANDEGEE. Mr. President, the article states that the department or Gen. March has already contracted with 400 educational institutions for this service. Does the Senator doubt that statement?

Mr. WADSWORTH. I do not know whether or not the department has contracted for any services from educational institutions, but I would be willing to wager that if any such contracts have been made they are solely and entirely for the special and technical training of men selected for that very purpose for special service later on in the Army, not for all boys of 18.

Mr. BRANDEGEE. What does the Senator think of the statement in the article in substance to the effect that the college authorities are to have something to say about whether the boys possess the qualifications necessary for officers of the Army?

Mr. WADSWORTH. I can only once more remind the Senator of the authorship of the article.

Mr. KIRBY. Mr. President, I had not had occasion to read this article or understand anything about its terms and proposals until it was suggested here. I do not know whether there is foundation for it or not. There is so much misinformation in the newspapers and in some reports that might be considered official around here that I want to state all I know about the matter.

When we discussed this matter before the Military Affairs Committee, and had a hearing with Gen. March, and the Secretary of War and Gen. Crowder present, it was the determination, as expressed, to put these boys who are registered, called in the draft, into the service, into camp, and into France before the first day of next June. They said the necessity required that it should be done.

All who are to go to France are expected to have from four to six months' training before leaving here, which will necessitate their being called about the first of the year. I asked at that time about the purpose in view as to education, if it would not deprive all boys who were in high schools and colleges of the opportunity to finish their education, and it was said that they must be in camp or in France by the 1st day of next June. Then, on an inquiry from one of my constituents, who had had his 18-year-old boy in college one year and wanted to send him back in September, I wrote a letter to Gen. Crowder, stating I had had this inquiry, and that I had informed this constituent of mine, from my opinion formed at the hearings and his statement, that there would be no opportunity given for boys who were in college to finish their education; that it could not be done under the program as contemplated. Gen. Crowder wrote me a letter, in which he said that it was not expected that any boy would have an opportunity to complete his education except those in the medical, engineering, and chemistry department.

Now, that is as much as I know about the matter and the authority I have for that statement—that only those boys studying medicine, engineering, and chemistry would be given an opportunity to pursue their studies; that the others would be required by the draft for service.

There was another inquiry made of the Military Department, of those who were being heard and making explanations about the war program. One member of the committee suggested that there were many able men between 31 and 45 who had made an unqualified success of their business or their profession; that these men would not be able to leave their families and serve in the ranks as private soldiers; that they would probably be given deferred classification; but that their country ought not to be deprived of their eminent services in the capacity of officers; that if they were allowed to go into training camps they could be given commissions commensurate with their ability, and their services as officers might result to the great benefit of the Army and the Nation. It was said in reply, and I think it the right policy, that all the commissions and the training facilities for officers would be reserved for the men who were required under the terms of the draft to defend the country's cause upon the field of battle.

I think that is the right practice. I think the men who are required to go and must go are the men who ought first to be given the opportunity to take the training and to become officers. With that in view, which it seemed to me was the fair thing, I do not believe that it is the purpose of the Government to take these boys, whom they said it was so essential to have fighting on the front yonder by next June, and to distribute them around among the different colleges for education for the next two or three years. God knows I wish it might be done rather than that they should be compelled to go to France to fight the country's battles to the exclusion of the 13,000,000 men in the third age, 31 to 45, who are not to be called, and the seven and a half million men in the present draft who have been given deferred classification.

Mr. JOHNSON of California. Mr. President, what a useless inquiry by my friend from Indiana is that which he has just addressed to the Senate. He asks by what law or by what authority the particular program that is outlined in the article that has been read is to be carried into effect or consummated. Does not the Senator understand, as all of us understand, that any program that is sought to be carried out to-day is carried out, whether there be law or authority or whether there be no law or authority? The Senator from Indiana, just like all the rest of us, has contributed to the creation in the Nation to-day of an absolutism; and it does not make any difference what the Congress desires, or what the Congress may wish, or what the Congress may enact, that absolutism, under the urge and necessity and the dire crisis of war, does exactly as it sees fit.

Mr. President, I do not know whether the article that has been read is true or not. I do not care whether the policy that is enunciated in that article is socialistic or otherwise. If the salvage of a smashed democracy, Mr. President, shall be the education of our 18-year-old boys, I gladly welcome it; and I hope that some such program will be carried out.

Mr. SHERMAN. Mr. President, the latter part of this news item—which I think is, to use the vernacular of the street, a mere feeler on public sentiment—says:

Out of it all the Government intends that some permanent system of universal military training and education shall grow.

Some time ago in this body there was a bill pending with which I had considerable sympathy, one that has been at proper intervals urged by the very competent chairman of the Military Affairs Committee [Mr. CHAMBERLAIN], providing for what is known as universal military training. There was a kindly sentiment for that measure, I believe, in this body, and it might have carried had it not been for the Secretary of War, who said that his department had at that time no intention of urging upon Congress or the country a system of universal military training. This was taken to represent the sentiments of the administration on that question. Therefore, it has not been considered since. This, I take it, is in line with many other efforts of like kind.

There was some sentiment for an additional member of the Cabinet, Mr. President, to take charge of the aeronautic department of the military service. That was not received kindly in the administrative department. It was said to be a reflection upon the ability of the Secretary of War. I think it was not such a reflection, even by those who were very urgent for the adoption of that policy. It was merely for the purpose of expediting and making efficient the airplane service of this country to be used abroad. However, since that time the Secretary of War has clandestinely and secretly adopted the idea by appointing an officer of his own naming to do the same service that would be done by a separate member of the Cabinet. This educational scheme is in line with the same kind of conduct. He is opposed to universal military training, but is in favor—and this is intended to test public sentiment—of taking over 400 universities and colleges, starting a universal military training under the auspices of the Secretary of War, and thereby accomplishing, as he believes, the practical purposes intended by the chairman of the Committee on Military Affairs and by a majority of the Senate, in all probability, without adopting or giving credit to the useful idea advocated in the Senate.

Whenever there is a useful idea in the Senate on any kind of military or other question, whenever any original thought of any kind is entertained by a Senator or a Representative, unless it is made through the executive department and the spokesman is the Secretary of War or some other member of the Cabinet, that idea, however meritorious it may be, comes to an untimely end and is stillborn upon its delivery in this body. However, there is little distinction made between the quick and the dead by the Cabinet officers, because they possess the vital power of resurrection. They bring it forward in some particular guise, clad in a new uniform, shriven and sanctified by the executive department or by the greatest Secretary of War the world ever knew, and especially our own country, giving it a new name, bringing it forward as their offspring as an indispensable requisite of the war. The same idea condemned and

ruined in Congress by Executive opposition is adopted and made alive by the executive department and hailed as a great advance in the art of waging war. I have seen it done, not once, not twice, but by actual count I can enumerate over 11 of those cases in which useful ideas have been delivered in this body, killed by the Executive frown, and afterwards resurrected by Executive favor.

This is a part of the same program. It wholly ignores the idea that if you or I or any of our colleagues have a boy we would like to send to a university or college of our own choice he will be inducted into the service, drafted after he has registered under the act recently passed and soon to be approved by the Executive; he is taken from our hands, from the control of every parent or guardian in this country; he is taken from those who have a natural interest in his welfare; he becomes a part of the military branch, and by a gross perversion of congressional authority vested in the Executive we become a paternal Government. The education of the vast number of 18 or 19 year old boys who are of university or college age is to be taken out of the hands of their natural guardians or their parents; they are to be taken by the Government as a military measure and then thrust into the college or university to suit the ideas of some autocrat or martinet in a department. That is what this means in practice.

If we must go back to the days of the Spartans in order to survive, as a last resort, I shall not complain. I will be subject to the implied and merited criticism offered by the Senator from California [Mr. JOHNSON] that we help create such a condition. I would if it is necessary to defend ourselves and to wage this war successfully; but I see no necessity for it at this time, either by legislation or by Executive order. It is a part of the same program which is on foot now to take over all the insurance companies in this country—life, fire, casualty, surety bonds, and every form of selling indemnity—by contract. That is now on foot. Taking over the German fire insurance companies by the Alien Property Custodian is made the entering wedge for engaging the Government in the fire insurance business. My distinguished colleague [Mr. LEWIS], who is now at the European end of the cable, with nations waiting upon his words, and engaged on a delicate mission for the President while he is a candidate in Illinois, by most entertaining interviews in Paris, has introduced in this body a bill for industrial insurance, which takes all the group insurance now written by private insurance companies, in whatever department of an industrial plant it is, and writes a collective policy, guaranteeing against casualties in that line of business.

That is proposed to be taken over by this bill offered by my distinguished colleague.

Here I might, parenthetically for a moment, Mr. President, protest against the somewhat light and frivolous way in which a House Member from the twenty-second Illinois district has referred to my distinguished colleague. I hope that he will hasten to his native shores with wings as swift as meditation or the thoughts of love that he may sweep to his parliamentary revenge. He is charged with a need to correct some dates, because having become the author of a textbook on constitutional law he was a candidate for Vice President, this critical Member of the House said, before he had reached the constitutional age to serve if he had been nominated and elected, which of itself he thinks will require some rearrangement of the chronology, which will come in due course and sufficiently when my colleague returns. I have no fear about the result when once he will reach our own shores and engage upon that subject. This is only incidental.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Washington?

Mr. SHERMAN. Yes; I yield. I then will resume the trail I was following.

Mr. JONES of Washington. I notice according to the biography in the Congressional Directory of 1913 the birth of the Senator's colleague was stated as being in 1868, and from that, of course, arose the question about his eligibility for the Vice Presidency. I looked at the Congressional Directory this morning of the Sixty-fifth Congress, the first edition, and I find the date given there as May 18, 1863, still two years short, however, of the constitutional age for the Vice Presidency.

Mr. SHERMAN. I am sure that can be sufficiently explained.

Mr. ASHURST. Will the Senator yield to me?

Mr. SHERMAN. Yes, sir; I yield.

Mr. ASHURST. Senators who have this morning indulged in the performance of attacking a Senator who is 3,000 miles away do not occupy a becoming attitude. They seem to find it chivalrous, indeed, to wait until the object of their attack is absent and until 3,000 miles of ocean roll between them before they assail and ridicule the senior Senator from Illinois.

Mr. SHERMAN. The Senator need not be so indignant.

Mr. ASHURST. I am not indignant.

Mr. SHERMAN. It is only giving him when he returns an opportunity for which he will thank everyone who opens the door.

Mr. ASHURST. It is not a matter of indignation. It is a matter of the propriety of assailing a man in this fashion. The absent Senator is our colleague; he represents in part a great State. I do not care in particular about the senior Senator from Illinois. There is no special friendship between him and me, but if a Republican Senator were assailed in this fashion I should protest.

Mr. SHERMAN. The Senator is entirely mistaken.

Mr. ASHURST. I protest against this procedure. An unfair thing is being done to Senator LEWIS. Let us be fair. Let us be gentlemen. Let us make our attack when he is here in the Senate and can respond. That is the way men ought to fight.

Mr. SHERMAN. The Senator was never more mistaken in his life. I am defending my absent colleague and saying I protest against the comment made by a Member of the House.

Mr. ASHURST. God save me from any such defense as that!

Mr. SHERMAN. I never said a disrespectful word, publicly or privately, of my colleague in my life. I have for him the greatest regard. I regret the Senator does not seem to appreciate my effort.

Mr. ASHURST. I believe that to be true. There is no more courteous, kind-hearted, scholarly, patriotic man in this body than the Senator from Illinois [Mr. SHERMAN]. He has descended, however, this morning from the high position he always here occupies to find merriment at the expense of his colleague, who is far away and can not answer now. The Senator from Illinois [Mr. SHERMAN] is a most courteous gentleman, and I hope he will no longer indulge in such unfair and ungenerous criticism of an absent Senator.

Mr. SHERMAN. I was intending to remark when the Senator from Arizona uttered his last paragraph that I protest in his absence especially against the somewhat facetious way in which the House Member commented upon such personal matters that can be explained. I know that my colleague will be very glad that I have called attention in the Senate to the comments made upon him by the House Member and that the dates will be arranged in such chronological order that there will be no discrepancy. I think it is a mere mistake in the Printing Office or in the haste of revising biographical matter. I am sure the kindly good nature of the Senator from Arizona [Mr. ASHURST] will absolve me from blame on reflection. I know when my colleague returns there will be not only accurate but adequate explanation, and I await with confidence that return. I do not feel at liberty to take up the matter in his absence, because it is so personal to him. I referred to it in connnection with the insurance measure named for the purpose of giving my colleague an opening when he does come and also giving an opening on the first convenient interval when the time will permit, on Monday or Tuesday next, if the condition of the calendar and the public business will justify, for some remarks of my own on another subject, the text of which will be "Unofficial and Personal Government in the United States." At that time, Mr. President, I expect to animadvert at considerable length upon this and some other things kindred to it.

The PRESIDING OFFICER. Is there further morning business? The morning business is closed, and the Chair lays before the Senate the unfinished business.

STIMULATION OF AGRICULTURE.

The Senate as in Committee of the Whole resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

The PRESIDING OFFICER. The Chair desires to announce to the Senate that a number of amendments were passed over while the bill was under consideration. Without objection, they will be taken up in their order.

Mr. LODGE. This bill comes up under the unanimous-consent agreement as unfinished business at this time?

The PRESIDING OFFICER. That is the understanding of the Chair. The first amendment passed over will be reported.

The SECRETARY. The first amendment passed over when the bill was last under consideration will be found on page 2. Beginning at line 4 with the word "*Provided*," the committee pro-

poses to strike out all down to and including the word "enacted," in line 18.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment passed over will be stated.

The SECRETARY. The next amendment passed over will be found at the foot of page 3, where, on line 22, after the word "date," the committee proposes to insert the following words:

Provided, That of said sum, $2,500,000 is hereby made available to be used by the Secretary of Agriculture, if in his judgment the public interest requires it, to purchase seed wheat and to supply the same on credit to farmers in the Great Plains area west of the ninety-eighth meridian. In no case shall any such advance to any one farmer exceed $300, and in all cases the repayment of such advances shall be guaranteed by a State or national bank or secured by bonds of the United States commonly known as liberty bonds or other obligations of the United States or in part by both such guaranty and security. And it shall be the duty of the Secretary of Agriculture to make collection for all such advances on or before November 1, 1919, and to report such collections in detail to the Congress on the first Monday in December thereafter: *Provided*, That the Secretary of Agriculture may use such obligations of the United States as collateral to borrow money for supplying seed to farmers for cash in pursuance of law. And the Secretary is further empowered to prescribe proper rules and regulations for carrying into effect the provisions hereof: *Provided further*, That when the Secretary purchases such seed from anyone other than the producer thereof, he shall not pay such dealer or intermediary a net profit of more than 10 cents per bushel above cost of such seed to said dealer or intermediary.

Mr. JONES of Washington. I wish to ask the chairman of the committee about the words "Great Plains area," in line 1, page 4. Just what territory would that cover?

Mr. GORE. It would include the territory west of the one hundredth meridian to the foothills of the Rockies.

Mr. JONES of Washington. It would not go beyond?

Mr. GORE. No, sir.

Mr. JONES of Washington. What objection would there be to going beyond that? I will state to the Senator the reason why I ask the question. I have gotten a telegram and resolution with reference to the conditions in four or five contiguous counties in the State of Washington where we have had during the last three or four years extremely short crops, and the farmers are in a very bad condition at this time with reference to seed wheat. They have petitioned and asked the Government for assistance. I should like to have that area covered by this legislation if possible. I think the conditions there are about as urgent as they are in any other section of the country, although it is not such a large territory, of course.

Mr. GORE. I will say to the Senator that the idea was that the territory defined would include the principal wheat-producing area of the country, a section which is peculiarly liable to drought, and where two or three droughts have succeeded each other. It was peculiarly with reference to the wheat country that this limitation was inserted. Of course, there would be an element of injustice to exclude a region which would have an equal title to this sort of treatment.

Mr. JONES of Washington. That is what I thought. This is in wheat territory, although we have a good deal of semiarid territory in the State of Washington.

Mr. GORE. I will state further this is a sort of a paternalistic proposition, and the committee desired to be as conservative as they thought they might be.

Mr. JONES of Washington. Would the Senator have any objection to striking out the words "Great Plains," so that it would fall in the area west of the ninety-eighth meridian?

Mr. GORE. I have no objection to that.

Mr. JONES of Washington. I offer that amendment.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The amendment to the amendment will be stated.

The SECRETARY. On page 4, line 1, of the committee amendment, strike out the words "Great Plains," so as to read "farmers in the area west of the ninety-eighth meridian."

The amendment to the amendment was agreed to.

Mr. SMOOT. Beginning with line 12, on page 4, the proviso is as follows:

Provided, That the Secretary of Agriculture may use such obligations of the United States as collateral to borrow money for supplying seed to farmers for cash in pursuance of law.

I want to ask the Senator having the bill in charge if there was ever in the past legislation that authorized the Secretary of Agriculture to use the obligations of the Government as collateral to borrow money? That has always been done in the past through the Secretary of the Treasury. I do not know of an obligation of the Government that the Secretary of Agriculture controls or could handle as collateral security.

Mr. GORE. Mr. President, I think that the Senator is right in suggesting that this process is generally carried out by the Secretary of the Treasury. The obligations referred to are those taken by the Secretary of Agriculture in securing the debts for wheat advances. I assume that the margin would be ample to cover any depreciation in the obligation. It was thought that it might provide the means of a revolving fund and obviate an appropriation of a larger amount of money. I think that was the purpose in the mind of the committee.

Mr. SMOOT. I will state this has reference to a revolving fund Congress has already authorized. There is no necessity whatever for this particular part of the amendment.

Mr. GORE. The Senator is mistaken on that point. The law requires that the seed shall be sold for cash, and that the money shall go to the revolving fund. Of course, when he makes a purchase of seed and sells to the farmers for cash he has cash by which to proceed; but this contains an amendment to the existing law authorizing the sale on time, taking liberty bonds as security for the debt. That would, of course, absorb the fund and there would not be a revolving fund. This proviso was inserted so as to continue the revolving-fund feature without making so large an appropriation out of the Treasury.

Mr. SMOOT. It does seem to me if we are going to allow any obligation to be incurred by the United States, it ought to be incurred through the regular department that always has had such matters in hand. If the Senator wants to reach what he has just stated, then let us make this amendment conform to the existing conditions and allow such loans to be made and approved by the Secretary of the Treasury, and let him receive the note and collateral security offered in payment of the seed wheat.

Mr. GORE. I will say to the Senator I think there are a great many questionable points about this whole policy, and as far as I am personally concerned I have no objection to its going out.

The PRESIDING OFFICER. Does the Senator from Utah make that motion?

Mr. SMOOT. I move to strike out the proviso beginning in line 12, page 4, down to and including the word "law" on line 15.

The PRESIDING OFFICER. It will be stated.

The SECRETARY. It is proposed to strike out of the amendment the following words:

Provided, That the Secretary of Agriculture may use such obligations of the United States as collateral to borrow money for supplying seed to farmers for cash in pursuance of law.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah to the amendment of the committee.

Mr. SIMMONS. If I correctly understand this matter, and I do not say with confidence that I do, because I have just entered the Chamber, the elimination of these words would practically destroy the revolving feature of that fund.

Mr. SMOOT. No; it would not destroy the revolving feature at all. This is an extension of the revolving feature, allowing seed wheat to be sold on credit.

Mr. SIMMONS. I think the Senator is mistaken. As I understand it at present the amount appropriated made a revolving fund. That entire amount is always money because the present law requires that the sale shall be made in cash. So that fund can easily revolve. But it is proposed now by the amendment of the committee to permit sales to be made to farmers upon their notes properly secured. I believe the security is confined to liberty bonds. Sales therefore can be made not for cash but for liberty bonds. If the Secretary of the Treasury is not permitted to use those liberty bonds for the purpose of securing an additional fund and converting them into cash then, of course, there can be no fund to revolve because the money is exhausted in the first purchase.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Utah?

Mr. SIMMONS. I may not understand it, but I think I do. I yield.

Mr. SMOOT. The statement which the Senator has made is correct; but I want to call his attention to the fact that if we desire to grant time on the sales of wheat to farmers, as this intends shall be done, and to take liberty bonds as security for the wheat sold, the proper way for Congress to do would be to appropriate more money for the purchase of wheat and where sold on time have the security received go into the Treasury of the United States. This amendment, however, provides:

That the Secretary of Agriculture may use such obligations of the United States as collateral to borrow money for supplying seed to farmers for cash in pursuance of law.

Mr. GORE. Mr. President——

Mr. SIMMONS. Pardon me just for a moment, in order that I may reply to the Senator from Utah [Mr. SMOOT]. That would

be so, provided there were some amendment which permitted that sort of thing to be done; but if we eliminate this part of the amendment, then, undoubtedly, when the Secretary has expended the entire fund in the purchase of wheat which is to be supplied to the farmers and sells all of that wheat on time, there will be no fund to revolve. Now, it is proposed to strike out the provision in the bill which authorizes the Secretary to raise additional money upon the hypothecation of liberty bonds, which he has taken as security for the wheat which he has sold. If we strike that out and do not substitute anything in its place, then, of course, there will be no fund remaining to revolve. If the Senate in striking it out will provide by some other means for a revolving fund, then I shall have no objection to that; but to strike it out and let nothing remain except a provision that this fund be invested in wheat and the wheat be sold on time I think would bring about a result that would not be desirable. It would place too narrow a limitation upon the operations of the department in supplying the necessary seed to farmers in this country.

Mr. GORE. Or it would require too large an appropriation.

Mr. SMOOT. The original law authorizes the sale of wheat for cash. Now, if this proviso were stricken out, then the amendment would authorize the sale of wheat upon credit, secured by liberty bonds.

Mr. SIMMONS. Yes.

Mr. SMOOT. I will admit that what the Senator says is true, so far as additional money is concerned. With my proposed amendment adopted the Secretary of Agriculture would have only the amount of the appropriation which was made in the first place; but the remainder of the committee amendment does authorize the Secretary of Agriculture to sell the wheat not only for cash but upon credit by taking liberty bonds as security. That is all that ought to be done by the Secretary of Agriculture. If we want to meet this issue, then we ought to increase the amount that was appropriated for this purpose and pass this amendment without the proviso.

Mr. SIMMONS. I can see very well the situation would be met by an amendment which appropriated any amount that might be tied up by reason of the sale of the whole amount or of a part of the amount of wheat upon time; that would reach the situation. If the Senator has in mind an amendment to meet that situation I have no objection, but unless some provision is made by which this fund will not be exhausted, then I shall object.

Mr. SMOOT. The Senator does not believe that it is good legislation to authorize the Secretary of Agriculture to borrow money on behalf of the United States, does he?

Mr. SIMMONS. I do not believe it is; but it is good legislation, I think, under these conditions. We are passing a great many acts now that are not good legislation, but which are necessary to meet a situation.

Mr. SMOOT. But in this case it may be so easily done the other way.

Mr. SIMMONS. I do not myself think when a department here, in a process of certain business which we have intrusted to it, acquires liberty bonds that to permit it to hypothecate those liberty bonds to secure additional money to carry out the same purpose would be necessarily a serious offense against the usual financial policy of this Government.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Oklahoma?

Mr. SIMMONS. I yield.

Mr. GORE. I thought the Senator was through.

Mr. SIMMONS. I am.

Mr. GORE. Mr. President, there is no doubt that the Senator from North Carolina [Mr. SIMMONS] is correct in his conclusions as to what would be the effect of this amendment. If the proviso objected to by the Senator from Utah [Mr. SMOOT], and which was about to be stricken out by the Senate, is stricken out, the money will be absorbed and can not revolve. It was the desire of the committee to permit the fund to revolve, and in that way to obviate a much larger appropriation. We thought that a system might be worked out which would be able to go on as a sort of going concern and take care of itself, and thus obviate a considerable strain on the Treasury.

There is no doubt that there is point in the objection of the Senator from Utah that this devolves a duty upon the Secretary of Agriculture which under ordinary circumstances would be devolved upon the Secretary of the Treasury; but I call the Senator's attention to the fact that we must do one of two things. We must either devolve upon the Secretary of the Treasury a duty that is ordinarily devolved upon the Secretary of Agriculture, a duty for which the Secretary of Agriculture has now equipment and organization—the purchase and sale of this seed—or else we must devolve upon the Secretary of Agriculture a duty which is usually devolved upon the Secretary of the Treasury. We have to take our choice between the two. I would ask the Senator from Utah, however, if it would meet his objection to say "that the Secretary of Agriculture, with the approval of the Secretary of the Treasury"?

Mr. SMOOT. That would make no difference, for I have absolute confidence in the Secretary of Agriculture. The only objection I have to it is the authorizing the Secretary of Agriculture to borrow money upon the obligations of the Government. That should not be done. If we know how much money will be necessary to meet the situation after this amendment shall have been passed authorizing the Secretary of Agriculture to sell this seed upon time, we ought to make the appropriation to cover it. Then the Secretary of Agriculture can sell wheat on time or for cash, as the case may be. He ought to decide the question, and we ought to furnish the money. In case the proviso is stricken out, then the money becomes a revolving fund, no matter whether the wheat is sold upon credit or for cash; and that is the proper way to do it.

Mr. GORE. But the fund could not revolve if the wheat is sold on credit.

Mr. SMOOT. It may, for the payments for wheat so sold as to one sale may fall due at one time and as to another sale may all fall due at another. The payments will not all fall due upon the same date.

Mr. GORE. But the entire season might have gone by.

Mr. SMOOT. Well, but there will be other seasons coming.

Mr. CURTIS. Mr. President, may I interrupt the Senator from Oklahoma?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Kansas?

Mr. GORE. I yield to the Senator from Kansas.

Mr. CURTIS. I was absent when this amendment came up, but I judge the proviso grows out of an amendment which was offered by me to the bill while it was pending before the Committee on Agriculture and Forestry?

Mr. GORE. Yes, sir.

Mr. CURTIS. That amendment provided for the loaning of the money directly to farmers without taking of security, such as bonds or anything of that kind, but by giving their notes and a lien upon the crop. Since I offered that amendment the situation has been partially cared for by an advance of money which is being loaned through the Federal farm loan banks.

This amendment as it stands would do the people I have tried to assist no good, because they have not the security to put up, and in localities where they wanted assistance they have borrowed from the banks to such an extent that they are unable to borrow more at this time. I have received information from one county that at a meeting attended by all the bankers in the country it was stated that they had advanced and loaned all the money that they had on hand and could not advance any more unless they got it from the Government or from the Federal land banks or from some other source; that they could extend no further relief.

Mr. GORE. I will say to the Senator that I intended to offer an amendment to this bill to meet that situation.

Mr. CURTIS. I was going to ask the Senator in regard to that. The situation which I intended to cover has been largely covered by an advance of $5,000,000, but the conditions are not entirely satisfactory as yet, although the situation has been partially relieved.

Mr. SIMMONS. Mr. President, does the Senator mean that we have increased the appropriation $5,000,000?

Mr. CURTIS. No; but there has been advanced from the emergency fund by the President $5,000,000, which has gone out through the Secretary of the Treasury to the farm-loan banks. As I understand, there is another class which needs assistance, and that is the men who are in a little better condition than those who were intended to be covered by the amendment offered by me, men who perhaps can put up the security, but the money is not in the locality to be loaned to them. I am told that that situation exists in a large number of counties in Texas, in some counties in western Oklahoma, in some in western Kansas, to some extent in western Nebraska, and quite extensively in Montana, and in some of the other Northwestern States.

Mr. SIMMONS. Mr. President, if the Senator will pardon me——

Mr. CURTIS. Certainly.

Mr. SIMMONS. The only interest I have in this matter is that this fund shall be sufficient to serve the purpose that we have in view.

Mr. CURTIS. I was just getting to that question. I was going to ask the Senator from Oklahoma if he had secured

specific information as to the amount that would be required to meet the situation that exists in Texas, Oklahoma, Kansas, Nebraska, the Dakotas, Montana, and other States?

Mr. GORE. I will say to the Senator in that connection that I have here a bulletin of the Federal Reserve Board issued in December last. The Department of Agriculture had a study made of that very situation as it related to the fall planting of 1917 and the spring planting of 1918. The result of that investigation, made by Dr. Thompson, of the Bureau of Markets, Department of Agriculture, is published in this bulletin for December last. Unfortunately, the results are stated in terms of percentages and not in aggregate amounts. I have that report here, and intend later, if the occasion arises during the debate, to have it read to the Senate or printed in the RECORD. In one part of my own State the report shows that the local banks can supply only 49 per cent of the capital required by the farmers to carry on their business.

Mr. CURTIS. Right there, may I state that it was estimated by the committee representing the Kansas Agricultural Society that the banks in the different localities in Kansas could take care of 50 per cent of the money that was required by the farmers there, but not over 50 per cent.

Mr. GORE. I will say to the Senator that this report shows that in southwest Kansas the percentage that can be supplied by the local banks is 44 per cent. In other parts of the State the percentage rises considerably above that amount, but probably would average in the neighborhood of 50 per cent, or perhaps more than that. The report does not state the figures in total amounts, but they are given in percentages, and, therefore, I have not been able to arrive at an estimate as to the aggregate amount. I will say to the Senator, however, that the Council of National Defense of the State of Texas in the last two or three days has adopted a resolution urging Congress to provide $50,000,000 for the State of Texas alone, on the theory that that is about one-third of the drought-stricken area; and in the amendment which I have prepared I intend to ask for $150,000,000.

Mr. WOLCOTT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Delaware?

Mr. GORE. I yield.

Mr. WOLCOTT. The amendment that is referred to here involves the sum of two and a half million dollars for the purchase and sale to the farmers of seed wheat. In the light of the experience of last year, I wish to ask the Senator from Oklahoma if it is not true that the discussion which has been taking place here is more or less purely academic? The fact of the matter is that not a dollar of the fund was used last year for the purchase of seed wheat. The fund referred to now is to be used only for the purchase of seed wheat, but the Department of Agriculture, under a similar provision last year, bought no seed wheat, not a bushel. However, an arrangement, I understand, was effected whereby the grain corporation under the food administration should turn wheat over to the farmers who wanted seed wheat, at, I presume, a regulated price; but, so far as the activity of the Department of Agriculture is concerned, in the matter of purchasing seed wheat, being the subject matter of this particular amendment, nothing at all was done last year and not a dollar was therefore needed.

Mr. GORE. That might be true as to last year and not be true as to the current year.

Mr. CURTIS. Mr. President, I should like to state to the Senator from Delaware [Mr. WOLCOTT] that it is not an academic question this year. There have been actual crop failures. Last year in our State we had a wheat-crop failure in 33 counties out of 105.

Mr. WOLCOTT. A failure due to what, I should like to ask the Senator—a failure due to inability to buy wheat, to the want of money?

Mr. CURTIS. No; the wheat was winterkilled. We have had two successive wheat failures in some of the counties in the State, and the situation in many of those counties is such that the banks are unable to loan enough money at this time to take care of it.

Mr. GORE. I will say, if the Senator from Kansas will allow me——

Mr. CURTIS. If the chairman of the committee will let me finish the statement, then I will yield the floor to him. I wish to state to him that the Senators and Members of the House with whom I have been working in this matter felt when this bill went over that the relief would come too late unless some other effort was made. Therefore, we went to the President and got the relief to the extent I have stated. That action was taken because the people interested had to know what would be done in order to prepare the ground for fall planting.

Mr. SIMMONS. In other words, the President is going to apportion for this purpose $5,000,000 of the money which we have placed in the fund at his disposal.

Mr. CURTIS. Which will partly relieve the situation.

Mr. SIMMONS. That will increase the fund in the hands of the Secretary of Agriculture.

Mr. CURTIS. It was put under the Secretary of the Treasury to be expended under proper rules and regulations prescribed by the Secretary of Agriculture and the Secretary of the Treasury.

Mr. SIMMONS. But it is being used to purchase seed wheat.

Mr. CURTIS. Partly.

Mr. SIMMONS. In view of that statement, I make no further objection.

Mr. GORE. Mr. President, I will say to the Senator from Delaware [Mr. WOLCOTT] and to the Senator from North Carolina [Mr. SIMMONS] that before the fund made available under the order of the President can be loaned there is required an affidavit that the farmer has experienced two successive droughts; also an affidavit that the farmer is unable to obtain credit, and, I think, an affidavit from the bank that the bank is not in a situation to advance credit, and there is a bonus of $75 required to the hundred acres. Mr. President, before the vote is taken I should like to add, after the words "Secretary of Agriculture," the words "with the approval of the Secretary of the Treasury." I think that ought to be in if the amendment remains in the bill.

Mr. SMOOT. The first question, Mr. President, will be on the amendment offered by me to strike it out. That, I think, ought to be done. The amendment ought to go out of the bill.

The PRESIDING OFFICER. The Senator from Oklahoma, of course, has the right to perfect the text proposed to be stricken out. Does the Senator from Oklahoma insist upon his amendment?

Mr. GORE. Yes; I should like to have those words added, because the Senator's objection ought to be met to that extent.

Mr. SMOOT. That is all right. Then, my motion will come up later.

The PRESIDING OFFICER. The motion of the Senator from Utah will come up later. The Secretary will state the amendment offered by the Senator from Oklahoma to the amendment reported by the committee.

The SECRETARY. After the words "Secretary of Agriculture," on page 4, line 13, in the amendment reported by the committee it is proposed to insert the words "with the approval of the Secretary of the Treasury."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma to the amendment reported by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. Now the question is on the motion of the Senator from Utah to strike out the matter appearing in lines 12, 13, 14, and 15 as amended. [Putting the question.] By the sound, the ayes appear to have it.

Mr. GORE. I should like to have a standing vote on that.

The PRESIDING OFFICER. The Senator from Oklahoma requests a division. Those in favor of the motion of the Senator from Utah will rise. [A pause.] Those opposed will rise. [A pause.] The ayes are 4 and the nays—the Chair begs pardon; the motion of the Senator from Utah is lost. The question now is on the amendment as amended. [Putting the question.] The noes have it, and the amendment is rejected.

Mr. KENYON. Mr. President, a parliamentary inquiry. Was not the announcement of the Chair as to the number voting on the previous motion tantamount to the suggestion of the absence of a quorum?

The PRESIDING OFFICER. Yes; the Chair presumes it was. Of course that suggestion is in order at any time.

Mr. GORE. On a division, I do not think that is true.

The PRESIDING OFFICER. The Chair inadvertently stated the number, which the Chair should not have done, because that is likely to suggest the absence of a quorum. Under the present situation the Senate has voted out this amendment.

Mr. GORE. Mr. President, of course if there is no quorum here, they could not do that. I was trying to get the attention of the Chair to ascertain what he was announcing. I thought the amendment was agreed to on the former vote.

Mr. JONES of Washington. I was about to suggest that I thought the Senator did not understand what had been done.

The PRESIDING OFFICER. The Chair will put the question again. The question is on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment passed over.

The SECRETARY. The next amendment passed over will be found on page 8, on line 22, where the total is changed, it being proposed to strike out "$2,136,028" and insert "$1,610,155."

The PRESIDING OFFICER. That amendment, the Chair is informed, was passed over at the request of the Senator from Washington [Mr. JONES].

Mr. JONES of Washington. I have no objection to the amendment being acted upon now.

Mr. KENYON. Mr. President, I should like to inquire a little about this interesting item. Under the proviso $5,000 is to be used to establish a market-news service on live stock and meats in the District of Columbia. Now, what in the world that is for I am unable to comprehend. We do not need a news service on meats in the District of Columbia as much as we need some regulation of prices. I should like to ask the chairman what the proviso is for.

Mr. GORE. As I remember, that proviso was inserted in the House; and I suppose—I am not advised upon that, because it is a House provision—it is to extend to the city of Washington the activities of the Bureau of Markets with respect to live stock. Whether or not it is to make it a live-stock center, I do not know. It went in on the floor of the House, as I recall.

Mr. WARREN. It was in the original bill.

Mr. KENYON. It seems to me that this is one of the most ridiculous of many ridiculous items in this bill. A news service on meats in the District of Columbia is a farce.

Mr. GORE. As I remember, the committee recommended that it be stricken from the bill; did it not?

Mr. KENYON. I think not, though my recollection is that the committee was of that mind.

Mr. GORE. My recollection is that we made that report; but it has been some time since we had this measure up, and, of course, it is not so fresh in my memory now as it was at an earlier time.

Mr. KENYON. Yes. I move to strike out the proviso.

Mr. SMOOT. What about the committee amendment?

Mr. KENYON. The committee amendment is involved in this, because, if my suggestion is adopted, the amount named in the committee amendment would have to be reduced.

Mr. SMOOT. No.

Mr. KENYON. If the proviso is struck out, then the amount should be reduced.

Mr. SMOOT. Mr. President, I sincerely hope this item will be stricken from the bill. I suppose every Senator every morning finds his desk loaded with circulars and bulletins from the departments, and it is getting so that the wastebasket we have is not large enough to receive these daily bulletins under the heading of news service. The waste is simply appalling.

It may be said that this is only $5,000. I will guarantee right now that if we adopt this provision, and this news service is established, it will be $25,000 next year, and there is no telling how many hundreds of thousands of dollars it will amount to before it is through.

I hope it will be stricken from the bill.

The PRESIDING OFFICER. The question is on the motion of the Senator from Iowa to strike out the last proviso on page 8.

The motion was agreed to.

Mr. KENYON. Then, Mr. President, the committee amendment on line 22 should be reduced by $5,000.

The PRESIDING OFFICER. Does the Senator make that motion?

Mr. KENYON. I make that motion.

The PRESIDING OFFICER. The Senator from Iowa moves to change the numerals on line 22, page 8, so as to read "$1,605,155."

The motion was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment passed over.

The SECRETARY. The amendment on line 17 of page 8 was passed over, striking out $449,700 and inserting $100,000, under the item for a fertilizer survey of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The SECRETARY. The next amendment passed over is on page 9, line 15, where the committee proposed to insert, after the words "preparation of sweet sirups," the words "including grape sirup."

Mr. JONES of Washington. Mr. President, I will say that I think all the other amendments, including this one, were passed over at my request; and that request was made, not because of opposition to the amendments, but in order to hasten the consideration of the prohibition amendment. So I withdraw the request.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The SECRETARY. The next amendment passed over is on lines 20 and 21, page 9, where the committee proposed to strike out the words "control of noxious rodents, $100,000," and the semicolon.

Mr. WARREN. Mr. President, the striking out, I think, is under a misunderstanding. "Noxious rodents" were understood to be rats, mice, and so forth, whereas the department meant entirely another matter. I move that in place of the words "noxious rodents" the words "prairie dogs, gophers, and ground squirrels" be inserted, so that it will read:

Control of prairie dogs, gophers, and ground squirrels, $100,000.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Wyoming.

Mr. THOMAS and Mr. KENYON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Wyoming yield; and if so, to whom?

Mr. WARREN. I yield to the Senator from Iowa.

Mr. KENYON. I simply wanted to ask what the amendment was.

Mr. WARREN. The committee amendment strikes out the item altogether.

Mr. KENYON. I understood that.

Mr. WARREN. I want to put in place of the language "control of noxious rodents" the language "control of prairie dogs, gophers, and ground squirrels." That was the intention of the department; and there was a misunderstanding, the word "rodents" being understood to mean house rats, and so forth.

Mr. THOMAS. Mr. President, I notice that the phrase which the Senator seeks to amend reads "control of noxious rodents." It is followed by another which reads "destruction of predatory animals." I should like to inquire why we should control one set of animals and appropriate money to destroy another set? Just why should we control the prairie dog and destroy a predatory animal?

Mr. WARREN. Does the Senator desire that it should read "destruction of" in both places?

Mr. THOMAS. I am opposed to it entirely, but I think the expression had better be "destruction of" these animals than "control of" them.

Mr. WARREN. I agree with the Senator entirely. I suggest that we strike out the words "control of noxious rodents" and make it read "destruction of prairie dogs, gophers, and ground squirrels."

Mr. THOMAS. I think it is a waste of money, myself. I think it will look better, however, if we destroy them instead of controlling them.

Mr. WARREN. I disagree with the Senator entirely as to the matter being uncalled for, because we are suffering immensely in certain sections with these rodents, as the Australian sheep and cattle men did many years ago with the rabbits. The department have found, and they have made a record of the fact, that as a result of joining with the States, counties, and citizens, and proceeding in a scientific way to poison these pests, they give instances in one case here—and I am quoting from an official document—where in one piece of 320 acres there were 1,641 prairie dogs killed in one day's work, that were piled up in the pile which the picture there shows, which were of course in addition to all of those that died in their holes. Now, in Wyoming, say at Evanston, at the grounds of the insane asylum, 22 acres, as the result of the work there under the direction of the Department of Agriculture agent, 383 prairie dogs were found dead after one day's work, beside those underneath the ground. I will say to the Senator that his State of Colorado is engaged now in this work, and is sending out to every lessee of land a letter giving him notice that if he wishes the further use of the land, if he wishes to again lease, he must join with the State of Colorado in exterminating these pests.

I think the amendment is a very useful one, and one that will save a great deal of grass. The fact is, that the ranges are growing smaller rather than larger, and the needs for beef, mutton, and wool are growing. These pests eat the grass away from the live stock. Very few of them, a dozen or perhaps a dozen and a half, eat and destroy more grass than a beef steer will eat. The losses in the United States are estimated as high as $150,000,000 a year, and the estimate given by the department here takes in the different States and gives the estimated loss in each State. I will say to the Senator that in cooperation with the State of Colorado I know of one concern that has already expended and contracted some $2,500 for this work. The trouble is in other localities, in the surrounding country, adjacent to the Government lands. Without the cooperation of the

Government it avails little to kill them off, as they very soon come back from those localities which have not been cleared of the pest.

Mr. THOMAS. Mr. President, my criticism was based upon the fact that the more money we appropriate for the destruction of pests of this kind the more pests there are. The more of these animals that are subject to be killed, the more animals remain to be killed. Wherever under a Government appropriation you kill one prairie dog, it would appear as though 10 or 15 come to his funeral.

I venture the prediction that 10 or 12 years from now we will still be appropriating money to destroy these pests, and that the usual report of the department about the vast destruction which is inflicted upon crops, and the reduction of live stock, and so forth, will be quite as potent for appropriations then as it is now. An item which once enters the Agricultural appropriation bill not only remains there for all time, but the thing at which it is aimed seems to flourish more greatly after appropriations are made to exterminate it than before that time.

Mr. ASHURST. Mr. President, the learned Senator from Colorado [Mr. THOMAS] said that wherever one prairie dog was killed 10 or 15 came to his funeral. I wish no higher number than 15 of the dogs came to the funeral.

Mr. THOMAS. I said that appears to be the case, if one could judge from the history of similar appropriations in the Agricultural bills for other pests.

Mr. ASHURST. I wish there were only 10 or 15 dogs to come to the funeral of a prairie dog. They come, however, by the thousands.

The prairie dog is one of the most interesting of all animals. They are gregarious; they build or dig towns for themselves. Amongst many of their strange characteristics is their method of entombing a rattlesnake. Rattlesnakes invade the home of a prairie dog to swallow the young dogs reposing in the bottom of the hole. The mother dog, upon returning from a foraging expedition and learning of the presence of a rattlesnake in the hole, gives a peculiar cry, and thereupon not 15 dogs come to the funeral, but thousands come, and they immediately seal up the hole, thereby entombing the snake. The rapidity with which this is done is remarkable.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. STERLING in the chair). Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. Certainly.

Mr. THOMAS. If the rattlesnake is the enemy of the young prairie dog, I would suggest that we ought to make an appropriation to encourage the propagation of rattlesnakes. [Laughter.]

Mr. ASHURST. It would be futile for me to attempt to measure powers of sarcasm with the brilliant Senator from Colorado, so I will adhere to my text.

Mr. President, the extermination of prairie dogs must be given some attention in a practical way. Each of these dog towns has a population of from 400 to 2,000 dogs. Their holes are dug from 20 to 60 feet down, and for a distance of 25 or 30 feet around each hole they remove all the grass. They not only eat the leaves and stems, but they eat out every root. Those who have seen prairie-dog towns vouch for the fact that there is not a single sprig of vegetation around that dog hole. In the State of Texas alone it is estimated that on one stretch of country there are 400,000,000 prairie dogs.

In one year 50 prairie dogs will destroy and uproot enough grass to sustain 1 sheep; 200 dogs will uproot and destroy—absolutely exterminate, root and branch—enough vegetation to sustain 1 cow. And when you reflect that in one part of Texas there are 400,000,000 prairie dogs, as estimated by the department—I am speaking now by the Agricultural Year Book—it will readily be seen that the prairie dog, a useless animal, doing no good to mankind, is destroying these grasses upon which we must depend to feed our cattle and sheep.

Now, Mr. President, a campaign was carried on in the State of Arizona last year out of a fund, part of which was provided by the State and part of which was provided by the Federal Government, and just in one morning 1,641 prairie dogs were killed. There is a photograph showing the great pile.

Mr. THOMAS. It is the same old photograph, is it not?

Mr. ASHURST. It is the same old photograph—pathetically true. The result of that campaign was that 6,117 cattle are now feeding on the lands rescued from these dogs. These dogs are not carnivorous. They and their kindred species, such as the gopher and ground squirrels, are herbiverous; and, as I said before, they tear up the grasses by the very roots.

In other words, the depredations of prairie dogs, ground squirrels, pocket gophers, jack rabbits, and other small rodents on grain and other crops cause annual losses exceeding $150,000,000 in value. In addition they destroy forage on the public ranges to an approximately equal amount.

To wit, $150,000,000, or a total destruction from these animals of $300,000,000 a year—

State officials in California estimate losses from this source at $30,000,000; in Montana, at $2,000,000; in North Dakota, from $6,000,000 to $9,000,000.

The Western States are urging increased cooperation on the part of the Government in controlling these losses as a food-conservation measure, and have put up more than $250,000, in addition to much material and the labor of many thousand farmers. The people of the West demand that the Government do its share, since more than half the lands are owned by the Government where these pests abound and invade the cultivated lands. They also vastly reduce the capacity of the public range for carrying live stock.

One cattleman near Flagstaff, Ariz., has stated that the prairie dogs have increased on his range to such an extent that they must be destroyed or he will be compelled to go out of the cattle business. He offered to expend $3,000, under the direction of the department expert, to free his range.

A small farming community in northern Arizona reported to have had an increase of $25,000 in its crop output last year as a result of a short spring campaign against prairie dogs.

The prairie dogs have been practically eliminated from about 700,000 acres of public lands and large areas of private lands in Arizona. As a result, the Government lands will now carry at least 6,000 head of cattle more than was possible previous to this work.

Sixteen thousand farmers cooperated in a campaign against ground squirrels in North Dakota last year and reported a saving in the grain output amounting to from $1,500,000 to $2,000,000 in value.

Prairie dogs exist in countless millions over an enormous area. From 30 to 50 prairie dogs will probably destroy forage sufficient to carry a sheep on the range, and from 150 to 200 prairie dogs will probably destroy forage sufficient to support a cow. It is estimated that if the western ranges were completely freed from prairie dogs that the increase in forage would support at least 1,000,000 head of cattle and 1,000,000 sheep more than is possible at present.

I have studied this subject a vast deal. I say again the prairie dog destroys the very grass, root, and branch upon which our cattle and our sheep must subsist. His peculiar gregarious habit is to live in a town and destroy all the grasses about; he even builds up a crater so that he may keep the rain out of the burrow; and he has a still further damaging habit of abandoning his home when near-by grasses are all eaten up. He does not go far away from his hole where other grasses are, but he abandons that home and digs another where grasses are found.

Mr. KENYON. May I ask the Senator a question?

Mr. ASHURST. Certainly.

Mr. KENYON. What effect has the Government work had in diminishing the number of these sociable dogs?

Mr. ASHURST. The work has been very effective. It has been supplemented by appropriations from the States. In my own State the carrying capacity of the ranges has increased 6,000 cattle by reason of the Government and the State appropriations. If all the prairie dogs were eliminated in my State, for example—and it is not overrun so badly as some other States—the carrying capacity of the ranges in Arizona would be increased 100,000 cattle; and if all the prairie dogs, except those kept in museums, were eliminated, the carrying capacity of the ranges of the whole country would be increased 1,000,000 cattle and 1,000,000 sheep.

Mr. KENYON. What are the States doing to remedy it?

Mr. WARREN. The United States is doing a small part of it when we consider the number of acres of Government land exposed to the dogs.

Mr. THOMAS. Mr. President, as I have stated, I do not intend to oppose this amendment, for the very good reason that I know it is useless. I can not, however, refrain from making some comment upon the very luminous contribution to the subject by my friend the Senator from Arizona [Mr. ASHURST].

The prairie dog and the rattlesnake are indigenous to the soil of the plains. They were there when Columbus discovered America, and doubtless they were there for centuries prior to that event. They have flourished in their way, as wild animals do, and flourished without the necessity of any drastic governmental action, without materially interfering with the settlement of the country or the progress of industry.

Some time ago we began to appropriate money for their extermination, and the remarkable thing is that since that time they have not only increased and multiplied beyond the imagination, but they have also become a very dangerous element in the prosperity of the cattle and other grazing industries.

Mr. ASHURST. Will the Senator kindly pardon an interruption?

Mr. THOMAS. Certainly.

Mr. ASHURST. The Senator says that a campaign of extermination has been started lately and that apparently the supply of prairie dogs has kept pace with the elimination. But let me

explain it, and I do so by quoting from page 263 of the Agricultural Year Book of 1901:

The prarie dog is preeminently a social animal, living in colonies which vary in extent from a few acres to thousands of square miles and inhabited by thousands, and in some cases millions of animals. Colonies 20 to 30 miles in length are not rare, and in Texas one is known which measures about 250 miles one way by 100 to 150 the other, covering an area of about 25,000 square miles. The number of holes in use on each acre varies from a few to upward of a hundred and probably averages at least 25. At Alma, Nebr., W. H. Osgood found the number ranging from 35 to 64, and on an alfalfa field near Carlsbad, N. Mex., Vernon Bailey found 1,009 on 20 acres, or 50 to the acre. In old towns many holes are abandoned or used only as refuges, so that it is difficult to ascertain how many animals live in a stated number of holes. Another difficulty lies in the varying number of animals in the occupied holes, for in winter and early spring the usual number is 2 (a pair), while after the birth of the young the number is at least quadrupled and then decreases with the advance of the season, as the young are killed by enemies. It is certainly a conservative estimate to assume the average number of animals per acre to be 25. On this assumption, the number of prairie dogs in the great Texas colony must be at least 400,000,000.

Four hundred million alone in the State of Texas. So the Department of Agriculture says.

Mr. WADSWORTH. Is that a census of the prairie dogs?

Mr. ASHURST. I can well imagine there might be a furtive one here or there that escaped the count, but they would not have escaped the eagle eye of the senior Senator from New York. The Government sent out experts who counted the holes. About four animals live in each hole. The births are by two, sometimes three, but very rarely above two. It would not require a careful man a very long time to estimate the number of dogs in one town. So I said 400,000,000. I may be a million or two off, but what is that among prairie dogs?

Mr. THOMAS. It is nothing in these days of billions.

Mr. ASHURST. Let me say that the Senator from New York is not without experience. He is a practical cattleman, and I believe he knows as well as I the pernicious effect upon the ranges of the prairie dog. He is a practical cattleman and knows as well as I do that they destroy grasses that ought to be consumed by cattle and sheep.

Mr. THOMAS. Mr. President, I do not want to do any injustice to the official gentlemen; I shall not do them an injustice intentionally, but I believe that the chief cause of the propagation of the prairie dog was the introduction of the first item of appropriation for its destruction. I believe that it has done more to stimulate his tendency to increase and multiply than all the white man's interference with his natural enemies. If there be 400,000,000 prairie dogs in Texas, barring a million or two one way or the other, I am unable to understand how you are going to destroy them with an appropriation of $100,000.

Mr. President, Texas is a very great State in itself but relatively a small portion of the western domain. There must be, again speaking without reference to the census that may have been taken in that and other States also, and I may say there are plenty of Government officials now to take prairie-dog censuses and do a great deal more work than they are doing here in Washington. There must be several million, say, roughly, a million and a half, prairie dogs in Colorado, New Mexico, Texas, Arizona, Wyoming, Montana, Utah, Idaho, and Nevada. This menace to the agricultural and live-stock interests of the country we propose to deal with by a paltry appropriation of $100,000. If it be true, as was stated by the Senator from Wyoming, that the prairie-dog plague is identical or largely so with the rabbit plague in Australia, then it follows that you can not exterminate them at all, and the only way to minimize the evil is to employ men who do nothing but shoot them day after day, and after dark if possible, and thus keep down the plague as much as can be done.

I do not think it is as bad as that, but I believe if this animal is multiplying so rapidly and interfering with our meat supply we ought to make an appropriation under which the Agricultural Department would be instructed to examine into and experiment upon the edible qualities of the priarie dog. It may be cheaper in other words for us to resort to the prairie dog as an article of diet than to spend these little, paltry driblets in trying to exterminate it, and thus increase our cattle to the extent of 6,000 a year or something of that sort.

It may be that they will be exterminated by this small appropriation, and that this tremendous menacing and overwhelming nuisance will be gotten rid of. If that is the case, I venture the assertion that the rattlesnake will then blossom forth. My experience is that they inhabit the holes of the priarie dogs. Whether they divide the rent I do not know, but they are always found together. We will begin through Federal appropriations a war of exterminations against the rattlesnake, and his multiplication will also be attributed to the white man who has destroyed his natural enemy, the prairie dog.

Of course, this appropriation is going through, but next year there are going to be more prairie dogs than this, and the year after that still more prairie dogs, and the appropriation will increase with the increase of the census of prairie dogs. It is money which, in my judgment, is wasted when it is applied to any such purpose.

Mr. SMITH of Arizona. Mr. President, it would be impossible for anyone to try to add to the argument of ridicule that has been offered here by the distinguished Senator from Colorado [Mr. THOMAS]. I confess, from my observation of appropriations for something over 30 years in the two Houses of Congress, much of what the Senator from Colorado says is perfectly justified. But if he will think for a moment, and if the Senate will think for a moment, it will be realized that if from every farm in the State of Arizona there was eliminated every one of these rodents, these grass-destroying prairie dogs, and the Government lands and the Government reservations kept open, they would furnish a constant breeding ground. We must not only protect the farms of people who are unable on those farms to pay the great taxes that are necessary to carry on the State, but must go outside to protect five times the quantity of land they own, for there is not one-fifth of it in cultivation or in private ownership by reason of the great reservations made by the Government and the public lands still held by the Government in that State. I know myself I have gone miles and miles, and it seemed to me for hours, driving rapidly through a great prairie-dog town. When they abandon it they have left a desert just as complete as the floor of the Senate would be for the grazing of stock.

I am not in favor of the United States giving all the money required for the eradication of this pest. I am very much in favor of the United States giving in the eradication of this pest in my State according to the acreage it holds in proportion to the acreage of the people who are wanting to eliminate them.

For that reason I think that the people of the West are fully justified in asking the Government for aid. I have nothing to say about those States having no Government land within them.

Mr. SHEPPARD. I wish to ask the Senator if it is not a fact that State funds are used in connection with Federal funds in this work.

Mr. SMITH of Arizona. I have no doubt of it. That is what I am saying. When the Government puts up in proportion to what the men themselves will put up, according to the land the Government holds and occupies and according to the land that the citizen holds and occupies in the State, it seems to me it will be perfectly fair.

Mr. SHEPPARD. I ask permission at this point to insert a statement by the Assistant Secretary of Agriculture, Hon. Clarence Ousley, of Texas, showing the nature of this work and certain other work of the department. Mr. Ousley prepared this statement at my request.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection.

The matter referred to is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, July 17, 1918.

Senator MORRIS SHEPPARD,
United States Senate.

DEAR SENATOR SHEPPARD: In reply to your letter of July 15, I have noted the criticisms in the Senate regarding the research work of the Department of Agriculture, and I take this opportunity of pointing out, at your request, the true situation.

Adverse comment has been made upon the Bureau of Chemistry's investigation of oysters and on the Bureau of Biological Survey's warfare against coyotes and other predatory animals.

BUREAU OF CHEMISTRY.

The work done under our appropriation for oyster investigations is for the purpose of finding out the best ways of insuring that the oysters which are put upon the market will not be contaminated by sewage pollution and that they will not be adulterated by the process known as "soaking."

It has been recognized for a long time that the eating of raw oysters produced in waters contaminated by sewage from large cities constitutes a very grave menace to the public health. Epidemics of typhoid fever have been traced directly to banquets where such oysters have been served. Senator PENROSE apparently overlooked the fact, when he referred to our prehistoric ancestors partaking of oysters, that they did not have to take their oysters from waters which had been polluted by the sewage from such large cities as now exist on our seaboards.

As a result of the work which the Bureau of Chemistry has done, in cooperation with the Public Health Service, under the small appropriation for oyster investigations, the shipment into interstate commerce of oysters from beds which are polluted by sewage has been eliminated. Furthermore, as a result of the work which we have done along this line many of the larger cities and States have taken steps to prevent the sale of polluted oysters within their jurisdictions.

Surveys have been made of many oyster beds along the Atlantic coast, and those beds which have been polluted by sewage have been marked out and no oysters are permitted to be sold in many jurisdictions from those beds.

Another result of these investigations has been that many cities are taking steps to prevent their waters and oyster beds from becoming polluted from their sewage.

It was in the past a rather common practice in the oyster trade to soak oysters in fresh water. This caused the oysters to increase in bulk about 20 per cent. Four quarts of oysters, after being soaked in fresh water, will fill a five-quart measure. In other words, the oyster dealer can take four quarts of oysters and by soaking them sell them for five quarts.

It is due to the research work of the Bureau of Chemistry and the activities of the Department of Agriculture that under modern conditions, this important article of food comes to the ordinary table in wholesome condition and as an honest product.

The Bureau of Chemistry has rendered and is rendering service of incalculable value in the production of American dyes and dyestuffs; in improved methods for handling, packing, storing, and shipping poultry, eggs, and fish to prevent deterioration and spoilage; in methods of the manufacture of cane sirup by which a clear light-colored sirup can be made by producers with a small factory equipment; in the prevention of grain-dust explosions in thrashers and flour mills that heretofore have caused fires entailing annual losses of millions of dollars; and, as was shown in the recent inquiry by the Senate Committee on Agriculture, the bureau's research work in charcoal and gases has been of very great value to the War Department.

BUREAU OF BIOLOGICAL SURVEY.

The Department of Agriculture has developed effective methods of destroying prairie dogs, ground squirrels, jack rabbits, and like pests that cause losses to field crops and forage amounting to more than $300,000,000 annually. The State Council of Defense of New Mexico and the Arizona Legislature at a recent war session have appropriated $25,000 each to be expended in such campaigns against noxious rodents and predatory animals, in cooperation with equal expenditures by the department. California has allotted $60,000 for use on State lands; Nevada, $35,000; Utah, $35,000. In North Dakota 33,000 farmers are cooperating under the leadership of department experts in a ground-squirrel campaign, covering more than 13,000,000 acres; in Montana, 18,000 farmers are engaged in a similar campaign.

The Government lands of the West are the chief haunts of these pests, and a just demand is made by the States that the department destroy the rodents on public lands about cultivated areas and supply experts to guide community campaigns elsewhere. Many millions of dollars' worth of grain and other food crops will be saved by the work now in progress, and the amount can be greatly increased if necessary funds are available.

House rats destroy more than $200,000,000 worth of foodstuffs and other property each year in the United States. This more than equals the economic output of 200,000 men working continuously. These losses can be greatly reduced by rat proofing and other community measures. The importance of rat control for food-saving purposes is recognized by the United States Food Administration and the National Council of Defense. Many State and local campaigns are being organized to control rats, and the department is constantly asked for assistance in this work. Many applications are received also for assistance in controlling these pests in Army and Navy supply depots, in manufacturing establishments, flour mills, and other business establishments and on farms.

Predatory animals, including wolves, coyotes, mountain lions, and bobcats destroy more than $20,000,000 worth of live stock annually. The campaign of the department for the destruction of these pests has the indorsement and active cooperation of stock growers and others in the West. The department hunters have taken nearly 65,000 of these stock-killing animals, including 1,685 large wolves, 7,288 bobcats, and 53,877 coyotes, and have killed by poison about an equal number of coyotes in addition, with a resulting annual saving of more than $5,000,000 worth of meat. The skins taken by the department hunters approximate $140,000 in value, of which those already sold have brought $121,944 into the United States Treasury.

The bounty system of controlling noxious animals has caused the expenditure of hundreds of millions of dollars, without in a single case having secured any permanent relief. The campaign conducted by the Department of Agriculture is aimed at permanently eliminating these pests. The results already obtained have been so definite that the bounty system is being generally abandoned in favor of this new method.

The bounty system to which Senator PENROSE alluded has been abandoned in all States where intelligent study has been given to the subject, because experience proves that it induces the killing of animals only to the point where the hunt ceases to be profitable and leaves a sufficient number to breed again. The department's methods aim at the destruction of the pest in a given area.

BUREAU OF ANIMAL INDUSTRY.

It was the research work conducted by the Bureau of Animal Industry that resulted in the determination of the cause of Texas fever and the method of its transmission through the agency of the cattle tick. This was the first experimental proof that disease can be carried from one animal to another by intermediary hosts, such as flies, mosquitoes, lice, fleas, rats, etc. This discovery made possible the application of the practicable methods now used so successfully in the extermination of the cattle tick in the South. It made possible the prevention of at least $40,000,000 in lossess annually resulting from the cattle tick; it made possible the development of a great live-stock and dairy industry in the South; it led to the further discovery that mosquitoes are the carriers of the infection of malaria and yellow fever, and this knowledge resulted in effective measures against these diseases and made possible the construction of the Panama Canal.

The research work of the Bureau of Animal Industry established the fact that the disease hog cholera is caused by an invisible nonfilterable virus. This knowledge was of great advantage in the further study of the disease, which resulted in the discovery by the bureau of a serum that is effective in protecting hogs from hog cholera and can be produced at a small cost. The treatment with this serum is the only treatment that has proved effective against this disease, which in the past has produced losses estimated at $60,000,000 annually. The rapid diminution of losses of swine from disease since the discovery of this serum is evidenced by the statistics, which show that in the United States the losses per thousand have dropped from 118 in the year 1913 to 42 in the year ending April 1, 1918. During the past year, when it was so necessary to increase pork production, it was found that great numbers of immature hogs were being sent to the public market for slaughter. Although these animals were exposed to infection during transit and handling through stockyards, the application of the serum treatment made it possible to save hundreds of thousands of these hogs and permit them to be returned to farms for development and fattening. It is no exaggeration to say that the antihog-cholera serum discovered through the research work of the Bureau of Animal Industry has already resulted in a saving of many millions of dollars to the people of the United States.

In like manner the Bureau of Animal Industry has reduced the ravages of blackleg in cattle, glanders, and various other animal diseases.

In the fiscal year 1917 the Bureau of Animal Industry expended $160,000 for labels to mark meats after they had been inspected and passed. No other satisfactory means of marking inspected meat was known except poisonous substances be used. When the meat-inspection service was extended under the act of June 30, 1906, it was found that the labels for marking meat would cost approximately $500,000 per annum. In 1907 Dorset discovered a harmless ink, which, when used with a metal stamp and pad, gave equally good results as the labels, and the maximum cost was not over $3,000 per annum.

The fact was developed by the Zoological Division of the bureau that trichinæ in pork, which cause a serious and commonly fatal disease of human beings, can be destroyed by retrigerating the pork for 20 days at a temperature of 5° F. The exact degree of heat required to kill trichinæ in cooking pork was also determined, and methods for curing meat have been established that will destroy the vitality of the trichinæ in pork. These are matters that are of considerable importance from a public-health point of view.

The research work of the experiment station of the Bureau of Animal Industry established some important facts in connection with tuberculosis. For instance, that public health must be protected against products obtained from tuberculous animals, and that the products most commonly infected are milk, cream, butter, and cream cheese. It was further shown that such products can be made harmless by sterilization; that tubercle bacilli do not occur in the circulating blood of tuberculous animals unless in advanced stages of the disease, which proved that the meat-inspection regulations regarding the disposition of tuberculous animals are sound and reasonable; that the most common mode by which tuberculous animals disseminate tubercle bacilli is via their bowels with their feces; that apparently healthy tuberculous cows may for this reason be exceedingly dangerous; that the tubercle bacilli expelled via the bowels are derived from open tuberculous lesions in the lungs, throat, or intestine, and that they do not reach the bowels via the blood or lymph stream; that the infected feces of cattle is one of the most common causes of tuberculosis of hogs; that tuberculosis among hogs is almost invariably due to infection derived from cattle, and therefore the disease could be eliminated from hogs if they were protected against tubercle bacilli which have their origin in tuberculous cattle; that the dangers associated with the practice of bovo-vaccination against tuberculosis are so great that this mode of treatment is not considered safe and practically has been abandoned. The knowledge thus acquired concerning tuberculosis is proving of great economic advantage in the efforts being made to control this disease, which produces a loss to the country estimated at $25,000,000 annually.

Like research has been conducted in regard to contagious abortion with highly satisfactory results and a rich promise of still greater developments in the near future.

The department's activities in regard to cottage cheese were also criticized. The Dairy Division of the Bureau of Animal Industry has developed new and valuable methods for making cottage cheese, cream cheese, and Neufchatel cheese under both farm and factory conditions, which insure a uniform product of high quality. It has been shown that, contrary to the belief of Neufchatel and cream cheese manufacturers, a perfectly satisfactory cheese can be made from pasteurized milk. The bureau has worked out the biological and chemical factors concerned in the ripening of Camembert cheese and the methods of control of the manufacturing and curing conditions necessary for proper ripening. By the use of these methods Camembert cheese equal to the imported product is being made in this country.

BUREAU OF PLANT INDUSTRY.

As a result of research and investigation by the Bureau of Plant Industry, Crimean wheats have been widely introduced in the Great Plains and west of the Rocky Mountains, and the Durum wheat industry, now exceeding 40,000,000 bushels annually, has been established. Increased yields of oats, due to the same methods by the Bureau of Plant Industry, are safely reckoned at from $10,000,000 to $20,000,000 annually. In the dry regions of the Southwest, feterita, dwarf milo, dwarf kafir, and other grain sorghums have been increased from 2,000,000 acres in 1910 to 4,000,000 acres in 1916, with a gross increment of value of at least $20,000,000. The early introduction of the Washington navel orange, which has been the basis of the orange industry of California, is the first conspicuous plant introduction through Federal channels.

New types of upland cotton, superior in cultural characters and quality of fiber, have been discovered in weevil-infested regions of Central America, acclimated and established in cultivation in the United States. The value of the Durango cotton grown this year is over $1,000,000, but the potential value of a superior type might be placed in hundreds of millions.

Two new varieties of Egyptian cotton, adapted to irrigated agriculture in the Southwest, have been originated and are being commercially grown in Arizona. Both are in great demand among spinners, especially of automobile-tire fabrics.

The extension of the peanut industry into weevil-infested cotton regions of the South has resulted in the establishment of an industry estimated at an annual value of $20,000,000. A permanent peanut-oil industry seems almost certain to be established as a corollary to the extension of the crop in these States.

The proper housing and curing of sweet potatoes in the Southern States, due to the work of the department, has resulted in the marketing of hundreds of thousands of bushels of potatoes previously largely lost to human consumption.

The activities of the bureau in eradicating or controlling plant diseases are frequently local in character, since climatic conditions, methods of culture, and methods of handling and storage, frequently are factors of almost as great importance as the presence of the disease organism. Among the important activities of recent years may be mentioned:

It has been demonstrated that seed treatment will not prevent the occurrence of bunt or stinking smut of wheat in the Pacific Northwest until the smut organism is eliminated from the soil. Studies in the relation of temperature and moisture to germination of smut spores have shown the real value of early fall or late summer planting. A combination of seed treatment and soil management will doubtless control bunt in the Pacific Northwest. The saving that has resulted from application of methods of control of stinking smut throughout the United States amounts to approximately $55,000,000.

Practical methods of actually preventing oat smut have been improved, to the end that if generally applied by farmers a net saving of $50,000,000 would result.

Wilt-resistant varieties of cotton are grown on many thousands of farms. Twelve selected growers in South Carolina saved $12,000 in one year by planting Dixie, as compared with previous experiences with other kinds of cotton.

The breeding and distribution of varieties of cowpeas resistant to wilt and root knot has made possible the retention of this crop over large areas, where it would otherwise have been abandoned.

BUREAU OF ENTOMOLOGY.

Hundreds of millions of dollars' worth of wheat have been saved from the ravages of the Hessian fly during the past 10 years by making it possible to distribute information relative to safe dates for planting and warnings regarding impending outbreaks of this pest.

Many millions of bushels of corn have been saved from destruction by the chinch bug during the same period by simple trapping methods perfected as a result of the investigations of this bureau.

Remedies have been developed for the control of the Mediterranean flour moth, the general adoption of which has reduced this insect to a pest of minor importance. Formerly it was the chief source of loss in mills and elevators. The reports of this department have been republished in all mill and grain papers of the United States.

Control measures developed by this bureau for the onion thrips have, on the authority of Hon. Henry A. Barnhart, in a statement before the House Agricultural Committee, saved the farmers of his district in one year more than $1,000,000.

The gipsy and brown-tail moths have been confined to portions of New England, and all outbreaks outside of this area have been completely cleaned up. Within the area effective control has been maintained by direct methods—spraying, banding, etc., and by the introduction from Europe and Asia of large numbers of parasites which have been freed and distributed throughout the infested district by hundreds of thousands.

The fumigation method of protecting citrus trees in California from scale and other insects has been standardized, with a great increase in the efficiency of the method; and in Florida the white fly and the various scale enemies of citrus trees are being controlled by efficient sprays, devised as a result of careful experimentation of this bureau.

In beekeeping the causes of three important bee diseases have been discovered, and effective methods of prevention have been worked out and are now being generally adopted by beekeepers. Practical methods of wintering have also been devised which have resulted not only in reducing the loss of bees in the winter, but in increasing the honey crop from such colonies the following year.

The Bureau of Entomology has just succeeded, after many years of constant study and observation, in evolving a plan of control of the cotton-boll weevil, which has cost the United States untold millions during the last 15 or 20 years.

I have mentioned only the outstanding accomplishments of the Department of Agriculture through research. It is a fair statement that there is not a farm in the United States to-day, not an orchard nor a garden nor a flock of animals—indeed, it would not be too much to say that there is not a plant or an animal of use or beauty in the United States to-day that has not in some degree, through the control of pests or diseases in the process of its breeding or in the process of its maintenance, that is not benefited by the research work of the Department of Agriculture and the agricultural colleges with which the department is associated. The economies effected, the losses saved, and the production increased by the activities of any one of the bureaus I have named will every year more than pay the entire cost of maintaining the Department of Agriculture.

Very truly, yours,

CLARENCE OUSLEY,
Assistant Secretary.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Wyoming [Mr. WARREN].

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the amendment of the committee, on page 9, in line 20, to strike out the words "control of noxious rodents, $100,000."

The amendment was rejected.

Mr. SHEPPARD. I ask unanimus consent that the unfinished business be temporarily laid aside to permit the consideration of the conference report on the new draft bill.

The PRESIDING OFFICER. The Senator from Texas asks unanimous consent that the unfinished business be laid aside. Is there objection? The Chair hears none.

CHANGES OF DRAFT AGE—CONFERENCE REPORT.

Mr. CHAMBERLAIN. In view of the deep interest that is taken in the conference report, before submitting it I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Oregon suggests the absence of a quorum, and the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hale	Nelson	Sterling
Bankhead	Henderson	New	Sutherland
Benet	Hitchcock	Norris	Swanson
Borah	Johnson, Cal.	Nugent	Thomas
Brandegee	Jones, N. Mex.	Overman	Trammell
Chamberlain	Jones, Wash.	Ransdell	Underwood
Colt	Kellogg	Saulsbury	Vardaman
Culberson	Kendrick	Shafroth	Wadsworth
Curtis	Kenyon	Sheppard	Walsh
Dillingham	Kirby	Shields	Warren
Fall	Lenroot	Simmons	Wilfley
Fernald	Lodge	Smith, Ariz.	Wolcott
Fletcher	McCumber	Smith, Ga.	
France	McKellar	Smith, Md.	
Gore	McNary	Smoot	

Mr. McKELLAR. I wish to announce that the Senator from Arkansas [Mr. ROBINSON] and the Senator from Rhode Island [Mr. GERRY] are detained on official business.

The PRESIDING OFFICER. Fifty-seven Senators having answered to their names there is a quorum present.

Mr. CHAMBERLAIN. I present to the Senate and ask for the immediate consideration of the conference report on House bill 12731.

The PRESIDING OFFICER. The report will be read.

The Secretary read the report as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed by the Senate insert the following:

"That the second sentence of section 2 of the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917, as amended, be, and is hereby, amended to read as follows:

"Such draft as herein provided shall be based upon liability to military service of all male citizens and male persons residing in the United States, not alien enemies, who have declared their intention to become citizens, between the ages of 18 and 45, both inclusive, and shall take place and be maintained under such regulations as the President may prescribe not inconsistent with the terms of this act: *Provided*, That the President may draft such persons liable to military service in such sequence of ages and at such time or times as he may prescribe: *Provided further*, That a citizen or subject of a country neutral in the present war who has declared his intention to become a citizen of the United States shall be relieved from liability to military service upon his making a declaration, in accordance with such regulations as the President may prescribe, withdrawing his intention to become a citizen of the United States, which shall operate and be held to cancel his declaration of intention to become an American citizen, and he shall forever be debarred from becoming a citizen of the United States.

"SEC. 2. That the provision wherever occurring in section 4 of said act, 'persons engaged in industries, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency,' be, and is hereby, amended to read as follows:

"Persons engaged in industries, occupations, or employments, including agriculture, found to be necessary to the maintenance of the Military Establishment or the effective operation of the military forces or the maintenance of national interest during the emergency.

"SEC. 3. That section 5 of said act be, and is hereby, amended to read as follows:

"That all male persons between the ages of 18 and 45, both inclusive, shall be subject to registration in accordance with regulations to be prescribed by the President, and, upon proclamation by the President or other public notice given by him or by his direction stating the time or times and place or places of any such registration, it shall be the duty of all persons of the designated ages, except officers and enlisted men of the Regular Army; officers and enlisted men of the National Guard while in the service of the United States; officers of the Officers' Reserve Corps and enlisted men in the Enlisted Reserve Corps while in the service of the United States; officers and enlisted men of the Navy and Marine Corps; officers and enlisted and enrolled men of the Naval Reserve Force and Marine Corps Reserve while in the service of the United States; officers commissioned in the Army of the United States under the provisions of this act; persons who, prior to any day set for registration by the President hereunder, have registered under the terms of this act or under the terms of the resolution entitled 'Joint resolution providing for the registration for military service of all male persons citizens of the United States and all male persons residing in the United States who have, since the 5th day of June, 1917, and on or before the day set for the registration by proclamation by the President, attained the age of 21 years, in accordance with such rules and regulations as the President may prescribe under the terms

of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 20, 1918, whether called for service or not, and diplomatic representatives, technical attachés of foreign embassies and legations, consuls general, consuls, vice consuls, and consular agents of foreign countries, residing in the United States, who are not citizens of the United States to present themselves for and submit to registration under the provisions of this act; and every such person shall be deemed to have notice of the requirements of this act upon the publication of any such proclamation or any such other public notice as aforesaid given by the President or by his direction; and any person who shall willfully fail or refuse to present himself for registration or to submit thereto as herein provided shall be guilty of a misdemeanor and shall, upon conviction in a district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year and shall thereupon be duly registered: *Provided*, That in the call of the docket precedence shall be given, in courts trying the same, to the trial of criminal proceedings under this act: *Provided further*, That persons shall be subject to registration as herein provided who shall have attained their eighteenth birthday and who shall not have attained their forty-sixth birthday on or before the day set for the registration in any such proclamation by the President or any such other public notice given by him or by his discretion, and all persons so registered shall be and remain subject to draft into the forces hereby authorized unless exempted or excused therefrom as in this act provided: *Provided further*, That the President may at such intervals as he may desire from time to time require all male persons who have attained the age of 18 years since the last preceding date of registration and on or before the next date set for registration by proclamation by the President, except such persons as are exempt from registration hereunder, to register in the same manner and subject to the same requirements and liabilities as those previously registered under the terms hereof: *And provided further*, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein, such registration may be made by mail under regulations to be prescribed by the President: *And provided further*, That men registered under the provisions of this act who have served in the Navy of the United States shall, upon their own application, be permitted to reenlist in the naval or marine service of the United States with and by the approval of the Secretary of the Navy.

"SEC. 4. That all men rendered available for induction into the military service of the United States through registration or draft heretofore or hereafter made pursuant to law, shall be liable to service in the Army or the Navy or the Marine Corps, and shall be allotted to the Army, the Navy, and the Marine Corps under regulations to be prescribed by the President: *Provided*, That all persons drafted and allotted to the Navy or the Marine Corps in pursuance hereof shall, from the date of allotment, be subject to the laws and regulations governing the Navy and the Marine Corps, respectively.

"SEC. 5. That the wife of a soldier or sailor serving in the present war shall not be disqualified for any position or appointment under the Government because she is a married woman.

"SEC. 6. That soldiers, during the present emergency, regardless of age and existing law and regulations, shall be eligible to receive commissions in the Army of the United States. They shall likewise be eligible to admission to officers' schools under such rules and regulations as may be adopted for entrance to such schools, but shall not be barred therefrom or discriminated against on account of age.

"SEC. 7. That the Secretary of War is authorized to assign to educational institutions, for special and technical training, soldiers who enter the military service under the provisions of this act in such numbers and under such regulations as he may prescribe; and is authorized to contract with such educational institutions for the subsistence, quarters, and military and academic instruction of such soldiers.

"SEC. 8. That any person, under the age of 21, who has served or shall hereafter serve in the Army of the United States during the present emergency, shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws: *Provided*, That any requirements as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service: *Provided further*, That applications for entry may be verified before any officer in the United States, or any foreign country, authorized to administer oaths by the laws of the State or Territory in which the land may be situated.

"SEC. 9. That hereafter, uniforms, accouterments, and equipment shall, upon the request of any officer of the Army or cadet at the Military Academy, be furnished by the Government at cost, subject to such restrictions and regulations as the Secretary of War may prescribe."

G. E. CHAMBERLAIN,
G. M. HITCHCOCK,
F. E. WARREN,
Managers on the part of the Senate.

S. H. DENT, Jr.,
W. J. FIELDS,
JULIUS KAHN,
Managers on the part of the House.

Mr. CHAMBERLAIN. Mr. President, I assume that the conference report is now before the Senate.

The PRESIDING OFFICER. As the Chair understands, the Senator from Oregon moves that the Senate proceed to the consideration of the conference report.

Mr. CHAMBERLAIN. I make that motion.

The PRESIDING OFFICER. The question is, Shall the Senate proceed to the consideration of the report?

Mr. NORRIS. Mr. President, it seems to me the Senator from Oregon ought not to make that motion, but that such action should be taken by unanimous consent, as we are acting under a unanimous-consent agreement.

Mr. CHAMBERLAIN. I ask unanimous consent that the Senate proceed to the consideration of the conference report.

Mr. GORE. Mr. President, I ask—I do not know whether or not I can even do that—that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. That has already been done.

Mr. GORE. I was not aware of that, having been called out of the Chamber.

The PRESIDENT pro tempore. Is there objection to the request for unanimous consent made by the Senator from Oregon [Mr. CHAMBERLAIN]? There being none, the conference report is before the Senate.

Mr. CHAMBERLAIN. Mr. President, I desire to make a very brief statement in reference to the conference report in order that the Senate may know just what the conferees have done in the matter. If Senators have before them the House bill as it was reported out of the Committee on Military Affairs originally, I can tell them from that just what changes were made by the conferees in the bill.

The first provision of the bill as reported by the Senate committee has been adopted by the conferees without change.

Section 2 of the bill as reported by the committee has been adopted by the conferees, except that what is known as the "work-or-fight" proviso and the proviso which is known as the Penrose amendment were entirely stricken from the section.

Mr. SHAFROTH. Mr. President, will the Senator from Oregon explain what the Penrose amendment was? I have forgotten it.

Mr. CHAMBERLAIN. The Penrose amendment provided—

That the local boards shall determine in the first instance from the answers in the questionnaire of each registrant whether or not any person is entitled to deferment or exemption without requiring registrants to claim such deferred classification or such exemption.

Section 3 of the bill as reported by the Senate committee, which authorized the transfer of members of a local board in one State to another board in the same State, was stricken out. The House and the Senate conferees were at cross-purposes with reference to that provision, and also with reference to the provision in the House bill for the appointment of inspectors to inspect, practically with authority to suggest changes of, the findings of the local boards, so both provisions were stricken from the bill.

Section 4 of the bill as reported, and which is known as the 18 to 45 draft provision, was taken by the conferees in full as it was adopted by the House of Representatives and by the Senate.

Section 5 of the bill as reported by the Senate committee was adopted in full.

Section 6 as reported to the Senate, the provision having reference to the wife of a soldier or sailor serving in the present war not being disqualified for any appointment or position under the Government because she is a married woman, was slightly modified by the conferees, although the sense of it is exactly the same. Senators will see the slight change which was made, though the effect of it is not changed.

Section 7 of the bill as reported by the Senate committee was slightly changed, but without changing its effect.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Connecticut?

Mr. CHAMBERLAIN. I yield.

Mr. BRANDEGEE. The section to which the Senator refers originally provided that sailors, as well as soldiers, should have the chance to get commissions, and I see that the conference report has eliminated the sailor part of it. Why was that done?

Mr. CHAMBERLAIN. We were assured, Mr. President, by the House conferees that any attempt on the part of the Military Committee of either body to interfere with men in the Navy was resented by the House Committee on Naval Affairs; that if the Naval Committee desired to make any change themselves, in order to follow the provisions of this act, they could do it in a subsequent act. That was the only reason for the elimination of that language.

Mr. BRANDEGEE. There are other provisions in the bill in reference to the Army and Navy and the Marine Corps. Of course, I accept what the Senator from Oregon says as the fact, but it seems to me that to discriminate against the sailors and to relegate the matter to a subsequent bill to be brought in by the Committee on Military Affairs is very unfortunate.

Mr. CHAMBERLAIN. We thought it unfortunate, but the Members of the House of Representatives were very insistent about that. Without mentioning any names of the Members of the Naval Committee of the House, we thought it was wise, in view of the necessity of getting this bill through as soon as we could, to comply with the wishes of the House in that respect.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Colorado?

Mr. CHAMBERLAIN. I do.

Mr. THOMAS. Before the Senator proceeds with the next provision, may I ask him to give the reasons which induced the Senate Members of the conference to yield to the House demands on the so-called "work or fight" provision?

Mr. CHAMBERLAIN. I have no objection to outlining to the Senator from Colorado the views of the conferees, but I understand——

Mr. THOMAS. Assuming, of course, that the Senator is at liberty to speak in reference to the matter.

Mr. CHAMBERLAIN. Of course, I have nothing to conceal from the Senate nor from the country with reference to that, but, Mr. President, I should like first to finish this short statement, and then I will answer the Senator's question.

Mr. THOMAS. That is perfectly agreeable to me.

Mr. CHAMBERLAIN. Mr. President, section 7 of the bill as reported by the Senate committee, as I stated a while ago, providing that soldiers, "regardless of age, when they are accepted as volunteers or when they shall have been drafted shall be eligible to receive commissions," and so forth, was in substance, adopted by the conferees, though in a slightly different form. We thought we clarified the situation by using language which Senators will find in the conference report. It shortens the provisions somewhat but does not change the effect of it. The Senate provision, however, in the main was adopted.

Section 8 of the bill as reported to the Senate was disagreed to by the conferees. That is the section which is known as the school section. In place of that provision we adopted the House section, which provides for the special and technical training of young men in the Army at this time, instead of looking to the future, and providing for their tuition when they return from the war.

Section 9 of the bill as reported to the Senate was adopted, but slightly changed. It will be remembered that the Senator from New Mexico [Mr. FALL] offered his amendment, which is known as the Fall amendment, as an addition to another section. Later his amendment was put in as a separate section at his suggestion or at the suggestion of some other Senator. In order to clarify it a little, we adopted the following language:

SEC. 8. That any person, under the age of 21, who has served or shall hereafter serve in the Army of the United States during the present emergency, shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws.

Mr. FALL. If the Senator from Oregon will permit me, the only difference is that having been intended to be attached to another section, the first words in the amendment as originally drawn, "That any such person," have been changed so as to make it fit as at present placed in the bill.

Mr. CHAMBERLAIN. That was the only purpose of the change.

Now, I want to say in reference to that section, Mr. President, that it will be noticed by examining the CONGRESSIONAL RECORD of yesterday that the question was raised by some Members of the House as to whether or not the provision as adopted by the Senate would not open the door to a misappropriation of public lands or possibly of imposition on boys under 21 who went into the service. That, of course, as all Senators know, was furthest from the intention of the Senator from New Mexico or of any of the Senators who were in favor of the adoption of the amendment; but in view of the fact that the question has been raised, after consultation with the Senator from New Mexico and with the Senator from Montana [Mr. WALSH], we have framed a joint resolution, which I am going to present to the Senate a little later, which will be reported out favorably by a majority of the Public Lands Committee of the Senate, and which I shall ask the Senate to pass immediately after the adoption of the conference report, so as to remove any question about the matter.

The Senator from New Mexico was glad to do that, and all of us want to arrange it so that there will be no question as to what this section means. In due course I will read the joint resolution, or will ask the Secretary to read it, and present the report of the Committee on Public Lands in connection with it; and, as I have said, I am going to ask, as soon as the conference report is adopted, that the resolution may be adopted, so that it may be construed in connection with the law itself.

Section 10 in the bill as passed by the Senate had reference to officers' uniforms, being the amendment known as the Jones amendment, or possibly the Smith amendment, in this bill, but it is an amendment which the Senator from Washington [Mr. JONES] has heretofore introduced and which has passed the Senate a number of times. While it was changed somewhat in phraseology, the purpose and effect of the amendment as adopted by the conferees is the same.

I will say further that there were a number of provisions in the House bill, which the House was quite insistent upon having put into this bill, which we declined to have go in. Amongst others was section 2 of the House bill, providing for the drafting of cobelligerent aliens. That provision was inserted upon the floor of the House, but it was strenuously objected to by the State Department and by the War Department as well, and after discussion between the representatives of those departments and the conferees that section was stricken from the bill.

I believe, Mr. President, that I have stated, or attempted to state, the changes which were made in the measure. The substantial matters which were left out of the bill as agreed upon by the conferees were the provisions known as the "work-or-fight" amendment—the Thomas amendment, with the Cummins amendment attached—the so-called Penrose amendment, and an amendment providing for a badge of some kind to be worn by those engaged in essential industries. Those three provisions were practically the only things which were left out of the Senate bill.

The Senator from Colorado [Mr. THOMAS] asked me a while ago to state why the "work-or-fight" provision was left out of the bill. After discussions in conference—and they followed the line of similar discussions which we had in the Senate upon the same proposition—the conferees, in view of the attitude of the House of Representatives upon this provision and in view of the attitude of the conferees upon the part of the House, concluded that the things which were sought to be accomplished by the Thomas amendment—the "work-or-fight" provision—can be accomplished now by the President under the original draft act. The Senate knows I favored the "work-or-fight" provision, and I have so stated publicly and to those who represent the labor organizations, but after reading again the provision of the original draft act, which provides, in substance, that when the cause for the exemption ceases the exemption itself shall cease, and the regulations that have been adopted under that provision of the existing law, I believe the Executive authority has the power now to do just exactly what the Thomas amendment proposes to do; in other words, the amendment proposed by the Senator from Colorado would not confer any further or greater power than the Executive, the Commander in Chief of the Army and Navy, has at this time. That was the reason the conferees struck it out. The House had voted 2 to 1 against the adoption of the provision.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from North Dakota?

Mr. CHAMBERLAIN. I yield.

Mr. McCUMBER. Did not the Thomas amendment require that this be done, while under the present law is it not merely discretionary as to whether it shall be done?

Mr. CHAMBERLAIN. I think it is discretionary under the so-called Thomas amendment, for the President is authorized to adopt rules and regulations for carrying out the provisions of that amendment.

Mr. McCUMBER. Yes; but he can not adopt rules and regulations for not carrying it out; the only rules and regulations which he could adopt would be rules and regulations to carry out affirmative legislation on the part of Congress.

Mr. CHAMBERLAIN. Well, possibly the Senator's construction of it is right, but my own construction, after having favored the amendment and having voted for it, and after having read again the provision in the law as it stands to-day, and the regulations covering the subject, was that the amendment did not give any greater power than the President now has; in other words, under the present law the President can do what the Thomas amendment proposed if he sees fit to do so, whereas, even if the Thomas amendment were adopted and he did not see fit to take the course outlined, he could adopt regulations which would prevent enforcement of the amendment. I may be wrong in my construction of it, but that is my view.

Now, with reference to the Penrose amendment. Senators are familiar with the questionnaire. We were assured by Col. Warren, of the Judge Advocate General's department, who has had more to do, I believe, with the draft act than anybody connected with the department, with the possible exception of Gen. Crowder, that the adoption of the Penrose amendment would lead to the changes which are indicated in the questionnaire which I hold in my hand [exhibiting], a large number of which have already been printed, packed, and started to their destination. It would have required the reprinting of this questionnaire—Senators can see the changes indicated in blue pencil—and it would have cost several hundred thousand dollars, as we were informed, because to get these questionnaires before the people takes over 17,000,000 pieces of literature, much of which has already been printed.

Furthermore, the Provost Marshal General advised us that the question of exemption under present regulations has become a settled policy in every little community in the country that the people thoroughly understand; they have been educated up to it and know just exactly what the questionnaire means and what they are expected to answer with reference to it. To adopt a different policy now, he assured us, would require the reeducation of people upon a subject that they were already advised about and seemed to be satisfied with.

In addition to that, under the rules and regulations of the Provost Marshal General's office, the cases of those who register and those who do not register, and even those who do not answer the questionnaire and those who do not claim exemption, are treated by the local boards just as though they had acted in the premises and answered all of the questions.

The War Department is going even further with reference to that. The Provost Marshal General assured us that it is the purpose of the department to furnish each district board with three advisers. They can only be advisers, and they have no power to do more than advise, but in the registration of thirteen, fourteen, or fifteen million men under the present draft the district boards will need advice and will probably need assistance. It is proposed to furnish to each district board three advisers, one recommended by the Department of Labor, one recommended by the Department of Agriculture, and the third appointed by the district board itself. It will be the function of these men to assist the district board in making the classifications. For instance, it will be assumed that the representative of the Department of Labor will know what the essential industries require in the way of exemption of men. In other communities which are distinctly agricultural the representative of the Agricultural Department will be presumed to know what the conditions are as to labor in the agricultural sections, and the third man will know locally the attitude of the public mind and conditions generally.

Mr. SMITH of Michigan. Mr. President, I should like to ask the Senator if the service that these advisers are to render is to be purely advisory?

Mr. CHAMBERLAIN. It is to be purely advisory.

Mr. SMITH of Michigan. And they will have no authority in law?

Mr. CHAMBERLAIN. Absolutely none.

Mr. SMITH of Michigan. They will come entirely through the presidential regulation?

Mr. CHAMBERLAIN. They will act on the application and request of the district board. If the district board does not want them, they can not act.

Mr. SMITH of Michigan. The Senator recalls that we had rather an animated debate on the question of shifting the board members from one community to another. Does that provision remain in the bill?

Mr. CHAMBERLAIN. No; that provision has been stricken out.

Mr. SMITH of Michigan. And these men will act in a purely advisory capacity?

Mr. CHAMBERLAIN. That is all. Let me say to the Senator that the regulation has not been finally adopted; it has been prepared by the Provost Marshal General and was read to the members of the committee, but it is yet to meet the approval of the Secretary of War. It was thought by the Provost Marshal General that it would be approved yesterday. In any event, I will undertake to find out whether it has been approved, and will be glad to submit it as a part of the record.

Mr. WARREN. Mr. President, will the Senator also state the fact that the advisers to whom he has referred are to have access to all the papers of the local boards and are to cooperate with them equally with the district board?

Mr. CHAMBERLAIN. Yes, sir.

Mr. SMITH of Michigan. But the functions of the local board remain unimpaired?

Mr. CHAMBERLAIN. Absolutely.

Mr. McCUMBER. Mr. President, from where is this expert agent to be selected?

Mr. CHAMBERLAIN. I do not recall that there is anything in the regulations that provides as to that.

Mr. McCUMBER. Well, is it understood that he is to be called from the same district in which the local board operates?

Mr. CHAMBERLAIN. As I have said, the regulation was read to us hastily, and I did not analyze it carefully. I do not recall that it fixed where his habitat should be.

Mr. McCUMBER. Well, will the Senator inform the Senate how many districts there are and how much of an army it would require to fulfill this requirement?

Mr. CHAMBERLAIN. My recollection is about 165.

Mr. McCUMBER. One hundred and sixty-five districts?

Mr. CHAMBERLAIN. Something like that; yes, sir.

Mr. McCUMBER. It simply means, then, that the Secretary of Agriculture and the Secretary of Labor will select 165 men who will be regarded as experts and send them to the 165 districts without reference to where they hail from?

Mr. CHAMBERLAIN. I think so; only the Senator has not the number quite large enough. It would be twice 165, if I have the number of districts in my mind correctly.

Mr. McCUMBER. I thought the Senator said 165 districts.

Mr. CHAMBERLAIN. Yes. The Department of Labor selects one and the Department of Agriculture another. So the Senator would have to multiply the 165 by 2. Then, there is one man who is to be locally selected by the district boards themselves.

Mr. McCUMBER. So that the total number would be three times 165?

Mr. CHAMBERLAIN. Three times that; yes, sir.

Mr. President, I will endeavor to get from the Provost Marshal General that regulation if it has been finally adopted, but I have stated the substance of it as I recall it.

There was one other amendment which was proposed by the Senator from Maryland [Mr. FRANCE] with reference to supplying those engaged in essential industries who were within the draft age with some sort of distinguishing badge. That amendment the committee did not think necessary at this time. I may say that one of the conferees stated that that had been attempted locally in one State and it had been found not to work well; that the badge was subject to transfer from one to another, and it was used for purposes not intended. I suppose that a penalty might be attached to the use of it by anyone other than the person who is entitled to it; but in any event, in view of the emergency, the conferees thought it just as well to leave it out.

I think I have stated, as far as I can recall them, the changes that were made in the bill.

In order that the Senate may be advised about it, I report and ask the Secretary to read the joint resolution to which reference has been made. I will present the report contemporaneously with the bill itself for the information of the Senate and ask the Secretary to read it.

The PRESIDING OFFICER. The Secretary will read the joint resolution.

The joint resolution (S. J. Res. 169) regulating the operation of section 8 of the act entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917," was read the first time by its title and the second time at length, as follows:

Resolved, etc., That no relinquishment of any public-land entry made under and by authority of section 8 of the act passed at the second session of the Sixty-fifth Congress entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917," shall be valid or effective for any purpose unless executed after the entryman shall have resided upon and cultivated the land, in the case of a homestead entry for at least six months, and in the case of an entry made under other than the homestead laws after the entryman shall have complied with the provisions of the applicable law for at least one year.

Any person, firm, or corporation soliciting or dealing with the relinquishment of such claim or entry prior to the completion of one year's compliance with the applicable law and with this resolution, and who or which solicits, demands, or receives or accepts any fee or compensation for locating, filing, or securing any claim or entry for any person entitled to the benefits of said section shall, upon conviction, be fined not to exceed $1,000 or imprisonment for not exceeding two years, or both.

Mr. CHAMBERLAIN. I make this report from the Committee on Public Lands at this time merely for the information of the Senate and not for its consideration. I shall ask the Senate to consider the joint resolution immediately after the adoption of the conference report.

Mr. JONES of New Mexico. Mr. President, I had that joint resolution presented to me just a few minutes ago, with the request that I sign the approval of it as a member of the Committee on Public Lands. I must confess that what action should be taken on this joint resolution is decidedly uncertain as far as my mind is concerned. I recognize the mischief which is sought to be reached by the joint resolution, but I am fearful that the consequences of the remedy proposed far outweigh the mischief sought to be remedied.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator for just a moment? Did the Senator want to discuss the joint resolution? If so, I should like to have the report adopted, and then the joint resolution can be discussed afterwards.

Mr. JONES of New Mexico. I want to discuss it now, because, as the Senator from Oregon says, it is directly related to the bill which is now before us in this conference report.

The provision in the conference report is that those brought within the draft under 21 years of age may make public-land entries to the same extent as if they were 21 years of age, and they are entitled to six months after their return from the war in which to make actual entry upon the land. That is the privilege granted.

I am satisfied that when the amendment to the bill was originally presented here none of us thought that it was conferring any privilege which was not already conferred upon one who was 21 years of age; or, in other words, we supposed we were giving to those between 18 and 21 the same privileges with reference to the public lands as those above 21, and the purpose of it was decidedly commendable. There can be no question about that. The motive behind this thing is highly commendable. It now occurs to somebody—I believe the suggestion has come from the General Land Office—that unless there be some restrictions upon relinquishments these boys will be induced to make entries upon public lands, and there will be great speculation in their relinquishments while they are members of the Army. I must confess that that is a situation which may be productive of very great injury in some sections of the West, and probably it ought to be met somehow; but the question in my mind is whether or not the proposed remedy is the correct one.

This joint resolution absolutely prevents one of these boys from ever making a relinquishment until after he shall have resided upon the land for a period of six months, in case residence is required; and, with respect to those cases where no residence is required, it defers the time when a relinquishment may become valid until six months after he has complied with the law in reference to it. What does that mean? It means that everyone of these boys who makes an entry upon the public domain has a right while he is in the Army and for six months thereafter to keep that land in reserve, with no power under any circumstances to relinquish it.

What will probably be the effect of that? Take the cattleman upon the public domain who owns his ranches here and there—a familiar situation in the western country. He wants to tie up that range. How easy it is for him to do it. He can go to these boys, 18, 19, 20 years of age, and tell them to make this entry. It is not necessary for them to make it for the benefit of the cattleman, but the boy makes it for his own benefit, with the result that all the time he is in the war that land is tied up, and might just as well be in the ownership of the cattleman, and settlement and progress in all such communities are absolutely stopped.

Do you want that sort of a situation? I think these boys ought to have all the rights and privileges of a man 21 years of age. I think they have them without this joint resolution; and I would rather leave the situation as it is under the Fall amendment than to have coupled with it this joint resolution. I would rather take my chances upon speculation in relinquishments than the other kind of speculation, and a worse speculation, to enable a few men to monopolize the public domain and absolutely prevent progress during the war.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Nebraska?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. NORRIS. I want to call the Senator's attention to another provision of the amendment. It provides, as I remember, that in the case of a homestead the soldier can not be allowed to relinquish it until after he has resided on the land six months. Suppose the soldier completes his service in the Army but never goes on the land. Would it not tie it up forever?

Mr. JONES of New Mexico. I was going to suggest that further difficulty with the joint resolution. Under this joint resolution there is no way by which a soldier of his own volition can release this land to the public.

Mr. NORRIS. Unless he resides on it six months.

Mr. JONES of New Mexico. Unless he resides on it six months and then executes a relinquishment.

Mr. NORRIS. Yes; but if he did not reside on it six months, if he never resided on it, it would be shut out from entry forever, would it not?

Mr. JONES of New Mexico. Until the Land Office itself should enter a contest and thus free it. The result of it would be a large number of special agents looking over the country at the expense of the Government to find out the cases where the soldier did not return or did not make his settlement or other improvements.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. JONES of New Mexico. I do.

Mr. WALSH. I rose to say, with the permission of the Senator from New Mexico, that it would not be tied up forever.

Mr. NORRIS. I agree with the Senator. I have had my attention called to the provision. It would be subject to contest.

Mr. WALSH. After six months.

Mr. NORRIS. After six months—after the other six months had expired.

Mr. WALSH. Six months after the soldier was mustered out?

Mr. NORRIS. Yes.

Mr. WALSH. If he did not take up his residence upon the land it would be subject to contest by the first outsider who came along.

Mr. NORRIS. I think that is right.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Wisconsin?

Mr. JONES of New Mexico. I do.

Mr. LENROOT. The Senator has spoken of the possibility of tying up land under the proposed joint resolution. I want to ask the Senator whether under the Fall amendment as contained in the conference report exactly the same situation does not occur, and whether every acre of land in the West may not be tied up by applications for entry that must remain until the conclusion of the war?

Mr. JONES of New Mexico. Mr. President, the Senator is undoubtedly right about that. Without this joint resolution the soldier has the right to relinquish at any time, and thus free the land; but with this joint resolution, under the law itself, there is absolutely no relief from that entry.

Mr. LENROOT. Then I want to ask the Senator this question: If the last proviso in the Fall amendment were omitted by joint resolution, this conference report not being amended, would not that solve the entire difficulty, giving these young men from 18 to 21 the same rights and no greater rights than those who are older?

Mr. JONES of New Mexico. Mr. President, I really feel, as I said in the beginning, that the purpose of all this is a decidedly commendable one, but we have got to do something with respect to those entering the Army who are more than 21 years of age and who have made entries upon the public domain.

Mr. LENROOT. We already have taken care of those by existing law.

Mr. JONES of New Mexico. I must confess that I am not familiar with the law to which the Senator refers.

Mr. LENROOT. We already have legislation that fully takes care of that situation, but the difficulty is that the existing law does not permit a man over the age of 21 to make entry outside of the district in which the land is located. The Fall amendment does not permit that.

Mr. JONES of New Mexico. I was rather under the impression that we would necessarily make some liberal provision with regard to those over 21 years of age who have entered the Army, but if the Senators feel that sufficiently liberal provisions have already been made, then it seems to me that these boys under 21 ought not to have any greater privileges

than those who are more than 21 or just 21 at the time they make the entry. The effect of this joint resolution, however, undoubtedly is to make it possible to tie up land, and that will probably be done in many localities of the country. The land will be tied up; it will stop further settlement; it will stop progress in these communities and prevent people who want to actually go upon the land during the war and farm it from doing so.

That will be the effect of this joint resolution. Whether or not the situation should be again reviewed is a very delicate question. We have passed the bill. I was heartily in favor of the main purpose of the bill, and undoubtedly in hearty sympathy with my colleague [Mr. FALL] when he was trying to do something to protect the rights of these boys under 21 years of age; but this is the situation that is now presented. I do not see why the boys under 21 years of age should be restricted in their relinquishments when you do not restrict those above 21 years of age. I do not think there will be any more speculation in the one case than in the other. There may be a number of new entries; but, under the existing law, if you simply have in view a future relinquishment, I apprehend that the number of entries will not be nearly so great as the number you will have if this joint resolution passes, and you make it for the benefit of some cattleman to monopolize the land in his section of the country.

Mr. LENROOT and Mr. STERLING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New Mexico yield; and, if so, to whom?

Mr. JONES of New Mexico. I yield to the Senator from Wisconsin. I heard his voice first.

Mr. LENROOT. I should like to call the attention of the Senator to the distinction. Over 21 years of age the men now in the military service can not make their applications to enter at all unless they happen to be home on a furlough in the district in which the land is situated. Under the provisions of the Fall amendment such a man may make an application anywhere in the United States or in France, wherever he may find an officer authorized by the law of the State to administer oaths. Therefore it does open the door to possible speculation of men between 18 and 21 years of age, because they may make applications outside of the district, whereas, as a matter of fact, there will be very few applications to enter upon the part of men in the military service, because they are not and can not be within the district in which the land is situated.

Mr. JONES of New Mexico. I must confess that, upon reflection, I believe very grave objection may be urged to that provision in the bill as it passed the Senate permitting these entries to be made outside of the district where the land is located.

Mr. STERLING. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from South Dakota.

Mr. STERLING. From the Senator's discussion I infer that he is of the opinion that the joint resolution applies to those under 21 years of age. Does the Senator from New Mexico so construe the joint resolution?

Mr. JONES of New Mexico. I understood that it did.

Mr. STERLING. Does it not apply to any entryman, whether he is 21 years of age or under 21 years of age? I take the joint resolution in its general terms. It is not limited in its terms to persons under 21 years of age at all, but it applies to the relinquishment by any entryman prior to six months after his entry and forbids the relinquishment until after compliance with the lawful period of six months.

Mr. JONES of New Mexico. Mr. President, as I stated in the beginning, this joint resolution was only presented to me just a few minutes ago, and I have not had an opportunity to study its provisions; but it was presented here in connection with this conference report, and it was stated by the chairman of the committee that the purpose of it was to take care of those who were permitted to make land entries under this proposed law. If it goes further and prevents those above 21 years of age from making relinquishments, it seems to me it becomes almost vicious. I do not accuse anyone of having a vicious intent, but in my judgment its operation would be so far-reaching as to make it even more unwise than if it were limited to those under 21 years of age.

I do not know just what to suggest in this condition. This conference report ought to be adopted, I think, without any doubt; but this does raise a complication here with reference to these lands which may be very serious indeed.

Mr. STERLING. Mr. President, I just want to make a correction.

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from South Dakota?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. STERLING. I think I was in error in suggesting that the joint resolution applies to entrymen generally. The first part of the joint resolution, as I now read it, relates to this act and to the section under which persons under 21 years of age are permitted to make entry, and therefore I think it can only apply to them.

Mr. JONES of New Mexico. That was my understanding, Mr. President. I am at a loss to know just what action the Senate should take under the circumstances. Here is this very great mischief which it seems to me is bound to follow this legislation.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. JONES of New Mexico. I yield to the Senator from Montana.

Mr. WALSH. Let me suggest to the Senator from New Mexico that the situation is one that is embarrassing any way you look at it. In the first place, it seems to me it would be most unjust to these young men who are just about to become 21 years of age, so that they would be able to avail themselves of the provisions of the homestead law, to take them away and send them out of the country so that they can not avail themselves of its provisions, and let the men who stay at home absorb the lands during their absence. It was that situation of affairs that the amendment undertook to take care of. I had a very interesting letter from a farmer in my State who wrote me: "I have a son coming 21 years of age. He wants to make a homestead entry as soon as he reaches his twenty-first birthday. He is in the draft, however, and is liable to be called away at any time. Can not some provision be made so that he can make an entry before he goes away?"

That was the situation that we undertook to take care of, but anybody must recognize that the amendment as it was adopted is fraught with very great danger. I can readily understand that the land sharks will get busy at once to get these boys to make entries and to take over relinquishments, which they will peddle around the country. But the Senator from New Mexico is correct in saying that with the provision that they shall not relinquish until after they have resided upon the land six months the land will in a way be tied up. I suggest to the Senator from New Mexico, however, that we can take care of that, can we not, by subsequent legislation amending and safeguarding this joint resolution, which ought to go into effect at once?

No harm at all can be done if the corrective measure is delayed even a matter of six months; and ample time will be afforded to amend the joint resolution in any particular so as to give some liberality, if that seems advisable, in the matter of the execution of relinquishments, before the time prescribed by the joint resolution. So, I suggest to the Senator from New Mexico, will he not consent to allow the joint resolution to go through as it stands, and then, in our own good time, when we can give the proper care and proceed with the proper deliberation and thought, let us make such an amendment as will take care of the situation?

Mr. JONES of New Mexico. Mr. President, I realize the force of what the Senator from Montana has just said. I am not satisfied, however, that that is the best thing to be done, even in this very contingency. Would it not be better to eliminate by a separate joint resolution that provision in the bill which gives the right to these soldiers, though absent from the district, to make these entries? As the Senator from Wisconsin [Mr. LENROOT] has very well said, if the entries must be made in the district where the land is, the danger of abuse is quite remote, in my opinion—that is, abuse of any widespread nature. Instead of passing this joint resolution, would it not seem better to pass another joint resolution repealing that provision of the statute, and, if we find later on that the boys in the Army want to make entries upon the public domain in good faith for their own use and benefit, and that it should be done, then let us with proper safeguards pass legislation covering the situation as it may present itself then?

Mr. THOMAS. Mr. President, I rise to a parliamentary inquiry. I have no desire to interfere with the discussion of this joint resolution in its proper place, but it is no part of the report of the conference committee. It can not be, as it was not a part of the bill. My inquiry, therefore, is whether the subject of discussion is not and must not be the conference report until it is disposed of?

The PRESIDING OFFICER. In response to the question of the Senator, the Chair will say that, of course, the joint resolution is not before the Senate; but under the rules a Senator can discuss any other subject he pleases to discuss.

Mr. JONES of New Mexico. I think it must be apparent that this subject is directly involved in this conference report. If it were not for the legislation in this conference report there would be no joint resolution here and no discussion at all of this subject.

Mr. FALL. Mr. President——

Mr. JONES of New Mexico. I yield to my colleague.

Mr. FALL. In order to secure the idea of my colleague upon the amendment itself that is embraced in the conference report, let me ask my colleague if he objects to that?

Mr. JONES of New Mexico. Mr. President, I must say that that provision as it is in the conference report ought to be dealt with in some way or other. As I said some time ago in my remarks, I think the purpose of this legislation is entirely commendable; but there ought to be some sort of safeguard thrown around it to prevent something which is sought to be met by the joint resolution now proposed and which I understand meets with the approval of my colleague.

Mr. FALL. I will state my position later.

Mr. NELSON. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Minnesota.

Mr. NELSON. Why can we not adopt the conference report and then discuss the joint resolution afterwards and amend it, if it needs amendment? The joint resolution can be passed on some other day. It can be referred to the Committee on Public Lands. To expedite the draft law it is very important that this conference report should be adopted immediately.

Mr. JONES of New Mexico. I wanted to have Senators understand the full situation, because the chairman of the committee said that the provisions of the conference report ought to be modified somehow and proposed the modification. I wanted Senators to understand the effect of the proposed modification and the effect of the law as contained in the conference report. I shall interpose no objection to the adoption of this conference report because of the immense importance of the measure, but I do think that every entry on public land ought to be made in the same way, and I am inclined to believe that no serious injustice can occur until we can get around to meeting it in some way, either by amending the law which we are just passing or by making some other safeguard.

Mr. McCUMBER. Before the Senator takes his seat I want to ask him if he does not think that there is another evil in this legislation, the evil being in producing in the minds of hundreds and thousands and millions of our young boys the impression that there is something held out to them of value in making an entry upon any of the public lands that are now left in the United States, after having eliminated from the general public lands those that are held as Government reserves, and so forth. I know something about it in my State. I know something about the question in other States. I am inclined to think that it would be very difficult for any boy or any man to pick up now a single quarter or the enlarged homestead acreage and make a living out of it on any of the public lands. It does seem to me that we are holding out to these soldiers an inducement which they will never realize.

Mr. JONES of New Mexico. Mr. President, it is precisely that danger, along with others, which caused me to withhold my signature from an approval of the report on the joint resolution. I do not see why the boy here in Washington, who has never been away, who does not know anything about the public lands of the West, should have a right to sit down here in Washington and make an entry of public lands and hold it up until after the war is over, and at no time have any intention of ever making it his home.

If you are going to permit a boy under 21 years of age to do that, I do not see why any citizen of the United States residing east of the Mississippi River should not have the same privilege. But heretofore in all of our land history it has been deemed unwise to permit people to make entries upon the public domain without at least going into the vicinity where it is located.

Mr. FALL. Will the Senator allow me to interrupt him?

Mr. JONES of New Mexico. I yield to my colleague.

Mr. FALL. That is what I was inquiring about. Then my colleague opposes the legislation as it was adopted in the bill before the Senate and is now embraced in the conference report? His opposition goes to the amendment?

Mr. JONES of New Mexico. I believe that really is the seat of the difficulty in my mind.

Mr. FALL. That is what I wanted to know, because I expect to speak in reference to it, and I wanted to understand whether my colleague's objection was to the amendment which has been adopted or whether his objection is to the proposed joint resolution.

Mr. JONES of New Mexico. As I have heretofore iterated, this whole matter comes up just at the moment; and, as I have said, just what remedy should be adopted by the Senate I am not firmly convinced of. I see these dangers ahead and I think that they are problems which ought to be worked out some way, and I trust the Senate will work them out.

I am not opposed to the provision of the bill which gives a boy under 21 years of age who is drafted into the Army the same right as one who is over 21 years of age. I do not oppose that. I think he is entitled to it. I think under the circumstances we should give him the right to vote, if we had the power here to do it, and make him a citizen of the United States; that we should make him the equal in every respect of the man who is above 21 years of age; but when we come to these land entries outside the district, outside the State, outside the entire section of the country where the public lands are located, it is an entirely different matter.

Mr. THOMAS. Under the rules and practice of the Senate, Mr. President, we are required to accept a report of a conference committee in its entirety or to reject that report in the same way. As important as I know this bill to be, if the rule were otherwise I should feel constrained to interpose an objection to one feature of this report, and while adopting the rest insist upon another conference in regard to it. Since that can not be done, I shall not attempt to further prolong consideration of the report, although I would record my protest against the action of the conference committee, and particularly the conference committee of the Senate, regarding that feature of the bill.

I refer, of course, to what is known as the work-or-fight proviso, which I consider, Mr. President, as important a feature of the bill as it passed the Senate as any other portion of it, if indeed it is not in some respects more important than the remainder. The Senator from Tennessee [Mr. McKellar] during the discussion of that proviso spoke in terms of inspired prophecy when he said the House would not accept it, that the Senate would recede from it, and that the proceeding would be more or less farcical.

Mr. President, we expended two days of valuable time in the discussion of that proviso, and upon a final vote it was retained in the bill by the decisive majority of eleven, and among those voting to retain it were the three members of the conference committee. I had some reason to believe that because of that result, and particularly because of the sentiments of the three members of the conference committee, some strenuous, earnest effort at least would be put forth to compel the House conferees to accept it in some form rather than abandon it and report the bill back for final approval without it.

I confess, Mr. President, that I am disappointed in the result, deeply disappointed, because I apprehend that in consequence of the elimination of this proviso the evil at which it was aimed will continue to increase until it assumes proportions too great even for so-called union labor resistance to it to prevail.

Mr. President, it is just as important, just as necessary to a successful outcome of the war, that the man at home should exert his greatest efforts at all times as it is that the soldier at the front should do the same thing, and if the man at home will not do it, then it is just as important that the Government to which he owes allegiance should compel him to do it as it is that that Government should compel the soldier at his post of duty to obey orders and carry out the requirements of his commander.

It has been said that there is no need for this sort of legislation. That statement is based upon two grounds—first, that the occasion does not exist in the country requiring it; and, second, that existing legislation is ample. Mr. President, no man who has kept pace with daily events can successfully maintain the first proposition. There is not only occasion for this sort of legislation, but the evil at which it is aimed is of constantly increasing and sinister proportions. I do not believe a day passes now which does not bring with it a disturbance somewhere in the great productive industries of the country tending directly or indirectly to slacken and lessen production. I do not believe that there are many such instances which are not grounded upon the demand of labor itself either for better wages or shorter hours or both; and inasmuch as they have constantly almost without exception been granted, to the end that production can continue, there is no question but that they will occur hereafter, as they have occurred in the past, stimulated by the successes of those to which I refer.

There may have been instances in which these demands have not been complied with, but they are very few. I noticed the other day that Mr. Garfield flatly refused a demand on the part of the United Miners of America for an increase in wages,

a most commendable act, one indicating patriotism and firmness, and an act which as far as I know has been accompanied by a concession or a withdrawal of the demand, and the work of coal mining proceeds. Now, that may be or may not be the only instance, but I can recall no other.

If I offered to read into the CONGRESSIONAL RECORD 10 per cent of the letters and clippings which have been forwarded to me during the past week calling attention to bad labor or working conditions in different parts of the country, and the Senate admitted them to the columns of the RECORD, the issue for to-morrow morning would in all probability require 500 pages of closely printed matter. Of course I shall not do that. It is not necessary to do it, since other Senators have doubtless received similar communications, and the country in general knows what the facts are.

On the 12th day of March, 1918, the National Industrial Conference Board on Strikes in American Industries in War Times reported that from April 6 to October 6, 1917, there were 2,521 establishments the existence of which was definitely verified by the board, complete information being received from only 1,156. The information from the 1,156 showed that 283,402 men had been idle and 6,285.519 days of production lost. I venture the assertion that the number of days lost, the number of strikes occurring, and the number of men out of employment in consequence of them since the 6th day of October up to the present time are far more than double the amount then reported, and because of the excision of the proviso in this bill it will probably increase in progressive ratio until the patience of the country shall have been exhausted and Congress then brought to book by public opinion for failing to do its duty.

This morning I received two letters, to which I will refer, both bearing directly upon this subject and indicative of similar conditions, unfortunately, in many other parts of the country. The first is from Boston, Mass., and is signed by Maxwell J. Lowry, of the Avery & Lowry Co. He says:

BOSTON, MASS., *August 28, 1918.*

Hon. C. S. THOMAS,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Pardon me for again trespassing on your time, but the inclosed letter in the Boston Transcript of last evening is, I believe, a fair statement of the condition existing in most of the yards where ship work for the Government is being done. I know that the son of a friend of mine is working in the Fore River yards at Quincy. He is earnest and industrious and wants to use his time to the best advantage, but he finds it absolutely impossible to do this. Loafing and general inefficiency is the rule, and anyone who undertakes to do a fair day's work very quickly finds himself in trouble. The situation is deplorable, and some way must be found to remedy it or we are going to have very serious trouble, and, as it is at present, the cost is outrageous.

Respectfully, yours,

MAXWELL J. LOWRY.

He incloses a clipping which I will also read into the RECORD. The clipping is to the editor of the Transcript.

NEWTONVILLE, *August 23.*

To the EDITOR OF THE TRANSCRIPT:

The inclosed letter, which I have received from a college student who wished to do something useful while waiting his call to the colors, seems to me to throw some light on the reason why our emergency fleet is costing so much. Obviously, the blame can not be placed on those at the head, but seems to rest on the bosses. I might add that this student soon found employment at a small yard, under the superintendence of the owner, which was very efficiently managed. He is now with the colors.

CHARLES GARDNER.

Then follows a quotation from the young man's letter:

I applied at the gate of the T—— shipyard on Friday morning in the cold rain, in my work clothes. There were some 20 others waiting, too, and they did not seem hopeful. Some of them had waited four or five days already. There did not seem to be any scarcity of labor. Finally I got tired of waiting and returned to my room for my letter, which admitted me to see Mr. Dash. He did not seem at all pleased to see me. He said they were overrun with college students, but when I offered to do anything in the plumbing, machinist, or electrical line he said I could come back at noon if it stopped raining, and he would have something for me. The rain did stop temporarily, so I stood outside and waited. He came out and looked over the fence at the wet multitude and told me to come in. I was introduced to a foreman, who introduced me to other foremen. They all advised me not to work too hard. We then crawled about the newly launched ship, which is not yet finished inside. We finally crawled through some holes into an open well, in which is the beginning of the engine, which is, of course, very large. The uprights, which are to support the cylinders, are in place, and they are hoisting on the connecting rod bearings. The work is on such a large scale it does not require much intelligence. I sit on top of the supports, unscrew bolts, scrape the rust off them and put them back. Any roustabout could do it as well as I. The noise is so great that one can not hear when spoken to, and one can not hear oneself sing, which is rather an odd sensation. Castings are lowered down the shaft over my head, and the rain pours down upon it; also red-hot rivets are tossed across the shaft overhead, which are usually caught, but quite often missed, when they may and quite often do fall on anyone below.

No one works much, just enough to keep moving, and not that when they can get out of sight. It is very tiresome. If we should hurry we would get out of work and the bosses could not get their pay for overtime, which is half again as much. I am only a cog in a very slowly moving mass and can not move any faster. Men do only the minimum of work and don't want me to ask for more. We all kill time, and get very tired and dirty doing it. If we could only get on some smaller job, such as a patrol boat, where we could work ahead without loafing! The men working here are mostly doing so to escape the draft. I can't understand how men can loaf and pretend to work under such conditions all their lives. This plant works at about one-third its possible efficiency. This State is supposed to be dry, but it leaks badly. When men do not appear in the morning there is usually a reason. If I could get a day off I would investigate other yards in this vicinity, but if I am fired I can't go elsewhere. All the college fellows are tired of it here, but all want to do real work. One feels sorry for the poor fellows outside the gate, mostly willing to do anything if they could get in, but if they did would be obliged to do as the rest of us.

When your boss insists upon loafing, you can't help it. Several thousand men are employed here and the company seems unable to keep tab on them all. As it is we cheat the Government, the company, and ourselves.

The other letter bears the same date and is from the city of New York. It is signed by Albert L. Siff. He says:

On or about the 31st of July last, Joseph Shea, one of the business agents of the Amalgamated Men's Clothing Cutters Union, announced when in our office to Mr. Max Siff and myself that pursuant to the policy of his organization (which is professedly socialistic and has improper pacifist aims) they would compel a payment of $8 to $12 per week per man more on Government work than what they required on civilian work. We ordered him from our place, and he signaled to five members of his organization to leave their tables. The men subsequently ratified the act of their agent, because same really represented the attitude of their union. We pointed out to them that their stand was tantamount to an announcement that to them their union came before their country.

A few days later when we laid these facts before the president of the Amalgamated Clothing Workers of America, he advised us that we were waiving the American flag and that that practice had gone out of date; that it might have been all right at one time, but it was no longer in order. From his conversation, we could easily see that he was neither in favor of war work or our country's position in regard to the war.

The day after our meeting with Mr. Hillman, the president of the Clothing Workers' Union, we met him at the conference of the Labor Adjustment Bureau at the Quartermaster General's Department of the Army. He came to the conference to answer charges brought against his organization by 50 or more manufacturers, that his men were laying down; that is, they were curtailing production and forcing higher wages than what they required on civilian work. Numerous Government inspectors were present to testify that they had discovered that production had fallen off considerably, and that union officials had boldly announced that the decreased output was all that they would allow. All that Mr. Hillman could say in answer to the above was that he was frank to admit that about 5,000 out of the 100,000 members of his organization had gone into the military service; to say nothing of many others who had gone into other businesses or had taken other employment, and that since some of these men would be again looking for their jobs when the war was over, his organization took the position that they would hold said jobs for them and would not allow men to be taken from less essential activities who could easily be trained to cut and make the uniforms which our increasing Army needs in greater quantities as time goes on.

It was pointed out to Mr. Hillman that his position was very narrow; that our soldiers in France could not wait on his union for the uniforms which they needed, and that the number of workers required to turn out the uniforms needed should be gotten wherever possible; that his organization must not interfere with the introduction and training of new men. I do not know whether Mr. Hillman is an American citizen or not. In any case, he is probably not more than one in name only. I believe that he votes the Socialistic ticket, if he votes at all. I am satisfied from statements that he and some of his heelers have made to me, that at heart he favors Germany.

Clothing workers that are members of the amalgamated union are causing no end of trouble. The administration seems loath to force the issue, because our Federal legislative bodies have not taken a definite stand as to such matters. Since differences of opinion, disagreements, etc., between employer and workers could easily be arbitrated by designating a labor court as part of the personnel of each company; that is, same could consist of two men representing the workers; two men representing the office, and one outsider selected by the other four. Appeals could be taken from decisions of this court of five to the Labor Adjustment Bureau. In any case, the fact that all matters would have to be referred to this special local court would prevent the workers from trying to put anything over and would prevent the manufacturer from trying to get away with anything, so that much of the differences and difficulties would thus be obviated. I believe that if such provision is put into a general bill prohibiting strikes or other interference with work, or any practice which reduces or retards production, that same ought to prove acceptable to all proper thinking Americans. It will not be aimed at the honest American workingman who has stood by his machine and has done his bit. It would be aimed at only such people as referred to above, who really are not Americans.

Col. Wells, supervising manager of Government work in our plants, was present at the conferences, etc., when Mr. Hillman declared himself as above reported. He and I shall be glad to be called upon by you for any additional information that you may require. We will be glad to be of further service to you.

Very truly,

ALBERT L. SIFF.

I repeat, Mr. President, these letters are representative ones and are read simply because they were received at the same time on yesterday and sent over from the office building to my desk by my secretary.

Mr. President, the proviso which I am discussing, under the Cummins amendment to it, anticipated in some degree the suggestion of the last writer, and would seem to comply with his view, which is a very sensible one, of the course which legislation upon this all-important subject should take or should have taken.

Mr. President, how is it possible for any man to deceive himself by saying that this is a matter which may right itself and about which we need no further legislation?

This brings me, Mr. President, to a brief consideration of the other basis upon which I understand this legislation is

said to be unnecessary, and that is a provision of similar import in the existing law. I discussed that during the pendence of the bill, and I do not care to occupy the time of the Senate by repeating what I there said; but if it be true that the existing law is ample to cover this unfortunate situation, then certainly somebody is to blame for not having applied it to that situation long ago. If we have ample legislation upon the subject, why has it not been enforced; and if we have ample legislation upon the subject which has not been enforced, what reason have we for assuming that it will hereafter be enforced?

I gave the other day the construction which the War Department placed upon this law. That construction is that if a man who is exempted from military duty because he is needed in the shipyards shall quit work or malinger he is to be turned into class A and sent to the front, but if a union organization, an aggregate, to use the Secretary's expression, did the same thing the law is inoperative; in other words, it operates upon the individual but it is powerless to affect the mass. All, therefore, that a man who does not want to work need do in order to escape the draft is to refuse with his companions to do his bit. He is then absolutely immune from the operation of this law so long as he acts in company with others, but he is responsible to the law if, forsooth, he is unfortunate enough to act in his sole individual capacity.

Mr. CHAMBERLAIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Oregon?

Mr. THOMAS. I yield.

Mr. CHAMBERLAIN. If the Senator would like to have me put it into the RECORD, I will have read into the RECORD exactly what the rule is.

Mr. THOMAS. Mr. President, I have read it. I presume the Senator from Oregon holds in his hand a photostat copy of what appeared in the Official Bulletin, which I read into the RECORD the other day. When the Secretary was before the committee a few days ago, and after my discussion of this measure, he was interrogated regarding the authenticity of this article in the Official Bulletin and he said that was the construction placed upon it.

Mr. President, I impugn the motive of no man without sufficient ground, and I am bound to assume that the interpretation placed upon that statute is the honest interpretation, the real interpretation, the actual interpretation which it bears in the opinion of the advisers of the Secretary of War. That fact makes the enactment of a proviso like this absolutely imperative. It is the sworn duty of every man in both Houses of Congress to see to it that the men who stay at home because they are more valuable here shall do their duty while at home, failing to do which they should be at once reclassified and required to fight.

I have heard it stated, Mr. President, that one reason for the rejection of this proviso was the possible veto by the President of the entire bill. With all due respect to the committee, I do not think that is a good reason.

Mr. CHAMBERLAIN. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Oregon?

Mr. THOMAS. Yes.

Mr. CHAMBERLAIN. I wish merely to say that that did not actuate the committee. I think that possibly somebody suggested the President might veto the bill for that reason, but that was not considered at all in reaching the conclusion which the conferees reached.

Mr. THOMAS. Well, I am very glad to learn it, Mr. President. Of course, the President of the United States has a duty to perform—a very great one—and I assume that when he exercises it he exercises it according to his best judgment and according to a proper sense of what he believes to be his duty. He takes the responsibility; he can not avoid the consequences of his acts. He must therefore, and does generally, proceed with due deliberation; but we also have a duty to perform; and having performed it, then, Mr. President, our responsibility ends and that of the Executive begins.

The reasons, therefore, upon which the rejection of this measure stands are themselves without foundation. I believe that the Senate members of the conference committee should have been as firm and as persistent in their insistence upon the adoption of this proviso as were the Members of the other House in their opposition to it, and should have remained in the conference room until the principle involved in the proviso, in the language of the proviso, or in some other phraseology, was incorporated in the bill.

Mr. President, I do not pretend to be a prophet or the son of a prophet, but I venture the prediction that before this war is six months older we shall be compelled, by reason of increasing aggravated conditions in the industries of this country, to legislate far more drastically upon this subject than this proviso proposes to do. We are going to win this war; God have mercy upon the American who doubts it for a moment; but, Mr. President, if before it is won reverses shall come or disasters shall overtake us, it will not be due to the lack of gallantry and courage upon the part of our soldiers across the seas, but it will be due to the slacker, to the malingerer at home who, exempted because of his special skill from actual service, takes advantage of the exemption by refusing and declining to do his duty. That is a stab in the soldier's back, quite as much so as the actuality which those words involve.

The man who to-day has been delegated to act in one of the producing industries of the country which are essential to the prosecution of the war who fails to give his whole soul and time and attention to the performance of his task is a traitor to the Government which protects him and to which he owes allegiance, and it is the duty of Congress to reach such men just as they have provided punishment for the man who at the front fails in the performance of his tremendous obligations. I feel very sure, Mr. President, that the men at the front possess staying qualities very different from those of the Senate members of the committee of conference. If they did not, I am very fearful that with the snows of winter the German reverses would all be corrected.

Mr. McCUMBER. Mr. President, I supported and voted for the amendment of the Senator from Colorado [Mr. THOMAS]. I supported and voted for it because I believed a great principle was at stake and that the Senate of the United States ought to put itself on record. When I talk to Senators about raising an army to fight our battles and ask them if they believe that the Government of the United States ought to claim the right to take every man between the ages of 21 and 30 and put him in the Army, whether he wants to go or not, every one of them answers "Yes; that is the unquestioned right of the Government." If I ask those Senators whether it ought to be left to that own man's volition as to whether he shall stay at home or whether he shall fight, every Senator will answer that it ought not to be left to him at all; that if the Government needs his services upon the battle field he has no right to say that he will not serve the Government there to whatsoever extent the Government demands. If I ask Senators whether or not they think that a soldier ought to be compelled to perform any duty, no matter how arduous, that is necessary to win this war, every one of them will answer me in the affirmative. If I ask them, on the other hand, whether or not every American, man, woman, and child, should perform an honest day's labor for the support of those soldiers in France, every one of them will answer in the affirmative. If I ask them whether or not it should be left to to the individual or to any collection of individuals whether or not they should perform that service to support our Army, every Senator will answer that it ought not to be left either to one man or to any collection of individuals to determine what they would do under those circumstances.

If I ask those Senators whether they deem it just as essential that our productive capacity be maintained at its maximum as that our armies should be maintained at the maximum man power of the country, everyone will answer me in the affirmative. If, however, I go further and ask those Senators: "Will you stand up on the floor of the Senate and vote your convictions that every man ought to be compelled to do an honest day's work for the support of the American Army, just as the soldier is compelled to do his utmost," what will be their answer? Some of them will say, "No; we can not do it." "Why?" "Because Mr. Morrison thinks that it would be a reflection upon the patriotism of the American laborer." Does anyone think it was a reflection upon the patriotism of our American boys when we said, "You must go to the front and face death itself; go, whether you want to or not"?

Mr. President, why this inconsistency? I can account for it only on the basis of political cowardice. We are frightened at a mere shadow. There is no occasion for it. Human nature is about the same in all ranks of life; human conscience is about the same among every class of individuals. If any Senator thinks that it is good political policy to surrender his convictions of right in order to hold the support of the American labor element, I disagree with him. I think, Mr. President, that I could do the laborers no greater injustice than to say that as a class they do not wish to perform an honest day's work; that the laborers do not wish, as a class, to support the American Army in the field of battle. I do not believe that it would affect my political standing to take a position which I know to be right; and I do not believe that there will be arrayed

against any Senator or any Representative the union labor of this country because he says to union labor and to all other labor, "We want a full and honest day's work for the splendid wages we are giving you to-day." We are entitled to that service for the benefit of our country and those who are fighting its battles.

Mr. President, the bad system that we have adopted has been mostly responsible for what slacking we have in all our productive industries to-day. This accursed proposition of "cost plus" is at the bottom of all of the evil in the industrial world from which we are suffering to-day. The amendment of the Senator from Colorado [Mr. THOMAS], while it is along right lines, as I said at the time, would not reach the real evil against which it is aimed. It is not so much a question of strikes as it is the slacking that has been encouraged by every foreman, whose salary will be prolonged by reason of the delay in the work, and every contractor whose profits will be enlarged just to the extent that delays and slacking is encouraged.

Mr. President, there appeared in the Washington Post this morning an editorial, from which I have taken merely a little excerpt, to which I ask the attention of the Members of the Senate who are now present. That editorial reads:

The United States is the power house from which extends the live wire that is incinerating the enemy. Keep the home fires burning! Every factory ought to be blazing with energy now, day and night. Every miner ought to be blasting out coal with frantic speed. The shipbuilders should be outrivaling themselves with the riveting machines. The new army that is authorized can not come into existence a moment too soon. The farmers should be figuring on bigger fields and harder work next spring. The women should keep their fingers busy making the clothing required for the new army.

Mr. President, that is a patriotic statement of the duty incumbent upon the American people to-day. Is it being fulfilled in our war industries by those connected directly or indirectly with them to-day? You know it is not.

Are Senators afraid to vote their own convictions because they fear they will offend labor? Let me read to you a letter which I received yesterday morning from a member of a labor union, a strong, ardent, patriotic member, who represents the real patriotism of the laboring class in this country. I would rather have the support of that one patriotic American labor leader than to have the support of 400 of the slackers whom we see at work upon our cantonments and in other places. You who hide behind somebody's suggestion that you will offend labor by doing right will find that out before this war is ended—that fear is just as reprehensible in the House or Senate Chamber as on the field of battle.

Mr. President, I discussed several days ago this practice that was going on under our very eyes and in the shadow of the Capitol. Shortly afterwards I received this letter, excerpts from which I will read for the benefit of those who fear the laborers of this country if they pass a law that will compel every one to do his full duty in our industries—and remember this is from a laborer and a union laborer.

WASHINGTON, D. C., *August 26, 1918.*

To the Hon. SENATOR MCCUMBER.

DEAR SIR: I read with interest your expressions regarding the idlers at work (?) on the housing job between Union Station and the Capitol. I have been in this city since 1900, and of all the disgusting slacking movements of men and mechanics I think this perhaps the worst. I served as an apprentice, as a journeyman, as a foreman, and as a superintendent of construction. * * * I have been a union man for 35 years, and I believe in a fair day's pay for a fair day's work, and a suitable quantity of men of the various trades or callings to insure the earliest possible completion of the work at hand; but on that and on other jobs that started here last September it appears that the more men that can be put on the pay roll the better it suits the contractor, resulting in the men being in each other's way and a detriment instead of assistance.

On the job I am now on we have two bricklayers at 77½ cents per hour and two laborers at 40 cents per hour, working 8 hours. They lay in partitions with angles and doors and windows 850 to 900 4 by 12 by 12 inch tile, and have scaffolds, and still no one is rushing.

Then he refers to the work on the Government project referred to:

Ten bricklayers on that job are laying 1,300 to 1,400 8 by 12 by 12 inch tile in 10 hours and get paid for 11 hours at $1 per hour, and 8 common laborers at from 50 to 70 cents per hour and 11 hours a day.

According to this letter two men on one job are laying from 850 to 900 of these tiles, while 10 men on the other job with 8 common laborers are only laying from 1,300 to 1,400.

Last September common labor got 28 cents to 30 cents per hour, but just as soon as the "cost-plus" work started every man who would stay on the job was placed on the pay roll, and they began to increase the pay of every craft and calling. It has simply disrupted all labor conditions. Lathers became carpenters and bricklayers. Carpenters were in big demand, and so many were put on the pay roll that no one did a third of the work he could, because the others were in the way and common labor was so thick—and a foreman for nearly every other workman—that they did not work one-third, or even less of the time. I saw four carpenters and two laborers—

That was six men—

set one window frame on the first floor, and they were one and one-half hours at it. I know water boys get $4 a day. A policeman had 15 days' leave, and he was placed on the pay roll as a felt-roof inspector.

He knew nothing about the work, but he needed that easy money.

I have served as a soldier of the United States Army for five years. I have bought Liberty bonds. My two small children have $200 of war-savings stamps. I am trying to live as a citizen of the United States should. I am working for $42 a week—

That is $7 a day—pretty good wages—

and have had several chances to get $65 to $90 a week, but I do not want any of that graft. So do not think I am a disappointed grafter. * * * I will work on the street—anything to support my wife and children and myself before I will become a part of such reckless waste.

I feel that you have started in the right way and hope you will get others so interested that something will be done in the right way to stop this waste of men and money.

I shall not give the name or the address.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Washington?

Mr. MCCUMBER. I yield.

Mr. JONES of Washington. I merely wish to say that it is very interesting to Senators who in the morning walk through the grounds where building is going on and see the way in which it is carried on. This morning I saw three men, one of them driving a nail and the other two watching him to see how it was done. Three men, apparently foremen, were standing to one side watching two other men doing a little shoveling down below. Another man with a pick took a minute or two to find out the place where he would strike the pick. He was getting ready to strike when I left. That is a sort of a sample of how things are going on.

Mr. MCCUMBER. Mr. President, other Senators have spoken to me along the same line. I ask them, Why do you not speak it out, then, in the Senate? They say, "What is the use? We can not do anything." Well, Mr. President, we can do something if we will stand by provisions in bills such as the one which has been passed by the Senate and which has been surrendered by our committee of conference.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Iowa?

Mr. MCCUMBER. I yield.

Mr. KENYON. Why is it the Senator blames the Senate and accuses it of cowardice? The Senate voted 40 to 29 along the line of the Senator's argument.

Mr. MCCUMBER. I was not, Mr. President, accusing anyone of cowardice. I referred rather to the general fear of Representatives and Senators of offending labor unions.

Mr. KENYON. I am not objecting to the Senator's definition of cowardice.

Mr. MCCUMBER. I think those who allow their votes to be influenced because of that fear are lacking in courage. I mention no names. There may be many who vote against these provisions because they think they are unnecessary, because they think they are not right; but we ought to have the votes of those who believe they are right, and if we did have them, the vote in support of a proposition of this kind would be overwhelming in both Houses of Congress, because I know what Senators and Representatives tell me when I am talking to them privately.

Mr. President, I agree with the Senator from Colorado [Mr. THOMAS] that unless we take action soon to bring this great country's productive capacity to something near what it ought to be we will be compelled to take the most drastic measures to bring about the production of what we shall need to support our armies in France.

Mr. CHAMBERLAIN. Mr. President, just a word or two in reference to the matter which the Senator from Colorado [Mr. THOMAS] and the Senator from North Dakota [Mr. MCCUMBER] have been discussing. I was glad to hear the Senator from North Dakota say that he did not intend to charge any individual with cowardice in the matter of the vote on this or any other question connected with the draft. The Senators must concede that the labor situation in this country is a delicate one; it has been a delicate situation in Great Britain, one which they have had to handle with kid gloves, and which has been recently satisfactorily adjusted.

As I stated here once before, Mr. President, I can not see any reason why there should be any difference between the boy who is compelled to fight or to work in the trenches and the man who is engaged in an essential industry and is exempted for that reason. There is no sound reason why any different rule should be applied to the one than to the other, so far as exemption is concerned; but I take the position, Mr. President,

after having in conference fully considered the matter, that the amendment proposed by the Senator from Colorado does not place us in any different position from the position we are in without the amendment being embodied in the bill.

Senators may differ from me about that, but I have a right to my own construction, and I occupy the same position relatively as that occupied by the two Senators to whom I have referred. There is no difference between the effect of this amendment and what can be accomplished under the present law. If there has been trimming on the subject, the Senate has already trimmed when it adopted the proposed amendment of the Senator from Colorado.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Oregon yield to the Senator from Washington?

Mr. CHAMBERLAIN. I do.

Mr. POINDEXTER. I do not like to pass unnoticed, if the Senator will permit me just a moment, the statement he has just made, that there is no difference between this amendment and what can be accomplished under the existing law. I think his statement is technically correct, but it is likely to be very misleading, because due weight will not be given to the condition which he attaches of what can be done under the existing law. The point is that it is not done. The point is that the existing law does not require these men to work or fight, whereas the amendment does require them to work or fight. That is the difference.

Mr. CHAMBERLAIN. That is just where the Senator and I differ. I say that the amendment that was suggested by the Senator from Colorado [Mr. THOMAS] as amended by the amendment proposed by the Senator from Iowa [Mr. CUMMINS] does not do any such thing. Now, I am going to show where the trouble lies, Mr. President. I am going to show in a very few words that the law as it stands to-day is capable of enforcement just exactly to the same extent as the amendment suggested by the Senator from Colorado is capable of enforcement if it were adopted, and there is no greater effect to be given to the one than to the other.

The act of May 18, 1917, after providing for certain exemptions in section 4, contains this provision:

> No exemption or exclusion shall continue where a cause therefor no longer exists.

If a man is exempted from military service because he is engaged in agriculture or any other essential industry, if you please, whenever the cause for his exemption ceases he automatically comes within the draft. There is not any question about that. The language does not need construction.

Mr. POINDEXTER. But, Mr. President——

Mr. CHAMBERLAIN. Let me finish, if the Senator pleases, and then I shall be glad to be interrupted, because I think I can show by the language of the act that there is no essential difference between the amendment of the Senator from Colorado and the law as it is to-day.

Mr. POINDEXTER and Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Oregon yield; and if so, to whom?

Mr. CHAMBERLAIN. I yield to the Senator from Washington.

Mr. POINDEXTER. The Senator says that in the case of a man who is exempted under the existing law, when the cause for the exemption ceases the exemption shall cease. Under the existing law the President determines whether or not there shall be cause for exemption, does he not?

Mr. CHAMBERLAIN. To be sure—the Commander in Chief.

Mr. POINDEXTER. Yes; the Commander in Chief determines that. Consequently, it is in his discretion. At that point the amendment of the Senator from Colorado would intervene and change the law in so far as this class of men is concerned, and not leave it in the discretion of the Commander in Chief to determine whether or not the cause for exemption exists, but specify the cause itself, and specify what shall be the consequences of it.

Mr. CHAMBERLAIN. The Senator and I differ as to the construction of the language again upon that proposition, but the Senator will not let me go ahead and explain just what I mean.

Mr. THOMAS. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Colorado?

Mr. CHAMBERLAIN. I do.

Mr. THOMAS. Does the Senator base his statement upon the amendment of the Senator from Iowa to my amendment or upon the original amendment?

Mr. CHAMBERLAIN. The amendment as originally reported to the Senate, without the amendment proposed by the Senator from Iowa, did not leave us in any doubt whatsoever as to the provisions of the old and the new law, because they were just the same. While the language is different, the effect of the two was exactly the same. But I am going on to show now what I mean when I say that there is no essential difference between the proposition of the Senator from Colorado, as amended by the amendment of the Senator from Iowa, and the law as it stands to-day.

I have read the provision of the act of May 17, 1917, which provides that wherever a man is engaged in an essential industry, where he is exempted because he is engaged in such industry, and the cause of the exemption ceases, he is automatically subject to the draft. I do not mean to say that he would be placed in class 1. He may be a married man 25 or 26 years of age, and he may be exempted for other reasons than because he is engaged in an essential industry; but if he has no dependents and is not exempted for that or a similar reason, but is exempted simply and purely because he is engaged in an essential industry, then, if he stops work, he can be placed automatically in the draft and assigned to the particular class to which he belongs.

That provision of the present law has not been enforced. I am not going to charge anybody with responsibility, except so far as the record discloses it, but I will show why it has not been done. I am going to ask to have read into the RECORD the rule on this subject, which was printed in the New York Times in May, 1917; and I think, as the Senator from Colorado says, that the same statement was printed in the Official Bulletin. I have never seen it denied. Photostat copies of it are used by the War Department now and sent to the draft boards all over the country, and to others who are interested in the subject. I assume, therefore, that it is official. For that reason I shall have it read into the RECORD.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read the matter referred to.

The Secretary read as follows:

[From the New York Times.]

DENIES DRAFT ORDER IS AIMED AT LABOR—"WORK OR FIGHT" REGULATION HAS NO BEARING ON STRIKES, SAYS BAKER—OUTSIDE HIS PROVINCE—DEPARTMENT OF LABOR EXCLUSIVELY WILL DEAL WITH LABOR—REGISTRATION OF NEW SELECTMEN.

WASHINGTON, *May 25.*

Secretary Baker issued a statement to-day in which he explained that the order affecting persons of draft age engaged in nonessential industry was not intended to affect the labor situation. The impression has gained ground that the purpose of the order, issued through Provost Marshal General Crowder, was to bring under military control the industrial workers of the country. Secretary Baker said it was not the intention of the War Department to use the draft regulations to affect labor controversies, which must be adjusted by the Labor Department.

Secretary Baker's statement follows:

"My attention has been called to the possibility of some misunderstanding of the order issued through the Provost Marshal General affecting persons engaged in less-essential industries, one suggestion being that this is the beginning of a series of regulations for the purpose of affecting the labor situation in the country. I want to state in the most positive way that this regulation has nothing to do with the labor situation of the country, and it is no part of the intention of the War Department, either in this regulation or any other, to undertake to affect the labor situation of the country by military regulation. The sole purpose of this order is to guide exemption boards in their duty to apply the provisions of the law affecting occupation as a reason for exemption and deferred classification."

The Secretary was asked what effect this regulation would have upon persons temporarily out of employment by reason of strikes. He said:

"The regulation is silent upon that subject, but it is not the intention of the department to permit the draft regulations to be used to affect any such labor controversy, and unemployment by reason of strikes will not be regarded as such unemployment as will cancel either exemption or deferred classification. The whole question of the relation of the Government to labor is for administration by the Labor Department, and the War Department does not intend any indirect interference in it."

A statement explaining conditions that must be complied with by those who have become 21 years of age since June 5 last, and who will be called into service on June 5 next, was made public to-day by the War Department. All persons who have attained the draft age since June 5 last must register, except those excused from registration by reason of being in the military or naval service. All aliens, subjects of allied belligerent nations and neutrals, coming within the same class must register at the same time.

Mr. THOMAS. Mr. President, I merely wish to say, if the Senator will permit me, that that is not the article or the statement published in the Official Bulletin to which I referred in my discussion of the proviso.

Mr. CHAMBERLAIN. This photostat copy is one that was circulated and sent out from the War Department, and I assume that I have a right to say that it is correct. Now, then, what is the order to which that refers? What was the regulation to which that statement refers? The regulation was written in conformity with the law as it stands to-day. The regulation

was intended to make a man submit himself to military service whenever the cause for the exemption ceased; and I am going to ask the Secretary to read the regulation, 121L, because I insist that there has been an attempt by regulation to put in force the provision of the statute to which I have called attention.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

Section 121L. Reasonable excuse for idleness or nonproductive employment: Local and district boards must consider cases of withdrawal of deferred classification and late order numbers with sympathy and common sense. The designation and definition of nonproductive occupations and employments contained in the foregoing section 121K may be extended by regulation from time to time as necessity may require so as to include persons in other occupations or employments; but for the present and until such extension by regulation, no occupation or employment not included in the list or description of occupations and employments in the foregoing section 121K may be held by any local or district board to be a nonproductive occupation or employment unless a ruling as to whether or not a doubtful occupation or employment is to be considered as nonproductive is first obtained from the Provost Marshal General in the manner prescribed in section 25.

The following grounds shall be accepted by local and district boards as reasonable excuse for temporary idleness or for being engaged in a nonproductive occupation or employment:

(a) Sickness.

(b) Reasonable vacation.

(c) Lack of reasonable opportunity for employment in any occupation outside of those described in the foregoing section 121K or those hereafter specified by regulation or ruling as provided in this section.

(d) Temporary absences (not regular vacations) from regular employment, not to exceed one week, unless such temporary absences are habitual and frequent, shall not be considered as idleness.

(e) Where there are compelling domestic circumstances that would not permit change of employment by the registrant without disproportionate hardship to his dependents; or where a change from a nonproductive to a productive employment or occupation would necessitate the removal of the registrant from his place of residence, and such removal would, in the judgment of the board, cause unusual hardship to the registrant or his family; or when such change of employment would necessitate the night employment of women under circumstances deemed by the boards unsuitable for such employment of women, boards are authorized to consider any or all of such circumstances as reasonable excuse for nonproductive employment.

Mr. CHAMBERLAIN. Mr. President, that is the regulation which was formulated under the provision of the statute that is now in force and to which I have called the attention of the Senate. It was a part of the selective-service regulations prescribed by the President under the authority vested in him by the terms of the selective-service law. That complied with the provisions of the law then and now in force. If that had been lived up to the very thing that the Senator from Colorado now insists upon would be in vogue to-day. But the Secretary of War undertakes to construe those regulations, which were prepared by the Provost Marshal General and issued for the guidance of the local boards, in such way as to practically nullify not only the regulations but the law itself by saying that these regulations are not intended to do what they profess to do and that he does not propose that the regulations shall do what the law says shall be done, and that is to compel those men who are exempted by reason of being engaged in essential industries to go back into the military service if they cease work.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Washington?

Mr. CHAMBERLAIN. I yield.

Mr. POINDEXTER. If the Senator does not object——

Mr. CHAMBERLAIN. I yield to the Senator.

Mr. POINDEXTER. I should like just to point out what seems to me to be the whole cause of the condition which he is describing. He has had read by the Secretary certain regulations made by the Provost Marshal General, and then he has had read by the Secretary an order or public statement of policy issued by the Secretary of War. Now, the Secretary of War is the superior officer of the Provost Marshal General and can do as he pleases about the regulations made by the Provost Marshal General and give them such application as he sees fit, exercising his discretion as the representative of the President under the law.

That is all there is about that; and the very statement of the Secretary of War which the Senator has had read with so much detail is in itself proof of the discretion which the administration exercises under the existing law. Congress and the law-making powers of the country, however, are above the Secretary of War. The second section of this bill, as it passed the Senate, contains this language:

When any person shall have been placed in a deferred or exempted class for any of the reasons in this paragraph set forth, he shall not be entitled to remain therein unless he shall in good faith continue, while physically able so to do, to work at and follow such occupation, employment, or business, and if he fails so to do he shall again become subject to the draft.

Does the Senator propose to say to Congress and to the country that if that is enacted into law as the Senate passed it, in the words which I have just read, the Secretary of War will issue a statement of policy setting aside the law of the United States?

That is the difference between the situation that would exist if this clause were adopted and the situation which allows the Secretary of War, as the Senator from Oregon himself has just charged, to set aside the policy and regulations of the Provost Marshal General.

Mr. CHAMBERLAIN. Mr. President, the Senator and I differ again as to the construction of the law. If the Secretary of War or any other branch of the Government can set aside one law, they can set aside another. I claim that there has been set aside a law of Congress which says in express terms that where the cause of exemption ceases the exemption itself shall cease.

That is an express statute adopted by the Congress of the United States. I am not criticising the Secretary of War. He has the right to put his own construction on these laws, just as the Senator is putting his construction upon them; but I say that if he got outside of and beyond the law, then there is nothing in the present proposal that will prevent him from getting outside of and beyond the law again. That is what I am insisting upon.

Mr. NELSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Minnesota?

Mr. CHAMBERLAIN. I yield.

Mr. NELSON. As I understand, then, it is the attitude of the Senator that even if Congress were to adopt the Thomas-Cummins amendment the Secretary of War would interpret it the same as he already has interpreted the existing law?

Mr. CHAMBERLAIN. He might do it.

Mr. NELSON. And we would be helpless?

Mr. CHAMBERLAIN. Absolutely.

Mr. NELSON. In other words, we are at his mercy?

Mr. CHAMBERLAIN. Absolutely, so far.

Mr. NELSON. I can realize that. I have had two resolutions passed here, calling upon the War Department to report what commissions have been issued to officers who are not in the active service, either here or abroad. I wanted to get at these swivel-chair officers. The resolution has been passed twice, the last time over two months ago, and we can not get any response from the War Department.

The War Department practically says: "We do not care a continental for Congress. We will do as we have a mind to." The last answer they made to the resolution that I sent in was that they would have to send to the Philippine Islands and to Hawaii and to Guam, I believe, before they could answer that resolution and know how many swivel-chair officers they had here in Washington and at other places.

Does the Senator from Oregon feel confident that the Secretary of War will regard any law that we pass upon this subject? Will he not feel that he is a power above Congress, and exercise his authority according to his own sweet will?

Mr. CHAMBERLAIN. Mr. President, I do not want to assume the attitude of a critic of the Secretary of War particularly, or to say what he may do in the future. I am only telling what he has done, and that we could not expect him to do more if we adopt the Thomas amendment, because the Senator from Colorado emasculated his proposal when he proposed that the President should adopt rules and regulations for the enforcement of the law.

Mr. THOMAS. Mr. President, may I say to the Senator that that emasculation was not mine? I accepted it in committee in order that I might secure something in the way of legislation upon the subject.

Mr. CHAMBERLAIN. I have not seen the Senator trying to get it out.

Mr. THOMAS. I have not attempted to get it out because I finally consented that it might go in in committee. I did not want it there.

Mr. CHAMBERLAIN. Mr. President, we consent to have things go out in conference committees because the majority of the conferees are against them. I do not like to stand here in the Senate and be criticized for conditions which prevail and for which I am not responsible, but I have been serving on these committees long enough to know that a man is guilty of the greatest folly when he undertakes to do a thing that he knows can not be done in view of the majority against him. All legislation is a compromise. Life itself is a compromise.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Connecticut?

Mr. CHAMBERLAIN. I yield.

Mr. BRANDEGEE. Has the Senator before him the provision of the original draft law which he claims provided that a man who ceased his work in an essential industry should thereby automatically become subject to the draft?

Mr. CHAMBERLAIN. I have it.

Mr. BRANDEGEE. Will the Senator be kind enough to read it?

Mr. CHAMBERLAIN. It is section 4 of that act:

No exemption or exclusion shall continue when a cause therefor no longer exists.

Now, could a law be made more explicit than that?

Mr. BRANDEGEE. I do not know whether it could or not, but in view of what the Secretary of War says in this clipping from the New York Times that the Senator has caused to be put in the RECORD, I should think an attempt to be more specific would be warranted. I say that because, in view of the language the Senator has just read from the original draft act, if the Secretary says, as he is quoted here, "unemployment by reason of strikes will not be regarded as such unemployment as will cancel either exemption or deferred classification," it seems to me that it would be the part of wisdom for Congress to attempt to make it more specific, in the hope that the Secretary might be brought to construe the language adopted by Congress in the plain, ordinary acceptation of the words as usually used.

Mr. CHAMBERLAIN. I am sure that the Senator from Colorado intended to do that, and I am sure that the Senator from North Dakota [Mr. MCCUMBER] feels that the Thomas amendment does that; but I take the position that in view of the fact that the President is to make rules and regulations, the authorities can make any kind of rules and regulations they please for the enforcement of the act, and adopt substantially the same rule that they have adopted heretofore.

Mr. BRANDEGEE. But even in the present amendment to the draft act, wherever the President is authorized to make rules and regulations for the enforcement of the provisions of the act a proviso is inserted that the rules and regulations shall not be inconsistent with the provisions of the act.

Mr. CHAMBERLAIN. It is not so stated in this particular section.

Mr. BRANDEGEE. It is in the one that we are now adopting, in the conference report.

Mr. CHAMBERLAIN. That would be the rule of construction, anyway.

Mr. BRANDEGEE. Of course it would. It ought to be.

Mr. CHAMBERLAIN. It would be the rule whether it said so or not.

Now, Mr. President, I have undertaken to show why the conferees reached the conclusion they did. There was no assurance to the conferees that the same rule would not be adopted under this Thomas amendment as that adopted under the present law; and therefore it was a work of supererogation to undertake to continue in the bill the Thomas amendment, in view of the fact that the law in other language is now on the statute books.

Mr. FLETCHER. Mr. President, before the Senator takes his seat, I should like to suggest that the regulation which was read, as I gathered it, referred to nonessential occupations or industries.

Mr. THOMAS. The first part of it did.

Mr. FLETCHER. I gathered that all of it referred to the decision as to whether or not a person was engaged in a nonessential industry. That decision was subject to be passed upon by the Provost Marshal General and changed. This, of course, refers to the classification of drafted men who are engaged in what are called essential industries; and when that condition ceases to exist, then they are subject to be redrafted.

Mr. THOMAS. I may say to the Senator, so far as that is concerned, that the announcement in the Bulletin, I think of August 21, applying that provision only to men who cease in their individual capacity to work, and not applying it when they cease in the aggregate to work, gave a direct construction to it which virtually rendered it inoperative.

Mr. FLETCHER. I was under the impression, after reading and hearing the regulation read and the construction sent out by the Secretary of War, that they did not intend to cover this sort of situation, and that they referred to other conditions.

Mr. CHAMBERLAIN. If the Senator will pardon me just a moment and will look at the preceding rule and regulation, he will find that that covers the nonessential industries, while the one I have read covers both. It is known as the "work-or-fight" regulation.

Mr. THOMAS. My construction of it was that it covered both, as I heard it read.

Mr. FLETCHER. I was thinking that possibly the construction of the Secretary of War was based upon these regulations, which necessarily fall within the restrictive limitations of this section.

Mr. CHAMBERLAIN. Let me say that the Navy Department is applying exactly the same rule. It has been applied in a number of cases. It was applied, I am informed, at the shipyards in Norfolk, and there are other cases where the same rule has been applied.

Mr. THOMAS. Mr. President, I have listened with much interest to the remarks of the chairman of the committee concerning the proviso, and I must come to the conclusion that his views regarding its character and importance have changed, because I find that in the report upon the bill, which the Senator prepared, he makes this reference to what was then called the amendment:

The young man not engaged in these occupations must wear the uniform, enter the ranks, and bare his breast to the weapons of the German Army. He can not refuse to work even for an hour, and he is compelled to fight whether he feels disposed to do so or not. In view of this, when a young man is exempted from the draft solely in order that he may engage in essential industry he ought to continue in that employment in good faith while any grievance he may have is being adjusted by the industrial board, and if he fails to do so he ought to be placed in the same category and be subject to draft just as the young man is compelled to do who was not exempted to work in such industry and who has been compelled to go to the battle front to fight for his country. The provision does not pretend to interfere with the right of any man to cease labor whenever it pleases him to do so, but simply says to him that if he does cease he shall, under such regulations as the President may prescribe, subject himself to the draft as though he had not been exempted in the first instance.

The justice of this provision, the committee believes, will appeal to the good sense and patriotism of the whole country.

Mr. CHAMBERLAIN. Mr. President, I want to say to the Senator that I explained why I have changed my view with respect to this legislation. When that report was written by me I had not seen the "work-or-fight" regulation, which I have had read into the RECORD. I had not seen the order which was issued by the Secretary of War, which I have also had read into the RECORD. I had not compared them and analyzed them in the light of the Thomas amendment and the law as it stood and now stands on the statute books. A man who, when he finds out the facts, will not change his mind never gets anywhere. I still believe in the principle involved in the "work-or-fight" amendment, but if it is to be crystallized into a law, it must be so framed as to be entirely free from misconstruction as well as from the possibility of evasion. That can not be said of the amendment we are discussing and which the conferees have eliminated.

Mr. THOMAS. I think the Senator is mistaken in saying that he had not seen the proviso, because it had been incorporated in the bill before he wrote the report.

Mr. CHAMBERLAIN. I am speaking of the original statute. I had not looked at it at the time I wrote the report. Of course I knew what the original statute was because I helped to write it. I mean the original statute about the exemption, but at the time I wrote that report I did not have before me the regulations which had been adopted by the Provost Marshal General, nor did I have before me the order of the Secretary of War construing such regulations.

Mr. RANSDELL. Mr. President, I wish to take a very brief time of the Senate to contribute slightly to the literature of the general subject under consideration by reading a letter from a Louisiana boy, just a little under 17 years of age. He is very anxious to get into the Army. I think the views expressed by him will be helpful to those who thought that the boys of 18 should not be drafted. The letter is dated New Orleans, La., August 9, 1918, and was addressed to his father. The boy's name is Eldon Costello. He says:

NEW ORLEANS, LA., *August 9, 1918.*

DEAR DAD: Do you ever feel like you ought and want to help your country in the time of her great need, when she is calling upon every man and woman to do his or her bit?

Do you ever stop to think what you owe her for all she has given you?

You have lived under the folds of Old Glory since you first came into the world, and she has provided means for all to attain success in life if you only try a little.

What I am getting at, Dad, is this: You know a draft law has been passed which drafts men from 18 to 45 years. I am not in that draft, but, Dad, I want and should go.

Everyone is asking me—that is, all my friends, both girls and boys that are soldiers—why I haven't gone yet. When I tell them I am not old enough, they laugh and say, "You're big enough."

Mother keeps telling me I am too young and delicate. She says they would never take me because I am too nervous; but still, in all, I want to go. I've got to go, and you've got to let me. Won't you please let me enlist? You don't want your son to be called a slacker by his friends, do you?

Dad, I know I am not old enough, but, by heck, I am big and husky enough.

Can't you realize that I must?

Don't be a slacker just because you hate to lose your only son. I stand just as good a chance of coming back as anyone else that goes.

If you don't think I am right, talk it over with some one who has good "hoss sense," and let me know the results.

We'll talk it over Sunday when I come up.

Your loving son,

ELDON.

Then in a postscript he says:

Be a patriot—a true-blue son of your Uncle Sam. Don't be a father who doesn't believe in fighting and who has a "conscience that objects."

Mr. President, this young man will be 17 years old on the 6th day of next month. I thought that that letter was worth preserving, and I am glad to read it as an evidence of how the Louisiana boys, even under 18, feel—that it is their duty to do the very best they can for their country.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

PUBLIC LAND ENTRIES FOR SOLDIERS.

Mr. CHAMBERLAIN. I ask that the joint resolution reported from the Committee on Public Lands be taken up for consideration.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent for the present consideration of a joint resolution, which the Secretary will read.

The Secretary read the joint resolution, as follows:

A joint resolution (S. J. Res. 169) regulating the operation of section 8 of the act entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917."

Resolved, etc., That no relinquishment of any public-land entry made under and by authority of section 8 of the act passed at the second session of the Sixty-fifth Congress, entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917," shall be valid or effective for any purpose unless executed after the entryman shall have resided upon and cultivated the land, in the case of a homestead entry, for at least six months, and in the case of an entry made under other than the homestead laws, after the entryman shall have complied with the provisions of the applicable law for at least one year.

Any person, firm, or corporation soliciting or dealing with the relinquishment of such claim or entry prior to the completion of one year's compliance with the applicable law and with this resolution, and who or which solicits, demands, or receives or accepts any fee or compensation for locating, filing, or securing any claim or entry for any person entitled to the benefits of said section, shall, upon conviction, be fined not to exceed $1,000 or imprisoned for not exceeding two years, or both.

Mr. JONES of New Mexico. Mr. President, I should like to inquire of the chairman of the committee whether it is the intention to bring the joint resolution to a termination to-day?

Mr. CHAMBERLAIN. I would like to have it disposed of. It affects the administration of the land laws, and its immediate passage would certainly relieve the situation by giving some days' notice.

Mr. JONES of New Mexico. I am not satisfied with the joint resolution, and if that is the purpose of the chairman of the committee I shall have to object to its present consideration.

Mr. CHAMBERLAIN. I regret exceedingly that the Senator feels it incumbent upon him to make the objection, but of course I have no right to undertake to tell the Senator why an objection should not be made.

The PRESIDING OFFICER. Objection is made to the consideration of the joint resolution at this time.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives receding from its adherence to its disagreement to the amendments of the Senate Nos. 1, 61, and 83 to the bill (H. R. 11692) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes, agreeing to amendment No. 1, and further insisting upon its disagreement to the amendments Nos. 61 and 83 to the bill.

Mr. SMITH of Maryland submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate Nos. 1, 61, and 83 to the bill (H. R. 11692) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes, having met, after full and free conference have been unable to agree.

T. U. SISSON,
JAMES MCANDREWS,
C. R. DAVIS,
Managers on the part of the House.
JOHN WALTER SMITH,
O. W. UNDERWOOD,
CHARLES CURTIS,
Managers on the part of the Senate.

The report was agreed to.

Mr. SMITH of Maryland. I move that the Senate further insist upon its amendments still in disagreement, request a further conference with the House on the disagreeing votes of the two Houses thereon, the conferees on the part of the Senate to be appointed by the Chair.

The motion was agreed to; and the Presiding Officer appointed Mr. SMITH of Maryland, Mr. ROBINSON, and Mr. CURTIS conferees on the part of the Senate.

Mr. KENYON. I should like to ask the Senator from Maryland what are the differences now in conference?

Mr. SMITH of Maryland. The playground provision and the Keller amendment.

Mr. KENYON. There is no longer any difference on the half-and-half provision?

Mr. SMITH of Maryland. The House has receded.

Mr. KENYON. Is the matter to be held up, then, by these two differences?

Mr. SMITH of Maryland. A further conference has been ordered, and we hope to have an early agreement.

STIMULATION OF AGRICULTURE.

Mr. GORE. I ask that the unfinished business be laid before the Senate and proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

Mr. FLETCHER. If there is no amendment pending I wish to offer an amendment, which I am sure will be agreed to.

The PRESIDING OFFICER. There are some committee amendments not acted upon. The next committee amendment will be stated.

The SECRETARY. On page 9, at the foot of the page, the committee proposes to strike out in the total "$1,105,980" and insert "$1,005,980."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 9, line 23, after the numerals last read, to strike out the proviso in the following words:

Provided, That the Secretary of Agriculture is authorized, for the official purposes of the Department of Agriculture, and within the limits of the appropriations for rent made by this or any other act making appropriations for the Department of Agriculture, to requisition the use of, and take possession of, any building or any space in any building, and the appurtenances thereof, in the District of Columbia, other than a dwelling house occupied as such or a building occupied by any other branch of the United States Government; and he shall ascertain and pay just compensation for such use. If the amount of compensation so ascertained be not satisfactory to the person entitled to receive the same, such person shall be paid 75 per cent of such amount, and shall be entitled to sue the United States to recover such further sum as, added to said 75 per cent, will make up such amount as will be just compensation for such use in the manner provided by section 24, paragraph 20, and section 145 of the Judicial Code.

The amendment was agreed to.

The next amendment was, on page 10, after line 17, to insert a new section, as follows:

SEC. 2. That under such rules, regulations, and bonds as the Secretary of the Treasury may prescribe distilled spirits or alcohol produced prior to October 3, 1917, from products the growth of the island of Porto Rico may be admitted from said island into the United States for industrial purposes in the arts and sciences. Such alcohol or distilled spirits shall not be used for beverage purposes nor in the production of any article used as a beverage.

Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and, upon conviction, shall be fined not more than $1,000 or imprisoned not more than two years. He shall, in addition, be liable to double the tax evaded, together with the tax, to be collected by assessment or on any bond given.

The amendment was agreed to.

The next amendment was, on page 11, after the amendment just agreed to, to insert a new section, as follows:

SEC. 3. That the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products," approved August 10, 1917, be, and the same hereby is, amended so as to strike out, in section 9, after the words "Caribbean Sea," the following: "into those parts of the United States below the southern cattle quarantine line at such ports of entry as may be designated by said joint regulations and also," so that the section as amended will read as follows:

"SEC. 9. That the act of August 30, 1890, entitled 'An act providing for an inspection of meats for exportation, prohibiting the importation of adulterated articles of food or drink, and authorizing the President to make proclamation in certain cases, and for other purposes' (26 Stat. L., p. 414), is hereby amended so as to authorize the Secretary of Agriculture, within his discretion and under such joint regulations as may be prescribed by the Secretary of Agriculture and the Secretary of the Treasury, to permit the admission into the United States for immediate slaughter at ports of entry to be designated in said joint regulations of tick-infested cattle which are otherwise free from disease and which have not been exposed to the infection of any other disease within 60 days next before their exportation from Mexico,

South and Central America, the islands of the Gulf of Mexico and the Caribbean Sea, subject to the provisions of sections 7, 8, 9, and 10 of said act of August 30, 1890: *Provided*, That the importation of tick-infested cattle from any country referred to in this section in which foot-and-mouth disease exists, which existence shall be determined by the Secretary of Agriculture, is prohibited: *Provided further*, That all cattle imported under the provisions of this section shall be slaughtered in accordance with the provisions of the act of June 30, 1906 (34 Stat. L., p. 674), commonly called the meat-inspection amendment, and the rules and regulations promulgated thereunder by the Secretary of Agriculture, and that their hides shall be disposed of under rules and regulations to be prescribed by the Secretary of Agriculture."

Mr. SHEPPARD. I desire to offer an amendment to the committee amendment. I move to add, after the word "Agriculture," in line 2, page 13, the following proviso:

And provided further, That the slaughter of all such cattle imported into the Territory of Porto Rico may be deferred for such time and under such restrictions as the Secretary of Agriculture may by regulation prescribe, and that the Secretary of Agriculture, within his discretion and under such joint regulations as may be prescribed by the Secretary of Agriculture and the Secretary of the Treasury, may permit the exportation of tick-infested cattle from the Virgin Islands to Porto Rico when said cattle are otherwise free from disease.

The two provisions embodied have the indorsement of the Department of Agriculture and were earnestly requested by the Delegate from Porto Rico [Mr. FELIX CORDOVA DAVILA].

The PRESIDING OFFICER (Mr. JOHNSON of California in the chair). The question is on the amendment of the Senator from Texas to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. This completes the amendments of the Committee on Agriculture and Forestry.

Mr. FLETCHER. I desire to offer an amendment which I think will meet with the favor of the chairman of the committee and will encounter no opposition whatever.

The PRESIDING OFFICER. It will be read.

The SECRETARY. As a new section at the end of the bill, which will be section 4, as follows:

SEC. 4. The President is hereby authorized to extend invitations to other nations to appoint delegates or representatives to the Farmers' National Congress to be held at Jacksonville, Fla., in connection with the Pan American International Farm and Live-Stock Exposition: *Provided*, That no appropriation shall be granted or used for the expenses of delegates.

The amendment was agreed to.

Mr. KENYON. I should like to inquire if amendments were adopted when the bill was previously before the Senate with reference to the items on page 3, "production of beef cattle, $105,000," and "live-stock production in the Great Plains region, $100,000." Were those clauses stricken from the bill?

The PRESIDING OFFICER. The Secretary advises me that they were not.

Mr. KENYON. I move to strike out, on page 3, lines 1 and 2, the item "live-stock production in the Great Plains region, $100,000."

Mr. WARREN. I should like to ask the Senator what is the object of that amendment?

Mr. KENYON. The purpose of the appropriation, as I understand it, is to instruct the people of the Great Plains region how to raise live stock.

Mr. WARREN. And the other clause which the Senator read?

Mr. KENYON. I am going to make a motion as to the other part.

Mr. WARREN. I should like to ask if the Senator proposes to strike it all out; and if so, why he does not include it in one amendment? I do not know that I shall object to that, but I certainly shall object to an attack on the live-stock production in the Great Plains region alone.

Mr. KENYON. Well, I will change my motion. On page 3, line 1, commencing with the word "production," I move to strike out all down to the word "utilization," in line 5.

The PRESIDING OFFICER. The amendment proposed by the Senator from Iowa will be stated.

The SECRETARY. On page 3, line 1, beginning with the word "production," it is proposed to strike out the following: "production of beef cattle, $105,000; live-stock production in the Great Plains region, $100,000; production of pork, $150,000; production of poultry, $129,600; production of sheep, $60,000; making cottage cheese on the farm, $52,950."

Mr. STERLING. Mr. President, before the question is put on that motion I should like to inquire of the chairman of the committee if he has some information from the department itself in regard to these items, especially the item proposing to appropriate $100,000 for live-stock production in the Great Plains region?

Mr. GORE. Mr. President, I will say that those items were all included in the department's estimates and were inserted by the House of Representatives upon the recommendation of the department. The particular item referred to in this instance by the Senator from South Dakota [Mr. STERLING] is an appropriation of $100,000 to carry on instructions as to live-stock breeding in the Great Plains area. That is in the section of the country which was formerly a great meat-producing section, before it was divided and reduced to small farms. The ranches have been converted into small farms, and the cattle have gone farther west; the big ranches and ranges have gone farther west. This appropriation is to encourage the production of live stock on a small scale by farmers owning, say, 160 acres of land. Of course, everbody knows that in Indiana, Illinois, Ohio, and that region the cattle produced on the small farms are, I believe, quoted higher in the market and constitute the best beef cattle which are produced in the country.

As the ranches and ranges gradually disappear the country is obliged to rely more and more upon the small farmer for its meat supply. This appropriation is to encourage that enterprise.

I may say that within the last year or two years the enterprise of producing sheep has been greatly stimulated in Oklahoma. I was recently advised by the department of agriculture of that State that there are over a million head of sheep in the State now, while three or four years ago there were practically none. To reinsure and reinforce our meat supplies by encouraging a greater production on the small farms is the object of this appropriation, as I understand, and the object of most of the related appropriations.

Mr. WARREN and Mr. STERLING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Oklahoma yield; and if so, to whom?

Mr. WARREN. Will the Senator yield to me for a moment, please?

Mr. KENYON. Who has the floor, Mr. President?

The PRESIDING OFFICER. The Senator from Oklahoma [Mr. GORE] has the floor.

Mr. STERLING. I supposed I had the floor. I really addressed an inquiry to the Senator from Oklahoma.

Mr. WARREN. I only wish to correct an observation which I previously made.

Mr. STERLING. I yield to the Senator from Wyoming for that purpose.

Mr. WARREN. Since the Senator from Iowa [Mr. KENYON] has undertaken to move to strike out all of the section, I can only account for that—and he will correct me if I am wrong—on the hypothesis that this bill is utterly bad, except this one section, and that this one section is so deserving that he wishes to take it out of a bad bill, for surely if there is anything in the bill which is good a great portion of it must be contained in this section.

As those Senators from the Great Plains section will understand, cattle raising is changing there. The cattle now must be raised by the farmers who are coming into that section from other localities and who are settling on the dry plains, putting up silos and conducting the business in an entirely different manner from the method by which the great herds which were formerly raised on the plains were produced and which furnished a great proportion of the supply of beef then used in the country.

Mr. STERLING. Mr. President, I simply wish to say that I have not personally investigated the matter, but I presume the Department of Agriculture had some good reason for asking for this appropriation.

As to the changed conditions in the western part of my State—which really is a part of the Great Plains region—I know as to those changed conditions; and I can see in the statements which have been made some very good reasons for an appropriation here to aid in the production of cattle. It is now a matter of what the individual farmer may do instead of the ranchman with his 500 or perhaps several thousand head of cattle; but I can see that if encouragement is needed in other parts of the United States for this industry it is needed there and will be of great value. I, therefore, hope that this one item will not be stricken from the bill.

Mr. KING. Mr. President, will the Senator from South Dakota yield to me?

Mr. STERLING. I yield to the Senator from Utah.

Mr. KING. I desire to call the Senator's attention to the fact that quite recently, indeed as late as July 13, a bill was before the Senate, and it passed shortly after that time, which carried an appropriation of $27,875,353, which amount under the provisions of the bill was to be expended by the Agricultural Department. Will the Senator pardon me for inviting attention to some of the provisions of the bill?

Mr. STERLING. Certainly.

Mr. KING. I should like to observe that it seems to me that the provisions in the bill to which I am now calling attention are duplicated, at least in part, by the measure which is now under consideration. For instance, on page 9 of the printed copy of the bill recently enacted I find an appropriation of $503,662—

For inspection and quarantine work, including all necessary expenses for the eradication of scabies in sheep and cattle, the inspection of southern cattle, the supervision of the transportation of live stock, and the inspection of vessels, the execution of the 28-hour law, the inspection and quarantine of imported animals, including the establishment and maintenance of quarantine stations and repairs, alterations, improvements, or additions to buildings thereon.

Mr. STERLING. None of which has any relation whatever to the item to which attention is now called.

Mr. KING. I can not quite agree with the Senator. It relates to the question of cattle raising. I find a further appropriation of $500,000—

For investigating the disease of tuberculosis of animals, for its control and eradication, for the tuberculin testing of animals, and for researches concerning the cause of the disease, its modes of spread, the methods of treatment and prevention, including demonstrations, the formation of organizations, and such other means as may be necessary, either independently or in cooperation with farmers, associations, State or county authorities.

That deals not with large aggregations, but with the farmers, and relates to corporate organizations of farmers.

Mr. STERLING. And I think, Mr. President, the Secretary of Agriculture will say that not one cent of the item last read by the Senator from Utah will be applicable to the great plains region to encourage live-stock production.

Mr. KING. I did not quite hear the Senator, but, as I gathered his meaning, I disagree with the statement he made. This does not limit the appropriation to any particular part of the country, but the investigations may be made and the appropriations may be made in the district referred to in the bill which is now under consideration.

Mr. STERLING. Yes; but if I heard distinctly the Senator's reading of the section to which he refers, the appropriations were for a particular purpose, in the main connected with the raising of cattle, but not referring to live-stock production.

Mr. KING. I find also in this same measure a provision calling for the eradication of cattle ticks; and that $50,000 may be used for live-stock and for dairy demonstrations. That is certainly a duplication of some of the provisions that are found in the bill now under consideration.

Mr. STERLING. No, Mr. President, we make that appropriation every year, and it is well understood for what that appropriation is made. It is for the eradication of cattle ticks in the southern part of the United States, in Texas, New Mexico, and elsewhere in the South, and it does not pertain——

Mr. FALL. I desire to say to the Senator from South Dakota that there is not a dollar of that appropriation which is spent in New Mexico.

Mr. STERLING. It may be that New Mexico has no ticks.

Mr. FALL. We have no ticks there.

Mr. STERLING. It is expended in the tick-infested region of the South rather than in the western part of the country.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KENYON. I thought the Senator from Utah had about concluded, and I was going to ask him a question.

Mr. KING. I am holding the floor by the courtesy of the Senator from South Dakota.

Mr. KENYON. I want to ask the Senator from Utah if there is anything in the appropriations contained in the bill from which he is reading instructing the farmers how to make cottage cheese, as there is in this bill?

Mr. KING. I have merely hastily glanced at the measure and I am not sure how many provisions there are with respect to so important a matter as that.

I find also, if the Senator will permit me to occupy the floor in his time for a moment further, an appropriation of $364,390—

for necessary expenses for investigating and experimenting in the dairy industry—

I think that would cover the cottage cheese about which the Senator from Iowa required—

for cooperative investigation of the dairy industry in the various States, inspection of renovated-butter factories and markets—

Mr. STERLING. Mr. President, the Senator from Utah might read the whole bill through, calling attention to these special appropriations for this or that particular industry, but that has no particular relation to the point in controversy here. This question relates to the production of live stock in the great plains region, and I am objecting to striking out the $100,000 appropriation made by this bill for that purpose. The Senator has not referred to anything whatever relating to the live-stock production in the great plains region. If he has something of that kind, it might be pertinent to this discussion.

Mr. KING. I was calling attention to the very large appropriations, aggregating more than $27,000,000, a portion of which can, and no doubt will be, utilized for the very same purpose as that covered by the item to which the Senator from South Dakota is now calling attention.

Mr. STERLING. I will say to the Senator from Utah that I can refer to appropriations in the pending bill that might properly be called duplications of what we have had in the regular Agricultural appropriation bill, but it is urged that this much more is needed because of the war and because of the necessity of increasing production, and so forth. That is why this bill is before the Senate.

Mr. NELSON. Mr. President, will the Senator from South Dakota yield to me for just a moment?

Mr. STERLING. I yield to the Senator.

Mr. NELSON. A part of the motion of the Senator from Iowa is to strike out this clause:

Making cottage cheese on the farm, $52,950.

In connection with this subject, I desire to read the following letter which I received last June:

MARSHALLTOWN, IOWA, *June 18, 1918.*

Hon. KNUTE NELSON,
Washington, D. C.

DEAR SENATOR: Being a resident of Minneapolis, Minn., of which you have just received the honor of renomination for the Senate, for which please accept my congratulations.

I am a traveling man and 32 years ago used to live at this place in Iowa before coming to Minnesota.

This evening I was calling on some old neighbors and learned a bit of governmental news that surprised me to the extent that I have determined to advise you and for the benefit of the public.

These friends of mine have a daughter, who is a driver of an automobile, and is at present engaged in driving two ladies about the small country towns in this county in Iowa, under Government employ, in the enterprise of educating people or housewives in the way of making Dutch cheese.

This young lady states there are two ladies engaged by the Government in every county in 47 States. These two ladies have a drawing account with the Government, as I understand it, of $12 per day each and a salary of more than $100 per month.

At least this much is known: The young lady driver is getting $7 per day for that, and she says she knows the expenses run to $85 per week besides.

Now, then, is it possible that we have a Government that will during such strenuous times as we are experiencing, calling on the people for money by the billions to push this war to an American victory, use the people's money for such a worthless purpose? This seems worse than paying Gillette, of Minneapolis, $15,000 a year on Hog Island.

I do think such a deal as this should have immediate investigation and punishment dealt the guilty official fostering such disreputable business.

Show me the housewife who knows anything about housekeeping who can not make better Dutch cheese than any grafter going about the country at the expense of the Government.

No one who is an American can refrain from contributing to the progress of the war, but I can not refrain from making this known, if all true, and, judging from the source it comes from, I believe it is true. If of any benefit, I hope you will investigate.

Very truly, yours,

JAS. R. CRYSTAL,
1609 Stevens Avenue, Minneapolis, Minn.

There is an illustration of how the Dutch-cheese propaganda is operating in the country. I commend it to the consideration of the Agricultural Committee and suggest that it would be well to leave the Dutch-cheese item eliminated from the bill.

Mr. LODGE. Mr. President, I am going to venture to suggest to the chairman of the committee that it is getting pretty late; I imagine there is going to be more or less discussion on the question of making Dutch cheese to be used for cannon balls or something of that kind, and I think we might adjourn.

Mr. GORE. That would be agreeable to me; but there were those who thought we might be able to finish the bill to-night and adjourn over until Monday. I have not shared so confident a hope as that; and I understand that it is desired to have a session to-morrow in order that the draft bill may be signed by the presiding officers of the two Houses. I therefore move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Saturday, August 31, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate August 29, 1918.

(Omitted from the RECORD of August 29, 1918.)

Assistant Secretary of the Treasury.

Albert Rathbone, of New York City, to be Assistant Secretary of the Treasury, in place of Oscar T. Crosby, resigned.

SECOND ASSISTANT SECRETARY OF WAR.

John D. Ryan, of Montana, to be Second Assistant Secretary of War, vice Edward R. Stettinius, resigned.

SECRETARY OF EMBASSY OR LEGATION.

CLASS 1.

Charles D. Tenney, of Massachusetts, now Chinese secretary to the legation of the United States to China to be a secretary of embassy or legation of class 1 of the United States of America.

COLLECTORS OF CUSTOMS.

Murphy J. Foster, of Franklin, La., to be collector of customs for customs collection district No. 20, with headquarters at New Orleans, La. (Reappointment.)

John Marks, of Napoleonville, La., to be surveyor of customs in customs collection district No. 20, with headquarters at New Orleans, La., in place of A. Arnold Barksdale, resigned.

COAST GUARD.

The following-named first lieutenants to be captains in the Coast Guard, for temporary service, from the 1st day of July, 1918:

Eugene Blake, jr.,
Philip Henshaw Scott,
James Freeman Hottel,
Henry William Pope,
Harold Dale Hinckley,
Benjamin Little Brockway,
John Boedeker,
William Henry Munter,
John Lovejoy Maher,
Eben Barker,
Philip Wales Lauriat,
Leon Claude Covell,
Thomas Marcus Molloy,
Edward Shanley Addison,
William Henry Shea,
Cecil Maunsell Gabbett,
Thaddeus Greaves Crapster,
Joseph Henry Crozier,
Hiram Rex Searles,
George Clayton Alexander,
Charles Frederick Howell,
William Thomas Stromberg,
George Ellender Wilcox,
James Albert Alger,
Muller Stuntz Hay,
Frank Lynn Austin,
Howard Eugene Rideout,
Ralph Waldo Dempwolf,
Roger Chew Weightman,
Le Roy Reinburg,
Archibald Howard Scally,
James Louis Ahern,
Lloyd Toulmin Chalker,
Edward Darlington Jones,
Stanley Vincent Parker,
Russell Randolph Waesche, and
Thomas Andrew Shanley.

The following-named second lieutenants to be captains in the Coast Guard, for temporary service, from the 1st day of July, 1918:

Philip Francis Roach,
Wales Alfred Benham, and
Raymond Lockwood Jack.

The following-named second lieutenants to be first lieutenants in the Coast Guard, for temporary service, from the 1st day of July, 1918:

John Farrell McGourty,
John Jenkins Hutson,
Fred Arthur Nichols,
Charles Frederick Seiter,
Chester Hardy Jones,
William Francis Towle,
Michael John Ryan,
James Pine,
Warner Kieth Thompson,
Joseph Raoul Besse,
John Patrick Gray,
Paul Henry Harrison,
William Williams,
John H. Cornell,
William Pitts Wishar,
Gordon Thomas Finlay,
Louis Leon Bennett,
Roy Percival Munroe,
William James Keester,
Eugene Auguste Coffin,
John Stansbury Baylis,
Charles George Roemer,
Wilfred Neville Derby,
Leo Charles Mueller,
Clarence Henry Dench,
William Kirk Scammell,
Roy Ackerman Bothwell,
Wilmer Hake Eberly,
Russell Lord Lucas,
Stephen Safford Yeandle,
Frederick August Zscheuschler,
Thomas Sylvester Klinger,
Charles Eaton Anstett,
Henry George Hemingway,
Jeremiah Allen Starr,
Joseph Edward Stika,
Frank Joseph Gorman,
James Alexander Frost, jr.,
Gordon Whiting MacLane,
Robert Donohue,
Loyd Vineyard Kielhorn,
Elmer Fowler Stone,
Carl Christian von Paulsen,
Fletcher Webster Brown, and
John Elliot Whitbeck,

The following-named third lieutenants to be first lieutenants in the Coast Guard, for temporary service, from the 1st day of July, 1918:

Earl Griffith Rose,
Edward Hanson Smith,
Rae Bartley Hall,
Henry Coyle, and
George Ricker Crosby.

The following-named first lieutenants of Engineers to be captains of Engineers, in the Coast Guard, for temporary service, from the 1st day of July, 1918:

John Edward Dorry,
William Ellicott Maccoun,
Carl Melville Green,
Horatio Nelson Wood,
Hermann Kotzschmar,
Henry Francis Schoenborn,
Robert Edward Wright,
Urban Harvey, and
Albert Clift Norman,
Theodore Graham Lawton,
Christopher Gadsden Porcher,
John Booth Turner,
Charles Augustus Wheeler,
John Irvin Bryan,
Samuel Moorehead Rock,
Edwin Williams Davis,
Charles Stevens Root,
Michael Neligan Usina,
Robert Bradford Adams,
Quincy Bogardus Newman,
Lorenzo Chase Farwell,
California Charles McMillan,
Jesse Wilbur Glover,
George Warren David,
Lucien Joseph Ker, and
Frederick Harvey Young.

The following-named second lieutenants of Engineers to be first lieutenants of Engineers in the Coast Guard, for temporary service, from the 1st day of July, 1918.

Webb Cudworth Maglathlin,
Whitney Matthews Prall,
George Wilson Cairnes,
John Frederick Hahn,
Harvey Fletcher Johnson,
Martin Augustus Doyle,
Norman Brierley Hall,
Sidney Baxter Orne,
Frank Everett Bagger,
Philip Bently Eaton,
Thomas Homer Yeager,
Alvan Hovey Bixby,
Charles Edward Sugden,
Francis Ellery Fitch,
Charles Joseph Oden'hal,
Henry Charles Roach,
Clinton Philo Kendall,
Kurt Wolfgang Krafft,
Charles Herman Johnson,
Herbert Norton Perham,
Francis Clair Allen,
Benjamin Cribby Thorn,

Milton Rockwood Daniels,
Ellis Reed-Hill,
Mayson White Torbet,
Gustavus Richard O'Conner, and
Paul Revere Smith.

The following-named third lieutenants of Engineers to be first lieutenants of Engineers in the Coast Guard, for temporary service, from the 1st day of July, 1918:

Walter Melchior Troll and
Chester Arthur Beckley.

PROVISIONAL APPOINTMENTS, BY TRANSFER, IN THE ARMY.

COAST ARTILLERY CORPS.

First Lieut. Dale M. Hoagland, Infantry, to be first lieutenant of Coast Artillery with rank from October 25, 1917.

INFANTRY ARM.

First Lieut. Fletcher H. Etheridge, Coast Artillery (temporary captain), to be first lieutenant of Infantry with rank from October 25, 1917.

APPOINTMENTS AND PROMOTIONS IN THE NAVY.

Paymaster George M. Stackhouse, retired, to be a pay inspector on the active list of the Navy, with the rank of commander, from the 28th day of August, 1918, to take rank next after Pay Inspector George R. Venable, and to be an additional number in grade, in accordance with a provision contained in the act of Congress approved August 29, 1916.

The following-named lieutenants to be lieutenant commanders in the Navy from the 26th day of May, 1918:

Fred F. Rogers and
Wilfred E. Clarke.

The following-named lieutenants to be lieutenant commanders in the Navy from the 1st day of July, 1918:

Joe R. Morrison,
Harold Jones, and
Garrett K. Davis.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 7th day of March, 1918:

Walter D. Seed, jr.,
Lyal A. Davidson,
William M. Corry, jr.,
Lewis Hancock, jr.,
Henry B. Cecil,
Godfred de C. Chevalier,
Frederick G. Reinicke,
Francis S. Craven,
Thomas Baxter,
John H. Magruder, jr.,
John C. Thom,
Robert P. Heinrichs,
John W. McClaran,
Ralph C. Lawder,
Robert P. Molten, jr.,
George J. McMillin,
Conrad Ridgely, and
Richard H. Booth.

The following-named lieutenants (junior grade) to be lieutenants in the Navy from the 8th day of June, 1918:

Ralph S. Parr,
Donald Boyden,
Robertson J. Weeks,
Frederick Baltzly,
Eugene P. A. Simpson,
James C. Clark,
Carl G. Gilliland,
Whitley Perkins,
James L. King,
Homer C. Wick,
Philip Van H. Weems, and
Clarence Gulbranson.

Ensign Jesse H. Smith to be a lieutenant (junior grade) in the Navy from the 7th day of December, 1917.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 5th day of June, 1918:

Lynde D. McCormick,
Mark L. Sperry, jr.,
Walter A. Hicks,
Frederick W. Pennoyer, jr.,
Louis R. Moore,
Gerald H. Wood,
Melville C. Partello,
Kendall Preston,
Robert O. Glover,
John H. Rockwell,
Norwood G. Calvert,
Leon B. Scott,
William H. Bowman,
Finney B. Smith,
William J. Lorenz,
Ivan M. Graham,
Samuel R. Shumaker,
Thomas G. Peyton,
Samuel P. Jenkins,
Nelson J. Leonard,
Homer W. Graf,
Romeo J. Jondreau,
George C. Hill,
Francis S. Low,
Francis M. Mail, jr.,
William J. Nunnally, jr.,
Alexander S. Wotherspoon,
John L. McCrea,
Tully Shelley,
Horace D. Clarke,
Thomas G. Brown,
Allan E. Smith,
John M. Field, jr.,
Harold O'D. Hunter,
Forrest K. Libenow,
Clifford G. Richardson,
William M. Snelling, and
Elmer B. Hough.

Ensign John D. Edwards to be a lieutenant (junior grade) in the Navy from the 6th day of December, 1917.

The following-named midshipmen to be ensigns in the Navy from the 7th day of June, 1918:

Charles R. Smith and
Gordon M. Jackson.

The following-named assistant surgeons to be passed assistant surgeons in the Navy with the rank of lieutenant from the 22d day of Auril, 1918:

Walter W. Cress,
Henry M. Stenhouse, and
Summerfield M. Taylor.

Dental Surgeon Eugene LeR. Walter of the United States Naval Reserve Force to be assistant dental surgeon in the Navy, with the rank of lieutenant (junior grade), from the 1st day of July, 1918.

The following-named citizens to be assistant dental surgeons in the Navy, with the rank of lieutenant (junior grade), from the 1st day of July, 1918:

Edwin R. Tilley, a citizen of the District of Columbia,
Herbert A. White, a citizen of New York,
Frederick D. Clancy, a citizen of Massachusetts,
Eric G. Hoylman, a citizen of Nebraska,
Harrison B. Duncan, a citizen of New Jersey,
Joseph A. Flynn, a citizen of Ohio,
Elmer H. Brown, a citizen of New Jersey,
Earl H. Zimmer, a citizen of Illinois,
Andrew L. Burleigh, a citizen of New York,
Percy B. Maskrey, a citizen of Ohio,
Arthur W. Bluim, a citizen of Illinois,
Arthur H. Yando, a citizen of Massachusetts,
Conrad H. Nelson, a citizen of New York,
Robert E. Dickson, a citizen of Massachusetts,
Joseph A. Kelly, a citizen of Massachusetts,
Charles C. Jones, a citizen of Texas,
John E. Morgan, a citizen of the District of Columbia,
Ralph Schumucker, a citizen of Pennsylvania,
Joseph F. Quinn, a citizen of Connecticut, and
Alwyn Smith, a citizen of Louisiana.

Pay Clerk John Flynn to be assistant paymaster in the Navy, with the rank of ensign, from the 10th day of July, 1918.

Acting Chaplain Irenee J. Bouffard to be a chaplain in the Navy, with the rank of lieutenant (junior grade), from the 15th day of February, 1918.

Acting Chaplain Robert D. Workman to be a chaplain in the Navy, with the rank of lieutenant (junior grade), from the 13th day of June, 1918.

The following-named boatswains to be chief boatswains in the Navy, from the 19th day of February, 1918:

Lafayette P. Guy, and
Horace DeB. Dougherty.

The following-named machinists to be chief machinists in the Navy, from the 17th day of January, 1918:

Malcolm C. Davis,
LeRoy Neil, and
John C. Hines.

Pay Clerk Eugene K. Brooks, jr., to be a chief pay clerk in the Navy, from the 28th day of February, 1918.

The following-named chief boatswains to be ensigns in the Navy, for temporary service, from the 1st day of July, 1917:
William L. Hill,
Stephen McCarthy,
John J. Holden,
Phillip Mullen,
Harry R. Brayton,
Patrick Deery,
Patrick J. Kane,
Peter E. Radcliffe,
August Rettig,
Arthur R. Nickerson,
John Mahoney,
Ernest V. Sandstrom,
Frederick Muller,
John McCarthy,
Frederick R. Hazard,
William Juraschka,
Joseph Clancy,
Harry G. Jacklin,
Herman P. Rahbusch, and
Gustav Sabelstrom.

The following-named chief gunners to be ensigns in the Navy, for temporary service, from the 1st day of July, 1917:
Thomas M. Johnston,
Frank C. Messenger,
Joel C. Evans,
Frank H. Whitney,
Hugh Sinclair,
James Shannon,
George Charrette,
Hans Johnsen,
James Donald, and
Mons Monssen.

The following-named chief machinists to be ensigns in the Navy, for temporary service, from the 1st day of July, 1917.
Edward A. Manck,
William R. Scofield,
George O. Littlefield,
Otto Johnson,
Richard Jeffares,
Henry Smith,
Robert T. Scott,
Martin J. Clancy,
John T. Pennycook,
James A. Hickey,
John T. Riley,
William W. Booth,
Charles G. Nelson,
Kellum D. Grant,
Charles H. Gilhuley,
John H. Busch,
Daniel C. Beach,
James M. Ober,
Thomas D. Healy,
George Growney, and
George W. Byrne.

The following-named ensigns to be lieutenants (junior grade) in the Navy, for temporary service, from the 15th day of October, 1917:
William L. Hill,
Stephen McCarthy,
Thomas M. Johnston,
Frank C. Messenger,
Joel C. Evans,
Frank H. Whitney,
Hugh Sinclair,
James Shannon,
John J. Holden,
Phillip Mullen,
Harry R. Brayton,
Patrick Deery,
Patrick J. Kane,
George Charrette,
Hans Johnsen,
Peter E. Radcliffe,
August Rettig,
Arthur R. Nickerson,
John Mahoney,
Ernest V. Sandstrom,
James Donald,
Frederick Muller,
John McCarthy,
Frederick R. Hazard,
William Juraschka,
Joseph Clancy,
Harry G. Jacklin,
Edward A. Manck,
William R. Scofield,
George O. Littlefield,
Otto Johnson,
Richard Jeffares,
Henry Smith,
Robert T. Scott,
Martin J. Clancy,
John T. Pennycook,
James A. Hickey,
John T. Riley,
William W. Booth,
Charles G. Nelson,
Kellum D. Grant,
Charles H. Gilhuley,
John H. Busch,
Daniel C. Beach,
James M. Ober, and
Herman P. Rahbusch.

The following-named ensigns to be lieutenants (junior grade) in the Navy, for temporary service, from the 1st day of January, 1918:
Mons Monssen,
Thomas D. Healy,
George Growney,
George W. Byrne, and
Gustav Sabelstrom.

Lieut. (Junior Grade) John D. Edwards to be a lieutenant in the Navy, for temporary service, from the 15th day of October, 1917.

Lieut. (Junior Grade) Andrew I. McKee to be a lieutenant in the Navy, for temporary service, from the 1st day of February, 1918.

The following-named warrant officers for temporary service to be ensigns in the Navy, for temporary service, from the 1st day of August, 1918:
Charles M. Johnson,
John E. Vollmer,
Clarence E. Wardell,
Miles Brazil,
Joseph L. Marshall,
George Harris,
Franklin P. Early,
Adolphus M. Dryden,
Peter Talbot,
John O. Crom, and
Henry L. Pitts.

Matthew F. Tracey, an enlisted man, to be an ensign in the Navy, for temporary service, from the 1st day of February, 1918.

The following-named enlisted men to be ensigns in the Navy, for temporary service, from the 1st day of August, 1918:
Ernest N. Joly,
Charles F. Waters,
Glenn R. Rinquist,
Sylvester T. Moriarity,
William L. Wagner,
Charles W. Van Horn,
Algy R. Macartney,
Glenn F. Degraves,
Anthony Feher,
Percy C. Reed,
Clarence A. Suber, and
Julius A. Egenhoff.

The following-named ensigns of the United States Naval Reserve Force to be ensigns in the Navy, for temporary service, from the 1st day of August, 1918:
Arthur W. Albertson,
Felix H. Chisholm,
Frederic P. Humphreys,
Stearns Poor,
John N. Stearns, and
Henry J. Toombs.

The following-named acting pay clerks to be assistant paymasters in the Navy, for temporary service, from the 1st day of August, 1918:
Stanley C. King, and
Neal A. Smith.

Edmund H. Carhart, jr., a citizen of New York, to be an acting chaplain in the Navy, with the rank of lieutenant (junior grade), for temporary service, from the 11th day of July, 1918.

Edgar W. Davis, a citizen of Virginia, to be an acting chaplain in the Navy, with the rank of lieutenant (junior grade), for temporary service, from the 18th day of July, 1918.

The following-named citizens to be acting chaplains in the Navy with the rank of lieutenant (junior grade), for temporary service, from the 24th day of July, 1918:

William Y. Durrett, a citizen of Tennessee, and
Robert M. Russell, jr., a citizen of New York.

The following-named citizens to be acting chaplains in the Navy with the rank of lieutenant (junior grade), for temporary service, from the 29th day of July, 1918:

Edward P. Costello, a citizen of New York, and
Claude H. Leyfield, a citizen of Maryland.

Douglas Horton, a citizen of Connecticut, to be an acting chaplain in the Navy with the rank of lieutenant (junior grade), for temporary service, from the 1st day of August, 1918.

The following-named citizens to be acting chaplains in the Navy with the rank of lieutenant (junior grade), for temporary service, from the 9th day of August, 1918:

Arthur J. Dandeneau, a citizen of New York,
Joseph V. Earnest, jr., a citizen of Ohio,
John F. Fedders, a citizen of Wisconsin, and
Henry J. Fry, a citizen of New York.

Chief Boatswain Emory F. Hosmer to be an ensign in the Navy, for temporary service, from the 15th day of August, 1918.

The following-named temporary warrant officers to be ensigns in the Navy, for temporary service, from the 15th day of August, 1918:

Gurney E. Patton,
Edward J. Lysaught,
Isidor Steger,
Anthony F. Threm,
Richard Monks,
Henry F. Mulloy,
Percy A. Decker,
Edward J. Spuhler,
Frederick Keil, and
Warren A. Sprout.

The following-named enlisted men to be ensigns in the Navy, for temporary service, from the 15th day of August, 1918:

Harry E. Rairden,
John E. Landers,
John H. Wolters,
Frank L. Lanham,
Claude M. Rice,
Donald V. McClary,
Lewis V. Hubbel,
Chickering Nelson,
Harvey A. Harrison,
Thomas V. H. Askin,
Charles R. Dunne, and
Benjamin R. Evans.

The following-named ensigns of the United States Naval Reserve Force to be ensigns in the Navy, for temporary service, from the 15th day of August, 1918:

Edward V. Condon,
Frederick C. Church,
Winslow V. Felton, and
Franklin J. Lane.

Capt. George R. Clark to be a rear admiral in the Navy, for temporary service, from the 20th day of March, 1918.

The following-named captains to be rear admirals in the Navy, for temporary service, from the 1st day of July, 1918:

William A. Gill,
Harold P. Norton,
Gustav Kaemmerling,
Alexander S. Halstead,
Roger Welles,
Charles P. Plunkett,
William H. G. Bullard,
Joseph W. Oman,
Philip Andrews,
Josiah S. McKean,
Benton C. Decker, and
Mark L. Bristol.

Commander Frederick A. Traut to be a captain in the Navy, for temporary service, from the 1st day of February, 1918.

Commander Francis L. Chadwick to be a captain in the Navy, for temporary service, from the 20th day of March, 1918.

The following-named commanders to be captains in the Navy, for temporary service, from the 1st day of July, 1918:

Roscoe C. Bulmer,
Harlan P. Perrill,
Leonard R. Sargent,
David F. Boyd,
Louis C. Richardson,
Walton R. Sexton,
William D. Leahy,
Andrew T. Graham,
Arthur St. Cl. Smith,
Willis McDowell,
Austin Kautz,
Charles T. Owens,
William C. Asserson,
Clarence S. Kempff,
John Halligan, jr.,
William C. Watts,
Lyman A. Cotten,
Frank L. Pinney,
Zeno E. Briggs,
William T. Tarrant,
Clarence A. Abele,
Thomas L. Johnson,
Yancey S. Williams,
Edward T. Constien,
George T. Pettengill,
David C. Hanrahan,
Charles P. Nelson,
Herbert G. Sparrow,
Edward B. Fenner,
Victor A. Kimberly,
Joseph K. Taussig,
Claude Charles Bloch,
Henry Ellis Lackey,
Edward C. Kalbfus,
Clark H. Woodward,
William S. Miller,
Cyrus W. Cole,
John W. Greenslade,
Charles E. Courtney,
Adolphus E. Watson,
Harry L. Brinser,
James H. Tomb,
Edgar B. Larimer,
Alfred W. Johnson,
Walter M. Hunt,
Chauncey Shackford,
Ralph E. Pope,
Zachariah H. Madison,
Charles P. Snyder, and
Joseph R. Defrees.

Lieut. Commander Henry N. Jenson to be a commander in the Navy, for temporary service, from the 1st day of February 1918.

Lieut. Commander James B. Gilmer to be a commander in the Navy, for temporary service, from the 20th day of March, 1918.

Lieut. Commander Roe W. Vincent to be a commander in the Navy, for temporary service, from the 26th day of May, 1918.

The following-named lieutenant commanders to be commanders in the Navy, for temporary service, from the 1st day of July, 1918:

Robert A. Abernathy,
Adolphus Staton,
Julius C. Townsend,
Earl P. Finney,
Ernest Friedrick,
Charles S. Kerrick,
Robert W. Kessler,
William H. Toaz,
Arthur H. Rice,
Herbert H. Michael,
Bradford Barnette,
Harry A. Stuart,
Turner F. Caldwell,
William R. Furlong,
Edmund S. Root,
Earl R. Shipp,
Arthur B. Cook,
Herbert E. Kays,
Louis P. Davis,
Arthur W. Sears,
George C. Pegram,
Harold G. Bowen,
Edgar G. Oberlin,
George M. Baum,
Isaac C. Johnson, jr.
Richard P. McCullough,
George V. Stewart,
Arthur K. Atkins,
Jonathan S. Dowell, jr.

Nelson H. Goss,
Stanford C. Hooper,
William O. Spears,
Walter H. Lassing,
Harry E. Shoemaker,
John H. Newton,
Andrew F. Carter,
Albert Norris,
Anthony J. James,
John M. Poole, 3d,
William E. Eberle,
William L. Culbertson,
Theodore G. Ellyson,
Hugh Brown,
Wilhelm L. Friedell,
Burton H. Green,
Isaac F. Dortch,
John J. London,
Gordon W. Haines,
Ross S. Culp,
John W. Wilcox, jr.,
Laurance N. McNair,
William Baggaley,
Benjamin Dutton, jr.,
Halford R. Greenlee,
Vaughn K. Coman,
Reed M. Fawell,
Henry A. Orr,
James S. Woods,
Lloyd W. Townsend,
John M. Smeallie,
Charles M. Austin,
John E. Pond,
William P. Gaddis,
Kenneth Whiting,
George B. Wright,
George S. Bryan,
Robert L. Ghormley,
William L. Calhoun,
Russell Willson,
Leigh Noyes,
Walter W. Lorshbough,
Eldred B. Armstrong,
William A. Glassford, jr.,
Conant Taylor,
William A. Hall,
Douglas L. Howard,
Arthur Le R. Bristol, jr.,
Frank J. Fletcher,
Walter B. Decker,
John H. Towers,
Julian H. Collins,
Milo F. Draemel,
Thomas Withers, jr.,
Isaac C. Bogart,
Pierre L. Wilson,
Owen Bartlett,
Walter F. Jacobs,
Leo F. Welch,
Carroll S. Graves,
Harry L. Pence,
Ferdinand L. Reichmuth,
Harvey Delano,
Wolcott E. Hall,
Isaac C. Kidd,
Fred M. Perkins,
Robert A. White,
Frank H. Roberts,
Lewis D. Causey,
Andrew S. Hickey,
Francis M. Robinson,
Randolph P. Schudder,
Charles C. Hartigan,
George A. Alexander,
Edwin B. Woodworth,
James P. Olding,
Roland M. Brainard,
Sherwoode A. Taffinder,
Charles S. McWhorter,
Archibald G. Stirling,
John T. G. Stapler,
John S. McCain,
Matthias E. Manly,
Ronan C. Grady,
Reuben L. Walker,
Albert S. Rees,
Alexander Sharp, jr., and
Hollis M. Cooley.

Lieut. Commander Aubrey W. Fitch to be a commander in the Navy, for temporary service, from the 2d day of July, 1918.

The following-named lieutenant commanders to be commanders in the Navy, for temporary service, from the 23d day of July, 1918:

Edward D. Washburn, jr.,
Fred F. Rogers,
Wilfred E. Clarke,
Robert V. Lowe, and
Harold Jones.

Lieut. John H. S. Dessez to be a lieutenant commander in the Navy, for temporary service, from the 6th day of May, 1918.

Lieut. Stuart S. Brown to be a lieutenant commander in the Navy, for temporary service, from the 10th day of May, 1918.

Lieut. Comfort B. Platt to be a lieutenant commander in the Navy, for temporary service, from the 26th day of May, 1918.

The following-named lieutenants to be lieutenant commanders in the Navy, for temporary service, from the 1st day of July, 1918:

Sherman S. Kennedy,
Richard W. Wuest,
Chauncey A. Lucas,
Charles H. Morrison,
Paul H. Rice,
Robert G. Coman,
Holbrook Gibson,
Charles E. Reordan,
Hugo W. Koehler,
George N. Reeves, jr.,
Virgil J. Dixon,
Ralph E. Sampson,
Joseph M. Deem,
Howard H. J. Benson,
Robert H. Bennett,
James B. Glennon,
Franklin Van Valkenburg,
Vance D. Chapline,
Deupree J. Freidell,
Frank A. Braisted,
George B. Keester,
Lemuel E. Lindsay,
John Borland,
Oscar C. Greene,
Raleigh C. Williams,
Thalbert N. Alford,
Henry G. Cooper, jr.,
Eugene M. Woodson,
James S. Spore,
Wilbur J. Carver,
Charles H. Maddox,
George A. Trever,
Edgar A. Logan,
George W. Hewlett,
Frank E. Johnson,
Benjamin F. Tilley, jr.,
Mark C. Bowman,
Percy T. Wright,
Frank S. Carter,
Harold A. Waddington,
Percy W. Northcroft,
Zachary Lansdowne,
Jesse B. Oldendorf,
David H. Stuart,
Herbert R. A. Borchardt,
Ernest L. Gunther,
Augustine W. Rieger,
James B. Rutter,
Alger H. Dresel,
Frank Slingluff, jr.,
John M. Ashley,
Theodore H. Winters,
Clifford E. Van Hook,
Archibald McGlasson,
Solomon Endel,
Robert P. Guiler, jr.,
Ralph G. Haxton,
Joseph A. Murphy,
James R. Barry,
William N. Richardson, jr.,
Stewart A. Manahan,
Lucius C. Dunn,
Charles M. Elder,

James M. Doyle,
Creed H. Boucher,
Rush S. Fay,
Henry T. Settle,
Ewart G. Haas,
Dennis E. Kemp,
Joseph E. Austin,
Charles M. Cooke, jr.,
Mervyn S. Bennion,
Augustine H. Gray,
Walter E. Brown,
Chester C. Jersey,
Holloway H. Frost,
Howard K. Lewis,
Robert T. Merrill, 2d.,
Warren L. Moore,
Walter D. Seed, jr.,
James B. Will,
Alfred T. Clay,
Harry W. Hosford,
Franlin S. Steinwachs,
Francis G. Marsh,
Earle C. Metz,
Herbert W. Underwood,
Frederick C. Sherman,
Percy K. Robottom,
Wadleigh Capehart,
Lyal A. Davidson,
Hugh M. Branham,
Alston R. Simpson,
Robert C. Lee,
Josiah O. Hoffman, jr.,
Edwin J. Gillam,
Millington B. McComb,
Frank H. Luckel,
William M. Corry, jr.,
Francis L. Shea,
Melville S. Brown,
George M. Cook,
Stanley R. Canine,
Donald B. Beary,
Joseph P. Norfleet,
Elmer D. Langworthy,
Robert E. Bell,
Bernard O. Wills,
Charles J. Moore,
Walter V. Combs,
Thomas Moran,
Frank H. Kelley, jr.,
James A. Logan,
Leslie L. Jordan,
James T. Alexander,
Francis A LaRoche,
John L. Riheldaffer,
Francis P. Traynor,
Howard B. Berry,
John H. Wellbrock,
Dorsey O. Thomas,
Lewis Hancock, jr.,
Alfred Y. Lanphier,
Henry B. Cecil,
Spencer S. Lewis,
William S. Nicholas,
Walden L. Ainsworth,
Edward K. Lang,
Edwards B. Gibson,
William A. Richardson,
Charles A. Pownall,
Lorain Anderson,
Murphy H. Foster,
Roy C. Smith, jr.,
James G. Ware,
Lawrence F. Reifsnider,
Godfred deC. Chevalier,
Robert Gatewood,
Walter A. Edwards,
Frederick G. Reinicke,
Valentine N. Bieg,
Bolivar V. Meade,
Miles P. Refo, jr.,
Samuel W. King,
Edgar M. Williams,
Walter D. LaMont,
Earl A. McIntyre,
Howard A. Flanigan,
Robert T. Young,
George L. Dickson,
Marc A. Mitscher,
Elmer K. Niles,
Scott B. Macfarlane,
George L. Weyler,
Roman B. Hammes,
Jefferson D. Smith,
Earl W. Spencer, jr.,
Clarkson J. Bright,
William D. Kilduff,
Herbert O. Roesch,
Romuald P. P. Meclewski,
John F. Donelson,
Joseph F. Crowell, jr.,
Webb Trammell,
Charlton E. Battle, jr.,
Herbert A. Ellis,
Herbert R. Hein,
Frederick S. Hatch,
Herbert H. Bouson,
Ole O. Hagen,
Robert M. Griffin,
Robert H. Skelton,
Alfred G. Zimermann,
Roger W. Paine,
Milton H. Anderson,
Delevan B. Downer,
Oliver L. Wolfard,
Ellis S. Stone,
Harry L. Merring,
Francis S. Craven,
Morris D. Gilmore,
Lybrand P. Smith,
George M. Lowry,
William D. Chandler, jr.,
William E. Baughman,
Harry W. Hill,
John A. Fletcher,
Bernhard H. Bieri,
Oscar C. Badger,
James C. Byrnes, jr.,
Thomas S. King, 2d,
Robert K. Awtrey,
Howard S. Jeans,
Scott D. McCaughey,
Edward B. Lapham,
Edward W. Hanson,
Daniel J. Callaghan,
Frank J. Lowry,
Cecil Y. Johnston,
Thomas Baxter,
Walter A. Riedel,
Aylmer L. Morgan, jr.,
Edgar R. McClung,
John R. Peterson, jr.,
John H. Magruder, jr.,
James McDowell Cresap,
Paul F. Foster,
Everett D. Capehart,
Frank Loftin,
Lewis W. Comstock,
Thomas S. McCloy,
Lyell S. Pamperin,
George B. Ashe,
Joseph L. Nielson,
Harold R. Keller,
Frank C. McCord,
Eric L. Barr,
John C. Thom,
Ralph F. Wood,
Ames Loder,
Paul M. Bates,
Walter S. Davidson,
John W. Reeves, jr.,
Henry J. Shields,
Urey W. Conway,
Guysbert B. Vroom,
Robert P. Hinrichs,
Elliott B. Nixon,
Lucien B. Green, 2d,
Joseph M. Blackwell,
Frank E. P. Uberroth,
Jenifer Garnett,
Glenn F. Howell,

Sherwood Picking,
Norman L. Kirk,
Francis M. Collier,
James H. Haylor,
Merritt Hodson,
George A. Rood,
Ralph G. Risley,
Fred Welden,
Pat Buchanan,
John W. McClaran,
Alexander Macomb,
Carlos A. Bailey,
William F. Callaway,
Wells E. Goodhue, and
Wallace B. Phillips.

Lieut. Solon E. Rose to be a lieutenant commander in the Navy, for temporary service, from the 2d day of July, 1918.

The following-named lieutenants to be lieutenant commanders in the Navy, for temporary service, from the 23d day of July, 1918:

Franz B. Melendy,
Frederick L. Riefkohl,
Joseph R. Mann, jr.,
John F. Meigs, jr.,
John W. Gates, and
William C. Barnes.

Lieut. Van Leer Kirkman, jr., to be a lieutenant commander in the Navy, for temporary service, from the 26th day of July, 1918.

Lieut. (Junior Grade) George C. Hawkins to be a lieutenant in the Navy, for temporary service, from the 10th day of May, 1918.

Lieut. (Junior Grade) Albert M. Bledsoe to be a lieutenant in the Navy, for temporary service, from the 8th day of June, 1918.

Lieut. (Junior Grade) Bronson P. Vosbury to be a lieutenant in the Navy, for temporary service, from the 9th day of June, 1918.

The following-named lieutenants (junior grade) to be lieutenants in the Navy, for temporary service, from the 1st day of July, 1918:

Harold Biesemeier,
Miles R. Browning,
William C. Wade,
Herman E. Halland,
Roy T. Gallenmore,
Stanley D. Jupp,
Albert F. France, jr.,
Perry R. Taylor,
Robert T. Whitten,
John S. McReynolds,
Walter S. McCaulay,
Staley H. Gambrill,
George G. Breed,
James L. Fisher,
David E. Cummins,
Robert B. Parker,
Julian DuB. Wilson,
Samuel H. Hurt,
Wilbur M. Lockhart,
Henry Y. McCown,
William Busk,
George W. Johnson,
Henry E. Thornhill,
Jacob H. Jacobson,
Ion Pursell,
J. Warren Quackenbush,
Phillip L. Emrich,
Gordon Rowe,
William H. Hartt, jr.,
Junius L. Cotton,
Christopher C. Miller,
James E. Waddell,
Donald W. Loomis,
John G. Farrell,
Mertin C. Wade, jr.,
John S. Phillips,
Elbert C. Rogers,
Jerauld Wright,
Harry W. Need,
Charles D. Leffler, jr.,
William S. Garrett,
Lloyd G. Scheck,
Earle W. Mills,
Fred M. Byers,
Harry D. Hoffman,
Francis S. Gibson,
Harold G. Eberhart,
Thomas G. Fisher,
Berwick B. Lanier,
Victor C. Barringer, jr.,
Martin R. Derx,
Graeme Bannerman,
Louis L. Habrylewicz,
Ernest A. Foote,
Henry D. Stalley,
Robert Poole,
Henry S. Kendall,
James D. Murray, jr.,
Stanley M. Haight,
William E. G. Erskine,
Edward W. Wunch,
Garry DeM. Custer,
John D. H. Kane,
Stanley C. Norton,
James W. Whitfield,
George O. Etheredge,
Bernard V. Eekhout,
Harold E. MacLellan,
Albert S. Marley, jr.,
Peter K. Fischler,
Frank J. Courtney,
Jay G. Huntoon,
Harry W. Von Hasseln,
Guy D. Townsend,
Olton R. Bennehoff,
Arthur T. Moen,
Arthur B. Craig,
Ross P. Whitmarsh,
Ralph H. Henkle,
Leonidas M. Mintzer,
Francis B. Connell,
Gordon B. Woolley,
Vaughn Bailey,
Elmer E. Duvall, jr.,
Albert L. Hutson,
Walter L. Taylor,
Alphonsus I. Flynn,
Edmund J. A. Murphy,
Ellis H. Geiselman,
Ernest H. Krueger,
Herbert R. Sobel,
George E. Ross, jr.,
Jack H. Duncan,
Watson O. Bailey,
Andrew P. Haynes,
Proctor M. Thornton,
Roger F. Armstrong,
Leland P. Lovette,
Wallace M. Dillon,
Edmund J. Kidder,
Edward D. Walbridge,
Leroy W. Busby, jr.,
Smith D. A. Cobb,
Malcom A. Deans,
Ralph S. Riggs,
Carlos W. Wieber,
Harry K. Leventen,
Edwin D. Gibb,
John M. Haines,
William A. S. Macklin,
Thomas F. Remington,
John W. Rogers,
Cleemann Withers,
Lloyd E. Clifford,
Charles G. Moore, jr.,
John K. Jayne,
Joseph H. Brady,
William O. Baldwin,
Robert L. Mitten,
Mays L. Lewis,
Elmer V. Iverson,
Peyton Harrison,
Thomas J. Haffey,
John O. Plonk,
Chauncey R. Crutcher,
George R. Kalbfus,
Lisle Henifin,
Frank B. Hillhouse,

Clement B. White,
Allan P. Flagg,
William K. Phillips,
Robert M. Eaches,
Gordon B. Sherwood,
Ralph C. Alexander,
Alexander C. Kidd,
Willis M. Percifield,
Frank C. Fechteler,
Robert R. Ferguson,
Joseph H. Currier,
Isaac J. Van Kammen,
Ernest V. David,
William L. Hill,
Stephen McCarthy,
Thomas M. Johnston,
Frank C. Messenger,
Joel C. Evans,
Henry Hudson,
Frank H. Whitney,
Michael W. Gilmartin,
Hugh Sinclair,
James Shannon,
William G. Moore,
James Dowling,
John F. Brooks,
John J. Holden,
Philip Mullen,
Harry R. Breyton,
Patrick Deery,
Patrick J. Kane,
Hugh J. Duffy,
Edward J. Norcott,
William A. Cable,
Charles B. Babson,
Franklin T. Applegate,
Herbert Campbell,
Otto Fries,
Clifford H. Sheldon,
Theodore B. Watson,
John H. Lohman,
George Charrette,
Simon Jacobs,
Hans Johnsen,
William Zeitler,
Albert F. Benzon,
Samuel Chiles,
Peter E. Radcliffe,
August Rettig,
Patrick Hill,
James T. Roach,
David F. Diggins,
Edwin N. Fisher,
Arthur R. Nickerson,
John Mahoney,
Ernest V. Sandstrom,
Christian Crone,
William J. Foley,
James C. McDermott,
Charles Hierhahl,
Joseph Hill,
James Donald,
Frederick Muller,
Thomas S. Aveson,
Adolph Hasler,
John W. Stoakley,
John D. Walsh,
John McCarthy,
Martin Fritman,
Dennis J. O'Connell,
Frederick R. Hazard,
William Johnson,
Arthur Smith,
Stephen Donely,
Conrad W. Ljungquist,
Otto E. Reh,
Wilhelm H. F. Schulter,
August C. Steinbrenner,
William Juraschka,
Belmar H. Shepley,
Thomas P. Clark,
Harry A. Davis,
William G. Smith,
John J. Murray,
Gustav Freudendorf,
Joseph Clancy,
John T. Swift,
Herbert A. Nevins,
Robert Rohange,
Benjamin P. Middleton,
Patrick Shanahan,
John Eberwine,
August Wohltman,
John A. Riley,
David White,
Edward J. Damon,
Oscar Borgeson,
Leonard Roll,
Thomas J. Hurd,
David B. Vassie,
George A. Messing,
Joseph Mitchell,
Harry G. Jacklin,
Thomas M. Cassidy,
Edwin Murphy,
James Harry Morrison,
Edward A. Manck,
Thomas O'Donnell,
William R. Scofield,
George O. Littlefield,
John E. Cleary,
Otto Johnson,
Richard Jeffares,
Charles Hammond,
Harold I. Lutken,
Henry Smith,
Robert T. Scott,
Charles H. Hosung,
Martin J. Clancy,
John T. Pennycook,
Samuel L. Wartman,
James A. Hickey,
John T. Riley,
Robert J. Vickery,
Lemuel T. Cooper,
William W. Booth,
Charles G. Nelson,
Kellum D. Grant,
Ralph F. Nourse,
Francis P. Mugan,
David Purdon,
George C. Ellerton,
Charles H. Gilhuley,
Clarence M. Wingate,
Murray S. Holloway,
Charles A. Rowe,
John H. Busch,
Ernest Evans,
William Boteler Stork,
Clarence R. Johnson,
William James,
Jannis V. Jacobsen,
Patrick Fernan,
George W. Johnson,
Frank Risser,
John Bryce,
Llwellyn H. Wentworth,
Rasmus Iverson,
Henry E. White,
Charles C. Holland,
Ellwood W. Andrews,
Cornelius J. Collins,
Adolph A. Gathemann,
Daniel C. Beacs,
James M. Ober,
William C. Gray,
William A. Macdonald,
Karl Rundquist,
Allen T. Webb,
Albion O. Larsen,
Thomas W. Healey,
Joseph Heil,
Herman P. Rahbusch,
Frank Bresnan,
Peter Emery,
Claus K. R. Clausen,
Henry A. Stanley,
John McCloy,
Joseph E. Cartwright,
Harold S. Olsen,

John C. Rickertts,
Bernard P. Donnelly,
John G. Nicklas,
Daniel Duncan,
Arthur S. Pearson,
Edward T. Austin,
Harold V. Barr,
Henry Ernest,
Anthony McHugh,
Stanley Danielak,
James P. Dempsey,
Gotthilf C. Layer,
Edward G. Affleck,
John A. Oliver,
James J. Cotter,
Arthur A. Smith,
Edward G. Higgins,
John L. Barnswell,
Matthias A. Thormahlen,
Louis C. Higgins,
John I. Ballinger,
Augustine Daniel Devine,
Carl Johanson,
Fred W. Cobb,
William T. Robinson,
James L. McCormack,
Fred F. Ingram,
Frederick Meyer,
James Glass,
Nels Drake,
John Davis,
Gerald Ollif,
Owen T. Hurdle,
John Law,
Henry H. Richards,
Frederick W. Metters,
George E. McHugh,
Arthur D. Warwick,
William T. Baxter,
Emil Swanson,
William H. Leitch,
Franklin Heins,
Augustus Anderson,
Ulysses G. Chipman,
Charles J. Miller,
Michael Higgins,
Mons Monssen,
George Crofton,
William J. Creelman,
Thomas D. Healy,
Herbert E. Fish,
George Growney,
Walter S. Falk,
Barnett B. Bowie,
James J. Cullen,
John P. Richter,
John R. Burkhart,
John R. Likens,
Charles Franz,
Frank O. Wells,
Thomas W. Smith,
Bernard Christensen,
Raymond L. Drake,
George W. Byrne,
Henry Lobitz,
John Danner,
James F. Hopkins,
Charles Schonborg,
Walter J. Wortman,
Alexander Stuart,
William Derrington,
James F. McCarthy,
Frederick T. Montgomery,
Harry Adams,
Henry Rieck,
John Sperle, jr.,
Roderick M. O'Conner,
William Herzberg,
Jarrard E. Jones,
Zenas A. Sherwin,
Paul R. Fox,
Otto Boldt,
John B. Martin,
Arthur H. Hawley,
David W. Harry,
Charles Sebastian Wolf,
George R. C. Thompson,
Olav Johnson,
Ole P. Oraker,
Byron C. Howard,
William S. White,
Francis G. Randall,
Franz J. M. Parduhn,
Henry I. Edwards,
Christopher Murray,
John P. Judge,
Gustav Sabelstrom,
John C. Lindberg,
Birney O. Halliwill,
Albert Seeckts,
William C. Bean,
James A. Martin,
William H. Dayton,
Edward W. Furey,
Arthur W. Bird,
Willis Dixon,
Charles Allen,
Constantine Clay,
Adolph Peterson,
William E. O'Connell,
Harry T. Johnson,
Harry N. Huxford,
Thomas James,
William Fremgen,
Daniel W. Nelson,
Joseph H. Aigner,
Clarence D. Holland,
Frederick T. Lense,
Axel V. Kettels,
John W. Merget,
Albert A. Hooper,
Harry Champeno,
George R. Veed,
Niels A. Johnsen,
Isidor Nordstrom,
Charles H. Foster,
James H. Bell,
John J. Clausey,
Charles H. Anderson,
Edward S. Tucker,
Charles Dunne,
George J. Lovett,
Walter Collins,
Frederick W. Teepe,
Edwin W. Abel,
Albert C. Byrne,
George L. Russell,
Orrin R. Hewitt,
Otto T. Purcell,
William R. Gardner,
Joseph R. Bradshaw,
George W. Fairchild,
William M. Miller,
Joseph C. Stein,
Louis F. Miller,
Robert M. Huggard,
Paul B. Cozine,
Earl F. Holmes,
John Atley,
John Evans,
Gregory Cullen,
Bertram David,
Michael J. Wilkinson,
George Knott,
Thomas Macklin,
Richard O. Williams,
Michael Macdonald,
Charles S. Schepke,
George D. Samonski,
William O. King,
James E. Orton,
William Cronan,
Charles L. Bridges,
Arthure Langfield,
Albert Klingler,
John Ronan,
William Seach,
William T. McNiff,
Meade H. Eldridge,
Ernest R. Peircey,
William R. Buechner,
Bernard Schumacher,

Benjamin F. Singles,
Ernest Heilmann,
Otto J. W. Haltnorth,
Percy H. Bierce,
Franklin Earl Chester,
Frank G. Mehling,
James J. O'Brien,
William De Fries,
John B. Hupp,
Daniel Dowling,
Edward Clifton Wurster,
Arthur B. Dorsey,
Arthur D. Freshman,
Gustav C. Tanske,
Leroy Rodd,
Charles W. A. Campbell,
Edward Wenk,
Frank C. Wisker,
Louis M. Wegat,
Harry E. Stevens,
David P. Henderson,
Harry A. Pinkerton,
Herman Kossler,
Oscar E. Anderson,
Henry McEvoy,
Lawrence Wittmann,
Alvin E. Skinner,
Joseph Chamberlain,
Newton R. George,
Ralph G. Moody,
John McN. D. Knowles,
Robert G. Greenleaf,
Charles F. Beecher,
William H. Hubbard,
James MacIntyre,
Ernest W. Dobie,
Stephen H. Badgett,
Jonathan H. Warman,
Walter M. Shipley,
John C. Parker,
Charles O. Hathaway,
James M. Berlin,
Walter Lau,
Robert B. Sanford, jr.,
Charles D. Welker,
Rufus H. Bush,
John E. Burger,
Patrick J. Solon,
Francis A. Pippo,
Joseph W. Bettens,
Frank Bruce,
Michael J. Coulon, and
Henry W. Stratton.

Lieut. (Junior Grade) Clyde Keene to be a lieutenant in the Navy, for temporary service, from the 2d day of July, 1918.

Lieut. (Junior Grade) George C. Smith to be a lieutenant in the Navy, for temporary service, from the 23d day of July, 1918.

The following-named ensigns to be lieutenants (junior grade) in the Navy, for temporary service, from the 1st day of July, 1918:

Fleet W. Corwin,
Howard W. Kitchin,
Leland D. Webb,
William Knox,
Clyde C. Laws,
Henry E. Rung,
Edward J. Carr,
Benjamin F. Strawbridge,
Roy M. Cottrell,
Thomas E. Flaherty,
Charles W. Classen,
John B. Cooke,
Allen R. Chandler,
Maurice M. Rodgers,
Frank Hannon,
Harry F. Gray,
Walter C. Theimer,
Jay Smith,
Arthur R. Pontow,
Charles E. Weickhardt,
Hervey Z. Throop,
Marvin G. Fox,
William Klaus,
Walter S. Gallagher,
John F. Kennedy,
Learned L. Dean,
Frank I. Hart,
Henry E. Keller,
Harry R. Hayes,
Walter B. Buchanan,
Merwin W. Arps,
Alvin Henderson,
William W. Cole,
John F. P. Miller,
John Kneubuehler,
Jerome L. Allen,
Harold F. MacHugh,
Albert R. Colwell,
Ralph Lane,
Carl J. Nerdahl,
Joseph W. Storm,
Glen R. Ogg,
Karl E. F. Sorensen,
Eugene L. Richardson,
Thomas F. Fahy,
Edward C. McDonald,
Jeremiah K. Cronin,
Clarence M. Maloney,
Thomas F. Morris,
Albert R. Myers,
Philip A. Wilson,
Harry D. Bolin,
James A. Maloney,
Willis M. Young,
Kenneth F. Horne,
Bennie C. Phillips,
Leonard W. Johnson,
John J. Arnaud,
Walter C. Haight,
Charles E. S. Lines,
John Sharpe,
James D. Rorabaugh,
Charles P. Porter,
Raymond S. Kaiser,
Loar Mansbach,
Milton E. Robison,
Samuel A. Wilson,
Steve V. Edwards,
Max P. Schaffer,
Karl Hart,
Julius Holbin,
Casper H. Husted,
Frederick A. Mack,
Allen J. Gahagan,
William Pollock,
George F. Fredenburg,
Frank Schlapp,
John A. Lemanski,
Bruce M. Parmenter,
Arthur A. Travis,
Benjamin F. Schmidt,
William C. Procknow,
Robert E. Simon,
Frank S. Miller,
Bea L. Jarvis,
Harry F. Quandt,
Felix M. Kelley,
Harry M. Dickerson,
Fred J. Pope,
Arthur Boileau,
Frank W. Dunning,
Frederick Seefeldt,
Lewis H. Rassler,
Ferdinand H. Ehlbeck,
Glenn O. Twiss,
Edwin Brown,
William P. Bachman,
Hal W. Barnes,
Conrad F. Holzermer,
Albert L. Payne,
Charles W. Pearles,
William A. Tattersall,
Walter M. Blumenkranz,
William J. Russell,
Henry E. Cressman,
Arthur C. Leonard,
Benjamin F. Blume,
Emil F. Linstrom,
Robert Anderson,
Edwin V. Wilder,

Roscoe C. Bright,
Ola F. Heslar,
Simeon L. Owen,
Louis M. Palmer,
Edo S. Carfolite,
Henry Plander,
George H. Wheeler,
Daniel Campbell,
Herman R. Newby,
Alfred L. Johnson,
Stanley M. Cox,
J. Walker Eaton,
James Fenimore Cooper,
Milton M. Fisher,
Joseph C. M. Small,
Albert L. King,
Frank J. McManamon,
Alexander S. Neilson,
Henry K. McHarg,
Ray P. Helm,
Walter F. Marriner,
William P. Turner,
Oliver P. Kilmer,
Laurie C. Parfitt,
Clarence A. Hawkins,
Augustus A. Bressman,
Leo Mead,
Walter J. Fanger,
Ray H. Watkins,
Richard L. Reuling,
Alfred R. Boileau,
Eldred J. Richards,
Herbert Wycherley,
Jacob M. Gibson,
Manuel J. Cayton,
Martin J. Werner,
Warren A. Northrup,
Arthur G. Somers,
Grover A. Miller,
George A. Gast,
George Stone,
Marion C. Erwin,
James E. Drever,
Arthur P. Spencer,
William I. Denny,
Robert T. Bamford,
Frank Dobie,
Robert J. Ford,
William J. Poland,
Haden H. Phares,
Thomas Fertner,
James Moran,
Ellis H. Roach,
Emil H. Petri,
Olaf J. Dahl,
Ralph F. Stretiz,
Warren W. Wesley,
Stephen J. Drellishak,
August Skolasky,
Edwin F. Bilson,
Werner E. Follin,
James J. Morgan,
Frederick Bense,
Carl E. Nelson,
Carter E. Parker,
Charles M. May,
Walter H. Thomas,
Frederick G. Lemke,
Lester M. Harvey,
Edmund F. Sale,
Adolph J. Hofman,
Edward L. Moyer,
Edward Eger,
Thomas C. Ryan,
William Johnson,
Otto H. H. Strack,
John Erickson, jr.,
Dellworth Ballard,
Harlie H. Brown,
Garrison Payne,
Emmett M. Wanner,
Walter H. Stuart,
Leo E. Orvis,
Harold Bye,
Harold E. Fosdick,
Nels E. Smith,
Archie O. Mundale,
Mauritz M. Nelson,
John C. Hicks,
Orie H. Small,
Charles W. Henckler,
William B. Anderson,
Henry Quinton,
William P. Crowley,
Harvey C. Brown,
Louis M. Bliler,
Joe S. Wierzbowski,
Robin Southern,
George W. Allen,
Elmer A. Posey,
Edmond T. Coon,
John F. McConalogue,
George H. Turner,
Joseph K. Konieczny,
Frederick A. Ruf,
Christian V. Pedersen,
Thomas M. Arrowsmith,
Henry Eismann,
William R. Giddens,
Walter E. Sharon,
Ernest C. Marheineke,
Herman G. Mecklenberg,
John D. Cornell,
Earle S. Nason,
Lawrence Crilley,
Carl I. Ostrom,
Robert De Bellefeuille,
James Williams,
John H. Burke,
William H. Newman,
George E. Comstock,
George Enos,
Ralph M. Jeffries,
Fred P. Brown,
Frank L. McClellan,
Thomas E. Orr,
Frederick L. Rose,
Harry L. Thompson,
William A. Blazo,
Harry E. Adams,
John D. Lennon,
Herbert G. Haynes,
Edward V. Brown,
Harry L. Richtie,
William A. Reynolds,
Roy E. Hall,
Leslie K. Orr,
Leon W. Thomas,
Horatio S. Ford,
Frank Mogridge,
George W. Haynes,
Chub J. Smith,
Charles Braun, jr.,
John A. Rayhart,
John J. Dabbs,
Clyde Morrison,
Ira A. White,
Joseph A. Curzon,
John E. Warris,
Elmer B. Robinson,
Emil Roeller,
Emerson Binney Manley,
Albert L. Bishop,
Edward D. Berry,
Walker P. Rodman,
Stephen W. Burton,
William Kuskey,
James S. Cuff,
John Lester Wilson,
Paul Elbert Current,
Luther Foust,
Theodore R. Raderick,
Edgard J. Thonnesen,
Alfred G. Lewis,
John E. Shaw,
George W. Pounder,
Willie L. De Camp,
Thomas O. Kirby,
Abe Toretsky,
Elijah E. Tompkins,

Walter J. Thomas,
Svend J. Skou,
Harry B. Lough,
Loring McCormick,
Thomas C. Macklin,
William A. Gordon,
Oswald T. Schubert,
John W. Scanlin,
Carlton C. Tipping,
Cullie C. Manning,
Jacob Schnell,
Leonard E. Bray,
James D. Rodgers,
James B. O'Reilly,
Emil G. B. Wendt,
Anthony P. Sauerwein,
Ray W. Marsh,
Warren C. Carr,
Harold L. Arnold,
Clarence E. Owens,
John J. Audett,
Harold J. Gordon,
Stanley Kazmarek,
George H. Cooley,
David A. Smith,
Elias Q. Horton,
Jesse E. Walter,
Harry Waterhouse,
Oscar E. Harris,
Percy S. Hogarth,
Doile Greenwell,
Earl H. Knee,
Thomas F. Cullen,
Thomas Sheldon Beard,
Henry A. Beaman,
Arthur L. Karns,
George J. Wolf,
Jesse M. Acuff,
Lincoln B. Walker,
George Hurst,
William E. Smith,
Caleb A. Holbrook,
John M. Morrison,
George M. Donovan,
James F. Mullin,
Edward Van Pelt,
George T. Rolfes,
Ernest A. Broms,
Edward G. Evans,
John H. Rider,
Carlisle J. Christman,
William T. Murray,
Christian Bauer,
Charles A. Pilant,
John W. Cunningham,
Michael F. Minihan,
Charles Keenan,
James T. Brien,
Robert J. Denny,
Thomas A. Patterson,
Walter E. Holden,
Howard Keane,
John Black, jr.,
Thomas H. Laine,
Ludwig G. Hoefling,
Alexis O. Kustel,
Frank Jurgensen,
Joseph M. Quinlan,
Grover C. Watkins,
Frederick Strohte,
Harry F. Lake,
Walter W. Hedges,
James J. Hickey,
Robert E. Hunter,
Howard Webb,
Emory E. Church,
Thomas Gilmore,
Arthur P. Paradis,
Harry H. Mochon,
James M. Williams,
Frank H. Lemon,
Olaf J. Gullickson,
Robert P. Pitchford,
Harry A. Naile,
Louis F. Brodie,
Harry L. Wilcox,
Oscar A. Stewart,
Parker C. Hatch,
Harold E. Herrick,
Leslie Soule,
Thomas J. Bryce,
William M. Fester,
Clarence E. Miller,
Homer E. Curlee,
Stuart L. Johnson,
Joe B. Cadenbach,
John L. Kershaw,
Patrick H. Foley,
Harold D. Kent,
William J. Lowe,
Thomas F. Egan,
Carl H. Forth,
William W. Funk,
Ivan E. Pitman,
Henry C. Vogt,
Vern W. McGrew,
Frank A. Jahn,
Gustave O. Kolle,
Robert N. Lockart,
Conrad L. Bayer,
Edward J. Sherry,
Richard E. Miegel,
William T. Crone,
Albert F. Holst,
Gilbert R. Whitworth,
Conrad E. Nordhus,
Arthur E. Redding,
Richard Higgins,
David R. Knape,
Marcus L. Kurtz,
John F. W. Gray,
Gysbert V. S. Harvey,
Michael Spring,
James L. Lohrke,
Fred P. Ritchie,
John G. Kenlon,
Hancock Banning, jr.,
Enoch S. Farson, jr.,
Joseph F. Carmody,
John R. Baker,
Richard C. Curtis,
Newton P. Darling,
William Rand, jr.,
Charles T. White,
Laurence M. Lombard,
Bartlett Harwood,
Herman H. Phleger,
Henry P. Lamarche,
Walter W. Weld,
Frederick W. Gardner,
Charles D. Dickey, jr.,
Russell S. Bartlett,
Harold M. Terrill,
Oliver Iselin,
Allan Cunningham,
Charles P. Curtis, jr.,
George F. Noyes,
Albert B. Crawford,
Thomas B. Price,
Oliver C. Harriman,
Bryan P. Leeb,
Bruce D. Bromley,
Francis M. Knight,
Louis F. Dahling,
Louis F. Eaton,
Melville D. Truesdale,
Ratcliffe C. Welles,
Leland M. Marshall,
Herbert C. Sneath,
Frank H. Brownell, jr.,
Roland I. Stringham,
Marcus B. Butler,
Vaughan C. Chambers,
Wildey C. Rickerson,
Edward C. Riley,
Homer B. Davis,
James L. Rodgers, jr., and
Thomas G. Hunter.

The following-named chief pharmacists to be assistant surgeons in the Navy, with the rank of lieutenant (junior grade), for temporary service, from the 1st day of July, 1917:

Charles E. Reynolds,

Alrik Hammar, and
Stephen W. Douglass.

The following-named assistant surgeons of the United States Naval Reserve Force to be assistant surgeons in the Navy, for temporary service, from the 19th day of January, 1918:

William E. Henderson,
Gerald A. Sullivan,
Edward L. Merritt, and
Edward K. Hanson.

The following-named pay clerks to be assistant paymasters in the Navy, with the rank of ensign, for temporary service, from the 1st day of January, 1918:

Fred M. Conrad,
Frank R. Hill, and
Max Baum.

Chief Pay Clerk William Craig to be an assistant paymaster in the Navy, with the rank of ensign, for temporary service, from the 15th day of August, 1918.

The following-named acting pay clerks to be assistant paymasters in the Navy, with the rank of ensign, for temporary service, from the 15th day of August, 1918:

William J. Dean,
Roy W. Clark,
Isaac W. Thompson,
Frederick Schwab,
Clyde E. Williams, and
Edwin R. Applegate.

Ensign William H. Walsh, United States Navy, retired, to be a lieutenant on the retired list of the Navy, for temporary service, from 1st day of July, 1918.

The following-named chief boatswains on the retired list to be lieutenants on the retired list of the Navy, for temporary service, from the 1st day of July, 1918:

John McLaughlin,
Michael Wogan,
Charles F. Pierce,
Frank Carregher,
Samuel W. Gardner,
Timothy Sullivan,
George B. Moncrief,
Christopher J. Cooper,
William Martin,
Allen Whipkey,
John J. Rochfort,
John H. O'Neil, and
Daniel Moriarty.

The following-named chief gunners on the retired list to be lieutenants on the retired list of the Navy, for temporary service, from the 1st day of July, 1918:

Charles H. Venable,
John J. Walsh,
Arthur A. Phelps,
Charles B. Magruder,
William Halford,
William Walsh,
Joseph R. Ward,
Charles Morgan.
Charles E. Daffe,
David Hepburn, and
Lewis E. Bruce.

Gunner Henry J. Tresselt on the retired list to be lieutenant on the retired list of the Navy, for temporary service, from the 1st day of July, 1918.

The following-named chief machinists on the retired list to be lieutenants on the retired list of the Navy, for temporary service, from the 1st day of July, 1918:

Gustav Auberlin,
Fred J. Korte,
Francis J. McAllister,
Martin M. Schreiber, and
Frederick G. Sprengel.

The following-named chief sailmakers on the retired list to be lieutenants on the retired list of the Navy, for temporary service, from the 1st day of July, 1918:

Frank Watson, and
Milton M. Watkins.

Sailmaker Herman Hanson on the retired list to be a lieutenant on the retired list of the Navy, for temporary service, from the 1st day of July, 1918.

The following-named chief carpenters on the retired list to be assistant naval constructors on the retired list of the Navy, for temporary service, with the rank of lieutenant, from the 1st day of July, 1918:

Edward H. Hay,
Luther L. Martin,
William A. Barry,
John S. Waltemeyer,
Alonzo Burke,
John W. Burnham,
Clayton P. Hand,
John H. Gill, and
Charles E. Richardson.

Machinist James L. Baart on the retired list to be a lieutenant on the retired list of the Navy, for temporary service, from the 1st day of July, 1918.

Chief Yeoman Clyde Knight to be an ensign in the Navy, for temporary service, from the 15th day of August, 1918.

Lieut. Chauncey E. Pugh (retired) to be a lieutenant commander on the retired list of the Navy from the 1st day of July, 1918, for temporary service.

The following-named lieutenants on the retired list to be lieutenant commanders on the retired list of the Navy from the 1st day of July, 1918:

Samuel L. Graham,
Alfred W. Pressey, and
Edward W. McIntyre.

Lieut. (Junior Grade) Chauncey E. Pugh (retired) to be a lieutenant on the retired list of the Navy from the 1st day of July, 1918.

The following-named lieutenants on the retired list to be lieutenant commanders on the retired list of the Navy from the 1st day of July, 1918:

Jeremiah C. Burnett,
John C. Soley,
William H. Faust,
Charles S. Ripley,
Claude Bailey,
William R. Cushman,
William J. Moses,
Carlton F. Snow,
Oscar F. Cooper,
Emory Winship,
Luman E. Morgan,
Franklin W. Osburn, jr.,
Gerald Howze,
James A. Campbell,
Clarence S. Vanderbeck, and
John E. Lewis.

The following-named ensigns on the retired list to be lieutenant commanders on the retired list of the Navy from the 1st day of July, 1918:

Walter G. Richardson and
Frank W. Toppan.

The following-named lieutenants (junior grade) on the retired list to be lieutenants on the retired list of the Navy from the 1st day of July, 1918:

Alfred A. McKethan,
Fred C. Beisel,
John W. DuBoise,
Carleton M. Dolan,
Henry H. Porter,
Paul L. Holland,
Frank H. Weaver,
Hugh Allen,
Boyce K. Muir, and
William P. Brown.

Ensign Francis G. Blasdel (retired) to be a lieutenant on the retired list of the Navy from the 1st day of July, 1918.

The following-named ensigns on the retired list to be lieutenants (junior grade) on the retired list from the 1st day of July, 1918:

Ernest C. Keenan,
Harry C. Ridgely,
Coburn S. Marston,
Ignatius T. Cooper,
Thomas M. Dick,
Frank O. Branch,
Earl W. Jukes,
Omenzo C. F. Dodge,
John P. Hart,
Renwick J. Hartung,
Charles A. Harris,
Horace C. Laird,
Thomas W. McGuire,
Philip F. Hambsch,
Charles McK. Lynch,
Herbert J. French, and
John H. Conditt.

The following-named lieutenants on the retired list to be lieutenant commanders on the retired list, for temporary service, from the 1st day of July, 1918:

Frederick W. Milner,

Charles K. Mallory,
Virgil Baker,
Ernest A. Swanson,
Francis S. Whitten,
Wilfred Van N. Powelson,
Gilford Darst,
Alfred A. McKethan,
Fred C. Beisel,
John W. Du Bose,
Carleton M. Dolan,
Henry H. Porter,
Paul L. Holland,
Frank H. Weaver,
Hugh Allen,
Boyce K. Muir,
William P. Brown, and
Francis G. Blasdel.

The following-named lieutenants (junior grade) on the retired list to be lieutenant commanders on the retired list, for temporary service, from the 1st day of July, 1918:

Robert S. Robertson, jr.,
Michael A. Leahy,
John E. Meredith,
Eugene D. McCormick,
Carl C. Clark,
Jefferson B. Goldman,
Wilson E. Madden,
John F. Atkinson,
Ernest C. Keenan,
Harry C. Ridgely,
Coburn S. Marston, and
Ignatius T. Cooper.

The following-named lieutenants (junior grade) on the retired list to be lieutenants on the retired list of the Navy, for temporary service, from the 1st day of July, 1918:

Richard E. Byrd, jr.,
Stanley P. Tracht,
Homer B. Gilbert,
George S. Dale,
Robert W. Spofford,
Thomas M. Dick,
Frank O. Branch,
Earle W. Jukes,
Omenzo C. F. Dodge,
John P. Hart,
Renwick J. Hartung,
Charles A. Harris,
Horace C. Laird,
Thomas W. McQuire,
Philip F. Hambsch,
Charles McK. Lynch,
Herbert J. French,
John H. Conditt.

The following-named ensigns on the retired list to be lieutenants on the retired list, for temporary service, from the 1st day of July, 1918:

Arnold H. Vanderhoof,
Henry C. Longnecker,
Harold D. Childs,
John M. Blankenship, and
William P. Sedgwick, jr.

The following-named senior captains in the United States Coast Guard to have the temporary rank of captain in the Navy and colonel in the Army from the 1st day of July, 1918:

William E. Reynolds and
Daniel P. Foley.

The following-named captains in the United States Coast Guard to have the temporary rank of senior captain from the 1st day of July, 1918:

James H. Brown,
James M. Moore,
William V. E. Jacobs,
Preston H. Uberroth,
Andrew J. Henderson,
Richard O. Crisp,
Frederick G. Dodge,
George C. Carmine,
Frederick J. Haake,
James G. Ballinger,
Charles E. Johnston, and
Aaron L. Gamble,

The following-named captains of Engineers in the United States Coast Guard to have the temporary rank of senior captain from the 1st day of July, 1918:

James H. Chalker and
Charles F. Nash.

The following-named first lieutenants, retired, in the United States Coast Guard to be temporary captains, retired, from the 1st day of July, 1918:

Charles W. Cairnes and
John Mel.

The following-named first lieutenants of Engineers, retired, United States Coast Guard, to be temporary captains of Engineers, retired, from the 1st day of July, 1918:

Fred R. Falkenstein,
Charles W. Zastrow, and
William L. Maxwell.

Second Lieut. of Engineers Byron A. Minor, United States Coast Guard, retired, to be a temporary first lieutenant of Engineers, retired, from the 1st day of July, 1918.

First Lieut. of Engineers Henry O. Slayton, United States Coast Guard, retired, to be a temporary captain of Engineers, retired, from the 1st day of July, 1918.

POSTMASTERS.

ALABAMA.

Lee M. Otts to be postmaster at Greensboro, Ala., in place of Lewis J. Lawson, deceased.

Yancy E. Adams to be postmaster at Alabama City, Ala., in place of W. T. McCord, resigned.

Laura E. Wolbrink to be postmaster at Foley, Ala., in place of Laura E. Richards; name changed by marriage.

Walter T. Cowan to be postmaster at Orrville, Ala. Office became presidential January 1, 1918.

William K. Cooper to be postmaster at Northport, Ala. Office became presidential January 1, 1918.

Cleon M. Sumner to be postmaster at Corona, Ala. Office became presidential April 1, 1918.

Martha H. Rigell to be postmaster at Ashford, Ala. Office became presidential January 1, 1918.

Alta L. King to be postmaster at Adamsville, Ala. Office became presidential January 1, 1918.

Ella M. Harris to be postmaster at York, Ala., in place of E. M. Harris. Incumbent's commission expired May 19, 1918.

Benjamin L. Perry to be postmaster at Union Springs, Ala., in place of B. L. Perry. Incumbent's commission expired January 12, 1918.

Thomas E. Hill to be postmaster at Troy, Ala., in place of T. E. Hill. Incumbent's commission expired June 16, 1918.

Robert M. Jemison to be postmaster at Talladega, Ala., in place of R. M. Jemison. Incumbent's commission expired May 19, 1918.

Randolph St. John to be postmaster at Sylacauga, Ala., in place of Randolph St. John. Incumbent's commission expired February 2, 1918.

John B. Tally, jr., to be postmaster at Scottsboro, Ala., in place of J. B. Tally, jr. Incumbent's commission expired June 22, 1918.

John T. Farmer to be postmaster at Samson, Ala., in place of J. T. Farmer. Incumbent's commission expired November 22, 1917.

William M. Head to be postmaster at Ozark, Ala., in place of W. M. Head. Incumbent's commission expired June 5, 1918.

Zere E. Bellah to be postmaster at Oneonta, Ala., in place of Z. E. Bellah. Incumbent's commission expired June 16, 1918.

Charles E. Hoskin to be postmaster at Montevalla, Ala., in place of C. E. Hoskin. Incumbent's commission expired February 20, 1918.

J. Blocker Thornton to be postmaster at Mobile, Ala., in place of J. Blocker Thornton. Incumbent's commission expired January 30, 1918.

John C. Routon to be postmaster at Luverne, Ala., in place of J. C. Routon. Incumbent's commission expired January 12, 1918.

Robert E. Burnett to be postmaster at Greenville, Ala., in place of R. E. Burnett. Incumbent's commission expired June 16, 1918.

Henry G. Williams to be postmaster at Gordo, Ala., in place of H. G. Williams. Incumbent's commission expired June 16, 1918.

George Cotton to be postmaster at Dothan, Ala., in place of George Cotton. Incumbent's commission expired May 19, 1918.

Charles E. Niven to be postmaster at Columbiana, Ala., in place of C. E. Niven. Incumbent's commission expired June 13, 1918.

ALASKA.

Thomas H. Deal to be postmaster at Fairbanks, Alaska, in place of T. H. Deal. Incumbent's commission expired April 27, 1918.

John F. Henson to be postmaster at Douglas, Alaska, in place of John F. Henson. Incumbent's commission expired February 11, 1918.

Laurie M. Stevenson to be postmaster at Thane, Alaska, in place of J. C. Hendee, resigned.

ARIZONA.

William L. Leonard to be postmaster at Jerome, Ariz., in place of W. S. Adams, removed.

R. Monroe Miller to be postmaster at Chandler, Ariz., in place of G. L. Gollands, resigned.

Carmen R. Rule to be postmaster at Sonora, Ariz., in place of Carmen Robles; name changed by marriage.

David H. Weech to be postmaster at Pima, Ariz. Office became presidential April 1, 1918.

Bertha M. Rees to be postmaster at Wickenburg, Ariz., in place of B. M. Rees. Incumbent's commission expired March 10, 1918.

James M. Byrns to be postmaster at Warren, Ariz., in place of J. M. Byrns. Incumbent's commission expired January 27, 1918.

Joseph M. Ronstadt to be postmaster at Tucson, Ariz., in place of J. M. Ronstadt. Incumbent's commission expired March 27, 1918.

Ellen M. Dial to be postmaster at Safford, Ariz., in place of E. M. Dial. Incumbent's commission expired February 24, 1918.

Andrew J. Herndon to be postmaster at Prescott, Ariz., in place of A. J. Herndon. Incumbent's commission expired May 15, 1918.

Wilson T. Wright to be postmaster at Globe, Ariz., in place of W. T. Wright. Incumbent's commission expired March 19, 1918.

Josiah W. Hawks to be postmaster at Glendale, Ariz., in place of J. W. Hawks. Incumbent's commission expired January 27, 1918.

Lon R. Bailey to be postmaster at Bisbee, Ariz., in place of L. R. Bailey. Incumbent's commission expired February 7, 1918.

Winchester Dickerson to be postmaster at Ashfork, Ariz., in place of W. Dickerson. Incumbent's commission expired February 2, 1918.

ARKANSAS.

Bertram C. Reid to be postmaster at Hoxio, Ark., in place of J. E. Pringle. Incumbent's commission expired April 28, 1917.

Luther M. Burge to be postmaster at Cabot, Ark., in place of E. J. Patton, resigned.

Bessie Mahan to be postmaster at Bearden, Ark., in place of Abbie Shearer, resigned.

Everett A. Matthews to be postmaster at Ola, Ark., in place of T. R. Willson. Office became presidential January 1, 1917.

Lucy C. Pullen to be postmaster at Foreman, Ark., in place of Lucy C. Dollarhide; name changed by marriage.

William L. Newton to be postmaster at Camden, Ark., in place of W. L. Newton. Incumbent's commission expired April 27, 1918.

Charles B. Gregg to be postmaster at Jonesboro, Ark., in place of C. B. Gregg. Incumbent's commission expired April 24, 1918.

John F. Hunt to be postmaster at Mammoth Springs, Ark., in place of J. F. Hunt. Incumbent's commission expired August 15, 1917.

Levi N. Douglas to be postmaster at Trumann, Ark., in place of L. N. Douglas. Incumbent's commission expired January 31, 1918.

Albert P. Massey to be postmaster at Stamps, Ark., in place of A. P. Massey. Incumbent's commission expired June 23, 1918.

Joel M. Harrison to be postmaster at Prairie Grove, Ark., in place of J. M. Harrison. Incumbent's commission expired May 14, 1918.

William T. Stahl to be postmaster at Siloam Springs, Ark., in place of W. T. Stahl. Incumbent's commission expired January 27, 1918.

William P. Williams to be postmaster at Nashville, Ark., in place of W. P. Williams. Incumbent's commission expired June 16, 1918.

Robert S. Allen to be postmaster at Mena, Ark., in place of R. S. Allen. Incumbent's commission expired May 2, 1918.

Overton D. Boreing to be postmaster at Magnolia, Ark., in place of O. D. Boreing. Incumbent's commission expired April 27, 1918.

George H. Rule, jr., to be postmaster at Lonoke, Ark., in place of G. H. Rule, jr. Incumbent's commission expired January 26, 1918.

Ethel Leeper to be postmaster at Lockesburg, Ark., in place of Ethel Leeper. Incumbent's commission expired January 31, 1918.

Hermon Carlton to be postmaster at Lake Village, Ark., in place of H. Carlton. Incumbent's commission expired April 24, 1918.

Henry R. Bowers to be postmaster at Imboden, Ark., in place of H. R. Bowers. Incumbent's commission expired June 13, 1918.

Claude D. Brown to be postmaster at Huntington, Ark., in place of C. D. Brown. Incumbent's commission expired April 29, 1918.

Robert H. Smiley to be postmaster at Hot Springs, Ark., in place of R. H. Smiley. Incumbent's commission expired March 2, 1918.

Harry L. Kelley to be postmaster at Holly Grove, Ark., in place of H. L. Kelley. Incumbent's commission expired April 27, 1918.

Thomas W. Sparks to be postmaster at Harrisburg, Ark., in place of T. W. Sparks. Incumbent's commission expired April 29, 1918.

Willard W. Ward to be postmaster at Eudora, Ark., in place of W. W. Ward. Incumbent's commission expired March 2, 1918.

William D. Jacoway to be postmaster at Dardanelle, Ark., in place of W. D. Jacoway. Incumbent's commission expired May 2, 1918.

William A. Ragon to be postmaster at Clarksville, Ark., in place of W. A. Ragon. Incumbent's commission expired May 2, 1918.

James F. Hurst to be postmaster at Clarendon, Ark., in place of J. F. Hurst. Incumbent's commission expired April 27, 1918.

James H. Stack to be postmaster at Brinkley, Ark., in place of J. H. Stack. Incumbent's commission expired April 27, 1918.

Alonzo T. Barlow to be postmaster at Booneville, Ark., in place of A. T. Barlow. Incumbent's commission expired April 29, 1918.

Levi B. Sharp to be postmaster at Black Rock, Ark., in place of L. B. Sharp. Incumbent's commission expired January 12, 1918.

Jefferson D. Hailey to be postmaster at Berryville, Ark., in place of J. D. Hailey. Incumbent's commission expired June 16, 1918.

Hugh J. Floyd to be postmaster at Bentonville, Ark., in place of H. J. Floyd. Incumbent's commission expired June 13, 1918.

Lowell B. White to be postmaster at Benton, Ark., in place of L. B. White. Incumbent's commission expired April 29, 1918.

Sam R. Carpenter to be postmaster at Arkadelphia, Ark., in place of S. R. Carpenter. Incumbent's commission expired June 16, 1918.

Herbert A. Jones to be postmaster at Plumerville, Ark. Office became presidential July 1, 1917.

George M. Matthews to be postmaster at Manila, Ark. Office became presidential January 1, 1918.

CALIFORNIA.

Mary A. Freeman to be postmaster at McCloud, Cal., in place of F. B. Nichols, resigned.

Frank S. Farquhar to be postmaster at Livingston, Cal., in place of W. T. White, resigned.

James C. Tyrrell to be postmaster at Grass Valley, Cal., in place of I. W. Hays, deceased.

Charles Collins to be postmaster at Elsinore, Cal., in place of J. T. Clayton, deceased.

Gilbert M. Aylesworth to be postmaster at Cupertino, Cal., in place of O. W. Grove, resigned.

Charles A. Osborn, to be postmaster at Atwater, Cal., in place of W. B. King, resigned.

George M. Russell to be postmaster at Beverly Hills, Cal., in place of Steve A. Glassell, resigned.

Myrtle A. Craig to be postmaster at Lakeport, Cal., in place of Myrtle A. Haycock; name changed by marriage.

Roy H. Summers to be postmaster at Colton, Cal., in place of R. H. Summers. Incumbent's commission expired July 10, 1917.

Margaret Messick to be postmaster at Victorville, Cal., in place of M. Messick. Incumbent's commission expired March 11, 1918.

Edward I. Leake to be postmaster at Woodland, Cal., in place of E. I. Leake. Incumbent's commission expired October 23, 1917.

Charles B. McDonell to be postmaster at Ventura, Cal., in place of C. B. McDonell. Incumbent's commission expired May 19, 1918.

John A. Phiney to be postmaster at Tustin, Cal., in place of J. A. Phiney. Incumbent's commission expired February 2, 1918.

Clarence M. Burnett to be postmaster at Tulare, Cal., in place of C. M. Burnett. Incumbent's commission expired April 6, 1918.

William T. Tschierschky to be postmaster at Tracy, Cal., in place of W. T. Tschierschky. Incumbent's commission expired April 27, 1918.

Ivor B. Clark to be postmaster at Susanville, Cal., in place of I. B. Clark. Incumbent's commission expired February 20, 1918.

John D. Wagnon to be postmaster at Sonoma, Cal., in place of J. D. Wagnon. Incumbent's commission expired May 6, 1918.

Charles S. Martin to be postmaster at Sawtelle, Cal., in place of C. S. Martin. Incumbent's commission expired June 6, 1917.

William A. Rice to be postmaster at Saratoga, Cal., in place of W. A. Rice. Incumbent's commission expired March 10, 1918.

Charles O. Dunbar to be postmaster at Santa Rosa, Cal., in place of C. O. Dunbar. Incumbent's commission expired February 20, 1918.

Charles D. South to be postmaster at Santa Clara, Cal., in place of C. D. South. Incumbent's commission expired March 28, 1918.

Thomas M. Storke to be postmaster at Santa Barbara, Cal., in place of T. M. Storke. Incumbent's commission expired May 19, 1918.

Ernest Martin to be postmaster at San Bernardino, Cal., in place of Ernest Martin. Incumbent's commission expired June 25, 1918.

Thomas Fox to be postmaster at Sacramento, Cal., in place of Thomas Fox. Incumbent's commission expired September 10, 1917.

Audley McCausland to be postmaster at Ripon, Cal., in place of A. McCausland. Incumbent's commission expired January 27, 1918.

R. Warner Thomas to be postmaster at Redlands, Cal., in place of R. W. Thomas. Incumbent's commission expired May 19, 1918.

Josephine Montgomery to be postmaster at Randsburg, Cal., in place of J. Montgomery. Incumbent's commission expired March 23, 1918.

Joseph Scherrer to be postmaster at Placerville, Cal., in place of J. Scherrer. Incumbent's commission expired May 6, 1918.

John W. Townes to be postmaster at Pinole, Cal., in place of J. W. Townes. Incumbent's commission expired March 10, 1918.

George R. Bellah to be postmaster at Oxnard, Cal., in place of G. R. Bellah. Incumbent's commission expired May 6, 1918.

Ernest E. Drees to be postmaster at Petaluma, Cal., in place of E. E. Drees. Incumbent's commission expired January 12, 1918.

John N. Tibessart to be postmaster at Orland, Cal., in place of J. N. Tibessart. Incumbent's commission expired March 10, 1918.

Wright S. Boddy to be postmaster at Oakdale, Cal., in place of W. S. Boddy. Incumbent's commission expired May 6, 1918.

Wade H. Howell to be postmaster at Modesto, Cal., in place of W. H. Howell. Incumbent's commission expired February 20, 1918.

Flora B. Reynolds to be postmaster at Mill Valley, Cal., in place of F. B. Reynolds. Incumbent's commission expired January 12, 1918.

Alpheus G. Sawin to be postmaster at Loyalton, Cal., in place of A. G. Sawin. Incumbent's commission expired January 12, 1918.

Edwin A. McDaniel to be postmaster at Los Molinos, Cal., in place of E. A. McDaniel. Incumbent's commission expired January 27, 1918.

John M. McMahon to be postmaster at Lodi, Cal., in place of J. M. McMahon. Incumbent's commission expired January 27, 1918.

Kathleen M. Fleming to be postmaster at Lincoln, Cal., in place of K. M. Fleming. Incumbent's commission expired March 23, 1918.

Frank L. Powell to be postmaster at Lemoore, Cal., in place of F. L. Powell. Incumbent's commission expired March 23, 1918.

Andrew G. Smith to be postmaster at Laton, Cal., in place of A. G. Smith. Incumbent's commission expired February 20, 1918.

Willie M. Redman to be postmaster at Lancaster, Cal., in place of W. M. Redman. Incumbent's commission expired April 27, 1918.

Hugh L. Bishop to be postmaster at Kingsburg, Cal., in place of H. L. Bishop. Incumbent's commission expired January 27, 1918.

Samuel H. Hawkins to be postmaster at Ione, Cal., in place of S. H. Hawkins. Incumbent's commission expired April 6, 1918.

John H. Garner to be postmaster at Hollister, Cal., in place of J. H. Garner. Incumbent's commission expired April 27, 1918.

Frederick V. Dewey to be postmaster at Hanford, Cal., in place of F. V. Dewey. Incumbent's commission expired January 12, 1918.

May A. Miller to be postmaster at Glendora, Cal., in place of M. A. Miller. Incumbent's commission expired May 19, 1918.

Frank C. Thompson to be postmaster at Garden Grove, Cal., in place of F. C. Thompson. Incumbent's commission expired March 10, 1918.

William H. Comstock to be postmaster at Folsom City, Cal., in place of W. H. Comstock. Incumbent's commission expired April 6, 1918.

Charles W. Corey to be postmaster at Escondido, Cal., in place of C. W. Corey. Incumbent's commission expired June 3, 1918.

Thomas E. Awbrey to be postmaster at Exeter, Cal., in place of T. E. Awbrey. Incumbent's commission expired January 27, 1918.

John H. Dodson to be postmaster at El Cajon, Cal., in place of J. H. Dodson. Incumbent's commission expired February 20, 1918.

Robert W. Lockridge to be postmaster at Delano, Cal., in place of R. W. Lockridge. Incumbent's commission expired January 12, 1918.

George T. Fissell to be postmaster at Davis, Cal., in place of G. T. Fissell. Incumbent's commission expired January 12, 1918.

David C. Simpson to be postmaster at Courtland, Cal., in place of D. C. Simpson. Incumbent's commission expired March 10, 1918.

Ray C. Hannan to be postmaster at Corning, Cal., in place of R. C. Hannan. Incumbent's commission expired March 10, 1918.

Lillie May Peery to be postmaster at Corcoran, Cal., in place of L. M. Peery. Incumbent's commission expired January 27, 1918.

James A. Lewis to be postmaster at Carpinteria, Cal., in place of J. A. Lewis. Incumbent's commission expired May 6, 1918.

Lottie L. Miracle to be postmaster at Campbell, Cal., in place of L. L. Miracle. Incumbent's commission expired May 5, 1918.

Thomas E. Klipstein to be postmaster at Bakersfield, Cal., in place of T. E. Klipstein. Incumbent's commission expired April 27, 1918.

James F. Trout to be postmaster at Avalon, Cal., in place of J. F. Trout. Incumbent's commission expired May 6, 1918.

Mattie F. Shepard to be postmaster at Auburn, Cal., in place of M. F. Shepard. Incumbent's commission expired June 16, 1918.

Cleon Kyte to be postmaster at Arroyo Grande, Cal., in place of Cleon Kyte. Incumbent's commission expired April 6, 1918.

George Marken to be postmaster at Arcata, Cal., in place of George Marken. Incumbent's commission expired January 27, 1918.

Edwin L. Story to be postmaster at Anderson, Cal., in place of E. L. Story. Incumbent's commission expired March 10, 1918.

J. Frederick Ahlborn to be postmaster at Anaheim, Cal., in place of J. F. Ahlborn. Incumbent's commission expired March 28, 1918.

Charles W. Reinking to be postmaster at Point Arena, Cal. Office became presidential January 1, 1918.

Alice E. Tate to be postmaster at Lone Pine, Cal. Office became presidential April 1, 1918.

Mary I. Walker to be postmaster at Orcutt, Cal. Office became presidential April 1, 1918.

Josephine M. Costar to be postmaster at Greenville, Cal. Office became presidential October 1, 1917.

Francis R. Evans to be postmaster at Grafton, Cal. Office became presidential January 1, 1918.

Henry W. Montague to be postmaster at Covelo, Cal. Office became presidential April 1, 1918.

Alfred A. True to be postmaster at Atolia, Cal. Office became presidential January 1, 1917.

Walter S. Sullivan to be postmaster at Agnew, Cal. Office became presidential January 1, 1918.

COLORADO.

Mae C. Cates to be postmaster at Seibert, Colo., in place of M. C. Cates. Incumbent's commission expired February 20, 1918.

Homer F. Bedford to be postmaster at Platteville, Colo., in place of H. F. Bedford. Incumbent's commission expired January 27, 1918.

Lydia J. McGee to be postmaster at Pagosa Springs, Colo., in place of L. J. McGee. Incumbent's commission expired June 16, 1918.

Aylmer F. Reeves to be postmaster at Montrose, Colo., in place of A. F. Reeves. Incumbent's commission expired March 19, 1918.

Louis D. Conant to be postmaster at Monte Vista, Colo., in place of L. D. Conant. Incumbent's commission expired March 13, 1918.

Edward O. Russell to be postmaster at Manzanola, Colo., in place of E. O. Russell. Incumbent's commission expired June 16, 1918.

Thomas J. Sandford to be postmaster at Manitou, Colo., in place of T. J. Sandford. Incumbent's commission expired January 27, 1918.

James B. Troxler to be postmaster at Lamar, Colo., in place of J. B. Troxler. Incumbent's commission expired January 27, 1918.

Oscar N. Marihugh to be postmaster at Idaho Springs, Colo., in place of O. N. Marihugh. Incumbent's commission expired February 18, 1918.

Robert C. Walker to be postmaster at Grand Junction, Colo., in place of R. C. Walker. Incumbent's commission expired January 27, 1918.

Christopher C. Wilson to be postmaster at Goldfield, Colo., in place of C. C. Wilson. Incumbent's commission expired January 12, 1918.

Hiram W. Smith to be postmaster at Glenwood Springs, Colo., in place of H. W. Smith. Incumbent's commission expired January 27, 1918.

Emmet C. McAnelly to be postmaster at Fort Collins, Colo., in place of E. C. McAnelly. Incumbent's commission expired January 12, 1918.

Charles E. Spicer to be postmaster at Edgewater, Colo., in place of C. E. Spicer. Incumbent's commission expired June 23, 1918.

Michael A. McGrath to be postmaster at Eaton, Colo., in place of M. A. McGrath. Incumbent's commission expired May 18, 1918.

Robert W. Tandy to be postmaster at Del Norte, Colo., in place of R. W. Tandy. Incumbent's commission expired May 18, 1918.

Oliver W. Ward to be postmaster at Colorado Springs, Colo., in place of O. W. Ward. Incumbent's commission expired February 2, 1918.

Charles F. McMullen to be postmaster at Brush, Colo., in place of C. F. McMullen. Incumbent's commission expired January 27, 1918.

Robert L. Newton to be postmaster at Arvada, Colo., in place of R. L. Newton. Incumbent's commission expired January 12, 1918.

Merrill D. Harshman to be postmaster at Wiggins, Colo. Office became presidential January 1, 1918.

Adam Baxter to be postmaster at Wellington, Colo. Office became presidential January 1, 1918.

CONNECTICUT.

Abigail B. Lathrop to be postmaster at Warehouse Point, Conn., in place of Aaron Smith, resigned.

Daniel J. McCarthy to be postmaster at Middletown, Conn., in place of M. H. Walsh, deceased.

Camilda A. Bonin to be postmaster at North Grosvenor Dale, Conn., in place of Camilda A. Woisard; name changed by marriage.

Edward P. McGowan to be postmaster at Watertown, Conn., in place of E. P. McGowan. Incumbent's commission expired January 31, 1918.

Edward C. Cox to be postmaster at Wallingford, Conn., in place of E. C. Cox. Incumbent's commission expired January 31, 1918.

Andrew Leary to be postmaster at South Norwalk, Conn., in place of Andrew Leary. Incumbent's commission expired May 7, 1918.

Daniel J. Teevan to be postmaster at Shelton, Conn., in place of D. J. Teevan. Incumbent's commission expired March 3, 1918.

E. Franklin Byron to be postmaster at Sharon, Conn., in place of E. F. Byron. Incumbent's commission expired January 31, 1918.

Edward F. Daly to be postmaster at Portland, Conn., in place of E. F. Daly. Incumbent's commission expired April 27, 1918.

Robert T. Bradley to be postmaster at Newtown, Conn., in place of R. T. Bradley. Incumbent's commission expired April 24, 1918.

Philip Troup to be postmaster at New Haven, Conn., in place of Philip Troup. Incumbent's commission expired January 31, 1918.

Patrick H. Walsh to be postmaster at New Hartford, Conn., in place of P. H. Walsh. Incumbent's commission expired January 12, 1918.

Judson B. Griswold to be postmaster at Ivoryton, Conn., in place of J. B. Griswold. Incumbent's commission expired June 23, 1918.

Howard F. Spencer to be postmaster at Higganum, Conn., in place of H. F. Spencer. Incumbent's commission expired June 23, 1918.

William B. Johnson to be postmaster at Elmwood, Conn., in place of W. B. Johnson. Incumbent's commission expired February 4, 1918.

William H. Buggie to be postmaster at Cromwell, Conn., in place of W. H. Buggie. Incumbent's commission expired February 4, 1918.

George B. Moroney to be postmaster at Collinsville, Conn., in place of G. B. Moroney. Incumbent's commission expired January 31, 1918.

Edward L. Roberts to be postmaster at Canaan, Conn., in place of E. L. Roberts. Incumbent's commission expired June 16, 1918.

Willis B. Judd to be postmaster at Bethel, Conn., in place of W. B. Judd. Incumbent's commission expired June 16, 1918.

Stephen Charters to be postmaster at Ansonia, Conn., in place of S. Charters. Incumbent's commission expired June 23, 1918.

DELAWARE.

John T. Mullins to be postmaster at Marshallton, Del., in place of J. T. Mullins. Incumbent's commission expired February 2, 1918.

Albert I. Swan to be postmaster at Delaware City, Del., in place of A. I. Swan. Incumbent's commission expired February 2, 1918.

James D. Wright to be postmaster at Clayton, Del., in place of J. D. Wright. Incumbent's commission expired March 28, 1918.

FLORIDA.

William A. Davis to be postmaster at Clearwater, Fla., in place of J. M. Crumpton. Incumbent's commission expired July 11, 1917.

Laura Laird to be postmaster at Millville, Fla., in place of W. B. Gray, resigned.

Edward B. Langford to be postmaster at Zolfo Springs (late Zolfo), Fla., in place of Edward B. Langford, to change name of office.

Robert F. Rogers to be postmaster at Ocala, Fla., in place of Robert F. Rogers. Incumbent's commission expired January 30, 1918.

Lester Windsor to be postmaster at Winterhaven, Fla., in place of L. Windsor. Incumbent's commission expired June 16, 1918.

Owen K. Paxton, jr., to be postmaster at White Springs, Fla., in place of O. K. Paxton, jr. Incumbent's commission expired February 6, 1918.

Thomas H. Milton to be postmaster at Trenton, Fla., in place of T. H. Milton. Incumbent's commission expired April 27, 1918.

Alma P. Carmichael to be postmaster at Melbourne, Fla., in place of A. P. Carmichael. Incumbent's commission expired January 12, 1918.

Parramore S. Coggins to be postmaster at Madison, Fla., in place of P. S. Coggins. Incumbent's commission expired May 6, 1917.

Robert O. Cresap to be postmaster at Lakeland, Fla., in place of R. O. Cresap. Incumbent's commission expired March 9, 1918.

Sarah E. Douglas to be postmaster at Lake Butler, Fla., in place of S. E. Douglas. Incumbent's commission expired January 27, 1918.

Willie C. Caldwell to be postmaster at Jasper, Fla., in place of W. C. Caldwell. Incumbent's commission expired February 11, 1918.

Luther E. McCall to be postmaster at High Springs, Fla., in place of L. E. McCall. Incumbent's commission expired January 30, 1918.

Corinne T. Summerlin to be postmaster at Fort Myers, Fla., in place of C. T. Summerlin. Incumbent's commission expired January 12, 1918.

Robert J. Dunnam to be postmaster at Fellsmere, Fla., in place of R. J. Dunnam. Incumbent's commission expired April 27, 1918.

James L. Love to be postmaster at Delray, Fla., in place of J. L. Love. Incumbent's commission expired January 27, 1918.

William M. Platt to be postmaster at Arcadia, Fla., in place of W. M. Platt. Incumbent's commission expired February 20, 1918.

Mae O. Wheat to be postmaster at Fort Barrancas, Fla. Office became presidential April 1, 1918.

GEORGIA.

James R. Dixon to be postmaster at Metter, Ga., in place of Mamie E. Wright, resigned.

James L. Teasley to be postmaster at Hartwell, Ga., in place of R. C. Thornton, resigned.

James A. Glodney to be postmaster at Bowdon, Ga., in place of M. L. Moore. Incumbent's commission expired May 22, 1917.

James M. Scott to be postmaster at Bainbridge, Ga., in place of J. M. Scott. Incumbent's commission expired January 12, 1918.

Harvey C. Bunn to be postmaster at Waycross, Ga., in place of H. C. Bunn. Incumbent's commission expired January 12, 1918.

Emmett A. Speir to be postmaster at Wadley, Ga., in place of E. A. Speir. Incumbent's commission expired April 24, 1918.

Johnnie B. Roddenbery to be postmaster at Thomasville, Ga., in place of J. B. Roddenbery. Incumbent's commission expired April 27, 1918.

Abner I. Head to be postmaster at Tallapoosa, Ga., in place of A. I. Head. Incumbent's commission expired March 19, 1918.

Julia B. Fleming to be postmaster at Sparta, Ga., in place of Julia Fleming. Incumbent's commission expired April 6, 1918.

James S. Alsobrook to be postmaster at Rossville, Ga., in place of J. S. Alsobrook. Incumbent's commission expired January 27, 1918.

Walter R. Harrell to be postmaster at Quitman, Ga., in place of W. R. Harrell. Incumbent's commission expired January 27, 1918.

Samuel H. Timmerman to be postmaster at Plains, Ga., in place of S. H. Timmerman. Incumbent's commission expired February 24, 1918.

John H. Hodges to be postmaster at Perry, Ga., in place of J. H. Hodges. Incumbent's commission expired April 28, 1918.

William M. McElroy to be postmaster at Norcross, Ga., in place of W. M. McElroy. Incumbent's commission expired June 30, 1918.

Susie M. Atkinson to be postmaster at Newnan, Ga., in place of S. M. Atkinson. Incumbent's commission expired May 18, 1918.

John T. Stilwell to be postmaster at Montezuma, Ga., in place of J. T. Stilwell. Incumbent's commission expired February 24, 1918.

Willie A. Sheats to be postmaster at Monroe, Ga., in place of W. A. Sheats. Incumbent's commission expired January 27, 1918.

Alexander S. Clay to be postmaster at Marietta, Ga., in place of A. S. Clay. Incumbent's commission expired May 14, 1918.

Henry T. Sewell to be postmaster at Lavonia, Ga., in place of H. T. Sewell. Incumbent's commission expired May 19, 1918.

Aylesbery S. Sparks, sr., to be postmaster at La Fayette, Ga., in place of A. S. Sparks, sr. Incumbent's commission expired March 25, 1918.

Richard D. Moore to be postmaster at Jefferson, Ga., in place of R. D. Moore. Incumbent's commission expired June 24, 1918.

Frank S. Murray to be postmaster at Fort Valley, Ga., in place of F. S. Murray. Incumbent's commission expired February 24, 1918.

Lonnie C. Brown to be postmaster at Elberton, Ga., in place of L. C. Brown. Incumbent's commission expired February 24, 1918.

Lemuel S. Peterson to be postmaster at Douglas, Ga., in place of L. S. Peterson. Incumbent's commission expired March 19, 1918.

Afley M. Cherry to be postmaster at Donalsonville, Ga., in place of A. M. Cherry. Incumbent's commission expired January 27, 1918.

William H. McMillion to be postmaster at Demorest, Ga., in place of W. H. McMillion. Incumbent's commission expired March 19, 1918.

Frank M. Meaders to be postmaster at Dahlonega, Ga., in place of F. M. Meaders. Incumbent's commission expired April 24, 1918.

John L. Callaway to be postmaster at Covington, Ga., in place of J. L. Callaway. Incumbent's commission expired May 18, 1918.

John P. Turner to be postmaster at Columbus, Ga., in place of J. P. Turner. Incumbent's commission expired March 19, 1918.

Bedford McK. Harlan to be postmaster at Calhoun, Ga., in place of B. McK. Harlan. Incumbent's commission expired January 27, 1918.

Thomas E. Brown to be postmaster at Bremen, Ga., in place of T. E. Brown. Incumbent's commission expired June 24, 1918.

Joseph B. Rountree to be postmaster at Boston, Ga., in place of J. B. Rountree. Incumbent's commission expired January 27, 1918.

William F. Boone to be postmaster at Baxley, Ga., in place of W. F. Boone. Incumbent's commission expired March 19, 1918.

Wellborn J. Roberts to be postmaster at Arlington, Ga., in place of W. J. Roberts. Incumbent's commission expired March 19, 1918.

Nellie B. Brimberry to be postmaster at Albany, Ga., in place of N. B. Brimberry. Incumbent's commission expired May 18, 1918.

Clifton O. Lloyd to be postmaster at Lindale, Ga. Office became presidential January 1, 1918.

HAWAII.

William L. Hardy to be postmaster at Schofield Barracks, Hawaii, in place of M. J. Borges, not commissioned.

IDAHO.

Thomas H. Holbert to be postmaster at Salmon, Idaho, in place of Roy B. Herndon, resigned.

Joseph F. Whelan to be postmaster at Wallace, Idaho, in place of J. F. Whelan. Incumbent's commission expired June 3, 1918.

Anna McMahon to be postmaster at Spirit Lake, Idaho, in place of A. McMahon. Incumbent's commission expired May 4, 1918.

Lorenzo Y. Rigby to be postmaster at Rexburg, Idaho, in place of L. Y. Rigby. Incumbent's commission expired January 27, 1918.

Honora M. Murray to be postmaster at Priest River, Idaho, in place of H. M. Murray. Incumbent's commission expired February 2, 1918.

Leonidas A. Mecham to be postmaster at Preston, Idaho, in place of L. A. Mecham. Incumbent's commission expired June 27, 1918.

James W. Anderson to be postmaster at Nezperce, Idaho, in place of J. W. Anderson. Incumbent's commission expired June 27, 1918.

Joseph S. Robison to be postmaster at Montpelier, Idaho, in place of J. S. Robison. Incumbent's commission expired May 19, 1918.

Joseph J. Caldwell to be postmaster at Meridian, Idaho, in place of J. J. Caldwell. Incumbent's commission expired March 10, 1918.

Edward W. Colton to be postmaster at Malad City, Idaho, in place of E. W. Colton. Incumbent's commission expired June 23, 1918.

William A. Criswell to be postmaster at Mackay, Idaho, in place of W. A. Criswell. Incumbent's commission expired March 10, 1918.

Thomas Jaycox to be postmaster at Jerome, Idaho, in place of Thomas Jaycox. Incumbent's commission expired January 27, 1918.

Jesse A. Edlefsen to be postmaster at Driggs, Idaho, in place of J. A. Edlefsen. Incumbent's commission expired April 27, 1918.

James V. Hawkins to be postmaster at Coeur d'Alene, Idaho, in place of J. V. Hawkins. Incumbent's commission expired June 30, 1918.

Edna W. Keyes to be postmaster at Challis, Idaho, in place of E. W. Keyes. Incumbent's commission expired April 6, 1918.

John R. Viley to be postmaster at Bonners Ferry, Idaho, in place of J. R. Viley. Incumbent's commission expired February 21, 1918.

Peter M. Davis to be postmaster at Boise, Idaho, in place of P. M. Davis. Incumbent's commission expired April 6, 1918.

Gregory Jones to be postmaster at Blackfoot, Idaho, in place of G. Jones. Incumbent's commission expired April 24, 1918.

Manderville A. Roos to be postmaster at White Bird, Idaho. Office became presidential April 1, 1918.

ILLINOIS.

Edward S. Bray to be postmaster at Scales Mound, Ill., in place of James Carr, resigned.

William P. Purviance to be postmaster at Pleasant Plains, Ill., in place of John Carter, deceased. Office became presidential July 1, 1918.

Walter R. Nelson to be postmaster at Paxton, Ill., in place of J. N. Nelson, resigned.

Charles K. Gilkerson to be postmaster at Marengo, Ill., in place of J. R. Cleary, resigned.

Mary B. Boyd to be postmaster at Heyworth, Ill., in place of J. A. Freeman, resigned.

Bernard J. Reilly to be postmaster at Gilman, Ill., in place of C. M. Wright, deceased.

Fred C. Smith to be postmaster at Ipava, Ill., in place of J. L. Adkison, resigned.

Matthew N. Price to be postmaster at Zion, Ill., in place of Matthew N. Price. Incumbent's commission expired April 24, 1918.

Bernard McManus, jr., to be postmaster at Cairo, Ill., in place of B. McManus, jr. Incumbent's commission expired January 12, 1918.

George W. Cress to be postmaster at Washington, Ill., in place of G. W. Cress. Incumbent's commission expired January 12, 1918.

Robert T. Ross to be postmaster at Palmyra, Ill., in place of R. T. Ross. Incumbent's commission expired June 27, 1918.

Perley B. Colwell to be postmaster at Wyoming, Ill., in place of P. B. Colwell. Incumbent's commission expired May 5, 1918.

Glenn P. Wyatt to be postmaster at Wyanet, Ill., in place of G. P. Wyatt. Incumbent's commission expired February 4, 1918.

William V. Lambe to be postmaster at Wheaton, Ill., in place of W. V. Lambe. Incumbent's commission expired April 24, 1918.

Mumford L. Briscoe to be postmaster at Westfield, Ill., in place of M. L. Briscoe. Incumbent's commission expired March 10, 1918.

Robin Etter to be postmaster at Waverly, Ill., in place of R. Etter. Incumbent's commission expired January 12, 1918.

Fred A. Ehringer to be postmaster at Washburn, Ill., in place of F. A. Ehringer. Incumbent's commission expired May 5, 1918.

Charles S. Murphy to be postmaster at Warren, Ill., in place of C. S. Murphy. Incumbent's commission expired May 5, 1918.

Charles C. Clymore to be postmaster at Vienna, Ill., in place of C. C. Clymore. Incumbent's commission expired May 5, 1918.

Charles M. Webber to be postmaster at Urbana, Ill., in place of C. M. Webber. Incumbent's commission expired March 24, 1918.

Charles B. Taylor to be postmaster at Tuscola, Ill., in place of C. B. Taylor. Incumbent's commission expired March 24, 1918.

Otto Bacmeister to be postmaster at Toulon, Ill., in place of O. Bacmeister. Incumbent's commission expired June 23, 1918.

Herbert I. Baldwin to be postmaster at Tonica, Ill., in place of H. I. Baldwin. Incumbent's commission expired May 28, 1918.

Randall A. Thompson to be postmaster at Thompsonville, Ill., in place of R. A. Thompson. Incumbent's commission expired March 11, 1918.

Herman Richarz to be postmaster at Techny, Ill., in place of H. Richarz. Incumbent's commission expired February 4, 1918.

Thomas J. Ronin to be postmaster at Sycamore, Ill., in place of T. J. Ronin. Incumbent's commission expired February 6, 1918.

James O. McDowell to be postmaster at Sumner, Ill., in place of J. O. McDowell. Incumbent's commission expired June 23, 1918.

Joseph P. Lawrence to be postmaster at Steger, Ill., in place of J. P. Lawrence. Incumbent's commission expired April 24, 1918.

George H. Luker to be postmaster at Staunton, Ill., in place of G. H. Luker. Incumbent's commission expired May 13, 1918.

Robert C. Probasco to be postmaster at Sparta, Ill., in place of R. C. Probasco. Incumbent's commission expired January 20, 1918.

Clement L. Butler to be postmaster at Sheldon, Ill., in place of C. L. Butler. Incumbent's commission expired March 24, 1918.

Charles E. Wescott to be postmaster at Sheffield, Ill., in place of C. E. Wescott. Incumbent's commission expired March 10, 1918.

George Hanlon to be postmaster at Shawneetown, Ill., in place of G. Hanlon. Incumbent's commission expired June 13, 1918.

Adam A. Funk to be postmaster at St. Joseph, Ill., in place of A. A. Funk. Incumbent's commission expired February 4, 1918.

Asa B. Fagan to be postmaster at St. Charles, Ill., in place of A. B. Fagan. Incumbent's commission expired April 24, 1918.

Howard F. Dyson to be postmaster at Rushville, Ill., in place of H. F. Dyson. Incumbent's commission expired May 28, 1918.

Leo J. Byrne to be postmaster at Rossville, Ill., in place of L. J. Byrne. Incumbent's commission expired January 31, 1918.

Harry P. Simpson to be postmaster at Rock Island, Ill., in place of H. P. Simpson. Incumbent's commission expired January 20, 1918.

William P. Stevens to be postmaster at Richmond, Ill., in place of W. P. Stevens. Incumbent's commission expired June 23, 1918.

Henry Stahlle to be postmaster at Plano, Ill., in place of Henry Stahlle. Incumbent's commission expired March 11, 1918.

Henry J. Richardson to be postmaster at Pecatonica, Ill., in place of H. J. Richardson. Incumbent's commission expired May 13, 1918.

James J. Dougherty to be postmaster at Ottawa, Ill., in place of J. J. Dougherty. Incumbent's commission expired May 28, 1918.

Charles S. Barker to be postmaster at Oswego, Ill., in place of C. S. Barker. Incumbent's commission expired January 31, 1918.

Torrence B. McGovern to be postmaster at Oneida, Ill., in place of T. B. McGovern. Incumbent's commission expired April 24, 1918.

Barney A. Iaun to be postmaster at Olney, Ill., in place of B. A. Iaun. Incumbent's commission expired February 4, 1918.

William H. Evans to be postmaster at O'Fallon, Ill., in place of W. H. Evans. Incumbent's commission expired February 18, 1918.

Solomon E. Avey to be postmaster at Mount Morris, Ill., in place of S. E. Avey. Incumbent's commission expired June 24, 1918.

William H. Ryan to be postmaster at Minonk, Ill., in place of W. H. Ryan. Incumbent's commission expired April 24, 1918.

David McFadden to be postmaster at Milford, Ill., in place of David McFadden. Incumbent's commission expired May 5, 1918.

Charles A. Brandenburg to be postmaster at Milan, Ill., in place of C. A. Brandenberg. Incumbent's commission expired March 24, 1918.

Carl Montag to be postmaster at Mascoutah, Ill., in place of Carl Montag. Incumbent's commission expired April 24, 1918.

Robert D. Bolen to be postmaster at Maron, Ill., in place of R. D. Bolen. Incumbent's commission expired June 27, 1918.

Joseph O. Smith to be postmaster at Manteno, Ill., in place of J. O. Smith. Incumbent's commission expired February 18, 1918.

Ferdinand A. McGowan to be postmaster at Manhattan, Ill., in place of F. A. McGowan. Incumbent's commission expired January 31, 1918.

Charles W. Shade to be postmaster at Lexington, Ill., in place of C. W. Shade. Incumbent's commission expired April 24, 1918.

John B. Henry to be postmaster at Lewistown, Ill., in place of J. B. Henry. Incumbent's commission expired April 24, 1918.

William B. Hogan to be postmaster at Lanark, Ill., in place of W. B. Hogan. Incumbent's commission expired June 27, 1918.

John W. Payne to be postmaster at Lamoille, Ill., in place of J. W. Payne. Incumbent's commission expired June 5, 1917.

Fred H. Stevens to be postmaster at La Grange, Ill., in place of F. H. Stevens. Incumbent's commission expired May 19, 1918.

William C. Stewart to be postmaster at Kirkland, Ill., in place of W. C. Stewart. Incumbent's commission expired May 5, 1918.

Fred O. Grissom to be postmaster at Kinmundy, Ill., in place of F. O. Grissom. Incumbent's commission expired June 27, 1918.

Sylvester J. Jackson to be postmaster at Kankakee, Ill., in place of S. J. Jackson. Incumbent's commission expired February 4, 1918.

Otis E. Boyer to be postmaster at Kansas, Ill., in place of O. E. Boyer. Incumbent's commission expired February 4, 1918.

Joel E. Cory to be postmaster at Jerseyville, Ill., in place of J. E. Cory. Incumbent's commission expired April 24, 1918.

Ralph I. Dunlap to be postmaster at Jacksonville, Ill., in place of R. I. Dunlap. Incumbent's commission expired May 28, 1918.

Daniel W. Touhey to be postmaster at Hume, Ill., in place of D. W. Touhey. Incumbent's commission expired February 4, 1918.

William Finley to be postmaster at Hoopeston, Ill., in place of William Finley. Incumbent's commission expired January 20, 1918.

John L. Schmidt to be postmaster at Hinckley, Ill., in place of J. L. Schmidt. Incumbent's commission expired March 10, 1918.

Milton M. Sharp to be postmaster at Greenville, Ill., in place of M. M. Sharp. Incumbent's commission expired June 27, 1918.

Fred B. Bock to be postmaster at Girard, Ill., in place of F. B. Bock. Incumbent's commission expired June 27, 1918.

David M. Flynn to be postmaster at Geneva, Ill., in place of D. M. Flynn. Incumbent's commission expired June 27, 1918.

William H. J. Hoeft to be postmaster at Geneseo, Ill., in place of W. H. J. Hoeft. Incumbent's commission expired February 4, 1918.

Ernest L. Benson to be postmaster at Galva, Ill., in place of E. L. Benson. Incumbent's commission expired June 27, 1918.

John C. Reuter to be postmaster at Freeburg, Ill., in place of J. C. Reuter. Incumbent's commission expired January 12, 1918.

William Whalen to be postmaster at Franklin, Ill., in place of William Whalen. Incumbent's commission expired January 31, 1918.

Benjamin F. Wineland to be postmaster at Flora, Ill., in place of B. F. Wineland. Incumbent's commission expired May 28, 1918.

Charles D. Rock to be postmaster at Farmer City, Ill., in place of C. D. Rock. Incumbent's commission expired January 20, 1918.

George H. Franzen to be postmaster at Fairbury, Ill., in place of G. H. Franzen. Incumbent's commission expired June 27, 1918.

Gustav L. Burmeister to be postmaster at Elmhurst, Ill., in place of G. L. Burmeister. Incumbent's commission expired March 10, 1918.

Charles G. McClary to be postmaster at Edinburg, Ill., in place of C. G. McClary. Incumbent's commission expired May 28, 1918.

Edgar H. Little to be postmaster at East St. Louis, Ill., in place of E. H. Little. Incumbent's commission expired June 13, 1918.

Foy O. Lovins to be postmaster at East Moline, Ill., in place of F. O. Lovins. Incumbent's commission expired May 18, 1918.

Leonard P. Cooper to be postmaster at East Alton, Ill., in place of L. P. Cooper. Incumbent's commission expired June 27, 1917.

Martin B. Dolan to be postmaster at Durand, Ill., in place of M. B. Dolan. Incumbent's commission expired March 10, 1918.

Marion C. Cook to be postmaster at Duquoin, Ill., in place of M. C. Cook. Incumbent's commission expired February 18, 1918.

Anson I. Graves to be postmaster at Dwight, Ill., in place of A. I. Graves. Incumbent's commission expired April 24, 1918.

Myrtle E. Smith to be postmaster at Depue, Ill., in place of M. E. Smith. Incumbent's commission expired August 1, 1917.

James N. Hall to be postmaster at Delavan, Ill., in place of J. N. Hall. Incumbent's commission expired March 10, 1918.

Arthur F. Hiland to be postmaster at De Kalb, Ill., in place of A. F. Hiland. Incumbent's commission expired April 24, 1918.

Fred H. Henckler to be postmaster at Columbia, Ill., in place of F. H. Henckler. Incumbent's commission expired March 10, 1918.

John Jakle to be postmaster at Cissna Park, Ill., in place of John Jakle. Incumbent's commission expired February 18, 1918.

Charles C. Wescott to be postmaster at Chillicothe, Ill., in place of C. C. Wescott. Incumbent's commission expired April 24, 1918.

William H. Stolte to be postmaster at Chicago Heights, Ill., in place of W. H. Stolte. Incumbent's commission expired February 18, 1918.

John A. O'Neil to be postmaster at Chatsworth, Ill., in place of J. A. O'Neil. Incumbent's commission expired March 24, 1918.

Charles J. Mullikin to be postmaster at Champaign, Ill., in place of C. J. Mullikin. Incumbent's commission expired February 11, 1918.

Elby Ozment to be postmaster at Carriers Mills, Ill., in place of Elby Ozment. Incumbent's commission expired May 28, 1918.

Walter C. Shoupe to be postmaster at Carlyle, Ill., in place of W. C. Shoupe. Incumbent's commission expired February 2, 1918.

James L. Parks to be postmaster at Carbondale, Ill., in place of J. L. Parks. Incumbent's commission expired March 24, 1918.

John A. Lentz to be postmaster at Blue Island, Ill., in place of J. A. Lentz. Incumbent's commission expired February 18, 1918.

Michael M. Morrissey to be postmaster at Bloomington, Ill., in place of M. M. Morrissey. Incumbent's commission expired January 12, 1918.

Frank W. Meisenheimer to be postmaster at Ava, Ill., in place of F. W. Meisenheimer. Incumbent's commission expired June 24, 1918.

Louis A. Stoll to be postmaster at Aurora, Ill., in place of L. A. Stoll. Incumbent's commission expired March 10, 1918.

Edmond P. Hectorne to be postmaster at Avon, Ill., in place of E. P. Hectorne. Incumbent's commission expired March 10, 1918.

Alphus O. Haines to be postmaster at Atlanta, Ill., in place of A. O. Haines. Incumbent's commission expired February 24, 1918.

John F. Atkinson to be postmaster at Astoria, Ill., in place of J. F. Atkinson. Incumbent's commission expired March 27, 1918.

Joseph A. Roesler to be postmaster at Ashton, Ill., in place of J. A. Roesler. Incumbent's commission expired March 10, 1918.

John McCann to be postmaster at Arcola, Ill., in place of J. McCann. Incumbent's commission expired May 28, 1918.

Frank B. Huber to be postmaster at Antioch, Ill., in place of F. B. Huber. Incumbent's commission expired January 12, 1918.

John P. Harvey to be postmaster at Amboy, Ill., in place of J. P. Harvey. Incumbent's commission expired June 23, 1918.

Henrietta A. Rehwald to be postmaster at Altamont, Ill., in place of H. Rehwald. Incumbent's commission expired January 13, 1918.

Charles E. Duvall to be postmaster at Aledo, Ill., in place of C. E. Duvall. Incumbent's commission expired March 24, 1918.

Frank Howey to be postmaster at Albion, Ill., in place of Frank Howey. Incumbent's commission expired April 24, 1918.

Alonzo E. Werts to be postmaster at Abingdon, Ill., in place of A. E. Werts. Incumbent's commission expired May 28, 1918.

Grover C. Gregory to be postmaster at Willisville, Ill. Office became presidential April 1, 1918.

Jennie McNulty to be postmaster at South Wilmington, Ill. Office became presidential January 1, 1918.

Edwin R. Smith to be postmaster at Saunemin, Ill. Office became presidential January 1, 1918.

Lucian D. Lyons to be postmaster at St. David, Ill. Office became presidential April 1, 1918.

Franklin S. Lyman to be postmaster at Oak Forest, Ill. Office became presidential April 1, 1918.

James E. Conlin to be postmaster at Lostant, Ill. Office became presidential April 1, 1918.

Lewis T. Rash to be postmaster at Elizabethtown, Ill. Office became presidential January 1, 1918.

Louis J. Dyroff to be postmaster at Dupo, Ill. Office became presidential January 1, 1918.

INDIANA.

Walter S. Hoffman to be postmaster at Fort Branch, Ind., in place of Charles Hatch, resigned.

William G. Moulton to be postmaster at Parker, Ind., in place of Cleo E. Keckler, resigned.

Cecil F. Hoover to be postmaster at Lynn, Ind., in place of Daily C. Beverly, resigned.

Clarence B. Taylor to be postmaster at Howe, Ind., in place of C. E. Schaeffer, resigned.

Anderson B. Lee to be postmaster at Alexandria, Ind., in place of Anderson B. Lee. Incumbent's commission expired May 19, 1918.

Thomas J. Shelburn to be postmaster at Zionsville, Ind., in place of T. J. Shelburn. Incumbent's commission expired May 2, 1918.

William H. Beaty to be postmaster at Worthington, Ind., in place of W. H. Beaty. Incumbent's commission expired March 10, 1918.

Burton Cassaday to be postmaster at West Terre Haute, Ind., in place of B. Cassaday. Incumbent's commission expired June 16, 1918.

Lucius C. Wann to be postmaster at Warsaw, Ind., in place of L. C. Wann. Incumbent's commission expired May 4, 1918.

Levi L. Simons to be postmaster at Warren, Ind., in place of L. L. Simons. Incumbent's commission expired June 16, 1918.

Cornelius Lumaree to be postmaster at Wabash, Ind., in place of C. Lumaree. Incumbent's commission expired March 24, 1918.

Robert D. Bible to be postmaster at Waynetown, Ind., in place of R. D. Bible. Incumbent's commission expired January 27, 1918.

Richard M. Robinson to be postmaster at Vincennes, Ind., in place of R. M. Robinson. Incumbent's commission expired January 27, 1918.

Ernest F. Griffith to be postmaster at Vevay, Ind., in place of E. F. Griffith. Incumbent's commission expired January 27, 1918.

Frank S. Vawter to be postmaster at Tipton, Ind., in place of F. S. Vawter. Incumbent's commission expired January 27, 1918.

Leonard L. Graves to be postmaster at Thorntown, Ind., in place of L. L. Graves. Incumbent's commission expired February 11, 1918.

John J. Cleary to be postmaster at Terre Haute, Ind., in place of J. J. Cleary. Incumbent's commission expired March 10, 1918.

Louis Zoercher to be postmaster at Tell City, Ind., in place of L. Zoercher. Incumbent's commission expired March 24, 1918.

Benjamin F. Hoopingarner to be postmaster at Syracuse, Ind., in place of B. F. Hoopingarner. Incumbent's commission expired March 10, 1918.

William E. Cartwright to be postmaster at Summitville, Ind., in place of W. E. Cartwright. Incumbent's commission expired May 19, 1918.

George W. Zinky to be postmaster at South Bend, Ind., in place of G. W. Zinky. Incumbent's commission expired April 24, 1918.

Allen P. Green to be postmaster at Shelbyville, Ind., in place of A. P. Green. Incumbent's commission expired March 10, 1918.

Clarence E. Garriott to be postmaster at Scottsburg, Ind., in place of C. E. Garriott. Incumbent's commission expired April 27, 1918.

Charles R. Morris to be postmaster at Salem, Ind., in place of C. R. Morris. Incumbent's commission expired April 6, 1918.

Lorenzo B. Humphries to be postmaster at Rockville, Ind., in place of L. B. Humphries. Incumbent's commission expired February 11, 1918.

Charles H. Salm to be postmaster at Rockport, Ind., in place of C. H. Salm. Incumbent's commission expired March 10, 1918.

Otto McMahan to be postmaster at Rochester, Ind., in place of O. McMahan. Incumbent's commission expired March 24, 1918.

Charles A. Steele to be postmaster at Rising Sun, Ind., in place of C. A. Steele. Incumbent's commission expired June 6, 1918.

Charles B. Beck to be postmaster at Richmond, Ind., in place of C. B. Beck. Incumbent's commission expired May 4, 1918.

Dennis O'Riley to be postmaster at Remington, Ind., in place of D. O'Reiley. Incumbent's commission expired March 10, 1918.

John C. Gorman to be postmaster at Princeton, Ind., in place of J. C. Gorman. Incumbent's commission expired May 19, 1918.

Oren A. Rawlings to be postmaster at Portland, Ind., in place of O. A. Rawlings. Incumbent's commission expired April 27, 1918.

Frank W. Dalton to be postmaster at Plainfield, Ind., in place of F. W. Dalton. Incumbent's commission expired March 10, 1918.

William H. Augur to be postmaster at Peru, Ind., in place of W. H. Augur. Incumbent's commission expired March 28, 1918.

Albert S. Mingle to be postmaster at Pendleton, Ind., in place of A. S. Mingle. Incumbent's commission expired February 11, 1918.

Orlando R. Jenkins to be postmaster at Osgood, Ind., in place of O. R. Jenkins. Incumbent's commission expired January 27, 1918.

Curtis Butler to be postmaster at Oakland City, Ind., in place of C. Butler. Incumbent's commission expired March 10, 1918.

Frank J. Vessely to be postmaster at North Judson, Ind., in place of F. J. Vessely. Incumbent's commission expired May 19, 1918.

R. Philip Carpenter to be postmaster at Noblesville, Ind., in place of R. P. Carpenter. Incumbent's commission expired March 10, 1918.

Clarence P. Wolfe to be postmaster at New Harmony, Ind., in place of C. P. Wolfe. Incumbent's commission expired February 11, 1918.

Edward Smith to be postmaster at Newcastle, Ind., in place of E. Smith. Incumbent's commission expired February 20, 1918.

Gordon N. Murray to be postmaster at Nappanee, Ind., in place of G. N. Murray. Incumbent's commission expired April 6, 1918.

Ray C. Fickle to be postmaster at Mulberry, Ind., in place of R. C. Fickle. Incumbent's commission expired January 12, 1918.

William O. Wilson to be postmaster at Mount Vernon, Ind., in place of W. O. Wilson. Incumbent's commission expired January 27, 1918.

Emsley Roberts to be postmaster at Mooresville, Ind., in place of E. Roberts. Incumbent's commission expired February 2, 1918.

William H. Bennett to be postmaster at Monon, Ind., in place of W. H. Bennett. Incumbent's commission expired February 11, 1918.

Joseph T. Dilley to be postmaster at Mitchell, Ind., in place of J. T. Dilley. Incumbent's commission expired January 27, 1918.

John A. Herzog to be postmaster at Mishawaka, Ind., in place of J. A. Herzog. Incumbent's commission expired January 30, 1918.

Joseph P. Cummins to be postmaster at Middletown, Ind., in place of J. P. Cummins. Incumbent's commission expired March 10, 1918.

William H. Shultz to be postmaster at Middlebury, Ind., in place of W. H. Shultz. Incumbent's commission expired January 27, 1918.

Henry F. Schaal to be postmaster at Michigan City, Ind., in place of H. F. Schaal. Incumbent's commission expired March 24, 1918.

Lewis Sartor to be postmaster at Martinsville, Ind., in place of L. Sartor. Incumbent's commission expired May 4, 1918.

Clinton Rogers to be postmaster at Markle, Ind., in place of C. Rogers. Incumbent's commission expired April 6, 1918.

Oscar C. Bradford to be postmaster at Marion, Ind., in place of O. C. Bradford. Incumbent's commission expired May 19, 1918.

John B. Lawler to be postmaster at Madison, Ind., in place of J. B. Lawler. Incumbent's commission expired March 10, 1918.

George B. Davis to be postmaster at Logansport, Ind., in place of G. B. Davis. Incumbent's commission expired May 4, 1918.

George D. Gaby to be postmaster at Ligonier, Ind., in place of G. D. Gaby. Incumbent's commission expired March 24, 1918.

Albert T. Sering to be postmaster at Liberty, Ind., in place of A. T. Sering. Incumbent's commission expired May 4, 1918.

Thomas O. Beck to be postmaster at Lebanon, Ind., in place of T. O. Beck. Incumbent's commission expired January 12, 1918.

Albert Spanagel to be postmaster at Lawrenceburg, Ind., in place of A. Spanagel. Incumbent's commission expired May 14, 1918.

James A. Terry to be postmaster at Laporte, Ind., in place of J. A. Terry. Incumbent's commission expired May 22, 1917.

Arthur C. Ronk to be postmaster at Ladoga, Ind., in place of A. C. Ronk. Incumbent's commission expired February 11, 1918.

Charles H. Havens to be postmaster at Kokomo, Ind., in place of C. H. Havens. Incumbent's commission expired February 7, 1918.

Burtney W. Shafer to be postmaster at Jonesboro, Ind., in place of B. W. Shafer. Incumbent's commission expired February 20, 1918.

Julius C. Fishel to be postmaster at Hope, Ind., in place of J. C. Fishel. Incumbent's commission expired May 19, 1918.

Joseph A. Beane to be postmaster at Goshen, Ind., in place of J. A. Beane. Incumbent's commission expired January 27, 1918.

Frank J. Retterath to be postmaster at Goodland, Ind., in place of F. J. Retterath. Incumbent's commission expired March 10, 1918.

William W. Briggs to be postmaster at Geneva, Ind., in place of W. W. Briggs. Incumbent's commission expired May 19, 1918.

William E. Livengood to be postmaster at French Lick, Ind., in place of W. E. Livengood. Incumbent's commission expired January 27, 1918.

A. Bert Weyl to be postmaster at Franklin, Ind., in place of A. B. Weyl. Incumbent's commission expired February 2, 1918.

Harvey H. Flora to be postmaster at Frankfort, Ind., in place of H. H. Flora. Incumbent's commission expired February 2, 1918.

James H. Collins to be postmaster at Farmersburg, Ind., in place of J. H. Collins. Incumbent's commission expired March 24, 1918.

John J. Nolan to be postmaster at Evansville, Ind., in place of J. J. Nolan. Incumbent's commission expired February 20, 1918.

Francis A. McMullen to be postmaster at Elnora, Ind., in place of F. A. McMullen. Incumbent's commission expired February 11, 1918.

Albert R. Mulkins to be postmaster at Edinburg, Ind., in place of A. R. Mulkins. Incumbent's commission expired March 24, 1918.

Sell S. Doty to be postmaster at Delphi, Ind., in place of S. S. Doty. Incumbent's commission expired April 24, 1918.

John W. Bosse to be postmaster at Decatur, Ind., in place of J. W. Bosse. Incumbent's commission expired May 19, 1918.

Vincent E. Craig to be postmaster at Darlington, Ind., in place of V. E. Craig. Incumbent's commission expired March 24, 1918.

William A. King to be postmaster at Danville, Ind., in place of W. A. King. Incumbent's commission expired March 10, 1918.

George P. Schwin to be postmaster at Covington, Ind., in place of G. P. Schwin. Incumbent's commission expired January 27, 1918.

Francis E. Watson to be postmaster at Corydon, Ind., in place of F. E. Watson. Incumbent's commission expired April 6, 1918.

Sylvester Rennaker to be postmaster at Converse, Ind., in place of S. Rennaker. Incumbent's commission expired May 19, 1918.

Simon Doenges to be postmaster at Connersville, Ind., in place of S. Doenges. Incumbent's commission expired May 4, 1918.

Andrew V. McKamey to be postmaster at Cloverdale, Ind., in place of A. V. McKamy. Incumbent's commission expired February 2, 1918.

John R. Paine to be postmaster at Clinton, Ind., in place of J. R. Paine. Incumbent's commission expired March 10, 1918.

Tilghman Ogle to be postmaster at Carlisle, Ind., in place of T. Ogle. Incumbent's commission expired January 12, 1918.

Charles F. Gerber, jr., to be postmaster at Cannelton, Ind., in place of C. F. Gerber, jr. Incumbent's commission expired June 16, 1918.

Austin E. Menges to be postmaster at Bristol, Ind., in place of A. E. Menges. Incumbent's commission expired January 12, 1918.

Jacob N. Wolf to be postmaster at Bourbon, Ind., in place of Nilas Wolf. Incumbent's commission expired January 12, 1918.

Jacob Eifler to be postmaster at Boonville, Ind., in place of J. Eifler. Incumbent's commission expired January 27, 1918.

Charles A. Durrenberger to be postmaster at Bedford, Ind., in place of C. A. Durrenberger. Incumbent's commission expired January 27, 1918.

Francis W. Macoughtry to be postmaster at Attica, Ind., in place of F. W. Macoughtry. Incumbent's commission expired February 11, 1918.

Frederick A. Emerson to be postmaster at Angola, Ind., in place of F. A. Emerson. Incumbent's commission expired February 11, 1918.

George W. Smith to be postmaster at Albion, Ind., in place of G. W. Smith. Incumbent's commission expired March 28, 1918.

James H. Meloy to be postmaster at Waldron, Ind. Office became presidential April 1, 1918.

Bert C. Lind to be postmaster at Sandborn, Ind. Office became presidential April 1, 1918.

Harry C. Jones to be postmaster at Laurel, Ind. Office became presidential April 1, 1918.

IOWA.

Catherine A. N. Dixon to be postmaster at Rock Valley, Iowa, in place of S. Dischler, Incumbent's commission expired September 18, 1917.

Anna Reardon to be postmaster at Auburn, Iowa, in place of Eugene Reardon, deceased.

Carl Wulkan to be postmaster at Williams, Iowa, in place of John J. Sloan, resigned.

Samuel C. Bute to be postmaster at Stanhope, Iowa, in place of Mary E. Brewer, resigned.

Henry R. Hurlbut to be postmaster at St. Charles, Iowa, in place of P. D. Switzer, removed.

Leslie H. Bell to be postmaster at Paullina, Iowa, in place of W. D. Ralston, resigned.

Robert B. Lamb to be postmaster at Montrose, Iowa, in place of H. F. Eppers. Incumbent's commission expired August 28, 1917.

Harry J. Perrin to be postmaster at Monroe, Iowa, in place of Isaac Fouch, resigned.

Florence Lusey to be postmaster at Merrill, Iowa, in place of William A. Julian, resigned.

Edna W. Bowes to be postmaster at Livermore, Iowa, in place of John L. Devine, resigned.

William E. Lesher to be postmaster at Clarion, Iowa, in place of Peter H. Goslin, deceased.

Pearl L. Noelting to be postmaster at Dumont, Iowa, in place of Pearl L. Maier; name changed by marriage.

Katherine E. Morcombe to be postmaster at Storm Lake, Iowa, in place of K. E. Morcombe. Incumbent's commission expired May 4, 1918.

Nelson C. Roberts to be postmaster at Fort Madison, Iowa, in place of N. C. Roberts. Incumbent's commission expired March 28, 1918.

Sterling H. Brainard to be postmaster at Wyoming, Iowa, in place of S. H. Brainard. Incumbent's commission expired May 18, 1918.

Elmer A. McIlree to be postmaster at West Union, Iowa, in place of E. A. McIlree. Incumbent's commission expired March 11, 1918.

Newton C. Butler to be postmaster at West Branch, Iowa, in place of N. C. Butler. Incumbent's commission expired February 11, 1918.

Henry J. Hoeger to be postmaster at Waverly, Iowa, in place of H. J. Hoeger. Incumbent's commission expired February 2, 1918.

Charles E. Lynch to be postmaster at Waucoma, Iowa, in place of C. E. Lynch. Incumbent's commission expired March 3, 1918.

Alexander R. Miller to be postmaster at Washington, Iowa, in place of A. R. Miller. Incumbent's commission expired June 24, 1918.

Fred W. Buls to be postmaster at Tripoli, Iowa, in place of F. W. Buls. Incumbent's commission expired February 2, 1918.

Albert E. Jackson to be postmaster at Tama, Iowa, in place of A. E. Jackson. Incumbent's commission expired March 19, 1918.

Martin C. Nelson to be postmaster at Spirit Lake, Iowa, in place of M. C. Nelson. Incumbent's commission expired March 11, 1918

Henry H. Stevenson to be postmaster at Shellrock, Iowa, in place of H. H. Stevenson. Incumbent's commission expired February 2, 1918.

Patrick H. McCarty to be postmaster at Rock Rapids, Iowa, in place of P. H. McCarty. Incumbent's commission expired May 14, 1918.

George W. Jones to be postmaster at Radcliffe, Iowa, in place of G. W. Jones. Incumbent's commission expired February 2, 1918.

Albert H. Brous to be postmaster at Prairie City, Iowa, in place of A. H. Brous. Incumbent's commission expired March 25, 1918.

William S. Clark to be postmaster at Pocahontas, Iowa, in place of W. S. Clark. Incumbent's commission expired March 19, 1918.

John R. Strickland to be postmaster at Parkersburg, Iowa, in place of J. R. Strickland. Incumbent's commission expired March 11, 1918.

John W. Floerchinger to be postmaster at Oxford, Iowa, in place of J. W. Floerchinger. Incumbent's commission expired March 19, 1918.

Henry S. Rosecrans to be postmaster at Oskaloosa, Iowa, in place of H. S. Rosecrans. Incumbent's commission expired March 3, 1918.

James J. Stansell to be postmaster at New Virginia, Iowa, in place of J. J. Stansell. Incumbent's commission expired April 24, 1918.

Heinrich F. A. Hilmer to be postmaster at New Hampton, Iowa, in place of H. F. A. Hilmer. Incumbent's commission expired March 11, 1918.

Daniel Fitzpatrick to be postmaster at Moville, Iowa, in place of D. Fitzpatrick. Incumbent's commission expired February 2, 1918.

Cyrus L. Henney to be postmaster at Mitchellville, Iowa, in place of C. L. Henney. Incumbent's commission expired March 25, 1918.

Leonard M. Bond to be postmaster at Menlo, Iowa, in place of L. M. Bond. Incumbent's commission expired May 1, 1918.

Laura H. Figert to be postmaster at Marathan, Iowa, in place of L. H. Figert. Incumbent's commission expired January 20, 1918.

Royal G. Mitchell to be postmaster at Manly, Iowa, in place of R. G. Mitchell. Incumbent's commission expired February 2, 1918.

Thomas A. Massie to be postmaster at Logan, Iowa, in place of T. A. Massie. Incumbent's commission expired March 11, 1918.

Glasgow E. Patton to be postmaster at Lenox, Iowa, in place of G. E. Patton. Incumbent's commission expired March 28, 1918.

Thaddeus D. Bellinger to be postmaster at Laurens, Iowa, in place of T. D. Bellinger. Incumbent's commission expired March 19, 1918.

John J. Dunlevy to be postmaster at Lansing, Iowa, in place of J. J. Dunlevy. Incumbent's commission expired January 20, 1918.

Albert Lille to be postmaster at Lake View, Iowa, in place of A. Lille. Incumbent's commission expired March 19, 1918.

George H. Helscher to be postmaster at Keota, Iowa, in place of G. H. Helscher. Incumbent's commission expired March 11, 1918.

Peter H. W. Schippmann to be postmaster at Holstein, Iowa, in place of William Schippmann. Incumbent's commission expired March 3, 1918.

John S. Darrah to be postmaster at Gilman, Iowa, in place of J. S. Darrah. Incumbent's commission expired February 2, 1918.

Harvey A. Sweigard to be postmaster at Garner, Iowa, in place of H. A. Sweigard. Incumbent's commission expired January 20, 1918.

Jay Sullivan to be postmaster at Fontanelle, Iowa, in place of Jay Sullivan. Incumbent's commission expired April 24, 1918.

Wallace M. Higbee to be postmaster at Fairbank, Iowa, in place of W. M. Higbee. Incumbent's commission expired January 17, 1918.

Axel T. Johnson to be postmaster at Essex, Iowa, in place of A. T. Johnson. Incumbent's commission expired April 24, 1918.

John W. Cannon to be postmaster at Elma, Iowa, in place of J. W. Cannon. Incumbent's commission expired March 3, 1918.

Edward F. Douglass to be postmaster at Dysart, Iowa, in place of E. F. Douglass. Incumbent's commission expired March 3, 1918.

Ernst F. Jockheck, jr., to be postmaster at Durant, Iowa, in place of E. F. Jockheck, jr. Incumbent's commission expired March 25, 1918.

Lee S. Edwards to be postmaster at Dunlap, Iowa, in place of L. S. Edwards. Incumbent's commission expired March 11, 1918.

Edmund Ahart to be postmaster at Dow City, Iowa, in place of E. Ahart. Incumbent's commission expired June 16, 1918.

George A. Crane to be postmaster at Dexter, Iowa, in place of G. A. Crane. Incumbent's commission expired January 20, 1918.

Kate C. Warner to be postmaster at Dayton, Iowa, in place of K. C. Warner. Incumbent's commission expired March 19, 1918.

Samuel A. Sumner to be postmaster at Dallas Center, Iowa, in place of S. A. Sumner. Incumbent's commission expired February 7, 1918.

Josiah S. Blair to be postmaster at Columbus Junction, Iowa, in place of J. S. Blair. Incumbent's commission expired March 19, 1918.

Elizabeth Crowe to be postmaster at Clermont, Iowa, in place of E. Crowe. Incumbent's commission expired March 19, 1918.

Lawrence H. Flood to be postmaster at Carson, Iowa, in place of L. H. Flood. Incumbent's commission expired March 11, 1918.

James S. Webster to be postmaster at Carlisle, Iowa, in place of J. S. Webster. Incumbent's commission expired January 20, 1918.

Frank Thompson to be postmaster at Cambridge, Iowa, in place of F. Thompson. Incumbent's commission expired March 11, 1918.

Richard C. Smith to be postmaster at Burt, Iowa, in place of R. C. Smith. Incumbent's commission expired February 2, 1918.

Clarence E. Brooks to be postmaster at Brooklyn, Iowa, in place of C. E. Brooks. Incumbent's commission expired March 11, 1918.

Harvey Slack to be postmaster at Belle Plaine, Iowa, in place of H. Slack. Incumbent's commission expired March 28, 1918.

Cora A. Hidlebaugh to be postmaster at Bagley, Iowa, in place of C. A. Hidlebaugh. Incumbent's commission expired June 16, 1918.

John McC. Gass to be postmaster at Albia, Iowa, in place of J. McC. Gass. Incumbent's commission expired March 19, 1918.

Ora L. Mitchell to be postmaster at Weldon, Iowa. Office became presidential January 1, 1918.

Maggie D. Hazzard to be postmaster at Fort Des Moines, Iowa, Office became presidential April 1, 1918.

KANSAS.

Cassie R. Johnson to be postmaster at Everest, Kans., in place of L. A. Irsik. Office became presidential April 1, 1917.

Oley G. Apt to be postmaster at Buffalo, Kans., in place of D. O. States, resigned.

Addison M. Markley to be postmaster at Mound City, Kans., in place of A. M. Markley. Incumbent's commission expired May 4, 1918.

Joseph Pelishek to be postmaster at Wilson, Kans., in place of J. Pelishek. Incumbent's commission expired January 13, 1918.

William T. S. Griffith to be postmaster at Westphalia, Kans., in place of W. T. S. Griffith. Incumbent's commission expired June 16, 1918.

Joseph H. Plummer to be postmaster at Westmoreland, Kans., in place of J. H. Plummer. Incumbent's commission expired March 10, 1918.

Charles R. Havens to be postmaster at Wellington, Kans., in place of C. R. Havens. Incumbent's commission expired April 6, 1918.

Celia Hughes to be postmaster at Weir, Kans., in place of C. Hughes. Incumbent's commission expired May 8, 1918.

William R. Martin to be postmaster at Wathena, Kans., in place of W. R. Martin. Incumbent's commission expired June 16, 1918.

C. Carl Holbrook to be postmaster at Waterville, Kans., in place of C. C. Holbrook. Incumbent's commission expired April 27, 1918.

Edgar G. Forrester to be postmaster at Wamego, Kans., in place of E. G. Forrester. Incumbent's commission expired May 26, 1918.

James E. Miller to be postmaster at Walnut, Kans., in place of J. E. Miller. Incumbent's commission expired March 10, 1918.

George H. Burkhalter to be postmaster at Troy, Kans., in place of G. H. Burkhalter. Incumbent's commission expired March 28, 1918.

William O. Rigby to be postmaster at Topeka, Kans., in place of W. O. Rigby. Incumbent's commission expired January 12, 1918.

Fred Powell to be postmaster at Thayer, Kans., in place of F. Powell. Incumbent's commission expired March 28, 1918.

William P. Rettiger to be postmaster at Strong, Kans., in place of W. P. Rettiger. Incumbent's commission expired February 4, 1918.

James M. Little to be postmaster at Sterling, Kans., in place of J. M. Little. Incumbent's commission expired January 12, 1918.

George W. Lank to be postmaster at Solomon, Kans., in place of G. W. Lank. Incumbent's commission expired January 27, 1918.

Robert C. Logan to be postmaster at Smith Center, Kans., in place of R. C. Logan. Incumbent's commission expired March 10, 1918.

Charles W. Spencer to be postmaster at Sedan, Kans., in place of C. W. Spencer. Incumbent's commission expired February 11, 1918.

Joseph P. Fern to be postmaster at Scammon, Kans., in place of J. P. Fern. Incumbent's commission expired March 10, 1918.

John B. Kay to be postmaster at St. John, Kans., in place of J. B. Kay. Incumbent's commission expired June 24, 1918.

Maude M. Parrish to be postmaster at Quenemo, Kans., in place of M. M. Parrish. Incumbent's commission expired February 4, 1918.

Jonathan H. Parkinson to be postmaster at Pomona, Kans., in place of J. H. Parkinson. Incumbent's commission expired March 28, 1918.

William W. House to be postmaster at Peabody, Kans., in place of W. W. House. Incumbent's commission expired June 15, 1918.

William C. Dysart to be postmaster at Parker, Kans., in place of W. C. Dysart. Incumbent's commission expired February 4, 1918.

Charles N. Page to be postmaster at Oberlin, Kans., in place of C. N. Page. Incumbent's commission expired June 6, 1918.

George W. Sain, jr., to be postmaster at Nickerson, Kans., in place of G. W. Sain, jr. Incumbent's commission expired February 4, 1918.

John M. Brown to be postmaster at Minneapolis, Kans., in place of J. M. Brown. Incumbent's commission expired January 12, 1918.

Uriah C. Herr to be postmaster at Medicine Lodge, Kans., in place of U. C. Herr. Incumbent's commission expired June 6, 1918.

Edward J. Buckley to be postmaster at Marion, Kans., in place of E. J. Buckley. Incumbent's commission expired May 29, 1917.

Ida McCann to be postmaster at Macksville, Kans., in place of I. McCann. Incumbent's commission expired March 19, 1918.

John R. Lovitt to be postmaster at McCracken, Kans., in place of J. R. Lovitt. Incumbent's commission expired January 13, 1918.

Claude P. Fallis to be postmaster at Luray, Kans., in place of C. P. Fallis. Incumbent's commission expired June 23, 1918.

George H. Goodholm to be postmaster at Lindsborg, Kans., in place of G. H. Goodholm. Incumbent's commission expired April 27, 1918.

Edward S. Irwin to be postmaster at Liberal, Kans., in place of E. S. Irwin. Incumbent's commission expired March 10, 1918.

Hugh N. Jones to be postmaster at Lebo, Kans., in place of H. N. Jones. Incumbent's commission expired April 6, 1918.

Peter W. Jury to be postmaster at La Harpe, Kans., in place of P. W. Jury. Incumbent's commission expired January 12, 1918.

Anna B. Marshall to be postmaster at La Cygne, Kans., in place of A. B. Marshall. Incumbent's commission expired June 16, 1918.

Joseph J. Landes to be postmaster at Kirwin, Kans., in place of J. J. Landes. Incumbent's commission expired February 11, 1918.

Harry Spurrier to be postmaster at Kiowa, Kans., in place of H. Spurrier. Incumbent's commission expired March 10, 1918.

Walter R. Long to be postmaster at Kingman, Kans., in place of W. R. Long. Incumbent's commission expired January 27, 1918.

William D. Sturgis to be postmaster at Kanopolis, Kans., in place of W. D. Sturgis. Incumbent's commission expired April 27, 1918.

Columbus E. Roughton to be postmaster at Jetmore, Kans., in place of C. E. Roughton. Incumbent's commission expired January 27, 1918.

Alfred H. Hecox to be postmaster at Iola, Kans., in place of A. H. Hecox. Incumbent's commission expired June 6, 1918.

Christ F. Hoefer to be postmaster at Inman, Kans., in place of C. F. Hoefer. Incumbent's commission expired April 24, 1918.

Isaac J. Barrackman to be postmaster at Humboldt, Kans., in place of I. J. Barrackman. Incumbent's commission expired January 12, 1918.

Glenn Smith to be postmaster at Horton, Kans., in place of G. Smith. Incumbent's commission expired May 18, 1918.

Nettie Watkins to be postmaster at Hope, Kans., in place of N. Watkins. Incumbent's commission expired January 12, 1918.

Arch E. Bruner to be postmaster at Highland, Kans., in place of A. E. Bruner. Incumbent's commission expired May 4, 1918.

Francis M. Pearl to be postmaster at Hiawatha, Kans., in place of F. M. Pearl. Incumbent's commission expired January 12, 1918.

Samuel P. Reser to be postmaster at Hartford, Kans., in place of S. P. Reser. Incumbent's commission expired January 27, 1918.

Floyd C. Flory to be postmaster at Grenola, Kans., in place of F. C. Flory. Incumbent's commission expired January 12, 1918.

Harry V. Paxton to be postmaster at Greensburg, Kans., in place of H. V. Paxton. Incumbent's commission expired April 24, 1918.

John E. Johnson to be postmaster at Geneseo, Kans., in place of J. E. Johnson. Incumbent's commission expired April 6, 1918.

Shelton C. Bybee to be postmaster at Garnett, Kans., in place of S. C. Bybee. Incumbent's commission expired May 14, 1918.

Adelaide Brandenburg to be postmaster at Frankfort, Kans., in place of A. Brandenburg. Incumbent's commission expired March 10, 1918.

John L. Paden to be postmaster at Fowler, Kans., in place of J. L. Paden. Incumbent's commission expired March 10, 1918.

Lulu M. Crans to be postmaster at Formoso, Kans., in place of L. M. Crans. Incumbent's commission expired May 18, 1918.

Lewis E. Waddell to be postmaster at Cottonwood Falls, Kans., in place of L. E. Waddell. Incumbent's commission expired June 23, 1918.

Emery W. Caywood to be postmaster at Clifton, Kans., in place of E. W. Caywood. Incumbent's commission expired March 19, 1918.

Harry L. O'Bryan to be postmaster at Chetopa, Kans., in place of H. L. O'Bryan. Incumbent's commission expired January 12, 1918.

John I. Saunders to be postmaster at Cheney, Kans., in place of J. I. Saunders. Incumbent's commission expired March 19, 1918.

Minnie P. Weyer to be postmaster at Centralia, Kans., in place of M. P. Weyer. Incumbent's commission expired January 27, 1918.

Bowles Unsell to be postmaster at Caldwell, Kans., in place of B. Unsell. Incumbent's commission expired March 10, 1918.

John L. Koebele to be postmaster at Burns, Kans., in place of J. L. Koebele. Incumbent's commission expired January 27, 1918.

Theodore D. Webster to be postmaster at Bronson, Kans., in place of T. D. Webster. Incumbent's commission expired May 18, 1918.

Henry C. Mayse to be postmaster at Ashland, Kans., in place of H. C. Mayse. Incumbent's commission expired May 4, 1918.

James C. Cordill to be postmaster at Alton, Kans., in place of J. C. Cordill. Incumbent's commission expired January 12, 1918.

William T. Hayes to be postmaster at Almena, Kans., in place of W. T. Hayes. Incumbent's commission expired January 27, 1918.

Richard E. Thoes to be postmaster at Alma, Kans., in place of R. E. Thoes. Incumbent's commission expired March 10, 1918.

Perry D. Pettit to be postmaster at Leon, Kans. Office became presidential January 1, 1918.

Joseph R. Hill to be postmaster at Arma, Kans. Office became presidential January 1, 1918.

KENTUCKY.

Edith Porter to be postmaster at Beaver Dam, Ky., in place of Otho Dexter, removed.

Harry K. Anderson to be postmaster at Madisonville, Ky., in place of William E. Wooten, deceased.

Barbra A. Rasnick to be postmaster at Benham, Ky., in place of Barbra A. Hogue; name changed by marriage.

John A. Hines to be postmaster at Wickliffe, Ky., in place of J. A. Hines. Incumbent's commission expired May 27, 1918.

George W. Snyder to be postmaster at Warsaw, Ky., in place of G. W. Snyder. Incumbent's commission expired May 27, 1918.

James T. Wilhoit to be postmaster at Versailles, Ky., in place of J. T. Wilhoit. Incumbent's commission expired April 27, 1918.

Robert L. Brown to be postmaster at Somerset, Ky., in place of R. L. Brown. Incumbent's commission expired April 24, 1918.

Frank K. Wylie to be postmaster at Princeton, Ky., in place of F. K. Wylie. Incumbent's commission expired May 7, 1918.

John J. Berry to be postmaster at Paducah, Ky., in place of J. J. Berry. Incumbent's commission expired June 3, 1918.

Floyd J. Laswell to be postmaster at Owensboro, Ky., in place of F. J. Laswell. Incumbent's commission expired June 13, 1918.

Edgar C. K. Robertson to be postmaster at Murray, Ky., in place of E. C. K. Robertson. Incumbent's commission expired March 20, 1918.

Squire Turner to be postmaster at Mount Sterling, Ky., in place of S. Turner. Incumbent's commission expired June 13, 1918.

Alvares T. Dockery to be postmaster at Morgantown, Ky., in place of A. T. Dockery. Incumbent's commission expired February 2, 1918.

Mark F. Kehoe to be postmaster at Maysville, Ky., in place of M. F. Kehoe. Incumbent's commission expired April 24, 1918.

Eugene W. Hackney to be postmaster at London, Ky., in place of E. W. Hackney. Incumbent's commission expired April 24, 1918.

Garnet S. Morris to be postmaster at La Grange, Ky., in place of G. S. Morris. Incumbent's commission expired January 12, 1918.

Albert Doom to be postmaster at Kuttawa, Ky., in place of A. Doom. Incumbent's commission expired May 27, 1918.

Spalding Trafton to be postmaster at Henderson, Ky., in place of S. Trafton. Incumbent's commission expired March 11, 1918.

John O'Reilly to be postmaster at Hardinsburg, Ky., in place of J. O'Reilly. Incumbent's commission expired April 27, 1918.

J. Ray Graham to be postmaster at Fulton, Ky., in place of J. R. Graham. Incumbent's commission expired May 27, 1918.

Gilbert Adams to be postmaster at Flemingsburg, Ky., in place of G. Adams. Incumbent's commission expired April 24, 1918.

W. Logan Wood to be postmaster at Danville, Ky., in place of W. L. Wood. Incumbent's commission expired March 2, 1918.

William G. Dorman to be postmaster at Corinth, Ky., in place of W. G. Dorman. Incumbent's commission expired January 30, 1918.

James T. Stiman to be postmaster at Clay, Ky., in place of J. Stiman. Incumbent's commission expired April 24, 1918.

Robert A. Field to be postmaster at Catlettsburg, Ky., in place of R. A. Field. Incumbent's commission expired May 28, 1918.

Harry H. Grobmyer to be postmaster at Carrollton, Ky., in place of H. H. Grobmyer. Incumbent's commission expired March 11, 1918.

James M. Turner to be postmaster at Cadiz, Ky., in place of J. M. Turner. Incumbent's commission expired January 22, 1918.

Frank C. Sloan to be postmaster at Burnside, Ky., in place of F. C. Sloan. Incumbent's commission expired January 30, 1918.

William C. Morris to be postmaster at Bowling Green, Ky., in place of W. C. Morris. Incumbent's commission expired February 2, 1918.

Ben J. Purdy to be postmaster at Bloomfield, Ky., in place of B. J. Purdy. Incumbent's commission expired January 30, 1918.

John G. Roberts to be postmaster at Bardwell, Ky., in place of J. G. Roberts. Incumbent's commission expired May 27, 1918.

LOUISIANA.

Hazel L. Rhorer to be postmaster at Longville, La., in place of Hazel L. Switzer; name changed by marriage.

Lillian D. Gayle to be postmaster at Independence, La., in place of Lillian D. Richardson; name changed by marriage.

Julius P. Hebert to be postmaster at Morgan City, La., in place of J. P. Hebert. Incumbent's commission expired April 24, 1918.

Louis Hebert to be postmaster at White Castle, La., in place of L. Hebert. Incumbent's commission expired October 4, 1918.

Samuel J. Gandy to be postmaster at Westlake, La., in place of S. J. Gandy. Incumbent's commission expired March 19, 1918.

Paul J. Gardere to be postmaster at Slidell, La., in place of P. J. Gardere. Incumbent's commission expired February 4, 1918.

James M. Cook to be postmaster at Oakdale, La., in place of J. M. Cook. Incumbent's commission expired March 11, 1918.

Silvio Broussard to be postmaster at New Iberia, La., in place of S. Broussard. Incumbent's commission expired February 20, 1918.

Mary E. Vandegaer to be postmaster at Many, La., in place of M. E. Vandegaer. Incumbent's commission expired April 27, 1918.

John H. Womack to be postmaster at Kentwood, La., in place of J. H. Womack. Incumbent's commission expired February 4, 1918.

Washington J. P. Prescott to be postmaster at Garyville, La., in place of W. J. P. Prescott. Incumbent's commission expired May 8, 1918.

Cora Sharpless to be postmaster at De Ridder, La., in place of C. Sharpless. Incumbent's commission expired February 4, 1918.

Alexander C. Lormand to be postmaster at Crowley, La., in place of A. C. Lormand. Incumbent's commission expired April 24, 1918.

Albert Hanson to be postmaster at Berwick, La., in place of A. Hanson. Incumbent's commission expired April 27, 1918.

John B. Sewell to be postmaster at Baldwin, La., in place of J. B. Sewell. Incumbent's commission expired February 4, 1918.

Pierre O. Broussard to be postmaster at Abbeville, La., in place of P. O. Broussard. Incumbent's commission expired February 20, 1918.

Frank M. Caldwell to be postmaster at Robeline, La. Office became presidential April 1, 1918.

Charles R. Kelley to be postmaster at Dubach, La. Office became presidential April 1, 1918.

MAINE.

Ellsworth W. Sawyer to be postmaster at Kezar Falls, Me., in place of W. H. Newbegin, deceased.

Frank O. Wellcome to be postmaster at Yarmouth, Me., in place of F. O. Wellcome. Incumbent's commission expired April 27, 1918.

Edward C. Bridges to be postmaster at York Village, Me., in place of E. C. Bridges. Incumbent's commission expired May 20, 1918.

James B. Clark to be postmaster at Wiscasset, Me., in place of J. B. Clark. Incumbent's commission expired April 6, 1918.

Clinton S. Eastman to be postmaster at Westbrook, Me., in place of C. S. Eastman. Incumbent's commission expired May 20, 1918.

Charles M. Richardson to be postmaster at Waterville, Me., in place of C. M. Richardson. Incumbent's commission expired June 19, 1918.

Frederick E. Mathews to be postmaster at Warren, Me., in place of F. E. Mathews. Incumbent's commission expired January 27, 1918.

Percy E. Storer to be postmaster at Waldoboro, Me., in place of P. E. Storer. Incumbent's commission expired March 19, 1918.

Lee M. Treat to be postmaster at Vinal Haven, Me., in place of L. M. Treat. Incumbent's commission expired April 24, 1918.

Otis C. Verow to be postmaster at South Brewer, Me., in place of O. C. Verow. Incumbent's commission expired January 12, 1918.

Clarence Mantor to be postmaster at Skowhegan, Me., in place of C. Mantor. Incumbent's commission expired May 4, 1918.

Howard E. Perkins to be postmaster at Sanford, Me., in place of H. E. Perkins. Incumbent's commission expired January 27, 1918.

Morrill McKenney to be postmaster at Richmond, Me., in place of M. McKenney. Incumbent's commission expired May 8, 1918.

Vivian E. Howe to be postmaster at Presque Isle, Me., in place of V. E. Howe. Incumbent's commission expired April 6, 1918.

Frank E. De Coster to be postmaster at Norway, Me., in place of F. E. De Coster. Incumbent's commission expired April 27, 1918.

William I. Johnson to be postmaster at North Berwick, Me., in place of W. I. Johnson. Incumbent's commission expired January 12, 1918.

Frank A. Millett to be postmaster at Mechanic Falls, Me., in place of F. A. Millett. Incumbent's commission expired May 4, 1918.

Benjamin F. Pierce to be postmaster at Mars Hill, Me., in place of B. F. Pierce. Incumbent's commission expired April 24, 1918.

Willie B. Parlin to be postmaster at Machias, Me., in place of W. B. Parlin. Incumbent's commission expired June 16, 1918.

Herbert L. Pinkham to be postmaster at Lincoln, Me., in place of H. L. Pinkham. Incumbent's commission expired January 12, 1918.

Dennis Sheehan to be postmaster at Houlton, Me., in place of D. Sheehan. Incumbent's commission expired June 16, 1918.

John E. Murphy to be postmaster at Hallowell, Me., in place of J. E. Murphy. Incumbent's commission expired June 16, 1918.

John S. Williams to be postmaster at Guilford, Me., in place of J. S. Williams. Incumbent's commission expired January 27, 1918.

Everett P. Hanson to be postmaster at Gorham, Me., in place of E. P. Hanson. Incumbent's commission expired January 12, 1918.

Joseph A. Linscott to be postmaster at Farmington, Me., in place of F. A. Linscott. Incumbent's commission expired April 24, 1918.

Minnie M. Holland to be postmaster at Dixfield, Me., in place of M. M. Holland. Incumbent's commission expired March 19, 1918.

Frank J. Carsley to be postmaster at Dexter, Me., in place of F. J. Carsley. Incumbent's commission expired January 12, 1918.

Fred S. Doyle to be postmaster at Caribou, Me., in place of F. S. Doyle. Incumbent's commission expired May 20, 1918.

Josiah H. Hobbs to be postmaster at Camden, Me., in place of J. H. Hobbs. Incumbent's commission expired April 24, 1918.

Patrick F. Welch to be postmaster at Calais, Me., in place of P. F. Welch. Incumbent's commission expired March 12, 1918.

Richard P. Harriman to be postmaster at Bucksport, Me., in place of R. P. Harriman. Incumbent's commission expired February 11, 1918.

Wallace O. Estes to be postmaster at Brooks, Me., in place of W. O. Estes. Incumbent's commission expired April 27, 1918.

Frank P. Davis to be postmaster at Bridgton, Me., in place of F. P. Davis. Incumbent's commission expired January 12, 1918.

Harry Hinckley to be postmaster at Blue Hill, Me., in place of H. Hinckley. Incumbent's commission expired April 24, 1918.

Guy L. Thurston to be postmaster at Bethel, Me., in place of G. L. Thurston. Incumbent's commission expired April 24, 1918.

Otha H. Jellison to be postmaster at Bar Harbor, Me., in place of O. H. Jellison. Incumbent's commission expired June 16, 1918.

Frederick W. Plaisted to be postmaster at Augusta, Me., in place of F. W. Plaisted. Incumbent's commission expired January 27, 1918.

Alfred T. Hicks to be postmaster at Auburn, Me., in place of A. T. Hicks. Incumbent's commission expired May 8, 1918.

Lindley L. Hamilton to be postmaster at Topsham, Me. Office became presidential April 1, 1918.

George F. Treat to be postmaster at Chisholm, Me. Office became presidential April 1, 1918.

MARYLAND.

Anna Blanche Bowie to be postmaster at Kensington, Md., in place of Alice L. Exley, resigned.

Emory P. Haslup to be postmaster at Laurel, Md., in place of Michael J. Tighe, deceased.

William E. Burke to be postmaster at Taneytown, Md., in place of W. E. Burke. Incumbent's commission expired April 28, 1918.

Millard H. Weer to be postmaster at Sykesville, Md., in place of M. H. Weer. Incumbent's commission expired April 28, 1918.

Victor F. Cullen to be postmaster at State Sanitorium, Md., in place of V. F. Cullen. Incumbent's commission expired April 28, 1918.

James S. Price to be postmaster at Snow Hill, Md., in place of J. S. Price. Incumbent's commission expired January 24, 1918.

David O. Pound to be postmaster at Smithsburg, Md., in place of D. O. Pound. Incumbent's commission expired February 4, 1918.

Clarence T. Dare to be postmaster at Rising Sun, Md., in place of C. T. Dare. Incumbent's commission expired January 12, 1918.

Robert E. Smith to be postmaster at Ridgely, Md., in place of R. E. Smith. Incumbent's commission expired February 21, 1918.

William D. Lovell to be postmaster at New Windsor, Md., in place of W. D. Lovell. Incumbent's commission expired April 28, 1918.

Robert L. Runkles to be postmaster at Mount Airy, Md., in place of R. L. Runkles. Incumbent's commission expired February 4, 1918.

George W. Kefauver to be postmaster at Middletown, Md., in place of G. W. Kefauver. Incumbent's commission expired January 12, 1918.

John O. Murray to be postmaster at Hempstead, Md., in place of J. O. Murray. Incumbent's commission expired January 12, 1918.

Wesley Jarrell to be postmaster at Greensboro, Md., in place of W. Jarrell. Incumbent's commission expired January 12, 1918.

Edward A. Rodey to be postmaster at Ellicott City, Md., in place of E. A. Rodey. Incumbent's commission expired June 3, 1918.

Oliver C. Giles to be postmaster at Elkton, Md., in place of O. C. Giles. Incumbent's commission expired May 13, 1918.

Arthur B. Cochrane to be postmaster at Crisfield, Md., in place of A. B. Cochrane. Incumbent's commission expired November 10, 1917.

Andrew Beaston to be postmaster at Chesapeake City, Md., in place of A. Beaston. Incumbent's commission expired February 21, 1918.

Thomas Y. Franklin to be postmaster at Berlin, Md., in place of T. Y. Franklin. Incumbent's commission expired May 13, 1918.

Thomas J. Linthicum to be postmaster at Annapolis, Md., in place of T. J. Linthicum. Incumbent's commission expired January 12, 1918.

Ezekiel J. Merrick to be postmaster at Suddlersville, Md. Office became presidential April 1, 1918.

Webster Wade to be postmaster at Boonsboro, Md. Office became presidential April 1, 1918.

MASSACHUSETTS.

George H. Hadley to be postmaster at Templeton, Mass., in place of Lorna H. Leland, deceased.

Herbert E. Lanagan to be postmaster at Spencer, Mass., in place of E. D. Marchessault, resigned.

Merton Z. Woodward to be postmaster at Shelburne Falls, Mass., in place of M. Z. Woodward. Incumbent's commission expired May 20, 1918.

James H. Creedon to be postmaster at Middleboro, Mass., in place of J. H. Creedon. Incumbent's commission expired May 27, 1918.

Michael T. Kane to be postmaster at Ludlow, Mass., in place of M. T. Kane. Incumbent's commission expired September 9, 1917.

Thomas E. Luddy to be postmaster at East Bridgewater, Mass., in place of T. E. Luddy. Incumbent's commission expired September 1, 1917.

John F. O'Leary to be postmaster at West Warren, Mass., in place of J. F. O'Leary. Incumbent's commission expired January 13, 1918.

James Kinsley to be postmaster at West Acton, Mass., in place of J. Kinsley. Incumbent's commission expired March 19, 1918.

Michael W. Hynes to be postmaster at Wayland, Mass., in place of M. W. Hynes. Incumbent's commission expired March 20, 1918.

John Dobson to be postmaster at Townsend, Mass., in place of J. Dobson. Incumbent's commission expired April 24, 1918.

John O'Hearne to be postmaster at Taunton, Mass., in place of J. O'Hearne. Incumbent's commission expired June 6, 1918.

Thomas J. Costello to be postmaster at Springfield, Mass., in place of T. J. Costello. Incumbent's commission expired May 1, 1918.

Douglas H. Knowlton to be postmaster at South Hamilton, Mass., in place of D. H. Knowlton. Incumbent's commission expired June 30, 1918.

Daniel J. O'Connell, jr., to be postmaster at South Hadley, Mass., in place of D. J. O'Connell, jr. Incumbent's commission expired January 13, 1918.

Luther W. Clark to be postmaster at South Deerfield, Mass., in place of L. W. Clark. Incumbent's commission expired April 6, 1918.

Robert H. Howes to be postmaster at Southboro, Mass., in place of R. H. Howes. Incumbent's commission expired June 6, 1918.

John H. Sheedy to be postmaster at Salem, Mass., in place of J. H. Sheedy. Incumbent's commission expired April 24, 1918.

Dennis A. Smith to be postmaster at Rutland, Mass., in place of D. A. Smith. Incumbent's commission expired January 13, 1918.

Eugene Meagher to be postmaster at Rockport, Mass., in place of E. Meagher. Incumbent's commission expired June 6, 1918.

Frank E. Gray to be postmaster at Reading, Mass., in place of F. E. Gray. Incumbent's commission expired April 24, 1918.

Michael E. Comiskey to be postmaster at Plymouth, Mass., in place of M. E. Comiskey. Incumbent's commission expired May 2, 1918.

Elmer E. Landers to be postmaster at Oak Bluffs, Mass., in place of E. E. Landers. Incumbent's commission expired April 6, 1918.

Thomas F. Coady to be postmaster at North Attleboro, Mass., in place of T. F. Coady. Incumbent's commission expired April 24, 1918.

Daniel J. Dempsey to be postmaster at Millbury, Mass., in place of D. J. Dempsey. Incumbent's commission expired March 27, 1918.

James M. Hurley to be postmaster at Marlboro, Mass., in place of J. M. Hurley. Incumbent's commission expired March 12, 1918.

John M. Johnson to be postmaster at Lenox, Mass., in place of J. M. Johnson. Incumbent's commission expired April 6, 1918.

James H. Lakeman to be postmaster at Ipswich, Mass., in place of J. H. Lakeman. Incumbent's commission expired May 1, 1918.

Edward F. Maher to be postmaster at Hyannis, Mass., in place of E. F. Maher. Incumbent's commission expired June 6, 1918.

Arthur W. Gibbs to be postmaster at Huntington, Mass., in place of A. W. Gibbs. Incumbent's commission expired January 13, 1918.

Harvey F. Shufelt to be postmaster at Housatonic, Mass., in place of H. F. Shufelt. Incumbent's commission expired January 13, 1918.

John R. McComb to be postmaster at Great Barrington, Mass., in place of J. R. McComb. Incumbent's commission expired January 12, 1918.

Richard M. Raymond to be postmaster at Framington, Mass., in place of R. M. Raymond. Incumbent's commission expired January 30, 1918.

Henry L. Ripley to be postmaster at Edgartown, Mass., in place of H. L. Ripley. Incumbent's commission expired January 13, 1918.

Thomas J. Drummey to be postmaster at East Pepperell, Mass., in place of T. J. Drummey. Incumbent's commission expired April 6, 1918.

Forest B. Estabrook to be postmaster at East Northfield, Mass., in place of F. B. Estabrook. Incumbent's commission expired May 14, 1918.

James J. Harrington to be postmaster at Chester, Mass., in place of J. J. Harrington. Incumbent's commission expired March 19, 1918.

Edward F. Delaney to be postmaster at Brookfield, Mass., in place of E. F. Delaney. Incumbent's commission expired March 23, 1918.

Charles Prescott to be postmaster at Beverly, Mass., in place of C. Prescott. Incumbent's commission expired January 13, 1918.

Henry L. Pierce to be postmaster at Barre, Mass., in place of H. L. Pierce. Incumbent's commission expired April 6, 1918.

John L. Markham to be postmaster at Ayer, Mass., in place of J. L. Markham. Incumbent's commission expired April 28, 1918.

William J. Kenney to be postmaster at Attleboro, Mass., in place of W. J. Kenney. Incumbent's commission expired June 29, 1918.

Edward J. Hayden to be postmaster at Athol, Mass., in place of E. J. Hayden. Incumbent's commission expired March 27, 1918.

John H. McDonald to be postmaster at Andover, Mass., in place of J. H. McDonald. Incumbent's commission expired April 6, 1918.

James E. Cadagon to be postmaster at Adams, Mass., in place of J. E. Cadagon. Incumbent's commission expired June 22, 1918.

Fannie E. Wood to be postmaster at Swansea, Mass. Office became presidential April 1, 1918.

MICHIGAN.

Mary E. Swanson to be postmaster at Spring Lake, Mich., in place of F. J. Bertschy, removed.

Don A. Rosencrans to be postmaster at Reed City, Mich., in place of August C. Goehrend. Incumbent's commission expired November 29, 1917.

Francis J. Heavener to be postmaster at Royal Oak, Mich., in place of Charles A. Allen, resigned.

George H. Gauthier to be postmaster at Ontonagon, Mich., in place of Robert Mooney, deceased.

John C. Wickstrom to be postmaster at Norway, Mich., in place of James H. Bush, deceased.

Harry E. Penninger to be postmaster at Lake Linden, Mich., in place of Jacob Steffes, removed.

George H. Neisler to be postmaster at Dearborn, Mich., in place of James Guinan. Incumbent's commission expired July 11, 1917.

Alfred S. Sadler to be postmaster at Capac, Mich., in place of Leo R. Glassford, resigned.

Rose E. Pryor to be postmaster at Bellaire, Mich., in place of Edgar E. Bedell, resigned.

Etta R. De Motte to be postmaster at Memphis, Mich., in place of A. J. Raymond. Incumbent's commission expired October 7, 1917.

William R. Teifer to be postmaster at Trenton, Mich., in place to W. R. Teifer. Incumbent's commission expired January 13, 1918.

Mortimer D. Snow to be postmaster at Standish, Mich., in place of M. D. Snow. Incumbent's commission expired May 29, 1917.

Isaac C. Wheeler to be postmaster at Manton, Mich., in place of I. C. Wheeler. Incumbent's commission expired August 22, 1917.

Edgar W. Farley to be postmaster at Yale, Mich., in place of E. W. Farley. Incumbent's commission expired May 26, 1918.

James L. Klett to be postmaster at Whitehall, Mich., in place of J. L. Klett. Incumbent's commission expired March 17, 1918.

Albert A. Howard to be postmaster at Watervliet, Mich., in place of A. A. Howard. Incumbent's commission expired January 31, 1918.

Edwin F. W. Neidhold to be postmaster at Wakefield, Mich., in place of E. F. W. Neidhold. Incumbent's commission expired March 3, 1918.

Robert D. Jenkinson to be postmaster at Vicksburg, Mich., in place of R. D. Jenkinson. Incumbent's commission expired March 3, 1918.

Prescott L. Varnum to be postmaster at Vassar, Mich., in place of P. L. Varnum. Incumbent's commission expired April 24, 1918.

Charles E. Adair to be postmaster at Utica, Mich., in place of C. E. Adair. Incumbent's commission expired March 17, 1918.

Herbert I. Wright to be postmaster at Three Rivers, Mich., in place of H. I. Wright. Incumbent's commission expired March 9, 1918.

Herbert W. Hagerman to be postmaster at Sturgis, Mich., in place of H. W. Hagerman. Incumbent's commission expired June 6, 1918.

John Brogan to be postmaster at Stockbridge, Mich., in place of J. Brogan. Incumbent's commission expired March 11, 1918.

Matthew W. Doyle to be postmaster at Stephenson, Mich., in place of M. W. Doyle. Incumbent's commission expired March 27, 1918.

Charles E. Utley to be postmaster at Stanton, Mich., in place of C. E. Utley. Incumbent's commission expired March 20, 1918.

Paul W. Seglestrom to be postmaster at Stambaugh, Mich., in place of P. W. Segelstrom. Incumbent's commission expired June 23, 1918.

Albert H. Meeker to be postmaster at Sparta, Mich., in place of A. H. Meeker. Incumbent's commission expired January 31, 1918.

Henry C. Stevenson to be postmaster at South Lyon, Mich., in place of H. C. Stevenson. Incumbent's commission expired January 31, 1918.

Edmund L. Ashworth to be postmaster at Shepherd, Mich., in place of E. L. Ashworth. Incumbent's commission expired March 20, 1918.

Levi S. Vaughan to be postmaster at Saranac, Mich., in place of L. S. Vaughan. Incumbent's commission expired February 4, 1918.

John P. Roberts to be postmaster at Sandusky, Mich., in place of J. P. Roberts. Incumbent's commission expired March 3, 1918.

John Burns to be postmaster at Saint Louis, Mich., in place of J. Burns. Incumbent's commission expired March 27, 1918.

Michael Hoban to be postmaster at Saint Ignace, Mich., in place of M. Hoban. Incumbent's commission expired March 17, 1918.

Harvey J. Tibbitts to be postmaster at Ravenna, Mich., in place of H. J. Tibbets. Incumbent's commission expired February 7, 1918.

Clinton Joseph to be postmaster at Quincy, Mich., in place of C. Joseph. Incumbent's commission expired January 31, 1918.

John S. Whitliff to be postmaster at Port Huron, Mich., in place of J. S. Whitliff. Incumbent's commission expired January 31, 1918.

Elmer E. Hymers to be postmaster at Pontiac, Mich., in place of E. E. Hymers. Incumbent's commission expired March 9, 1918.

Walter E. Hodges to be postmaster at Pentwater, Mich., in place of W. E. Hodges. Incumbent's commission expired June 5, 1918.

Edwin F. Mathews to be postmaster at Pellston, Mich., in place of E. F. Mathews. Incumbent's commission expired February 4, 1918.

Amon C. Sprau to be postmaster at Otsego, Mich., in place of A. C. Sprau. Incumbent's commission expired March 20, 1918.

Malcolm McPhee to be postmaster at Newberry, Mich., in place of M. McPhee. Incumbent's commission expired January 31, 1918.

Samuel D. Bonner to be postmaster at Newaygo, Mich., in place of S. D. Bonner. Incumbent's commission expired March 17, 1918.

Peter Trudell, jr., to be postmaster at Negaunee, Mich., in place of P. Trudell, jr.. Incumbent's commission expired January 31, 1918.

Henry C. Glasner to be postmaster at Nashville, Mich., in place of H. C. Glasner. Incumbent's commission expired June 5, 1918.

Herbert A. Sanford to be postmaster at Mount Pleasant, Mich., in place of H. A. Sanford. Incumbent's commission expired January 31, 1918.

Martin Crocker to be postmaster at Mount Clemens, Mich., in place of M. Crocker. Incumbent's commission expired February 6, 1918.

Ira G. Metcalf to be postmaster at Marenci, Mich., in place of I. G. Metcalf. Incumbent's commission expired February 11, 1918.

Charles E. Lovejoy to be postmaster at Milford, Mich., in place of C. E. Lovejoy. Incumbent's commission expired May 14, 1918.

Charles F. Parker to be postmaster at Middleville, Mich., in place of C. F. Parker. Incumbent's commission expired March 17, 1918.

Edward F. Riley to be postmaster at Mendon, Mich., in place of E. F. Riley. Incumbent's commission expired March 3, 1918.

Frederic M. Hall to be postmaster at Mason, Mich., in place of F. M. Hall. Incumbent's commission expired April 24, 1918.

William M. Beadle to be postmaster at Marcellus, Mich., in place of W. M. Beadle. Incumbent's commission expired June 5, 1918.

Frederick J. L. Carroll to be postmaster at Manistique, Mich., in place of Fred Carroll. Incumbent's commission expired March 3, 1918.

James A. King to be postmaster at Manistee, Mich., in place of J. A. King. Incumbent's commission expired May 14, 1918.

George Cutler to be postmaster at Luther, Mich., in place of G. Cutler. Incumbent's commission expired January 31, 1918.

Amos C. Benedict to be postmaster at Lawrence, Mich., in place of A. C. Benedict. Incumbent's commission expired March 3, 1918.

Christopher Lowney to be postmaster at Laurium, Mich., in place of C. Lowney. Incumbent's commission expired March 17, 1918.

John Loughnane to be postmaster at Lapeer, Mich., in place of J. Loughnane. Incumbent's commission expired May 6, 1918.

Peter F. Gray to be postmaster at Lansing, Mich., in place of P. F. Gray. Incumbent's commission expired May 6, 1918.

Edwin Shellhorn to be postmaster at Lake Odessa, Mich., in place of E. Shellhorn. Incumbent's commission expired January 31, 1918.

Sylvester Doremus to be postmaster at Lake City, Mich., in place of S. Doremus. Incumbent's commission expired March 3, 1918.

John E. Shekell to be postmaster at Jackson, Mich., in place of J. E. Shekell. Incumbent's commission expired March 17, 1918.

Thomas J. Dundon to be postmaster at Ishpeming, Mich., in place of T. J. Dundon. Incumbent's commission expired March 3, 1918.

Adolph W. Peterson to be postmaster at Ironwood, Mich., in place of A. W. Peterson. Incumbent's commission expired January 31, 1918.

Hugh McLaughlin to be postmaster at Iron Mountain, Mich., in place of H. McLaughlin. Incumbent's commission expired January 31, 1918.

Harvey E. Kidder to be postmaster at Ionia, Mich., in place of H. E. Kidder. Incumbent's commission expired April 6, 1918.

John H. Brewer to be postmaster at Imlay City, Mich., in place of J. H. Brewer. Incumbent's commission expired May 14, 1918.

Seymour C. Eslow to be postmaster at Homer, Mich., in place of S. C. Eslow. Incumbent's commission expired March 3, 1918.

Martin R. Bradley to be postmaster at Hermansville, Mich., in place of M. R. Bradley. Incumbent's commission expired March 23, 1918.

John J. Dawson to be postmaster at Hastings, Mich., in place of J. J. Dawson. Incumbent's commission expired January 13, 1918.

Franklin P. Hilbourn to be postmaster at Hart, Mich., in place of F. P. Hilbourn. Incumbent's commission expired April 24, 1918.

Percy D. Edsall to be postmaster at Greenville, Mich., in place of P. D. Edsall. Incumbent's commission expired March 20, 1918.

Charles B. Wilmot to be postmaster at Gladwin, Mich., in place of C. B. Wilmot. Incumbent's commission expired February 4, 1918.

Richard W. Hankin to be postmaster at Freeland, Mich., in place of R. W. Hankin. Incumbent's commission expired February 4, 1918.

Lewis Hart to be postmaster at Fowlerville, Mich., in place of L. Hart. Incumbent's commission expired April 29, 1918.

Floyd A. Chapin to be postmaster at Fenton, Mich., in place of F. A. Chapin. Incumbent's commission expired February 7, 1918.

Ernest W. Brown to be postmaster at Farwell, Mich., in place of E. W. Brown. Incumbent's commission expired March 3, 1918.

James H. Gallery to be postmaster at Eaton Rapids, Mich., in place of J. H. Gallery. Incumbent's commission expired March 20, 1918.

Claude D. Aldrich to be postmaster at East Lansing, Mich., in place of C. D. Aldrich. Incumbent's commission expired January 31, 1918.

Freeborn H. Healy to be postmaster at Durand, Mich., in place of F. H. Healy. Incumbent's commission expired February 4, 1918.

Frank W. Richey to be postmaster at Dowagiac, Mich., in place of F. W. Richey. Incumbent's commission expired May 14, 1918.

Frank H. Pettibone to be postmaster at Corunna, Mich., in place of F. H. Pettibone. Incumbent's commission expired February 4, 1918.

George F. Catton to be postmaster at Constantine, Mich., in place of G. F. Catton. Incumbent's commission expired March 20, 1918.

Walter W. Simons to be postmaster at Coleman, Mich., in place of W. W. Simons. Incumbent's commission expired February 7, 1918.

Le Roy Palmer to be postmaster at Coldwater, Mich., in place of L. Palmer. Incumbent's commission expired January 31, 1918.

John A. Jackson to be postmaster at Clare, Mich., in place of J. A. Jackson. Incumbent's commission expired January 31, 1918.

Thomas G. Finucan to be postmaster at Charlevoix, Mich., in place of T. G. Finucan. Incumbent's commission expired March 17, 1918.

Roy C. Blackburn to be postmaster at Cedar Springs, Mich., in place of R. C. Blackburn. Incumbent's commission expired March 27, 1918.

Andrew B. Goodwin to be postmaster at Carson City, Mich., in place of A. B. Goodwin. Incumbent's commission expired April 6, 1918.

John R. Ryan to be postmaster at Calumet, Mich., in place of J. R. Ryan. Incumbent's commission expired April 24, 1918.

Francis O. Gaffney to be postmaster at Cadillac, Mich., in place of F. O. Gaffney. Incumbent's commission expired January 31, 1918.

William H. Cronin to be postmaster at Brown City, Mich., in place of W. H. Cronin. Incumbent's commission expired January 13, 1918.

A. Le Roy Locke to be postmaster at Bronson, Mich., in place of A. L. Locke. Incumbent's commission expired January 31, 1918.

Edson Porter to be postmaster at Blissfield, Mich., in place of E. Porter. Incumbent's commission expired April 29, 1918.

Harvey J. Campbell to be postmaster at Benton Harbor, Mich., in place of H. J. Campbell. Incumbent's commission expired February 2, 1918.

Willis F. Bricker to be postmaster at Belding, Mich., in place of W. F. Bricker. Incumbent's commission expired March 20, 1918.

Mark Burlingame to be postmaster at Bangor, Mich., in place of M. Burlingame. Incumbent's commission expired January 31, 1918.

George M. Harrington to be postmaster at Bancroft, Mich., in place of G. W. Harrington. Incumbent's commission expired January 31, 1918.

George W. Manion to be postmaster at Alpena, Mich., in place of G. W. Manion. Incumbent's commission expired June 18, 1918.

Edmund J. Bullock to be postmaster at Sterling, Mich. Office became presidential April 1, 1918.

Gordon J. Murray to be postmaster at Michigamme, Mich. Office became presidential January 1, 1918.

Sarah G. Howard to be postmaster at Custer, Mich. Office became presidential April 1, 1918.

Charles M. Vermilya to be postmaster at Columbiaville, Mich. Office became presidential April 1, 1918.

Emma Mason to be postmaster at Blanchard, Mich. Office became presidential April 1, 1918.

MINNESOTA.

William T. Nicholson to be postmaster at Crookson, Minn., in place of C. L. Skaug, deceased.

Jonas W. Howe to be postmaster at Stewartville, Minn., in place of J. H. Towey, resigned.

Frederick Schilplin to be postmaster at St. Cloud, Minn., in place of J. D. Kowalkowski, deceased.

Charles J. Hohenstein to be postmaster at Gibbon, Minn., in place of John Friedl, resigned.

Albert M. Evenson to be postmaster at Ruthton, Minn., in place of P. A. Nelson, deceased. Office became presidential April 1, 1917.

Gustave A. Krueger to be postmaster at Plummer, Minn., in place of Marie Morissette. Office became presidential January 1, 1917.

Levi G. Sanders to be postmaster at Mahnomen, Minn., in place of H. P. Phillips, resigned.

Hope Mouser to be postmaster at Gilbert, Minn., in place of T. F. Oneill, resigned. Incumbent's commission expired December 22, 1917.

Edna M. Price to be postmaster at Fulda, Minn., in place of Hugh Toohey, resigned.

Frank A. Lindbergh to be postmaster at Crosby, Minn., in place of Louis Baer, resigned.

Mary E. Stark to be postmaster at Buffalo, Minn., in place of H. T. Moland, resigned.

Elsie E. Rathbun to be postmaster at Ashby, Minn., in place of H. A. Bye, resigned.

Frank Gillis to be postmaster at Anoka, Minn., in place of W. W. Stockwell, removed.

Andrew W. Johnson to be postmaster at Forest Lake, Minn., in place of A. W. Johnson. Incumbent's commission expired June 26, 1918.

George G. Allanson to be postmaster at Wheaton, Minn., in place of G. G. Allanson. Incumbent's commission expired March 3, 1918.

Frank F. Clifford to be postmaster at West Concord, Minn., in place of F. F. Clifford. Incumbent's commission expired February 11, 1918.

Charles A. Tullar to be postmaster at Warren, Minn., in place of C. A. Tullar. Incumbent's commission expired May 4, 1918.

Christian Hunsinger to be postmaster at Wadena, Minn., in place of C. Hunsinger. Incumbent's commission expired May 18, 1918.

Stephen M. Quigley to be postmaster at Wabasha, Minn., in place of S. M. Quigley. Incumbent's commission expired April 6, 1918.

Ole A. Fuglie to be postmaster at Ulen, Minn., in place of O. A. Fuglie. Incumbent's commission expired May 4, 1918.

Ferdinand J. Reimers to be postmaster at Stewart, Minn., in place of F. J. Reimers. Incumbent's commission expired May 22, 1918.

Joseph Wolf to be postmaster at Staples, Minn., in place of J. Wolf. Incumbent's commission expired March 3, 1918.

William Mueller to be postmaster at Springfield, Minn., in place of W. Mueller. Incumbent's commission expired February 11, 1918.

Herman E. Kent to be postmaster at Sanborn, Minn., in place of H. E. Kent. Incumbent's commission expired March 3, 1918.

William L. Poseley to be postmaster at Renville, Minn., in place of W. L. Poseley. Incumbent's commission expired March 3, 1918.

Clemens A. Lauterbach to be postmaster at Redwood Falls, Minn., in place of C. A. Lauterbach. Incumbent's commission expired April 24, 1918.

Michael E. Gartner to be postmaster at Preston, Minn., in place of M. E. Gartner. Incumbent's commission expired May 4, 1918.

Harry D. Smith to be postmaster at Plainview, Minn., in place of H. D. Smith. Incumbent's commission expired April 24, 1918.

George G. Stone to be postmaster at Pipestone, Minn., in place of G. G. Stone. Incumbent's commission expired April 24, 1918.

William G. Stewart to be postmaster at Pine River, Minn., in place of W. G. Stewart. Incumbent's commission expired April 24, 1918.

Thomas H. Bunn to be postmaster at Pine Island, Minn., in place of T. H. Bunn. Incumbent's commission expired May 18, 1918.

Michael J. Daly to be postmaster at Perham, Minn., in place of M. J. Daly. Incumbent's commission expired May 22, 1918.

Elmer A. Orth to be postmaster at North St. Paul, Minn., in place of E. A. Orth. Incumbent's commission expired February 11, 1918.

Charles S. Strout to be postmaster at Monticello, Minn., in place of C. S. Strout. Incumbent's commission expired May 4, 1918.

Edward A. Purdy to be postmaster at Minneapolis, Minn., in place of E. A. Purdy. Incumbent's commission expired May 13, 1918.

Arthur T. Archer to be postmaster at Kerkhoven, Minn., in place of A. T. Archer. Incumbent's commission expired February 11, 1918.

Martin J. Casey to be postmaster at Jordan, Minn., in place of M. J. Casey. Incumbent's commission expired April 6, 1918.

William H. Lake to be postmaster at Jasper, Minn., in place of W. H. Lake. Incumbent's commission expired April 6, 1918.

Matthew W. Keeley to be postmaster at Janesville, Minn., in place of M. W. Keeley. Incumbent's commission expired February 11, 1918.

John L. King to be postmaster at Jackson, Minn., in place of J. L. King. Incumbent's commission expired February 11, 1918.

George E. Comstock to be postmaster at Houston, Minn., in place of G. E. Comstock. Incumbent's commission expired May 4, 1918.

Gustave A. Buck to be postmaster at Henderson, Minn., in place of G. A. Buck. Incumbent's commission expired January 13, 1918.

John O. Ackerman to be postmaster at Hastings, Minn., in place of J. O. Ackerman. Incumbent's commission expired June 26, 1918.

Edward C. Kiley to be postmaster at Grand Rapids, Minn., in place of E. C. Kiley. Incumbent's commission expired March 3, 1918.

Thomas J. Grimes to be postmaster at Grand Meadow, Minn., in place of T. J. Grimes. Incumbent's commission expired January 13, 1918.

James Sammon to be postmaster at Graceville, Minn., in place of J. Sammon. Incumbent's commission expired February 11, 1918.

John R. Serrin to be postmaster at Glenwood, Minn., in place of J. R. Serrin. Incumbent's commission expired March 3, 1918.

Jean W. New to be postmaster at Floodwood, Minn., in place of J. W. New. Incumbent's commission expired March 3, 1918.

Harry M. Wheelock to be postmaster at Fergus Falls, Minn., in place of H. M. Wheelock. Incumbent's commission expired May 22, 1918.

Gustein D. Aakhus to be postmaster at Erskine, Minn., in place of G. D. Aakhus. Incumbent's commission expired May 4, 1918.

Edward A. Buckley to be postmaster at East Grand Forks, Minn., in place of E. A. Buckley. Incumbent's commission expired March 11, 1918.

Will J. Sarff to be postmaster at Eagle Bend, Minn., in place of W. J. Sarff. Incumbent's commission expired March 10, 1918.

William E. McEwen to be postmaster at Duluth, Minn., in place of W. E. McEwen. Incumbent's commission expired May 19, 1918.

Everett W. Davis to be postmaster at Detroit, Minn., in place of E. W. Davis. Incumbent's commission expired April 6, 1918.

Frank W. Watkins to be postmaster at Clinton, Minn., in place of F. W. Watkins. Incumbent's commission expired February 11, 1918.

May B. Rosing to be postmaster at Cannon Falls, Minn., in place of M. B. Rosing. Incumbent's commission expired May 4, 1918.

Eugene H. Mangskan to be postmaster at Breckenridge, Minn., in place of E. H. Mangskan. Incumbent's commission expired March 10, 1918.

Harry H. Salmon to be postmaster at Biwabik, Minn., in place of H. H. Salmon. Incumbent's commission expired January 13, 1918.

Walter P. Lemmer to be postmaster at Belgrade, Minn., in place of W. P. Lemmer. Incumbent's commission expired June 17, 1917.

Philip H. Kiefer to be postmaster at Barnesville, Minn., in place of P. H. Kiefer. Incumbent's commission expired March 3, 1918.

Orrin W. Ramsdell to be postmaster at Akely, Minn., in place of O. W. Ramsdell. Incumbent's commission expired March 3, 1918.

Joseph A. Roerig to be postmaster at Adrian, Minn., in place of J. A. Roerig. Incumbent's commission expired June 26, 1918.

Freeman S. Holmes to be postmaster at South Haven, Minn. Office became presidential April 1, 1918.

Daniel B. Lydon to be postmaster at Kellogg, Minn. Office became presidential April 1, 1918.

MISSISSIPPI.

Samuel E. Carruth to be postmaster at Summit, Miss., in place of Ruby Barnes, removed.

Lizzie D. Oltenburg to be postmaster at Winona, Miss., in place of L. D. Oltenburg. Incumbent's commission expired February 2, 1918.

John L. Kirby to be postmaster at Water Valley, Miss., in place of J. L. Kirby. Incumbent's commission expired May 18, 1918.

Henry H. Mackey to be postmaster at Vicksburg, Miss., in place of H. H. Mackey. Incumbent's commission expired January 12, 1918.

Mary E. Cain to be postmaster at Vaiden, Miss., in place of M. E. Cain. Incumbent's commission expired March 28, 1918.

Walter L. Collins to be postmaster at Union, Miss., in place of W. L. Collins. Incumbent's commission expired February 7, 1918.

James L. Donald to be postmaster at Tutwiler, Miss., in place of J. L. Donald. Incumbent's commission expired January 27, 1918.

Henry H. Sikes to be postmaster at Stockville, Miss., in place of H. H. Sikes. Incumbent's commission expired January 27, 1918.

Sibyl Q. Stratton to be postmaster at Liberty, Miss., in place of S. Q. Stratton. Incumbent's commission expired March 19, 1918.

Lillian McCleary to be postmaster at Hollandale, Miss., in place of L. McCleary. Incumbent's commission expired October 21, 1917.

Alexander S. Bell to be postmaster at Grenada, Miss., in place of A. S. Bell. Incumbent's commission expired January 12, 1918.

James L. Latham to be postmaster at Europa, Miss., in place of J. L. Latham. Incumbent's commission expired March 28, 1918.

Corinne Kendall Dampeer to be postmaster at Crystal Springs, Miss., in place of C. K. Dampeer. Incumbent's commission expired January 27, 1918.

Milton A. Candler to be postmaster at Corinth, Miss., in place of M. A. Candler. Incumbent's commission expired April 24, 1918.

Thomas H. Sharp to be postmaster at Columbus, Miss., in place of T. H. Sharp. Incumbent's commission expired February 7, 1918.

Amos K. Porter to be postmaster at Boyle, Miss., in place of A. K. Porter. Incumbent's commission expired February 2, 1918.

Edward W. Walton to be postmaster at Booneville, Miss., in place of E. W. Walton. Incumbent's commission expired January 27, 1918.

MISSOURI.

Oliver Davis to be postmaster at Warsaw, Mo., in place of B. R. Lingle, resigned.

Marion L. Edwards to be postmaster at Charleston, Mo., in place of F. D. Lair, resigned.

William A. Hughes to be postmaster at Glasgow, Mo., in place of W. A. Hughes. Incumbent's commission expired January 12, 1918.

Uriah A. McBride to be postmaster at Warrensburg, Mo., in place of U. A. McBride. Incumbent's commission expired April 27, 1918.

Edgar J. Geisinger to be postmaster at Unionville, Mo., in place of E. J. Geisinger. Incumbent's commission expired March 12, 1918.

Frank L. Church to be postmaster at Stockton, Mo., in place of F. L. Church. Incumbent's commission expired January 27, 1918.

Samuel W. Hatheway to be postmaster at Stanberry, Mo., in place of S. W. Hatheway. Incumbent's commission expired April 24, 1918.

Alfred T. Cornwell to be postmaster at Spickard, Mo., in place of A. T. Cornwell. Incumbent's commission expired June 27, 1918.

Hugh J. Bowen to be postmaster at South St. Joseph, Mo., in place of H. J. Bowen. Incumbent's commission expired March 12, 1918.

Collins C. Kindred to be postmaster at Smithville, Mo., in place of C. C. Kindred. Incumbent's commission expired April 24, 1918.

Francis H. Smith to be postmaster at Sikeston, Mo., in place of F. H. Smith. Incumbent's commission expired January 12, 1918.

Lawrence S. Worman to be postmaster at Sheldon, Mo., in place of L. S. Worman. Incumbent's commission expired January 27, 1918.

Arrel H. Davis to be postmaster at Seymour, Mo., in place of A. H. Davis. Incumbent's commission expired January 12, 1918.

Elijah E. Johnston to be postmaster at Sedalia, Mo., in place of E. E. Johnston. Incumbent's commission expired March 19, 1918.

Charles L. Wilson to be postmaster at Sarcoxie, Mo., in place of C. L. Wilson. Incumbent's commission expired March 12, 1918.

Samuel T. Jeffries to be postmaster at Salem, Mo., in place of S. T. Jeffries. Incumbent's commission expired March 19, 1918.

Frank Freytag to be postmaster at St. Joseph, Mo., in place of F. Freytag. Incumbent's commission expired February 24, 1918.

Patrick Birmingham to be postmaster at St. James, Mo., in place of P. Birmingham. Incumbent's commission expired March 28, 1918.

Casper Ehrhard to be postmaster at St. Charles, Mo., in place of C. Ehrhard. Incumbent's commission expired March 19, 1918.

Adolph B. Bertram to be postmaster at Rockport, Mo., in place of A. B. Bertram. Incumbent's commission expired March 16, 1918.

Henry C. Murphy to be postmaster at Richland, Mo., in place of H. C. Murphy. Incumbent's commission expired February 25, 1918.

Benjamin E. Flynn to be postmaster at Potosi, Mo., in place of B. E. Flynn. Incumbent's commission expired January 27, 1918.

Henry Macom to be postmaster at Poplar Bluff, Mo., in place of H. Macom. Incumbent's commission expired February 25, 1918.

James K. Saunders to be postmaster at Pierce City, Mo., in place of J. K. Saunders. Incumbent's commission expired April 27, 1918.

Andrew E. Doerr to be postmaster at Perryville, Mo., in place of A. E. Doerr. Incumbent's commission expired March 19, 1918.

John J. Hall to be postmaster at Novinger, Mo., in place of J. J. Hall. Incumbent's commission expired February 25, 1918.

Will T. Runyan to be postmaster at Norborne, Mo., in place of W. T. Runyan. Incumbent's commission expired April 24, 1918.

John L. Walker to be postmaster at Mountain View, Mo., in place of J. L. Walker. Incumbent's commission expired January 27, 1918.

Robert E. Hodges to be postmaster at Mokane, Mo., in place of R. E. Hodges. Incumbent's commission expired April 1, 1918.

James E. Sater to be postmaster at Monett, Mo., in place of J. E. Sater. Incumbent's commission expired March 12, 1918.

William R. Jackson to be postmaster at Mexico, Mo., in place of W. R. Jackson. Incumbent's commission expired April 27, 1918.

James Todd to be postmaster at Maryville, Mo., in place of J. Todd. Incumbent's commission expired March 12, 1918.

Charles C. Hamilton to be postmaster at Marshfield, Mo., in place of C. C. Hamilton. Incumbent's commission expired February 25, 1918.

Wyatt Cannady to be postmaster at Marionville, Mo., in place of W. Cannady. Incumbent's commission expired February 25, 1918.

Lafayette Dawson to be postmaster at Maitland, Mo., in place of L. Dawson. Incumbent's commission expired March 27, 1918.

Beatty C. Drummond to be postmaster at Lexington, Mo., in place of B. C. Drummond. Incumbent's commission expired March 12, 1918.

Phil Donnelly to be postmaster at Lebanon, Mo., in place of P. Donnelly. Incumbent's commission expired January 27, 1918.

John T. Summers to be postmaster at Lathrop, Mo., in place of J. T. Summers. Incumbent's commission expired May 18, 1918.

Oscar L. Meek to be postmaster at Koshkonong, Mo., in place of O. L. Meek. Incumbent's commission expired May 4, 1918.

John J. A. Hilgert to be postmaster at Kimmswick, Mo., in place of J. J. A. Hilgert. Incumbent's commission expired January 27, 1918.

Henry S. Hook to be postmaster at Jamesport, Mo., in place of H. S. Hook. Incumbent's commission expired May 8, 1918.

Alexander C. Monroe to be postmaster at Hopkins, Mo., in place of A. C. Monroe. Incumbent's commission expired January 27, 1918.

John T. Haley to be postmaster at Harris, Mo., in place of J. T. Haley. Incumbent's commission expired May 4, 1918.

John K. Scott to be postmaster at Golden City, Mo., in place of J. K. Scott. Incumbent's commission expired March 12, 1918.

Dudley A. Reid to be postmaster at Gilman City, Mo., in place of D. A. Reid. Incumbent's commission expired March 12, 1918.

Alfred T. Lacey to be postmaster at Fredericktown, Mo., in place of A. T. Lacey. Incumbent's commission expired March 12, 1918.

William H. Hambaugh to be postmaster at Craig, Mo., in place of W. H. Hambaugh. Incumbent's commission expired March 12, 1918.

W. T. Newman to be postmaster at Desloge, Mo., in place of W. T. Newman. Incumbent's commission expired April 24, 1918.

Clay Adair to be postmaster at Clinton, Mo., in place of C. Adair. Incumbent's commission expired March 19, 1918.

James C. Wylie to be postmaster at Chaffee, Mo., in place of J. C. Wylie. Incumbent's commission expired March 27, 1918.

Benjamin F. Hackney to be postmaster at Carthage, Mo., in place of B. F. Hackney. Incumbent's commission expired March 12, 1918.

William Arterburn to be postmaster at Carrollton, Mo., in place of W. Arterburn. Incumbent's commission expired March 12, 1918.

Hardy V. Merritt to be postmaster at Campbell, Mo., in place of H. V. Merritt. Incumbent's commission expired March 19, 1918.

James E. Williams to be postmaster at Butler, Mo., in place of J. E. Williams. Incumbent's commission expired March 19, 1918.

William H. Ward to be postmaster at Bonne Terre, Mo., in place of W. H. Ward. Incumbent's commission expired January 12, 1918.

M. Gertrude Brown to be postmaster at Auxvasse, Mo., in place of G. Brown. Incumbent's commission expired January 12, 1918.

John F. Kincannon to be postmaster at Anderson, Mo., in place of J. F. Kincannon. Incumbent's commission expired April 27, 1918.

Henry W. Singleton to be postmaster at Stoutland, Mo. Office became presidential April 1, 1918.

Herbert H. Davault to be postmaster at New Florence, Mo. Office became presidential April 1, 1918.

John M. Marlin to be postmaster at Naylor, Mo. Office became presidential April 1, 1918.

Aaron A. Attebery to be postmaster at Gideon, Mo. Office became presidential January 1, 1918.

George W. Bedford to be postmaster at Bolckow, Mo. Office became presidential April 1, 1918.

MONTANA.

George P. Bartlett to be postmaster at Sumatra, Mont., in place of R. H. Imhoff, resigned.

John R. Middleton to be postmaster at Hysham, Mont., in place of C. N. McGree, resigned.

Clyde C. Richey to be postmaster at Richey, Mont., in place of Clyde C. Richey. Office became presidential April 1, 1918.

Mary B. Bacon to be postmaster at Ismay, Mont., in place of Mary Bonham; name changed by marriage.

George R. Fisk to be postmaster at Hamilton, Mont., in place of George R. Fisk. Incumbent's commission expired March 19, 1918.

Lee L. Minnick to be postmaster at Saco, Mont., in place of L. L. Minnick. Incumbent's commission expired February 21, 1918.

Thomas Gibb to be postmaster at Miles City, Mont., in place of T. Gibb. Incumbent's commission expired April 24, 1918.

Joseph E. Swindlehurst to be postmaster at Livingston, Mont., in place of J. E. Swindlehurst. Incumbent's commission expired March 3, 1918.

John P. Bowen to be postmaster at Libby, Mont., in place of J. P. Bowen. Incumbent's commission expired March 19, 1918.

Samuel Hilburn to be postmaster at Kalispell, Mont., in place of S. Hilburn. Incumbent's commission expired May 8, 1918.

Joseph E. Pickens to be postmaster at Huntley, Mont., in place of J. E. Pickens. Incumbent's commission expired March 10, 1918.

John H. Rutter to be postmaster at Hinsdale, Mont., in place of J. H. Rutter. Incumbent's commission expired March 10, 1918.

Clemens H. Fortman to be postmaster at Helena, Mont., in place of C. H. Fortman. Incumbent's commission expired May 7, 1918.

C. Henry Lanius to be postmaster at Harlowtown, Mont., in place of C. H. Lanius. Incumbent's commission expired January 27, 1918.

Willard A. Leo to be postmaster at Fairfield, Mont., in place of W. A. Leo. Incumbent's commission expired March 28, 1918.

John H. Booth to be postmaster at Ekalaka, Mont., in place of J. H. Booth. Incumbent's commission expired May 19, 1918.

Anna D'G. Hough to be postmaster at Bridger, Mont., in place of A. D'G. Hough. Incumbent's commission expired June 16, 1918.

Fred M. Byrne to be postmaster at Belgrade, Mont., in place of F. M. Byrne. Incumbent's commission expired April 24, 1918.

George M. Daugherty to be postmaster at Baker, Mont., in place of G. M. Daugherty. Incumbent's commission expired January 27, 1918.

Mary E. Meinhardt to be postmaster at Bainville, Mont., in place of M. E. Meinhardt. Incumbent's commission expired April 27, 1918.

J. Mae Cochran to be postmaster at Corvallis, Mont. Office became presidential April 1, 1918.

NEBRASKA.

Mary M. Fitzgerald to be postmaster at Winnebago, Nebr., in place of Ella E. Ayers, resigned.

Orla W. Rich to be postmaster at Wisner, Nebr., in place of V. W. Clayton. Incumbent's commission expired June 21, 1917.

Roscoe Buck to be postmaster at Springview, Nebr., in place of J. F. Smyth, resigned.

Flora Moulds to be postmaster at Brady, Nebr., in place of Essie M. Beatty, resigned.

Catherine M. Coleman to be postmaster at Greenwood, Nebr., in place of Catherine M. Coleman. Office became presidential April 1, 1918.

George W. Campbell to be postmaster at Wymore, Nebr., in place of G. W. Campbell. Incumbent's commission expired April 24, 1918.

Clinton Fry to be postmaster at Winside, Nebr., in place of Clinton Fry. Incumbent's commission expired January 27, 1918.

Morton T. Kilmer to be postmaster at Western, Nebr., in place of M. T. Kilmer. Incumbent's commission expired May 4, 1918.

Joseph I. Corley to be postmaster at Weeping Water, Nebr., in place of J. I. Corley. Incumbent's commission expired February 11, 1918.

Charles A. Berry to be postmaster at Wayne, Nebr., in place of C. A. Berry. Incumbent's commission expired January 27, 1918.

Andrew J. Caldwell to be postmaster at Walthill, Nebr., in place of A. J. Caldwell. Incumbent's commission expired March 10, 1918.

Byron Busby to be postmaster at Wakefield, Nebr., in place of Byron Busby. Incumbent's commission expired March 11, 1918.

Clyde L. McCord to be postmaster at Tilden, Nebr., in place of C. L. McCord. Incumbent's commission expired January 27, 1918.

John Canfield to be postmaster at Tekamah, Nebr., in place of John Canfield. Incumbent's commission expired March 11, 1918.

Edgar D. Wright to be postmaster at Tecumseh, Nebr., in place of E. D. Wright. Incumbent's commission expired April 6, 1918.

Benoni S. Keck to be postmaster at Stromsburg, Nebr., in place of B. S. Keck. Incumbent's commission expired February 25, 1918.

Thomas A. Sharp to be postmaster at Stanton, Nebr., in place of T. A. Sharp. Incumbent's commission expired April 6, 1918.

Henry C. Burritt to be postmaster at Shelby, Nebr., in place of H. C. Burritt. Incumbent's commission expired June 18, 1918.

William D. Bradstreet to be postmaster at Spencer, Nebr., in place of W. D. Bradstreet. Incumbent's commission expired May 4, 1918.

Arthur G. Schoeneck to be postmaster at Scribner, Nebr., in place of A. G. Schoeneck. Incumbent's commission expired June 18, 1918.

John C. Dullaghan to be postmaster at Rushville, Nebr., in place of J. C. Dullaghan. Incumbent's commission expired June 18, 1918.

Thomas A. Kelly to be postmaster at Republican City, Nebr., in place of T. A. Kelly. Incumbent's commission expired May 4, 1918.

David C. Morgan to be postmaster at Plattsmouth, Nebr., in place of D. C. Morgan. Incumbent's commission expired January 12, 1918.

James B. McDonald to be postmaster at Pierce, Nebr., in place of J. B. McDonald. Incumbent's commission expired January 27, 1918.

Robert Dunlay to be postmaster at Orleans, Nebr., in place of Robert Dunlay. Incumbent's commission expired April 24, 1918.

Iram A. Manchester to be postmaster at North Loup, Nebr., in place of I. A. Manchester. Incumbent's commission expired May 4, 1918.

Thomas A. Davis to be postmaster at Neligh, Nebr., in place of T. A. Davis. Incumbent's commission expired January 12, 1918.

William N. Corder to be postmaster at Morrill, Nebr., in place of W. N. Corder. Incumbent's commission expired May 1, 1918.

William McMichael to be postmaster at Maywood, Nebr., in place of W. McMichael. Incumbent's commission expired April 24, 1918.

Frederick H. Davis to be postmaster at Madison, Nebr., in place of F. H. Davis. Incumbent's commission expired March 10, 1918.

Charles J. Hultberg to be postmaster at Lyons, Nebr., in place of C. J. Hultberg. Incumbent's commission expired January 27, 1918.

Claude J. Brown to be postmaster at Lynch, Nebr., in place of C. J. Brown. Incumbent's commission expired May 8, 1918.

Orris K. Jones to be postmaster at Lexington, Nebr., in place of O. K. Jones. Incumbent's commission expired February 24, 1918.

Edward W. Roche to be postmaster at Kimball, Nebr., in place of E. W. Roche. Incumbent's commission expired May 8, 1918.

John Cain to be postmaster at Kenesaw, Nebr., in place of John Cain. Incumbent's commission expired January 12, 1918.

Sadie E. Flaherty to be postmaster at Hyannis, Nebr., in place of S. E. Flaherty. Incumbent's commission expired January 12, 1918.

Hiram B. Cameron to be postmaster at Herman, Nebr., in place of H. B. Cameron. Incumbent's commission expired January 27, 1918.

Rainard B. Wahlquist to be postmaster at Hastings, Nebr., in place of R. B. Wahlquist. Incumbent's commission expired August 21, 1917.

Stephen C. Lynde to be postmaster at Hartington, Nebr., in place of S. C. Lynde. Incumbent's commission expired April 6, 1918.

John O. Blauser to be postmaster at Diller, Nebr., in place of J. O. Blauser. Incumbent's commission expired May 8, 1918.

Samuel S. Farrens to be postmaster at Decatur, Nebr., in place of S. S. Farrens. Incumbent's commission expired January 27, 1918.

Harrison D. West to be postmaster at Crofton, Nebr., in place of H. D. West. Incumbent's commission expired January 27, 1918.

Patrick H. Green to be postmaster at Creighton, Nebr., in place of P. H. Green. Incumbent's commission expired March 11, 1918.

Gilbert R. Eno to be postmaster at Collegeview, Nebr., in place of G. R. Eno. Incumbent's commission expired February 11, 1918.

Gustav A. Koza to be postmaster at Clarkson, Nebr., in place of G. A. Koza. Incumbent's commission expired March 10, 1918.

Elizabeth McLean to be postmaster at Clarks, Nebr., in place of Elizabeth McLean. Incumbent's commission expired January 12, 1918.

William C. Tredway to be postmaster at Cedar Rapids, Nebr., in place of W. C. Tredway. Incumbent's commission expired March 10, 1918.

Lyman H. Eastman to be postmaster at Campbell, Nebr., in place of Lyman H. Eastman. Incumbent's commission expired June 18, 1918.

George W. Gilliland to be postmaster at Bradshaw, Nebr., in place of George W. Gilliland. Incumbent's commission expired April 24, 1918.

Thomas T. Osterman to be postmaster at Blair, Nebr., in place of Thomas T. Osterman. Incumbent's commission expired May 8, 1918.

Carl H. Olderog to be postmaster at Springfield, Nebr. Office became presidential January 1, 1918.

Fred Nelson to be postmaster at Potter, Nebr. Office became presidential January 1, 1918.

Christine V. Kildare to be postmaster at Paxton, Nebr. Office became presidential April 1, 1918.

Lester J. Zook to be postmaster at Johnson, Nebr. Office became presidential January 1, 1918.

Mary E. Rushart to be postmaster at Fort Crook, Nebr. Office became presidential April 1, 1918.

Warren B. Beach to be postmaster at Bigspring, Nebr. Office became presidential January 1, 1918.

Lucien E. Hart to be postmaster at Bartley, Nebr. Office became presidential January 1, 1918.

NEVADA.

Letta S. Howe to be postmaster at Yerington, Nev., in place of M. E. McLeod, resigned.

John P. Reynolds to be postmaster at Sparks, Nev., in place of J. P. Reynolds. Incumbent's commission expired March 10, 1918.

Fred L. White to be postmaster at Reno, Nev., in place of Fred L. White. Incumbent's commission expired March 10, 1918.

Charles C. Corkhill to be postmaster at Las Vegas, Nev., in place of C. C. Corkhill. Incumbent's commission expired June 27, 1918.

Catherine Marsh to be postmaster at Minden, Nev. Office became presidential April 1, 1918.

Guy L. Eckley to be postmaster at Mina, Nev. Office became presidential April 1, 1918.

NEW HAMPSHIRE.

George E. Farrand to be postmaster at Concord, N. H., in place of Allan H. Robinson, deceased.

Russel B. Henchman to be postmaster at East Jaffrey, N. H., in place of G. H. Duncan, resigned.

James F. Leonard to be postmaster at Woodsville, N. H., in place of J. F. Leonard. Incumbent's commission expired January 27, 1918.

Herbert A. Taylor to be postmaster at Winchester, N. H., in place of H. A. Taylor. Incumbent's commission expired March 20, 1918.

James R. Kill Kelley to be postmaster at Wilton, N. H., in place of J. R. Kill Kelley. Incumbent's commission expired January 27, 1918.

Benjamin C. Garland to be postmaster at Whitefield, N. H., in place of B. C. Garland. Incumbent's commission expired March 10, 1918.

John L. Fulton to be postmaster at West Lebanon, N. H., in place of J. L. Fulton. Incumbent's commission expired March 10, 1918.

Russell G. Graves to be postmaster at Walpole, N. H., in place of R. G. Graves. Incumbent's commission expired January 27, 1918.

Charles A. Morse to be postmaster at New Market, N. H., in place of C. A. Morse. Incumbent's commission expired January 27, 1918.

Harris A. Morse to be postmaster at Tilton, N. H., in place of H. A. Morse. Incumbent's commission expired February 24, 1918.

Stephen C. Bates to be postmaster at Suncook, N. H., in place of S. E. Bates. Incumbent's commission expired March 20, 1918.

Hume B. Heath to be postmaster at Plymouth, N. H., in place of H. B. Heath. Incumbent's commission expired January 12, 1918.

Eugene M. Ware to be postmaster at Peterboro, N. H., in place of E. M. Ware. Incumbent's commission expired March 20, 1918.

John R. Willis to be postmaster at Manchester, N. H., in place of John R. Willis. Incumbent's commission expired May 4, 1918.

Albert J. Richardson to be postmaster at Littleton, N. H., in place of A. J. Richardson. Incumbent's commission expired January 12, 1918.

Alonzo L. Chamberlain to be postmaster at Lebanon, N. H., in place of A. L. Chamberlain. Incumbent's commission expired January 27, 1918.

Harry W. Bailey to be postmaster at Lancaster, N. H., in place of H. W. Bailey. Incumbent's commission expired January 27, 1918.

Napoleon J. Dyer to be postmaster at Laconia, N. H., in place of N. J. Dyer. Incumbent's commission expired January 27, 1918.

Arthur J. Holden to be postmaster at Keene, N. H., in place of A. J. Holden. Incumbent's commission expired February 11, 1918.

William Hayes to be postmaster at Groveton, N. H., in place of William Hayes. Incumbent's commission expired March 20, 1918.

George E. Noyes to be postmaster at Gorham, N. H., in place of G. E. Noyes. Incumbent's commission expired January 27, 1918.

Edrick S. Avery to be postmaster at Franklin, N. H., in place of E. S. Avery. Incumbent's commission expired March 10, 1918.

Louis P. Ladd to be postmaster at Epping, N. H., in place of Louis P. Ladd. Incumbent's commission expired February 24, 1918.

John W. Drew to be postmaster at Colebrook, N. H., in place of John W. Drew. Incumbent's commission expired January 27, 1918.

William P. Nolin to be postmaster at Claremont, N. H., in place of W. P. Nolin. Incumbent's commission expired January 12, 1918.

George B. Cavis to be postmaster at Bristol, N. H., in place of G. B. Cavis. Incumbent's commission expired April 24, 1918.

NEW JERSEY.

Daniel J. Murphy to be postmaster at Fort Hancock, N. J., in place of Thomas Hennessey, jr., removed.

Karl A. Anderson to be postmaster at Yardville, N. J., in place of R. Tyndall. Office became presidential July 1, 1917.

James Walter to be postmaster at Wharton, N. J., in place of W. J. Downs, resigned.

Harold Pittis to be postmaster at Lakehurst, N. J., in place of D. E. McCallion, deceased.

Rufus O. Walling to be postmaster at Keyport, N. J., in place of G. E. Langan, deceased.

John P. Adair to be postmaster at Highlands, N. J., in place of J. I. Opfermann. Incumbent's commission expired July 10, 1917.

Lewis E. Matteson to be postmaster at Grantwood, N. J., in place of R. J. Fox, resigned.

Charles W. Simonson to be postmaster at Spring Lake Beach, N. J., in place of C. W. Simonson. Incumbent's commission expired June 25, 1918.

Isaiah C. Shinn to be postmaster at Woodstown, N. J., in place of I. C. Shinn. Incumbent's commission expired April 27, 1918.

Leo M. Danerhirsh to be postmaster at Woodbine, N. J., in place of L. M. Danerhirsh. Incumbent's commission expired March 10, 1918.

Howard J. Tombleson to be postmaster at Williamstown, N. J., in place of H. J. Tombleson. Incumbent's commission expired February 18, 1918.

George N. Smith to be postmaster at Wildwood, N. J., in place of G. N. Smith. Incumbent's commission expired May 8, 1918.

John P. Walsh to be postmaster at Whippany, N. J., in place of J. P. Walsh. Incumbent's commission expired March 28, 1918.

William F. Bodecker to be postmaster at Tenafly, N. J., in place of W. F. Bodecker. Incumbent's commission expired February 24, 1918.

Robert J. Quince to be postmaster at Sussex, N. J., in place of R. J. Quince. Incumbent's commission expired February 18, 1918.

John J. O'Hanlon to be postmaster at South Orange, N. J., in place of J. J. O'Hanlon. Incumbent's commission expired June 18, 1918.

Edward J. Tidaback to be postmaster at Short Hills, N. J., in place of E. J. Tidaback. Incumbent's commission expired March 28, 1918.

Frank C. Tomlin to be postmaster at Sewell, N. J., in place of F. C. Tomlin. Incumbent's commission expired January 12, 1918.

Thomas F. Dolan to be postmaster at Sayreville, N. J., in place of T. F. Dolan. Incumbent's commission expired June 16, 1918.

James A. Mahoney to be postmaster at Roebling, N. J., in place of J. A. Mahoney. Incumbent's commission expired March 11, 1918.

Henry Walter to be postmaster at Riverside, N. J., in place of Henry Walter. Incumbent's commission expired January 12, 1918.

Frank Pittenger to be postmaster at Red Bank, N. J., in place of Frank Pittenger. Incumbent's commission expired May 29, 1917.

William Slattery to be postmaster at Raritan, N. J., in place of William Slattery. Incumbent's commission expired February 11, 1918.

Henry Bell to be postmaster at Ramsey, N. J., in place of Henry Bell. Incumbent's commission expired April 6, 1918.

George L. Kirchgasner to be postmaster at Rahway, N. J., in place of G. L. Kirchgasner. Incumbent's commission expired January 27, 1918.

T. Harry Obert to be postmaster at Pleasantville, N. J., in place of T. H. Obert. Incumbent's commission expired June 16, 1918.

Clarence D. Garis to be postmaster at Phillipsburg, N. J., in place of C. D. Garis. Incumbent's commission expired June 18, 1918.

James J. Cowley to be postmaster at Passaic, N. J., in place of J. J. Cowley. Incumbent's commission expired May 18, 1918.

William H. Cook to be postmaster at Palmyra, N. J., in place of W. H. Cook. Incumbent's commission expired March 19, 1918.

John J. Roche to be postmaster at Palisades Park, N. J., in place of J. J. Roche. Incumbent's commission expired May 18, 1918.

Edward W. Sharps to be postmaster at Oxford, N. J., in place of E. W. Sharps. Incumbent's commission expired April 6, 1918.

George F. Moore to be postmaster at Oradell, N. J., in place of G. F. Moore. Incumbent's commission expired May 18, 1918.

Benjamin F. Smith to be postmaster at Ocean City, N. J., in place of B. F. Smith. Incumbent's commission expired March 10, 1918.

Eugene S. Burke to be postmaster at Morristown, N. J., in place of E. S. Burke. Incumbent's commission expired April 27, 1918.

Martin A. Madden to be postmaster at Morris Plains, N. J., in place of M. A. Madden. Incumbent's commission expired April 6, 1918.

Carlton J. Garwood to be postmaster at Medford, N. J., in place of C. J. Garwood. Incumbent's commission expired March 28, 1918.

Anton J. Mikolajczak to be postmaster at Maurer, N. J., in place of A. J. Mikolajczak. Incumbent's commission expired May 4, 1918.

Patrick J. Devlin to be postmaster at Matawan, N. J., in place of P. J. Devlin. Incumbent's commission expired May 18, 1918.

Walter D. Finch to be postmaster at Mahwah, N. J., in place of W. D. Finch. Incumbent's commission expired March 19, 1918.

Thomas L. Slocum to be postmaster at Long Branch, N. J., in place of T. L. Slocum. Incumbent's commission expired January 27, 1918.

Albert C. Derby to be postmaster at Little Falls, N. J., in place of A. C. Derby. Incumbent's commission expired April 6, 1918.

Andrew F. Stout to be postmaster at Lawrenceville, N. J., in place of A. F. Stout. Incumbent's commission expired February 20, 1918.

James A. Cleary to be postmaster at Lambertville, N. J., in place of J. A. Cleary. Incumbent's commission expired February 18, 1918.

Arthur J. Halladay to be postmaster at Kenilworth, N. J., in place of A. J. Halladay. Incumbent's commission expired April 27, 1918.

Benjamine F. Apgar to be postmaster at Hampton, N. J., in place of B. F. Apgar. Incumbent's commission expired June 16, 1918.

George H. Abel to be postmaster at Haddon Heights, N. J., in place of G. H. Abel. Incumbent's commission expired June 5, 1918.

Thomas J. Foley to be postmaster at Gloucester City, N. J., in place of T. J. Foley. Incumbent's commission expired February 11, 1918.

Watson Rinehart to be postmaster at Glen Gardner, N. J., in place of Watson Rinehart. Incumbents' commission expired January 27, 1918.

Charles H. Hitchner to be postmaster at Elmer, N. J., in place of C. H. Hitchner. Incumbent's commission expired March 18, 1918.

Emery Benoit to be postmaster at Edgewater, N. J., in place of Emery Benoit. Incumbent's commission expired June 6, 1918.

John F. Peniston to be postmaster at Cranford, N. J., in place of J. F. Peniston. Incumbent's commission expired April 27, 1918.

Valentine Gleckner to be postmaster at Carteret, N. J., in place of V. Gleckner. Incumbent's commission expired April 24, 1918.

Edward C. Wheaton to be postmaster at Cape May C. H., N. J., in place of E. C. Wheaton. Incumbent's commission expired March 10, 1918.

Joseph P. Cullen to be postmaster at Boonton, N. J., in place of J. P. Cullen. Incumbents' commission expired January 12, 1918.

Cyrus B. Honce to be postmaster at Belmar, N. J., in place of C. B. Honce. Incumbent's commission expired March 10, 1918.

William B. Loudenslager to be postmaster at Atlantic City, N. J., in place of W. B. Loudenslager. Incumbent's commission expired June 23, 1918.

John W. Winter to be postmaster at Allendale, N. J., in place of J. W. Winter. Incumbent's commission expired July 25, 1917.

William Griffin to be postmaster at Cresskill, N. J. Office became presidential April 1, 1918.

Reuben Coyte to be postmaster at Coytesville, N. J. Office became presidential April 1, 1918.

Arthur M. Cowie to be postmaster at Cedargrove, N. J. Office became presidential April 1, 1918.

NEW MEXICO.

Ernest M. Brumback to be postmaster at Silver City, N. Mex., in place of E. M. Brumback. Incumbent's commission expired May 1, 1918.

Leopold Sanchez to be postmaster at Santa Rosa, N. Mex., in place of L. Sanchez. Incumbent's commission expired March 11, 1918.

Jesse L. Turner to be postmaster at Santa Rita, N. Mex., in place of J. L. Turner. Incumbent's commission expired June 23, 1918.

William S. Gilliam to be postmaster at Mesilla Park, N. Mex., in place of W. S. Gilliam. Incumbent's commission expired June 19, 1918.

Pierce J. Reynolds to be postmaster at Fort Bayard, N. Mex., in place of P. J. Reynolds. Incumbent's commission expired February 21, 1918.

Elisha V. Long to be postmaster at East Las Vegas, N. Mex., in place of E. V. Long. Incumbent's commission expired May 19, 1918.

Ella B. Taylor to be postmaster at Aztec, N. Mex., in place of Ella B. Taylor. Incumbent's commission expired June 19, 1918.

Henry C. Roehl to be postmaster at Albuquerque, N. Mex., in place of H. C. Roehl. Incumbent's commission expired March 11, 1918.

Frank R. Frankenburger to be postmaster at Espanola, N. Mex. Office became presidential April 1, 1918.

NEW YORK.

Anna E. Joyce to be postmaster at Roslyn Heights, N. Y., in place of William H. Sobey, resigned.

Besse R. Griffin to be postmaster at Quogue, N. Y., in place of Harmon P. Payne, deceased.

Carroll F. Simpson to be postmaster at Phoenicia, N. Y., in place of Richard H. Henson, removed.

Florence E. Doane to be postmaster at Chazy, N. Y., in place of Rufus P. Heaton, removed.

Edward J. Madden to be postmaster at Upper Saranac, N. Y., in place of Lizzie M. Boyce. Office became presidential October 1, 1916.

Edwin G. Boyd to be postmaster at Fort Edwards, N. Y., in place of D. H. Keating, resigned.

Silas Springstead to be postmaster at Cobleskill, N. Y., in place of Clarence Fox. Incumbent's commission expired August 18, 1917.

Harry F. House to be postmaster at Chester, N. Y., in place of B. H. Cullen, resigned.

William H. Murray to be postmaster at Albany, N. Y., in place of William H. Murray. Incumbent's commission expired February 2, 1918.

Edward F. Dougherty to be postmaster at Tonawanda, N. Y., in place of E. F. Dougherty. Incumbent's commission expired January 12, 1918.

Edwin Clute to be postmaster at Schenectady, N. Y., in place of E. Clute. Incumbent's commission expired June 26, 1917.

Stephen Van Tassel to be postmaster at Mount Vernon, N. Y., in place of S. Van Tassel. Incumbent's commission expired May 18, 1918.

Claude T. Metcalf to be postmaster at Wolcott, N. Y., in place of C. T. Wolcott. Incumbent's commission expired January 27, 1918.

Joseph J. O'Reilly to be postmaster at Willsboro, N. Y., in place of J. J. O'Reilly. Incumbent's commission expired January 12, 1918.

Clarence E. Palmer to be postmaster at Willard, N. Y., in place of C. E. Palmer. Incumbent's commission expired March 24, 1918.

Henry S. Sutherland to be postmaster at White Plains, N. Y., in place of H. S. Sutherland. Incumbent's commission expired March 10, 1918.

David E. Brett to be postmaster at Whitehall, N. Y., in place of D. E. Brett. Incumbent's commission expired January 12, 1918.

Mary R. Newlands to be postmaster at West Point, N. Y., in place of M. R. Newlands. Incumbent's commission expired January 27, 1918.

Philip J. Smith to be postmaster at Webster, N. Y., in place of P. J. Smith. Incumbent's commission expired May 18, 1918.

Albert C. Salisbury to be postmaster at Waterville, N. Y., in place of A. C. Salisbury. Incumbent's commission expired February 25, 1918.

Peter Marcinkowski, jr., to be postmaster at Wallkill, N. Y., in place of P. Marcinkowski, jr. Incumbent's commission expired June 19, 1918.

C. Gordon Simmons to be postmaster at Vernon, N. Y., in place of C. G. Simmons. Incumbent's commission expired June 5, 1918.

Charles E. Thompson to be postmaster at Trumansburg, N. Y., in place of C. E. Thompson. Incumbent's commission expired March 24, 1918.

James H. Burns to be postmaster at Troy, N. Y., in place of J. H. Burns. Incumbent's commission expired May 4, 1918.

Myron L. Fisher to be postmaster at Spencer, N. Y., in place of M. L. Fisher. Incumbent's commission expired May 4, 1918.

William A. Cochran to be postmaster at Southold, N. Y., in place of W. A. Cochran. Incumbent's commission expired March 10, 1918.

Verne Seebeo to be postmaster at South Dayton, N. Y., in place of V. Seebeo. Incumbent's commission expired March 10, 1918.

Myric M. Kelly to be postmaster at Sodus, N. Y., in place of M. M. Kelly. Incumbent's commission expired January 27, 1918.

John G. Rose to be postmaster at Sinclairville, N. Y., in place of J. G. Rose. Incumbent's commission expired March 24, 1918.

Leo B. Bennett to be postmaster at Schenevus, N. Y., in place of L. B. Bennett. Incumbent's commission expired March 24, 1918.

George D. Cunningham to be postmaster at Schaghticoke, N. Y., in place of G. D. Cunningham. Incumbent's commission expired March 10, 1918.

Minnie C. Fellows to be postmaster at Scarsdale, N. Y., in place of M. C. Fellows. Incumbent's commission expired June 19, 1918.

Lawrence M. Kenney to be postmaster at Saugerties, N. Y., in place of L. M. Kenney. Incumbent's commission expired May 18, 1918.

William E. Mills to be postmaster at Rose Hill, N. Y., in place of W. E. Mills. Incumbent's commission expired January 27, 1918.

Albert R. Kessinger to be postmaster at Rome, N. Y., in place of A. R. Kessinger. Incumbent's commission expired June 5, 1918.

Lee Van Vredenburgh to be postmaster at Rhinebeck, N. Y., in place of L. V. Vredenburgh. Incumbent's commission expired March 10, 1918.

Horatio S. Ransom to be postmaster at Ransomville, N. Y., in place of H. S. Ransom. Incumbent's commission expired March 10, 1918.

Matthew T. Hutchinson to be postmaster at Port Washington, N. Y., in place of M. T. Hutchinson. Incumbent's commission expired February 2, 1918.

James L. Hutchens to be postmaster at Pulaski, N. Y., in place of J. L. Hutchens. Incumbent's commission expired February 25, 1918.

Andrew G. Senecal to be postmaster at Plattsburgh, N. Y., in place of A. G. Senecal. Incumbent's commission expired January 27, 1918.

John E. Walker to be postmaster at Philmont, N. Y., in place of J. E. Walker. Incumbent's commission expired March 10, 1918.

Joseph P. Kiernan to be postmaster at Pawling, N. Y., in place of J. P. Kiernan. Incumbent's commission expired January 12, 1918.

Michael J. Murray to be postmaster at Owego, N. Y., in place of M. J. Murray. Incumbent's commission expired January 12, 1918.

George H. Steele to be postmaster at Oriskany, N. Y., in place of G. H. Steele. Incumbent's commission expired June 5, 1918.

W. Cooke Oille to be postmaster at North Tonawanda, N. Y., in place of W. C. Oille. Incumbent's commission expired April 6, 1918.

Orin A. Skutt to be postmaster at North Rose, N. Y., in place of O. A. Skutt. Incumbent's commission expired January 27, 1918.

Thomas F. Connolly to be postmaster at Norfolk, N. Y., in place of T. F. Connolly. Incumbent's commission expired February 25, 1918.

Luther Hasbrouck to be postmaster at New Paltz, N. Y., in place of L. Hasbrouck. Incumbent's commission expired February 25, 1918.

Augusta H. Tilden to be postmaster at New Lebanon, N. Y., in place of A. H. Tilden. Incumbent's commission expired June 25, 1918.

Robert F. Talbot to be postmaster at New Berlin, N. Y., in place of R. F. Talbot. Incumbent's commission expired May 4, 1918.

Arthur H. Graham to be postmaster at Newark Valley, N. Y., in place of A. H. Graham. Incumbent's commission expired January 12, 1918.

J. Edward Lyon to be postmaster at Naples, N. Y., in place of J. E. Lyon. Incumbent's commission expired January 27, 1918.

Charles L. Doolittle to be postmaster at Montour Falls, N. Y., in place of C. L. Doolittle. Incumbent's commission expired February 11, 1918.

Frederick H. Smith to be postmaster at Milton, N. Y., in place of F. H. Smith. Incumbent's commission expired July 26, 1918.

George M. Pierson to be postmaster at Maybrook, N. Y., in place of G. M. Pierson. Incumbent's commission expired January 12, 1918.

James A. McDonald to be postmaster at Mamaroneck, N. Y., in place of J. A. McDonald. Incumbent's commission expired February 25, 1918.

George D. Hughes to be postmaster at Madrid, N. Y., in place of G. D. Hughes. Incumbent's commission expired January 12, 1918.

Clinton P. Geer to be postmaster at McGraw, N. Y., in place of C. P. Geer. Incumbent's commission expired January 12, 1918.

Wilbur C. Box to be postmaster at Linbrook, N. Y., in place of W. C. Box. Incumbent's commission expired January 12, 1918.

William J. White to be postmaster at Livingston Manor, N. Y., in place of W. J. White. Incumbent's commission expired May 18, 1918.

Bessie Sullivan to be postmaster at Lisbon, N. Y., in place of Bessie Sullivan. Incumbent's commission expired June 19, 1918.

Mark J. Lockington to be postmaster at Lima, N. Y., in place of M. J. Lockington. Incumbent's commission expired May 18, 1918.

Joseph E. Downs to be postmaster at Islip, N. Y., in place of J. E. Downs. Incumbent's commission expired March 10, 1918.

John D. Crosby to be postmaster at Inwood, N. Y., in place of J. D. Crosby. Incumbent's commission expired May 4, 1918.

Joseph L. Durney to be postmaster at Huntington Station, N. Y., in place of J. L. Durney. Incumbent's commission expired January 27, 1918.

William J. Hyland to be postmaster at Hoosick Falls, N. Y., in place of W. J. Hyland. Incumbent's commission expired January 12, 1918.

Mark L. Mount to be postmaster at Hewlett, N. Y., in place of M. L. Mount. Incumbent's commission expired January 12, 1918.

Francis J. Mulgannon to be postmaster at Hempstead, N. Y., in place of F. J. Mulgannon. Incumbent's commission expired February 11, 1918.

Wesley J. Springstead to be postmaster at Haverstraw, N. Y., in place of W. J. Springstead. Incumbent's commission expired March 24, 1918.

Samuel N. Wheeler to be postmaster at Hancock, N. Y., in place of S. N. Wheeler. Incumbent's commission expired March 10, 1918.

Andrew J. McMahon to be postmaster at Groton, N. Y., in place of A. J. McMahon. Incumbent's commission expired May 4, 1918.

Herbert W. Rackett to be postmaster at Greenport, N. Y., in place of H. W. Rackett. Incumbent's commission expired March 10, 1918.

Edward A. Clark to be postmaster at Greene, N. Y., in place of E. A. Clark. Incumbent's commission expired May 4, 1918.

James M. Dwyer to be postmaster at Geneseo, N. Y., in place of J. M. Dwyer. Incumbent's commission expired May 18, 1918.

Peter T. Conley to be postmaster at Fulton, N. Y., in place of P. T. Conley. Incumbent's commission expired January 31, 1918.

Charles M. Estell to be postmaster at Friendship, N. Y., in place of C. M. Estell. Incumbent's commission expired March 10, 1918.

George H. Martens to be postmaster at Fort Totten, N. Y., in place of G. H. Martens. Incumbent's commission expired May 18, 1918.

Charles E. Dempsey to be postmaster at Fort Covington, N. Y., in place of C. E. Dempsey. Incumbent's commission expired January 12, 1918.

Bruce M. Sweet to be postmaster at Fillmore, N. Y., in place of B. M. Sweet. Incumbent's commission expired May 18, 1918.

Ephraim J. Fisk to be postmaster at Fairport, N. Y., in place of E. J. Fisk. Incumbent's commission expired March 24, 1918.

Sumner I. Houghwout to be postmaster at Falconer, N. Y., in place of S. I. Houghwout. Incumbent's commission expired March 10, 1918.

Abram Lang to be postmaster at Eden, N. Y., in place of Abram Lang. Incumbent's commission expired May 4, 1918.

Arthur E. Hammond to be postmaster at East Aurora, N. Y., in place of A. E. Hammond. Incumbent's commission expired May 18, 1918.

Frederick W. Youmans to be postmaster at Delhi, N. Y., in place of F. W. Youmans. Incumbent's commission expired January 13, 1918.

Elbert G. Harris to be postmaster at Cuba, N. Y., in place of E. G. Harris. Incumbent's commission expired May 4, 1918.

John W. Lynahan to be postmaster at Corning, N. Y., in place of J. W. Lynahan. Incumbent's commission expired January 27, 1918.

Michael J. Flaherty to be postmaster at Corfu, N. Y., in place of M. J. Flaherty. Incumbent's commission expired March 24, 1918.

Owen J. Burns to be postmaster at Clinton, N. Y., in place of O. J. Burns. Incumbent's commission expired June 5, 1918.

Hugh W. McClellan to be postmaster at Chatham, N. Y., in place of H. W. McClellan. Incumbent's commission expired April 28, 1918.

Frank T. Kelly to be postmaster at Central Islip, N. Y., in place of F. T. Kelly. Incumbent's commission expired January 27, 1918.

William H. Barry to be postmaster at Carthage, N. Y., in place of W. H. Barry. Incumbent's commission expired March 24, 1918.

James L. Seely, jr., to be postmaster at Canisteo, N. Y., in place of J. L. Seely, jr. Incumbent's commission expired May 4, 1918.

Claud M. Armitage to be postmaster at Candor, N. Y., in place of C. M. Armitage. Incumbent's commission expired March 12, 1918.

Thomas Conners to be postmaster at Camillus, N. Y., in place of Thomas Conners. Incumbent's commission expired March 10, 1918.

Frank D. Ball to be postmaster at Caledonia, N. Y., in place of F. D. Ball. Incumbent's commission expired March 24, 1918.

John W. Thorp to be postmaster at Brewster, N. Y., in place of J. W. Thorp. Incumbent's commission expired January 12, 1918.

Patrick A. Hallahan to be postmaster at Brasher Falls, N. Y., in place of P. A. Hallahan. Incumbent's commission expired January 12, 1918.

Frank McMahon to be postmaster at Belfast, N. Y., in place of F. McMahon. Incumbent's commission expired January 12, 1918.

Irving Barrett to be postmaster at Bedford Hills, N. Y., in place of I. Barrett. Incumbent's commission expired February 25, 1918.

Charles H. Tighe to be postmaster at Avon, N. Y., in place of C. H. Tighe. Incumbent's commission expired January 27, 1918.

Robert E. L. Reynolds to be postmaster at Amsterdam, N. Y., in place of R. E. L. Reynolds. Incumbent's commission expired March 10, 1918.

George S. Vroman to be postmaster at Altamont, N. Y., in place of G. S. Vroman. Incumbent's commission expired March 24, 1918.

Daniel Grant to be postmaster at Afton, N. Y., in place of Daniel Grant. Incumbent's commission expired May 4, 1918.

Frank P. Hobbs to be postmaster at Wolfeboro, N. Y., in place of F. P. Hobbs. Incumbent's commission expired July 26, 1917.

Robert B. Hoag to be postmaster at Iona Island, N. Y. Office became presidential January 1, 1918.

Albert E. Moran to be postmaster at Gardiner, N. Y. Office became presidential January 1, 1918.

Nicholas Reilly to be postmaster at Brentwood, N. Y. Office became presidential January 1, 1918.

Edward J. Woods to be postmaster at Bayport, N. Y. Office became presidential April 1, 1918.

Fred G. Burt to be postmaster at Adams Center, N. Y. Office became presidential January 1, 1918.

NORTH CAROLINA.

John A. Hornaday, jr., to be postmaster at Beaufort, N. C., in place of C. W. Whitehurst, resigned.

George W. Collins to be postmaster at Burgaw, N. C., in place of Finley T. Croom, resigned.

James A. Harrington to be postmaster at Ayden, N. C., in place of J. A. Harrington. Incumbent's commission expired May 26, 1918.

Edwin S. Yarbrough to be postmaster at Duke, N. C., in place of E. S. Yarbrough. Incumbent's commission expired March 11, 1918.

Leroy L. Massey to be postmaster at Zebulon, N. C., in place of L. L. Massey. Incumbent's commission expired February 2, 1918.

A. Elmo Powell to be postmaster at Whiteville, N. C., in place of A. E. Powell. Incumbent's commission expired January 27, 1918.

Emma L. Vaughan to be postmaster at Whitakers, N. C., in place of E. L. Vaughan. Incumbent's commission expired March 25, 1918.

P. Hanes Linville to be postmaster at Walnut Cove, N. C., in place of P. H. Linville. Incumbent's commission expired January 27, 1918.

Luther B. Carr to be postmaster at Wallace, N. C., in place of L. B. Carr. Incumbent's commission expired March 11, 1918.

Wilson D. Leggett to be postmaster at Tarboro, N. C., in place of W. D. Leggett. Incumbent's commission expired March 25, 1918.

Kate S. Dunn to be postmaster at Scotland Neck, N. C., in place of K. S. Dunn. Incumbent's commission expired March 25, 1918.

Vernon G. Pleasants to be postmaster at Rowland, N. C., in place of V. G. Pleasants. Incumbent's commission expired March 11, 1918.

William C. Bass to be postmaster at Rosemary, N. C., in place of W. C. Bass. Incumbent's commission expired March 25, 1918.

Oscar A. Snipes to be postmaster at Rocky Mount, N. C., in place of O. A. Snipes. Incumbent's commission expired October 1, 1917.

Thomas L. Grant to be postmaster at Old Fort, N. C., in place of T. L. Grant. Incumbent's commission expired May 4, 1918.

James D. Babb to be postmaster at Murfreesboro, N. C., in place of J. D. Babb. Incumbent's commission expired May 7, 1918.

Hamilton Erwin to be postmaster at Morgantown, N. C., in place of Hamilton Erwin. Incumbent's commission expired March 11, 1918.

William L. Arendell to be postmaster at Morehead City, N. C., in place of W. L. Arendell. Incumbent's commission expired April 6, 1918.

William D. Templeton to be postmaster at Mooresville, N. C., in place of W. D. Templeton. Incumbent's commission expired March 11, 1918.

Edwin C. Winchester to be postmaster at Monroe, N. C., in place of E. C. Winchester. Incumbent's commission expired January 27, 1918.

Luther E. Huggins to be postmaster at Marshville, N. C., in place of L. E. Huggins. Incumbent's commission expired February 11, 1918.

Robert H. Davis to be postmaster at Louisburg, N. C., in place of R. H. Davis. Incumbent's commission expired June 16, 1918.

John K. Cline to be postmaster at Lincolnton, N. C., in place of J. K. Cline. Incumbent's commission expired March 11, 1918.

Gilbert H. Russell to be postmaster at Laurinburg, N. C., in place of G. H. Russell. Incumbent's commission expired January 27, 1918.

Redding M. Harper to be postmaster at La Grange, N. C., in place of R. M. Harper. Incumbent's commission expired May 1, 1918.

Walter D. La Roque to be postmaster at Kinston, N. C., in place of W. D. La Roque. Incumbent's commission expired April 24, 1918.

Arthur H. Patterson to be postmaster at Kings Mountain, N. C., in place of A. H. Patterson. Incumbent's commission expired April 24, 1918.

Festus C. Gillam to be postmaster at Kannapolis, N. C., in place of F. C. Gillam. Incumbent's commission expired January 27, 1918.

B. Rufus Avent to be postmaster at Jonesboro, N. C., in place of B. R. Avent. Incumbent's commission expired February 2, 1918.

George C. Lynch to be postmaster at Hillsboro, N. C., in place of G. C. Lynch. Incumbent's commission expired May 4, 1918.

Watson Winslow to be postmaster at Hertford, N. C., in place of W. Winslow. Incumbent's commission expired May 26, 1918.

John R. Rankin to be postmaster at Gastonia, N. C., in place of J. R. Rankin. Incumbent's commission expired 26, 1918.

William C. Blanton to be postmaster at Forest City, N. C., in place of W. C. Blanton. Incumbent's commission expired March 11, 1918.

J. Otho Lunsford to be postmaster at Durham, N. C., in place of J. O. Lunsford. Incumbent's commission expired June 23, 1918.

Robert G. Morisey to be postmaster at Clinton, N. C., in place of R. G. Morisey. Incumbent's commission expired April 6, 1918.

Nathan R. Pool to be postmaster at Clayton, N. C., in place of N. R. Pool. Incumbent's commission expired April 27, 1918.

Gaither G. Blackwelder to be postmaster at China Grove, N. C., in place of G. G. Blackwelder. Incumbent's commission expired January 27, 1918.

James E. Muse to be postmaster at Carthage, N. C., in place of J. E. Muse. Incumbent's commission expired April 24, 1918.

Ogden F. Crowson to be postmaster at Burlington, N. C., in place of O. F. Crowson. Incumbent's commission expired June 22, 1918.

Horace McR. Gudger to be postmaster at Biltmore, N. C., in place of H. McR. Gudger. Incumbent's commission expired May 2, 1918.

Romulus R. Ross to be postmaster at Ashboro, N. C., in place of R. R. Ross. Incumbent's commission expired June 16, 1918.

Addison J. M. Perry to be postmaster at Colerain, N. C. Office became presidential January 1, 1918.

Thomas H. Coffey to be postmaster at Blowing Rock, N. C. Office became presidential January 1, 1918.

Amsey A. Hilburn to be postmaster at Bladenboro, N. C. Office became presidential January 1, 1918.

NORTH DAKOTA.

Samuel Fairman to be postmaster at Wilton, N. Dak., in place of Arthur L. Menard, resigned.

Patrick J. Kavanagh to be postmaster at Carpio, N. Dak., in place of T. J. Kavanagh, resigned.

Karl R. Knowles to be postmaster at Wing, N. Dak., in place of Robert A. Yeater, removed.

Arthur J. Swartwout to be postmaster at Wimbledon, N. Dak., in place of D. F. Dick, resigned.

Floyd S. Putman to be postmaster at Streeter, N. Dak., in place of Walter E. Barringer, resigned.

Frederick D. Cannon to be postmaster at McHenry, N. Dak., in place of W. O. Lowden, resigned.

Henry C. Lay to be postmaster at Stanton, N. Dak., in place of Frank E. Winmill, resigned.

Lorenzo A. Holmes to be postmaster at Kenmare, N. Dak., in place of O. L. Toftner, removed.

Jessie L. Kinsey to be postmaster at Beach, N. Dak., in place of A. J. O'Keefe, resigned.

Paul Keller to be postmaster at Hebron, N. Dak., in place of P. Keller. Incumbent's commission expired June 16, 1918.

Andrew I. Koehmstedt to be postmaster at Langdon, N. Dak., in place of A. I. Koehmstedt. Incumbent's commission expired March 9, 1918.

Henry W. Willis to be postmaster at Lansford, N. Dak., in place of H. W. Willis. Incumbent's commission expired April 24, 1918.

Thomas Regan to be postmaster at Larimore, N. Dak., in place of T. Regan. Incumbent's commission expired June 16, 1918.

John Foran to be postmaster at Mandan, N. Dak., in place of John Foran. Incumbent's commission expired October 18, 1917.

James R. Manley to be postmaster at Minnewaukan, N. Dak., in place of J. R. Manley. Incumbent's commission expired March 25, 1918.

Orren T. House to be postmaster at Napoleon, N. Dak., in place of O. T. House. Incumbent's commission expired January 27, 1918.

J. Francis Tibbs to be postmaster at Rugby, N. Dak., in place of J. F. Tibbs. Incumbent's commission expired March 25, 1918.

Martin O. Hagenson to be postmaster at Scranton, N. Dak., in place of M. O. Hagenson. Incumbent's commission expired February 11, 1918.

Frank Renning to be postmaster at Velva, N. Dak., in place of Frank Renning. Incumbent's commission expired March 11, 1918.

Henry E. Stoskoff to be postmaster at Wildrose, N. Dak., in place of H. E. Stoskoff. Incumbent's commission expired February 11, 1918.

Joseph G. Senger to be postmaster at Harvey, N. Dak., in place of J. G. Senger. Incumbent's commission expired March 10, 1918.

Frank Lish to be postmaster at Dickinson, N. Dak., in place of F. Lish. Incumbent's commission expired August 28, 1917.

William Strehlow to be postmaster at Casselton, N. Dak., in place of W. Strehlow. Incumbent's commission expired June 5, 1917.

John W. Stambaugh to be postmaster at Carrington, N. Dak., in place of J. W. Stambaugh. Incumbent's commission expired March 11, 1918.

Zora Svendsgaard to be postmaster at Bowdon, N. Dak., in place of Z. Svendsgaard. Incumbent's commission expired June 16, 1918.

OHIO.

William Buck to be postmaster at Germantown, Ohio, in place of Charles A. Baker, resigned.

Wyatt S. Ehrmin to be postmaster at Stryker, Ohio, in place of Emile F. Juillard, deceased.

William M. Poling to be postmaster at Murray, Ohio, in place of Morris Albaugh, resigned.

Owen E. Reed to be postmaster at Hiram, Ohio, in place of Henry N. Dyson, resigned.

Elsie M. Smith to be postmaster at Sharonville, Ohio. Office became presidential January 1, 1918.

George C. Wolfe to be postmaster at Racine, Ohio. Office became presidential April 1, 1918.

S. Carlotta Zahm to be postmaster at Bascom, Ohio. Office became presidential January 1, 1918.

A. Ross Read to be postmaster at Akron, Ohio, in place of A. R. Read. Incumbent's commission expired January 14, 1918.

Franzo D. Miller to be postmaster at Alliance, Ohio, in place of F. D. Miller. Incumbent's commission expired June 3, 1918.

Charles R. Musson to be postmaster at Arcanum, Ohio, in place of C. R. Musson. Incumbent's commission expired April 28, 1918.

David Snyder to be postmaster at Archbold, Ohio, in place of D. Snyder. Incumbent's commission expired May 14, 1918.

Frank N. Henry to be postmaster at Atwater, Ohio, in place of F. N. Henry. Incumbent's commission expired January 27, 1918.

Henry W. W. Spargur to be postmaster at Bainbridge, Ohio, in place of H. W. W. Spargur. Incumbent's commission expired July 29, 1917.

Charles J. Betz to be postmaster at Baltimore, Ohio, in place of C. J. Betz. Incumbent's commission expired January 31, 1918.

James M. McNamara to be postmaster at Barberton, Ohio, in place of J. M. McNamara. Incumbent's commission expired March 23, 1918.

John T. Flynn to be postmaster at Bellaire, Ohio, in place of J. T. Flynn. Incumbent's commission expired March 27, 1918.

Marion A. Baldwin to be postmaster at Blanchester, Ohio, in place of M. A. Baldwin. Incumbent's commission expired April 24, 1918.

Harry J. Spitler to be postmaster at Brookville, Ohio, in place of H. J. Spitler. Incumbent's commission expired May 1, 1918.

John M. Francis to be postmaster at Cadiz, Ohio, in place of J. M. Francis. Incumbent's commission expired March 6, 1918.

Richard M. Allison to be postmaster at Cambridge, Ohio, in place of R. M. Allison. Incumbent's commission expired January 27, 1918.

William D. Caldwell to be postmaster at Canton, Ohio, in place of W. D. Caldwell. Incumbent's commission expired June 12, 1918.

Harvey N. Steger to be postmaster at Cardington, Ohio, in place of H. N. Steger. Incumbent's commission expired May 18, 1918.

William Zahn to be postmaster at Carey, Ohio, in place of W. Zahn. Incumbent's commission expired March 28, 1918.

Joseph V. Lawler to be postmaster at Carrollton, Ohio, in place of J. V. Lawler. Incumbent's commission expired June 26, 1918.

William A. Turnbull to be postmaster at Cedarville, Ohio, in place of W. A. Turnbull. Incumbent's commission expired May 28, 1918.

William J. Murphy to be postmaster at Cleveland, Ohio, in place of W. J. Murphy. Incumbent's commission expired May 7, 1918.

Crayton V. Calvin to be postmaster at Columbiana, Ohio, in place of C. V. Calvin. Incumbent's commission expired May 28, 1918.

Robert J. Baxter to be postmaster at Conneaut, Ohio, in place of R. J. Baxter. Incumbent's commission expired June 16, 1918.

Charles B. Maier to be postmaster at Covington, Ohio, in place of C. B. Maier. Incumbent's commission expired April 25, 1918.

Clarence D. Crumb to be postmaster at Cuyahoga, Ohio, in place of C. D. Crumb. Incumbent's commission expired May 4, 1918.

John N. Petersen to be postmaster at Delta, Ohio, in place of J. N. Petersen. Incumbent's commission expired February 25, 1918.

Mathew H. Darby to be postmaster at Deshler, Ohio, in place of M. H. Darby. Incumbent's commission expired June 23, 1918.

George G. Wilkinson to be postmaster at East Palestine, Ohio, in place of G. G. Wilkinson. Incumbent's commission expired January 14, 1918.

William H. Chilcote to be postmaster at Edgerton, Ohio, in place of W. H. Chilcote. Incumbent's commission expired February 25, 1918.

Frank J. Sonderman to be postmaster at Fort Recovery, Ohio, in place of F. J. Sonderman. Incumbent's commission expired April 27, 1918.

George L. Higby to be postmaster at Garrettsville, Ohio, in place of G. L. Higby. Incumbent's commission expired March 23, 1918.

Wilbur M. Carpenter to be postmaster at Geneva, Ohio, in place of W. M. Carpenter. Incumbent's commission expired March 27, 1918.

Thomas B. Richey to be postmaster at Georgetown, Ohio, in place of T. B. Richey. Incumbent's commission expired February 25, 1918.

John L. Strange to be postmaster at Greenfield, Ohio, in place of J. L. Strange. Incumbent's commission expired June 23, 1918.

Adam H. Meeker to be postmaster at Greenville, Ohio, in place of A. H. Meeker. Incumbent's commission expired August 29, 1917.

Charles L. Ritz to be postmaster at Holgate, Ohio, in place of C. L. Ritz. Incumbent's commission expired February 11, 1918.

Thomas Kyer to be postmaster at Jackson, Ohio, in place of T. Kyer. Incumbent's commission expired June 23, 1918.

Harry C. Lieurance to be postmaster at Jamestown, Ohio, in place of H. C. Lieurance. Incumbent's commission expired January 31, 1918.

Jacob M. Ridenour to be postmaster at Junction City, Ohio, in place of J. M. Ridenour. Incumbent's commission expired January 27, 1918.

Carl W. Smith to be postmaster at Kenton, Ohio, in place of C. W. Smith. Incumbent's commission expired May 15, 1918.

Charles B. Dechant to be postmaster at Lebanon, Ohio, in place of Charles B. Dechant. Incumbent's commission expired June 23, 1918.

Frank H. Davet to be postmaster at Madison, Ohio, in place of F. H. Davet. Incumbent's commission expired June 3, 1918.

Jacob D. Yocum to be postmaster at Mechanicsburg, Ohio, in place of J. D. Yocum. Incumbent's commission expired March 19, 1918.

Royal M. Wheeler to be postmaster at Mantua, Ohio, in place of R. M. Wheeler. Incumbent's commission expired January 14, 1918.

Thomas H. Code to be postmaster at Mentor, Ohio, in place of T. H. Code. Incumbent's commission expired January 31, 1918.

Morton A. Houghton to be postmaster at Oberlin, Ohio, in place of M. A. Houghton. Incumbent's commission expired May 4, 1918.

David H. Heiby to be postmaster at Ohio City, Ohio, in place of D. H. Heiby. Incumbent's commission expired May 20, 1917.

George F. Zeller to be postmaster at Ottawa, Ohio, in place of G. F. Zeller. Incumbent's commission expired June 23, 1918.

Stephen D. Carroll to be postmaster at Painesville, Ohio, in place of S. D. Carroll. Incumbent's commission expired January 14, 1918.

Peter D. Amstutz to be postmaster at Pandora, Ohio, in place of P. D. Amstutz. Incumbent's commission expired January 31, 1918.

Richard D. Brown to be postmaster at Pataskala, Ohio, in place of R. D. Brown. Incumbent's commission expired March 12, 1918.

William R. Foster to be postmaster at Perry, Ohio, in place of W. R. Foster. Incumbent's commission expired January 31, 1918.

Philip Wetzel to be postmaster at Perrysburg, Ohio, in place of P. Wetzel. Incumbent's commission expired March 19, 1918.

Ward G. Haviland to be postmaster at Pioneer, Ohio, in place of W. G. Haviland. Incumbent's commission expired February 25, 1918.

L. Vallee Harold to be postmaster at Portsmouth, Ohio, in place of Vallee Harold. Incumbent's commission expired April 27, 1918.

Stephen D. McDowell to be postmaster at Prairie Depot, Ohio, in place of S. D. McDowell. Incumbent's commission expired April 24, 1918.

Joseph L. Riesser to be postmaster at Ripley, Ohio, in place of J. L. Riesser. Incumbent's commission expired March 10, 1918.

Charles L. Hunter to be postmaster at St. Marys, Ohio, in place of C. L. Hunter. Incumbent's commission expired March 10, 1918.

Joseph H. Biddle to be postmaster at St. Paris, Ohio, in place of J. H. Biddle. Incumbent's commission expired February 25, 1918.

William F. Gordon to be postmaster at Somerset, Ohio, in place of W. F. Gordon. Incumbent's commission expired June 23, 1918.

Charles P. Dunn to be postmaster at Springfield, Ohio, in place of C. P. Dunn. Incumbent's commission expired April 6, 1918.

William F. J. Dehn to be postmaster at Struthers, Ohio, in place of W. F. J. Dehn. Incumbent's commission expired June 16, 1918.

Alfred N. Warren to be postmaster at Sylvania, Ohio, in place of A. N. Warren. Incumbent's commission expired January 14, 1918.

Raymond J. Neel to be postmaster at Thornville, Ohio, in place of R. J. Neel. Incumbent's commission expired March 23, 1918.

Cyrenius C. Hughs to be postmaster at Utica, Ohio, in place of C. C. Hughs. Incumbent's commission expired January 31, 1918.

Charles A. Trinter to be postmaster at Vermilion, Ohio, in place of C. A. Trinter. Incumbent's commission expired June 23, 1918.

James L. Murray to be postmaster at Wakeman, Ohio, in place of J. L. Murray. Incumbent's commission expired March 28, 1918.

Charles P. Gabelman to be postmaster at Waverly, Ohio, in place of C. P. Gabelman. Incumbent's commission expired February 25, 1918.

Elijah T. Dando to be postmaster at Wellston, Ohio, in place of E. T. Dando. Incumbent's commission expired June 3, 1918.

Frank Bookman to be postmaster at Westerville, Ohio, in place of F. Bookman. Incumbent's commission expired February 11, 1918.

Orrin E. Jones to be postmaster at West Salem, Ohio, in place of O. E. Jones. Incumbent's commission expired March 10, 1918.

Thurman Spriggs to be postmaster at Woodsfield, Ohio, in place of T. Spriggs. Incumbent's commission expired March 27, 1918.

OKLAHOMA.

Jesse M. Coday to be postmaster at Commerce, Okla., in place of Roy Tennison, removed.

Jefferson D. Ward to be postmaster at Spiro, Okla., in place of Della Hickman, resigned.

Will A. Allen to be postmaster at Roff, Okla., in place of Randolph Laurence, resigned.

Edmon E. Payne to be postmaster at Mounds, Okla., in place of Clarence G. Dalton, resigned.

Laura A. Beamer to be postmaster at Morris, Okla., in place of Ida Per Lee Pugsley, resigned.

David W. Study to be postmaster at Healdton, Okla., in place of Benjamin C. Heald. Office became presidential January 1, 1918.

John M. Dollarhide to be postmaster at Wright (late Bismark), Okla., in place of J. M. Dollarhide. Office became presidential October 1, 1916.

James M. Staten to be postmaster at Helena, Okla., in place of J. M. Staten. Incumbent's commission expired October 4, 1917.

Joseph H. Brasher to be postmaster at Noble, Okla. Office became presidential April 1, 1918.

William T. Childs to be postmaster at Nash, Okla. Office became presidential January 1, 1918.

Albert A. Stebbins to be postmaster at Garber, Okla. Office became presidential April 1, 1918.

Baker B. Woodward to be postmaster at Bokoshe, Okla. Office became presidential April 1, 1918.

Andrew J. Adcock to be postmaster at Aline, Okla., in place of A. J. Adcock. Incumbent's commission expired January 12, 1918.

Birt A. Clark to be postmaster at Arnett, Okla., in place of B. A. Clark. Incumbent's commission expired April 24, 1918.

Jesse W. Phillips to be postmaster at Atoka, Okla., in place of J. W. Phillips. Incumbent's commission expired January 27, 1918.

John A. McLaughlin to be postmaster at Chandler, Okla., in place of J. A. McLaughlin. Incumbent's commission expired January 27, 1918.

Walter B. Hensley to be postmaster at Checotah, Okla., in place of W. B. Hensley. Incumbent's commission expired March 19, 1918.

George W. Barefoot to be postmaster at Chickasha, Okla., in place of G. W. Barefoot. Incumbent's commission expired May 19, 1918.

Robert L. Lunsford, jr., to be postmaster at Cleveland, Okla., in place of R. L. Lunsford, jr. Incumbent's commission expired April 27, 1918.

Samuel R. Staton to be postmaster at Cushing, Okla, in place of S. R. Staton. Incumbent's commission expired May 20, 1917.

Thomas P. Stone to be postmaster at Custer, Okla., in place of T. P. Stone. Incumbent's commission expired June 16, 1918.

Samuel C. Campbell to be postmaster at Enid, Okla., in place of S. C. Campbell. Incumbent's commission expired July 15, 1917.

Leslie E. Ellis to be postmaster at Erick, Okla., in place of L. E. Ellis. Incumbent's commission expired January 12, 1918.

Charles E. Howe to be postmaster at Gotebo, Okla., in place of C. E. Howe. Incumbent's commission expired April 28, 1918.

James W. Smith to be postmaster at Grandfield, Okla., in place of J. W. Smith. Incumbent's commission expired March 10, 1918.

Orlando E. Butler to be postmaster at Grove, Okla., in place of O. E. Butler. Incumbent's commission expired February 11, 1918.

William I. Bowen to be postmaster at Haileyville, Okla., in place of W. I. Bowen. Incumbent's commission expired May 5, 1918.

Frank B. Hutchison to be postmaster at Kaw, Okla., in place of F. B. Hutchison. Incumbent's commission expired May 19, 1918.

David G. Woodworth to be postmaster at Kingfisher, Okla., in place of D. G. Woodworth. Incumbent's commission expired March 19, 1918.

Ida H. Culbertson to be postmaster at Kiowa, Okla., in place of I. H. Culbertson. Incumbent's commission expired January 27, 1918.

Eugenia F. Turner to be postmaster at Krebs, Okla., in place of E. F. Turner. Incumbent's commission expired June 16, 1918.

Monroe Moore to be postmaster at Lamont, Okla., in place of M. Moore. Incumbent's commission expired June 16, 1918.

Floyd L. Swank to be postmaster at Norman, Okla., in place of F. L. Swank. Incumbent's commission expired February 21, 1918.

Israel W. Bebout to be postmaster at Orlando, Okla., in place of I. W. Bebout. Incumbent's commission expired February 2, 1918.

Madison E. Didlake to be postmaster at Quinton, Okla., in place of M. E. Didlake. Incumbent's commission expired March 10, 1918.

William T. Vest to be postmaster at Pondcreek, Okla., in place of W. T. Vest. Incumbent's commission expired June 15, 1918.

John H. Anderson to be postmaster at Snyder, Okla., in place of J. H. Anderson. Incumbent's commission expired June 23, 1918.

Irvine O. Diggs to be postmaster at Stillwater, Okla., in place of I. O. Diggs. Incumbent's commission expired February 2, 1918.

Jesse D. Crawford to be postmaster at Stonewall, Okla., in place of J. D. Crawford. Incumbent's commission expired February 21, 1918.

Simmie Farriss to be postmaster at Stratford, Okla., in place of S. Farriss. Incumbent's commission expired April 24, 1918.

Hinton A. Crawford to be postmaster at Temple, Okla., in place of H. A. Crawford. Incumbent's commission expired May 14, 1918.

Robert I. Temple to be postmaster at Watonga, Okla., in place of R. I. Temple. Incumbent's commission expired January 27, 1918.

James P. McLarty to be postmaster at Wilburton, Okla., in place of J. P. McLarty. Incumbent's commission expired June 23, 1918.

George P. Rollow to be postmaster at Wynne Wood, Okla., in place of G. P. Rollow. Incumbent's commission expired March 24, 1918.

Thomas C. Shacklett to be postmaster at Yukon, Okla., in place of T. C. Shacklett. Incumbent's commission expired April 27, 1918.

OREGON.

George W. Starr to be postmaster at Powers, Oreg., in place of Roy J. Rhoades, resigned.

Willis E. Young to be postmaster at Linnton, Oreg., in place of Marshall W. Malone, resigned.

Irwin D. Pike to be postmaster at Grass Valley, Oreg., in place of Albert M. Bryant, resigned. Office became presidential October 1, 1917.

Rodrick A. Chisholm to be postmaster at Monroe, Oreg. Office became presidential January 1, 1918.

Ethel B. Mather to be postmaster at Clackamas, Oreg. Office became presidential January 1, 1918.

Charles H. Morris to be postmaster at Arlington, Oreg., in place of C. H. Morris. Incumbent's commission expired January 27, 1918.

Charles N. Wait to be postmaster at Canby, Oreg., in place of C. N. Wait. Incumbent's commission expired June 23, 1918.

Victor P. Moses to be postmaster at Corvallis, Oreg., in place of V. P. Moses. Incumbent's commission expired March 10, 1918.

Vivian P. Fiske to be postmaster at Dallas, Oreg., in place of V. P. Fiske. Incumbent's commission expired January 27, 1918.

John H. Young to be postmaster at Hermiston, Oreg., in place of J. H. Young. Incumbent's commission expired March 10, 1918.

Archie Parker to be postmaster at Monmouth, Oreg., in place of A. Parker. Incumbent's commission expired March 10, 1918.

Thomas J. Tweedy to be postmaster at Pendleton, Oreg., in place of T. J. Tweedy. Incumbent's commission expired June 23, 1918.

Russell H. Sullens to be postmaster at Prairie City, Oreg., in place of R. H. Sullens. Incumbent's commission expired March 10, 1918.

Matthew M. Fitch to be postmaster at Sherwood, Oreg., in place of M. M. Fitch. Incumbent's commission expired March 10, 1918.

William J. Hayner to be postmaster at Sutherlin, Oreg., in place of W. J. Hayner. Incumbent's commission expired January 27, 1918.

PENNSYLVANIA.

Edwin W. Dye to be postmaster at Lawrenceville, Pa., in place of Joseph T. King, resigned.

Joseph F. Dolan, jr., to be postmaster at Bala, Pa., in place of John J. Riddle, resigned.

Harry M. Bowman to be postmaster at Annville, Pa., in place of W. L. Saylor. Incumbent's commission expired June 13, 1917.

James J. Huebener to be postmaster at Lititz, Pa., in place of Warren S. Buch, deceased.

Thomas A. Riggle to be postmaster at Houston, Pa., in place of R. M. Hamilton, resigned.

John J. Sullivan to be postmaster at Dallas, Pa., in place of Samuel Bulford, resigned.

Arthur N. Rose to be postmaster at Rouseville, Pa., in place of Arthur N. Rose. Office became presidential April 1, 1918.

William L. McLaren to be postmaster at Cressona, Pa., in place of W. L. McLaren. Office became presidential April 1, 1918.

Fisk Goodyear to be postmaster at Carlisle, Pa., in place of F. Goodyear. Incumbent's commission expired March 20, 1918.

William A. McMahan to be postmaster at West Pittsburgh, Pa. Office became presidential April 1, 1918.

Oscar W. Kaegel to be postmaster at Thompsontown, Pa. Office became presidential April 1, 1918.

Horace G. Moyer to be postmaster at Richland, Pa. Office became presidential April 1, 1918.

Emma M. Schrock to be postmaster at Garrett, Pa. Office became presidential April 1, 1918.

James T. Fisher to be postmaster at Finleyville, Pa. Office became presidential April 1, 1918.

Spurgeon L. Wilson to be postmaster at Driftwood, Pa. Office became residential April 1, 1918.

Charles McBride to be postmaster at Blair Station, Pa. Office became presidential October 1, 1917.

William V. Wirtz to be postmaster at Albion, Pa., in place of W. V. Wirtz. Incumbent's commission expired June 23, 1918.

Martin Klingler to be postmaster at Allentown, Pa., in place of M. Klingler. Incumbent's commission expired May 27, 1918.

Frank M. Newingham to be postmaster at Apollo, Pa., in place of F. M. Newingham. Incumbent's commission expired February 18, 1918.

Albert L. Reinhold to be postmaster at Ardmore, Pa., in place of A. L. Reinhold. Incumbent's commission expired March 10, 1918.

David Burke to be postmaster at Bangor, Pa., in place of D. Burke. Incumbent's commission expired April 6, 1918.

Americus Enfield to be postmaster at Bedford, Pa., in place of A. Enfield. Incumbent's commission expired April 24, 1918.

Michael E. Brown to be postmaster at Blairsville, Pa., in place of M. E. Brown. Incumbent's commission expired June 25, 1918.

James A. Cooper to be postmaster at Brockwayville, Pa., in place of J. A. Cooper. Incumbent's commission expired May 26, 1918.

John J. McAllister to be postmaster at Bryn Mawr, Pa., in place of J. J. McAllister. Incumbent's commission expired April 27, 1918.

Bernard Doherty to be postmaster at Clifton Heights, Pa., in place of B. Doherty. Incumbent's commission expired April 24, 1918.

John K. Gorman to be postmaster at Coalport, Pa., in place of J. K. Gorman. Incumbent's commission expired March 20, 1918.

John R. Bucher to be postmaster at Columbia, Pa., in place of J. R. Bucher. Incumbent's commission expired February 4, 1918.

William D. McGinnis to be postmaster at Connellsville, Pa., in place of W. D. McGinnis. Incumbent's commission expired January 15, 1918.

Henry J. Bock to be postmaster at Conway, Pa., in place of H. J. Bock. Incumbent's commission expired January 20, 1918.

Charles J. Hansell to be postmaster at Cynwyd, Pa., in place of C. J. Hansell. Incumbent's commission expired May 15, 1918.

Thomas G. Vincent to be postmaster at Danville, Pa., in place of T. G. Vincent. Incumbent's commission expired June 29, 1918.

Asher K. Anders to be postmaster at Doylestown, Pa., in place of A. K. Anders. Incumbent's commission expired February 4, 1918.

Harry W. Faloon to be postmaster at East Brady, Pa., in place of H. W. Faloon. Incumbent's commission expired March 20, 1918.

John L. Dimmig to be postmaster at East Greenville, Pa., in place of J. L. Dimmig. Incumbent's commission expired January 27, 1918.

Henry Bourns to be postmaster at Ellsworth, Pa., in place of H. Bourns. Incumbent's commission expired February 7, 1918.

Barney N. De France to be postmaster at Ellwood City, Pa., in place of B. N. De France. Incumbent's commission expired June 23, 1918.

William R. Speer to be postmaster at Everett, Pa., in place of W. R. Speer. Incumbent's commission expired March 20, 1918.

Jacob F. Lauffer to be postmaster at Export, Pa., in place of J. F. Lauffer. Incumbent's commission expired February 11, 1918.

Effie R. Anschutz to be postmaster at Fort Washington, Pa., in place of E. R. Anschutz. Incumbent's commission expired January 15, 1918.

Lewis A. Snyder to be postmaster at Fullerton, Pa., in place of L. A. Snyder. Incumbent's commission expired May 26, 1918.

John A. Rick to be postmaster at Girard, Pa., in place of J. A. Rick. Incumbent's commission expired January 20, 1918.

John Dyurik to be postmaster at Glenlyon, Pa., in place of John Dyurik. Incumbent's commission expired February 4, 1918.

Henry J. Morris to be postmaster at Hatboro, Pa., in place of H. J. Morris. Incumbent's commission expired March 20, 1918.

Bernard J. Rountree to be postmaster at Haverford, Pa., in place of B. J. Rountree. Incumbent's commission expired May 26, 1918.

Hugh McKenna to be postmaster at Hazleton, Pa., in place of H. McKenna. Incumbent's commission expired February 4, 1918.

Joseph J. Campbell to be postmaster at Homer City, Pa., in place of J. J. Campbell. Incumbent's commission expired February 7, 1918.

James C. Shields to be postmaster at Irwin, Pa., in place of J. C. Shields. Incumbent's commission expired April 24, 1918.

Thomas S. Moreland to be postmaster at Jamestown, Pa., in place of T. S. Moreland. Incumbent's commission expired June 29, 1918.

Michael F. McDermott to be postmaster at Jermyn, Pa., in place of M. F. McDermott. Incumbent's commission expired January 15, 1918.

Frederick O. Schreiner to be postmaster at Johnsonburg, Pa., in place of F. O. Schreiner. Incumbent's commission expired February 18, 1918.

Llewellyn Augstadt to be postmaster at Kutytown, Pa., in place of L. Augstadt. Incumbent's commission expired March 20, 1918.

George B. M. Ward to be postmaster at Laceyville, Pa., in place of G. B. M. Ward. Incumbent's commission expired March 20, 1918.

Daniel P. Johnson to be postmaster at Lansford, Pa., in place of D. P. Johnson. Incumbent's commission expired June 26, 1918.

John B. Parks to be postmaster at Leechburg, Pa., in place of J. B. Parks. Incumbent's commission expired January 19, 1918.

John F. Kurty to be postmaster at Lewisburg, Pa., in place of J. F. Kurty. Incumbent's commission expired June 25, 1918.

Paul O. Brosius to be postmaster at Lock Haven, Pa., in place of P. O. Brosius. Incumbent's commission expired April 27, 1918.

Robert M. McCartney to be postmaster at McDonald, Pa., in place of R. M. McCartney. Incumbent's commission expired January 15, 1918.

Claude E. Desch to be postmaster at Macungie, Pa., in place of C. E. Desch. Incumbent's commission expired February 18, 1918.

Blake W. McCracken to be postmaster at Mahaffey, Pa., in place of B. W. McCracken. Incumbent's commission expired June 25, 1918.

Cornelius P. Reing to be postmaster at Mahanoy City, Pa., in place of C. P. Reing. Incumbent's commission expired June 2, 1918.

Harrison J. Kromer to be postmaster at Merion Station, Pa., in place of H. J. Kromer. Incumbent's commission expired February 20, 1918.

Thomas P. Logan to be postmaster at Midland, Pa., in place of T. P. Logan. Incumbent's commission expired June 26, 1918.

Martha E. Doebler to be postmaster at Mifflinburg, Pa., in place of M. E. Doebler. Incumbent's commission expired April 24, 1918.

Joseph S. Cole to be postmaster at Millville, Pa., in place of J. S. Cole. Incumbent's commission expired February 11, 1918.

Frank Snyder to be postmaster at Minersville, Pa., in place of F. Snyder. Incumbent's commission expired March 20, 1918.

David M. Brown to be postmaster at Mount Alto, Pa., in place of D. M. Brown. Incumbent's commission expired February 18, 1918.

Stanley Dropeski to be postmaster at Nanticoke, Pa., in place of S. Dropeski. Incumbent's commission expired June 16, 1918.

William H. Keener to be postmaster at New Bethlehem, Pa., in place of W. H. Keener. Incumbent's commission expired January 15, 1918.

David B. Thomas to be postmaster at New Brighton, Pa., in place of D. B. Thomas. Incumbent's commission expired June 23, 1918.

Philip W. Miller to be postmaster at New Freedom, Pa., in place of P. W. Miller. Incumbent's commission expired June 23, 1918.

Isaac Scarborough to be postmaster at New Hope, Pa., in place of I. Scarborough. Incumbent's commission expired January 15, 1918.

Edward Ace to be postmaster at Nicholson, Pa., in place of E. Ace. Incumbent's commission expired January 19, 1918.

John A. Coonahan to be postmaster at Ogontz, Pa., in place of J. A. Coonahan. Incumbent's commission expired March 20, 1918.

William M. O. Edwards to be postmaster at Pencoyd, Pa., in place of W. M. O. Edwards. Incumbent's commission expired February 7, 1918.

John A. Thornton to be postmaster at Philadelphia, Pa., in place of J. A. Thornton. Incumbent's commission expired September 25, 1917.

Merle D. Salyards to be postmaster at Pitcairn, Pa., in place of M. D. Salyards. Incumbent's commission expired June 23, 1918.

Charles R. Smith to be postmaster at Quakertown, Pa., in place of C. R. Smith. Incumbent's commission expired April 24, 1918.

Albert H. Fritz to be postmaster at Quarryville, Pa., in place of A. H. Fritz. Incumbent's commission expired August 18, 1917.

Harvey Ziegler to be postmaster at Red Lion, Pa., in place of H. Ziegler. Incumbent's commission expired May 13, 1918.

Bortley B. Stewart to be postmaster at Rimersburg, Pa., in place of B. B. Stewart. Incumbent's commission expired January 31, 1918.

Ranson E. Burket to be postmaster at Roaring Springs, Pa., in place of R. E. Burket. Incumbent's commission expired March 20, 1918.

James C. McDowell to be postmaster at Rosemont, Pa., in place of J. C. McDowell. Incumbent's commission expired April 24, 1918.

Charles A. De Huff to be postmaster at Royersford, Pa., in place of C. A. De Huff. Incumbent's commission expired January 15, 1918.

John T. Kennedy to be postmaster at Sharon, Pa., in place of J. T. Kennedy. Incumbent's commission expired April 24, 1918.

Thomas O. Humphrey to be postmaster at Sharon Hill, Pa., in place of T. O. Humphrey. Incumbent's commission expired February 25, 1918.

Karl Smith to be postmaster at Sharpsville, Pa., in place of K. Smith. Incumbent's commission expired June 29, 1918.

John E. Blair to be postmaster at Shippensburg, Pa., in place of J. E. Blair. Incumbent's commission expired January 15, 1918.

Joseph H. McGee to be postmaster at South Bethlehem, Pa., in place of J. H. McGee. Incumbent's commission expired March 20, 1918.

Robert M. Foster to be postmaster at State College, Pa., in place of R. M. Foster. Incumbent's commission expired June 23, 1918.

Edward M. Hirsh to be postmaster at Tamaqua, Pa., in place of E. M. Hirsh. Incumbent's commission expired June 27, 1917.

Glenmar G. Gaston to be postmaster at Tionesta, Pa., in place of G. G. Gaston. Incumbent's commission expired January 15, 1918.

John M. Graham to be postmaster at Volant, Pa., in place of J. M. Graham. Incumbent's commission expired June 23, 1918.

John A. Ketterer to be postmaster at Wampum, Pa., in place of J. A. Ketterer. Incumbent's commission expired April 24, 1918.

Milton H. Gundy to be postmaster at Wernersville, Pa., in place of M. H. Gundy. Incumbent's commission expired January 19, 1918.

Joe C. Harding to be postmaster at Windber, Pa., in place of J. C. Harding. Incumbent's commission expired June 27, 1917.

William A. Christman to be postmaster at Womelsdorf, Pa., in place of W. A. Christman. Incumbent's commission expired February 20, 1918.

Annie H. Washburn to be postmaster at Wyncote, Pa., in place of A. H. Washburn. Incumbent's commission expired March 20, 1918.

PORTO RICO.

Rodulfo Blanco to be postmaster at Rio Piedras, P. R., in place of Rodulfo Blanco. Incumbent's commission expired April 27, 1918.

Paul Vilella, jr., to be postmaster at Lares, P. R., in place of Paul Vilella, jr. Office became presidential October 1, 1917.

Manuel S. Pacheco to be postmaster at Fajardo, P. R., in place of M. S. Pacheco. Incumbent's commission expired March 10, 1918.

Juan F. Rivera to be postmaster at Coamo, P. R., in place of Juan F. Rivera. Office became presidential April 1, 1918.

Fernando Callejo to be postmaster at Manati, P. R., in place of F. Callejo. Incumbent's commission expired March 10, 1918.

RHODE ISLAND.

Horace G. Thornton to be postmaster at Esmond, R. I., in place of Caleb E. Moffitt, resigned.

Ernest M. Spencer to be postmaster at North Scituate, R. I., in place of E. M. Spencer. Incumbent's commission expired December 12, 1915.

Francis J. McCabe to be postmaster at Apponang, R. I., in place of F. J. McCabe. Incumbent's commission expired January 15, 1918.

Honore H. Archambault to be postmaster at Artic, R. I., in place of H. H. Archambault. Incumbent's commission expired February 18, 1918.

Daniel G. Coggeshall to be postmaster at Bristol, R. I., in place of D. G. Coggeshall. Incumbent's commission expired March 20, 1918.

John Reynolds to be postmaster at Harrisville, R. I., in place of J. Reynolds. Incumbent's commission expired April 24, 1918.

Charles Quinn to be postmaster at Phenix, R. I., in place of C. Quinn. Incumbent's commission expired February 18, 1918.

SOUTH CAROLINA.

Horace M. Watkins to be postmaster at Ridge Springs, S. C., in place of M. B. Watson, resigned.

Henry L. Diefenbach to be postmaster at Moultrieville, S. C., in place of H. L. Diefenbach. Office became presidential January 1, 1918.

Bruce K. Arnold to be postmaster at Woodruff, S. C., in place of B. K. Arnold. Incumbent's commission expired August 1, 1917.

Smith L. Johnston to be postmaster at St. George, S. C., in place of S. L. Johnston. Incumbent's commission expired July 2, 1917.

Ella Z. McCravey to be postmaster at Liberty, S. C., in place of E. Z. McCravey. Incumbent's commission expired January 27, 1918.

Fred Mishoe to be postmaster at Greelyville, S. C. Office became presidential January 1, 1918.

Harriett H. Gooding to be postmaster at Brunson, S. C. Office became presidential April 1, 1918.

Peter T. Sapoch to be postmaster at Blacksburg, S. C., in place of P. T. Sapoch. Incumbent's commission expired March 19, 1918.

J. Elizabeth Meehan to be postmaster at Chesterfield, S. C., in place of J. E. Meehan. Incumbent's commission expired February 11, 1918.

Richard W. Scott to be postmaster at Jonesville, S. C., in place of R. W. Scott. Incumbent's commission expired August 1, 1917.

Luther McLaurin to be postmaster at McColl, S. C., in place of L. McLaurin. Incumbent's commission expired March 19, 1918.

William A. Hill to be postmaster at Newberry, S. C., in place of W. A. Hill. Incumbent's commission expired August 2, 1917.

Arthur R. Garner to be postmaster at Timmonsville, S. C., in place of A. R. Garner. Incumbent's commission expired March 19, 1918.

Joshua L. Young to be postmaster at Ware Shoals, S. C., in place of J. L. Young. Incumbent's commission expired February 7, 1918.

Francis M. Cross to be postmaster at Westminster, S. C., in place of F. M. Cross. Incumbent's commission expired March 19, 1918.

George B. McMaster to be postmaster at Winnsboro, S. C., in place of G. B. McMaster. Incumbent's commission expired January 27, 1918.

SOUTH DAKOTA.

Mary M. Cullen to be postmaster at Reliance, S. Dak., in place of Mary M. Cullen. Office became presidential April 1, 1918.

Edward J. Engler to be postmaster at Ipswich, S. Dak., in place of E. J. Engler. Incumbent's commission expired August 5, 1917.

Marshall Coffman to be postmaster at Dallas, S. Dak., in place of M. Coffman. Incumbent's commission expired October 22, 1917.

Frank Dennerly to be postmaster at McLaughlin, S. Dak. Office became presidential January 1, 1918.

Charles H. Peckham to be postmaster at Alexandria, S. Dak., in place of C. H. Peckham. Incumbent's commission expired April 27, 1918.

Patrick J. Donohue to be postmaster at Bonesteel, S. Dak., in place of P. J. Donohue. Incumbent's commission expired April 24, 1918.

Thomas McAllen to be postmaster at Bristol, S. Dak., in place of T. McAllen. Incumbent's commission expired February 2, 1918.

Lloyd L. Truesdell to be postmaster at Burke, S. Dak., in place of L. L. Truesdell. Incumbent's commission expired March 12, 1918.

George C. H. Kostboth to be postmaster at Canastota, S. Dak., in place of G. C. H. Kostboth. Incumbent's commission expired April 24, 1918.

Frank P. Gannaway to be postmaster at Chamberlain, S. Dak., in place of F. P. Gannaway. Incumbent's commission expired April 24, 1918.

F. Bonifice Boyle to be postmaster at Corsica, S. Dak., in place of F. B. Boyle. Incumbent's commission expired April 6, 1918.

Patrick Holland to be postmaster at Fort Pierre, S. Dak., in place of P. Holland. Incumbent's commission expired May 19, 1918.

Sigurd E. Olsen to be postmaster at Frederick, S. Dak., in place of S. E. Olsen. Incumbent's commission expired April 6, 1918.

William S. Small to be postmaster at Gettysburg, S. Dak., in place of W. S. Small. Incumbent's commission expired June 3, 1918.

Harry Donovan to be postmaster at Hecla, S. Dak., in place of H. Donovan. Incumbent's commission expired April 27, 1918.

Charles S. Eastman to be postmaster at Hot Springs, S. Dak., in place of C. S. Eastman. Incumbent's commission expired April 24, 1918.

Nels C. Andrews to be postmaster at Irene, S. Dak., in place of N. C. Andrews. Incumbent's commission expired March 10, 1918.

Frank C. Fisher to be postmaster at Lead, S. Dak., in place of F. C. Fisher. Incumbent's commission expired April 24, 1918.

Frank Junge to be postmaster at Leola, S. Dak., in place of F. Junge. Incumbent's commission expired April 24, 1918.

Matthew F. Ryan to be postmaster at Mobridge, S. Dak., in place of M. F. Ryan. Incumbent's commission expired May 8, 1918.

Charles P. Dahlen to be postmaster at Oldham, S. Dak., in place of C. P. Dahlen. Incumbent's commission expired April 27, 1918.

John C. Borcherding to be postmaster at Presho, S. Dak., in place of J. C. Borcherding. Incumbent's commission expired April 27, 1918.

Stephen Donahoe to be postmaster at Sioux Falls, S. Dak., in place of S. Donohoe. Incumbent's commission expired May 19, 1918.

Albert P. Monell to be postmaster at Stickney, S. Dak., in place of A. P. Monell. Incumbent's commission expired March 12, 1918.

William Galvin to be postmaster at Sturgis, S. Dak., in place of W. Galvin. Incumbent's commission expired June 16, 1918.

Ephraim W. Babb to be postmaster at Wakonda, S. Dak., in place of E. W. Babb. Incumbent's commission expired May 8, 1918.

George W. Turley to be postmaster at Willow Lake, S. Dak., in place of G. W. Turley. Incumbent's commission expired February 2, 1918.

Matthew F. Cummins to be postmaster at Wilmot, S. Dak., in place of M. F. Cummins. Incumbent's commission expired April 6, 1918.

Martin K. Nolan to be postmaster at Winner, S. Dak., in place of M. K. Nolan. Incumbent's commission expired April 27, 1918.

Mark M. Bennett to be postmaster at Yankton, S. Dak., in place of M. M. Bennett. Incumbent's commission expired January 20, 1918.

TENNESSEE.

Robert W. Caldwell to be postmaster at Gallatin, Tenn., in place of R. W. Caldwell. Incumbent's commission expired March 25, 1918.

Fred G. Curtis to be postmaster at Butler, Tenn. Office became presidential January 1, 1918.

Benjamin W. Scott to be postmaster at Bradford, Tenn. Office became presidential April 1, 1918.

Eugene F. Allen to be postmaster at Ashland City, Tenn., in place of E. F. Allen. Incumbent's commission expired June 24, 1918.

John T. Clary to be postmaster at Bellbuckle, Tenn., in place of J. T. Clary. Incumbent's commission expired August 22, 1917.

Enos O. Thomas to be postmaster at Camden, Tenn., in place of E. O. Thomas. Incumbent's commission expired March 25, 1918.

James M. Scarborough to be postmaster at Dover, Tenn., in place of J. M. Scarborough. Incumbent's commission expired March 9, 1918.

Thomas J. Addington to be postmaster at Ducktown, Tenn., in place of T. J. Addington. Incumbent's commission expired June 13, 1918.

Franklin W. Latta to be postmaster at Dyersburg, Tenn., in place of F. W. Latta. Incumbent's commission expired March 9, 1918.

Thomas P. Rucker to be postmaster at Franklin, Tenn., in place of T. P. Rucker. Incumbent's commission expired June 29, 1918.

Philip D. Harris to be postmaster at Greenfield, Tenn., in place of P. D. Harris. Incumbent's commission expired May 2, 1918.

B. Hampton Moore to be postmaster at Halls, Tenn., in place of B. H. Moore. Incumbent's commission expired April 6, 1918.

Arch W. Ashton to be postmaster at Hohenwald, Tenn., in place of A. W. Ashton. Incumbent's commission expired May 2, 1918.

James W. McGlathery to be postmaster at Humboldt, Tenn., in place of J. W. McGlathery. Incumbent's commission expired March 19, 1918.

Frank K. Mountcastle to be postmaster at Johnson City, Tenn., in place of F. K. Mountcastle. Incumbent's commission expired April 10, 1918.

Rufus R. Doak to be postmaster at Lebanon, Tenn., in place of R. R. Doak. Incumbent's commission expired May 2, 1918.

Melville B. Capps to be postmaster at Livingston, Tenn., in place of M. B. Capps. Incumbent's commission expired March 11, 1918.

William A. Ghormley to be postmaster at Madisonville, Tenn., in place of W. A. Ghormley. Incumbent's commission expired February 18, 1918.

Charles W. Metcalf, jr., to be postmaster at Memphis, Tenn., in place of C. W. Metcalf, jr. Incumbent's commission expired June 13, 1918.

William H. Howard to be postmaster at Milan, Tenn., in place of W. H. Howard. Incumbent's commission expired March 11, 1918.

John E. Helms to be postmaster at Morristown, Tenn., in place of J. E. Helms. Incumbent's commission expired May 20, 1918.

Eugene S. Shannon to be postmaster at Nashville, Tenn, in place of E. S. Shannon. Incumbent's commission expired January 12, 1918.

Gordon B. Baird to be postmaster at Obion, Tenn., in place of G. B. Baird. Incumbent's commission expired January 12, 1918.

Joel J. Jones to be postmaster at Fayetteville, Tenn., in place of Joel J. Jones. Incumbent's commission expired January 12, 1918.

Robert B. Schoolfield to be postmaster at Pikeville, Tenn., in place of R. B. Schoolfield. Incumbent's commission expired July 25, 1917.

Hiram M. Moore to be postmaster at Portland, Tenn., in place of H. M. Moore. Incumbent's commission expired January 31, 1918.

John S. Gilbreath to be postmaster at Pulaski, Tenn., in place of J. S. Gilbreath. Incumbent's commission expired March 19, 1918.

Isaac M. Steele to be postmaster at Ripley, Tenn., in place of I. M. Steele. Incumbent's commission expired June 5, 1918.

Winfield B. Hale to be postmaster at Rogersville, Tenn., in place of W. B. Hale. Incumbent's commission expired May 20, 1918.

Addie D. Bell to be postmaster at Springfield, Tenn., in place of A. D. Bell. Incumbent's commission expired June 24, 1918.

TEXAS.

Tyre H. Brown to be postmaster at Lockhart, Tex., in place of J. G. Burleson, jr., resigned.

Colonel J. Russell to be postmaster at Slaton, Tex., in place of Annie F. Higbee. Incumbent's commission expired June 23, 1917.

Lorena C. W. Holder to be postmaster at Rockwall, Tex., in place of B. B. Lanham, resigned.

William T. Edgar to be postmaster at Remlig, Tex., in place of C. F. Christian, resigned.

Delphia N. Cox to be postmaster at Hereford, Tex., in place of J. A. Stegall, resigned.

Edward S. Dougherty to be postmaster at Edinburg, Tex., in place of W. A. Thompson, resigned.

James B. Goodlett to be postmaster at Quanah, Tex., in place of J. C. S. Morrow. Incumbent's commission expired July 10, 1917.

Louis S. Chamberlain, jr., to be postmaster at Burnet, Tex., in place of H. F. Atkinson, resigned.

Buna Mae Coffey to be postmaster at Aubrey, Tex., in place of Elmo D. McCage, removed.

Mary Foster to be postmaster at Welder, Tex., in place of Mary Harrell; name changed by marriage.

Frances J. Wheeler to be postmaster at Brownsville, Tex., in place of Mrs. Jesse O. Wheeler. Incumbent's commission expired October 1, 1917.

Thomas J. Abell to be postmaster at Wharton, Tex., in place of T. J. Abell. Incumbent's commission expired February 2, 1918.

William H. Rand to be postmaster at Sulphur Springs, Tex., in place of W. H. Rand. Incumbent's commission expired April 6, 1918.

Edward W. Sharman to be postmaster at Liberty, Tex., in place of E. W. Sharman. Incumbent's commission expired March 19, 1918.

Richard D. Tankersley to be postmaster at Killeen, Tex., in place of R. D. Tankersley. Incumbent's commission expired January 12, 1918.

Andrew W. Howell to be postmaster at Frost, Tex., in place of A. W. Howell. Incumbent's commission expired January 30, 1918.

Robert E. Speer to be postmaster at Fort Worth, Tex., in place of R. E. Speer. Incumbent's commission expired March 9, 1918.

Julian R. Ransone, jr., to be postmaster at Cleburne, Tex., in place of J. R. Ransone, jr. Incumbent's commission expired March 18, 1918.

Henry A. B. Muller to be postmaster at Brenham, Tex., in place of H. A. B. Muller. Incumbent's commission expired January 27, 1918.

Frank K. Sterrett to be postmaster at Albany, Tex., in place of F. K. Sterrett. Incumbent's commission expired April 24, 1918.

Lode Miller to be postmaster at Winfield, Tex. Office became presidential April 1, 1918.

Edna Overshiner to be postmaster at Valley View, Tex. Office became presidential January 1, 1918.

James D. Wilson, jr., to be postmaster at Trenton, Tex. Office became presidential April 1, 1918.

Fannie Stieber to be postmaster at Rocksprings, Tex. Office became presidential April 1, 1918.

Verna K. Harper to be postmaster at Rice, Tex. Office became presidential April 1, 1918.

Alfred A. Thomas to be postmaster at Chandler, Tex. Office became presidential April 1, 1918.

Elberta H. Prichard to be postmaster at Bogata, Tex. Office became presidential October 1, 1917.

John W. Sharp to be postmaster at Beckville, Tex. Office became presidential April 1, 1918.

Amelia Martin to be postmaster at Anderson, Tex. Office became presidential January 1, 1918.

John C. Arnett to be postmaster at Abernathy, Tex. Office became presidential April 1, 1918.

John D. Blizzard to be postmaster at Alba, Tex., in place of J. D. Blizzard. Incumbent's commission expired March 27, 1918.

Harry C. Word to be postmaster at Alice, Tex., in place of H. C. Word. Incumbent's commission expired January 27, 1918.

Edward Kennedy to be postmaster at Anson, Tex., in place of E. Kennedy. Incumbent's commission expired June 23, 1917.

Horton L. Robertson to be postmaster at Archer City, Tex., in place of H. L. Robertson. Incumbent's commission expired April 6, 1918.

Benjamin M. Richardson to be postmaster at Athens, Tex., in place of B. M. Richardson. Incumbent's commission expired March 11, 1918.

Gustavus A. Lindemann to be postmaster at Bartlett, Tex., in place of G. A. Lindemann. Incumbent's commission expired February 20, 1918.

Thomas W. Cain to be postmaster at Bastrop, Tex., in place of T. W. Cain. Incumbent's commission expired March 20, 1918.

Arthur S. Collins to be postmaster at Bay City, Tex., in place of A. S. Collins. Incumbent's commission expired January 19, 1918.

Ellis M. Quinn to be postmaster at Beeville, Tex., in place of E. M. Quinn. Incumbent's commission expired February 20, 1918.

Emma L. Willke to be postmaster at Boerne, Tex., in place of E. L. Willke. Incumbent's commission expired January 27, 1918.

William D. McChristy to be postmaster at Brownwood, Tex., in place of W. D. McChristy. Incumbent's commission expired April 24, 1918.

James B. Rector to be postmaster at Buckholts, Tex., in place of J. B. Rector. Incumbent's commission expired January 27, 1918.

Chester A. Purcell to be postmaster at Burkburnett, Tex., in place of C. A. Purcell. Incumbent's commission expired May 18, 1918.

Maxey McCrary to be postmaster at Calvert, Tex., in place of M. McCrary. Incumbent's commission expired March 10, 1918.

Edward F. English to be postmaster at Cameron, Tex., in place of E. F. English. Incumbent's commission expired May 20, 1917.

Fred R. Ridley to be postmaster at Campbell, Tex., in place of F. R. Ridley. Incumbent's commission expired March 16, 1918.

Elmer T. Gilbert to be postmaster at Carbon, Tex., in place of E. T. Gilbert. Incumbent's commission expired February 11, 1918.

William E. Thompson to be postmaster at Celeste, Tex., in place of W. E. Thompson. Incumbent's commission expired February 11, 1918.

John D. Redditt to be postmaster at Center, Tex., in place of J. D. Redditt. Incumbent's commission expired January 27, 1918.

James F. Kunkel to be postmaster at Clarksville, Tex., in place of J. F. Kunkel. Incumbent's commission expired March 19, 1918.

Jasper N. Fallis to be postmaster at Clifton, Tex., in place of J. N. Fallis. Incumbent's commission expired April 27, 1918.

A. Johnson Page to be postmaster at Como, Tex., in place of A. J. Page. Incumbent's commission expired April 27, 1918.

Archie N. Justiss to be postmaster at Corsicana, Tex., in place of A. N. Justiss. Incumbent's commission expired March 10, 1918.

James W. Hail to be postmaster at Crockett, Tex., in place of J. W. Hail. Incumbent's commission expired June 16, 1918.

John H. Cates to be postmaster at Decatur, Tex., in place of J. H. Cates. Incumbent's commission expired January 27, 1918.

Frances M. Brady to be postmaster at Del Rio, Tex., in place of F. M. Brady. Incumbent's commission expired March 27, 1918.

Franklin P. Henry to be postmaster at Floydada, Tex., in place of F. P. Henry. Incumbent's commission expired March 10, 1918.

L. Loring Bradbury to be postmaster at Franklin, Tex., in place of L. L. Bradbury. Incumbent's commission expired February 20, 1918.

Daniel B. Shrader to be postmaster at Frisco, Tex., in place of D. B. Shrader. Incumbent's commission expired February 20, 1918.

Edmund R. Cheesborough to be postmaster at Galveston, Tex., in place of E. R. Cheesborough. Incumbent's commission expired June 27, 1918.

Robert N. Eastus to be postmaster at Gordon, Tex., in place of R. N. Eastus. Incumbent's commission expired January 12, 1918.

Charles V. Gates to be postmaster at Gorman, Tex., in place of C. V. Gates. Incumbent's commission expired March 19, 1918.

Walter F. Juliff to be postmaster at Granbury, Tex., in place of W. F. Juliff. Incumbent's commission expired June 23, 1918.

Thomas H. Haynie to be postmaster at Grand View, Tex., in place of T. H. Haynie. Incumbent's commission expired February 20, 1918.

William E. Thies to be postmaster at Granger, Tex., in place of W. E. Thies. Incumbent's commission expired January 27, 1918.

Frank W. Leaverton to be postmaster at Grapeland, Tex., in place of F. Leaverton. Incumbent's commission expired March 10, 1918.

Robert C. Dial to be postmaster at Greenville, Tex., in place of R. C. Dial. Incumbent's commission expired April 27, 1918.

Floyd W. Easterwood to be postmaster at Hearne, Tex., in place of F. W. Easterwood. Incumbent's commission expired March 10, 1918.

John P. Rodgers to be postmaster at Hico, Tex., in place of J. P. Rodgers. Incumbent's commission expired March 18, 1918.

Conrad M. Newton to be postmaster at Hubbard, Tex., in place of C. M. Newton. Incumbent's commission expired January 12, 1918.

Thomas S. Hamilton to be postmaster at Italy, Tex., in place of T. S. Hamilton. Incumbent's commission expired April 24, 1918.

William Clark to be postmaster at Jefferson, Tex., in place of W. Clark. Incumbent's commission expired May 18, 1918.

Exie B. McDougald to be postmaster at Kemp, Tex., in place of E. B. McDougald. Incumbent's commission expired April 6, 1918.

Evye Kennedy to be postmaster at Kirbyville, Tex., in place of E. Kennedy. Incumbent's commission expired May 4, 1918.

Albert L. Melton to be postmaster at Leonard, Tex., in place of A. L. Melton. Incumbent's commission expired March 10, 1918.

William H. Reaves to be postmaster at Lometa, Tex., in place of W. H. Reaves. Incumbent's commission expired April 6, 1918.

William R. McAdams to be postmaster at Lorena, Tex., in place of W. R. McAdams. Incumbent's commission expired March 19, 1918.

Sam R. Brown to be postmaster at McGregor, Tex., in place of S. R. Brown. Incumbent's commission expired March 18, 1918.

E. Otho Driskell to be postmaster at Mansfield, Tex., in place of E. O. Driskell. Incumbent's commission expired February 20, 1918.

Benjamin F. Shepherd to be postmaster at Memphis, Tex., in place of B. F. Shepherd. Incumbent's commission expired February 11, 1918.

Henry C. Williams to be postmaster at Mierkel, Tex., in place of H. C. Williams. Incumbent's commission expired May 18, 1918.

William H. Mercer to be postmaster at Mineral Wells, Tex., in place of W. H. Mercer. Incumbent's commission expired February 11, 1918.

William H. McCurdy to be postmaster at Moody, Tex., in place of W. H. McCurdy. Incumbent's commission expired March 18, 1918.

Louis A. Meiners to be postmaster at Moulton, Tex., in place of L. A. Meiners. Incumbent's commission expired February 11, 1918.

John M. Diggs to be postmaster at Munday, Tex., in place of J. M. Diggs. Incumbent's commission expired February 20, 1918.

William H. Brown to be postmaster at Navasota, Tex., in place of W. H. Brown. Incumbent's commission expired May 18, 1918.

Forrest M. Mattox to be postmaster at Newton, Tex., in place of F. M. Mattox. Incumbent's commission expired January 12, 1918.

Joe Wren to be postmaster at Normangee, Tex., in place of Joe Wren. Incumbent's commission expired March 10, 1918.

George T. Wood to be postmaster at Olney, Tex., in place of G. T. Wood. Incumbent's commission expired February 20, 1918.

Robert C. Matthews to be postmaster at Palestine, Tex., in place of R. C. Matthews. Incumbent's commission expired August 1, 1918.

Claudine Barnes to be postmaster at Pampa, Tex., in place of C. Barnes. Incumbent's commission expired June 27, 1918.

Earl M. Duvall to be postmaster at Petrolia, Tex., in place of E. M. Duvall. Incumbent's commission expired January 12, 1918.

Joe R. Hooton to be postmaster at Pittsburg, Tex., in place of J. R. Hooton. Incumbent's commission expired March 27, 1918.

James A. Crow to be postmaster at Plano, Tex., in place of J. A. Crow. Incumbent's commission expired February 2, 1918.

Joseph H. Washburne to be postmaster at Port Arthur, Tex., in place of J. H. Washburne. Incumbent's commission expired April 6, 1918.

Penrose N. Ions to be postmaster at San Angelo, Tex., in place of P. N. Ions. Incumbent's commission expired February 2, 1918.

George D. Armistead to be postmaster at San Antonio, Tex., in place of G. D. Armistead. Incumbent's commission expired May 26, 1918.

William H. Miller to be postmaster at Seymour, Tex., in place of W. H. Miller. Incumbent's commission expired May 18, 1918.

William J. Davis to be postmaster at Silsbee, Tex., in place of W. J. Davis. Incumbent's commission expired January 12, 1918.

James D. Williams to be postmaster at Sinton, Tex., in place of J. D. Williams. Incumbent's commission expired March 10, 1918.

Jabez J. Jenkins to be postmaster at Skidmore, Tex., in place of J. J. Jenkins. Incumbent's commission expired January 12, 1918.

James J. Sutton to be postmaster at Stockdale, Tex., in place of J. J. Sutton. Incumbent's commission expired March 10, 1918.

James E. Nix to be postmaster at Sunset, Tex., in place of J. E. Nix. Incumbent's commission expired January 27, 1918.

James B. Walker to be postmaster at Tahoka, Tex., in place of J. B. Walker. Incumbent's commission expired January 27, 1918.

Henry M. Coats to be postmaster at Texas City, Tex., in place of H. M. Coats. Incumbent's commission expired June 27, 1918.

James P. Sharp to be postmaster at Tioga, Tex., in place of J. P. Sharp. Incumbent's commission expired July 25, 1918.

James S. Spradley to be postmaster at Van Alstyne, Tex., in place of J. S. Spradley. Incumbent's commission expired March 19, 1918.

Edward B. Fleming to be postmaster at Victoria, Tex., in place of E. B. Fleming. Incumbent's commission expired July 25, 1918.

Reuben J. Kennedy to be postmaster at Whitesboro, Tex., in place of R. J. Kennedy. Incumbent's commission expired March 19, 1918.

Henry L. Webster to be postmaster at Whitewright, Tex., in place of H. L. Webster. Incumbent's commission expired February 20, 1918.

George C. Williams to be postmaster at Wills Point, Tex., in place of G. C. Williams. Incumbent's commission expired June 27, 1918.

UTAH.

Oliver C. Larsen to be postmaster at Monroe, Utah, in place of Walter O. Lundgreen. Office became presidential October 1, 1916.

William H. Fitzwater to be postmaster at Duchesne, Utah, in place of W. H. Fitzwater. Office became presidential October 1, 1916.

Randall Christensen to be postmaster at Moroni, Utah. Office became presidential January 1, 1918.

James H. Clarke to be postmaster at American Fork, Utah., in place of J. H. Clarke. Incumbent's commission expired May 19, 1918.

Isadore Lessing to be postmaster at Beaver, Utah, in place of I. Lessing. Incumbent's commission expired March 12, 1918.

Parley P. Willey to be postmaster at Bountiful, Utah, in place of P. P. Willey. Incumbent's commission expired April 29, 1918.

George W. Young to be postmaster at Coalville, Utah, in place of G. W. Young. Incumbent's commission expired March 19, 1918.

James A. Faust to be postmaster at Delta, Utah, in place of J. A. Faust. Incumbent's commission expired January 12, 1918.

William W. Le Cheminant to be postmaster at Garfield, Utah, in place of W. W. Le Cheminant. Incumbent's commission expired March 6, 1918.

Jessie M. French to be postmaster at Greenriver, Utah, in place of J. M. French. Incumbent's commission expired January 27, 1918.

Lake E. Young to be postmaster at Helper, Utah, in place of L. E. Young. Incumbent's commission expired April 24, 1918.

Nathaniel H. Felt to be postmaster at Manti, Utah, in place of N. H. Felt. Incumbent's commission expired May 14, 1918.

Niels Lind to be postmaster at Midvale, Utah, in place of N. Lind. Incumbent's commission expired January 12, 1918.

Adelbert K. Huish to be postmaster at Payson, Utah, in place of A. K. Huish. Incumbent's commission expired June 23, 1918.

Walter W. Morrison to be postmaster at Richfield, Utah, in place of W. W. Morrison. Incumbent's commission expired February 20, 1918.

Samuel W. Hendricks to be postmaster at Richmond, Utah, in place of S. W. Hendricks. Incumbent's commission expired April 27, 1918.

Daniel L. Argyle to be postmaster at Salina, Utah, in place of D. L. Argyle. Incumbent's commission expired May 19, 1918.

Noble Warrum to be postmaster at Salt Lake City, Utah, in place of N. Warrum. Incumbent's commission expired March 10, 1918.

James Gowans to be postmaster at Tooele, Utah, in place of J. Gowans. Incumbent's commission expired June 3, 1918.

Abraham Binkele to be postmaster at Tremonton, Utah, in place of A. Binkele. Incumbent's commission expired January 12, 1918.

VERMONT.

Clarence W. Locke to be postmaster at Springfield, Vt., in place of C. W. Locke. Incumbent's commission expired June 27, 1918.

Frank L. Start to be postmaster at Jeffersonville, Vt. Office became presidential January 1, 1918.

Cornelius Buckley to be postmaster at Barton, Vt., in place of C. Buckley. Incumbent's commission expired June 24, 1918.

Emory S. Harris to be postmaster at Bennington, Vt., in place of E. S. Harris. Incumbent's commission expired June 27, 1918.

Andrew H. Peters to be postmaster at Bradford, Vt., in place of A. H. Peters. Incumbent's commission expired May 19, 1918.

William H. Boardman to be postmaster at Charlotte, Vt., in place of W. H. Boardman. Incumbent's commission expired June 5, 1918.

Robert H. Royce to be postmaster at Johnson, Vt., in place of R. H. Royce. Incumbent's commission expired April 6, 1918.

John J. Rock to be postmaster at Ludlow, Vt., in place of J. J. Rock. Incumbent's commission expired June 24, 1918.

Carl A. Mattison to be postmaster at Manchester Center, Vt., in place of C. A. Mattison. Incumbent's commission expired January 19, 1918.

Herbert S. King to be postmaster at Manchester Depot, Vt., in place of H. S. King. Incumbent's commission expired January 19, 1918.

Burton E. Bailey to be postmaster at Montpelier, Vt., in place of B. E. Bailey. Incumbent's commission expired June 16, 1918.

James McGovern to be postmaster at North Bennington, Vt., in place of J. McGovern. Incumbent's commission expired March 28, 1918.

George F. Hubbell to be postmaster at Northfield, Vt., in place of G. F. Hubbell. Incumbent's commission expired June 27, 1918.

Patrick Mahoney to be postmaster at Poultney, Vt., in place of P. Mahoney. Incumbent's commission expired June 23, 1918.

Sanford E. Emery to be postmaster at Proctorsville, Vt., in place of S. E. Emery. Incumbent's commission expired February 8, 1918.

Frank A. Burditt to be postmaster at Putney, Vt., in place of F. A. Burditt. Incumbent's commission expired February 7, 1918.

L. Halsea Crosier to be postmaster at Readsboro, Vt., in place of L. H. Crosier. Incumbent's commission expired April 6, 1918.

Patrick H. Harty to be postmaster at Saxtons River, Vt., in place of P. H. Harty. Incumbent's commission expired May 6, 1918.

William J. O'Neill to be postmaster at Waterbury, Vt., in place of W. J. O'Neill. Incumbent's commission expired June 16, 1918.

Maurice J. Walshe to be postmaster at White River Junction, Vt., in place of M. J. Walshe. Incumbent's commission expired June 23, 1918.

Henry D. Allen to be postmaster at Wilmington, Vt., in place of H. D. Allen. Incumbent's commission expired April 6, 1918.

VIRGINIA.

Sidney M. Williams to be postmaster at Broadway, Va., in place of Joseph H. Nave, deceased.

Ernest L. Perry to be postmaster at Quantico, Va. Office became presidential January 1, 1918.

Joshua P. Wescott to be postmaster at Nassawadox, Va. Office became presidential October 1, 1917.

Susan A. Roadcap to be postmaster at Goshen, Va. Office became presidential January 1, 1918.

Mary P. Moon to be postmaster at Cartersville, Va. Office became presidential January 1, 1918.

Nathaniel Lancaster to be postmaster at Ashland, Va., in place of N. Lancaster. Incumbent's commission expired March 24, 1918.

Nina W. Moss to be postmaster at Beaverdam, Va., in place of N. Moss. Incumbent's commission expired April 24, 1918.

James M. Harris to be postmaster at Blackstone, Va., in place of J. M. Harris. Incumbent's commission expired March 24, 1918.

John S. White to be postmaster at Charlottesville, Va., in place of J. S. White. Incumbent's commission expired March 17, 1918.

Robert T. Montgomery to be postmaster at Colonial Beach, Va., in place of R. T. Montgomery. Incumbent's commission expired June 12, 1918.

Frank H. Rinehart to be postmaster at Covington, Va., in place of F. H. Rinehart. Incumbent's commission expired May 18, 1918.

Bert Russell to be postmaster at Damascus, Va., in place of B. Russell. Incumbent's commission expired January 24, 1918.

Charles A. Funkhouser to be postmaster at Dayton, Va., in place of C. A. Funkhouser. Incumbent's commission expired January 13, 1918.

John H. Massie to be postmaster at Edinburg, Va., in place of J. H. Massie. Incumbent's commission expired May 18, 1918.

James R. Rawlings to be postmaster at Fredericksburg, Va., in place of J. R. Rawlings. Incumbent's commission expired April 20, 1918.

Sydner B. Downing to be postmaster at Front Royal, Va., in place of S. B. Downing. Incumbent's commission expired April 6, 1918.

James M. Minnich to be postmaster at Gate City, Va., in place of J. M. Minnich. Incumbent's commission expired May 19, 1918.

William E. Ramsey to be postmaster at Gretna, Va., in place of W. E. Ramsey. Incumbent's commission expired February 6, 1918.

Carlisle H. Willoughby to be postmaster at Jonesville, Va., in place of C. H. Willoughby. Incumbent's commission expired May 28, 1918.

William C. Lauck to be postmaster at Luray, Va., in place of W. C. Lauck. Incumbent's commission expired March 18, 1918.

Charles W. Mugler to be postmaster at Newport News, Va., in place of C. W. Mugler. Incumbent's commission expired May 4, 1918.

Samuel T. Montague to be postmaster at Portsmouth, Va., in place of S. T. Montague. Incumbent's commission expired June 26, 1918.

Jefferson D. Askew to be postmaster at Pulaski, Va., in place of J. D. Askew. Incumbent's commission expired May 18, 1918.

Hay T. Thornton to be postmaster at Richmond, Va., in place of H. T. Thornton. Incumbent's commission expired January 13, 1918.

William C. Menefee to be postmaster at Rockymount, Va., in place of W. C. Menefee. Incumbent's commission expired January 13, 1918.

Wiley W. Ward to be postmaster at South Boston, Va., in place of W. W. Ward. Incumbent's commission expired May 4, 1918.

John B. Norfleet to be postmaster at Suffolk, Va., in place of J. B. Norfleet. Incumbent's commission expired March 18, 1918.

Levi E. Stephenson to be postmaster at Wakefield, Va., in place of L. E. Stephenson. Incumbent's commission expired March 18, 1918.

John T. Cooke to be postmaster at Waynesboro, Va., in place of J. T. Cooke. Incumbent's commission expired April 29, 1918.

Joseph L. Bland to be postmaster at Westpoint, Va., in place of J. L. Bland. Incumbent's commission expired February 20, 1918.

Wade H. Lipps to be postmaster at Wise, Va., in place of W. H. Lipps. Incumbent's commission expired June 29, 1918.

William M. Calvert to be postmaster at Woodstock, Va., in place of W. M. Calvert. Incumbent's commission expired April 6, 1918.

Claud N. Otey to be postmaster at Wytheville, Va., in place of C. N. Otey. Incumbent's commission expired January 26, 1918.

WASHINGTON.

Maud E. Hays to be postmaster at Starbuck, Wash., in place of Emma Goodyear, resigned.

Frank L. Stocking to be postmaster at Port Angeles, Wash., in place of Freeborn S. Lewis, deceased.

James G. Boughter to be postmaster at Mount Vernon, Wash., in place of Edward W. Ferris, deceased.

William M. Relton to be postmaster at Richland, Wash., in place of W. M. Relton. Office became presidential January 1, 1918.

Charles C. King to be postmaster at Entiat, Wash., in place of Charles C. King. Office became presidential January 1, 1918.

Bennett O. Skewis to be postmaster at Du Pont, Wash., in place of B. O. Skewis. Office became presidential January 1, 1918.

William P. Connors to be postmaster at Almira, Wash., in place of W. P. Connors. Incumbent's commission expired February 20, 1918.

Charles H. Runkel to be postmaster at Arlington, Wash., in place of C. H. Runkel. Incumbent's commission expired March 19, 1918.

James F. Payne to be postmaster at Auburn, Wash., in place of J. F. Payne. Incumbent's commission expired June 3, 1918.

L. Abram Dale to be postmaster at Brewster, Wash., in place of L. A. Dale. Incumbent's commission expired February 11, 1918.

Leroy R. Sines to be postmaster at Chelan, Wash., in place of L. R. Sines. Incumbent's commission expired May 19, 1918.

Charles A. Ramm to be postmaster at Davenport, Wash., in place of C. A. Ramm. Incumbent's commission expired March, 10, 1918.

Samuel S. Moritz to be postmaster at Dayton, Wash., in place of S. S. Moritz. Incumbent's commission expired June 23, 1918.

Charles O. Jackson to be postmaster at Eatonville, Wash., in place of C. O. Jackson. Incumbent's commission expired March 19, 1918.

Robert A. Turner to be postmaster at Ellensburg, Wash., in place of R. A. Turner. Incumbent's commission expired March 11, 1918.

Fred L. Whitney to be postmaster at Ferndale, Wash., in place of F. L. Whitney. Incumbent's commission expired March 10. 1918.

Daniel I. Carpenter to be postmaster at Granite Falls, Wash., in place of D. I. Carpenter. Incumbent's commission expired January 27, 1918.

Andrew Hunter to be postmaster at Issaquah, Wash., in place of A. Hunter. Incumbent's commission expired March 10, 1918.

George H. Bevan to be postmaster at Kettle Falls, Wash., in place of G. H. Bevan. Incumbent's commission expired April 24, 1918.

John H. Chilberg to be postmaster at La Conner, Wash., in place of J. H. Chilberg. Incumbent's commission expired January 27, 1918.

Tolaver T. Richardson to be postmaster at Northport, Wash., in place of T. T. Richardson. Incumbent's commission expired March 10, 1918.

James Doherty to be postmaster at Olympia, Wash., in place of James Doherty. Incumbent's commission expired April 24, 1918.

Arthur A. Barnes to be postmaster at Pasco, Wash., in place of A. A. Barnes. Incumbent's commission expired June 23, 1918.

James H. Schneckloth to be postmaster at Pomeroy, Wash., in place of J. H. Schneckloth. Incumbent's commission expired January 12, 1918.

Ethel R. Hanks to be postmaster at Port Orchard, Wash., in place of E. R. Hanks. Incumbent's commission expired January 12, 1918.

Robert Montgomery to be postmaster at Puyallup, Wash., in place of R. Montgomery. Incumbent's commission expired July 10, 1917.

Edgar Battle to be postmaster at Seattle, Wash., in place of E. Battle. Incumbent's commission expired September 10, 1917.

John W. Miller to be postmaster at Snohomish, Wash., in place of J. W. Miller. Incumbent's commission expired June 27, 1918.

Mae O. Gray to be postmaster at Stevenson, Wash., in place of M. O. Gray. Incumbent's commission expired March 19, 1918.

John W. Shaw to be postmaster at Vancouver, Wash., in place of J. W. Shaw. Incumbent's commission expired April 27, 1918.

George B. Day to be postmaster at Walla Walla, Wash., in place of G. B. Day. Incumbent's commission expired March 11, 1918.

Helen R. Whitney to be postmaster at Wapato, Wash., in place of H. R. Whitney. Incumbent's commission expired June 23, 1918.

Charles W. McClure to be postmaster at Washougal, Wash., in place of C. W. McClure. Incumbent's commission expired June 27, 1918.

James M. G. Wilson to be postmaster at Waterville, Wash., in place of J. M. G. Wilson. Incumbent's commission expired June 23, 1918.

Clifton A. Battles, to be postmaster at Wenatchee, Wash., in place of C. A. Battles. Incumbent's commission expired April 24, 1918.

Lutetia M. Fields to be postmaster at Woodland, Wash., in place of L. M. Fields. Incumbent's commission expired February 11, 1918.

WEST VIRGINIA.

William B. McNutt to be postmaster at Princeton, W. Va., in place of Wirt A. French, deceased.

Oliver A. Locke to be postmaster at Milton, W. Va., in place of M. J. Wilson, resigned.

Bertha W. Smith to be postmaster at Holden, W. Va., in place of J. L. Butcher, resigned.

Clelia T. Henritze to be postmaster at War, W. Va. Office became presidential January 1, 1918.

John R. Schaeffer to be postmaster at Germania, W. Va. Office became presidential January 1, 1918.

Mary E. Davin to be postmaster at Montgomery, W. Va., in place of M. E. Davin. Incumbent's commission expired October 22, 1917.

Joseph N. Alderson to be postmaster at Alderson, W. Va., in place of J. N. Alderson. Incumbent's commission expired January 27, 1918.

James W. Wilson to be postmaster at Barboursville, W. Va., in place of J. W. Wilson. Incumbent's commission expired March 19, 1918.

Burton B. Rohrbough to be postmaster at Belington, W. Va., in place of B. B. Rohrbough. Incumbent's commsision expired March 10, 1918.

Leonidas W. Bartlett to be postmaster at Buckhannon, W. Va., in place of L. W. Bartlett. Incumbent's commission expired June 16, 1918.

Hamer H. Berry to be postmaster at Burnsville, W. Va., in place of H. H. Berry. Incumbent's commission expired May 18, 1918.

William B. Stewart to be postmaster at Chester, W. Va., in place of W. B. Stewart. Incumbent's commission expired May 18, 1918.

William D. Roush to be postmaster at Clendenin, W. Va., in place of W. D. Roush. Incumbent's commission expired November 6, 1917.

Harry T. Bumgarner to be postmaster at Elizabeth, W. Va., in place of H. T. Bumgarner. Incumbent's commission expired March 24, 1918.

William W. Johnson to be postmaster at Glenville, W. Va., in place of W. W. Johnson. Incumbent's commission expired March 10, 1918.

Benjamin L. Brown to be postmaster at Kingwood, W. Va., in place of B. L. Brown. Incumbent's commission expired March 10, 1918.

Joseph F. Thompson to be postmaster at Martinsburg, W. Va., in place of J. F. Thompson. Incumbent's commission expired March 19, 1918.

William S. Wray to be postmaster at Northfork, W. Va., in place of W. S. Wray. Incumbent's commission expired April 27, 1918.

Thomas G. Burke to be postmaster at Oak Hill, W. Va., in place of T. G. Burke. Incumbent's commission expired October 4, 1917.

William G. Keyes to be postmaster at Philippi, W. Va., in place of W. G. Keyes. Incumbent's commission expired March 10, 1918.

Charles G. Ogden to be postmaster at Salem, W. Va., in place of C. G. Ogden. Incumbent's commission expired January 27, 1918.

Grover F. Hedges to be postmaster at Spencer, W. Va., in place of G. F. Hedges. Incumbent's commission expired June 18, 1918.

Preston H. Kelly to be postmaster at Thurmond, W. Va., in place of P. H. Kelly. Incumbent's commission expired October 4, 1917.

Karl G. Davis to be postmaster at Wallace, W. Va., in place of K. G. Davis. Incumbent's commission expired January 27, 1918.

Lawrence M. Rowan to be postmaster at White Sulphur Springs, W. Va., in place of L. M. Rowan. Incumbent's commission expired April 24, 1918.

WISCONSIN.

Frank H. Denison to be postmaster at Mellen, Wis., in place of John Blake. Incumbent's commission expired July 11, 1917.

Anton Schiesl to be postmaster at Laona, Wis., in place of J. D. Kissinger. Office became presidential July 1, 1917.

James H. Walker to be postmaster at Hudson, Wis., in place of Andrew P. Kealy, deceased.

Harley B. Wiley to be postmaster at Hancock Wis., in place of W H. Campfield. Incumbent's commission expired October 4, 1917.

Frederick N. Lochemes to be postmaster at St. Francis, Wis., in place of F. N. Lochemes. Office became presidential April 1, 1918.

David A. Holmes to be postmaster at Melton, Wis., in place of David A. Holmes. Incumbent's commission expired November 29, 1917.

Joseph A. Paustenback to be postmaster at Abbotsford, Wis., in place of J. A. Paustenback. Incumbent's commission expired July 11, 1917.

Hiram J. Kinne to be postmaster at Amery, Wis., in place of H. J. Kinne. Incumbent's commission expired February 25, 1918.

Angus D. McDonald to be postmaster at Ashland, Wis., in place of A. D. McDonald. Incumbent's commission expired February 25, 1918.

William A. Koch to be postmaster at Brillion, Wis., in place of W. A. Koch. Incumbent's commission expired February 25, 1918.

William A. Hume to be postmaster at Chilton, Wis., in place of W. A. Hume. Incumbent's commission expired February 25, 1918.

Joseph H. Smith to be postmaster at Elray, Wis., in place of J. H. Smith. Incumbent's commission expired February 25, 1918.

Nicholas H. Berigan to be postmaster at Foxlake, Wis., in place of N. H. Berigan. Incumbent's commission expired February 25, 1918.

Charles Howard to be postmaster at Frederic, Wis., in place of C. Howard. Incumbent's commission expired May 26, 1918.

Edward Schroeder to be postmaster at Granton, Wis., in place of E. Schroeder. Incumbent's commission expired March 10, 1918.

William L. Evans to be postmaster at Green Bay, Wis., in place of W. L. Evans. Incumbent's commission expired June 27, 1918.

Thomas D. Pluck to be postmaster at Horicon, Wis., in place of T. D. Pluck. Incumbent's commission expired January 20, 1918.

Ollo F. Illing to be postmaster at Juneau, Wis., in place of O. F. Illing. Incumbent's commission expired June 15, 1918.

Louis T. Keppler to be postmaster at Kiel, Wis., in place of L. T. Keppler. Incumbent's commission expired April 24, 1918.

Albert Liebl to be postmaster at Luxembourg, Wis., in place of A. Liebl. Incumbent's commission expired February 25, 1918.

John D. Laughlin to be postmaster at Marion, Wis., in place of J. D. Laughlin. Incumbent's commission expired February 25, 1918.

Adolph G. Pankow to be postmaster at Marshfield, Wis., in place of A. G. Pankow. Incumbent's commission expired April 24, 1918.

Melvin G. Elstad to be postmaster at Mattoon, Wis., in place of M. J. Elstad. Incumbent's commission expired February 25, 1918.

Frank B. Schutz to be postmaster at Milwaukee, Wis., in place of F. B. Schutz. Incumbent's commission expired January 12, 1918.

William W. Lauson to be postmaster at New Holstein, Wis., in place of W. W. Lauson. Incumbent's commission expired February 25, 1918.

Harry P. Walker to be postmaster at Plainfield, Wis., in place of H. P. Walker. Incumbent's commission expired February 25, 1918.

James C. Thomas to be postmaster at Poynette, Wis., in place of J. C. Thomas. Incumbent's commission expired March 10, 1918.

Arvid T. Swedborg to be postmaster at Prentice, Wis., in place of A. T. Swedborg. Incumbent's commission expired February 25, 1918.

John J. Voemostek to be postmaster at Rib Lake, Wis., in place of J. J. Voemostek. Incumbent's commission expired February 25, 1918.

Frank Hall to be postmaster at Rio, Wis., in place of F. Hall. Incumbent's commission expired July 11, 1917.

Loren L. Henthorn to be postmaster at Viola, Wis., in place of L. L. Henthorn. Incumbent's commission expired October 4, 1917.

John O'Sullivan to be postmaster at Washburn, Wis., in place of J. O'Sullivan. Incumbent's commission expired April 24, 1918.

James W. Moore to be postmaster at Watertown, Wis., in place of J. W. Moore. Incumbent's commission expired May 26, 1918.

Samuel P. Godfrey to be postmaster at Waupaca, Wis., in place of S. P. Godfrey. Incumbent's commission expired April 24, 1918.

Thomas H. Ryan to be postmaster at Wausau, Wis., in place of T. H. Ryan. Incumbent's commission expired February 25, 1918.

Fay M. Patterson to be postmaster at Wild Rose, Wis., in place of F. M. Patterson. Incumbent's commission expired February 25, 1918.

Lyle I. Daigneau to be postmaster at Boyceville, Wis., in place of Lyle I. Daigneau. Incumbent's commission expired March 19, 1918.

WYOMING.

George H. Greedy to be postmaster at Newcastle, Wyo., in place of C. W. Dow, resigned.

Norvin D. Morgan to be postmaster at Gillette, Wyo., in place of H. H. Given, resigned.

Guy J. Gay to be postmaster at Thermopolis, Wyo., in place of Guy J. Gay. Incumbent's commission expired January 27, 1918.

James B. Delaney to be postmaster at Saratoga, Wyo., in place of J. B. Delaney. Incumbent's commission expired March 10, 1918.

Charles P. Wassung to be postmaster at Rock Springs, Wyo., in place of C. P. Wassung. Incumbent's commission expired January 27, 1918.

Nellie Gilbert to be postmaster at Riverton, Wyo., in place of Nellie Gilbert. Incumbent's commission expired January 27, 1918.

George C. Forsythe to be postmaster at Lusk, Wyo., in place of George C. Forsythe. Incumbent's commission expired February 11, 1918.

Edith S. Morgan to be postmaster at Glenrock, Wyo., in place of Edith E. Sumner; name changed by marriage.

John H. Cameron to be postmaster at Evanston, Wyo., in place of J. H. Cameron. Incumbent's commission expired January 27, 1918.

Roger J. McGinnis to be postmaster at Cody, Wyo., in place of R. J. McGinnis. Incumbent's commission expired January 12, 1918.

Walter L. Larsh to be postmaster at Cheyenne, Wyo., in place of W. L. Larsh. Incumbent's commission expired January 27, 1918.

HOUSE OF REPRESENTATIVES.

FRIDAY, *August 30, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Eternal God our Heavenly Father, we wait upon Thee for wisdom, strength, courage, fortitude; to guide, uphold, and sustain us as individuals and as a Nation in the present world-wide crisis.

To this end bless our soldiers, sailors, marines, aviators, and all the heroic men and women who are sacrificing themselves for the good of humanity.

Open the eyes, we pray Thee, of the enemies of civilization, that they may see the wrong and suffering they have thrust upon the world; that they may repent and make restitution so far as they can, cease to do evil and learn to do well; that brotherly love may prevail not only as a theory but as a reality; that the precepts which have come down to us out of the past in the "Ten Great Commandments," the "Sermon on the Mount," the "Prodigal Son," and the "Good Samaritan," may have their sway in all the earth; in His Name. Amen.

The Journal of yesterday's proceedings was read and approved.

CORRECTION OF THE RECORD.

Mr. SIMS. Mr. Speaker, on pages 9657 and 9658 of the RECORD of yesterday's proceedings, where two letters of the President and a letter of mine were printed, the letter of the President, dated August 22, which was read first and should have been printed in the RECORD first was printed last. I ask unanimous consent to transpose the letters, and that they be reprinted in the RECORD of to-day's proceedings in the order in which they were read, in the order of their date, and that the interruption occurring where my time expired while my letter was being read may be stricken out, so that the letter may be printed as a whole.

The SPEAKER. The gentleman asks the correction of the RECORD in the manner he has stated. Is there objection?

Mr. GILLETT. Mr. Speaker, I do not understand exactly what change the gentleman desires.

Mr. SIMS. The letter of the President of August 22, which was read first, was printed last.

Mr. GILLETT. That is not a very serious matter.

Mr. SIMS. The letter written on August 26, which was in reply to my letter, is printed before my letter, and my letter is printed between the two letters of the President. Now, I want them printed in the order in which they were read.

The SPEAKER. It seems to the Chair that that transposition could be made easily without reprinting the letters, so that they would appear in the permanent RECORD in their proper order.

Mr. SIMS. That can be done easily, but I want this correction because these letters will be used during the consideration of this bill, perhaps, but not to-day, and I would like to have them in the order in which they were actually read.

Mr. GILLETT. All the letters appear in full in the RECORD, although their order is transposed. Anybody who wishes to refer to any one of the letters can easily do so. It seems to me that when gentlemen on that side are preaching economy in the use of paper the reprint is superfluous.

Mr. SIMS. I would not ask for it if it was only my own letter, but the President's first letter was printed last, and the President's last letter was printed first.

Mr. GILLETT. They will be put in their proper order in the permanent RECORD.

Mr. SIMS. But we want to use the letters during this debate.

Mr. GILLETT. If I thought it was in any way disrespectful to the President I certainly should not object, but if the House has not the intelligence to use these letters in their proper order then the House has not sufficient intelligence to debate this bill.

Mr. SIMS. The daily RECORD goes out to libraries and to thousands of people.

Mr. GILLETT. The copies of the RECORD containing these letters have already gone.

Mr. SIMS. Of course, I can accomplish this by reading the letters in my own time, but I do not wish to do that.

Mr. GILLETT. The gentleman may do that if he sees proper, but I shall object to a reprint.

The SPEAKER. The gentleman from Massachusetts objects.

Mr. SINNOTT. Will the gentleman yield for a question in relation to this matter?

The SPEAKER. The gentleman from Massachusetts objects, and that is the end of that.

Mr. SINNOTT. I ask unanimous consent for one minute to ask a question.

The SPEAKER. The gentleman from Oregon asks for one minute. Is there objection?

There was no objection.

Mr. SINNOTT. What is the date of the gentleman's letter to the President?

Mr. SIMS. The same date as the President's first letter to me, August 22. I explained it all yesterday.

Mr. SINNOTT. I understand that some 2 or 3 weeks or 10 days prior to the date of the gentleman's letter the gentleman had a talk with the President about this matter.

Mr. SIMS. Then the gentleman is misinformed.

Mr. SINNOTT. My information came from the gentleman.

Mr. SIMS. From myself?

Mr. SINNOTT. Yes.

Mr. SIMS. Then the gentleman misunderstood me. I can state the facts if the gentleman will permit me to do so.

The SPEAKER. The time of the gentleman from Oregon has expired.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT.

Mr. SISSON. Mr. Speaker, I have a conference report (H. Rept. No. 764) on the District of Columbia appropriation bill.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union——

The SPEAKER. The gentleman from Mississippi has a preferential matter.

Mr. SISSON. I call up the conference report on the District of Columbia appropriation bill.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate numbered 1, 61, and 83 to the bill (H. R. 11692) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes, having met have been unable to agree.

THOS. U. SISSON,
JAMES MCANDREWS,
C. R. DAVIS,
Managers on the part of the House.

JOHN WALTER SMITH,
O. W. UNDERWOOD,
CHAS. CURTIS,
Managers on the part of the Senate.

Mr. SISSON. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment No. 1, the half-and-half amendment.

Mr. GOOD. The gentleman, I take it, wants to move that we recede from our motion to adhere?

Mr. SISSON. Yes.

Mr. GOOD. And agree to the Senate amendment No. 1?

The SPEAKER. Does the gentleman want to make that motion?

Mr. SISSON. I want to make the motion that the House recede from its adherence to its disagreement on the half-and-half amendment.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. I desire to present to the Speaker for the purpose of information the parliamentary status. On July 2, 1918, this matter was before the House on a motion by the gentleman from California [Mr. RAKER] to recede.

The SPEAKER. What was the matter before the House?

Mr. GARD. The matter before the House was the amendment to the District appropriation bill.

The SPEAKER. The Senate amendment?

Mr. GARD. No; the amendment made in the House, adopted in Committee of the Whole and ratified by the House. When it came on for final disposition the gentleman from California [Mr. RAKER] moved to recede.

The SPEAKER. To recede from what?

Mr. GARD. To recede from the action of the House in changing the status of the legislative appropriation part, in so far as it took away the principle of the so-called half-and-half method and the distribution according to taxes received and balance paid.

Mr. SISSON. Mr. Speaker, the status as I now understand, with the gentleman's permission, is this. When the bill was presented to the House the Gard amendment went on which put in an amendment doing away with the half and half.

The SPEAKER. The Chair wishes to get the situation so that he can put the question.

Mr. GARD. If the gentleman from Tennessee will allow me, I will read it to the Speaker. The Speaker said, as will be found on page 8647 of the RECORD—

The vote will be taken on the preferential motion made by the gentleman from California [Mr. RAKER] that the House recede from its disagreement to Senate amendment No. 1 and concur in the same.

The SPEAKER. What was Senate amendment No. 1?

Mr. GARD. Amendment No. 1 was put on in the House, and to that the Senate disagreed. Then the motion of Mr. RAKER was to recede from the disagreement to the Senate amendment and concur in the same.

The SPEAKER. What was the Senate amendment?

Mr. GARD. Embodying again the principle of the half and half by striking out the House amendment.

The SPEAKER. And offered nothing in its place?

Mr. SISSON. Nothing.

Mr. GILLETT. Mr. Speaker, the Senate amendment No. 1 was the amendment of the Senate striking out the House provision which struck out the half-and-half principle.

Mr. GARD. That is it. Now, a vote on the question was taken, and on a division and a subsequent roll call, in which the House determined not to recede from its disagreement to the Senate amendment.

The SPEAKER. The amendment of the gentleman from California [Mr. RAKER] was to recede, and a roll call was had upon it and the House voted his motion down?

Mr. GARD. That is it. Then on page 8648 of the RECORD this language appears. This was after the motion of the gentleman from California, Mr. RAKER, was voted down:

Mr. SISSON. Mr. Speaker, I take it the question now is upon my motion to adhere.

The SPEAKER. The Chair would think that motion to recede and concur having been voted down, would make a vote upon the gentleman's motion unnecessary.

Mr. CRISP. Mr. Speaker, if the Chair will indulge me for a moment, I think undoubtedly the voting down of the motion to concur is tantamount to insistence, but it is not tantamount to the gentleman's motion to adhere.

The SPEAKER. The Chair thinks the gentleman from Georgia is correct, upon reflection. The question is on the motion of the gentleman from Mississippi to adhere to the disagreement of the House to Senate amendment No. 1.

The motion was agreed to.

Then, further down, it said that—

On motion of Mr. SISSON a motion to reconsider the vote by which the House wished to adhere on the disagreement of the House the Senate amendments numbered 1, 61, and 83 were laid on the table.

I present these matters so that the Chair may be advised of the parliamentary status. I appear in nowise as an obstructionist, but I want the House to understand what has been done so that it can proceed in an orderly manner.

Mr. DAVIS. Mr. Speaker, may I be permitted to speak for about two minutes? In framing up the present appropriation bill for the District of Columbia the committee adhered in all ways to the present law concerning the half-and-half principle and made no changes in the law at all. When the bill came on the floor the gentleman from Ohio [Mr. GARD] struck out the half-and-half provision, in substance, and that amendment provided another method for the payment of these expenses of the District of Columbia. That was the position when we went into conference upon the bill. The Senate struck out the Gard amendment and left the bill exactly as it came from the House Appropriations Committee. That amendment is Senate amendment No. 1. I am informed that the chairman of the subcommittee, the gentleman from Mississippi [Mr. SISSON], desires to make a motion to concur in the Senate amendment No. 1, which would leave the appropriation bill as it was when it came before the House originally from the Appropriations Committee of the House. Senate amendment No. 1 is what we now desire to concur in, to leave the bill exactly as it was when it was first presented to the House, without the Gard amendment.

Mr. SISSON. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment No. 1 and agree to the same.

Mr. GARD. Mr. Speaker, the gentleman having made that motion, I make the point of order that the motion made by the gentleman from Mississippi, as I have disclosed the record, is not in order.

The SPEAKER. Does the gentleman from Mississippi wish to be heard?

Mr. SISSON. Then, Mr. Speaker, I move that the House recede from its vote to adhere and vacate its order adhering to its disagreement to Senate amendment No. 1.

Mr. CANNON. Mr. Speaker, I understand the committee met and had a conference and has reported the result of that conference. There is a disagreement. Is that right?

Mr. SISSON. That is right.

Mr. CANNON. Now, it seems to me, that being the condition, we should act upon the report of the committee; and as to the former action of the House in voting to adhere we should move to reconsider that vote and lay it on the table.

Mr. SISSON. It is upon that theory that I am making that motion to recede and concur in Senate amendment No. 1. If that is not done, then the House finds itself in the position of having to vacate this order. Yesterday afternoon I asked unanimous consent to vacate the order, but at that time we did not have the conference report. We now have the conference report, and, having it here, I am now moving as an original proposition that the House recede from its position on amendment No. 1 and concur in the same.

Mr. CANNON. Mr. Speaker, I think that is the proper motion, because a motion was made to reconsider the vote by which the House adhered, as I understand it, and that motion was laid on the table. All that is vacated because you had this conference and failed to agree, and now the conferees make their report and that sets aside the former proceedings.

Mr. SISSON. I will state that is the theory upon which I am proceeding, that the House, having agreed to the conference, going into conference, and disagreeing, we now come back with

the report of the conferees disagreeing to Senate amendment No. 1, and it is on that conference report that I am now making this motion to recede and concur.

Mr. CANNON. It seems to me that the motion is in order.

Mr. GILLETT. And may I suggest that unless that is the fact, if the House once deciding to adhere binds itself forever, no matter what reports may be made, it would very much hamper conferences. It seems to me the gentleman from Illinois [Mr. CANNON] is correct, that the conference committee having reported, that practically of itself vacates the previous order to adhere.

The SPEAKER. The gentleman's motion to adhere was carried, the Chair presumes, upon a roll call.

Mr. SISSON. It was.

The SPEAKER. And then in order to tie the thing up—that is evidently what was intended—the gentleman from Mississippi moved to reconsider that vote and to lay that motion on the table. It seems to the Chair that the only way to rescue the House from that situation is through the fact that a new conference was ordered, and the conferees started in de novo as far as this particular thing is concerned. The Chair thinks the motion of the gentleman from Mississippi is in order. If it were not, we would be tied up so that we never could get out of the tangle.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. What is the parliamentary status? I made a point of order to the first motion made by the gentleman from Mississippi and the Chair has not ruled on that.

The SPEAKER. The Chair ruled that out of order, and the last one also.

Mr. MAPES. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MAPES. Did the gentleman from Mississippi file his conference report this morning?

Mr. SISSON. It is one of those conference reports where we failed of agreement, and it is not a conference report which has to be filed a day in advance. Mr. Speaker, I move that the House recede from its disagreement to Senate amendment No. 1 and concur in the same, and I want the House to understand that in making the motion I am not in any way conceding that the half-and-half principle is sound. Nor does the House commit itself upon that proposition. We are simply receding upon this amendment at this time for the purpose of getting this bill through. I am not going to take up the time of the House in explanation of the many things in this bill which are absolutely essential and necessary. That was debated at some length yesterday.

Mr. WEBB. Will we not meet this same situation the next time when this appropriation is under consideration?

Mr. SISSON. I do not think so. In the first place the garbage matter will not be in the same situation, nor will the situation be the same in respect to the school system, and I could mention many other things. Unless the matter is adjusted and the bill becomes a law, in my judgment the matter of salaries will cause nearly all of the employees of the District of Columbia to leave the District employment and seek employment in other departments of the Government, leaving the District of Columbia without a government.

However much I may be opposed to the half-and-half principle, I am unwilling to insist that that law shall be changed on this appropriation bill when the District government will suffer, and no man knows to what extent. If I even thought it would mean simply the suffering of people on small salaries, I might even then be willing to visit that punishment upon them; but we are confronted, as the commissioners will show, with men keeping their positions upon the idea that they would get the raise in salary granted in this bill. If this bill does not become a law, we are likely to lose the majority of the employees of the District of Columbia through their seeking other employment. I am unwilling to assume that responsibility, and I ask the House to agree with me for this time, for I think we should make this recession and let this bill become a law. I am going to move to further insist upon these other amendments, and I am not going to ask for a conference at this time, because I do not believe we ought under any consideration to ever concur in the Keller amendment.

The SPEAKER. The gentleman from Mississippi moves to recede and concur.

Mr. CANNON. The motion is to recede from the disagreement of the House to Senate amendment No. 1 and concur in the same. The motion is not to recede from our adherence. We can not renew that, because a motion to reconsider the vote by which we adhere was made, and that motion laid on the table, but it was all vacated when it went to conference again and the conference report came in, and we now take up the matter de novo.

The SPEAKER. The gentleman from Mississippi moves to recede from the House disagreement to Senate amendment No. 1 and concur in the same.

Mr. GARD. Mr. Speaker, a parliamentary inquiry. What becomes, under this motion of the gentleman, of the action of the House which I read, by which the House definitely determined its motion to adhere, a motion to reconsider which vote was made and laid on the table, which has not been vacated?

The SPEAKER. They had a new conference and started de novo, and the motion of the gentleman, the Chair thinks, is in order.

Mr. GARD. I am not advised of their having a new conference or of anything being done after the motion to adhere was made.

The SPEAKER. How did the conference report get back here?

Mr. GARD. I do not know how it got back here. There is nothing of record to show it has ever got back here.

Mr. SISSON. Here is the conference report.

Mr. GARD. Where is it?

Mr. SISSON. Here it is.

The SPEAKER. The question is on the motion of the gentleman from Mississippi to recede and concur in Senate amendment No. 1.

Mr. GARD. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. The gentleman from Ohio makes the point of order that there is no quorum present. Evidently there is none. The Doorkeeper will lock the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken and there were—yeas 216, nays 22, answered "present" 2, not voting 190, as follows:

YEAS—216.

Alexander	Eagle	Lee, Ga.	Romjue
Anderson	Edmonds	Lehlbach	Rose
Austin	Elliott	Lesher	Rubey
Bacharach	Elston	Little	Rucker
Baer	Esch	Littlepage	Sanders, Ind.
Bankhead	Evans	Lobeck	Sanders, N. Y.
Beakes	Fairfield	Lonergan	Saunders, Va.
Bell	Ferris	Lufkin	Scott, Iowa
Beshlin	Fess	McAndrews	Scott, Mich.
Black	Fisher	McArthur	Sears
Blackmon	Flood	McClintic	Sells
Bland, Ind.	Focht	McCulloch	Shallenberger
Bland, Va.	Fordney	McFadden	Sherwood
Brodbeck	Foster	McKenzie	Sims
Buchanan	Freeman	McKeown	Sinnott
Byrns, Tenn.	French	McLaughlin, Mich.	Sisson
Campbell, Pa.	Fuller, Ill.	McLemore	Slemp
Candler, Miss.	Gallagher	Mansfield	Small
Cannon	Garner	Martin	Smith, Idaho
Caraway	Garrett, Tex.	Mason	Smith, Mich.
Carlin	Gillett	Merritt	Snook
Carter, Okla.	Glass	Miller, Minn.	Steagall
Chandler, N. Y.	Glynn	Miller, Wash.	Stedman
Chandler, Okla.	Godwin, N. C.	Mondell	Steenerson
Church	Good	Montague	Stephens, Nebr.
Clark, Fla.	Graham, Ill.	Moon	Sterling, Ill.
Clark, Pa.	Greene, Vt.	Moore, Pa.	Sterling, Pa.
Classon	Hadley	Moores, Ind.	Stiness
Claypool	Hamilton, Mich.	Morgan	Strong
Cleary	Hardy	Neely	Sweet
Condy	Harrison, Miss.	Norton	Taylor, Ark.
Collier	Hastings	Oldfield	Temple
Connally, Tex.	Hawley	Osborne	Tillman
Cooper, W. Va.	Hayden	Overmyer	Tilson
Crago	Hayes	Overstreet	Timberlake
Currie, Mich.	Helvering	Paige	Towner
Curry, Cal.	Hersey	Parker, N. J.	Treadway
Dale, Vt.	Hilliard	Phelan	Vestal
Darrow	Hollingsworth	Pratt	Volstead
Davis	Houston	Price	Waldow
Decker	Hull, Iowa	Purnell	Walton
Dempsey	Hull, Tenn.	Quin	Watson, Pa.
Denison	Humphreys	Ragsdale	Watson, Va.
Dent	Igoe	Rainey, H. T.	Webb
Denton	Johnson, Wash.	Rainey, J. W.	Whaley
Dickinson	Kehoe	Raker	Wheeler
Dill	Kelley, Mich.	Ramsey	White, Me.
Dixon	Kennedy, Iowa	Ramseyer	Wilson, La.
Doolittle	Kettner	Rayburn	Winslow
Doremus	Kinkaid	Reed	Wood, Ind.
Doughton	Knutson	Robbins	Woods, Iowa
Dowell	Kraus	Robinson	Young, N. Dak.
Drane	La Follette	Rodenberg	Young, Tex.
Dyer	Lazaro	Rogers	Zihlman

NAYS—22.

Almon	Cox	James	Sabath
Ashbrook	Crisp	Key, Ohio	Taylor, Colo.
Barnhart	Crosser	Larsen	Walsh
Blanton	Gard	London	Welty
Burnett	Gordon	Mapes	
Cary	Huddleston	Park	

ANSWERED "PRESENT"—2.

Booher	Haugen

NOT VOTING—190.

Anthony	Frear	Kreider	Schall
Aswell	Fuller, Mass.	LaGuardia	Scott, Pa.
Ayres	Gallivan	Langley	Scully
Barkley	Gandy	Lea, Cal.	Shackleford
Borland	Garland	Lever	Sherley
Bowers	Garrett, Tenn.	Linthicum	Shouse
Brand	Goodall	Longworth	Siegel
Britten	Goodwin, Ark.	Lundeen	Slayden
Browne	Gould	Lunn	Sloan
Browning	Graham, Pa.	McCormick	Smith, C. B.
Brumbaugh	Gray, Ala.	McKinley	Smith, T. F.
Burroughs	Gray, N. J.	McLaughlin, Pa.	Snell
Butler	Green, Iowa	Madden	Snyder
Byrnes, S. C.	Greene, Mass.	Magee	Stafford
Caldwell	Gregg	Maher	Steele
Campbell, Kans.	Griest	Mann	Stephens, Miss.
Cantrill	Griffin	Mays	Stevenson
Carew	Hamill	Meeker	Sullivan
Carter, Mass.	Hamilton, N. Y.	Morin	Sumners
Connelly, Kans.	Hamlin	Mott	Swift
Cooper, Ohio	Harrison, Va.	Mudd	Switzer
Cooper, Wis.	Haskell	Nelson	Tague
Copley	Heaton	Nicholls, S. C.	Talbott
Costello	Heflin	Nichols, Mich.	Templeton
Cramton	Heintz	Nolan	Thomas
Dale, N. Y.	Helm	Oliver, Ala.	Thompson
Dallinger	Hensley	Oliver, N. Y.	Tinkham
Delaney	Hicks	Olney	Van Dyke
Dewalt	Holland	O'Shaunessy	Vare
Dies	Hood	Padgett	Venable
Dillon	Howard	Parker, N. Y.	Vinson
Dominick	Husted	Peters	Volgt
Donovan	Hutchinson	Platt	Walker
Dooling	Ireland	Polk	Ward
Drukker	Jacoway	Porter	Wason
Dunn	Johnson, Ky.	Pou	Watkins
Dupré	Johnson, S. Dak.	Powers	Weaver
Eagan	Jones	Randall	Welling
Ellsworth	Juul	Rankin	White, Ohio
Emerson	Kahn	Reavis	Williams
Estopinal	Kearns	Riordan	Wilson, Ill.
Fairchild, B. L.	Keating	Roberts	Wilson, Tex.
Fairchild, G. W.	Kelly, Pa.	Rouse	Wingo
Farr	Kennedy, R. I.	Rowe	Wise
Fields	Kiess, Pa.	Rowland	Woodyard
Flynn	Kincheloe	Russell	Wright
Foss	King	Sanders, La.	
Francis	Kitchin	Sanford	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. BOOHER with Miss RANKIN.

Mr. OLNEY with Mr. GREENE of Massachusetts.

Mr. O'SHAUNESSY with Mr. SWITZER.

Mr. CALDWELL with Mr. ROWE.

Mr. HOLLAND with Mr. DUNN.

Mr. SCULLY with Mr. WARD.

Mr. EAGAN with Mr. PARKER of New York.

Mr. GALLIVAN with Mr. KIESS of Pennsylvania.

Mr. NICHOLLS of South Carolina with Mr. BRITTEN.

Mr. WILSON of Texas with Mr. FARR.

Mr. STEELE with Mr. BUTLER.

Mr. OLIVER of Alabama with Mr. PETERS.

Mr. TALBOTT with Mr. BROWNING.

Mr. HENSLEY with Mr. MUDD.

Mr. PADGETT with Mr. HICKS.

Mr. SLAYDEN with Mr. MCKINLEY.

Mr. RANDALL with Mr. FOSS.

Mr. STEVENSON with Mr. MOTT.

Mr. LUNN with Mr. FULLER.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present, the Doorkeeper will unlock the doors.

Mr. SISSON. Mr. Speaker, I move that the House further insist on its disagreement with the Senate on amendments numbered 61 and 83.

The SPEAKER. The gentleman moves that the House further insist on its disagreement to Senate amendments numbered 61 and 83.

The question was taken, and the motion was agreed to.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Tennessee asks unanimous consent for the present consideration of the resolution, which the Clerk will report.

The Clerk read as follows:

Joint resolution (H. J. Res. 323) making appropriations for certain necessary operations of the Government and of the District of Columbia for the month of September, 1918, and for other purposes.

Resolved, etc., That the provisions of the joint resolution entitled "Joint resolution making appropriations for certain necessary operations of the Government and of the District of Columbia for the months of July and August, 1918, and for other purposes," approved July 8, 1918, except so far as they relate to the support of the Army, are extended and continued in full force and effect for and during the month of September, 1918.

The SPEAKER. Is there objection?

Mr. GILLETT. Mr. Speaker, when this matter came up yesterday I stated my reasons for objecting. It was mainly because I thought the annual District appropriation bill ought to be passed and not a continuing resolution like this adopted. Now the House has concurred in Senate amendment No. 1 of the regular bill and sent it over to the Senate, but if this resolution should be adopted now it seems to me it would have the effect to take away the pressure from the Senate to recede from their amendments and pass the regular appropriation bill. And it seems to me the same motive which has induced the House—many Members against their wishes and opinions—to vote in favor of the Senate amendment No. 1 ought to be left in force upon the Senate to compel the Senators to vote down the two amendments which they have put on the bill and which the House thinks ought not to be there and then pass the bill. And, therefore, it seems to me the wise thing is to let the bill we have just considered go over to the Senate alone and unaccompanied by this resolution, and put it up to the Senate either to withdraw from their action on the two amendments, which we think they ought to recede from, or have no appropriation for the coming year. Therefore, unless the gentleman from Tennessee [Mr. BYRNS] has some new suggestion to make which will change my mind, I shall object.

Mr. BYRNS of Tennessee. Now, Mr. Speaker, I have no more interest in this matter than has, of course, any other Member of the House, but it is extremely important that provision be made for the conduct of the Department of Agriculture, in particular, during the month of September, and also for the District of Columbia in the event no bill is passed.

Mr. GILLETT. Will the gentleman yield? I will make no objection at all to a resolution continuing the appropriations for the Department of Agriculture.

Mr. BYRNS of Tennessee. If the gentleman will pardon me, the situation is just this: I received on yesterday a letter from the Assistant Secretary of Agriculture, inclosing copy of letter which he had written to Mr. SHERLEY, the chairman of the committee, setting forth the importance of passing some continuing resolution for the month of September, inasmuch as it appeared to be impossible to prepare and introduce and pass through the House and Senate an appropriation bill before August 31. I am going to ask that that letter be read in order to show the importance of the adoption of this amendment, because if gentlemen of the House are willing to take the responsibility of taking the risk of stopping the activities of the Department of Agriculture throughout the country, not only in the city of Washington but in every State of this Union, and the efforts of the Department of Agriculture to further the production of food for the maintenance and supply of our soldiers abroad in this war, they can take the responsibility, but I do not care to do so.

Now, as to the statement made by the gentleman from Massachusetts [Mr. GILLETT]——

Mr. GILLETT. Before the gentleman leaves that will he not let me state that I agree with him entirely as to that, and if he brings in a resolution for the Agricultural appropriation bill I will have no objection to it at all.

Mr. BYRNS of Tennessee. Let me say this with reference to the District of Columbia government: The gentleman made the point yesterday, as did other gentlemen on the floor, that the House ought to recede from its action in doing away with the half and half. That action has been taken in good faith by the House. The House has done all it possibly can to relieve the situation and pass the District of Columbia appropriation bill. Now, I am informed—and I do not know whether it is true or not—that there is a possibility that the Senate may not be in session to-morrow. The gentleman knows, and I was told by a prominent officer of the District of Columbia this morning, that unless something is done there is going to be great confusion in the government of the District of Columbia on next Monday and the first of the week. It is no trouble for employees to get positions elsewhere, and if employees of the District of Columbia are not satisfied in their own minds that they are going to continue to be paid there is a possibility that some of them may quit.

Now, I have my own idea that the Senate will recede from the two amendments upon which the House has insisted. I have information from certain Senators which leads me to think that that will be done, but we have no guaranty that that bill can be enrolled and actually signed and become a law before next Monday or Tuesday. We do not know when it may become a law, and if it does become a law this resolution does not amount to anything.

It seems to me, therefore, that the House ought to relieve itself of any possible responsibility in the matter by adopting this resolution and sending it over, and let the Senate take

whatever responsibility it cares to take in the premises. I have no more interest in this than has any other Member of the House. I simply offered the resolution. If gentlemen want to object to it, it is their privilege; but I think, so far as I am concerned, I have relieved myself of any possible criticism.

Mr. SISSON. Will my friend yield?

Mr. BYRNS of Tennessee. Yes.

Mr. SISSON. I agree with my friend in the main that the House ought to put itself in a position where it can be relieved from any results that might flow from failure of any one of these departments to have proper funds with which to conduct its business. But, in reference to the District of Columbia appropriation bill, in my judgment the result will be just about as bad if the Senate fails to pass the bill we have sent to them, because under a promise from the District Commissioners a good many people have kept their places up until this time. Therefore I do not think the failure on the part of the Senate to act, even if the resolution should pass, would cure many of the evils that would flow from the failure on the part of the Senate to immediately pass our bill. And I believe under all the circumstances it might be well for the gentleman from Tennessee——

Mr. BYRNS of Tennessee. There is quite a difference, I will say to the gentleman, in the mind of any employee who is dependent upon what he makes for a living as to the question of whether or not he is to get some slight increase that has been given him or whether he is not to be paid at all for what he does—men who have to work from day to day in order to provide for the support of themselves and family. They have been fed on these promises, and I think the House ought to put itself on record and let these employees of the District government understand, if the Senate fails to take action, that, so far as the House is concerned, they will be paid. It is certainly a guaranty of good faith to the employees of the District.

Mr. SISSON. I will say this to my friend, that I do not believe that the passage of that resolution would facilitate the passage of the District appropriation bill. It may tend to hamper it somewhat in the Senate. However, I do not know that the Senate will hesitate one moment to pass the bill.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent that this letter to Mr. SHERLEY be read.

Mr. GILLETT. What is the date of it?

Mr. BYRNS of Tennessee. August 19.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to have read a letter for Mr. SHERLEY. Is there objection?

There was no objection.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE,
Washington, August 19, 1918.

Hon. SWAGAR SHERLEY,
House of Representatives.

DEAR MR. SHERLEY: As you perhaps know, the bill making appropriations for the regular activities of the department during the fiscal year 1919 is still pending in Congress. The emergency food-production bill for 1919 has passed the House and is pending in the Senate. In the absence of Secretary Houston, I am writing to call your attention to the urgent necessity of renewing for the month of September the continuing resolution of July 8, 1918, if these measures, or either of them, are not enacted into law before August 31. If the regular bill should pass before that time, it is highly essential that provision be made for continuing the appropriations made by section 8 of the food-production act of August 10, 1917. This act, as you know, provides for the very vital emergency activities of the department, and it would be highly unfortunate if it should become necessary to discontinue any of the work inaugurated under its provision, especially during the crop season, when there should be no let-up whatever in the production, marketing, and conservation work of the department.

Very truly, yours,

CLARENCE OUSLEY,
Acting Secretary.

Mr. GILLETT. Mr. Speaker, as I said before, the gentleman from Tennessee [Mr. BYRNS] either willfully or accidentally—I presume accidentally—misunderstood me. I recognize the importance of the agricultural extension work. I think myself that the regular Agricultural appropriation bill ought to have been passed before the 1st of September, but it has not been done, and therefore I am perfectly willing that a resolution extending last year's appropriations should be passed, although it would be better for the country if the new appropriations were in force rather than the old ones. But I agree to that resolution. There is no controversy on that point. My only controversy about it and my only objection to this resolution is that what we ought to do is to send this District appropriation bill that we have just passed over to the Senate instead of accompanying it with this resolution.

Now, why did the House abandon its position? Why did we change our vote on the half-and-half proposition? Not because we wished to or because we had changed our minds, but because we recognized it was of the greatest importance that the new appropriation bill should be in force before the 1st of September. Technically the Senate had the right to say that we were putting on the appropriation bill a new measure and that therefore we were the ones who should abandon the half-and-half proposition, and they insisted that we must change our ground. Now, we send it back with two Senate amendments to which we do not agree. The very same argument which compelled the House to abandon its wishes as to the half-and-half proposition ought to compel the Senate to abandon their wishes as to those two amendments, and I can not believe that the Senate is so reckless of its duties and that they will so injure the District as not to pass this bill. But if we pass the extension resolution I confess I am afraid that the Senate, when they have the choice of passing the resolution or passing the appropriation bill without their pet amendments will not pass the bill and give us the new appropriations for the new year, which ought to be in force immediately, but will pass the extension resolution. In that case we would not have gained anything by abandoning our ground about the half and half. Therefore I want to bring the same pressure on the Senate which we, from our sense of duty, felt and compel the Senate to subordinate their wishes to their sense of duty, as we have, and abandon their amendments and pass the appropriation bill.

Mr. BYRNS of Tennessee. An extension resolution has to originate in the House.

Mr. GILLETT. Yes.

Mr. BYRNS of Tennessee. And if the House does not pass an extension resolution and the Senate fails to enact the appropriation bill, then they will throw upon this House the burden and responsibility of having no appropriation next week, because they will say it was up to the House to pass the resolution.

Mr. GILLETT. No; it is up to the Senate to pass the bill we have sent over to them.

Mr. BYRNS of Tennessee. That is all very well for the gentleman to argue, but——

Mr. GILLETT. I am willing to take my share of the responsibility in putting that on the Senate. I shall object to the passage of this resolution and hope thereby to compel the immediate passage of the District appropriation bill.

Mr. GOOD. Mr. Speaker, I ask for a little time in which to address the House.

Mr. SISSON. I object.

The SPEAKER. The gentleman from Mississippi objects.

WATER-POWER LEGISLATION.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, known as the water-power bill.

The SPEAKER. The gentleman from Tennessee moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the water-power bill. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, known as the water-power bill, with Mr. WEBB in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, which the Clerk will report.

The Clerk read the title of the bill, as follows:

A bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. That the words defined in this section shall have the following meanings when found in this act, to wit:

"Public lands" means such lands and interest in lands owned by the United States as are subject to private appropriation and disposal under public-land laws. It shall not include "reservations," as hereinafter defined.

"Reservations" means lands and interest in lands owned by the United States and withdrawn, reserved, or withheld from private appropriation and disposal under the public-land laws, and lands and interest in lands acquired and held for any public purpose.

"Corporation" means a corporation organized under the laws of any State or of the United States, empowered to develop, transmit, distribute, or utilize power, and authorized to transact in the State or States in which its project is located all business necessary to effect the purposes of a license under this act. It shall not include "municipalities" as hereinafter defined.

"State" means a State admitted to the Union, the District of Columbia, and any organized Territory of the United States.

"Municipality" means a city, county, irrigation district, drainage district, or other political subdivision of a State, competent under the laws thereof to carry on the business of developing, transmitting, utilizing, or distributing power.

"Municipal purposes" means and includes all purposes within municipal powers as defined by the constitution or laws of the State or by the charter of the municipality.

"Navigable waters" means all streams or parts of streams, and other bodies of water or parts thereof, over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States.

"Navigation dam" means a dam or other work, constructed or owned by the United States for the improvement of navigation, with or without contribution from others, from which flows surplus water not needed for navigation that may be disposed of under the provisions of this act.

"Project" means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights of way, ditches, dams, reservoirs, lands, or interest in lands, the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit.

"Project works" means the physical structures of a project.

"Net investment" in a project means the actual legitimate original cost thereof as defined and interpreted in the "Classification of investment in road and equipment of steam roads, issue of 1914, Interstate Commerce Commission," plus similar costs of additions thereto and betterments thereof, minus the sum of the following items properly allocated thereto, if and to the extent that such items have been accumulated during the period of the license from earnings in excess of a fair return on such investment: (a) Unappropriated surplus, (b) aggregate credit balances of current depreciation accounts, and (c) aggregate appropriations of surplus or income held in amortization, sinking fund, or similar reserves, or expended for additions or betterments. The term "cost" shall include in so far as applicable, the elements thereof prescribed in said classification, but shall not include expenditures from funds obtained through donations by States, municipalities, individuals, or others.

Mr. SIMS. Mr. Chairman, I move to strike out all of lines 1 to 18, inclusive, on page 27. Then I want to ask for an agreement.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Tennessee.

The Clerk read as follows:

Amendment offered by Mr. SIMS: Page 27, strike out all of lines 1 to 18, inclusive.

Mr. SIMS. Mr. Chairman, I want to see if we can not make some agreement about this matter as to the time to be used in discussion and to consider section 14, in so far as it is affected by this or any other portion of the bill, following this definition and connected with it. I frankly confess that, so far as I know, whatever controversy exists in relation to this bill hinges largely on the adoption of this amendment as to net investment and the use of that to determine the amount to be paid on recapture, instead of that portion of the bill which was stricken out and amended by this.

Mr. ESCH. Is it the gentleman's purpose to defer the consideration of his motion until we reach section 14?

Mr. SIMS. No. I am going to ask this: There are so many important matters that come between this and section 14, if we consider this subject matter in connection with section 14, that I want to suggest this proposition: Suppose my motion is voted down. Then, of course, there will be no use in having any contention about the use of it in section 14, because that method of determining the value of property will be finally adopted.

Mr. ESCH. I understood the gentleman that it would be better if we deferred the consideration of the net-investment proposition until we reached section 14, because they are so interrelated that the consideration of section 14 will involve the definition of the net investment. My idea was to pass over the definition of net investment until we reached section 14 and there consider it.

Mr. SIMS. Perhaps the gentleman has looked it up as well as the gentleman from Oklahoma [Mr. FERRIS]. Is there anything in the bill between this paragraph and section 14 that would require changes?

Mr. ESCH. Yes.

Mr. SIMS. Then it will be necessary to change that also.

Mr. ESCH. It is subsection (d) of section 10, which is the Houston amendment, basing the amortization reserves on the net investment. So a like motion to pass that over until section 14 is reached will be in order.

Mr. SIMS. I understand the gentleman's proposition to be that we defer action on this motion until we reach section 14, which I think is all right.

Mr. ESCH. Yes.

Mr. SIMS. And we will also defer action upon any other portion of the bill involving the same question before we reach section 14.

Mr. ESCH. Yes.

Mr. SIMS. And then take them all up together.

Mr. ESCH. Yes.

Mr. SIMS. But when we do take them up, we will first act on the motion to strike out.

Mr. ESCH. I would rather say, pass over the net-investment question.

Mr. SIMS. Rather than make a motion now to strike out. If a motion to strike out was made, there might be motions to amend.

Mr. FERRIS. Why not ask unanimous consent to pass over every feature of the net-investment question, and let it all be considered at one time in connection with the recapture clause, which occurs in sections 14 and 15, and let any motion be made with reference to any one of the paragraphs, or any language that appears in connection with it be passed over, so you will not have to debate the subject every time it occurs in the bill?

Mr. ANDERSON. Of course if any other basis of recapture is adopted, this ought to go out, and those who are favoring the net-investment idea would recognize that fact.

Mr. FERRIS. I say, if the old plan of recapture goes in, you would not want this, and if the idea of that side prevails, then, of course, you want everything in harmony with it.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that action at any and all times upon this net-investment proposition, which I have moved to strike out, embracing lines 1 to 18, inclusive, on page 27, be passed over until we reach section 14, and that in considering any other portion of the bill involving the same question before we reach section 14, action upon those sections or paragraphs, whatever they may be, may also be deferred until we reach section 14; and that when we reach section 14 we then take up these several sections or paragraphs that have been passed over and act on them at one time, giving preference to the order in which the paragraphs appear.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee [Mr. SIMS]?

Mr. WALSH. Mr. Chairman, reserving the right to object, does not the gentleman think it would be better to pass over this paragraph now and then take care of the other matters as they are reached?

Mr. SIMS. If that is to be the proceeding, I would rather settle it right now, because it is the chief corner stone of the whole thing.

Mr. WALSH. I mean to take care of passing them over as they are reached.

Mr. SIMS. No; let us have an agreement that covers the whole subject matter.

Mr. WALSH. There may be some objection to that.

Mr. SIMS. I have adopted the request of the gentleman from Wisconsin [Mr. ESCH].

Mr. WALSH. I am not objecting; but it seems to me that the orderly way would be, when you reach subsection (d) of section 10, if you wish it passed over, to ask to have it passed over; and do the same with reference to the others as they are reached.

Mr. SIMS. My idea is to pass over this and that we get an agreement that the others be passed over when they are reached.

Mr. WALSH. That is not what the gentleman said.

Mr. SIMS. That is what I meant. I understand the gentleman withdraws his objection.

Mr. HUMPHREYS. He has not made any objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee.

There was no objection.

Mr. SINNOTT. Mr. Chairman, I have an amendment to offer.

The CHAIRMAN. The gentleman from Oregon offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. SINNOTT: Page 26, strike out lines 1 to 5, inclusive.

Mr. SINNOTT. Mr. Chairman, my amendment, in effect, is to strike out the definition of navigable waters. I think it is very unwise to undertake to define navigable waters in this bill. Whether that is so or not, this definition of navigable waters, of course, is not a correct definition. Navigable waters are not waters over which Congress has jurisdiction. Congress at the present time has jurisdiction over all these little nonnavigable feeders running into navigable streams. If you pass this definition, then, under the present law, every time a little mountain stream or nonnavigable feeder is to be bridged, you will either have to come to Congress for permission or to the Secretary of War, provided your State has passed the necessary laws. You will bring all that embarrassment upon local communities. In addition to that, if we can make such a definition as this and the ordinary incidents of navigable waters follow, then you will change the title to land in a great many States. For instance, only a month or so ago there was a very important decision rendered in the State of Oklahoma. The question was whether

the Arkansas River was navigable. Had that river been held to be navigable, the State of Oklahoma would have received title to very valuable oil lands under the bed of the river; but the court held that the stream at the point in question was not navigable, and that therefore the oil under the bed of the stream belonged to a tribe of Indians. The water in question was under the jurisdiction of Congress. The stream lower down is navigable. Congress could protect the navigation of the stream lower down by going up the stream to its source, and enacting laws and regulations controlling the water above the point of navigability. So, therefore, I think this definition ought to go out.

Mr. DILL. Will the gentleman yield?

Mr. SINNOTT. I will.

Mr. DILL. What would be the means of determining the meaning of navigable waters if this is stricken out?

Mr. SINNOTT. From the decisions of the court which says that streams are navigable if navigable in fact.

Mr. DILL. I agree that this is not a correct definition, but I wondered if some definition ought not to be put in the bill.

Mr. SINNOTT. I do not know of anyone omniscient enough to perfect a definition of navigable waters.

Mr. WHITE of Maine. Will the gentleman yield?

Mr. SINNOTT. I will.

Mr. WHITE of Maine. Let me preface my question by a statement. In the State of Maine, under the decisions, we have three classes of streams—navigable streams, so called, which are declared navigable according to the rule of the old common law, streams where the tide ebbs and flows. Then we have purely private streams, and in between the two a large intermediate class of streams which we call floatable streams. In determining whether a stream is navigable or not there is more involved than the question of transportation. There is involved, for instance, the question of title to adjoining land, whether the title runs to the thread of the stream or only to the banks, and there is involved the title to the ice which forms over the bed of the river.

My question is whether, in the case of a stream wholly within the boundaries of the State, and determined by the court of last resort of that States as to the character of the stream, the decision of the court is final or whether the Secretary of War or some one else can override the determination of the supreme court of the State, and say that the decision of the court is not in fact the law?

Mr. SINNOTT. If the stream is wholly within the State, Congress has no jurisdiction over it. Congress has jurisdiction by virtue of the commerce clause in the Constitution to control interstate navigation. But you may think that a stream is wholly within your State, but if it flows into some interstate stream——

Mr. WHITE of Maine. I do not put that case. Here is a stream wholly within the State of Maine, and emptying into the Atlantic Ocean, and on which there is more or less commerce. The State of Maine may hold that it is a floatable stream and not a navigable stream. I want to know whether the decision of the court of Maine fixes the character of that stream or whether some one in Washington or the Supreme Court of the United States may review the findings of the court of Maine and reach another conclusion? I would like the opinion from some lawyer on the committee with respect to that.

Mr. SIMS. If gentlemen will allow me to express my own individual views about the matter, I have no objection whatever to the amendment, so far as it undertakes to define navigable water, but I want to submit this thought; the Senate bill to which this is a substitute does have a definition. It might possibly be—I will submit this to the gentleman's consideration—that we should adopt this or something else. If we are going to adopt any amendment whatever to the Senate definition of navigable waters, that should be done now.

Mr. SINNOTT. I do not think we should attempt to define navigable waters at all.

Mr. SIMS. I concur with the gentleman, but there is a definition in the Senate bill, and this is a Senate bill, and we are considering a substitute for it. If we offer no amendment to the Senate bill, will we have jurisdiction over the question when we go into conference?

Mr. ANDERSON. Oh, I think so; it would be in disagreement.

Mr. SIMS. I submit it only as a suggestion; I have no objection as a member of the committee to the amendment of the gentleman from Oregon.

Mr. SINNOTT. It does not leave the Senate definition in if we strike our definition out; this is an entire substitute for the entire Senate bill.

Mr. HUMPHREYS. Mr. Chairman, I want to ask the chairman of the committee a question and see if I understand the purpose of the section. This is an attempt to define what is meant by navigable waters. Is it the purpose of the committee to declare that navigable waters mean all streams over which Congress has jurisdiction under its authority to regulate commerce among the several States and also that all parts of such streams shall be considered as navigable?

Mr. SIMS. The gentleman asks a difficult question. I expect that he himself has had to consider such matters where it has been held that it is an obstruction to navigation to impede the flow of a tributary of a navigable stream to such an extent that it injures navigation on that navigable stream.

Mr. HUMPHREYS. Here you undertake to define something, and if you are going to define a navigable stream you ought to write the definition so that he who runs may read. Here is what you say:

"Navigable waters" means all streams or parts of streams, and other bodies of water or parts thereof, over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States.

Does that mean all parts of streams over which Congress has jurisdiction under its authority to regulate commerce on navigable streams or does it mean all streams over which Congress has jurisdiction? If you are going to write a definition you ought to write it so that everyone can understand it.

Does that mean that part of the stream over which Congress has jurisdiction or does it mean every part of the stream is included, provided Congress has jurisdiction over the stream—in other words, provided it is a navigable stream? The only jurisdiction Congress has is to regulate navigation. You have written a definition here which, in my opinion, does not say a word. It does not throw any light whatever upon the subject, so far as the courts are concerned. When the court comes to construe this, it will read your definition, and your definition the way it is written is that a navigable stream is a navigable stream. You say nothing about the parts of the stream that are not navigable. You do not say it so that it can be understood.

You say:

"Navigable waters" means all streams or parts of streams, and other bodies of water or parts thereof, over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States.

Do you mean to include all parts of streams? If so, then it ought to read in this way—

"Navigable waters" means all streams and other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, and all parts of such streams and waters.

Then you will have defined something, but I submit to the gentleman that this paragraph as it is written does not throw any light whatever upon the subject, and when the court undertakes to construe it, it will simply read here broadly that "navigable waters" means navigable waters.

Mr. SIMS. Mr. Chairman, I want to admit that the gentleman is making the very argument that I used before the committee in opposition to this definition—that it does not define specifically. But these definitions are adopted only for the purposes of this act.

Mr. HUMPHREYS. I understand; but it does not serve any purpose in this act.

Mr. SIMS. And the gentleman thinks it ought to be more specific than it is, and so do I. Therefore, I have not objected to striking it out, but if we do I think we should put something in its place.

Mr. HUMPHREYS. Very well. If there is no objection to striking it out, there is no occasion to amend it.

Mr. SIMS. I state that not representing the committee, but speaking from my own personal view. I have no objection to striking it out.

Mr. HUMPHREYS. Striking it out will not hurt the bill, and leaving it in will not help the bill.

Mr. SMALL. Mr. Chairman, the gentleman from Mississippi [Mr. HUMPHREYS] contends that the striking out of this paragraph will make no change in the general law defining navigable waters as defined by the Supreme Court of the United States, and I think it would be profitable to inquire into that contention briefly and see if he has interpreted this section correctly. The gentleman from Oregon [Mr. SINNOTT] defined navigable waters correctly. That is, he gave the description of the Supreme Court correctly, that a navigable stream is navigable in law when it is navigable in fact. The navigability of any stream is to be determined upon the facts applicable to that stream. I think it is also a fair statement that the jurisdiction

of Congress over navigable waters depends upon the power of Congress to regulate interstate and foreign commerce upon those waters, so that a stream may be navigable and not be within the jurisdiction of Congress. It would not be profitable to go into the question of whether Congress in any particular case would have the power to regulate interstate commerce, because the trend seems to be to say that Congress has power to regulate commerce on a stream even where it is entirely within a State if there is navigation upon that stream in connection with other streams which make it interstate commerce. But coming now to the point to which I wish to call the attention of the gentleman from Mississippi, the language in this bill is that all streams or parts of streams over which Congress has jurisdiction under the power to regulate commerce are navigable waters.

Mr. HUMPHREYS. Mr. Chairman, will the gentleman yield?

Mr. SMALL. In a moment. It may well be that a stream over which Congress has jurisdiction by reason of its power to regulate commerce may not be a navigable stream for its entire length but only navigable for a part of its length. The gentleman from Oregon [Mr. SINNOTT], I think it was, cited a case recently decided by the Supreme Court of the United States in respect to the Arkansas River, where the court held that a certain part of the upper reaches of the stream is nonnavigable, and yet everybody knows that certain parts of the Arkansas River are navigable. So I ask, with respect for the gentleman's opinion, in which I have much confidence, whether this paragraph as it stands now would not have the effect of making certain parts of streams navigable which are not navigable, if the paragraph should be omitted?

Mr. HUMPHREYS. Mr. Chairman, I would say in answer to that that it depends entirely upon how the Supreme Court parses this sentence. I do not know just what the word "which," the first word in line 3, refers to. Does that refer to streams or to parts of streams, and is it limited by that other clause "over which Congress has jurisdiction"? In other words, Congress has jurisdiction over the navigable waters, and it says all parts of them "over which Congress has jurisdiction." Congress has jurisdiction over those parts that affect interstate commerce. This statute, if it is intended to give Congress jurisdiction over all the rest of it, ought to be amended. It is impossible from my point of view to determine how the court is going to guess at the meaning Congress has in its mind. If we want to give this commission that is going to regulate water power jurisdiction over all parts of a stream, we ought to word this differently. We ought to say that "navigable waters" means all streams over which Congress has jurisdiction and all parts thereof, but when you put the parts of the streams ahead of this qualifying clause "over which Congress has jurisdiction," it simply limits it to the stream and the part of the stream over which Congress, under the commerce clause, has jurisdiction, and that leaves it wide open just as it is without this definition.

Mr. SINNOTT. Mr. Chairman, will the gentleman from North Carolina yield for a moment?

Mr. SMALL. Yes.

Mr. SINNOTT. Just for one statement, and that is that Congress has already assumed jurisdiction over all nonnavigable feeders or tributaries flowing into a navigable stream in the act which prohibits anyone from placing in the upper reaches of the streams any débris or noisome matter that may flow into the navigable part of the stream.

Mr. HUMPHREYS. Then if Congress has jurisdiction over the stream from one end to the other under the law, what is the use of putting any definition in here? When the court reads this, it will read it in the light of the law the gentleman has just announced, if it be the law, and say that "navigable waters" means navigable waters.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SMALL. Mr. Chairman, I ask just one minute more to make this statement.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none.

Mr. SMALL. The gentleman from Oregon did not intend to state, I assume, that there is any law of Congress making the entire length of streams navigable if any part of it is navigable. Congress has only legislated in specific cases. There has been no general legislation which would make all of a stream navigable if a part of it is navigable, as applicable to the development of water power.

Mr. SINNOTT. No; the gentleman misunderstood me. What I say is that Congress by act of Congress has already assumed jurisdiction over the upper reaches of nonnavigable tributaries of all navigable streams by prohibiting the placing in the nonnavigable part anything that might flow down to the navigable part.

Mr. SMALL. Yes; but that has no application to water power. This concluding statement, I think, if the committee desires to put under the jurisdiction of this water-power commission the navigable streams, any parts of which are under jurisdiction of Congress, the whole of them under the jurisdiction of the commission, we ought to let this paragraph remain in; otherwise strike it out.

Mr. ANDERSON. Mr. Chairman, I think there is a little misapprehension as to both the purpose and effect of the definition of navigable waters as it appears in the bill. In this definition we are not seeking at all to define the jurisdiction of Congress over the navigable waters, or determine the waters which are navigable within the jurisdiction of Congress. We are seeking to define the jurisdiction of this commission in dealing with navigable waters. In other words, we might, if we had so desired, have limited the jurisdiction of the commission to waters which are navigable in fact. We might have put in other limitations upon the jurisdiction of this commission. The only purpose of this definition is to say that it was the intention to give this commission jurisdiction, and all jurisdiction which the Congress possesses touching navigable streams under the Constitution. We could not have given them more power than that, I think, by well-settled decisions, because the respective right of the Federal Government and the State government touching navigable streams is pretty well settled. We do not seek here to establish a definition which will determine riparian rights or any rights which the State has the right to determine. We only say here that so far as Congress itself could deal with this subject as a matter of legislation the commission may deal with it as a matter of executive administration. It seems to me that is all there is in this proposition. We neither extend nor contract our own power, and therefore the power of the commission, to deal with the entire subject. If, as a matter of law under the Constitution, the Congress itself could not have made a regulation touching a stream because it is nonnavigable, the commission could not make such an order or direction. If the Congress could have made such an order or direction, the commission, under this provision, would have the right to make such an order or direction.

Now, then, the gentleman from Maine [Mr. WHITE] asked a question which I think was not answered. I do not think that anybody can answer it except the Supreme Court, but it is my judgment that the opinion of the supreme court of a State would not be binding in the determination of the actual navigability of a stream upon the commission created by this act in its undertaking to deal with water-power development. I may be wrong about that. It is my judgment by way of a curbstone opinion.

Mr. SIMS. Mr. Chairman, I would be glad to close debate upon this amendment if there is no other member of the committee who wants to discuss it. Mr. Chairman, I ask that all debate on this amendment and any amendments thereto close in five minutes.

Mr. JOHNSON of Washington. Mr. Chairman, reserving the right to object, the debate is just about to end on this amendment which is before the committee, but there are other sections in the paragraph which has been under discussion. The gentleman is not trying to cut off debate on that?

Mr. SIMS. I said this amendment.

Mr. JOHNSON of Washington. That debate on this amendment shall finish?

Mr. MONDELL. What is the gentleman's request?

Mr. SIMS. The request was that debate on this amendment end in five minutes, on the present amendment to strike out the section.

Mr. MONDELL. I would like about three minutes on the amendment, I will say to the gentleman.

Mr. SIMS. Does the gentleman from Massachusetts [Mr. WALSH] want time on this amendment?

Mr. WALSH. I want five minutes.

Mr. SIMS. I will ask, Mr. Chairman, that all debate on this amendment close in 20 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate upon the pending amendment be closed in 20 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, I think the views I entertain have been expressed in possibly better language by the gentleman who has just taken his seat [Mr. ANDERSON] than I might express them. That was the view of the committee when this matter was considered. I think I am justified in saying that these definitions at one time were

ordered to be stricken out, or, rather, passed over, for two or three reasons, for several weeks. Then we came back and thought we ought to adopt the amendments. This particular amendment as to navigable waters was then thoroughly considered by the committee, in the belief that it was advisable to leave it in for the reason as stated by Mr. ANDERSON, somewhat to be supplemented by myself. Now you have jurisdiction over a navigable stream. Anyone familiar with streams or water rights must recognize that here is a large stream which is navigable. Here are five branches, all nonnavigable. Cut off branch 1, dam it, and turn it away; cut off branch 2, dam it, and take it away, if you have the right to do it; dam up and take off branch 3, if you have the right to do it. and you have absolutely destroyed the navigability of the stream. That is one of the fundamental principles of all water rights and all legislation and rules and decisions. You can go to the very high recesses of all these streams and preserve the water and keep it in a stream, keep it all together, and when it comes down to your main stream, why, your entire stream can not be dried up. It is the same way with the owner on a stream. He might go to the very recesses of every little branch, not by a multiplicity of suits against all parties on the various portions of the streams, but he can commence one suit against every man on every branch of the stream above where he has his water right and enjoin and prohibit them from taking water out of those branches of the stream, because no man can tell which one is depriving him of water in the stream below.

Now, this definition does not enlarge the navigability of the stream; it does not enlarge the power of Congress over the stream; but it simply says this, and I believe it ought to remain in the bill, that the commission is given power to grant a license on these navigable streams and all their branches for the purpose of developing and utilizing the water of these streams, the main stream and the various branches, not for the purpose of simply confining them down to the navigable stream alone and leaving out all the various branches, which if dried up would leave the stream below nonnavigable.

Mr. ESCH. Will the gentleman yield?

Mr. RAKER. I yield for a question.

Mr. ESCH. The gentleman is aware of the case of the United States against the Rio Grande Co., 174th United States, wherein it was held:

For the purpose of promoting and regulating foreign and interstate commerce Congress is given plenary power over all the navigable waters of the United States, to the end of improving and maintaining their navigability; that this power is not limited to the navigable sections of streams, but extends to the tributaries and feeders of the same, for without the control of these the power over all navigable sections might be wholly impotent.

Mr. RAKER. Clearly this was fundamental. Congress has taken power over this, particularly in the river and harbor bill, and goes to every tributary in order to prevent refuse and débris from running into these streams and their branches and interfering with navigation.

Mr. SINNOTT. Will the gentleman yield?

Mr. RAKER. For a question.

Mr. SINNOTT. Does the gentleman think it wise to compel anyone who desires to put in a little dam or diverting ditch on the upper reaches of some of these nonnavigable tributaries to come to this commission?

Mr. RAKER. No. That is not the purpose of this bill. Congress already has that power. And the question of bridges, and so forth, across streams means those streams that are navigable; but you do not have to come to Congress to get a bridge across a nonnavigable stream, although the nonnavigable stream may be as material as the main branch itself.

Mr. MONDELL. Mr. Chairman, the gentleman from California [Mr. RAKER] has just stated that he was in favor of this definition for the reasons given by the gentleman from Minnesota [Mr. ANDERSON], and then he proceeded to give reasons why he supported it that were diametrically opposite to the reasons given by the gentleman from Minnesota—not a very logical position.

The gentleman from Minnesota [Mr. ANDERSON] is for the definition because it does not mean anything. It is mouth and ear filling, a sort of general affirmation of a condition with no legislative force or effect. The gentleman from California [Mr. RAKER] is for it because it is legislation, because it does have some force and effect, and if it has force and effect then it has the force and effect of making navigable the utmost tributary to the springs at the very head of all the navigable streams of the country.

Mr. RAKER. Will the gentleman yield for a question?

Mr. MONDELL. My time is very limited. The gentleman could not yield, and I am sorry that I can not.

Mr. RAKER. I beg the gentleman's pardon.

Mr. MONDELL. Now, that is not what any of us want to do. The question of navigability, if this issue is raised, is a question for the courts, and the Congress ought not to attempt to exercise legislative power in the definition of navigability. There is a good deal of difference of opinion as to just how far the authority of Congress extends over streams beyond their navigable portions. The statement contained in the Supreme Court decision in the Rio Grande case just quoted settles nothing. It is a little surplusage thrown in by the court for good measure, and does not determine anything. Whenever we reach a decision by the highest court of the land on a definite question, my own notion is that it will not be in line with that dictum of the Supreme Court in the Rio Grande case. The Supreme Court is not going to hold, in my opinion, and the gentleman from California would not want it to hold, I am sure, that the upper waters of the Missouri River in my State, for instance, the head of the Snake River and the Columbia in my State, or the head of the Colorado River in my State, are navigable because the waters flow into navigable streams, and by declaring them navigable take over and interfere with our control over the diversional use of those streams and their waters.

Nothing is gained by this definition and nothing is changed by it, except that this commission, reading that definition, might imagine they had authority which we do not intend to give them; and inasmuch as it would be difficult to reach their acts under their assumed authority, we should not suggest authority and control which we do not intend to grant and could not if we wished. And therefore the provisions should go out of the bill.

The CHAIRMAN (Mr. SNOOK). The gentleman from Massachusetts [Mr. WALSH] is recognized.

Mr. WALSH. Mr. Chairman, my objection to the definition as contained in this paragraph is that it seems to give the opportunity to this commission, composed of three Cabinet officers, to take jurisdiction over a stream or a part of a stream which, under the decisions of the Supreme Court or the law of the State in which that stream or part of a stream is located, has been declared to be not a navigable stream. And the gentleman from Maine [Mr. WHITE] has cited instances of decisions of courts of that State whereby streams in Maine are classified into three different kinds. Now, to say that "navigable waters" means all streams or parts of streams—and I assume parts of streams means the part of a stream which is located wholly within one State, as distinguished from a branch or a tributary thereof—to say that navigable waters means all streams or parts of streams over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, seems to me is not an accurate definition of navigable waters. The Senate had the following definition in its bill as contained in section 14, on page 22, lines 1 to 7, inclusive.

Section 14, page 22, provides—

That the term "navigable waters" as used in this act and as applied to streams shall be construed to include only such streams or parts of streams as are in their ordinary natural condition used for the transportation of persons or property in interstate or foreign commerce or which, through improvements heretofore or hereafter made, have been or shall become usable in such commerce.

Well, now, it seems to me, Mr. Chairman, that if we are going to attempt to define "navigable streams" or "navigable waters," the Senate definition is much to be preferred, because it says there that it includes streams which in their usual condition or in their natural and ordinary condition are used or usable for the transportation of persons or property in interstate or foreign commerce.

Mr. WHITE of Maine. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I will.

Mr. WHITE of Maine. That follows very closely the language of the decisions of the courts as to what a navigable stream is?

Mr. WALSH. I am not familiar with the exact language of the decisions of the courts, not having examined them for some little time, when this bill, away back in the past, many weeks ago, first began to be considered in the House during this session; but my recollection is that the Senate definition does follow very closely the decisions of several of the State courts and also of the United State Supreme Court.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. RAKER. Does the gentleman observe that the Senate then proceeds to give this commission jurisdiction over nonnavigable streams?

Mr. WALSH. Yes; I appreciate that the Senate defined "navigable streams" and then went on and in the same section gave jurisdiction over nonnavigable streams. But I submit that for the purpose of definition the defining part of section

14 in the Senate bill, lines 1 to 7, inclusive, is much to be preferred to that of the House in the paragraph on page 26, which the gentleman's amendment eliminates.

Mr. RAKER. Does not the gentleman construe this to mean solely and entirely that "navigable streams" are such only for the purposes of this act, so that it may be carried out and the rest of the act used in connection with it, and where it is, as provided here, in fact, the commission then has jurisdiction to authorize the permit or license? Is not that all it is for?

Mr. WALSH. Well, of course, that might possibly be a fair interpretation to put on this definition. But the difficulty is going to be, in my opinion, that the interpretation that is going to be put upon this is to be left to a commission and its subordinates, and if you leave to them the construction of language such as this, which is capable of being expanded broadly, I fear you will find this commission seeking to take jurisdiction or authority over or impose conditions or restrictions upon a part of a stream which, by the decision of the court or the laws of the State in which that part may be located, has been determined to be a nonnavigable or a floatable stream, and I think the definition might well be eliminated.

Mr. ROBBINS. Mr. Chairman, is the time exhausted?

Mr. SIMS. Mr. Chairman, the time has not expired. I have two minutes remaining. I wish to use those two minutes.

Mr. MONDELL. Mr. Chairman, I want to submit a parliamentary inquiry

Mr. SIMS. That will not be taken out of my time.

Mr. MONDELL. If this paragraph is not stricken out, I desire to amend it. I want to know of the Chair if he would recognize me for an amendment to the paragraph after the vote to strike out, if the vote to strike out is not carried?

The CHAIRMAN. The Chair thinks he should and would do so. The amendment upon which time has been limited is the amendment to strike out the paragraph.

Mr. SIMS. Mr. Chairman, I believe I have two minutes.

The CHAIRMAN. Certainly. The Chair recognizes the gentleman from Tennessee.

Mr. SIMS. I want to say to the members of the committee that I am very much afraid of the effect that it will have upon the question if we strike out this section and put something in place of it, because while it will not be formally accepting the Senate amendment it will be so understood and believed and, in effect, be the same thing. I am perfectly willing to accept the proposed amendment of the gentleman from Mississippi [Mr. HUMPHREYS], who raised this question, to amend this paragraph so that it will read—

"Navigable waters" means all streams and other bodies of water over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States, and all parts of such streams and waters.

Mr. HUMPHREYS. The gentleman says "my amendment." The gentleman understands that I suggest that language if he wants to make it mean that, but I would be very much opposed to it.

Mr. SIMS. What I meant was to adopt the gentleman's suggestion as to the amendment, so as to broaden it, and then we will have something in issue between the House and the Senate on which the conferees may act. Therefore I hope the motion to strike out will be defeated, so that this may be offered and so that other gentlemen may offer any amendment that they desire.

The CHAIRMAN. The question is on the amendment to strike out lines 1 to 5, on page 26.

The question being taken, on a division (demanded by Mr. SIMS), there were—ayes 17, noes 10.

Mr. SIMS. Mr. Chairman, I ask for tellers.

Tellers were refused, seven Members, not a sufficient number, seconding the demand.

Accordingly the amendment was agreed to.

Mr. FRENCH. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Idaho [Mr. FRENCH] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 25, line 19, after the word "district," insert "hydroelectric district."

Mr. FRENCH. Mr. Chairman, this amendment merely adds a little more redundancy to the definition of "municipality" that is already in the bill. I do not think it is necessary. I think a hydroelectric district would be comprehended by the language of that particular paragraph; but as we have already inserted the words "city, county, irrigation district, drainage district," and in fact municipalities that do not at first hand suggest hydroelectric districts, it seems to me that we might as well insert the words "hydroelectric district."

Mr. RAKER. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. RAKER. What does "hydroelectric district" mean? Are there any hydroelectric districts in this country?

Mr. FRENCH. I do not know that there are.

Mr. RAKER. But there are drainage districts and irrigation districts, which are municipalities organized for those purposes?

Mr. FRENCH. Yes; organized for those purposes.

Mr. RAKER. And they are political subdivisions. The gentleman ought not to insert something that does not exist. These others are political subdivisions recognized by State laws. When they comply with the law then they become a part of the political structure of the State and can go on and do business.

Mr. FRENCH. As I said, I do not think it is essential. I merely think it is desirable; and since we have included other districts that do not necessarily have for their first object the developing of hydroelectric power, I think we might very properly include the words "hydroelectric district."

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Idaho [Mr. FRENCH].

The amendment was rejected.

The Clerk read as follows:

SEC. 4. That the commission is hereby authorized and empowered—

(a) To make investigations and to collect and record data concerning the power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites, and whether the power from navigation dams can be advantageously used by the United States for its public purposes, and what is a fair value of such power, to the extent it may deem necessary or useful for the purposes of this act.

(b) To cooperate with the executive departments and other agencies of the Government in such investigations, and for such purpose the several departments and agencies are authorized and directed, upon the request of the commission, to furnish such records, papers, and information in their possession as may be requested by the commission, and temporarily to detail to the commission such officers or experts as may be necessary in such investigations.

(c) To make public from time to time such portions of the information secured hereunder as it shall deem expedient in the public interest, and to provide for the publication of its reports and investigations in such form and manner as may be best adapted for public information and use. The commission, on or before the first Monday in December of each year, shall submit to Congress for the fiscal year preceding a classified report showing the permits and licenses issued under this act, the parties thereto, the terms prescribed, and the moneys received, if any, on account thereof.

(d) To issue licenses to citizens of the United States, or to any association of such citizens, or to any corporation, State, or municipality for the purpose of constructing, operating, and maintaining dams, water conduits, reservoirs, power houses, transmission lines, or other project works necessary or convenient for the development and improvement of navigation, and for the development, transmission, and utilization of power across, along, or in any of the navigable waters of the United States, or upon any part of the public lands and reservations of the United States (including the Territories), or for the purpose of utilizing the surplus water or water power from any navigation dam, except as herein provided: *Provided*, That licenses shall be issued within any reservation only after a finding by the commission that the license will not interfere or be inconsistent with the purpose for which such reservation was created or acquired, and shall be subject to and contain such conditions as the Secretary of the department under whose supervision such reservation falls shall deem necessary for the adequate protection and utilization of such reservation: *Provided further*, That no license affecting the navigable capacity of any navigable waters of the United States shall be issued until the plans of the dam and other navigation structures have been approved by the Chief of Engineers and the Secretary of War. Whenever the contemplated improvement is, in the judgment of the commission, desirable and justified in the public interest for the purpose of improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, a finding to that effect shall be made by the commission and shall become a part of the records of the commission: *Provided further*, That in case the commission shall find that any navigation dam may be advantageously used by the United States for its public purposes, no license therefor shall be issued until two years after it shall have reported to Congress the facts and conditions relating thereto.

(e) To issue preliminary permits for the purpose of enabling applicants for a license hereunder to secure the data and to perform the acts required by section 9 hereof.

(f) To prescribe rules and regulations for the establishment of a system of accounts and for the maintenance thereof by licensees hereunder; to examine all books and accounts of such licensees at any time; to require them to submit at such time or times as the commission may require statements and reports, including full information as to assets and liabilities, capitalization, cost of project, cost of operation, and the production, transmission, use, and sale of power; and to make adequate provision for currently determining said costs. All such statements and reports shall be made upon oath, unless otherwise specified, and in such form and on such blanks as the commission may require. Any person who, for the purpose of deceiving, makes or causes to be made any false entry in the books or the accounts of such licensee, and any person who, for the purpose of deceiving, makes or causes to be made any false statement or report in response to a request or order or direction from the commission for the statements and report herein referred to shall, upon conviction, be fined not more than $2,000 or imprisoned not more than five years, or both.

(g) To hold hearings and to order testimony to be taken by deposition at any designated place in connection with the issuance of any permit or license, or the regulation of rates, service, or securities, or the making of any investigation, as provided in this act; and to re-

quire by subpœna, signed by any member of the commission, the attendance and testimony of witnesses and the production of documentary evidence from any place in the United States, and in case of disobedience to a subpœna the commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence. Any member, expert, or examiner of the commission may, when duly designated by the commission for such purposes, administer oaths and affirmations, examine witnesses, and receive evidence. Depositions may be taken before any person designated by the commission and empowered to administer oaths, shall be reduced to writing by such person or under his direction, and subscribed by the deponent. Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

(h) To perform any and all acts, to make such rules and regulations, and to issue such orders not inconsistent with this act as may be necessary and proper for the purpose of carrying out the provisions of this act.

Mr. FRENCH. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

Mr. SIMS. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Tennessee desire to be recognized?

Mr. SIMS. Yes.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee.

Mr. SIMS. I want to offer an amendment which, perhaps, there will not be any controversy about. On page 30, line 6, next to the last word on the line, to strike out the word "its."

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SIMS: Page 30, line 6, after the word "for," strike out the word "its."

Mr. SIMS. Mr. Chairman, the object I have in offering this amendment is that I do not see how the United States can have any other purpose except public purposes. In other words, the United States has no private purposes, and I can not see the object of putting in the word "its" unless it is to restrict the uses entirely to Army or Navy construction work or something of that kind. This language was inserted by an amendment in the committee, and the question of using the word "its" was not discussed in the committee, as I now recall. What does the gentleman from Wisconsin [Mr. ESCH] remember about that?

Mr. ESCH. My recollection is that the word "its" referred to the public purposes which the Government itself has, for instance, in developing power for the fixing of nitrates. It might also lease the use of power to a municipality or something of that kind.

Mr. SIMS. I do not know what the courts might hold about what the public purposes of the United States are. In other words, it seems to me that the United States can not have any purposes except public purposes.

Mr. ESCH. The Government could license a municipality, and that would be a public purpose, but it would not be a public purpose of the United States; whereas if the Government utilized the power in the fixing of nitrates or in the manufacture of munitions, it would be the use of the power for its own purposes.

Mr. SIMS. But what I have in mind is this, that perhaps the United States might want to lease or sell the power which it has created at navigation dams. It might lease the power to a municipality or to a manufacturer; but if it is to be confined to use by the United States for its public purposes, then unless the United States had such a purpose to carry out, in connection with manufacture of munitions or something of that kind, having no purposes of its own it could not lease it. If the United States has such a purpose, something in the line which the gentleman mentions where a navigation dam has been built for the purpose of improving navigation, it could not operate the structure——

Mr. ESCH. The purpose of making the survey and submitting the proposition to Congress was for the purpose of Congress determining whether it wanted to make the expenditure for such a purpose.

Mr. SIMS. I want to say that I offered this amendment to have the subject discussed because it was not in the original bill. I wanted to raise the question so that the members of the Committee of the Whole might have their minds directed to it.

Mr. ANDERSON. Does the gentleman from Tennessee insist on his amendment?

Mr. SIMS. No; I withdraw the amendment.

Mr. HUMPHREYS. I suggest by way of amendment, in order to conform to the language used in such cases, that you strike out the word "its" and insert the word "their."

Mr. SIMS. I want to say that I am not the author of the language.

The CHAIRMAN. The gentleman from Tennessee withdraws his amendment.

Mr. SINNOTT. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amend, section 4, subdivision (e), page 30, by adding thereto the following paragraph:

"*Provided, however,* That upon the filing of any application for a preliminary permit by any person or corporation the commission before granting such application shall at once give notice of such application, in writing, to any State or municipality likely to be interested in or affected by such application, and shall also publish notice of such application for four weeks in a daily or weekly newspaper published in the county or counties affected by said application."

Mr. FRENCH. Mr. Chairman, if the gentleman from Oregon will yield——

Mr. SINNOTT. I will yield.

Mr. FRENCH. I had the amendment of the gentleman from Oregon in mind some days ago when I addressed the House, and at the same time I inserted in the RECORD a proposed amendment which covers the same thing. Since it is all on the same subject and I have no pride in my amendment, I would like to have my amendment read so that we may have both before the House.

The CHAIRMAN. Without objection, the Clerk will read the proposed amendment for information.

There was no objection.

The Clerk read as follows:

Amend, page 29, line 11. After the colon following the words "herein provided" insert the following:

"*Provided,* That when application for [temporary permit or] license shall be made by citizen, association of citizens, or corporation, the commission shall certify the application and the terms of the same to the governor of the State and to the chairman of the board of county commissioners or other similar supervisory county board of the county or counties to which the application for [temporary permit or] license pertains, and shall cause a copy of said notice to be published once every week for four successive weeks in a newspaper of general circulation in said county or counties, and the State, county, hydroelectric district, or other municipality within which the application for temporary permit or license last mentioned pertains shall have the option for a period of five years of taking over as though having made the original application for license all rights, leases, and project property of every description of said citizen, association of citizens, or corporation, paying therefor an amount not in excess of the total amount of money expended on said project, including interest by such citizen, association of citizens, or corporation, and thereupon the commission shall take up any preliminary permit or license theretofore issued and issue a new preliminary permit or license, as the case may be, to said State or municipality, and in case the grantee of the preliminary permit or license and the State or municipality shall be unable to agree upon the amount due the grantee of the preliminary permit or license from said State or municipality, then and in that event the commission shall determine the amount to be paid, and the amount so determined shall be final under the terms of the preliminary permit or license."

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. Is this an amendment offered by the gentleman from Idaho as a substitute?

Mr. FRENCH. No; I simply asked that it be read now for information and that we have it up after we have disposed of the amendment offered by the gentleman from Oregon. As it covers much the same matter, I thought it ought to be read for information.

Mr. SINNOTT. Mr. Chairman, subdivision (e) of section 4 is the subdivision relative to preliminary permits. In section 7 it is provided that in issuing preliminary permits in the discretion of the commission preference may be given to States or municipalities. It is well known, however, that municipalities and public officials are often very dilatory and that they sleep upon their rights. It seems to me it is wise to provide that as soon as an application is filed by any person or corporation that notice shall be at once given to the various municipalities, which mean the county, city, irrigation district, drainage district, or other political division of the State. Notice to them that an application for the preliminary permit has been filed should be given. This will bring knowledge directly home to the State or the county or the city officials and give them an opportunity to present their application if they desire public or municipal ownership, where otherwise the matter would be entirely overlooked and snap judgment would be taken against them, and they would be foreclosed from filing application.

Mr. SIMS. What is the length of time the gentleman requires for publication?

Mr. SINNOTT. A publication of four weeks.

Mr. SIMS. I am very much inclined to the opinion that the gentleman's amendment is a very proper one; but does he not think that four weeks is an exceedingly limited time in which the county or municipality or district might have——

Mr. SINNOTT. I thought myself that the time was somewhat limited, and I am willing to extend it. I thought we should give the municipality time to consider the matter to file a protest or to take any necessary steps to protect its future

needs. I agree with the gentleman; I think the time should be lengthened.

Mr. SIMS. What does the gentleman think of doubling the time and making it eight weeks?

Mr. SINNOTT. That would be satisfactory to me.

Mr. SIMS. Would the gentleman offer that as a substitute?

Mr. SINNOTT. Mr. Chairman, I ask unanimous consent that the time may be eight weeks instead of four weeks, and that the amendment be so modified.

The CHAIRMAN. Without objection, the amendment will be so modified.

There was no objection.

Mr. RAKER. Mr. Chairman, I desire to call the attention of the committee to the fact that this is not general publication. Does not the gentleman from Oregon think there should be a general order, whether or not anybody is interested, any municipality or State, that the commission ought to direct on all applications? In other words, the bill ought to contain a provision that in all instances where an application is filed there should be proof submitted to the commission before it can act, or a publication of the application referring to it, its purpose, the land desired to be occupied, to be published in a newspaper in each county where the land is to be used, so that everybody can know and then appear before the commission and be heard.

Mr. SINNOTT. The only trouble with that is that I do not want to make it too complicated. I would prefer to have it directory rather than jurisdictional. Let the matter rest with the commission, otherwise you are going to get it tied up in legal technicalities, such as whether proper notice has been published, and so forth. I think the commission could handle the matter.

Mr. RAKER. But if you want to treat the public fairly, you ought not to simply say that the man shall give notice of publication to such municipalities or others that might be interested. The question is, if the law provided that there should be filed with the commission a published notice or proof that they had published before they asked for a hearing.

Mr. SINNOTT. I prefer to leave that matter with the commission rather than with the applicant. The commission I think is in better position to take the necessary steps. The man has no particular interest in the matter except to give a broad and general notice to the public.

Mr. RAKER. Let me read this for the information of the committee:

Each applicant for a permit under this act shall, under rules and regulations to be prescribed by the commission, submit proof to it that notice of his application, giving the location of the works he proposes to construct and the public lands, if any, to be occupied, has been published for a period of 90 days in some newspaper of general circulation in the counties or one of the counties in which such works are to be constructed, and in some newspaper published in each county in which any public lands so to be occupied are located.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that debate upon this amendment and all amendments thereto shall close in 15 minutes, 3 minutes of that time to go to the gentleman from California [Mr. RAKER], 5 minutes to the gentleman from Michigan [Mr. MCLAUGHLIN], 5 minutes to the gentleman from Minnesota [Mr. ANDERSON], and 2 minutes to myself.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAKER. Mr. Chairman, this amendment provides that before action is taken to grant the preliminary permit to any person or corporation the commission, before granting it, shall at once give notice—

of such application in writing to any State or municipality likely to be interested or affected by such application.

How are you going to tell whether they are likely to be interested? The purpose is to give general notice to the public, and I am asking the committee if they believe this is a sufficient notice to be given on a matter of this kind.

Mr. ANDERSON. The gentleman ought in fairness to the gentleman from Oregon to read the rest of the amendment.

Mr. RAKER. I am reading it as fast as I can, and, of course, I can not read all of the words at once. That is so indefinite that you could not tell to whom to give notice, and possibly this might be a jurisdictional question. To proceed—

and shall also publish notice of such application for eight weeks in a daily or weekly newspaper published in the county or counties affected by such application.

The counties are not affected. A county can not be affected. That is where the land is located, so that it may be designated. They can publish in either a daily or weekly paper, and it does not provide whether once or a dozen times. I think the gentleman ought to so clarify his amendment to cover the proposition involved. I believe it would give better results if the matter were brought to the attention of the committee, but no one at that time seemed to think it ought to go on, and some of us believe that it would be a good thing to publish the notice and give general information in regard to it. The committee will remember that this was one of the things that Senator WALSH appeared before the committee and argued and asked it to especially consider and place in the bill.

Mr. MCLAUGHLIN of Michigan. Mr. Chairman, I have nothing now to suggest as an amendment to the amendment offered by the gentleman from Oregon [Mr. SINNOTT], but it seems to me his amendment in its present form would not meet the views of those who would support the idea involved in it; that is, to require notice to the counties interested or affected by a proposed water-power improvement. It would be difficult for anyone at the beginning of a project to know what counties are affected or may later be affected. Take the case of a large project which is capable of developing large horsepower. The power might be carried over and delivered to a very large section of the State, to manufacturing concerns in distant counties that might not be known or even thought of at the time the project was first broached. It would seem to me that it would broaden the whole matter and still be inclusive enough if it were required that such notice be given as the commission might require, by publication in newspapers and otherwise. I doubt very much if the amendment offered by the gentleman from Oregon will work well. The counties interested in the first instance might be thought to be the counties in which the dam and other works are to be constructed. The location of the works might be away off in the wilds, where there is little, if any, development unsettled. They might be thought to be the ones interested, whereas the power developed there would be carried to distant counties that might not be included in the notice to be published. It seems to me it would be better if the amendment would require simply such notice, by publication or otherwise, as the commission at the time might require. That would be a good deal better, I think.

There are water powers in my State where the current is carried across the State by virtue of a new development, by improvement in the method of transmission, and by the demands for power in sections distant from the original development, into and through counties that under this or under such requirements as this would receive no notice at all. It seems to me that as time goes on the notice to be given would be different, and it ought to be left to the commission to determine the kind of notice to be given and the length of notice. I do not like the amendment as offered by the gentleman from Oregon, although I thoroughly approve of the idea that the public ought to have notice of the application.

Mr. ANDERSON. Mr. Chairman, I do not want to discuss the matter at all. I would like to offer a substitute for part of the amendment if I can get the original for a moment. After the word "counties," in next to the last line of the amendment, I move to insert "in which the project or any parts thereof or lands affected thereby are situated." I do not think the amendment requires any argument. It seems to me that it meets the exact situation which the gentleman from Oregon has in mind a little more specifically than his amendment does.

Mr. SINNOTT. Mr. Chairman, I would be glad to accept the amendment offered by the gentleman. I had no particular pride in the form. I want to get this idea of notice in the bill in some manner.

Mr. ANDERSON. I offer the amendment to the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend the Sinnott amendment as follows: After the word "counties" in the Sinnott amendment insert the following: "in which the project or any parts thereof or the lands affected thereby are situated."

The question was taken, and the amendment to the amendment was agreed to.

The CHAIRMAN. The question is now upon the amendment offered by the gentleman from Oregon as amended by the gentleman from Minnesota.

The question was taken, and the amendment as amended was agreed to.

Mr. FRENCH. Mr. Chairman, then I offer the amendment which has already been read, and I ask unanimous consent that it be considered as having been read.

Mr. SIMS. Is it not in substance the same as the amendment offered by the gentleman from Oregon?

Mr. FRENCH. I would say that my amendment covers everything covered by the amendment of the gentleman from Oregon pertaining to a temporary permit, but my amendment goes further and pertains also to the licenses when they shall be issued.

Now, what I would like to do is to strike out the words "temporary permits or" every time those three words occur in my amendment, because they are not necessary now since the amendment of the gentleman from Oregon has passed, and then consider just the other parts of the amendment.

Mr. FERRIS. The gentleman's purpose is to offer his amendment with all such portions of it as have been covered by the amendment of the gentleman from Oregon stricken out?

Mr. FRENCH. Yes; that is it; and if the words "temporary permits or," wherever they occur, are eliminated, that will eliminate everything that has been covered by the amendment of the gentleman from Oregon.

Mr. FERRIS. Is that the long amendment?

Mr. FRENCH. Yes.

Mr. FERRIS. Does the gentlemen think he ought to offer an amendment of that length here without its having more consideration? No one knows what is in it, and I could not understand it from the reading from the desk, and I doubt if anyone else could.

Mr. FRENCH. If the gentleman would like to have it read again——

Mr. FERRIS. I do not care to have it read again, but I do not think the gentleman ought to add such an amendment. The gentleman from Oregon has had his amendment adopted, and that will put the whole matter in conference, as this is a substitute for the Senate bill. Could not the gentleman content himself with going over it with the gentleman from Oregon or the chairman of the committee, with reference to it, without asking us to adopt such a long amendment as this?

Mr. FRENCH. There is another feature that my amendment covers, and I think it ought to be brought to the attention of the House, and it is——

Mr. FERRIS. The gentleman would not want us to adopt a second amendment after adopting everything the gentleman from Oregon has in his amendment in order to get something that the gentleman wants?

Mr. FRENCH. No; but everything in my amendment that has been covered by the amendment of the gentleman from Oregon has been eliminated. My amendment can be read, if the gentleman prefers it again, covering that which is not covered by the amendment of the gentleman from Oregon.

Mr. FERRIS. Then offer the amendment in the form in which you want it.

Mr. FRENCH. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. FRENCH: Amend page 29, line 11. After the colon following the words "herein provided," insert the following:

"*Provided*, That when application for license shall be made by citizen, association of citizens, or corporation, the commission shall certify the application and the terms of the same to the governor of the State and to the chairman of the board of county commissioners or other similar supervisory county board of the county or counties to which the application for license pertains, and shall cause a copy of said notice to be published once every week for four successive weeks in a newspaper of general circulation in said county or counties, and the State, county, hydroelectric district, or other municipality within which the application for license last mentioned pertains shall have the option for a period of five years of taking over as though having made the original application for license all rights, leases, and project property of every description of said citizen, association of citizens, or corporation, paying therefor an amount not in excess of the total amount of money expended on said project, including interest, by such citizen, association of citizens, or corporation, and thereupon the commission shall take up any license theretofore issued and issue a new license, to said State or municipality, and in case the grantee of the license and the State or municipality shall be unable to agree upon the amount due the grantee of the license from said State or municipality, then and in that event the commission shall determine the amount to be paid, and the amount so determined shall be final under the terms of the license."

Mr. FRENCH. Mr. Chairman, as I indicated the other day, if this bill becomes a law as now written, we are going to run into a practical difficulty from the standpoint of giving opportunity to municipalities to develop power projects. The bill ostensibly gives that opportunity, but we must remember that municipalities act slowly.

The amendment that I have proposed tends to make it easier for States and municipalities to find themselves. It tends to make it easier for them to take over hydroelectric projects.

We must remember that it takes a longer time for a State to act or for a municipality to act than it does an individual, an association of individuals, or a corporation. Our legislatures for the most part meet every two years; a few of them meet annually, and still others meet as infrequently as every four years.

It must be borne in mind that this is a new subject; that many of the States do not have laws under which municipalities may act. To-day we have irrigation districts, drainage districts, and other municipal organizations of somewhat similar character, but I am not aware that in any State do we have a hydroelectric district, organized primarily for the purpose of developing and handling a hydroelectric proposition.

In the State of Washington a city may own its own hydroelectric plant, but it may not, under the laws of the State, sell power to another town or another city. True, I understand this is being done, and quite likely no one will challenge the right of a city so to do, but I have been advised that all that is being done along this line is not only in excess of authority but in direct violation of law of that State.

I seek in my amendment to provide merely that the people shall have an opportunity to express themselves. I do not seek to commit any community or State or our country to the proposition of Government ownership of hydroelectric systems any more than does the bill. It can not be urged against my amendment that it is in favor of Government or State or municipal ownership and that the bill is not, unless you are willing to say that you plan under the terms of the bill through discretionary authority to deny States and municipalities the right to obtain licenses for the development of power. The bill itself is ostensibly framed looking to possible State and municipal ownership. It is written in the bill, however, that this State or municipal ownership may be deferred for 50 years or longer.

The amendment that I have proposed provides that the commission shall give notice to the governor and to the governing board of each county in which a hydroelectric project may be that is applied for. This notice must then be published for a period of four weeks. Then for a period of five years the State or the municipality in which the project is situated may have the option of acquiring the project, but in doing so will pay to those who have developed it to the point when it may be taken over by the State or municipality all the money that the promoter or original licensee has expended upon the same, including interest.

You must remember that States and municipalities act slowly, that individuals and corporations may act speedily, and unless some such provision as I have suggested be comprehended in the law we shall soon find that municipalities and States, as they attempt to own and manage hydroelectric power plants, will be asked to do so in competition with private institutions upon an unequal basis, for the reason that by reason of the fact that individuals and corporations may move with promptitude, they will acquire the most feasible projects, the projects that can be developed most readily and with the least expenditure of money. The States or municipalities, when they shall act, will find that the better projects will have already been picked up, that it will cost them more to get started in the development of hydroelectric power, and thereby they will not be able to compete upon equal basis with the private producer of electric power.

The CHAIRMAN. The time of the gentleman from Idaho has expired. The question is on the amendment offered by the gentleman.

The question was taken, and the amendment was rejected.

Mr. ANDERSON. Mr. Chairman, I move to strike out the last word.

In the amendment which I offered to the Sinnott amendment, which was adopted a moment ago, I should have moved to strike out the language after the word "counties" and insert the language which I offer. I have simply made the motion to insert, and I ask unanimous consent that the language following the word "counties" in the Sinnott amendment may be stricken out.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that all after the word "counties" be stricken out. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON: After the word "counties" strike out the words "affected by said application."

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ESCH. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ESCH: Page 30, line 9, after the word "thereto," strike out the period and insert a comma and the following: "Except that this proviso shall not apply to any navigation dam constructed prior to the passage of this act."

Mr. ESCH. Mr. Chairman, it will be noted that the proviso on page 30 is to the effect—

That in case the commission shall find that any navigation dam may be advantageously used by the United States for its public purposes no license therefor shall be issued until two years after it shall have reported to Congress the facts and conditions relating thereto.

The idea is that during those two years Congress would have the option of determining what course it should pursue and whether it should justify the construction of such dam on Government account. But there is no reason why existing navigation dams should be put under that provision and action with reference to the disposal of power from such dams be delayed for two years. So I have offered this amendment excepting these navigation dams that have already been constructed. There are some eight or ten of them already built in the United States, and it seems desirable that those of them that can develop power for governmental uses should be availed of at the very earliest possible moment in view of the great shortage of power at this time.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin [Mr. ESCH].

Mr. SIMS. I did not catch the limit exactly.

Mr. ESCH. There is no limit. I do not change the two years at all. It means it simply shall not apply to navigation dams that were constructed prior to the passage of this act.

Mr. SIMS. You have reference to the issue of permits?

Mr. ESCH. This is in reference to licenses—that no license shall be issued in the case where the commission recommends a dam may be constructed by the Government for its public uses.

Mr. SIMS. They can not be issued under two years after it has reported to Congress the facts and conditions.

Mr. ESCH. But there have been dams already constructed, and we do not want to wait two years on those.

Mr. SIMS. I want to see if I understand the gentleman's amendment. Does the amendment intend to limit or to strike out the two years beginning with when it shall have reported to Congress?

Mr. ESCH. Not at all. It says this proviso shall not apply to any navigation dam constructed prior to the passage of this act.

Mr. SIMS. I confess, Mr. Chairman, I do not understand the practical application.

Mr. ESCH. The gentleman understands that under the proviso, at the top of page 30, the commission, if it finds that any navigation dam may be advantageously used by the United States for its public purposes, shall not issue any license therefor for a period of two years, pending action by Congress, and so on. Now, then, I say we should not require dams already constructed by the Government to wait the period of two years and thus lose for two valuable years the possible power development by the Government on its own dams and for its own public uses.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin [Mr. ESCH].

Mr. FERRIS. Mr. Chairman, I do not know about this, and I hesitate to oppose it. This is the situation, it seems to me.

Here we are with a proviso which reads like this:

Provided further, That in case the commission shall find that any navigation dam may be advantageously used by the United States for its public purposes no license therefor shall be issued until two years after it shall have reported to Congress the facts and conditions relating thereto.

And prior to that it says this:

Whenever the contemplated improvement is, in the judgment of the commission, desirable and justified in the public interests for the purpose of improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, a finding to that effect shall be made by the commission and shall become a part of the records of the commission.

Now, the amendment of the gentleman from Wisconsin comes along and says this:

Except the proviso shall not apply to any dam constructed prior to the passage of this act.

That, in substance, of course will undo the very thing as stated in the above language. How desirable it is to do the thing provided for; how desirable it is to have that commission make a finding in the public interests and hold it for two years, I do not know. If it was desirable to do that at all, it is not desirable to put an exception to it which says we shall not do the thing we have just said we would do. I wish the gentleman from Wisconsin [Mr. ESCH] would elaborate that a little more.

Mr. SIMS. I think I understand now what the gentleman stated a moment ago; but the law here has reference to projects that are intended and which are to be constructed after the law is passed.

Mr. ESCH. Yes.

Mr. SIMS. But whenever the contemplated improvement is, in the judgment of the commission, desired in the public interest for the purposes of commerce, it is with them as to whether they will authorize the improvement at all or not.

Mr. ESCH. That is already passed.

Mr. SIMS. And it says:

A finding to that effect shall be made by the commission and shall become a part of the records of the commission.

Now, then, it provides when the commission makes such a report as that there shall be no license issued for making that particular improvement for two years after they report to Congress?

Mr. ESCH. Yes.

Mr. SIMS. And the exception of the gentleman is to apply to the dams already constructed and about which no report of the commission will be made at all to Congress?

Mr. ESCH. Of course, that is all past. The dam has been built and the Government has spent its money.

Mr. SIMS. Have I now got clearly in my mind what the gentleman has in his mind?

Mr. ESCH. Yes.

Mr. FERRIS. But suppose this commission finds that the contemplated improvement is an improvement in the public interest to have, to further its development and take over and go on with it. Why not let them report that to Congress, as the language provides. In that Keokuk Dam proposition there are instances where they can not get a license and ought not to have a license, at least until the report is made to Congress as to the public interest phases of the question.

Mr. ESCH. That would not apply to the Keokuk Dam. That is on private account. This relates to Government dams, and the dams are already built.

Mr. FERRIS. Then there is no controversy about it. You do not want them to have a license.

Mr. ESCH. The amendment says, "except this proviso shall not apply to navigation dams," and these dams are already built on Government account.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin [Mr. ESCH].

The question was taken; and the Chairman announced that the "ayes" seemed to have it.

Mr. RAKER. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 14, noes 6.

So the amendment was agreed to.

Mr. HUMPHREYS. Mr. Chairman, I want to ask the chairman of the committee a question. In paragraph (d), at the bottom of page 28, the language is to "issue licenses to citizens of the United States, or to any association of such citizens, or to any corporation." Does not the gentleman think that that ought to be limited to domestic corporations? It means that a foreign corporation——

Mr. RAKER. The gentleman wants to turn to page 25, line 8.

Mr. HUMPHREYS. What does that say?

Mr. RAKER. It says, "A corporation means a corporation organized under the laws of any State or of the United States."

Mr. WALSH. A corporation may have been organized under the laws of a State, and after its organization the control of its stock might pass into the hands of people not citizens of the United States.

Mr. SIMS. That would not make it a foreign corporation.

Mr. WALSH. No. It would not be a foreign corporation, except that it would be controlled by a foreign interest. Do you want to permit that under that definition?

Mr. SIMS. I do not think we do. But we never discussed or contemplated that possible purchasers of the stock of a domestic corporation should be prohibited. Nothing of that kind was discussed in the committee.

Mr. WALSH. That is possible.

Mr. HUMPHREYS. I want to suggest to the gentleman that in recent legislation—for instance, that touching the operation of our ships—it was provided that the majority of the stock must be owned by American citizens. Now, why would it not be a wise thing to add here, "or any corporation the majority of the stock of which is owned by citizens of the United States"?

Mr. SIMS. That question was not presented in the committee, and has not been considered at all by the committee. Therefore, I have no more opinion on that subject; that is, no more matured opinion or more considered opinion, than the gentleman, if he has given it study.

Mr. HUMPHREYS. I have not given it much study. But I do not think it requires any.

Mr. SIMS. I do not know how that affects it in any way. The physical structure has to remain here; the work all has to be done in the United States anyway. If they add transmission lines to Mexico or to Canada it would take special legislation to get permission for it. I can not see how the fact that a foreigner, a man not a citizen of the United States, owns stock in any one of these companies would of itself have any effect on the administration of the utility.

Mr. HUMPHREYS. Mr. Chairman, I move to amend by inserting, after the word "corporation," on line 25 of page 28, the words "the majority stock of which is owned by citizens of the United States."

The CHAIRMAN. The Clerk will report it.

Mr. HUMPHREYS. Let the Clerk read it, and see if I have got it right.

The Clerk read as follows:

Amendment offered by Mr. HUMPHREYS: Page 28, line 25, after the word "corporation," insert the following: "The majority of the stock of which is owned by citizens of the United States."

Mr. SIMS. Just a moment, Mr. Chairman. The language in the bill is:

"Corporation" means a corporation organized under the laws of any State or of the United States, empowered to develop, transmit, distribute, or utilize power, and authorized to transact in the State or States in which its project is located all business necessary to effect the purposes of a license under this act. It shall not include "municipalities" as hereinafter defined.

The gentleman does not offer an amendment to the definition. Your amendment is that the stockholders of the corporation, or the majority of them, shall be citizens of the United States? Or does the gentleman exclude all foreigners from holding.

Mr. HUMPHREYS. Yes.

Mr. SIMS. I want to ask the gentleman this: Might we not get into some conflict or some trouble with our neighbors on the north? I have been informed—although I have not looked it up, and perhaps the gentleman himself can tell us—that citizens of the United States own some of the corporations or property operated by corporations in Canada. I mean citizens of the United States own a majority of stock in Canadian corporations of this kind for water-power development. Should we go to limiting it by saying that the majority of the stock of our own shall be limited to citizens of the United States, there might be trouble. Perhaps the gentleman from New York [Mr. DEMPSEY] can tell us whether or not American citizens own a majority of stock of the water-power companies in Canada?

Mr. DEMPSEY. They own all the stock absolutely.

Mr. SIMS. There are no laws in Canada prohibiting that. I am afraid it might result in retaliatory legislation, and there is no sound reason that applies to this industry why a majority of the stock might not be held by a citizen of Canada or Mexico as long as it is a domestic corporation and controlled absolutely by the laws of the United States. I think the gentleman from Mississippi is straining a point in discriminating against foreigners when foreigners are permitting us to do the identical thing that we would restrain them from doing. Still I have not looked up the matter.

Mr. WALSH. Mr. Chairman, I would like to say in response to the suggestion of the chairman of the committee, with reference to this proposed amendment, of course the gentleman from Mississippi could not offer his amendment to the definition at this time because we have passed that section.

Mr. SIMS. Only by unanimous consent.

Mr. WALSH. Now, it seems to me, if we are going to establish by this legislation some comprehensive scheme for the development of water-power sites, and are going to permit corporations to do it, we ought not to make it possible for corporations to be formed by a body of citizens in accordance with the laws of our States and then the week after they are formed to sell out to some water-power interest having residence, say, in Canada or France, or anywhere else. It seems to me that in order for this commission to operate adequately under this law the majority of the stock ought to be held by our citizens.

Now, the gentleman states that it is liable to raise complications with our neighbor on the north. We have not had any complications as to building ships. We have provided practically that the majority of the stock in ships or in corporations shall be held by citizens of the United States.

Now, this is a new project, and it is going to require millions of capital to get it going. It seems to me that a majority of the stock of corporations other than municipalities should be held by citizens of the United States.

Mr. SIMS. May I ask the gentleman a question?

Mr. WALSH. Certainly.

Mr. SIMS. How could it possibly affect our ability to control and manage these water powers and their incidental services if 51 per cent of the stock was held by persons outside of the United States? I do not see how the management of a domestic corporation by the United States can be interfered with by the fact that it has foreign stockholders.

Mr. WALSH. It might make it much more difficult, because the corporation might be put into a big foreign combination, and simply be one small part of an immense foreign water-power trust.

Mr. SIMS. The more stock is held abroad, the more rigid will be the control exercised by our own authorities.

Mr. WALSH. The gentleman would not carry that doctrine so far as to preclude our own citizens from holding any stock, would he?

Mr. SIMS. Oh, no; not at all. I hope they will own it all.

Mr. DEMPSEY. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. DEMPSEY. The amendment suggested by the gentleman from Mississippi would not accomplish what the gentleman from Massachusetts has in mind at all. The amendment deals simply with the issuance of licenses and not with the holding of stock after the licenses have been issued. The amendment as proposed would control the stock on the day that the license was issued, but the next day the control of the stock might change.

Now, let me suggest to the gentleman, in connection with that which he has in mind; I do not think this legislation would affect us adversely at Niagara. We have acted in a very neighborly way with Canada there, and I do not think Canada would consider this legislation as aimed adversely at her interests. But there is this in connection with the passage of this water-power bill which it seems to me ought to be borne in mind and is of real importance: While the United States to-day is the financial center of the world, it has been the custom of our people heretofore when they wanted to finance a project to go abroad to get their capital. We have done that with all kinds of projects. England has financed us again and again and again. Now, the primary object that we all have in view here is to utilize these water powers.

Mr. SIMS. Will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. SIMS. Is it not a fact that practically all, if not all, the capital of the Keokuk development was furnished by English money?

Mr. DEMPSEY. I think that has been true of practically all our projects. Our men go to New York and the New Yorkers go abroad. Our object here is to finance these projects so that we will develop power out of what is to-day being wasted, and we ought not to put anything in the way of that development. I agree entirely with the chairman in his idea that you are going to control the operation of these companies through the laws, and not through the holdings of stock, and that the laws will be very much more rigidly enforced, and the laws will be made more rigid as against foreigners than they will be against our own citizens. They will make their investments with that knowledge, and it seems to me that from the standpoint of developing water power it is something of a question whether we ought to put in a provision of that kind.

Mr. ESCH. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. ESCH. Suppose we put in a restriction requiring that a majority of the stock shall be owned by our citizens. Has the gentleman considered the question whether the Provinces of Canada might retaliate? Many corporations with American stockholders have gone into Canada to develop manufacturing enterprises. Would there not be danger of retaliation if this provision were inserted?

Mr. WALSH. I do not see why there should be any more in this case than there is in the building of ships and the operation of ships under the amendment to the shipping laws that we passed here which contained that provision.

Mr. ESCH. I am rather in sympathy with the general proposition, but I want to know whether there is any possible danger that Canada might retaliate against Americans whose money is invested in manufacturing enterprises in Canada?

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. I ask unanimous consent for three minutes more.

The CHAIRMAN. The gentleman asks unanimous consent for three minutes. Is there objection?

There was no objection.

Mr. WALSH. In the shipping bill we made a similar provision. But I understand that the projects at Niagara are excluded from the provisions of this bill, so that as far as that goes there need be no fear of any complications if this amendment is adopted.

Mr. DEMPSEY. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. DEMPSEY. I simply want to develop the thought suggested by the gentleman from Wisconsin. Practically every large automobile and other manufacturing concern in the United States to-day has a Canadian branch, and that fact really does give one cause for thought in connection with this matter. Now, while this bill does not apply to Niagara, because the committee is not given power as to Niagara, the bill is broad enough in its terms to cover Niagara.

Mr. WALSH. No; that is excluded somewhere here, I think.

Mr. SIMS. I do not think so.

Mr. HUMPHREYS. I intended to offer an amendment to cover that point; but I think the bill as drawn includes Niagara. My intention was to offer an amendment to make it clear that this commission shall have no jurisdiction over Niagara.

Mr. DEMPSEY. I do not think there is any doubt at all that as prepared and presented the bill does include Niagara, although the committee is not given jurisdiction. However that may be, as I say, the real question, it seems to me, is the question of financing these projects—if we are not going to make it more difficult to finance them by excluding men who in the past have furnished the great amount of our capital.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 15 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this amendment close in 15 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Mr. Chairman, the amendment offered by the gentleman from Mississippi is in line with the suggestion I made day before yesterday in my remarks on the bill, and one which I have been contending for in all of this class of legislation, like the coal, oil, and phosphate bill. The only question is as to the real wording of the amendment. This amendment in its crude form ought to be adopted and let it go to conference and let the conferees place it in proper shape in the bill.

Speaking with some Senators the other day in regard to the coal, oil, and phosphate bill, they practically agreed with me that it should go into the bill before it is reported back to the House. In this bill for the first time in the history of the country we are deeding away for 50 years to the corporation that gets the permit the use, it may be, of a hundred thousand acres of the public domain of this country. The corporation may be owned or composed of aliens and all the stock may be owned by aliens, except, perhaps, $300. It ought not to be, the question of comity between nations is not involved. We ought to have the right to control our own lands and our rights connected therewith.

This amendment is in the right spirit and the right line. You can hardly grasp the magnitude of this legislation. We ought not to think of a corporation that is controlled and run and owned by aliens. They ought not to come into our country and practically control the corporation which furnishes the hydroelectric energy of this country. It is not proper legislation. The testimony of all the men, all the engineers before the committee was that this is going to be an interlocking system. It is a monopoly. There is no doubt about it. Only one system is started, and it ought to be all there is in the community, because otherwise it would be duplication. We by the provisions of this bill will have the power to control and regulate prices and the question of bond issues, and we want to be able to handle it in proper shape. Therefore aliens ought not and should not be permitted to own the majority, if not practically all, of the stock, to handle and control our hydroelectric development, and control the lands in this country. I believe it will be a mistake if we do not carry this amendment or a similar amendment so as to guard against it.

Mr. WHITE of Maine. Mr. Chairman, I have asked for time for the purpose of seeking information. A few moments ago I asked the gentleman from Oregon [Mr. SINNOTT] whether it was within the province of the State itself to determine whether a river wholly within the borders of that State was a navigable river or a nonnavigable stream, or whether that power was within some outside jurisdiction, such as the Secretary of War. One of the reasons for asking the question was because of conditions in my State. We have a statute there under which it is forbidden any corporation to develop and transmit electric current outside the borders of the State of Maine. The specific thing I would like to know is, the State of Maine having declared a river nonnavigable, whether the Secretary of War or the Federal authorities may declare that river navigable and issue a license to a corporation, and whether that corporation can then go onto the river, build a dam, make a development, and transmit power outside the State of Maine, notwithstanding the statute and the settled policy of the State of Maine to confine electric power within its limits?

Mr. SIMS. The State of Maine has passed a statutory definition of navigable waters, has it?

Mr. WHITE of Maine. No; that has been left to the courts. The legislature of the State has passed a statute forbidding the transmission outside of its borders of electric power generated within the State. I want to know whether under the powers of this subsection this commission may license a corporation to develop a stream, generate electricity, and transmit it outside of the State of Maine in contravention of the statutes and the policy of the State? I should have to oppose such an overriding of the settled policy of any State.

Mr. SIMS. In other words, if the Government of the United States builds a dam on a navigable stream for the purpose of improving the navigable waters in Maine, whether the power developed there can be transmitted beyond the borders of the State of Maine?

Mr. WHITE of Maine. I was inquiring more particularly whether a corporation which may be licensed under this section could do that.

My question involves perhaps two or three propositions: First, whether the decision by the supreme court of our State that a particular river wholly within our borders is nonnavigable is reviewable, and whether Federal authorities may determine this same river to be navigable, and then whether the commission provided for in this bill may license a corporation to go upon that river, build a dam, generate electric power, and do with that power that which the State of Maine has declared to be against the public policy of the State.

Mr. SIMS. But I understood the gentleman to say that the State of Maine has not defined navigable waters.

Mr. WHITE of Maine. The supreme court has when cases have arisen.

Mr. SIMS. In other words, the courts have, but has the State of Maine by legislative enactment done so?

Mr. WHITE of Maine. The legislature has never assumed, as far as I know, to decide. It is always a question for the courts.

Mr. SIMS. I do not think the State of Maine or any other State, directly or indirectly, could control what the Government of the United States may do with a navigable river or a watercourse, and whatever the Government of the United States may do through itself it can do by agents. That would be my answer.

Mr. WHITE of Maine. Then, as I understand the gentleman, it is his opinion that the Secretary of War can declare a stream to be navigable which the Supreme Court of the State of Maine has declared is not navigable, and this commission can then license the corporation to build a dam there and generate power and transmit that power——

The CHAIRMAN. The time of the gentleman from Maine has expired.

Mr. WHITE of Maine. Mr. Chairman, I ask unanimous consent to proceed for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SIMS. Of course I do not hold any such thing. I do not think the Secretary of War could determine that and override the decision of the courts that have jurisdiction of that identical question.

Mr. WHITE of Maine. I am glad that it is the gentleman's opinion, then, that the Supreme Court of Maine has the last word in determining whether a river wholly within the boundaries of Maine is navigable.

The CHAIRMAN. The time of the gentleman from Maine has again expired.

Mr. DOREMUS. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended three minutes.

The CHAIRMAN. The time has been limited to 15 minutes and the Chair has no power to extend it.

Mr. SIMS. That means to extend the time for three minutes.

Mr. DOREMUS. We are asking unanimous consent that the time already granted be extended for three minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WHITE of Maine. I am not now arguing that this should or should not be so. I want to get the opinion of the committee as to whether it is so.

Mr. DOREMUS. I merely want to say in answer to the question propounded by the gentleman from Maine that under the terms of this bill these water-power companies will operate under the laws of the States in which they are situated. It is so provided expressly. In answer to the other question, the committee having stricken out the definition of a navigable stream, what constitutes a navigable stream within the State of Maine would still be subject to the jurisdiction of the State courts.

Mr. WHITE of Maine. I am glad to hear the gentleman's opinion. And not reviewable by outside authority.

Mr. DOREMUS. I would not say that. It might clearly be reviewable by a higher court.

Mr. FERRIS. Mr. Chairman, this may be a brave moment for me, but I must dissent to all these proposals. If the time has come when a State legislature can override the Federal Government, then we had better clasp our hands in last em-

brace. I do not think the State of Maine or the State of Oklahoma or Colorado or any other 1 of the 48 States has anything to do with a stream which the Congress of the United States says is navigable. The Supreme Court for the last 25 or 30 years has rolled it around under their tongues as a tender morsel, as to what is a navigable stream, and we do not know and they do not know, and they have finally wound up with the response that any stream is navigable that Congress says is navigable.

Mr. DEMPSEY. Mr. Chairman, my objection to the amendment of the gentleman from Mississippi [Mr. HUMPHREYS] was based on the fact that I was fearful it might embarrass those who formed these companies in financing their projects. In thinking that over I have changed my mind. It seems to me that they could finance their project through bonds and that the capital could well be held, or the majority of it, in this country. So that objection disappears, it seems to me. To come to the question in respect to Canada, it seems to me that this is the answer so far as Canada is concerned: Canada is a comparatively new country. While she is rich in natural resources, she is not rich in ready money, in accumulated wealth. Canada will welcome this country coming in there and financing her projects of all kinds, and she will not feel that we are discriminating against her if we provide that in this country, rich in accumulated wealth, its projects shall be held by its own people. So I do not see any objection to the suggestion of the gentleman from Mississippi.

If the gentleman from Maine [Mr. WHITE] will listen for one moment, it seems to me the question he propounded is this:

Suppose the supreme court of his State decided that a certain stream in that State was navigable, and the Secretary of War took the position opposite to that, what would be the result? The result would be that the question would get into the Federal courts, and the Federal courts would determine the question, and you could not tell whether they would determine it in accordance with the State courts of Maine until you had thrashed out the question in each individual instance. But the question would be one for Federal determination in a Federal court.

Mr. FERRIS. Precisely; and the action of the State supreme court would have little or nothing to do with it, only in so far as they happened to be right.

Mr. DEMPSEY. Only in so far as their logic and arguments might shed light on the question.

Mr. SIMS. But the question the gentleman asked me was whether the Secretary of War could overrule the State court, and I said "no."

Mr. WHITE of Maine. The gentleman has answered what I was asking. I have got his opinion. I was not asserting it to be this or that, but I was asking for information.

Mr. SIMS. Mr. Chairman, I think the amendment of the gentleman from Mississippi, to be logical, ought to go further and provide stockholders and also a majority of the bonds.

Mr. DEMPSEY. Oh, no.

Mr. SIMS. Oh, the most powerful control on earth is the bondholder. In many instances the bondholder actually controls your railroads, selects the voting trustees, and everything of that sort.

Now, it is not consistent to finance that proposition abroad, and yet you will not let the men who buy the bonds, and without which these developers say they can not do—you let them buy all the bonds they want, but they shall not have any control whatever except a minority control as a stockholder. Now, if you are going the whole way, provide also against the bonds. Either way will reduce the credit of these companies, no matter which it is. I now yield to the gentleman from Michigan any time I have left.

Mr. DOREMUS. Mr. Chairman, I would like to call the attention of the committee to section 27 of this bill, which provides:

That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses or any vested right acquired herein.

Now, I can only repeat what I said a moment ago in answer to the gentleman from Maine, that water-power companies organized under this act will be obliged to operate under the laws of the various States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken, and the amendment was agreed to.

Mr. HUMPHREYS. Mr. Chairman, I move to amend, page 29, line 7, after the word "States," by inserting "except boundary streams."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 29, line 7, after the word "States" insert "except boundary streams."

Mr. HUMPHREYS. Now, Mr. Chairman, this includes the Rio Grande, the St. Lawrence, the Niagara River——

Mr. SIMS. And the St. Croix.

Mr. HUMPHREYS. Yes; the Detroit River, St. Marys, and so forth. Now, Mr. Chairman, for 10 years the Aluminum Co. of America has been knocking at the door of Congress for the right to destroy the Long Sault Rapids in the St. Lawrence River by constructing a dam there for the purpose of developing water power. That was 10 years ago, and it was estimated then that it would cost $45,000,000. Just how many more millions it will cost now, I am not prepared to say. They propose to develop at that one particular point 500,000 horsepower, the largest water-power development proposition in this country, I believe, not excepting Muscle Shoals. They have come here repeatedly and asked Congress for the privilege of developing that power, and every time Congress has refused to grant it and refused for good reasons. Except for the interposition of Congress at Niagara 10 years ago or more that most wonderful of all of the natural spectacles of the world would have been seriously impaired, if not destroyed, in my opinion. There are 50,000 people, according to the testimony before the committees of Congress, every year, not plutocrats, not millionaires, but clerks and people of moderate means who are able to spend a little money for a vacation, who go down the St. Lawrence River and run the rapids. This company proposes to dam the river at the foot of the Long Sault and destroy those rapids for the purpose of developing water power. They have never been able to get the consent of the Canadian Government, and now by a treaty under its terms this can not be done except by the two Governments acting jointly in the matter. I am not willing, I do not believe this House is willing, to take from the Congress the power to act finally in that matter and delegate it to this so-called commission of Cabinet officers, which in my opinion means to delegate it to the chief of some bureau in one of the departments.

I think that is a matter of sufficient magnitude and importance where the treaty rights of this Government and Canada are involved for them to come to Congress and get the positive action of Congress—to ask the action of Congress and direct consent of Congress on the proposition. But as the bill is written this executive secretary, whom we refused to strike out, acting for the commission, can grant the license to the Long Sault Development Co. I had a newspaper clipping sent me the other day from a Canadian paper——

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUMPHREYS. Mr. Chairman, I ask permission to continue for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi? [After a pause.] The Chair hears none.

Mr. HUMPHREYS. It set forth that this aluminum company were again at work, and they propose now to begin over this fight—or to press more vigorously this fight, because they have never ceased—to secure the right to go on the St. Lawrence River and destroy those beautiful rapids and to construct this most powerful power-producing plant in this country. I believe that that is a matter that Congress itself ought to reserve for itself. I do not believe that we ought to trust that to this commission to pass upon. It is a matter of too vital importance to us, and it involves our relations with a neighboring country, and therefore—as this amendment, of course, would include Niagara—I think that ought to be limited under the law, so that Niagara and the rapids below Niagara, and the rapids on the St. Lawrence River should be excluded from the jurisdiction of this commission.

Mr. ESCH. Will the gentleman yield?

Mr. HUMPHREYS. I will.

Mr. ESCH. Was not this project once inaugurated in a bill presented to the House, I think by Mr. Maltby of New York, from the Committee on Railways and Canals, and defeated in the House?

Mr. HUMPHREYS. It was presented by the Committee on Rivers and Harbors, which had jurisdiction in those days of Niagara as well as the St. Lawrence. It was presented here and fought out on the floor of the House under *suspension of the* rules when it required a two-thirds vote to pass the bill. I opposed it then, and others did, too, and after full discussion the House not only refused to give a two-thirds vote in favor of the proposition but voted it down by a vote of two-thirds. I think that right ought to be preserved now to the Congress, so that when that great corporation comes here and asks for the privilege of producing in the present status of development

of machinery 500,000 horsepower, that Congress itself ought to have the right to pass on it.

They have 500,000 horsepower now, and nobody knows when another Edison will come along and put another cog in the wheel or turn a wire the other way and make it 5,000,000 horsepower. We used to carry this power 200 miles. I think, perhaps, that is the limit now, economically. Who knows but what they may transmit this energy 2,000 miles? And they may not require any wires at all. I am not willing to prophesy against the possibilities of the future. And if it should come to pass that the Aluminum Co. of America, who own all the rights up there they can secure, should own this great horsepower—maybe many millions of it—it would be, in my opinion, a sad day for the country. And I am not willing, so far as I am concerned, to delegate to any executive officer or to any commission composed of any gentlemen, either Cabinet officers or private citizens, the right to issue a license to any such corporation. And I think the amendment ought to be agreed to, and this commission, if we are to delegate powers to a commission, ought to be confined in its operations to streams inside the United States. [Applause.]

Mr. DEMPSEY. Mr. Chairman and gentlemen, I do not intend, and I want the committee to believe it, to spend a great deal of time in the discussion of this bill, or to take up any time unnecessarily. I speak now by reason of the fact that the Member who would properly speak to this question [Mr. SNELL] is confined to his home by illness, and I am seeking to say that which I believe he would say if he were here.

The gentleman from Mississippi [Mr. HUMPHREYS] lives way down on the southern boundary of the United States, and he is talking, and talking with the glamour of one who looks way across a broad country, without knowledge, but with an excess of imagination, about a question as to which apparently he has no information.

At the present time the Canadian Government and the Government of the United States take precisely the opposite view to that in which the gentleman from Mississippi indulges. No longer ago than this present noon hour I talked with the gentleman who is charged by the United States with supervision of its water powers, upon this very question, and he said that this Government and the Government of Canada unite in the opinion that there was no possible objection to the development of the power in the St. Lawrence River; that it was a burning shame that, with the shortage of fuel, with the need that we have in that northern country for warmth in the wintertime, to allow the wastage of that great water power to continue. He said there can be no possible objection to it, because you do two things: In the first place you obviate a dangerous obstruction to navigation.

Each time you shoot the rapids of the St. Lawrence River to-day you are running a great danger, and by damming it, as it is proposed to dam it, you obviate that danger and at the same time you create a wonderful power, a great saver of fuel. "Why," he said, "there is no diversity of opinion. Everybody who has studied the subject has agreed; all who have given any thought to it are of one mind. They all believe it is a burning shame that this project has been neglected."

And to-day a treaty is in mind and the preliminaries have even been undertaken for the development of that power. As I understand the question, it is not possible to develop the water power without a treaty. It is not possible for any great mammoth corporation, such as the gentleman has in his mind, to steal this power overnight and Congress not know what has been done. There is no such a thought in the mind of anybody. The gentleman is creating an ogre only to destroy it. The ogre does not exist. But the Government of Canada and the Government of the United States believe that navigation should be made safe through the St. Lawrence rapids, and they believe at the same time that this great power should be utilized.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DEMPSEY. Mr. Chairman, I ask for two minutes more.

Mr. SIMS. Mr. Chairman, I have no objection to the gentleman having two minutes, but I would like to see if we can get agreement to close debate. Does the gentleman desire to discuss this further than the two minutes?

Mr. DEMPSEY. Just two minutes.

Mr. SIMS. I ask that the debate close in seven minutes, two minutes to be granted to the gentleman from New York [Mr. DEMPSEY] and five minutes to myself.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the debate on this amendment close in seven minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. DEMPSEY. And when the development comes, as I say, it will not come overnight; it will not come secretly; it will not come because some great corporation wants it; it will not come because some great corporation wants to benefit privately. It will come because two great nations, sitting down together and discussing the subject, believing that navigation should be safe, believing that the power should be utilized, believing that fuel should be saved, unite in a solemn treaty, and that treaty will be presented to Congress, and Congress, in its deliberate wisdom, will pass on the treaty. Only in that way will it come. But it is certain to come, and certain to come in the near future, and when it comes it will be a boon to navigation, it will be a boon to fuel users, and it will be a boon to the two countries generally.

Mr. SIMS. Mr. Chairman, I do not see any use in having so many water-power commissions in the United States to take charge of similar development. The fact that a river is a boundary river does not change the nature of the development at all. It is just the same. In our present bill, while in the rule creating the committee, it excepted from the committee the jurisdiction to legislate on navigable boundary waters, of which the Committee on Foreign Affairs had jurisdiction, and I stated so in the hearings a dozen times.

But on the 2d day of May, 1918, Mr. FLOOD, chairman of the Committee on Foreign Affairs, introduced a bill, H. R. 11871, which reads:

> That the Secretary of War be, and he is hereby, authorized to issue license to any State, municipality, person, firm, association, or corporation, on the terms and conditions hereinafter provided, for the diversion of water in the United States from streams constituting in part or whole the boundary between the United States and any foreign country.

And then it goes ahead with provisions almost identical with the present bill.

Mr. HUMPHREYS. I know, and he has not been able to pass it, and he never will pass it, in my opinion.

Mr. SIMS. I am not withholding anything. It provides that the Secretary of War have charge of water-power development on navigable boundary streams, which is a more restricted authority than that of the commission. I used to believe, and I still believe, so far as that is concerned, individually and personally, and have so always stated on the floor of the House, that I do not think that any dam or any works for the development of water power upon a navigable stream for, say, exceeding 500 horsepower should be granted by any commission, whether composed of 1 man or 1,000, without the consent of Congress.

Now, if the gentleman will confine his amendment simply to requiring the consent of Congress whenever the commission grants, or proposes to grant, the license for a project on a navigable boundary water, that it must report to Congress that it thinks the license ought to be granted, it will be with Congress as to whether the license be granted or not. Then we have just what the gentleman from Mississippi wants; and I think it would be better to have one commission to deal with all water-power development producing electricity than to have one commission, composed of three Secretaries, on navigable streams in the States and only one of that commission, as provided in this bill, to pass on the identical questions touching navigable boundary waters. But I think this bill should retain the jurisdiction of the commission to issue licenses upon boundary waters, but to be valid only with the approval of Congress. Then the gentleman will have just what he wants with reference to boundary navigable streams, and what I would be glad to see done with reference to all projects. But as chairman of the committee, and as a member of this committee, I am going to support the bill as reported. I do not think we should attempt to assume jurisdiction over boundary streams because of the rule depriving us of that jurisdiction in considering the bill.

Mr. HUMPHREYS. Did not the rule creating the committee exclude these boundary streams?

Mr. FOSTER. It does. Why not put it in now and conform to your jurisdiction?

The CHAIRMAN. The time of the gentleman from Tennessee has expired. The question is on the adoption of the amendment offered by the gentleman from Mississippi [Mr. HUMPHREYS].

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. HUMPHREYS. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 9, noes 14.

So the amendment was rejected.

Mr. HUMPHREYS. Mr. Chairman, I offer an amendment. After the word "licenses," on page 28, line 24, insert "with the consent of Congress."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HUMPHREYS: Page 28, line 24, after the word "licenses," insert "with the consent of Congress."

Mr. HUMPHREYS. Now, Mr. Chairman, this bill provides for the creation of a commission, with power to make investigations and employ whatever necessary help they need, to examine into all water-power sites of the country and discover new ones, and to report all of their data to Congress.

Mr. SIMS. May I ask the gentleman a question to start on?

Mr. HUMPHREYS. Yes.

Mr. SIMS. Is the gentleman now confining his amendment to boundary streams?

Mr. HUMPHREYS. No.

Mr. SIMS. I can not support it that way. If it is confined to boundary streams I would support it.

Mr. HUMPHREYS. I will have several amendments to offer before we get through. The purpose of this amendment is to take from the commission which is created the right to issue licenses without the consent of Congress. I do not believe, Mr. Chairman, that we ought to delegate to this commission, composed of officials here in the various departments, the right to dispose of the water-power possibilities of this country. I think it is very well to have them make the necessary investigation or have some commission do it.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. In a moment. We authorized a commission to do it a year ago, with full power, and we appropriated the money for them to go out and collect all this data. Now, we create another commission and propose to give them the same power, and the same amount of money in an initial appropriation, to go out and do the same thing the two commissions operating in the same field, each absolutely duplicating the work of the other, with no limit on either one in its right to employ experts of all kinds—experts on transportation, experts on water-power development, experts in irrigation, experts in flood control, experts in architecture; all manner of experts.

Now, those two commissions ought to be able to furnish Congress with sufficient information for Congress to act intelligently upon. Therefore I have offered this amendment not to abolish the commission. Let this commission go on and do all the preliminary work that is necessary, and prescribe all the desirable rules, and then report the facts to Congress. Then Congress may intelligently act upon the propositions when they come up, just as they did in the general dam act. We provided in that a number of years ago general features touching the construction of dams, general features touching the building of bridges across navigable streams, and we can pass this act which will be applicable to all water power and fight it out now, and then let these people, when they want to develop the water power, come to Congress. I am unwilling, Mr. Chairman, so far as I am concerned, to turn over the development of the water power possibilities that I mentioned a moment ago to any commission. I disagree absolutely with the gentleman from New York [Mr. DEMPSEY] as to the desirability of it or the popularity of it.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. FERRIS. Mr. Chairman, the gentleman from Mississippi [Mr. HUMPHREYS] at the opening of the debate moved to strike out the first section of the bill, which created a commission, which was, of course, the very initial step. It was entirely necessary, of course, to have some administrative officers. Now, the gentleman moves to take away from the commission all the powers that were given it and all that it was intended for them to have.

Mr. HUMPHREYS. Not all.

Mr. FERRIS. Practically all. What would you have this commission do? If the amendment prevails they would be an ornamental commission, with no powers to do anything.

Mr. HUMPHREYS. I would have them get up information and advise us.

Mr. FERRIS. You would propose to have them come back to Congress with every little project, precisely the spectacle we have had here every year when the Niagara Falls people came here and asked to get a one-year license. The House is told that just as soon as we get a comprehensive measure they will not have to come back here and trouble the House with this matter of an annual license.

I do not know; I have no more interest in this bill than the rest; but here is a bill proposing a comprehensive measure and every branch of the Government is trying to get something done. The estimates of the engineers show that we have water powers in this country aggregating from 60,000,000 to 200,000,000 potential horsepower, 6,000,000 horsepower of which has been developed and put to beneficial use. The rest of it is undeveloped and running idly to the sea, doing no good.

I do not know who is for this bill and who is not. I had hoped everyone wanted to do something. I did not know anyone wanted to kill it. The House is so well committed and the bills have always been killed at the other end of the Capitol. Surely this bill ought not to be killed here among its friends.

It certainly does seem to me that somebody at some time, somewhere, now that the Senate has finally passed a water-power bill, ought to show energy enough, intelligence enough, and cohesiveness enough to pass a bill that will get some more water-power development. Now, I have no license to lecture the gentleman from Mississippi [Mr. HUMPHREYS]. He has been here longer than I have and probably knows more about this subject than I do; but I submitted to the gentleman yesterday, and I submit to him again to-day, that he ought to help us get a water-power bill through and not hinder us. He has been quite a pioneer on this subject. I hope he may help us now.

Mr. HUMPHREYS. I am anxious to help the gentleman.

Mr. FERRIS. We would think by the gentleman's efforts that he was against any water-power legislation at all. I am sure he is not——

Mr. HUMPHREYS. No; I am not.

Mr. FERRIS. But now let us follow his amendments. The first thing he did he sought absolutely to decapitate the bill, at the reading of the first line, by striking out the entire commission.

Mr. HUMPHREYS. I do not think that is a fact.

Mr. FERRIS. And now the gentleman seeks to strike out the very authority that we gave to the commission yesterday. The only deadlier thing the gentleman could do would be to move to strike out the enacting clause. Of course, we could load this bill up with amendments until that would be a welcome motion; but I hope the House, even in war time, will not forget itself and lose control of its bill in an effort to really develop water power. Bills similar to this have passed the House four times with scarcely a dissenting vote, and the President, the Secretary of the Interior, the Secretary of War, the Secretary of Agriculture, and every man in this House, I think, were convinced long ago that we ought not to burn up our coal and our oil and our fuel and let the water power of the United States run idly to the sea.

Mr. HUMPHREYS. The gentleman thinks because I have offered an amendment to the bill that therefore I am opposed to it. He mentions the fact that this bill has passed the Senate. I ask the gentleman if it is not a fact that his committee deliberately took the bill that passed the Senate and amended it by striking out every word of the Senate bill?

Mr. FERRIS. Of course we did.

Mr. HUMPHREYS. Does that mean that the gentleman and his committee are opposed to any water-power development?

Mr. FERRIS. Not at all. That same thing happens every day. We were making the bill better, not trying to decapitate it.

Mr. HUMPHREYS. Then why should it be thought any more of me that I am against the bill because I have offered an amendment to it than it should be of the committee because they have stricken out the entire Senate bill?

Mr. FERRIS. There is nothing miraculous or marvelous about that. We preserved all the good; we eliminated the bad; we preserved the salient principles. That is done every day. We think we have a better bill than the Senate bill, and if we have not, then at least we have something to go into conference with; and I hope the gentleman will be here then and exercise the same vigilance that he does now, because the gentleman knows these two bills have got to be worked out in conference; but if we strike out the commission, and failing in that strike out the powers of the commission, and bungle and chew up this bill, we will not go over to the Senate with anything. We are a long way from the home plate on water-power legislation now. The Senate does not agree with the House on water-power legislation. The Senate thinks the Federal Government has no rights with reference to water-power at all.

Mr. HUMPHREYS. The Senate does not believe in any commission at all.

Mr. FERRIS. No; and the Senate wants to give away our water power in perpetuity. They think the Federal Government has no right to make a charge for it and they want it given away, not for a term, but forever. The House will never agree to that. Now, why not pass a bill something like bills that have heretofore passed the House, on something like correct principles, as Canada and France and many of the countries have done, and see if we can not get up a proper bill in conference? We may fail. But it is worth the trial. It is worth the effort.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I ask that the time of the gentleman be extended two minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the time of the gentleman from Oklahoma be extended two minutes. Is there objection?

There was no objection.

Mr. HAUGEN. What seems unbusinesslike to me is the turning over of the water powers, these valuable resources, without compensation, and I think Congress should reserve the right to fix compensation for these valuable resources that are worth at least a billion dollars a year.

Mr. FERRIS. We do.

Mr. HAUGEN. No; not in the light of the knowledge we have. The bill that was presented here by the department, or by the three Secretaries, provided for a minimum charge of 10 cents per horsepower.

Mr. FERRIS. We struck that out.

Mr. HAUGEN. The committee struck that out. Of course it did not want to appear before the House as ridiculous.

Mr. FERRIS. The gentleman is correct about that.

Mr. HAUGEN. Then, if the gentleman agrees to that, that these valuable resources should not be turned over without compensation, why not place some safeguards in this bill to protect the interests of the Government?

Mr. FERRIS. If the gentleman will allow me——

Mr. HAUGEN. We have no protection whatever here. These valuable resources are to be turned over, and, if we accept the testimony of the gentlemen who have appeared before the committee, we may expect a charge of 10 cents or possibly 15 cents per horsepower, and that, too, with evidence before the committee which shows that people operating on our side of the Niagara charge $18 or $20 a horsepower more than they charge on the other side in Canada.

Mr. FERRIS. I want to reply to the gentleman from Iowa. The gentleman was very vigilant in the committee, as he always is, and he is very vigilant now in seeing to it that something is charged for the water power, and I agree with him heartily in his desire. As the bill was presented to us by the Secretaries they had in it a minimum 10-cent charge. We struck that out, fearing that it might be considered as a guide for some small or nominal charge. One witness who appeared before the committee, Mr. Merrill, was of the opinion that the Government should not charge anything except a nominal charge. We did not accept that. We have always voted it down, and I do not think there ought to be any maximum charge. The gentleman is entirely right in his statement. They sell water power on the Canadian side for $11 a horsepower and in Buffalo for $24 a horsepower. There are many abuses about it. It all needs attention. It also needs to have some intelligent legislation to get development.

Mr. HAUGEN. Will the gentleman join in an effort to fix some reasonable minimum charge for the water power—$15 or $20 or $10 or $8 or whatever it may be?

Mr. FERRIS. I do not believe the gentleman will conclude to do that, because he would find that that was all out of proportion.

Mr. HAUGEN. But under prices fixed by the public-service commission or as are provided for in this bill they charge double the price on this side that they do on the other side, and they charge enough on the other side to sufficiently amortize their plants in 25 years.

Mr. FERRIS. Yes; and they use the money to build parks there, and they have some large and beautiful parks.

Mr. HARRISON of Mississippi. Mr. Chairman, I move to strike out the last word, and I do this for the purpose of asking a question. Does this bill include boundary streams such as Niagara River?

Mr. FERRIS. I think it does. There is some question about it.

Mr. HARRISON of Mississippi. The purpose of the bill is to take in such streams as the Niagara River?

Mr. FERRIS. Not necessarily. It does not specifically exclude them.

Mr. HARRISON of Mississippi. It would do that.

Mr. FERRIS. I rather think it would, although there are some good lawyers on the committee who think otherwise.

Mr. HARRISON of Mississippi. When the committee was provided for they specially excluded these bills that were before the Committee on Foreign Affairs and which were being considered.

Mr. FERRIS. The gentleman refers to certain bills, but I understood informally that some of the Committee on Foreign Affairs wanted us to leave them in. If that is an error, I care nothing about it. I think if the Committee on Foreign Affairs wanted them left out they ought to be left out. There is no disposition on the part of the Water Power Committee to take away anything that the members of the Foreign Affairs Committee wanted to retain, although I confess something ought to be done up there by somebody, and they to me are no more sacred than the rest.

Mr. HARRISON of Mississippi. I remember when the matter came before the Rules Committee that it was specially provided that in creating this committee they should have jurisdiction of certain bills, except bills over which the Committee on Foreign Affairs had jurisdiction under the general rules of the House.

Mr. FERRIS. We did not act on any of those bills that had been sent to the Foreign Affairs Committee.

Mr. HARRISON of Mississippi. I understand; but the committee has taken away from the Committee on Foreign Affairs the consideration of a bill which it has been at work upon for eight years.

Mr. FERRIS. The committee failed to specifically exclude those bills.

Mr. HUMPHREYS. If the gentleman will pardon me, the committee did more than that. When I offered an amendment excluding from the bill and the control of the Water Power Committee this boundary stream the committee opposed that amendment and kept it in the bill. So that under the bill now this commission that you have created will have the power to issue the license at Niagara Falls and the Long Sault on boundary streams.

Mr. HARRISON of Mississippi. I can not understand how the bills before the Foreign Affairs Committee should come under the jurisdiction of this committee, because we have a bill that the committee is having hearings on upon which it has not reported, but on which we expect to report, and it does not look fair.

Mr. SIMS. Mr. Chairman, I will say to the gentleman that I spoke to the chairman of the Committee on Foreign Affairs when the bills were sent to me. I said, "Now, if there are any of these bills which you do not want to be included you, as chairman of the committee, should prepare an amendment and come and offer it in our bill excluding specifically what you shall retain under your jurisdiction. I supposed it was the Niagara Falls matter that they wanted to retain. There is no question on earth that the genleman from Virginia [Mr. FLOOD], the chairman, understood that we would not undertake to legislate for the boundary streams, especially Niagara Falls.

Mr. HARRISON of Mississippi. But the committee is legislating for Niagara Falls.

Mr. SIMS. I do not know about that. The bill was drawn, as the gentleman knows, by a departmental expert and submitted to the three Secretaries, and they went over it and perfected it and submitted it to the President. It never was my understanding that it was intended to include Niagara Falls. I do not know whether it would be included or not.

Mr. HARRISON of Mississippi. In view of that statement, and the fact that the Foreign Affairs Committee has had it up so long, and it is so important a matter, does not the gentleman think that he ought to offer an amendment to exclude Niagara Falls boundary stream?

Mr. SIMS. I do not take the position that the language does include it, that it does include boundary rivers in the United States. I will say that I will not oppose any amendment of that sort.

Mr. PARKER of New Jersey. Will the gentleman allow a suggestion? It seems to me that no bill could touch Niagara Falls unless it was under some treaty. There is no treaty which allows us to touch that matter by a general bill.

Mr. HARRISON of Mississippi. There is a treaty.

Mr. PARKER of New Jersey. All the water allowed by that treaty is already taken care of.

Mr. HARRISON of Mississippi. This complicates the thing——

Mr. PARKER of New Jersey. I want to avoid complications, and it seems to me that it would be worth while to leave the bill in such a form that when a new treaty was negotiated it could simply say that the matter should be taken care of by this commission without new legislation.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that this amendment be passed over without action at this time in order to give the gentleman from Virginia [Mr. FLOOD] and the Committee on Foreign Affairs an opportunity to determine just what they want to do with reference to the exclusion of boundary waters, and what boundary waters. I understood all the time it had reference to waters included in the treaty which has been referred to.

Mr. FOSTER. Why not add to the amendment of the gentleman from Mississippi [Mr. HUMPHREYS] a provision which will make it apply only to boundary streams?

Mr. SIMS. I would not oppose it, but the amendment he has offered applies to all the projects in the bill, which in good faith I could not accept.

Mr. HUMPHREYS. The provision in the bill is that they can issue licenses, and so forth, along or in any of the navigable waters of the United States, and my amendment proposed to except boundary streams, and the committee refused to accept this. It includes now all streams, and when that was voted down I offered an amendment to require them to come to Congress, to get the consent of Congress in all cases, because you would not make an exception of boundary streams.

Mr. SIMS. If the gentleman will change his amendment so as to provide they shall come to Congress on boundary improvement, I shall support it most heartily.

Mr. FERRIS. Why not do this: This bill is going to be before the House for two or three days yet, and I am sure that some of the members of the Committee on Foreign Affairs desire to have it in the bill, fearful that they can not get anything done, so I think we should adopt the suggestion of the chairman and leave the matter open, so that it will be subject to amendment at the suggestion of the Committee on Foreign Affairs. If they desire to go ahead and legislate by an independent bill, then exclude it; but if it develops that they want to have it in this bill so that they can get something done in this comprehensive plan, we can include it.

Mr. HARRISON of Mississippi. My own idea is that the Niagara Falls proposition ought to be excluded from the consideration of this bill altogether.

Mr. HUMPHREYS. Why not make it broad enough to cover the rapids below Niagara Falls and the rapids in the St. Lawrence River? Why limit it to Niagara Falls?

Mr. FERRIS. The gentleman would not have any objection to allowing the Committee on Foreign Affairs to consider it?

Mr. HUMPHREYS. No.

Mr. SIMS. I ask unanimous consent that further action upon this amendment be postponed.

Mr. FERRIS. Oh, no; let us vote down this amendment.

Mr. SIMS. I have no objection to voting down this amendment as it is now offered.

Mr. FERRIS. That leaves the matter open for the gentleman's other proposition.

Mr. RAKER. Mr. Chairman, I desire to be heard upon the amendment.

Mr. SIMS. Then I ask that all further debate upon this amendment be limited to five minutes.

The CHAIRMAN. Is there objection?

Mr. WALSH. Mr. Chairman, reserving the right to object, I think after all of this offside discussion we ought not to close debate upon an important amendment in five minutes.

Mr. FERRIS. But it has already been debated.

Mr. SIMS. Debate has been going on for half an hour.

Mr. WALSH. I thought this was about postponing. I thought that was what was taking up so much time.

Mr. SIMS. No; it is on the specific amendment requiring them to come to Congress upon all projects.

Mr. RAKER. Mr. Chairman, reserving the right to object to the gentleman's request, this bill covers a general scheme, and if the two gentlemen from Mississippi desire to include a specific amendment excluding boundary streams, why do they not wait until we get to the proper place in the bill and at the end of section 28 insert language that the provisions of the bill shall not apply to boundary streams?

Mr. HARRISON of Mississippi. I did not know this was included; I was asking to get information, and I find it is.

Mr. RAKER. Why botch up this bill with the boundary waters and other things when you have it clear covering all of the streams, and if you want to exclude any particular stream or boundary water, when you get to the proper place in the bill, then a provision may be inserted that the bill shall not apply to boundary streams.

Mr. HUMPHREYS. Why not do this while we are in this spirit of conciliation and agreement. I have no desire in the world to insist upon the pending amendment if the powers of this commission to issue licenses do not extend to boundary streams. Insert the words I suggest, "except boundary streams." It belongs there just as much as anywhere else. It does not botch it up any more here than it would to put it in somewhere else. If the gentleman will consent to let that amendment go in there so they may issue licenses on any of the navigable waters of the United States, except boundary streams, I shall withdraw the pending amendment.

Mr. RAKER. Is not what the gentleman wants that the provisions of this bill shall not apply to boundary waters?

Mr. HUMPHREYS. Yes.

Mr. RAKER. Why not wait until we get to that provision of the bill and insert it there?

Mr. HUMPHREYS. Because I have already reached the place where, in my opinion, it belongs, and that is after the words "United States," in line 7, page 29.

Mr. McARTHUR. Mr. Chairman, I demand the regular order.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that at any time before the final disposition of the bill in Committee of the Whole an amendment may be prepared and offered by any member of the Committee on Foreign Affairs carrying out what they intended when the Committee on Rules brought in a rule covering what is intended to be excluded. I think good faith demands it.

Mr. FOSTER. Do not limit it to the Committee on Foreign Affairs—provide that an amendment may be offered

Mr. SIMS. We want them to prepare it.

Mr. FOSTER. Not necessarily.

Mr. WALSH. I shall have to object.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. Mr. Chairman, I was recognized for five minutes and yielded to the gentleman to ask unanimous consent, so my time has not commenced yet.

The CHAIRMAN. The gentleman had yielded part of his time to the gentleman——

Mr. RAKER. I just yielded to ask unanimous consent.

Mr. SIMS. Mr. Chairman, if we can not get unanimous consent, I suppose we will have to vote and be done with it.

The CHAIRMAN. The regular order has been demanded, and the regular order is upon the motion of the gentleman from Mississippi. The question is on the amendment of the gentleman from Mississippi.

The question was taken, and the amendment was rejected.

Mr. HUMPHREYS. Mr. Chairman, I want to direct the attention of the gentleman to another matter. On page 31, line 13, this language appears in the provision in which you give them power to hold hearings and other testimony to be taken as deposition at any designated place in connection with the issuance of any permits or license or the regulation of rates, services, or securities:

> And to require by subpœna, signed by any member of the commission, the attendance and testimony of witnesses and the production of documentary evidence from any place in the United States.

Now, I suggest to the gentleman that he put some limitation there. For instance, take the words in line 20, "when duly designated by the commission for such purposes," but do not give to any member of this commission the right to sign a subpœna duces tecum that runs to any part of the United States against any citizen of the United States anywhere to bring any books before that commission. That is a power that ought not to be lodged in every individual member of the commission, and I suggest to the gentleman that he insert after that "when duly designated by the commission for such purpose."

Mr. SIMS. I want to say this was all very thoroughly thrashed out before the committee. The only object and purpose was that the commission as a commission would not have to be present and act on the issuance of every subpœna. They are not issued by the judges of courts; they are issued by the clerks——

Mr. HUMPHREYS. Oh, no; the gentleman is mistaken. If you want a subpœna duces tecum, you would be able to go to any member of this commission and he can issue it against anybody in the United States anywhere and designate any number of documents a man might have in his possession and require him to bring them before the commission. That is a matter of sufficient importance to be submitted to the commission for them to act and pass judgment upon.

Mr. SIMS. That is what the committee fully discussed and fully considered and did not think it was of sufficient importance and that it would only delay and prevent anything like expedition in issuing a subpœna to have a witness come and bring some books that all three of the Secretaries—the Secretary of War, Secretary of the Interior, and Secretary of Agriculture—must join in signing every subpœna direct or authorize some one to do it. It is making too much out of a small matter.

Mr. HUMPHREYS. It is not a small matter at all. You can issue a subpœna against a man in San Francisco to bring all his books to Washington City.

Mr. SIMS. Any judge of any court can do it.

Mr. HUMPHREYS. Any court can not do it; any member of a court can not do it. It occurs to me it should be submitted to the commission to say whether they will put this man to all this expense and trouble to bring all his books here. Let the commission pass judgment upon that and authorize it to be done.

Mr. SIMS. In the meeting of the commission, of course, everything of commission character will be discussed, while the Secretary of War is at one place discharging his duties, the Secretary of the Interior is at another, and the Secretary of Agriculture is here; and must you wait in order to have a joint order of all of those to issue a simple subpœna for a man to

bring a book or paper before the commission? It is placing too much importance and dignity to the signing——

Mr. HUMPHREYS. If the Secretary of War is to be in one place, the Secretary of the Interior in another, and the Secretary of Agriculture in another when they are performing their functions on this commission, then I think it is very desirable that some one person be required to give some little attention to the proposition regarding the rights of the people of the country who are being summoned here across the country, with all their records, books, and papers.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUMPHREYS. Mr. Chairman, I move to amend by inserting after the word "commission," in line 13, page 31, the words "when duly designated by the commission for such purpose."

The CHAIRMAN. The gentleman from Mississippi [Mr. HUMPHREYS] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUMPHREYS: Page 31, line 13, after the word "commission," insert the words "when duly designated by the commission for such purpose."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. HUMPHREYS].

Mr. ESCH. Mr. Chairman, just a moment. I think the provisions relative to the issuance of subpœnas in this section were taken largely from the provisions of the interstate-commerce act, the duties of which, in many respects, are analogous to those we are going to intrust to this commission. Under the interstate-commerce act any member of the commission can issue a subpœna, and the power is given to the examiners representing the commissioners to issue subpœnas wherever they happen to be taking testimony. It is done in the interest of expedition, and I believe they should have a like power in this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. HUMPHREYS].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 5. That each preliminary permit issued under this act shall be for the sole purpose of maintaining priority of application for a license under the terms of this act for such period or periods, not exceeding a total of three years, as in the discretion of the commission may be necessary for making examinations and surveys, for preparing maps, plans, specifications, and estimates, and for making financial arrangements. Each such permit shall set forth the conditions under which priority shall be maintained and a license issued. Such permits shall not be transferable, and may be canceled by order of the commission upon failure of permittees to comply with the conditions thereof.

Mr. WALSH. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question.

Is the purpose of this section to preserve the rights of persons who file applications for a term of three years in order that investigations might be had to determine whether the project is a feasible one and whether the party who files the application is the proper one to have a permanent license?

Mr. SIMS. I suppose the purposes of this permit can be gathered about as clearly from the language of the section as I can possibly state them.

Mr. WALSH. Now, it says, "and for making financial arrangements."

Mr. SIMS. That is something I never would have suggested putting in there, but it is in there, and it explains itself. They want to secure a permit and then investigate to see whether or not it is something they want to do, and get the information with reference to what it will cost to do it, and then go and see if they can borrow the money on the showing they can make from the survey. Now, those are my own surmises.

Mr. ANDERSON. If the gentleman will permit, if I understand this provision, its purpose is to give the applicant a priority right for three years, during which he has an opportunity to make soundings, make surveys, and get the data necessary for his permanent application for a 50-year license. It is for the benefit of the Government and for the benefit of the individual.

Mr. WALSH. Suppose a man has got all that when he walks up to this commission and files his application for a permit; suppose he has the data and he has the money; but suppose the next day, after such a person files this application, somebody else comes in and files an application, and that person has not the data and has not raised the money, will the man who the day before was all ready to go ahead have to wait three years before he can get his permit, while the commission is securing this data and giving this other party who came in 24 hours later an opportunity to raise the money and make financial arrangements?

Mr. ANDERSON. I should think not.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. WALSH. Yes.

Mr. DEMPSEY. The language itself shows that is not so. It says—

that each preliminary permit issued under this act shall be for the sole purpose of maintaining priority of application for a license under the terms of this act for such period or periods, not exceeding a total of three years.

In other words, the time is absolutely within the discretion of the commission, but it shall not exceed three years. So, if a man says "I am ready to go on," the commission, I suppose, which will be composed of reasonable men, will say, "We will grant you 10 days or 20 days or 30 days" instead of 3 years.

Mr. ANDERSON. If he went ahead he would not make an application for a permit at all, but would make an application for a license.

Mr. DEMPSEY. We are assuming he will ask for some reasonable time. The length of time will be absolutely within the discretion of the commission, and they will be influenced by the circumstances as they actually exist at the time.

Mr. WALSH. The point I had in mind in making the inquiry was whether a person who was ready to begin operations under his license could be compelled to wait any appreciable length of time, three years or less, because somebody the next day after he filed his application for a preliminary permit, came in and filed another one, but was not ready to go ahead. Now, what I wanted to ascertain was, would the commission take the time to investigate the plans and financial standing of both of these parties because they had filed their applications so near together and keep the man who was ready waiting a year and a half until the other fellow could raise his money?

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. Mr. Chairman, I ask unanimous consent for two minutes additional.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to proceed for two minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. DEMPSEY. I should assume that under this act the commissioners would have two things in view. The first thing would be as speedy a development as possible, and the second, subject to that, would be a development upon such reasonable conditions as would be just for the public and for the Government; and, taking these things into account, they would make their determination.

Mr. WALSH. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The gentleman from Massachusetts withdraws the pro forma amendment. The Clerk will read.

The Clerk read as follows:

SEC. 6. That licenses under this act shall be issued for a period not exceeding 50 years. Each such license shall be conditioned upon acceptance by the licensee of all the terms and conditions of this act and such further conditions, if any, as the commission shall prescribe in conformity with this act, which said terms and conditions and the acceptance thereof shall be expressed in said license. Licenses may be revoked only for the reasons and in the manner prescribed under the provisions of this act, and may be altered only upon mutual agreement between the licensee and the commission after public notice given for 90 days.

Mr. FRENCH. Mr. Chairman, I offer an amendment, which I send to the desk.

The CHAIRMAN. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Amend, page 32, line 24, by striking out the word "fifty" and inserting in lieu thereof the word "thirty."

Mr. FRENCH. Mr. Chairman, I shall just make a few remarks. The subject has been discussed fully, and there are wide differences of opinion. But it seems to me that in the development of hydroelectric power as it has been developed up to the present time we are not warranted in tying up the projects for so long a period as 50 years. In my judgment, a period of 30 years will give abundant time for length of bond for any of the interests that may desire to develop water power.

It is also my understanding, confirmed from an examination of the testimony before the committee, that bonds of this character are almost universally issued for a period of 30 years and not for a period of 50 years. Many private interests started out with the proposition of obtaining perpetual licenses, but the Congress will not listen to the proposition. They then fell back on the longest term of years possible—50 years. But, in my judgment, a 30-year period will be sufficient to make water-power bonds attractive, and we ought not to go beyond that period, and at the end of the period of 30 years the commission can make another readjustment, as conditions at that time may warrant.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. DEMPSEY. Are not the gentleman's remarks adapted to a condition not presented by the bill? The bill does not provide for a straight 50-year term. The bill provides for terms varying in time, but in no case exceeding 50 years. Might not the commission find in some circumstances 30 years to be a long term, while in other circumstances surrounding another project 50 years would not be considered long, but would be necessary to finance that project? Is not that the reason why the bill is written as it is, in order to give elasticity and to enable the development of all water powers and not exclusively those that are favorable projects, such as would be easy to float for a short term?

Mr. FRENCH. Of course, I realize that the House bill is much better than the bill which came over from the Senate, which provided for a term of absolutely 50 years. But I do not think the commission should take that as the term for which the lease should be issued.

This question, however, has been discussed so much that I do not care to trespass further upon the time of the committee, but I urge that the time be reduced from 50 years to 30 years.

Mr. FERRIS. Mr. Chairman, on four occasions the House has thrashed out and pretty well adjudicated this 50-year term, each time finally agreeing on 50 years as the maximum term. Secretary Lane, in behalf of that bill, and in behalf of this particular clause of the bill, had this to say:

A 50-year tenure is advisable because engineers, capitalists, and other interests in water-power development unite in asserting that a definite and fixed tenure is essential to secure development. Fifty years was fixed as the term because a permit for that period will enable the developers to finance the projects and through amortization, or otherwise, secure the return of their investment with interest thereon.

Mr. George Otis Smith, Director of the Geological Survey, and at the head of the water-power department in that bureau, has this to say of the 50-year term:

The 50-year term is of sufficient length to facilitate all reasonable bond issues and contracts on which large industries may be built up. A term lease with suitable renewal features provides for continued operation, much as does an indeterminate lease, but automatically requires a review of operations under the lease at the end of the term. Material modifications not now foreseen may become highly desirable and can readily be made on expiration.

Mr. Merrill, who is in the Water Power Division of the Agricultural Department, that has to do with water power on the forest reserves, has this to say:

It is advisable to grant a lease of considerable length in order that the lessee may have an opportunity to realize the expected profits upon his enterprise. Hydroelectric developments differ from many other public-utility enterprises, such as street railways, gas plants, water-supply systems, etc., in that they involve a much larger initial investment and can not be extended to meet increasing demands with the readiness that a street railway or a water-supply system can be extended. In an entirely new enterprise it may often take from 5 to 10 years for a hydroelectric plant to reach a point where it has paid off the early deficiencies in earnings and is operating on a profit-producing basis.

In addition to that, we had ex-Secretary Fisher before us, who was the Secretary next preceding Secretary Lane. He testified that he thought 50 years was the correct time, as did Mr. Gifford Pinchot.

In addition to this, as was suggested by the gentleman from New York [Mr. DEMPSEY], this is not a hard and fast 50-year term; it is a maximum of 50 years. And in the little one-horse projects of the West, so-called, you need a term as long as 50 years in order to secure proper development. Perhaps some of the larger ones would not need as long a time as that.

Mr. McARTHUR. What does the gentleman mean by "little one-horse projects in the West"?

Mr. FERRIS. I have no reference to the very extensive projects in the gentleman's territory. He has more water power than anything else. We hope to help him get it developed.

In addition to this, there are two crowds who have entirely different and opposite ideas about the proper term for a water-power franchise. One crowd of people advocating water-power legislation want it to be for one day only, as it is under the present law, giving the department the power to revoke without notice or the payment of anything. The other crowd want it to be forever, want it in perpetuity, want it without regulation, want it without royalties. I think it is but fair to the House and to the adjudication that it has heretofore given the matter to stick pretty close to this maximum of 50 years. I think we can not go very far wrong on that. For that reason I think the gentleman's amendment ought to be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho [Mr. FRENCH].

The question being taken, the amendment was rejected.

Mr. WALSH. Mr. Chairman, I move to strike out the last four words, and I should like to direct the attention of the distinguished chairman of this special committee to the language in line 9, on page 33, which says:

And may be altered only upon mutual agreement between the licensee and the commission after public notice given for 90 days.

Under that construction it would seem that some sort of a notice would have to be given every day for 90 days. Would not this language be clearer and would it not accomplish the purpose by saying:

And upon mutual agreement between the licensee and the commission after 90 days' public notice.

Mr. SIMS. I would like to say to the gentleman from Massachusetts that this portion of the bill was put in by an amendment offered by the gentleman from California [Mr. RAKER], to whom I will now yield to explain it.

Mr. WALSH. I thank the gentleman sincerely for giving the author of this peculiar language a chance to explain it.

Mr. RAKER. It is a sort of strained construction that the gentleman places upon it—very strained, indeed, as I view it.

Mr. WALSH. Strained or strange?

Mr. RAKER. Both strained and strange.

And may be altered only upon mutual agreement between the licensee and the commission—

That is one condition—

after public notice—

That is another condition. There must be public notice.

Mr. WALSH. Public notice must be given.

Mr. RAKER. It says—

After public notice given for 90 days.

Mr. WALSH. Yes; it sounds like a jail sentence.

Mr. RAKER. There is no distinction in the use of language if you say that a man shall go to jail for 90 days or that you shall give notice for 90 days.

Mr. WALSH. The gentleman is aware that the usual phraseology is—

After 90 days' public notice.

Mr. RAKER. No; not necessarily. I appreciate the stricture made by the gentleman, but this means that there must be a notice given——

Mr. WALSH. For 90 days.

Mr. RAKER. This notice must run 90 days. No action can be taken in regard to the adjustment of the agreement, and the commission has no power to act until after 90 days' publication of this notice. You might say—

After giving notice for 90 days—

or—

After giving 90 days' notice.

It means just the same. I am no stickler for words—results are what we are after. The amendment provides for that. The mere phraseology as to where you place these words as suggested will make no material difference. Notice for 90 days before the agreement can be acted upon is what we are after. This we will get as the bill now stands or as suggested by the gentleman from Massachusetts. It is quite immaterial where you place these words, either before or after the words "public notice."

Mr. WALSH. I think, if the gentleman will permit, that the ordinary construction which would be placed on that language is that this notice would have to be given for 90 days; that is, the publication would have to be in fact for 90 days, and probably it would require the publication in the newspaper every day for 90 days.

Mr. RAKER. That is all right.

Mr. WALSH. In some communities where these water powers are developed they might not have any daily newspaper.

Mr. RAKER. There might be a weekly newspaper.

Mr. WALSH. It would not be published then for 90 days.

Mr. RAKER. Yes; it would.

Mr. WALSH. Not unless they got out an extra edition.

Mr. RAKER. No; as often as the paper was published it would remain in the paper from the first day of publication, so that the notice would be published in the paper for 90 days. It does not say in a daily or a weekly newspaper.

Mr. WALSH. Mr. Chairman, I move to amend the section by striking out in line 9, page 33, the words "given for 90 days" and insert, after the word "after," in line 9, before the word "public," the words "ninety days," so that it will read "and the commission after ninety days public notice."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 33, line 9, after the word "after," insert the words "ninety days," and after the word "notice" strike out the words "given for ninety days."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken and the amendment was agreed to.

Mr. WALSH. May I ask the chairman of the committee how late he expects to run this evening? The next section, I understand, may provoke some discussion.

Mr. SIMS. Judging from the past, when the gentleman from Massachusetts asks such a question as that I deem it better to move that the committee rise.

Mr. WALSH. I am willing for the next section to be read.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 7. That in issuing preliminary permits or licenses hereunder the commission may in its discretion give preference to applications therefor by States and municipalities provided the plans for the same are deemed by the commission to be best adapted to conserve and utilize in the public interest the navigation and water resources of the region; and as between other applicants, the commission may likewise give preference to the applicant the plans of which it finds and determines are best adapted to develop, conserve, and utilize in the public interest the navigation and water resources of the region.

That whenever, in the judgment of the commission the development of any project should be undertaken by the United States itself, the commission shall not approve any application for such project by any citizen, association, corporation, State, or municipality, but shall cause to be made such examination, surveys, reports, plans, and estimates of cost of the project as it may deem necessary, and shall submit its findings to Congress with such recommendations as it may deem appropriate concerning the construction of such project by the United States.

Mr. CLARK of Missouri. Mr. Chairman, I would like to ask the gentleman from Tennessee a question. How long does the gentleman think it is going to take to finish this bill?

Mr. SIMS. It is utterly impossible for anybody to state definitely, but I hope that we may finish it to-morrow. If we do not, I am not going to ask to have Monday, as far as this bill is concerned.

Mr. CLARK of Missouri. The reason I ask is because Members are constantly asking about the program for next week, and I wanted the information upon which to found information.

Mr. SIMS. If we can keep a quorum here to-morrow, I think we ought to finish it, but if not, certainly on Tuesday.

Mr. GILLETT. Does the gentleman from Tennessee mean by that that he expects to take the bill up Monday?

Mr. SIMS. No; I do not.

Mr. GILLETT. My understanding is that we expect to meet on Monday and take up the Unanimous-Consent Calendar.

Mr. DOREMUS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 33, line 11, after the word "commission," strike out the words "may in its discretion" and insert in lieu thereof the word "shall"; in line 14, after the word "commission," strike out the words "to be best" and insert the words "as well"; in line 16, after the word "region," insert "as the plans of other applicants."

Mr. SIMS. Mr. Chairman, with this amendment pending, and without waiting to take any further action by the committee, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 1419, the water-power bill, and had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. WINGO, by unanimous consent, was given leave of absence for one day, on account of illness in his family.

ADJOURNMENT.

Mr. SIMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until to-morrow, Saturday, August 31, 1918, at 12 o'clock noon.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. EDMONDS: A bill (H. R. 12847) amending the Revised Statutes covering the naturalization laws; to the Committee on Immigration and Naturalization.

By Mr. BYRNS of Tennessee: Joint resolution (H. J. Res. 323) making appropriations for certain necessary operations of the Government and of the District of Columbia for the month of September, 1918, and for other purposes; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COOPER of West Virginia: A bill (H. R. 12848) to correct the military record of Marion Workman; to the Committee on Military Affairs.

By Mr. HULL of Tennessee: A bill (H. R. 12849) granting an increase of pension to Logan Hufhines; to the Committee on Invalid Pensions.

By Mr. WARD: A bill (H. R. 12850) granting a pension to Annie S. Marsh; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BRODBECK: Petitions of Council of Christ Evangelical Church, Spry, Pa.; of Zion Reformed Church, of York, Pa. (52 signatures); and of the St. John's Reformed Church, Red Lion, Pa. (43 signers), in favor of war-time prohibition; to the Committee on the Judiciary.

By Mr. BYRNS of Tennessee: Papers accompanying a bill granting increase of pension to Charlotte C. Brandau, widow of Dr. Gustavus R. Brandau; to the Committee on Invalid Pensions.

By Mr. DALE of New York: Memorial of the Church Periodical Club of New York City, protesting against the application of the zone system to periodicals. Also, petition of J. Frank Howell, president of the Consolidated Stock Exchange, of New York, against the proposed tax on stock brokers; to the Committee on Ways and Means.

Also, resolution of the United Liquor Dealers' Association, of Kings County, N. Y., protesting against the proposed prohibition to the emergency Agricultural appropriation bill; to the Committee on Agriculture.

By Mr. GOOD: Petition of voters of Tipton, Iowa, for war-time prohibition; to the Committee on the Judiciary.

Also, petition of citizens of Atkins, Iowa, protesting against tax on gasoline; to the Committee on Ways and Means.

By Mr. GRAHAM of Illinois: Petition of R. W. Foster, Augusta, Ill., for prohibition of the use of grain, sugar, and coal in the manufacture of alcoholic and malt beverages; to the Committee on the Judiciary.

Also, petition of Rev. Fred Reed, pastor, and the members of the First Methodist Episcopal Church, of Augusta, Ill., for the passage of the war-prohibition bill at the earliest possible date; to the Committee on the Judiciary.

Also, petition of David K. Baxter, Nauvoo, Ill., and others for immediate national prohibition of the liquor traffic as a war measure; to the Committee on the Judiciary.

Also, petition of David H. Moran, Coal Valley, Ill., to prohibit the use of grain and cereals for the manufacture of alcoholic beverages; to the Committee on the Judiciary.

Also, petition of Rev. Frank Ferguson Ogle, pastor Presbyterian Church, Coal Valley, Ill., for "bone-dry" legislation for the duration of the war; to the Committee on the Judiciary.

By Mr. HADLEY: Petition from citizens of Blaine, Wash., urging a national "bone-dry" law as a war measure; to the Committee on the Judiciary.

By Mr. HERSEY: Petition of Mrs. Cynthia Harris and 25 other ladies of Dixmont, Me., urging war-time prohibition; to the Committee on the Judiciary.

By Mr. McCLINTIC: Memorial of the Ellis County Sunday School Association, favoring the war prohibition measure; to the Committee on the Judiciary.

By Mr. McLEMORE: Petition from the pharmacists of Waco, Tex., asking for the passage of the Edmonds bill, creating a pharmaceutical corps in the United States Army; to the Committee on Military Affairs.

By Mr. SANFORD: Petition of residents of Albany County, N. Y., favoring war prohibition; to the Committee on the Judiciary.

By Mr. SNELL: Petition of citizens of Champlain, N. Y., favoring war prohibition; to the Committee on the Judiciary.

By Mr. TOWNER: Petition of seven Protestant churches of Creston, Iowa, concerning the appointment of chaplains in the United States Army; to the Committee on Military Affairs.

SENATE.

SATURDAY, *August 31, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come before Thee at the beginning of the tasks of a new day to make mention of Thy name and recognize Thy sovereignty in all the earth. We know that we can not make laws that contravene Thy law. We can not succeed in establishing justice and peace among men apart from the divine guidance. And yet into our hands have been committed the interests of unborn generations who wait upon the issue of

this day and the performance of the duty of Thy servants in this Senate. Do Thou give special guidance and blessing that we may do all things according to Thy will. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

Mr. McCUMBER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Brandegee	Kendrick	Overman	Smoot
Chamberlain	Kenyon	Phelan	Sterling
Curtis	Lenroot	Saulsbury	Swanson
Fernald	Lodge	Shafroth	Trammell
Gore	McCumber	Sheppard	Underwood
Johnson, Cal.	McNary	Sherman	Wilfley
Johnson, S. Dak.	Nelson	Simmons	
Jones, N. Mex.	Norris	Smith, Ariz.	
Jones, Wash.	Nugent	Smith, Md.	

Mr. CURTIS. I desire to announce that the junior Senator from Minnesota [Mr. KELLOGG] is absent on account of illness in his family.

Mr. SHEPPARD. I wish to announce that the Senator from Arizona [Mr. ASHURST], the Senator from Rhode Island [Mr. GERRY], the Senator from Montana [Mr. WALSH], the Senator from Arkansas [Mr. KIRBY], and the Senator from Mississippi [Mr. WILLIAMS] are necessarily absent on official business of the Senate.

The PRESIDENT pro tempore. Thirty-three Senators have answered to their names. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. DILLINGHAM, Mr. NEW, Mr. POINDEXTER, Mr. SUTHERLAND, Mr. VARDAMAN, Mr. WARREN, and Mr. WATSON answered to their names when called.

Mr. MCKELLAR, Mr. HENDERSON, Mr. SHIELDS, Mr. FALL, Mr. KIRBY, Mr. BENET, Mr. RANSDELL, Mr. THOMAS, and Mr. BANKHEAD entered the Chamber and answered to their names.

Mr. SUTHERLAND. I wish to announce that my colleague, the Senator from West Virginia [Mr. GOFF], is absent owing to illness.

The PRESIDENT pro tempore. Forty-nine Senators have answered to their names. There is a quorum present.

NOTICE UNDER UNANIMOUS-CONSENT AGREEMENT.

Mr. SMOOT. Mr. President, Senate resolution 289, submitted by the Senator from Missouri [Mr. REED] August 12, reads as follows:

That the Sergeant at Arms be instructed to notify all absent Members that on Thursday, August 15, unanimous consent will be asked to vacate the unanimous-consent agreement entered into on the calendar day July 30, 1918.

That resolution was ordered to lie on the table. I ask for its indefinite postponement.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PLACE OF DRAFT REGISTRATION.

Mr. McCUMBER. Mr. President, in connection with the morning business I desire to present to the Senate something that I think ought not to be delayed one moment, and I think the Senate, and, above all, those citizens of the several States who are at present located in the city of Washington doing official business, ought to be informed of it and should know what their rights are. It appears to me that there is being made one of the most brazen attempts on the part of the local registration board of the District of Columbia to secure the registration in the District of Columbia of every one of the thousands of clerks and Government employees now temporarily located in the District.

Mr. President, on Friday, August 30, a young man from my State called at my office in reference to the matter of his registering under the new draft law. The young man had been working for some time in the Geological Survey in the Interior Department. He received with his pay slip a little notification which I want to call attention to in a short time. The effect of it was that this citizen of North Dakota should not register in North Dakota, and the real effect of the whole slip, which is sent to every one of our clerks from every State—the real declaration is that he has no right to register in his own State, the State of his legal residence, and should register in the city of Washington.

Mr. President, I want first to call attention to the law approved May 18, 1917, in reference to registration.

Mr. CHAMBERLAIN. On what page?

Mr. McCUMBER. Page 5. It reads:

Provided further, That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein such registration may be made by mail under regulations to be prescribed by the President.

Right here I want to ask the chairman of the Committee on Military Affairs, who is conversant with all laws relating to registration, whether that provision has been modified in any way?

Mr. CHAMBERLAIN. The only modification of it that I know anything about is the modification in the draft act which was finally passed yesterday. That is really not a modification, but it covers in part the subject. The proviso at the end of section 3 is:

That in the case of temporary absence from actual place of legal residence of any person liable to registration as provided herein, such registration may be made by mail under regulations to be prescribed by the President.

Mr. McCUMBER. So far it is the same as the old law.

Mr. CHAMBERLAIN (reading)—

And provided further, That men registered under the provisions of this act who have served in the Navy of the United States shall, upon their own application, be permitted to reenlist—

And so forth.

It is practically a reenactment of the statute that the Senator has just read.

Mr. McCUMBER. That is what I understood. Now, I want the Senator to listen to this slip of paper that is being placed in the hands of every citizen of every State subject to draft who is now in the District of Columbia. This is what it says:

All men who have reached the age of 18 on registration day and who have not at that date reached the age of 46 must register. The only exceptions are those who have heretofore registered and those in the military or naval service of the United States.

Watch the newspapers for the date set for registration.

Now, here is what I want Senators to ponder over:

You must register at the designated place of the local board within the area of which you are a resident on registration day. Residence means the place where you actually live. The maintenance of a home and voting privilege elsewhere does not give you the right to register at such place.

In other words, residence and voting privileges and home in the State of Oregon, or Minnesota, or Iowa, or North Dakota does not give the registrant the right to register in those States if he is actually living in the District of Columbia.

Mr. LODGE. May I ask who signs that order?

Mr. McCUMBER. The central registration committee.

Mr. LODGE. The central registration committee of Washington has not the power to set aside the law. That sets aside the law, which specifically gives to these persons the right to register by mail in the States where they really live and where they have their voting privilege, and it ought to be stopped at once. There is no reason why men who are registering in your State or mine should be added to the Washington quota.

Mr. McCUMBER. That is not half of what is in this little slip that is sent out. Not only is there that declaration which is not true, but there is a plea and a bid to each individual that he shall forget his home and register in the District of Columbia for certain conveniences that will be given him there.

Mr. CHAMBERLAIN. May I suggest to the Senator that under section 55 of the rules and regulations adopted by the Provost Marshal General the rule that he insists upon is put into operation; that is, that the proper place to register is the man's permanent home.

Mr. McCUMBER. Yes; I called up the Provost Marshal General, and he said that was right, and asked who it was who was sending out notices of that kind. It was found out, let me say to the Senator, that every one subject to draft in the city of Washington has received one of these slips, and this morning these slips were being shoved under the doors of the several offices in the Senate Office Building in the city of Washington.

Mr. CHAMBERLAIN. May I read that rule to the Senator?

Mr. McCUMBER. Certainly.

Mr. CHAMBERLAIN. Section 55 provides:

SEC. 55. Registration by mail: The proper place for filing a registration card is the local board having jurisdiction over the place in which the registrant has his permanent home. If, for any reason, it is inconvenient for the registrant to present himself in person to such local board, he may accomplish his registration by applying to the local board nearest him and having his registration card filled out and certified by such local board and himself mailing his registration card to the local board having jurisdiction over the place in which he has his permanent home. In such case the local board certifying to the registration card shall not issue a registration certificate, but the local board having

jurisdiction over the place in which the registrant has his permanent home shall issue a registration certificate upon receipt of the registration card.

Where persons have attempted to register by mail and it appears that their registration cards have not reached their destination, they should promptly cause themselves to be registered as herein provided.

The Senator will see from that that the proper course of procedure for the boards here is to grant the young men the right to register here, but they have to take note of their permanent home.

Mr. McCUMBER. Yes; but the Senator will see here that, instead of that, the registration committee specifically state that these boys should not register as of their own legal residence, because, they say—

Residence means the place where you actually live. The maintenance of a home and voting privilege elsewhere does not give you the right to register at such place—

That is not true. Then they go on:

nor does registration in the District of Columbia in any way affect your voting or your right to vote in the city, town, or State from which you came to the District of Columbia and to which you may expect to eventually return.

Mr. LODGE. May I ask the Senator a question?

Mr. McCUMBER. Certainly.

Mr. LODGE. Do I understand from what the Senator has just read that the registration board of the District of Columbia permits men who are voters in Massachusetts or Illinois, or elsewhere, to continue to vote?

Mr. McCUMBER. Yes; it preserves to them that privilege, which the Constitution assures them.

Mr. LODGE. That strikes me as very liberal indeed.

Mr. McCUMBER. It is very considerate of them. That is not all, Mr. President. Let us see this bid now. After stating to these young men that the proper place for them to register is not in their own States, where their legal residence is, but in the District of Columbia, they go on further and say:

Registration in the District of Columbia will be of the greatest advantage to you. The local board in the District of Columbia which handles your case is within easy reach, and you can personally ask and have answered at once all questions in connection with any feature of your case. Any necessary affidavits which are to be filed in connection with your particular business, employment, or job can be made better if you register here, as your business or employment is here. The District board, which handles all appeals and industrial or agricultural claims, is also here, and you will again have the advantage of immediate action in your case.

Your physical examination can be accomplished here, both by the local board and medical advisory board, and you are saved all travel expenses incident to appearance for the physical examination. This means untold advantage to you, as the experience of hundreds of registrants of previous registrations has been that out-of-town local boards have failed to answer letters and telegrams, with the result that hundreds of men living in the District of Columbia, but registered outside thereof, have been declared delinquents or deserters from the Army, when the men were not at all in fault, but could not get the out-of-town board to act promptly.

The above regulations and conditions apply to all except transients, who alone will be permitted to register at the city post-office building.

CENTRAL REGISTRATION COMMITTEE.

Mr. President, this notice came in the pay check of this boy, who is an employee of the Interior Department, and I have ascertained that similar notices have been sent out to everyone working in that department and, I think, everyone in the city. I called up the chief clerk of the Interior Department and was advised by him that he had put this notice in the envelope of every male employee of the Interior Department, and that he did so at the request of the local draft board of the District of Columbia. I then called up the Provost Marshal General and was advised that the registration rules provided that men should register where they have their homes, and that this young man should register in North Dakota, where his parents reside, and which is his real home.

Mr. President, that is the bid and that is the declaration. Now let us again turn to the instructions to registrants and see how this cunningly devised instrument would naturally lead every one of the boys to register as of Washington, at such and such a number and street. I notice here instructions to registrants under the new age limit, which instructions have been sent to all draft boards. This is from the Official Bulletin of Wednesday, August 28, 1918, and tells how to register:

Question 2. Permanent home address. This means where you have your permanent home now.

They have put the word "now" in big capitals, but they have left the word "permanent" in the same kind of type as is the rest of the statement—

not—

In italics—

the place where you work, nor the place where you were born, unless that is your permanent home. Be prepared to give it this way: "100 Woodward Avenue, Detroit, Wayne County, Mich.," or "R. F. D. No. 2, Jonesville, Smith County, Pa."

Now I turn here to the registration certificate. It is a blank form already printed and is as follows:

P. M. G. O. Form No. 68.

REGISTRATION CERTIFICATE.

To whom it may concern, greetings:

These presents attest that in accordance with the proclamation of the President of the United States and in compliance with law,

_____

(First name.) (Middle name.) (Last name.)

_____

(No.) (Street or R. F. D. No.) (City or town.) (County.) (State.)

has submitted himself to registration and has by me been duly registered this _____ day of _____, 1918, under the supervision of the local board designated on the back hereof.

_____,

Registrar.

[Place stamp of local board on back of this card.]

The very form that is used there is a form that is intended only in cases where the applicant is registered in his own actual place of legal residence.

Mr. President, what is this for? What is the purpose of it?

Mr. JONES of Washington. Mr. President, before the Senator proceeds will he yield to me?

Mr. McCUMBER. I yield to the Senator.

Mr. JONES of Washington. I want to ask the Senator if he knows whether or not the War Department exercises any supervision over notices that are gotten out by the local boards?

Mr. McCUMBER. I do not know. That is the question which I am presenting at this time, in order that the chairman of the Committee on Military Affairs, who is in more direct communication with the War Department, may call attention to this, and see that this method of securing for the benefit of the District of Columbia the registration of some thirty or forty thousand clerks who ought to be credited elsewhere shall not be successful.

Mr. JONES of Washington. Mr. President, it looks to me as though the War Department ought to exercise supervision in all matters of that sort, in order that there may be uniformity of action by all the local boards in such cases.

Mr. McCUMBER. Even without any such suggestion whatever, Mr. President, many employees would not be able clearly to differentiate between legal residence and actual place of living or temporary residence. That being the case, this board has taken hold of them and has made it clear to them that legal residence is not to be considered at all, but only their temporary place of abode is to be considered. Their real home, therefore, probably would not be given at all.

Now, why is this done? I will tell you, Mr. President: In this way the registration in the District of Columbia will be greatly increased and the registration lists of each one of the various States will be to just that extent diminished. The District of Columbia will get credit for these men, whereas the States of which they are citizens will not get any credit. It is apparently, Mr. President, an attempt on the part of the District board to swell the registrants in the District of Columbia. Whether this is due to local pride or with the idea of relieving labor conditions I am not prepared to say; but labor conditions here are nowhere near as bad as they are in the rural districts of the United States, and especially in the State of North Dakota.

Mr. SUTHERLAND. Mr. President, may I interrupt the Senator?

The PRESIDENT pro tempore. Does the Senator from North Dakota yield to the Senator from West Virginia?

Mr. McCUMBER. I yield to the Senator.

Mr. SUTHERLAND. Would not the effect of this also be to relieve the District from supplying its proper quota from its local bona fide residents?

Mr. McCUMBER. It will not only relieve them from supplying their proper quota, but it will allow the number which would be measured by that relief to do the kind of work that is being done here all around us, where men are in each other's way, where none of them are doing more than 35 per cent of a man's work, while the whole agricultural section of the United States is crying for labor.

Mr. President, I hope the Senator from Oregon will call attention to this circular in order that its evil effect and unlawful purpose may be frustrated.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House further insists upon its disagreement to the amendments of the Senate to the bill (H. R. 11692) making appropriation to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes, agrees to the further conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr.

SISSON, Mr. MCANDREWS, and Mr. DAVIS managers at the further conference on the part of the House.

The message also announced that the House had passed the bill (S. 4597) extending the time for the construction of a bridge across the Monongahela River at or near the city of Fairmont, W. Va.

ENROLLED BILL SIGNED.

The message further announced that the Speaker of the House had signed the enrolled bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917, and it was thereupon signed by the President pro tempore.

PETITIONS.

Mr. KENYON presented petitions of sundry citizens of Sioux City, Red Oak, Storm Lake, Tipton, Burlington, Garrison, Barnes, Alta, Dickens, Le Mars, Kirkman, Cushing, Ottumwa, and Britt, all in the State of Iowa, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. LENROOT presented a petition of prominent business and professional men of Milwaukee, Wis., praying for the postponement of the submission of the woman-suffrage amendment until after the war is over, which was ordered to lie on the table.

Mr. PHELAN presented a resolution adopted at a mass meeting of sundry citizens of Vorden, Cal., concerning the high cost of living, and favoring the enactment of legislation to reduce the high cost of living, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the Sunday School of the Calvary Presbyterian Church, of Riverside, Cal., praying for national prohibition as a war measure, which was ordered to lie on the table.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRANDEGEE (for Mr. MCLEAN):

A bill (S. 4898) granting a pension to Emeline C. Starr (with accompanying papers); to the Committee on Pensions.

By Mr. SAULSBURY:

A bill (S. 4899) granting an increase of pension to Jacob C. Wilson; and

A bill (S. 4900) granting an increase of pension to John A. McAleer; to the Committee on Pensions.

A joint resolution (S. J. Res. 170) to make the Star-Spangled Banner, as edited by T. Leslie Carpenter, B. Mus., the official national anthem of the United States of America (with accompanying paper); to the Committee on the Library.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed the following acts:

On July 15:

S. 3009. An act granting the consent of Congress to the P. M. C. Coal Co. to construct and maintain a bridge across Tug River, connecting Pike County, Ky., and Mingo County, W. Va.

On July 16:

S. 4444. An act to pension widows and minor children of officers and enlisted men who served in the war with Spain, Philippine insurrection, or in China; and

S. 4555. An act to validate certain public-land entries.

On July 30:

S. 3529. An act to repeal the act entitled "An act to incorporate the National German-American Alliance," approved February 25, 1907.

PUBLIC-LAND ENTRIES FOR SOLDIERS.

Mr. CHAMBERLAIN. I move that the Senate proceed to the consideration of the joint resolution (S. J. Res. 169) regulating the operation of the act entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917."

The PRESIDENT pro tempore. The Chair had occasion yesterday to suggest that under the unanimous-consent agreement no other business than the unfinished business can be considered except when that shall have been temporarily laid aside.

Mr. GORE. I ask unanimous consent that the unfinished business be temporarily laid aside.

The PRESIDENT pro tempore. The Chair lays before the Senate——

Mr. JONES of New Mexico. Mr. President, do I understand that the request of the Senator from Oregon is the matter that is now before the Senate?

The PRESIDENT pro tempore. The Chair is about to lay before the Senate the unfinished business, which the Senator from Oklahoma has asked may be temporarily laid aside. The Chair lays before the Senate a bill the title of which will be stated.

The SECRETARY. A bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

Mr. GORE. I ask unanimous consent that the unfinished business may be temporarily laid aside in order to afford the Senator from Oregon an opportunity to prefer his request.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oklahoma?

Mr. JONES of New Mexico. Mr. President, I understand the purpose of the request is to enable the Senator from Oregon [Mr. CHAMBERLAIN] to ask for the consideration of the joint resolution which was submitted to the Senate yesterday afternoon. I do not care to be unreasonable about this matter at all, but I think that it developed yesterday that that joint resolution ought to receive consideration by the Committee on Public Lands. The joint resolution was prepared hastily; the report upon it was signed by members of the committee without any session to consider it; it was simply passed around in a perfunctory way by the clerk of the committee, as many such matters are, and I am sure that the members of the committee who signed that report have not given to it careful consideration. No harm can come by letting the Committee on Public Lands further consider the joint resolution.

Section 8 of the bill which we passed yesterday by adopting the conference report simply provided:

That any person, under the age of 21, who has served or shall hereafter serve in the Army of the United States during the present emergency, shall be entitled to the same rights—

And so on.

No rights can accrue under that provision until after the boys of the country under 21 years of age are registered and actually brought into the Army and shall have served in the Army.

Mr. JONES of Washington. Mr. President, I rise to a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Washington will state his parliamentary inquiry.

Mr. JONES of Washington. Is the request for unanimous consent to lay aside temporarily the unfinished business debatable?

The PRESIDENT pro tempore. The Chair does not think so, particularly now.

Mr. JONES of Washington. I ask for the regular order.

Mr. JONES of New Mexico. I understand that I am talking out of order, but I wish to explain my position, and I am sure that no Senator cares to cut off an explanation which a Senator may desire to make.

Mr. JONES of Washington. No; I do not desire to do that; but I thought the Senator was discussing the merits of the proposition.

Mr. JONES of New Mexico. I do not care to discuss it except for the purpose of showing that there is no emergency for the consideration of this joint resolution, and I shall have to interpose an objection to its present consideration.

Mr. JONES of Washington. I withdraw my request.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield to the Senator from Wisconsin.

Mr. LENROOT. The Senator states that no harm could come from delaying action for the reason that the provision of the conference report would not become effective until after registration had been had of the boys of 21 years and under. I wish to call the attention of the Senator to the fact that immediately upon the signing of the draft-extension bill there will be more than 200,000 boys under 21 years of age now in the service, who can on the next day make application for homesteads under the provisions of the law.

Mr. JONES of New Mexico. I suppose the Senator refers to those who have already volunteered and are in the service. I am glad the Senator calls attention to that. I had in mind, of course, only the vast number of boys who will be brought into the service under the bill which we passed yesterday. Now, it seems to me that the Committee on Public Lands ought to consider this matter further, and, with the hope that the committee will do so at once, I shall have to object to the present consideration of the joint resolution.

Mr. CHAMBERLAIN. Mr. President, I do not understand that that is the matter before the Senate. The Senator from Oklahoma [Mr. GORE] asked unanimous consent to temporarily lay aside the unfinished business; and the Senator from New Mexico interposes an objection to laying aside the unfinished business because he does not want to have the Senate proceed with the consideration of the joint resolution to which he refers.

Mr. JONES of New Mexico. That is precisely my position.

The PRESIDENT pro tempore. Objection is made.

Mr. FALL. Mr. President, as a matter of personal privilege at this moment I think I should like to make a statement with reference to this bill, the joint resolution, and the objection of my colleague [Mr. JONES]. I think this is the second time in my experience in the Senate that I have ever sought to inject myself into the proceedings of the Senate; but, in view of the fact that the debate continued at some length yesterday, at the instance of my colleague, and was continued by him, I think that I should make an explanation to the Senate, in justice to myself, as to the status of this matter at this time.

I regret very much that my action in offering the amendment which was adopted by the Senate and by the House and by the conferees did not meet with the approval of my colleague. I had no reason to think that it would be disapproved of by him, and I admit my error in not having consulted him about it before.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to his colleague?

Mr. FALL. Mr. President, I am making a personal statement. However, I yield to my colleague.

Mr. JONES of New Mexico. I am inclined to think that a wrong impression may prevail regarding my position if the statement just made by my colleague is not supplemented by something further.

On yesterday my colleague asked me, as I observe it in the morning's RECORD, if I was opposed to his amendment. At that time I had in mind the proviso to the amendment which had just been discussed somewhat by the Senator from Wisconsin [Mr. LENROOT], and having that proviso in mind occasioned the reply which I made at that time. I did state on yesterday that the purpose of the amendment met with my entire approval, and I thought it would eventuate in effecting a very commendable thing. The general purpose of the provision which has gone into the bill, and which was put there at the instance of my colleague, does meet with my approval; but the fact that it is necessary now to pass a joint resolution concerning it shows that it is not entirely satisfactory to my colleague himself.

It is with a view of bringing about some adjustment of the matter, and framing legislation in such a way as shall meet the views of all Senators who understand the situation, and who want to accomplish the same end, that I am seeking to have the Committee on Public Lands consider the whole question.

Mr. FALL. If I may be allowed to continue, Mr. President, to correct the impression upon the mind of my colleague, he seems to think that I agree that some supplemental legislation is necessary to carry out or to perfect the provisions of the amendment known as the Fall amendment—to some extent erroneously so called—as it was adopted by the two Houses and as it has gone to the President. I was proceeding to state exactly what has occurred, and very frankly and unhesitatingly, as I always do. The Senate will know my position when I get through.

I drew this amendment, had it printed, and offered it as an amendment to section 8 of the Senate print of the bill. One of the Senators who was interested in the adoption of section 8, the Senator from Missouri [Mr. REED], made a request of me in the Senate, coupled with a statement that he favored the amendment, but requested that I might offer it as a separate section of the bill. I yielded, of course, with courtesy to the Senator and announced that at the proper time I would offer it. There was some little discussion at this point or later in the proceedings, and the Senator from Montana [Mr. WALSH], for whose great legal ability and learning we all have great respect in this body and whom we recognize as possibly being more familiar with the public-land statutes and with the statutes of the United States generally than almost any other Senator, suggested to me that under the law as it existed the purpose of the amendment might possibly be interfered with—I am not undertaking to repeat his language; it will be found in the RECORD—unless a further provision should be adopted in reference to the method through which the applicants might make their applications for entry. At that time I did not agree with the Senator, and so stated, that it was necessary to change the law. I took the position then that under its power to enact rules and regulations, having under the decisions of the courts the full effect of statutes unless contrary to the provisions of some law, the Department of the Interior itself could adopt regulations necessary to put the amendment as it stood into effect. The Senator from Montana, however, came to my desk with the law in his hands; and while he did not say positively that in his judgment it was necessary to adopt any further language, he yet thought that to clear up the matter it was best so to do. I yielded, through deference to his learning and his sincerity, without hesitation, therefore adding to the printed amendment the language with reference to the method through which these boys could apply for their homesteads; in other words, that they might make the application here or in a foreign country through anyone authorized by the laws of the State in which the land lay to take oaths or acknowledgments.

I should have made this statement when finally offering the amendment; but no opportunity presented itself to offer the amendment until after the hour of 4 o'clock had arrived, and under the unanimous-consent agreement I was precluded from speaking upon it. Otherwise, I should have then given credit—if credit can be obtained by anyone—to the Senator from Montana as the coauthor of this amendment, which has finally been adopted into legislation.

Mr. President, I was notified on yesterday morning that the Department of the Interior thought that something should be enacted by Congress, following the enactment of this legislation, in the line of the joint resolution which is now pending. At the request of certain Senators I met in the lobby of this building the Commissioner of Public Lands and Mr. Finney, and this joint resolution was there presented to me, already drafted, and the request was made that I should agree to support it. I again stated to those gentlemen what I had stated to the Senate here—that I had not thought the additional legislation engrafted in the amendment necessary to carry out the purposes of the amendment, but that if the Department of the Interior was impressed with the idea that that should have been adopted, and then should be clarified by the adoption of this joint resolution, I would adopt the suggestion of the Secretary of the Interior, whose suggestion I understood it to be, as explained to me by the Commissioner of Public Lands; that while I did not agree with him as to the necessity for it, I would assist to the best of my ability in the passage of the joint resolution. The chairman of the Military Affairs Committee [Mr. CHAMBERLAIN] was present during a portion of the time. The Senator from Montana [Mr. WALSH] was present during the entire time.

This is my position. I have nothing to do with the joint resolution here, except that at the request of the Department of the Interior I have agreed to support it, and I will do so.

Mr. President, there seems to be a misunderstanding in the minds of some of the Senators here with reference to what the amendment is intended to do, and the necessity for it. The law stands now, Mr. President, that an acknowledgement or a verification of a homestead application made by a soldier need not be made in the State or in the land district. It is not necessary to have it made even before an officer authorized to administer oaths, but under the statute itself it may be made before his commanding officer. Men 21 years of age are not in the condition that my colleague seemed to think when he said yesterday that he objected to boys here in Washington being allowed to enter lands in another State. They can enter lands in another State now. It is not necessary that they should be residents of the State or of the land district. Every man in the United States Army entitled to make a homestead, and who has not availed himself of the privilege, can make a homestead entry now in any State in the Union where he may find land suitable.

Mr. JONES of New Mexico. Mr. President——

Mr. FALL. I think I understand the law, and I will follow with a full explanation as to exactly what it is, if my colleague will allow me.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER (Mr. BANKHEAD in the chair). Does the Senator from New Mexico yield to his colleague?

Mr. FALL. I yield.

Mr. JONES of New Mexico. I did not rise for the purpose of discussing the legal question, but merely for the purpose of asking my colleague to express his opinion as to any reason for making a discrimination between the boys under 21 years of age and those over 21 years of age with respect to a relinquishment.

Mr. FALL. I will take great pleasure in explaining to my colleague my reason for this: It is simply because the boy over 21 years of age who has entered this army at this time—we are now dealing with war measures—has had his opportunity to

enter a homestead. He had that opportunity immediately upon arriving at the age of 21. If he has not availed himself of it, under the law he still can do so without any difficulty whatsoever. Under the law as it stands, it is impossible for the boy under 21 years of age, without some supplemental legislation such as we have enacted, even to avail himself of the privilege granted by the law which has been upon the statute books many years, that a soldier in the service of the United States even 18 years of age should have homestead rights. That is the law as it stands; but without supplemental legislation these boys who are being drafted and taken into the service have no opportunity at all to make a homestead entry except under certain conditions. If you put them in the same category as the other soldiers who are entitled to make a homestead entry, then they could make it when absent from the land district without the necessity of obtaining a furlough to go to the land district. They can make it under one condition. It has been the law, Mr. President, for 30 years or more—something like that; I am not exactly positive as to the date, but for many years—that a soldier need not go to the State nor to the land district to make his homestead entry before some officer within the district qualified to administer oaths or to accept the application. There has been, however, a condition attached to it, which condition allowed the fullest latitude for all the frauds which have been suggested by my colleague or the Senator from Wisconsin [Mr. LENROOT], or both, or anyone else.

The law as it stands to-day provides that a soldier may enter a homestead, having his application verified by his commanding officer, irrespective of his age, provided he is over 21, with only one condition—that either the soldier himself or some member of his family, whether a cousin, an aunt, an uncle, a parent, a sister, or some one else, whether such member of his family may have already exhausted his own homestead rights or not, may certify that such member of the family is upon the particular land which the soldier seeks to enter.

Mr. President, these are the facts with reference to the statutes as they stand.

The provision as drawn by me, with the amendment as offered by myself, suggested by and in the words of the Senator from Montana, had this object in view, and this alone, that boys of 18 years of age drafted in the Army should be entitled to have their homestead rights preserved until they were mustered out of the service.

I am one of those, Mr. President, who has been most insistent in opening the public lands, upon making easy the path by which homesteads could be obtained upon the remaining public lands, having, as I have at various times explained, in view not only the right of the homestead entryman but also the right of the State to have the land within its borders subjected to taxation.

I am aware of the fact that this amendment, if availed of in my State, may hold up, may segregate, because a homestead entry segregates the public lands involved—when the entry is placed upon the records in the filing books the land is segregated and is no longer subject to entry—I am aware of the fact that the soldier boys now in the service under 21 and over 18 years of age may avail themselves of the provisions of this act and may thus withdraw, assuming that they should avail themselves of its provisions within the State of New Mexico, very many millions of acres from entry in New Mexico, until they have had an opportunity after muster out to make their residence upon such land and to acquire such homesteads.

I can not indulge in the presumption, sir, that entries will be made for fraudulent purposes. I could not indulge in any such presumption, nor would I ever make a suggestion tending to lead one to believe that I indulge in any such presumption. However, the department has requested the passage of this joint resolution the second clause of which provides a very heavy fine and penalty for any cattleman—my colleague referred to cattlemen yesterday—who may solicit the making of an entry or a relinquishment by any such entryman, who for a consideration might perjure himself, because he must take an oath when he makes his application that it is for his own benefit, and to assume that the boys in the trenches would take such an oath for a few dollars at the solicitation of any cattleman or speculator would be for me to assume that they are perjurers, either when they enter the Army or because the Congress of the United States has offered them an opportunity to benefit by perjury.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to his colleague?

Mr. FALL. I yield for a question.

Mr. JONES of New Mexico. Does the Senator think that it would be an occasion for perjury if a cattleman should go to the boys in a cantonment and tell them that out near his ranch there is a large body of desirable land; if you make an entry of it, it will be held there until you come back from the war, and you shall then have a right to get title to this land from the Government of the United States, the result of the transaction being that the land would be segregated from the public domain upon the entry of the soldier, and the cattleman would have the exclusive use of it until after the war is over? That would not involve, as I see it, any perjury on the part of the soldier whatever; or, in other words, the law can be used for a vicious purpose without any violation of it.

Mr. FALL. That, of course, is a statement of my colleague, and a mere statement. I know of no law which can not be used for some vicious purposes and a violation of which law oftentimes goes unpunished.

Mr. President, I have referred to the entryman himself. I will now refer to the cattleman. I have heard in New Mexico, I may say, for many years, as well as here in this body and throughout the country generally, animadversions from time to time upon the cattle barons and others as seeking to defraud the Government and to retain in their own possession the public domain for their own use, that they sought to prevent homesteads being made upon their ranges. I have never heard them before condemned upon the theory that they would solicit the entry of homesteads upon their ranges.

Mr. President, I heard this 30 years ago in New Mexico. I recall very clearly that a propaganda was initiated there more than 30 years ago upon the theory that cattlemen and others had been defrauding the United States Government by securing the making of entries upon the public domain. I recall that there were various trials in New Mexico upon indictments charging such offense. I recall that there was one conviction, and one alone, and that was the conviction of a man charged with conspiracy in a joint indictment of 21 or 24 for such fraudulent practices, and that man was convicted because, upon cross-examination on the trial, he admitted that he was one of the men who robbed the grave of Abraham Lincoln, and he was convicted for that.

Mr. President, in so far as I am aware there have been no frauds committed by cattlemen in seeking to acquire public domain in my State. In so far as I am aware, and I have the personal acquaintance of almost every cattleman in my State, including my colleague, I can say here, sir, that I believe the cattlemen there generally would be just as honest, straightforward, and clean as would my colleague or myself, and we are both engaged in the cattle business in New Mexico. I will say, sir, that I do not believe that any cowman would find it to his interest to solicit of any soldier an entry upon that cowman's range, because the soldier might at any time take possession through a member of his family under the law as it exists now or under our court decisions through some one else representing him and deprive the cowman of the use of that land.

I can see nothing whatsoever in the fears which my colleague has expressed. I admit that I can see nothing whatsoever, with due respect to his very great ability and experience, in the statement which he has made with reference to either the amendment of the Senator from Montana offered by myself as a part of my amendment or in the objections which he urges to the joint resolution presented by the Department of the Interior through the Commissioner of the General Land Office and agreed to by myself, although I did not see the necessity for it.

With this explanation, Mr. President, I shall allow the matter to go until a necessity arises upon some future occasion.

Mr. JONES of New Mexico. Mr. President, I should like to inquire of my colleague if he believes it is necessary to pass this joint resolution at all?

Mr. FALL. I will answer that in this way, as my colleague so carefully answered my questions yesterday. If my colleague, upon whose judgment I ordinarily would depend very greatly, says that, in his judgment, it is necessary for the Public Lands Committee to report out a bill covering this general subject or amending my amendment as it has become a law, then I say to him yes, I think that it is just as necessary to pass this joint resolution as to have the Public Lands Committee authorize him to report out a bill of his own covering the subject.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 324) making appropriations for certain necessary operations of the Government for the month of September, 1918, and for other purposes, in which it requested the concurrence of the Senate.

STIMULATION OF AGRICULTURE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June

30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.

The PRESIDING OFFICER. The pending question is on the amendment offered by the Senator from Iowa [Mr. KENYON].

Mr. STERLING. I ask for a division of the question on the amendment of the Senator from Iowa. It includes a number of items.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. On page 3, beginning with line 1, the Senator from Iowa proposes to strike out the following:

Production of beef cattle, $105,000; live-stock production in the Great Plains region, $100,000; production of pork, $150,000; production of poultry, $129,600; production of sheep, $60,000; making cottage cheese on the farm, $52,950.

Mr. KENYON. Mr. President, I suppose the Senator from South Dakota is entitled to have the amendment divided, and I have no objection whatever to it. I only want to say that for every dollar which is necessary for carrying on this war every Member of Congress is willing to vote. It is time to stop useless appropriations. It does seem to me that appropriations should be cut to the bone on nonessential matters.

In reading this bill over a person must be impressed with the idea that large sums could be cut out of the bill and no injury come to the Agricultural Department. I do not want to see anything done that will retard the great work of the Agricultural Department.

Mr. President, I propose, as far as I am concerned as a member of the Committee on Appropriations, to go into the appropriation bills in the future and find out how the money is being spent in this country. I know the opportune time never will come to cut out appropriations in these bills, and we might as well commence on this one.

There have been ridiculous things, it is practically conceded, in this bill, such as money to establish a market news service of live stock and meat for the District of Columbia. That has been cut out. What a ridiculous proposition it is. The people of this District know they are being robbed in the purchase of meat without any news service taxed up to them to tell them about it. The people of the District of Columbia are probably being more systematically robbed by the profiteers than any other section of the country, not only in rent but in practically everything else. You can go to Baltimore and buy many things cheaper than you can buy them here, and of course there are some things you can buy in Baltimore that can not be bought here. I will not enlarge upon that subject.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Will the Senator from Iowa yield to the Senator from Washington?

Mr. KENYON. I yield.

Mr. JONES of Washington. I do not want to interrupt the Senator if he is going to discuss the market proposition.

Mr. KENYON. I am through with it. I was just citing that as an illustration of the ridiculous way in which moneys are spent. It is time to stop such things.

Mr. JONES of Washington. I sympathize with the suggestions of the Senator from Iowa. I think we ought to scrutinize these items which are in the appropriation bills much more closely than we do.

I wish to ask the Senator, who I understand is a member of the committee that has had this bill under consideration, a question. I understand it is a measure to carry into effect the act of August 10, 1917, to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products. That act appropriated in a lump sum certain amounts of money for certain purposes.

Mr. KENYON. Somewhere aroupd $15,000,000, I understand.

Mr. JONES of Washington. No; I do not think the act appropriated that much, but I think about $11,000,000. As I understand this measure, it is to do the same thing as that provided in that act, but instead of appropriating the money in a lump sum it is itemized and details the particular line of work that will be carried out with a certain appropriation.

I take it, and I think the chairman of the committee when the bill was under consideration before stated, that a special organization has been formed in the Agricultural Department to do the work under this lump-sum appropriation, and that special organization is doing this work now and will do the work as provided in this bill.

Now, I want to ask the Senator what showing was made by the Agricultural Department as to the work they are doing, for instance, along the line of the production of beef cattle. That is one item here which the Senator moves to strike out. I take it under this lump-sum appropriation they have organized a certain force which is working along that line and that they estimate this amount as the amount necessary to carry on work during the present fiscal year. If that work is accomplishing the purpose of the act, stimulating the production of beef cattle, and so forth, I can see the importance of it.

Now, then, I should like to know if any special showing has been made what the organization is, what it has done, and what it proposes to do during the coming year.

Mr. KENYON. I will say that, as I understand it, no testimony was introduced before the Senate committee on that subject. There was testimony introduced before the House committee. I have the hearings here and started in to examine them this morning because I thought in a spirit of fairness I ought to show what had been done. I have not had time, however. Unquestionably they have done good work and perhaps it has helped in stimulating agriculture. But agriculture does not need this kind of stimulation. The farmers of the country are producing everything they can produce.

For the production of beef cattle it is proposed to appropriate $105,000; to go out and teach people how to raise cattle, for live-stock production in the Great Plains region, $100,000. Think of it—to teach people of the plains how to raise live stock. Those men on the Great Plains and the farmers raising beef cattle know more about it than somebody sent out by the Agricultural Department, and probably now with the great number going to war those agents will have to be women.

For the production of pork, $150,000. Is it not ridiculous to send people out to the State of Iowa, for instance, or other great pork-producing States, to instruct farmers how to raise hogs, and as the Senator from Minnesota [Mr. NELSON] suggests to me, to teach them how to make Dutch cheese on the farm? Let us put our money into bullets and guns rather than teaching people how to make Dutch cheese?

Mr. JONES of Washington. Will the Senator permit an interruption?

Mr. KENYON. Yes.

Mr. JONES of Washington. I agree with what the Senator says, but it seems to me that argument should have been presented when the act of August 10, 1917, was proposed.

Mr. KENYON. Does the Senator contend that this does not add anything to the money appropriated there; that it is merely a means of spending that money?

Mr. JONES of Washington. No; this is a means for carrying out for the fiscal year the purpose provided in that act.

Mr. KENYON. Provided the money in that act will not do it.

Mr. JONES of Washington. This appropriation is just for this fiscal year, I take it. The eighth section of that act reads as follows:

SEC. 8. That, for the purposes of this act, the following sums are hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until June 30, 1918.

So the money appropriated in this act has not been available since June 30 of this year; and the bill we have here simply proposes to make appropriations for this fiscal year. Therefore, all the money which was provided for in that act that has not been used reverted to the Treasury on June 30 last except as extended by joint resolution.

Now, that act provides:

For the prevention, control, and eradication of the diseases and pests of live stock; the enlargement of live-stock production—

That is what these items propose to do—

and the conservation and utilization of meat, poultry, dairy, and other animal products, $885,000.

That is merely a lump sum. The argument of the Senator would have been very proper, I think, if it had been presented when this general bill was being considered; and I think it is very forceful now, unless there is a special organization that has work mapped out for this fiscal year which will result in good and that can not be carried on without this money.

Mr. KENYON. Yes; work that will do some good and result in some benefit commensurate with the money expended.

Mr. JONES of Washington. Yes. I take it that the House of Representatives was satisfied with the reference to that. Like the Senator from Iowa, I have not had time to examine the hearings which were had in the other House, but the Members there evidently were convinced that there ought to be additional appropriations for this purpose for the ensuing year. I do not know whether or not the Senate Committee on Agriculture had an opportunity or had time to look into that on its own account or not.

Mr. KENYON. I tried to attend all of the meetings of the committee, but I do not remember the evidence on that question.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Oklahoma?

Mr. KENYON. I do.

Mr. GORE. I desire to have read into the RECORD at this time by the Senator from Texas [Mr. SHEPPARD] the explanation of the estimate of the department touching these particular appropriations.

Mr. SHEPPARD. I understand the Senator from Iowa [Mr. KENYON] still has the floor?

Mr. KENYON. Yes.

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Texas?

Mr. GORE. I ask the Senator from Iowa to yield to the Senator from Texas for that purpose. If for that reason he would lose the floor, however, I shall not prefer the request.

Mr. KENYON. Why not have it read at the close of what I have to say? I am not going to take much of the time of the Senate.

Mr. GORE. Very well.

Mr. KENYON. Mr. President, I have made these motions not because I thought there was much chance of cutting down the appropriations—that is almost impossible—but in the nature of serving notice, so far as I am concerned, that a more rigid investigation of these appropriations will be had in the future. In last night's paper I find this item:

LARGEST DAY'S WAR EXPENSES.

The Government yesterday paid out $156,000,000 for ordinary war expenses, making the largest single day's expenditure for these purposes in the Nation's history. That was in addition to disbursing $20,000,000 on foreign loans and a number of minor expenses.

I am not citing that to criticize the expenditure in any way, for the people of this country are willing to spend every dollar which is necessary for the war, but I am quoting it that we may halt and take an invoice as to where we are going on needless appropriation bills; that is, as to the appropriations for nonessentials. They may be right in times of peace and wrong now. How ridiculous it is, in the face of such things as that, to be appropriating for the making of cottage cheese!

Another item in last night's paper is as follows:

NINETEEN BILLIONS A YEAR.

At the present rate of expenditure the war this fiscal year will cost America approximately $19,000,000,000.

Secretary McAdoo, however, anticipating that coming months will see a rise in the war cost, estimates the year's toll will be $24,000,000,000. To meet this vast expenditure $8,000,000,000 is to be raised by taxes, leaving from $11,000,000,000 to $16,000,000,000 to be raised in three liberty-loan campaigns to be launched during the year. Of these loans, the first probably will be from $5,000,000,000 to $6,000,000,000. The second probably will be somewhat larger, and the third the smallest of the three.

We will meet these obligations cheerfully. We have no right now to add anything to the people's burdens by nonessential appropriations.

Lack of military enthusiasm and skill on the part of this country will never lose this war. If we get into any troubles it will be over waste and industrial breakdowns; but a war which may go on for five years, at the rate of expenditure at which we are going, will be a very serious matter to the people of this country. It necessitates individual and national economy. While these items are small—my motion, if agreed to, would cut out about $750,000—if every appropriation were closely scanned and all the saving on nonessentials were brought about that we could, the total would be very large.

I have advocated—I am going to keep on advocating—a national budget system, and I shall move to discharge in a few days the Appropriations Committee from the consideration of a joint resolution providing for a commission to investigate and report to Congress on a budget system. I have previously urged that on the floor. We are the only civilized Nation on the earth that does not have such a system. With expenditures of billions upon billions of dollars, and no cooperation and no coordination we ought to pause and consider whither we are drifting. It is a crime for Congress not to take some action looking to intelligent cooperation between committees and the intelligent expending and auditing of the money of the people. Let us look at a few other financial jokers in this bill.

On page 5 there is a small item:

Control of rice insects, $3,000.

What will that do further than paying some one a salary to look wise and travel around the country?

On page 9 I find.

Poultry and egg demonstrations, $40,000.

Well, for what is that? Do the farmers need any demonstration as to how to raise poultry and how to produce eggs? They are doing fairly well at it now. I do not want to be overcritical, Mr. President. I am on this committee and am entitled to just as much blame as is any other Senator. We apparently did not have time to go into these things thoroughly, and we have brought from that committee a bill, I think, full of indefensible propositions along the line of waste. There are many good things in it, especially war-time prohibition, and I shall support the bill, but shall vote against various items therein that seem to me an almost criminal expenditure of money in our present situation.

Mr. JOHNSON of South Dakota rose.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Iowa [Mr. KENYON].

Mr. PHELAN. I ask that the Secretary state the amendment, Mr. President.

Mr. JOHNSON of South Dakota. I rose for the same purpose, Mr. President, to ask what is the amendment proposed by the Senator from Iowa.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The SECRETARY. On page 3 of the House text of the bill, Mr. KENYON proposes to strike out the following—

Production of beef cattle, $105,000; live-stock production in the Great Plains region, $100,000; production of pork, $150,000; production of poultry, $129,000; production of sheep, $60,000; making cottage cheese on the farm, $52,950.

Mr. STERLING. I ask for a division of the question.

The PRESIDING OFFICER. Will the Senator state on what part of the amendment he desires a division? He is entitled to a division.

Mr. STERLING. I desire a division of this question, there being several different items involved in the amendment of the Senator from Iowa.

Mr. KENYON. Does the Senator ask for a division only as to one item?

The PRESIDING OFFICER. On which one of the items does the Senator desire a division?

Mr. KENYON. As to one item only?

Mr. STERLING. That will be satisfactory to me.

The PRESIDING OFFICER. The Senator from South Dakota can ask for a division on one item at a time.

Mr. STERLING. I ask a division on the item providing an appropriation of $100,000 for the production of live stock in the Great Plains region.

The PRESIDING OFFICER. The Senator from South Dakota asks that the item to which he refers be divided.

Mr. SMOOT. There may be other requests for a division on this question, and in order to have one such request cover the whole matter, I ask that each item be voted on separately. Then we can get through in a very little while.

The PRESIDING OFFICER. Without objection, that course will be pursued.

Mr. SHEPPARD. Mr. President, I think it but fair to the Department of Agriculture to say that a detailed explanation of each item of this bill was before each member of the Agricultural Committee when the bill was being considered. As to the item relating to the production of beef cattle, the department has the following to say, and this explanation was placed before each member of the committee.

It is proposed to place beef-cattle specialists in different sections of the country to assist farmers and cattlemen in conserving all good breeding cows and to emphasize the necessity of breeding for a maximum calf crop, preparing permanent pastures, building silos, and preserving all available foodstuffs. The corn belt possesses an enormous supply of feed in its corn fodder which has never heretofore been completely utilized. It is estimated that there is in the Southeast this year sufficient feed to take care of between 400,000 and 500,000 cattle in addition to the number normally provided for. It is highly important that the work along this line be greatly extended during the fiscal year 1919.

Then follows a detailed statement as to the number of men employed and for what purpose, and as to how this appropriation is to be expended.

The Department of Agriculture has performed a splendid and patriotic work in endeavoring to increase the food supply of the country during the war, and I do not think that the department would propose for a moment a project that was palpably ridiculous and wasteful.

Mr. JOHNSON of South Dakota. Mr. President, I think this is the most extravagant, the worst, and the most ridiculous appropriation bill I have ever seen since I have been a Member of the Senate. I do not know whether I shall vote for the bill or not. If I do, it will be solely on account of the prohibition provision which it contains.

I wish I had the time to take the bill, go through it item by item, and explain in my own way to Senators present the bill as I see it.

The amendment of the Senator from Iowa [Mr. KENYON] is a good amendment, whether it shall be acted upon as one amendment or whether it shall be divided and the various items voted on separately.

I wish to refer briefly to another portion of the bill. There is a section carrying an appropriation of $2,500,000 to provide

loans to farmers and money to buy seed. That is followed up by a provision that no farmer shall receive more than $300, and that before he receives that $300 he must put up as security Government bonds or have the guaranty of a national or State bank for the debt.

Mr. JONES of Washington. Mr. President, will the Senator pardon an interruption there?

Mr. JOHNSON of South Dakota. I yield.

Mr. JONES of Washington. I think the Government-bond provision was stricken out on motion of the Senator from Utah [Mr. SMOOT]. That is my impression.

Mr. JOHNSON of South Dakota. It appears in the bill which I have.

Mr. JONES of Washington. But the Senator from Utah offered an amendment when the amendment reported by the committee came up to strike that provision out.

Mr. JOHNSON of South Dakota. Very well; I am glad to hear that; I did not know that had been done. I only cite it, however, as one instance. I believe you can take this bill and go through it from beginning to end, with the appropriations of over $6,000,000 which it contains, and cut off the millions and then cut off the thousands and the real actual good and benefit of the bill to the producers of the country can be estimated in the remaining figures. It is a ridiculous thing. I never have seen anything like it, and I can only see one purpose in putting such a bill before a body of men for consideration.

They tell us that as a prohibition measure we must destroy the grape-growing industry. We say, "Well, we will willingly do that for the benefit that prohibition may bring." We are told that we must eat less bread; the farmer is told that the price of his wheat must be fixed, and then we turn around and appropriate thousands and hundreds of thousands and millions of dollars for something that is not worth 10 cents on the dollar.

I repeat that I do not know whether or not I shall vote for this bill—and it has almost reached the stage where it is ready to be voted upon—but if I do there will only be one reason for my action, and that reason will be the prohibition provision which it contains.

Mr. PHELAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from California?

Mr. JOHNSON of South Dakota. I yield.

Mr. PHELAN. The Senator says he is disposed to vote against this bill, and is only deterred by the fact that it involves the prohibition amendment. The Senator will recall that the amendment which finally prevailed prevents the sale of beers, wines, and liquors after the 30th day of June, 1919.

Mr. JOHNSON of South Dakota. Yes; I am familiar with it.

Mr. PHELAN. But the committee is agreed that the national prohibition amendment will be in effect in March, 1920, about eight months later. So the Senator can well satisfy himself, believing in prohibition as he does, that prohibition will be in effect not later than March, 1920. Now, if he believes, as he does, that these items in the appropriation bill are indefensible and he wants to vote against the measure, I should think he could do so in good conscience because he will aid in defeating this, in his judgment, nefarious measure and at the same time will be sure of the prohibition within a short time of malt, vinous, and spirituous liquors.

Mr. JOHNSON of South Dakota. Mr. President, as I have said, I am not yet clear in my own mind how I will vote. I am in favor of war-time prohibition. I would be willing to vote for prohibition to take effect to-morrow, and then I would want the Government of the United States to appropriate an amount to pay those whose crops are destroyed by our action here. I voted for the amendment of the Senator from Florida [Mr. TRAMMELL] to have the prohibition provision go into effect in January instead of June, because I could not see any real benefit that would be given to the men whose business is going to be destroyed by postponing the operation of the prohibition provision for six months.

I shall not take up now any more of the time of this body on this subject, except to state that I am in thorough sympathy with the amendment offered by the Senator from Iowa; and, Mr. President, I come from one of the greatest agricultural States in the Union. There is no State in the Union to-day whose crops will excel that of South Dakota in proportion to area, but I do not believe that there is anything in the bill that the people of my State, if they were here to-day, would ask me to vote for. I hope the amendment of the Senator from Iowa will prevail.

Mr. JONES of Washington. Mr. President, I merely wish to correct a statement made by me. I stated to the Senator a while ago that I thought the provision with reference to bonds as security had been stricken out on motion of the Senator from Utah [Mr. SMOOT]. I find I was mistaken; his amendment did not carry, so that that provision remains in the bill.

Mr. JOHNSON of South Dakota. Then, Mr. President, I wish to call specifically to the attention of the Senate the foolishness and the ridiculousness of attempting to loan to the farmers of the United States $300 apiece to enable them to secure seed, and then, before they can get that amount, to compel them to put up Government bonds as security or to have national or State banks guarantee the amount. Is there a Senator here who imagines that if a farmer could do that he would need to borrow money for seed wheat?

Mr. ASHURST. Mr. President, will the Senator yield to me at that point?

Mr. JOHNSON of South Dakota. Yes.

Mr. ASHURST. The Senator from Kansas [Mr. CURTIS] made an inquiry upon that point yesterday, and it was explained that the President had concluded to advance $5,000,000 for this purpose, so that the farmer would not be driven to the point of giving up gilt-edge securities, which in many cases he can not do, having already pledged his crops and his farm. I think the RECORD will disclose that that situation has been met by the President taking $5,000,000 out of his emergency fund for that purpose.

Mr. JOHNSON of South Dakota. Then, we certainly ought to eliminate this $2,500,000 item from the bill and rest on the emergency appropriation provided by the President.

Mr. PHELAN. Mr. President, I desire to observe that the Senator from South Dakota did not answer the question which I think I put to him in categorical form; and I should like to ask him, if he will be so good as to answer me, whether or not he agrees with the Committee on Agriculture and Forestry as to the time when the Federal prohibition amendment will be in force and effect. Has he any doubt on that subject?

Mr. JOHNSON of South Dakota. I have no doubt whatever on that subject, Mr. President.

Mr. PHELAN. Then, I should like to ask the Senator, as he believes there are many items in this bill which should not be passed—wasteful, extravagant, needless drains in war time upon the Treasury—if he will not vote against this bill, and at the same time satisfy his mind on the prohibition provision by postponing the effectiveness of that provision for eight months?

Mr. JOHNSON of South Dakota. Mr. President, as I stated a while ago, I am not clear in my own mind how I shall vote on this bill. There is a great pressure for prohibition throughout the country. I belong to that great body. I realize that the men who had this bill in charge could not accomplish what they wanted to accomplish; but I believe that they worked earnestly, and accomplished the best they could for that measure. Further than that, I do not care to express myself at this time.

Mr. PHELAN. I should like to ask the Senator if he does not know that under ordinary circumstances it is against the Constitution to pass sumptuary legislation; and, furthermore, does he not recall that the Chair ruled that a rider providing for prohibition upon this general appropriation bill was out of order?

Mr. JOHNSON of South Dakota. Mr. President, I am a farmer, not a lawyer, and I do not know much about the Constitution, and therefore I can not intelligently answer the question of the Senator from California. I have understood that that is the contention.

Mr. PHELAN. Mr. President, the only reason why prohibition was sought to be effected by constitutional amendment was because that was the only method known to the Constitution and laws for prohibiting the manufacture and sale of liquor. A statute on the subject invades the rights of the States, and there is no authority in the Constitution for the passage of a statute on that subject. That is fundamental law. Now, notwithstanding that, in the matter of wine—which involves the saving of no foodstuffs—the proponents of the Sheppard substitute sought by this devious and indirect and perhaps unconstitutional way to prohibit the manufacture and sale of wine. In view of that, I hope the Senator, whose mind is not yet made up, will see fit to vote against this measure.

Mr. KENDRICK. Mr. President, I have been rather surprised at the widely divergent views expressed here on this motion made by the Senator from Iowa [Mr. KENYON]. As one of the Members of this body, I believe in the Agricultural Department and the splendid work that it is doing. We have heard criticisms here of these different appropriations on the ground that they are provided for in other appropriations embraced in the general Agricultural bill. We all know that that bill has not yet become a law. In fact, it was submitted to the President and disapproved by him; and we know that the Agricul-

tural Department is at this time depending upon a joint resolution continuing the old appropriations for the money to defray its expenses.

As I understand it, Mr. President, these appropriations are intended to take care of special work which has been urged by all of the departments of the Government to bring about an increased food production; and, as one of those who have come in contact with the work of the department, I am compelled to believe in its force and its efficiency. I do not believe that any appropriations made at this session of Congress will have more direct effect and influence for the purpose for which they are made than will this one.

It must be a matter of some gratification even to Senators to have noted within the past few days reports from the countries of Europe as to the relief afforded them by this Nation in the way of food products. There is only one way in which we can secure the best results in the production of food products, and that is by proceeding along intelligent lines. These great agricultural crops have not been produced under the old order, but they are produced under a new and entirely different system. The extension work that is mentioned here is just one way of bringing scientific farming, as taught in the colleges, to the farms themselves; and those of us who have had to do with the agents of the Agricultural Department in the actual field work have not the impression that has been advanced here as to the extravagance of that work and the way it is brought to the farm. My experience and observation is that the Government is employing in this work some of the most capable young men I have ever known in any line of endeavor, and they are going about the work in a very earnest, intelligent, and industrious way. They are also making themselves very useful and very essential to the farming interests of the West, at least, and I believe to the whole Nation. In this book that I hold in my hand there are hundreds of letters, written by men from 24 different States of the Union, including the State from which the distinguished Senator from Iowa comes, indorsing to the fullest extent the work of these agricultural agents, and I am sure it would be in opposition to the wishes of the great majority of farmers in the country to-day to have any of this work discontinued.

It is largely, I think, a question of viewpoint, after all. These appropriations look large; but if one considers the immense territory in which they are supposed to be employed and their far-reaching influence, they represent but a very small amount proportionately, and under no kind of circumstances could they fail to return a larger percentage of benefits, if they are properly applied, than any other appropriations that may be advanced here.

Take this appropriation for the production of beef cattle: As was very correctly pointed out yesterday by the Senator from Oklahoma [Mr. GORE], the entire situation in regard to the production of beef cattle on the western plains has undergone a complete change, from a few men with large holdings of live stock to many men with small holdings. In this period of transition there has been, of course, much lack of information on the part of those who are embarking in that enterprise. It is a new country; these are new people in a new country, and with them it is a new venture; and under no circumstances could the information that is furnished by the department fail to be of incalculable value to them.

We are not content nowadays to go along under the old order of every man paying the price of his own experience. The highly competitive system of production makes that sort of thing entirely out of date and impossible. I can not answer for the results that the Agricultural Department is obtaining in other States, but in my State of Wyoming it has been wonderfully helpful.

Finally I want to say in regard to this matter that at this particular time, when the demands for meat products are greater than they have ever been in the history of the Nation before, when our allies and our own armies in Europe are calling upon us for amounts of 100,000,000 to 120,000,000 pounds of beef a month, and when orders come to this Government for as much as 50,000,000 pounds at a time of certain specific kinds of pork products, it is no time for us to be hesitating about appropriations that are to be applied in a direct and efficient way.

I hope the motion will not prevail.

EXTENSION OF APPROPRIATIONS.

During the delivery of Mr. KENDRICK'S speech,

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. KENDRICK. I yield to the Senator from North Carolina.

Mr. OVERMAN. I want to ask the Senator from Oklahoma if he will not ask to temporarily lay aside this bill in order that I may call up a joint resolution which has just been received from the House of Representatives and is now on the desk, so that it may be laid before the Senate and passed? It provides for a necessary continuing appropriation. Will the Senator from Wyoming kindly yield to me for that purpose? It is very important. Unless a joint resolution on the subject passes to-day the Agricultural Department will not have any money on Monday.

Mr. KENDRICK. I yield to the Senator for that purpose.

Mr. GORE. Mr. President, in view of the fact that the joint resolution ought to be passed to-day, so as to be signed by the Presiding Officer before we adjourn to-day, I ask that the unfinished business may be temporarily laid aside for the consideration of the joint resolution referred to.

The PRESIDING OFFICER. Without objection, such will be the order. The Chair lays the joint resolution before the Senate.

The joint resolution (H. J. Res. 324) making appropriations for certain necessary operations of the Government for the month of September, 1918, and for other purposes, was read twice by its title.

Mr. OVERMAN. I have seen a sufficient number of the members of the Appropriations Committee to know that they favor this action, and I ask unanimous consent for the present consideration of the joint resolution.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

There being no objection the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, and it was read, as follows:

Resolved, etc., That the provisions of the joint resolution entitled "Joint resolution making appropriations for certain necessary operations of the Government and of the District of Columbia for the months of July and August, 1918, and for other purposes," approved July 8, 1918, except so far as they relate to the support of the Army and of the District of Columbia, are extended and continued in full force and effect for and during the month of September, 1918.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

STIMULATION OF AGRICULTURE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 13, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

Mr. JONES of New Mexico. Mr. President, the statement has been made here that the President has set aside a fund to meet the emergency regarding the seed-wheat situation. Some days ago I sent over to the Department of Agriculture some information from a section of my State which would seem to demonstrate the necessity for some sort of aid in that locality.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Iowa?

Mr. JONES of New Mexico. I yield.

Mr. KENYON. Would the Senator object to having a vote on this amendment of mine and disposing of that before we enter upon the consideration of another subject?

Mr. JONES of New Mexico. I am only going to take a minute, if the Senator will pardon me. What I have to say, of course, goes more particularly to the bill in general.

This bill makes a provision whereby two and a half million dollars may be used in making loans to farmers for the purpose of buying seed wheat if the farmer puts up Government bonds or the indorsement of the bank. That is the extent to which it goes. The amount thus appropriated is only two and a half million dollars. An effort was made by several Senators to get relief from the President's emergency fund, and the sum of $5,000,000 was obtained from that fund, as stated in regulations which have been promulgated for its use. I presume it was supposed that that would be a sufficient amount to take care of the situation generally; but in response to my specific appeal to the Department of Agriculture, and to my great amazement, I received a letter from the department, signed by the Acting Secretary, in which he refers to the provisions of this bill and rather intimates that until this bill is passed there will not be available sufficient funds to take care of the situation. Then comes a remarkable statement with regard to the fund of $5,000,000 obtained from the President. I quote from the letter:

With the very limited fund, however—

Which was $5,000,000—

and with the advisability of restricting its use to those districts in which it is felt that wheat growing is a fairly stable industry and warrants encouragement, it did not seem possible to apply any of

this fund outside the limits of the recognized wheat belt in the southern Great Plains, comprised in Kansas, Oklahoma, and a few counties in the adjacent portions of Texas.

So that is to be the use to which $5,000,000 is put, and if $5,000,000 is necessary in Kansas, Oklahoma, and a few counties in Texas, I should like to inquire how much good the $2,500,000 in this bill, even if appropriated under circumstances that would make it available to the farmers, will do to all the rest of the country.

Mr. GORE. Mr. President, I think the Senator is under a misapprehension as to the provisions of the pending bill. It carries about $6,000,000 for the purchase of seed. The major part of it is to be used for the purchase of seed and the sale of seed to farmers for cash. That is made a revolving fund. The $2,500,000 is to be used for the purchase of seed and the sale of seed to farmers on time and not for cash, and carries a provision which makes it a revolving fund. So $2,500,000 is a revolving fund and $6,000,000 the entire amount carried. However, the revolving fund might go many times further than $5,000,000 or than $6,000,000 in the purchase and distribution of seed.

Mr. JONES of New Mexico. I do not understand that $2,500,000 to be alone the revolving fund.

Mr. GORE. Yes, sir; it is.

Mr. JONES of New Mexico. How often do you expect it to revolve in one year?

Mr. GORE. It provides that the security taken from the purchaser——

Mr. JONES of New Mexico. Is there any provision in the bill whereby the security taken from the purchaser can be disposed of?

Mr. GORE. Yes, sir; it can be used for borrowing money to be used for the same purpose.

Mr. JONES of New Mexico. I did not understand that. I should like to have my attention directed to the provision of the bill which does that.

Mr. GORE. It is a part of the proviso, and I will say to the Senator it was a matter under discussion yesterday.

Mr. McCUMBER. I wish the Senator from Oklahoma would speak so that we may understand his explanation upon this side of the Chamber as well.

Mr. GORE. I apologize to the Senator from North Dakota. I was explaining to the Senator from New Mexico, who was complaining that this bill carries only $2,500,000 for the purchase and distribution of seed, that the entire amount carried by the bill is something more than $6,000,000 for that purpose, and the major part of it is to be used for the purchase of seeds and the sale of seeds for cash only. That is made a revolving fund. Two million five hundred thousand dollars of the amount of $6,000,000 can be used for the purchase of seed and for the sale of seed on time, the security taken for which when sold on time can be used by the Secretary of Agriculture, with the approval of the Secretary of the Treasury, for the borrowing of money to be used in the further purchase and distribution of seed, so that that is a revolving fund.

Mr. JONES of New Mexico. I should like to call the attention of the Senator from Oklahoma to the provision of the bill as I read it. After providing that they can loan this money with Government bonds as security the section of the bill provides:

That the Secretary of Agriculture may use such obligations of the United States as collateral to borrow money for supplying seed to farmers for cash in pursuance of law.

Mr. GORE. I had overlooked the fact that the word "cash" was inserted. I did not have that in my mind. It could be used only once.

Mr. McCUMBER. Mr. President, I was absent during the lunch hour yesterday when, I understand, this amendment was adopted. There will therefore be no opportunity, I presume, for an amendment.

Mr. GORE. May I say to the Senator that the pending amendment is in regard to the appropriation to encourage the production of meat.

Mr. McCUMBER. But I mean the amendment we have just been discussing was, I understood, adopted yesterday.

Mr. GORE. It was adopted yesterday.

Mr. McCUMBER. The amendment on pages 3 and 4.

Mr. GORE. Yes, sir.

Mr. McCUMBER. Now, I want a little explanation and to make some suggestions concerning this particular amendment.

Mr. GORE. May I say to the Senator, the pending motion is to strike out the appropriation of $100,000 to encourage the production of meat, and after it is disposed of I intend to offer an amendment appropriating several million dollars to be loaned to farmers when that question will come up for consideration.

Mr. McCUMBER. Then I will defer my remarks at the request of the chairman of the committee until we reach that amendment.

Mr. GORE. I believe that would be the better course.

Mr. McKELLAR. I should like to ask the Senator from Iowa, who has moved the amendment to strike out certain lines on page 3, why he did not include in his motion the utilization of creamery by-products? That is not included in the Senator's motion, I believe.

Mr. KENYON. That might as well have been included, but I thought I had gone about as far as I would be sustained in going.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The question is on the amendment of the Senator from Iowa, on page 3, line 1, to strike out the words "production of beef cattle, $105,000."

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will please state the next amendment offered by the Senator from Iowa.

The SECRETARY. On page 3, lines 1 and 2, strike out "live-stock production in the Great Plains region, $100,000."

Mr. STERLING. Mr. President, when the Senator from Iowa made his motion yesterday to strike out these several items, I stated at the time that I had not then ascertained the basis for the recommendation by the Secretary of Agriculture of an appropriation of $100,000 for live-stock production in the Great Plains region. I opposed a vote at that time upon that portion of the amendment. Since then I have received a statement from the Chief of the Bureau of Animal Industry of the Department of Agriculture in regard to this item, and I send it to the desk and ask that it may be read.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Dakota? There being none, the Secretary will read.

The Secretary read as follows:

STATEMENT BY THE CHIEF OF THE BUREAU OF ANIMAL INDUSTRY TO THE SECRETARY OF AGRICULTURE.

During the last year a careful study of the situation in the Great Plains region, which includes that portion of Montana east of the Rockies, indicated the desirability of placing the agriculture of that section, as far as possible, on a live-stock basis. If the large crops of feeds which were produced there during the years of sufficient rainfall had been stored in silos, the drought which caused such losses during 1917 could probable have been borne without serious difficulty. Straight-crop farmers in that region have had nothing to carry them through periods of drought. If they had live stock and means to support such stock, they could tide over these periods. The only way in which this can be satisfactorily done is to utilize silos on an extensive scale and put up such roughage as can be secured. The situation in all the dry area from the Mexican border to the Canadian boundary is one which should receive close and persistent attention. The activities of the department and of the colleges should be directed toward the development of a national system of agriculture based on live stock in the entire area. As soon as a crop is assured, a strong campaign should be inaugurated for the construction of silos, especially the pit type, on every farm where the conditions are favorable.

The 1919 food-production act as it passed the House contained an item for $100,000 with which the bureau intends to employ 30 beef-cattle specialists to assist farmers and cattlemen in conserving all good breeding cows and to stimulate and emphasize the necessity of breeding for a maximum calf crop and preparing permanent pastures, building silos, and preserving all available foodstuffs in the Great Plains region. These men can be effectively used in carrying out this work of stimulating the development of a national system of agriculture in that region based on live stock. The proper proportion of these specialists will be detailed to Montana as soon as the appropriation for the work becomes available.

Mr. STERLING. Mr. President, I simply want to say that under this statement of the Chief of the Bureau of Animal Industry I think this appropriation is entirely justified, and I trust the amendment offered by the Senator from Iowa, as it pertains to this item, will not prevail.

Mr. President, this Great Plains country has to a large extent—especially in my State, and I think that is true in many other States—been largely settled by homesteaders within the last comparatively few years. Men have taken homestead tracts of 160 acres, or, under the enlarged-homestead act, of 320 acres, or, under the stock-raising homestead act, of 640 acres of land, and the land is no longer now in the exclusive possession of the ranchmen or big cattle raisers, as was the case years ago.

These people have not had success year after year, as everybody knows who knows anything about the climatic conditions in this country, in the raising of crops. The object of the Department of Agriculture is to put agriculture there in that semiarid region on a stock-raising basis. It would be a great boon to that country if farmers could but realize that their principal resource is in the raising of stock rather than in trying to raise wheat under the conditions that exist in regard to rainfall, and so forth.

The purposes for which the appropriation is to be used, as stated in this memorandum from the head of the Bureau of Animal Industry, indicates the great benefit the use of that

money will be to farmers in caring for stock, in the breeding of stock, and in the use of forage crops in feeding stock.

I trust that this item will be allowed to remain in the bill. One hundred thousand dollars is an inconsiderable item for the Great Plains country. My own State, as I said, west of the Missouri River includes a part of the Great Plains region, but the whole region extends from the ninety-seventh or ninety-eighth meridian westward 300 to 500 miles to the Rocky Mountains, and, I believe, from Canada to the Gulf of Mexico; all this is included in the Great Plains region, and for that region the paltry sum of $100,000 is sought to be appropriated for the purpose of live-stock production.

Mr. President, there is one other feature about it. Yesterday in a colloquy with the Senator from Utah [Mr. KING] reference was made to other appropriations in the general Agricultural appropriation bill and the inference sought to be drawn was that this was a duplication of some other item or items in the Agricultural appropriation bill. But, Mr. President, this is not a duplicate of any item in the general appropriation bill at all. It stands alone for the development of that particular industry in that particular section of the country and is not duplicated in this or in any other bill.

I sympathize with a great deal of the criticism made against many of the items of Agricultural appropriation bills. I myself have sought on different occasions to prevent the enactment of some of them, but I must confess, Mr. President, that I had very little encouragement, if any help at all, on the part of those whom I now find objecting to some of the items of this bill. It seemed to be taken for granted by Senators that since the bill had been reported by the Agricultural Committee, since such a large portion of the country, particularly the South, was benefited by the items, it would be useless to object, and they were allowed to go through. This one item, pertaining as it does to a region about which I know something of the conditions which have existed since that western region was opened up in my State for settlement in 1908 and 1910, is a most meritorious proposition and I hope it will be retained in the bill.

We should further consider, Mr. President, that this is outside of the ordinary Agricultural appropriation bill. The purpose is to aid and encourage food production. The result from an expenditure of this kind in this region will be almost immediate. We are advised to raise more wheat with a view to help in the winning of the war, and so here is another way to help in the winning of the war, namely, in the production of a kind of food needed just as much as wheat is needed.

I hope the amendment to strike out that item at least will not prevail.

Mr. McCUMBER. Mr. President, I wonder if the Senator from South Dakota has really analyzed the meaning of the statement which he has just had read from the Department of Agriculture. What does it say? That statement says, If you will give us $100,000 then we will tell the farmers of eastern Montana, east of the Rockies, where they get burned out once in a while with hot winds, that it would be to their interest to raise cattle and to save their better class of stock and go into cattle raising. Really, is there any farmer in Montana or anywhere else who does not know that? Do we need to expend $100,000 to have the Department of Agriculture tell the farmers that? Here is land burned out with hot winds. The farmer knows that just as well as the Agricultural Department can possibly know it. He knows that if he can raise corn and have stock on hand at the present prices he should build silos and put his corn into the silos. Of course the Agricultural Department does not say anything about how long a season we have up along that line to raise corn and the proportionate number of years it would be frosted out before we could raise any corn, which the farmer probably does know, and he has probably found it out by an actual test of the question.

I can not see that there is anything informing in that statement. If the Agricultural Department could tell the farmer who has been burned out how he can buy stock without having any money to buy it with, and any credit to buy it with, it would be giving him some very useful information.

Mr. STERLING. Mr. President, will the Senator permit a question?

Mr. McCUMBER. Certainly.

Mr. STERLING. I suppose the Senator has voted before for appropriations of $600,000 or $700,000 for live stock and dairy demonstration work. He might just as well ask the question with reference to an item of that kind as to ask why should the farmer be instructed in regard to raising live stock in the Great Plains region because it is farm work and it is dairy work. So there is scarcely an item in the Agricultural appropriation bill to which the same argument would not apply.

Mr. McCUMBER. I suppose the cottage-cheese matter will go out of the Agricultural bill. I do not think I ever voted to send women over the country at a cost of eight or ten or twelve dollars a day, driving automobiles, and with an additional expense of $45 a week, to instruct the farmers' wives how to make cottage cheese. It is a good article, I will admit, but I can not see the necessity for any of that expense. What the farmers are suffering from is the fact that they have not the money to invest in young stock. They know that it will require them from three to four years before they will begin to get a return upon their investment, whereas if they sow wheat in the spring, in 100 days—if they have a crop at all—they will get a return. Of course, they would go into stock raising now if they had the money to invest in it and could find some way by which they could live through until they would get their returns from it. I really do not think that the Agricultural Department can tell them anything about that for which we need to pay $100,000.

Mr. SHERMAN. Mr. President, the remaining items on page 3, I think, could profitably all be taken out, although I am not sure about the item for sheep. It is possible that some benefit could be derived from that. I am disposed to vote for this $100,000 appropriation, as I did for the appropriation of $105,000 for production of beef cattle, and to permit it to remain in.

There is a shortage of stock cattle in the United States. In every region that serves as the source of supply the receipts of cattle at all the yards where are the principal central markets of the country indicate a constantly diminishing supply of beef cattle. The packing houses, both large and small, have many times communicated not only with the department but with many other public officers, including Members of both Houses, calling attention to the shortage of the stock cattle.

We are apt, if this war unfortunately should continue for two years, to find ourselves short of beef supply. The same danger does not attend the other varieties of live stock. Hogs can be produced on comparatively short notice. I do not believe the item of $150,000 for pork production is needed. I think that is a waste of money. I think the farmers generally, wherever hogs can be profitably produced, will produce to the extreme limit of their capacity. I do not think any stimulant from Government inspection is necessary for that end. What is needed is to give the farmer a chance; leave him alone with his help, and he will do the rest. The sum for the utilization of creamery by-products, I think, would be a waste of money. Cottage cheese I have heretofore remarked on, and I will not duplicate anything I said on that subject.

Production of poultry, $129,600. I will take all these together, because I do not wish again to occupy the floor or the time of the Senate. It ought to go out for the same reason. Everybody, wherever poultry can be raised, is raising up to the limit now, where it is profitable to raise either for the meat in the poultry or for egg production. There will not be, in my judgment, any increase in the supply of any of these different varieties of food because of these appropriations.

The live-stock situation for beef purposes is a very serious condition in the United States. We must continue to have the requisite quantity of beef to go abroad for military and for naval purposes. So I will take a chance on that rather than to make any statement against it, and support the items, including that of $100,000. All these matters relate to food production.

There has been a direct assault on the agencies of food production in this country by one of the official branches of the Government.

The Federal Trade Commission prompts me to suggest the revival of the ducking stool. It has very largely assumed the function and performed the duties of a common scold. At the common law that active but pernicious brand of citizen, male or female, furnished a proper subject for immersion by the ducking stool, and I do not know of any other way to cool off the radical members of this Trade Commission than to apply the old-fashioned common-law remedy to them. This may be due to the transitory as well as the effervescent qualities of some of its membership.

The commission has accomplished a measure of good in the industrial and commercial world. Its activities in assaulting and seeking to discredit various legitimate industries are likely, however, to neutralize the good to its credit.

The commission accounts that day lost when it has not discovered a vast industrial conspiracy somewhere in the country. As at present constituted, the commission's rhetorical powers are frequently far in advance of its ability to regard or assimilate facts. Of late, its reports indicate literary propensities rather than industrial knowledge. Even a casual reader would suspect that some of the members of the commission considered the sensational volume known as The Jungle, written by a some-

what sensational private investigator several years ago, as better authority than the decision of the Federal courts defining the private rights of American citizens against practically a John Doe search warrant.

Some of the official phenomena observed on this commission may be due to the fact of a hitherto overlooked practical use of this body in the public economy. It is an incubator for United States Senators and other officers. Many candidates have been hatched in this nest. It seems to be taken for granted that while the act of Congress creating the commission made no reference to this public service it was one of the incidental powers growing out of a formal grant specifically enumerated. Like many other liberal constructions, the incidental powers become of more consequence than the enumerated ones. It seems to be well understood that a great multitude of people using a given article of merchandise are much more useful in politics than the limited number who produce the merchandise. Candidates are very partial to numbers. If an official duty can be performed in such a way as to obtain favor with many at the expense of nobody but the few serving the public, it becomes a grateful and eminently desirable task. Men whose principal exploits are performed with a fountain pen in lurid newspaper columns fairly revel in such services. The less one has done in constructive work of any kind in private life the better qualified he is to instruct those who have founded and managed great undertakings on how little they know about them. The authors of books and those gentlemen heretofore subject to a very large run-off of words in the sensational press enjoy managerial powers over some of the principal industries of the country.

For some years Wall Street was their theme. It afforded many a knight of the lead pencil an unfailing source of revenue and profitable fiction. The public have wearied somewhat of this article. Wall Street is merely a place for an exchange of values between gentlemen who entertain widely different views thereon. It involves a continual readjustment of bank accounts, and occasionally bankruptcy courts. Nothing is actually produced within the purlieus or center of this celebrated place to furnish food, clothing, or shelter. The Street has, however, been able to survive and even to furnish members on some of the numerous boards, bureaus, and commissions of this administration. It seems even sometimes that Wall Street has been granted absolution for its financial sins and to have gained somewhat in favor even with those who at one time hunted its habitues in their lair.

But, of course, the activities of such critics can not be stayed. If they do not manifest themselves in one form, it must be some other. It seems, like an elemental force, to be impossible of suppression. It is merely a question of how it will exhibit itself. Just now it is the fashion to sally forth from Washington into the Middle West and assail some enterprise located there. Of late the commission seems to have selected Chicago and Illinois as its hunting ground. It is a poor day when the commission can not discover some horrible affair in that section of the country to report to the President. The more sensational the better, because it commands headlines in certain of the public press. It causes great rejoicing in the socialist newspapers that have recently confessed their sins to the administration and been restored to publication and postal privileges or released from jail.

Just now the packers are the object of the commission's hue and cry. Their principal offices are in Illinois. Chicago is the place of residence of the individual packers. Illinois has not been unduly favored by this administration in many ways. Although its facilities for furnishing supplies, especially foodstuffs, surpass anything in the country, it could not prevent the Washington authorities from falling under the obsession that everything had to be done along the Atlantic coast or in the Capital; hence the congestion in Washington and the coast region, where, as impartial investigation shows, the cost of every species of merchandise and of living generally is higher than at any other point in the United States and greater than it is in the city of London, England. Thus it is that we are impressed with the powers of regulation for the benefit of the private consumer.

Mr. KING. Mr. President, will the Senator from Illinois yield to me?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Utah?

Mr. SHERMAN. Certainly.

Mr. KING. I desire to ask a question for information. I have had some conversation with persons connected with the Food Administration in the District of Columbia; and a great many persons residing within the District, perhaps because I am a member of the District Committee, have appealed to me with a view to securing a reduction of prices, particularly of food that is sold in this District. I ask the Senator from Illinois whether, from his investigations, the Food Administration of this District is exercising all of the power which it possesses for the purpose of securing proper prices of food products for those who are resident within the District?

Mr. SHERMAN. Mr. President, the Senator's inquiry is most timely. Within the last four days I think five dealers in foodstuffs have had their licenses revoked, and commission men and wholesale and jobbing houses have been notified, so far as notice can be given, not to sell to such dealers, and they have been temporarily removed from business. Whether or not they have been permanently removed I do not know; but they are not now in a condition to transact business because of having charged excessive prices over the reasonable ones which ought to have been charged. That has been done within the last four days and is the only healthy activity that I have seen to relieve the private consumer. I commend it and hope it is the beginning of relief. Of course the consumer has had the benefit of prices fixed very largely on staples by the Food Administration, but outside of flour and a few wheat products, there have been no general regulations followed by decisive action attempted for the private consumer until the time indicated. I sincerely hope that the Food Administration will from this beginning commence to relieve the excessively high prices which prevail in this Capital, for they have become a national scandal.

Mr. KING. If the Senator will pardon me, does not the Senator think that the District Committee possesses some power under which it could act to bring about a proper regulation of restaurants and hotels and the fixing of such prices upon the part of hotels and restaurants as would not permit the extortionate charges which have been made in the city, and which are still being made, not only upon those who are called here for war purposes but upon those who come here for legitimate business purposes?

Mr. SHERMAN. I think there is no doubt about it, Mr. President.

Mr. KING. From the very little investigation which I have made, it seems to me that the District Committee, as well as the Food Administration, have not exercised the powers which they possess for the purpose of remedying the evils that are so manifold and to which the Senator has so forcefully referred.

Mr. SHERMAN. Mr. President, I have no doubt the District Committee could initiate legislation that would very materially improve the situation, and I should myself be very glad to support some legislation similar to the Saulsbury joint resolution, which has accomplished material good, although, generally speaking, most of the landlords are paying no attention to it, so far as serving notice for and attempting to collect an increased rent is concerned. I think everybody whose lease expires by the 1st of October next will receive very early, if they have not already received, the usual 30 days' notice under the lease. The Saulsbury resolution, we have been advised by some lawyers in the District, is not valid, and they propose to litigate it. If they can litigate more than we can legislate, if needed, they will be quite busy.

Mr. SHAFROTH. Mr. President——

Mr. SHERMAN. I yield to the Senator from Colorado.

Mr. SHAFROTH. I will state to the Senator from Illinois, with relation to the attempt to control the price of food articles which are for sale in grocery stores, that that effort has been made by the Food Control Department for more than the last four or five days. I have known of several instances where stores have been closed and where notices have been posted upon them that they were closed by reason of the order of the Food Control Department for the violation of certain prices at which they should have sold their goods. I have known that to exist for at least two weeks.

Mr. SHERMAN. I was going to ask the Senator from Colorado how long it has been since that effort has been made. It had not fallen under my observation two weeks ago, and I am glad to have the Senator add that information to what I have already given. Such cases falling under my notice have been within the last four days.

The first result of the immense collection of business in the East and along the Atlantic coast was a tremendous congestion last winter. The next seems to be a general attack by the commission on the meat industry, the headquarters of which are in Illinois. Contracts for Government supplies were placed in eastern cities. The contractor not only for food supplies but many other kinds of merchandise in many instances was obliged to draw from the West to supply his contract needs, so that the contractor along the Atlantic coast actually drew his merchandise to fill his contract from western sources. This disturbed radically the normal relation between a source of supply and the

point of assembling it for shipment overseas. The Department of Labor alone has moved over 500,000 men, approximately, up to July 1, 1918, to other points outside the Middle West.

In the single State of Illinois our supply of labor has been depleted by 500,000 men. This State contains within its limits the greatest manufacturers of agricultural implements in the world. Without their product food supplies can not be produced. It is a vital industry. It has been delayed and hampered by inconsiderate departmental action in Washington. It has been harassed and impeded by investigation and threats of further hostilities. Their essential supplies of material have been curtailed, while the same material has been permitted to go to nonessential industries without limit. It is only now after a year of such conduct that pleasure automobiles are to be curtailed.

Over a year ago in this body, Mr. President, I called attention to a 50 per cent reduction in the metal supplies of an agricultural implement house and to the fact that pleasure automobile manufacturers were allowed a full supply of metal for the manufacture of their vehicles for purely pleasure purposes. This limitation became a very practical one. Recently the manufacture of automobiles for other than essential purposes has been eliminated, so as to use the supply of sheet steel and other metals for more essential purposes.

Illinois contains the greatest live-stock market known. With its packing industries Illinois has made possible meat supplies for our allies before we entered the war and for our country and them since. The history of the packing houses and stockyards of Illinois is the history of the development and use of such utilities in the live-stock and meat interests of the country and of the world. Many years ago fresh meats had a limited market zone from the place of slaughter. In warm weather the temperature fixed the limit of the diameter of that zone. Hammond probably is the first man who presented the possibilities of the refrigerator-car service. The packers saw its potential use. The rest of it is history; and I have lived through that period in the area subject to these influences in my short life. They went to the great railway companies and asked them to build refrigerator cars for fresh-meat shipments by the packers. The railways declined. They did not wish to assume the risk of what seemed an experimental undertaking. The packers were literally compelled to build their own refrigerator cars. This vital truth is forgotten in the attacks on the packing houses both large and small. It made it possible not only to supply fresh meats from Chicago and other packing centers of the West, but it opened up the possibilities since developed of the refrigerator-car service for all perishable merchandise to be distributed in such cars. Criticism is made that the refrigerator lines are the means by which the packers hold the monopoly of interstate trade in products requiring such service. As a matter of fact, the railroad companies will transport, under similar contract, all such freight tendered them for carriage. Any concern in this country that will tender to a steam railway a refrigerator car loaded with any kind of merchandise can have it transported at the usual rates. There is no monopoly in this save that which comes from an established business as against one that begins anew. Yet it is stated that this monopoly can only be broken up by the Government's assuming certain agencies now utilized in the distribution of fresh meats.

There is no monopoly save in the established business and good will. If the five large packers that ordinarily are singled out for criticism own 91 per cent of the private car lines used in the trade, it is because they have been willing to take the chances in developing a new industry when the other shippers and steam railways would not.

The so-called "big five" packing houses do not have control, under liberal estimates, of over 35 per cent of the entire meat business in the United States. The local houses furnish about 65 per cent of the total supply of meat. There is always competition between the local butchers and the packers. The 70 per cent control by the packers assailed in the commission's report is limited exclusively to interstate trade. Local butchers can not go beyond a local market into interstate markets unless they are willing to embark enough capital in the business for the necessary refrigerator-car service. The packers, through the refrigerator service, serve a wider market necessarily for fresh meats. Instead of attacking such an industry and seeking to break it down, if there are practices to be discontinued let them be pointed out by the commission; let it make its recommendations, and in due course of administration or of legislation the regulations will be made. If regulations are to be made, give the industry the regulations. My observation and the experience of those who are in authority is that such regulations will be obeyed. It is forgotten that every packer doing an interstate business in this country is already under Government supervision. Their profits are fixed and minute regulations are made for the conduct of their affairs.

The impression is left on the public mind that 70 per cent is the part of the entire meat business controlled by the five Chicago packers, when, in fact, the 70 per cent applies exclusively to interstate trade. It is recommended, of course, that the Government take refrigerator-car lines, the stockyards with all their incidental property, live-stock cars, cold-storage plants, and warehouses. It is but a step, of course, to a complete acquisition by the Government of the packing business. It will follow the way of the steam railways, telephones, and telegraphs, along with the life and fire insurance business and all other forms of indemnity. Even if refrigerator cars are placed at the disposal of the small packers, it would not give them an interstate market unless they utilized the animal by-products so as to sustain a competitive business.

The investigation itself was ex parte and a mere formality. The commission is joining in the general tendency desired by the administration. The Government proposes to own as well as control ultimately all of such undertakings unless checked by an aroused public opinion.

Why single out the profits of the packers? Are they inordinate? The Food Administration limits the return on meats to 9 per cent. During the prewar years the hundred and forty million dollar profit referred to by the commission was earned on aggregate sales of over four and a half billion dollars. This is about 3.11 per cent on each dollar's worth of business transacted. If the consumers of merchandise could buy their necessaries, with only this profit absorbed in the cost price to them, the expense of living would be the lowest ever known.

The return on the invested capital in the meat business has been limited to the 9 per cent referred to. The statements in regard to the large dividends on the entire amount of money invested in the business, including both meats and all other packing-house lines, are not only unfair but untrue, and were either known to be so by the commission when made, or the report is based on inexcusable ignorance or inability to understand facts. War conditions and rising prices of live stock have required very large increases in capital investments. Inventories have risen until they show from two or three times the prewar value. If the dividends be computed on the total investment of the business it will be found that 10 per cent, in case of Swift & Co. to illustrate, is correct. The huge investments required by present prices or any surplus resulting from its use can not be estimated as profits at this time. A tremendous risk attaches to war values of all merchandise in which capital and surplus are invested. A decisive victory or a peace treaty would send war prices precipitately to a lower level and obliterate overnight the mythical profits found by the commission. All inventory values are subject to this hazard of the market. Swift & Co., for instance, found that after paying 10 per cent dividend to more than 20,000 stockholders in 1917 and after putting the balance of its profits back into the business, it was compelled to issue additional stock to raise money for the maintenance of its war business. It was also required to increase its borrowings from banks by over $75,000,000 compared with prewar times. Its inventory values before the war of $50,000,000 have now mounted to over $150,000,000. Similar conditions attach to the business of all the other packers.

In July, 1918, the average wholesale price of beef in Washington, for a given week, was 21.27 cents a pound to the retailer. From the packing houses out of the refrigerator car the average price to the local meat market of all cuts of beef was 21 cents and a fraction. There is very little of that wasted, Mr. President; there is scarcely a pound of the bone in the beef wasted. It is cut up by the adept, if he knows how to cut meat on the block, in such a way that nearly every pound of the bone is sold with enough meat attached to it to carry a sale of the bone. It becomes a soup bone, known to the thrifty housewife in the kitchen as one of the good ways of getting over Sunday with a supply of something that will fill up the family. Practically there is but little waste on the whole of the quarter of beef or on the entire beef when reduced to salable quantities on the block.

For a good part of my life, in connection with certain associates, I bought beef in carload lots every day. We bought from the packers, large and small; we bought from some packers in Iowa, smaller packers than those known in Chicago, and we bought from St. Louis occasionally, and sometimes from the branch houses of the Chicago packers, and sometimes from others. We bought both fresh and preserved meat. I bought for my kitchen the same brand and cuts of meat from my local meat-market man that I was buying at wholesale prices from the packer. In those days when round steak from the packing houses was sold to us in carload lots for 6.89 cents a pound,

or 7 cents at the outside, I paid for my kitchen 14½ cents for exactly the same cut of round steak. We sent the entire car load to our cooling room, taking it out of the refrigerator car for that purpose. The same train that brought our refrigerator cars of dressed meat to that point also brought the supplies of fresh meat to the local meat market there for exactly the same price that we paid; but when I went to buy it I paid an increase of 100 per cent, which shows that the increase in price is caused by the local handler, who must stand a little loss, must furnish the help, the delivery wagons, and the like for conducting the business. The same beef that was selling in July, 1918, at 21.27 cents wholesale reached the consumers at Washington at some 50 to 62 cents a pound, an increase of more than 150 per cent added on every pound of the meat that was sold and retailed in Washington. The packer made an average price of 3.11 cents on each dollar's worth of business, and was limited to 9 per cent dividend on the year's meat business. The retail meat dealer in Washington, instead of making 3.11 cents profit on each dollar of sale to his customer, as the packers have done, gets from 57 cents to 60 cents out of every dollar's worth of meat he handles between the packers' refrigerator car and the delivery to his customers. If the packers made the same profit that the retailers do the commission would be justified in making a severely critical report that would rival the one that has been recently forthcoming, and it would then have the advantage of being based upon a market truth; but up to two weeks ago, according to the statement made by the Senator from Colorado [Mr. SHAFROTH], and up to four days ago, according to my observation, the Government has shown little or no activity in curbing the inordinate profits of the retailers in Washington. What they will do hereafter I hope and believe will be of a more satisfactory character.

To what agency could the Government apply to obtain meat supplies for the Army in such vast quantities if it were not for the packing industry of the country? Let credit be given to all packers, both large and small. I protest against singling out the largest plants in the business as a target against which prejudice and distorted figures are directed. On July 22, 1918, the Government delivered to the packers a meat order which broke the world's record. It called for 99,560,000 pounds of bacon and 134,000,000 pounds of canned meats for the Army. The cost will run to about $140,000,000, of which $130,000,000 will go to live-stock growers. The deliveries are to be completed by January 1, 1919. No small packers and no small business combination, Mr. President, would have been equal to the emergency.

Some complaint was made a few months ago about a quantity of meat delivered at a certain camp which had spoiled. An investigation was had, and it was demonstrated that the meat had left the packing house, the consignor, in first-class condition, but because of delays in the transportation service on the part of the carriers managed and controlled by the Government, and the lack of reicing on the road, the meat was unfit for use when it finally reached its destination. That was not due to the condition of the meat when shipped by those who sold it, but due to the delay in transportation, connected with the lack of refrigeration or reicing on the way.

There was another brilliant stroke of policy connected with the delivery of this meat order. The head of the department or bureau having it in charge conceived that it would be something worthy of Mr. Creel's exploits if it were given to the public; so, instead of keeping this 99,000,000-pound order of bacon and 134,000,000-pound order of canned meat where it could be carried out without undue disturbance of the market, they hastened to publish it to the world, and it went out with the ordinary publicity agencies furnished by the Committee on Public Information. Here is what immediately happened because of this masterly stroke of business from a desire—very laudable, no doubt—to show what the Government was doing: Both in the pasture and where the stock was being fed grain preparatory to final shipment, everybody, either the stock raiser or anybody who had meat supplies on the hoof or otherwise on hand, was directly or indirectly instrumental in causing an increase in the market. It is estimated that the imprudent publication of the purchase by the Government of these millions of pounds of supplies cost the Government, in subsequent purchases of necessary meat supplies, of which this is only a part, more than $30,000,000, as the amazing exploit of these business gentlemen who sit at the heads of bureaus and who are more martinets in discipline than they are observers of markets!

The large packers are entitled to the credit of utilizing what formerly was a waste product. If they have made it a source of profit to themselves, they have made it a source of profit to the country as well. One who saves is equal to one who creates, for preservation is but another form of creation of value. The small slaughterhouse can not avail itself of these advantages. It is an economic misfortune for the latter and for the general public, because that much of the country's by-products is lost utterly. It is only because of a high development in the use of every part of the animal that the large packers can buy a steer on the hoof, slaughter it, and sell the dressed beef back to its former owner for less than the original cost of the live animal.

The agricultural-implement manufacturers of Illinois, all other manufacturers as well, and the packers resident in Chicago are the constituents of my distinguished colleague [Mr. LEWIS] and myself. I protest against the unfair treatment they have received at the hands of our Government, to which they have shown 100 per cent of loyalty in the conduct of the war and in the sacrifices they have made.

Why have the large industries of Chicago and of Illinois been singled out for invidious discrimination? The Ford Motor Co. of Michigan holds over $300,000,000 in Government contracts. Some of the contracts of that company required advances from the Government Treasury. Material is supplied by the Government. Ford is paid on a 10 per cent basis, with a 25 per cent allowance for anything saved on the price of each unit. Ford will make, on present contracts, more than $30,000,000 out of the Government, which in part finances his contracts. Recently he has expressed a willingness to cover all of the profit into the Treasury. He is not the first candidate I have known to forego all profit connected with any public transaction. The courts of several States have said that such promises are as morally reprehensible and as full of turpitude as the actions of the man who goes out and buys an individual vote on election day; and they have condemned without stint such offers made to release lawful profits or fees in consideration of the releasor being engaged in a strenuous campaign and desires votes for election to public office. I would have thought more of the atonement of Mr. Ford if he, out of the generosity of his system and the goodness of his heart, had released all his profits before he became a candidate.

If the packers made as much off of the public as Ford does off of the Government they would have averaged $450,000,000 of profit during the prewar period of 1915 and 1916 and 1917, instead of the $140,000,000 complained of by the Trade Commission in the three years. Ford is a public benefactor for making three times as much as the packers, a public benefactor taking more than three times the profit charged to the packers by the commission, and then he becomes fit to be a candidate for Senator not of one party, which might be pardoned, but he wants to run on both, or be put in a position where he can elect!

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. WILFLEY in the chair). Does the Senator from Illinois yield to the Senator from Colorado?

Mr. SHERMAN. Yes, sir; I yield.

Mr. THOMAS. I think Mr. Ford can be of much more benefit to the country where he is than he could be in the Senate, and for that reason I should be sorry to see him elected, but I think, in justice to Mr. Ford, in view of what the Senator has just said, that I would perhaps be excused for making public a private conversation which I had with Mr. Ford during the first week of last June, on which occasion he said that it was his intention to cover back into the Treasury of the United States all the profit that he would make on Government work during the war. That was before he became a candidate.

Mr. SHERMAN. Before he became a candidate? I am very glad to hear it. It somewhat purifies his motives. Let me see. Ten per cent on the amount I have named will be $30,000,000. In a small measure that will help undo the damage he did when he was a pacifist, before we entered the war, and even after we entered the war, and before he experienced a change of heart. It will credit something on a tremendous debit account he has incurred. It will not, however, remove him from the group of dependent fathers which I shall now comment upon.

Mr. Ford's son is 23 years of age, and so long as he has intruded these matters upon public attention, it is entirely proper to comment upon them. Without any express exemption by superior authority, such conditions have been created that he has not been mustered into the service. It is upon the plea, upon various procedures had before different circumlocution offices in various parts of the country, reaching all the way from Detroit to Washington, that the son is indispensable to the father in the management of the factory and that the factory has large war contracts. In that event it would be a shameless waste of man power and brains to elect the father to the Senate and let the burden and the mantle of this entire business fall upon a 23-year-old stripling in the person of young Ford. So I think the best thing would be to muster the son into the service, like my neighbors' sons have been sent, like my relatives and

your relatives of draft age have been sent, and who claim no privileges of that kind; to let the son go where he can bear the usual burden, without regard to parentage or social standing or wealth, and let the father, the original charter member of the Club of Dependent Fathers in the United States, remain in charge of his factory.

Mr. President, for 18 years the only law partner I probably will ever have had in my life and myself got along very pleasantly in our private affairs. A year ago this last winter he died. He left an only son and his widow. By the fortunes of the drawing of numbers from the urn the son drew the number that sent him into the military service; and his widowed mother, in Illinois, bereaved in a double sense, but with undiminished loyalty and with a sincere wish that her son may do his entire duty, like the Roman mother of old, sent him into the service with her blessing, to return either with his shield or upon it. That is one of the "short and simple annals of the poor." The blood of young Ford is no better than the blood of my partner's son, no better than the blood of my relatives or your relatives in the service, no better than the blood of hundreds of clerks who have gone from railway offices, and hundreds of sturdy men who have gone from the factories, mines, and from the fields of our country. But this gentleman, 23 years of age, who has become the sole support of his millionaire father, is the reason why Henry Ford became the original charter member of the distinguished and ancient Order of Dependent Fathers.

Let me read a little more, as long as Mr. Ford has injected himself into public affairs. He voted for Garfield in 1884, when Garfield had been dead nearly four years, showing that it is remarkably fortunate that he knows more about jitneys than he does about politics. Let me examine his affairs a little more. In the evidence taken in some litigation of certain gentlemen with Mr. Ford, wherein they differed on business matters, it appeared that in 1916 Mr. Ford's company made over 30 per cent dividends on the invested capital stock. Here is the report, taken from the sworn evidence. In the year ending July 31, 1916, the total of business done was $206,867,347. The total profit on the business of that volume was $59,994,118. The percentage of profit on the business in 1916 was nearly 29½ per cent, or, to use round figures, nearly 30 per cent. There is no packer, there is no carnivorous concern in Wall Street, there is nothing in St. Louis or Chicago that can show a fairy tale of expanded capital stock and profits like this concern. Here is the further evidence:

The Ford Motor Co. was incorporated in June, 1903, with a capital stock of $150,000. Thirteen years afterwards, on the 1st day of July, 1916, its net assets were $114,000,000. If the packers had made profits of that kind, the Federal Trade Commission would have been speechless with rage and indignation. The English language would have been vain to express their outraged sentiments. They no doubt would have reported, recommending criminal prosecution and even capital punishment for men who were such shameless profiteers in war or any other times.

Mr. Ford's record as a pacifist shows that he spent liberally of his large profits in 1916 to oppose preparedness; so, when he stated to the distinguished Senator from Colorado that he intended to turn back to the Public Treasury all of his profits made on war contracts, I regard that merely as conscience money, if he has any article of that kind concealed about him anywhere; that the $30,000,000 will help undo the damage of the advertisements in the papers warning us against preparedness, against war, against taking any steps that would make us prepared to defend ourselves in the event that war became necessary.

Mr. Ford's record as a pacifist, therefore, will not be balanced even by $30,000,000 of donations of profits. Mr. Ford—and I will go into that some time, if it ever becomes material here, because I have the entire record—is now a patriot, while some of his former associates in his pacifist campaign are under bond or in jail. Some of them have changed their minds. Haywood changed his mind when he was on trial in Chicago. He said he did not believe in violence. While he was associated with the Western Federation of Miners out in the Rocky Mountain country he had no convictions of that kind; and if he does not believe in violence, it is since he has been indicted and put on trial in Chicago that he has a remarkable change of heart. He did not change it any quicker than Henry Ford changed his mind. Why send Haywood to the penitentiary for 20 years and attempt to send Henry Ford to the United States Senate? I insist that the punishments are not well graduated. [Laughter.] I commend to the Federal Trade Commission his activities and record before he experienced a change of heart.

There are many hundreds of corporations whose war profits exceed those of the packing houses and other industries in Illinois. The President's message last May referred to much profiteering and suggested that it be seized by high taxes. If the Federal Trade Commission wishes to render a public service, let it relieve the great multitude of private consumers by endeavoring to reduce to a more equitable basis the present high prices that most of us pay. That would be a general benefit.

I am growing somewhat weary of the Trade Commission's continually camping in Illinois, and I propose to pay my respects to them, not only in the Senate but elsewhere, in public speech and in private conversation as well. I hold no brief for Chicago more than any other part of the country; but I commend Chicago to the country, and Illinois as well, as an example that might well be emulated by others. When I look over the private or public life of the members of this commission and what they have done I find that the active, vociferous end of it is more distinguished for destruction than for construction. They have been no great builders in private life. Why, there is many a Senator who has done more in private life than any member of the commission who is now engaged in trying to destroy some of the principal industries of the country; and none of us here ever refer to our private affairs as any reason why we should be placed in charge of public ones.

Illinois has given 140,495 men to the National Army. About two-fifths of those have come out of the city of Chicago. That is about the ratio. It exceeds the number from New York or Pennsylvania up to the 1st day of July, 1918. I have no particular apology to make for Chicago. It needs none. It speaks for itself in its growth, its business, and its sturdy men. I do not live in Chicago. I live 185 miles from the city. It is only by stress of conditions that I am compelled to spend at long intervals the larger part of my time in that city. When I am not otherwise engaged, I leave it and get out into the rural districts with great pleasure. Politically Chicago is Democratic. Politically, every time I run, it returns against me an abnormal majority. Politically I owe it less than down State. I am only saying this by way of explanation. The last time I ran, Chicago beat me by 60,000 majority in the city limits, but I never lose my affection for the city by the lake for what it has done in an industrial and general constructive line of effort. It does not make any difference how big the majority is in Chicago; anybody who knows the State can always go down State and defeat them. We always can figure out in the 35 wards of Chicago about how large the majority will be against any country candidate, and then we simply go out in the country and get a bigger majority, whatever it may need to be. [Laughter.] So I have neither fear nor worshipful reverence in politics, but always respect, for the metropolis on the lake. I am only saying this out of a sense of justice to Chicago.

The other two States named—Pennsylvania and New York—lead all others in the Union, with the exception stated. The men of Illinois are found in 10 great camps of the United States. They are on the French frontier, wherever there is service to be rendered or danger incurred. When volunteers were called, before the conscription act, her men led the way to the recruiting station. Whether drafted or volunteered, whether in military or civilian life, the State is entitled to better consideration from the administration than it is receiving. It does not welcome to its borders sensational rhetoricians and writers of sanguinary fiction under the guise of fiat statesmen on commissions which demonstrate the imbecility of government rather than its efficiency.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Iowa [Mr. KENYON].

Mr. THOMAS. I ask to have the amendment stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 3, lines 1 and 2, it is proposed to strike out from the House text the following:

Live-stock production in the Great Plains region, $100,000.

Mr. WARREN. Mr. President, I remarked yesterday, when an effort was made to defeat one particular part of this amendment, that I did not see why so many items should be coupled in one amendment. The proponent of the amendment, however, has seen fit since to separate the different items, and I am willing to admit that many of them attach to industries in which the people engaged in them are well versed—for instance, the production of beef cattle, the production of pork, and the production of sheep. No doubt in the production of those three classes of animals the people are in general terms very well educated; but this particular item, live-stock production in the Great Plains region, to-day applies to a very great region that is undergoing very material change.

The Senator from North Dakota [Mr. MCCUMBER], with his keen satire, thinks that this is not useful. The same system

of satire could be applied to almost this entire bill, and in fact to the entire annual bill of the Agricultural Department. In the years past, when on several occasions I had charge of the bill on its passage through the Senate, the attacks on forestry would use up from three to seven days. I observe, however, that of those who attacked it originally and said that it was an invasion of the rights of the States, and said that it was iniquitous in every degree, ninety-nine one-hundredths are now holding out their hands for extensions and for rentals. They endure the raising of prices and all of that, as they appreciate the privileges of grazing in the forests.

We had originally great herds of cattle on the western plains, ranging over land that was largely that of the United States. Settlers have entered and taken up quarter sections, half sections, and sections here and there, and thereby have destroyed in a great measure the efficiency of the so-called great cattle and sheep ranges. In fact, it has come to a pass now where the business must be broken up or conducted in a different manner, and if it is to continue, and if the Great Plains country is to furnish the great quantities of beef, mutton, and wool that it has been producing, it has got to be done in another way. It has got to be done by the handling in small numbers of these animals by those engaged, at least partially, in farming, so that they may have the feed for winter, where formerly, with the open and unrestricted range, the animals were able to winter without help.

Coming into the States, of which Wyoming is perhaps almost the center, there are people from eastern farming communities who are unacquainted with the so-called dry-farming system of tilling the land, which consists of deep plowing, the land lying fallow every other year, so that the farmer must have just twice the usual amount of land, half of it fallow and half in crops, where he has a slight rainfall and, in most cases, no irrigation. Of course, there has been proven long since the great productivity of that country wherever water can be supplied sufficiently to cover the shortage of rain.

At the present time not only are farmers coming from sections where they have seen none of this so-called dry farming, but young men are locating there, starting out in life, coming from the great centers, the crowded cities, coming from the different industries. They know very little of general farming, and nothing at all of this peculiar kind of farming. Now, it seems that the farmer who takes a portion of land that is dry takes the risk of perhaps losing one or two crops out of three, in addition to the fact of having half of his land fallow. He must have a horse or two for his team, and he should have, commencing with one cow and increasing to as many cows as he can take care of, so he can get a start with the calves and young stock, and also so that he may get the product of the milk every day of the year, and send it to the dairies nearest by, and sell it at wholesale or deliver it in the towns and sell it at retail. Now, he will probably get enough grass from the range to take care of those animals in summer. In the winter the seasons are short, and the question put by the Senator from North Dakota becomes pertinent. Corn can not be raised to maturity in a great part of that country, but corn can be started and go along sufficiently to make it a very valuable product to go into a silo. Now, the State which I in part represent may have half a dozen silos in the entire area of 98,000 square miles. It has not to exceed that number, in my opinion. I do not suppose there are 20 farmers in the entire State who know anything of a silo except from what they have read. With silos they can prepare for young stock, for cows in the winter, and they can take the immature crops, corn, oats, or barley, or whatever they have, and put them in it, and they can use either mature or immature grain; also various natural weeds and grasses, which grow in abundance. Unfortunately, some of these growths are poisonous, and instruction is necessary for those farmers to learn how to sort out and destroy those and save the others, and how to provide for and how to run a silo. They want instructions in the first place regarding method of eliminating all that is poisonous and that has no sustenance for support of the stock. Selections have to be made. Then they determine the component parts, the size they should undertake to make their silos, and all that.

That region is nearly a thousand miles square. This $100,000 is a mere pittance. Even if there were only $100,000, and only 200 men in all that domain should learn how to start and run their crops into silos and handle their business successfully, the money would be well expended, because they in turn would show their neighbors. So in this particular time, in this particular country, there needs to be some money expended judiciously by the departments in teaching these farmers how to start in the production of live stock.

Of course, I said in considering this last evening that perhaps this whole bill might have been dispensed with, but I observed, I think, that this paragraph in what it contains is about the best of it. Of course, I overlooked perhaps what was the main feature of starting this bill, and it has been the main and great important feature of the bill, and that is prohibition. The prohibition measure, which was unanimously carried without a roll call only two days since, but came up under an appeal to the Chair the other day, or, rather, a few weeks ago, I should say, to decide whether or not it was competent under the rules to attach it to this bill in the particular way and at the particular time it was offered.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Wyoming yield to the Senator from Utah?

Mr. WARREN. Certainly.

Mr. KING. I desire to call the Senator's attention to the Agricultural appropriation act of July 13, 1918, and particularly to this provision of that measure:

> For all necessary expenses for investigations and experiments in dairy industry, cooperative investigations of the dairy industry in the various States, inspection of renovated-butter factories and markets, $364,390.
>
> For all necessary expenses for investigations and experiments in animal husbandry; for experiments in animal feeding and breeding, including cooperation with the State agricultural experiment stations, including repairs and additions to and erection of buildings absolutely necessary to carry on the experiments, including the employment of labor in the city of Washington and elsewhere, rent outside of the District of Columbia, and all other necessary expenses, $308,680.

I find another provision:

> For all necessary expenses for scientific investigations in diseases of animals, including the maintenance and improvement of the bureau experiment station, etc., $124,560.
>
> * * * * * * *
>
> Meat inspection, Bureau of Animal Industry: * * * $477,200.

A much larger appropriation. I was going to ask the Senator, Can not the appropriations to which I have called the Senator's attention be devoted to the very purpose suggested by the Senator?

Mr. WARREN. I was speaking on another angle of the bill entirely, and, if the Senator will wait, I shall take the subject up later as to his particular inquiry.

I desire to say that this measure of prohibition was as popular when it was up 60 or 30 days ago as it was when it passed two days since. Many of us sustained the Chair when he ruled that it was not in order to offer it in the way it was offered. Many of us who sustained the Chair would have been as glad then as we were yesterday to vote for prohibition. I remarked then to my good friend sitting behind me [Mr. JONES of Washington], father of the prohibition amendment, that whenever we could vote on prohibition squarely I would vote for it. The Senator who sits two seats from here on my left [Mr. SMOOT], in his speech regarding it, said that he would vote to sustain the Chair, but when it came to a vote on prohibition he would vote for it. Many of us felt that way.

I happen to be one of the oldest members of the Committee on Rules. I should think very much less of myself if I did not vote to sustain the Presiding Officer when he makes what to my mind is a correct ruling, for I have some respect for the rules of this body, although I admit that others differ and think it is a perfectly fair advantage to take to vote against the ruling providing they can succeed in any way in making a point by the breaking of the rule.

If this measure was introduced for the purpose only, as it might have been, of adding prohibition as an amendment in the House and changing it here, it is still worth while. So I am not going to condemn the bill, but when we come back to this particular item, if there is anything in the bill at all, aside from the prohibition feature, which is worth while, then it is this appropriation of $100,000.

Now, coming to what the Senator from Utah has brought to mind, he might bring up hundreds of thousands and even millions that we have appropriated, and might condemn it all. For instance, the bills have for many years contained from $500,000 to a million dollars each year to eradicate or control the boll weevil in cotton. He does not grow any cotton in his part of the country nor do they grow it in mine, but I have never yet objected to those hundreds of thousands of dollars in the interest of the cotton growers, nor have I inveighed against or in any way opposed the great appropriation for the cattle tick, which does not affect us at all in our part of the country.

Now, as to the great inspection of cattle, I was formerly interested in the cattle business, and we have as a Member of this body one who is the largest, in fact, the last and largest, of all the Great Plains holders of range cattle. We have seen the time when we were independent of all these diseases and appropriations, when we got to the market at $30 a head steers that now bring from $150 to $200 and sometimes $230. Now,

inspection has been one of the great conducive elements to that price. Of course, the war has had its sway, and they have arrived at a figure more than twice what they brought before the war, but before the war their value had doubled, largely brought about by the efforts of this great Agricultural Department in initiating its great system of inspection, whereby the inspector stands at every place where cattle are slaughtered and where the meat is to cross the State lines. We were formerly barred out of foreign countries as to our pork product. We were barred out of some foreign countries as to our beef product. In fact, I have had returns from the cattle market in early years which did not show over $10 a head net. Why? Because we had no foreign market. That market has been opened since, and it is ours to-day, and has largely been established on the good faith of this Government, because they knew that every quarter of beef and every animal they got had been inspected by the officers of this Government and O. K.-ed before it could be shipped.

Now, in order to maintain this great product of beef we must begin at the bottom. We must encourage the raising of calves. Take the dairy interest, if the Senator from Utah [Mr. KING] will give me his attention. He read of the large amount appropriated for dairying. This particular item under discussion is not for dairying. The dairying is where the cows are used for milk and not to raise the young; the calves are killed when very young. But these young farmers—young or old, but young in the business at least—who start in that dry-farming country there with one, two, or three cows, keep them both for milk and the young. In that way they make up for the loss in stock cattle, but it has got to the point where there are few engaged in the cattle-breeding business now. The range men confine their business to steers. They go south to Texas and other points and buy steers and fatten them on the range and let them go. The consequence is that they are liable to go out of business very soon, unless farmers, both dry farmers and regular farmers, turn their attention to the rearing of the young.

Mr. President, I hope the motion as to this particular appropriation will fail to be adopted.

Mr. THOMAS. Mr. President, I find here seven items aggregating $619,400, of which the item to which the Senator from Wyoming has just referred is one. I will read them:

Production of beef cattle, $105,000; live-stock production in the Great Plains region, $100,000; production of pork, $150,000; production of poultry, $129,600; production of sheep, $60,000; making cottage cheese on the farm, $52,950.

There is no appropriation for making cheese off the farm.

Utilization of creamery by-products, $21,850.

Total, $619,400.

Mr. WARREN. Will the Senator permit me?

Mr. THOMAS. Certainly.

Mr. WARREN. Perhaps the Senator did not notice that I addressed my remarks to the one item only.

Mr. THOMAS. Oh, yes; that is the only one the Senator is interested in, and he will vote for the others in order to get it.

Mr. WARREN. I trust the Senator does not put it on that basis. I hope he does not represent only the interest in which he is particularly interested, and he certainly should not put his colleagues on that basis.

Mr. THOMAS. If I said anything offensive, I withdraw it.

Mr. WARREN. It is not at all offensive, but I have no interest in that item more than I have in the others, except that I was undertaking to show the necessity in that great region of country of that particular item regardless of the others.

Mr. THOMAS. I think the Senator has said all in behalf of it that any man could offer, and yet he said one thing which, in my judgment, destroys the force of everything else that he has urged in favor of it. He has just told the Senate that not long ago beef cattle brought about $30 a head and now a good, big steer he says will bring from $150 to $200 in the market. Mr. President, is anything needed more than that situation to encourage the production of beef cattle? Is it possible that when the price of a good steer now is $200 Uncle Sam has got to appropriate $105,000 out of his nearly exhausted Treasury for the purpose of producing beef cattle, or $100,000 for live-stock production in the Great Plains region? To state such a proposition, Mr. President, is to refute it. There never was such an encouragement to the live-stock industry as there is to-day in the tremendous prices which live stock of all kinds bring in the market.

Mr. WARREN. Will the Senator permit me?

Mr. THOMAS. Certainly.

Mr. WARREN. The Senator, of course, understands that not only live stock but every other commodity, and other commodities far more than live stock, have been advanced in price on account of the war.

Mr. THOMAS. Oh, I know that.

Mr. WARREN. It is a temporary increase. We hope it is, at least, and we have every reason to expect that prices will go back if not to the old figure to a normal scale. The expense of raising and fattening cattle is more than twice its prewar cost. The Senator overlooks the fact, perhaps, that I said the increase had been very great before the war because of the opening of the market and largely through the undertaking of the Agricultural Department. Now I am covering the point we are weakest in, the care of calves and the raising of young stock, which is quite apart from the maturing and selling of beef steers.

Mr. THOMAS. I listened to the Senator with interest and I recall his argument, I think, very clearly. It is true, Mr. President, that everything in the United States has risen since we entered this war except Senators' salaries. I think they have remained stationary, and any slack in those salaries has long since been absorbed by the Washington landlords.

Mr. WARREN. May I state to the Senator——

Mr. THOMAS. I yield.

Mr. WARREN. We have at last arrived at a point of agreement at least upon the one statement as to a Senator's salary.

Mr. THOMAS. The Senator and I agree upon a good many things, and I am very glad to note that the item to which I last referred is comprised within our general mutual understanding. I still insist, Mr. President, that there can be no greater inducement to the live-stock industry and to the production of live stock than the enormous price which now prevails in the market and which, of course, will not always prevail, at least I hope not.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Wyoming?

Mr. THOMAS. With pleasure.

Mr. KENDRICK. I should like to ask the Senator if the high price now prevailing for live stock does not suggest the necessity of providing every possible encouragement in the way of information and intelligent effort to increase the production in order to lower the price to the consumers?

Mr. THOMAS. Yes; and I think the Senator from Wyoming can do more in that regard than the Department of Agriculture can. I think he is doing in his sphere of action as much as anyone can in the United States.

Mr. KENDRICK. While I am complimented by the statement of the Senator, I am not convinced of its correctness. On the contrary, I am sure from a lifetime's experience in this business that no industry in the country requires as much of instruction and as much of direction as the live-stock industry, and about which there is as little of direct information as there is among live-stock growers in spite of the multitude of men engaged in the industry, and I make this statement after a lifetime spent in the business.

Mr. THOMAS. I am satisfied the Senator did not so intend, but assuming the correctness of that statement—and I have no doubt of its correctness—it is somewhat of a reflection upon the Agricultural Department, because we have been appropriating money for that identical purpose for a long time. I do not think the Senator's success in the live-stock industry has been due to instructions received from those who know less about the business perhaps than he does, but upon his own understanding of that business and the application of his energy and of his talents to its development.

Mr. SMITH of Maryland. Will the Senator allow me to ask unanimous consent to submit a conference report?

Mr. THOMAS. I am perfectly willing to do so, provided there is no discussion upon it.

Mr. SMITH of Maryland. I do not think there will be any discussion upon it whatever. I ask unanimous consent that the pending bill be temporarily laid aside until the report is disposed of.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of Washington. I wish to say that I am not going to object to laying aside the bill at this time for the consideration of the conference report, because I recognize the necessity of getting the bill through promptly.

Mr. SMITH of Maryland. I ask that it be temporarily laid aside.

Mr. JONES of Washington. But I want to give notice that hereafter I am not going to consent to laying this bill aside until it is disposed of, unless something imperative as a war necessity comes on.

Mr. SMITH of Maryland. The Senator recognizes the importance of immediate action on the conference report.

Mr. JONES of Washington. I do.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its chief clerk, announced that the House agrees to the report of

the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11692) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes.

DISTRICT OF COLUMBIA APPROPRIATIONS—CONFERENCE REPORT.

Mr. SMITH of Maryland submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 11692) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 61.

That the House recede from its disagreement to the amendment of the Senate numbered 83 and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$70,030, to be paid wholly out of the revenues of the District of Columbia"; and the Senate agree to the same.

JOHN WALTER SMITH,
JOE T. ROBINSON,
CHARLES CURTIS,
Managers on the part of the Senate.
THOMAS U. SISSON,
JAMES MCANDREWS,
CHARLES R. DAVIS,
Managers on the part of the House.

Mr. SMITH of Maryland. I ask for the adoption of the conference report.

Mr. LODGE. Does that mean that the Senate has abandoned what is known as the Keller claim?

Mr. SMITH of Maryland. That is taken out.

Mr. LODGE. I regret that very much.

Mr. SMITH of Maryland. I can say to the Senator from Massachusetts he does not regret it any more than I do. We did all that we could. We think it is a just claim. We think Mr. Keller ought to have had his money; that he is entitled to it; and the Senate thinks he is entitled to it. But the House refused to pass a resolution extending the appropriations for the District of Columbia, and unless we pass the bill there will be no appropriations for the District of Columbia and there will be no means of running the government of the District of Columbia. So we were forced to do what we have done. I think the Senator's view about the matter is in accord with that of every Member of the Senate, that it was unjust and Mr. Keller ought to have had the money.

Mr. LODGE. I know the Senator agrees with me that it is a just claim; perhaps a little more than that. I think really wrong has been done, and I can not understand why the House should stand out in that way against a claim of such merit, which involved a trifling amount of money, and which has the very unusual support behind it of an absolutely unanimous vote of the Senate.

Mr. SMITH of Maryland. That is true.

Mr. LODGE. I am certain under those circumstances the House never would have given way, and I do not see why we should be forced to do it. If they are ready to take the responsibility of letting the District appropriations go over because they will not yield that claim, I would be disposed to let them do it.

Mr. THOMAS. Right you are.

The PRESIDING OFFICER. The question is on agreeing to the conference report. [Putting the question.] The noes appear to have it. The noes have it.

Mr. SMITH of Maryland. I ask for a division.

On a division the report was agreed to.

Mr. LODGE. I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Johnson, S. Dak.	New	Simmons
Bankhead	Jones, N. Mex.	Norris	Smith, Ariz.
Benet	Jones, Wash.	Nugent	Smith, Md.
Brandegee	Kendrick	Overman	Smoot
Chamberlain	King	Phelan	Sterling
Culberson	Kirby	Poindexter	Sutherland
Curtis	Lenroot	Ransdell	Swanson
Fall	Lodge	Robinson	Thomas
Fletcher	McCumber	Shafroth	Trammell
Gore	McKellar	Sheppard	Underwood
Henderson	McNary	Sherman	Warren
Johnson, Cal.	Nelson	Shields	Wilfley

Mr. BANKHEAD. I wish to announce that the Senator from Mississippi [Mr. VARDAMAN] is detained on official business.

Mr. PHELAN. I desire to announce that the Senator from Rhode Island [Mr. GERRY] and the Senator from Montana [Mr. WALSH] are detained on important public business.

The PRESIDING OFFICER. Forty-eight Senators have answered to their names. A quorum of the Senate is present. The Senator from Massachusetts is recognized.

Mr. LODGE. Mr. President, I raised the question of no quorum because I thought the Senate ought to have an opportunity to vote on the matter of the Keller claim. It was my intention to make a motion to reconsider the vote by which the conference report was adopted, but I have no desire to delay the District appropriation bill to which the Senate has given its consent. I very much regret that they did so because I do not like to see these threats always come from the side of the House of Representatives and the Senate always yield. This is not the only case where that has occurred. Under the circumstances, however, I do not think I should be justified in making the motion to reconsider, and I will not make it.

The PRESIDING OFFICER. The conference report is agreed to.

Mr. ROBINSON. Mr. President, I heard the statement made by the Senator from Massachusetts [Mr. LODGE], and I wish myself to submit a statement in connection with the matter to which he has just referred. The conference report on the District of Columbia appropriation bill has been held up for some months by a difference between the two Houses on three amendments. One of the amendments as to which there has been a disagreement, as is well known, was the amendment relating to what is known as the half-and-half plan. One of the other amendments was what is known as the Keller amendment. From the time that I first investigated the Keller amendment I had no doubt that it was a just and a fair proposition, and I think the other Senate conferees took the same view of the matter; in fact, I know that they did. Aside from the position which the Senate took concerning the subject, the Senate conferees wanted to see that amendment agreed to, and we did everything in our power to induce an agreement touching the amendment.

It is also known that the continuing joint resolution exempts the District of Columbia from its provisions, and that it is therefore necessary to secure the immediate passage of this bill, else the greatest inconvenience will result to the public service of the District of Columbia. I am as much interested in and as much convinced that the Keller amendment ought to prevail as is the Senator from Massachusetts, but I am unwilling, and other Senate conferees are unwilling, to occasion the inconvenience that must result from the failure of this bill under the circumstances I have stated.

For that reason, and for that reason alone, and in a sense of justice to the District of Columbia itself, to the thousands of employees whose compensation is carried in the District of Columbia appropriation bill, the Senate conferees finally yielded upon that provision.

I think that comprehends everything that I care to say concerning the subject at this time. I do not think it would be proper for me to characterize the conduct of those who have taken a contrary view of the subject; I am certain it would not, in view of the manner in which it appears to my mind at this time.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by G. F. Turner, announced that the Speaker of the House had signed the following enrolled bill and joint resolution, and they were thereupon signed by the Vice President:

H. R. 11692. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes; and

H. J. Res. 324. Joint resolution making appropriations for certain necessary operations of the Government for the month of September, 1918, and for other purposes.

STIMULATION OF AGRICULTURE.

Mr. GORE. I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating

agriculture and facilitating the distribution of agricultural products."

The VICE PRESIDENT resumed the chair.

Mr. THOMAS. Mr. President, when this little diversion occurred I think I was in a colloquy with the junior Senator from Wyoming [Mr. KENDRICK] regarding the proposed appropriation for the production of beef cattle, and I had said upon that item all that I cared to say. What I have said is quite as applicable to the item which formed the subject of the discussion of the senior Senator from Wyoming [Mr. WARREN].

The inducement which necessarily flows from the enormous demand and consequently from the enormous price for live stock is all that is necessary and all that ought to be necessary for the young farmers and the old farmers in Wyoming and Colorado who now propose because of that fact to go into the business, or who for some other reason have gone into that business heretofore. I do not think that the farmer who is engaged at present in the raising of live stock in a small way in Wyoming and in other States of the Union is so innocent, so inexperienced, and so ignorant of all of the things which he should know if he is to be a farmer at all as to require a Government appropriation of $100,000 to teach him how to raise a calf. If he does not know enough to raise calves, he ought to be sent to a lunatic asylum or to some reformatory institution instead of attempting to produce grain, hay, and cows and calves upon a ranch in the region which is known as the Great Plains.

I should dislike to think that when a man locates his claim and proceeds to cultivate it it is necessary for the Government of the United States to take him by the hand like a little child and to instruct him in the A, B, C's of his business. If he is as badly off as that, I think his neighbors will take care of him; and if he is as badly off as that, the sum of $100,000 would not be a drop in the bucket. The geographical magnitude of the Western States is something which does not strike the average individual at all times. The Senator spoke of the extent of his State. My State has an area of 104,000 square miles. It is about as large as the State of New York added to all of the New England States and a part of New Jersey.

Mr. GORE. And nearly as big as Italy.

Mr. THOMAS. Yes; it is nearly as big as Italy. It is an enormous State. The State of Wyoming, I think, is a little larger; the State of Montana is twice as large; and if all of these new farmers and old farmers, attracted by the price of live stock, must be taught how to feed a calf and how to carry on the industry, $100,000 is farcical. Ten million dollars would, perhaps, be inadequate for the purpose, although I should despair, Mr. President, of improving the energies of such a large class of people by this course if it were needed. I am satisfied for the present, however, that it is not needed.

Now, there is $150,000 proposed to be appropriated for the production of pork. I suppose that industry is universal. Everybody is raising hogs who can. It is very easy to raise them; it does not cost much to raise them. They are natural scavengers; relatively they bring as much money in the market as do beef cattle; and yet we are going to appropriate $150,000 under those circumstances for the production of pork! Surely the farmers in the State of the Senator from Wyoming, needing the instructing and guiding hand of the Agricultural Department in order to teach them how to raise calves, know enough to raise pigs; but yet for the production of hogs we propose to spend $150,000 of the people's money.

But that is not all. It is proposed to appropriate $129,600 for the production of poultry. Poultry is so high, Mr. President, that it is very hard for the traditional darkey to reach the tail of a rooster, even when he is standing upon stilts. I paid 35 cents for a plate of chicken soup the other day and it only had two feathers in it—just enough to give the liquid the flavor of the chicken. [Laughter.]

Chickens, Mr. President, have been grown in America ever since the landing of the fathers at Plymouth Rock; in fact, I think they brought a chicken with them by that name, which has flourished and grown exceedingly ever since. Everybody is engaged in raising chickens now, because they are worth their weight in gold. If you get a spring broiler in Washington it will break you, or come very near doing it. Notwithstanding that, $129,600 is to be appropriated by this bill for the production of poultry. Of course, the term includes ducks, turkeys, guinea hens, peacocks, and other domestic fowl too numerous to mention, perhaps. I wonder if the farmers require $129,000 worth of information in order to enable them to produce poultry or whether it is to be expended upon people who want to go into the business but who know nothing about it and who want the Government to teach them how in order that they, too, may take advantage of war prices and possibly, some of them, obtain exemption from the new draft law upon the ground that the raising of chickens is an essential industry, in which they are experts.

But let us go on:

Production of sheep, $60,000—

Let me suggest there, Mr. President, that there is a remarkable difference in these several sums for these purposes. I do not understand why it requires $129,600 to teach people how to raise poultry and only $60,000 to teach them how to raise sheep. I should think it would be more difficult to raise sheep than to raise poultry, but it seems that it is more than twice as difficult to impart needed information regarding the production of poultry as it is regarding the production of sheep.

I do not think the Senator from Wyoming [Mr. WARREN] will claim that it is necessary to instruct the people of his State how to raise sheep, whether they have been there very long or not. I think he was once referred to as the greatest shepherd since Abraham. If any information of that kind, therefore, is needed, I am sure he will be able to supply it, and to supply it prodigally, between now and the next shearing season.

Mr. President, the production of some of these animals may need encouragement——

Mr. WARREN. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Wyoming?

Mr. THOMAS. I yield.

Mr. WARREN. The Senator from Colorado referred to the senior Senator from Wyoming in connection with sheep raising. My colleague [Mr. KENDRICK] sits yonder, and I sincerely hope the Senator from Colorado will apologize for having omitted in his statement any reference to my colleague in connection with the raising of sheep.

Mr. THOMAS. I never heard the junior Senator from Wyoming referred to as a shepherd at all; I thought that he was more familiar with horned cattle.

Mr. WARREN. I desire to ask the Senator a question, but first I should like to make a brief observation. I admit that the Senator is a man of great learning and a leader of the bar in his own State and perhaps in the entire western section of the country. I will admit that the senior Senator from Wyoming and perhaps both Senators have been engaged more or less in the raising of stock.

Mr. THOMAS. I think that is to their credit.

Mr. WARREN. I thank the Senator. But although some years older than the Senator and having been engaged in the raising of live stock ever since I was able to follow along with a shepherd dog, I do not know yet how to construct a silo, in what manner to fill it, and how to feed out of it—knowledge which is so necessary to new farmers. Some of them may be learned in the law, but not well versed in farming, and without instruction they might not be able to proceed very far. This particular appropriation of $100,000 has no possible reference to the production of pork or sheep or to poultry.

Mr. THOMAS. It says "live stock."

Mr. WARREN. Well, the Senator knows that live stock usually differs from poultry.

Mr. THOMAS. I know it includes hogs.

Mr. WARREN. The term used here is intended to apply to the raising of live stock, mainly cattle, that must be wintered and fed largely from silos. With all the Senator's information, with all his wit, will he tell us if he knows how to build a silo, how to fill it, and how to feed the stock from it.

Mr. THOMAS. No, Mr. President; I do not know any more about building a silo than I do about the teaching of singing. I do know, however, that the Agricultural Department has issued pamphlet after pamphlet and circular after circular to the people of this country telling them how to build silos; and if I were in a business requiring the construction of silos, I am satisfied that I could get all needful information upon the subject by writing to the Agricultural Department for their circulars upon the subject.

Mr. McCUMBER. Mr. President, may I ask the Senator also if every State agricultural college has not given the people of the respective States information on that subject?

Mr. THOMAS. I thank the Senator for the suggestion. It is not necessary to write to Washington; all that is necessary is for a man to apply to the agricultural college of his own State and obtain it; and the same thing is true with regard to instruction about raising chickens and raising calves.

Mr. WARREN. Will the Senator permit a further interruption?

Mr. THOMAS. Certainly.

Mr. WARREN. Notwithstanding the paper instructions which they receive in the way the Senator from Colorado and the Senator from North Dakota have suggested, the Senator

from Colorado knows that we have been sending out demonstrators all over the country in connection with different products.

Mr. THOMAS. Oh, yes, Mr. President.

Mr. WARREN. We have sent out demonstrators in connection with the raising of cotton and the destruction of the boll weevil; we have sent them out to teach the people how to combat various animal diseases. It requires some demonstration further than the paper instructions that one can get to enable him to proceed along many lines of agriculture.

Mr. THOMAS. I will not say that it requires it. I concede that demonstrators are sent out by the Agricultural Department upon the slightest provocation, and I have no doubt that the time will come when demonstrators will be sent out by the department to teach the farmers how to blow their noses. I do not know of anything in the line of farmer's actions or farmer's production that has not become a subject of demonstration by the Agricultural Department. A great many of these demonstrations are necessary, but if the day has come to pass that we must send demonstrators all over the country in order to teach the farmers how to build silos then it must be said that we have wasted a great deal of money in our previous appropriations providing for the printing of instructions and their circulation through the mails, so that every one might be supplied at his door with the needed information. The same thing is true, Mr. President, of the literature and of the efforts of the various agricultural colleges of the respective States. I again say that if it is necessary to do this work, $100,000 is an insignificant and wholly inadequate sum.

We now come to making cottage cheese on the farm, for which there is an appropriation of $52,950. I do not know why that particular amount of money is necessary for that particular purpose. I had occasion, Mr. President, when a somewhat similar appropriation was up for consideration some time ago to call attention to the injustice of providing an appropriation for the making of cottage cheese on the farm and providing no appropriation whatever for the making of cottage cheese off the farm. Anybody can make cottage cheese on the farm, or at least I presumed they could until I saw that it was necessary for the Government to go into the business of giving instruction how to make it; but it is rather a difficult thing to make it off the farm. At that time I offered an amendment to the bill then pending appropriating $60,000 for the making of cottage cheese off the farm.

Is it possible, Mr. President, that the agriculturists of this country have become so helpless that we must donate to them $52,950 for the making of their cottage cheese? The same question would apply to the utilization of creamery by-products, for which $21,850 are proposed to be appropriated.

Mr. President, in all seriousness should we make appropriations like this at this time when we are face to face with the necessity of levying burdensome taxation upon the free people of this country the like of which was never before borne by any people? Is it possible that we should for a moment think seriously of taking any portion of this money, wrung from the toil and the sweat of American manhood and American womanhood, and squander it as these items propose to squander it?

The Senator from Wyoming says that this is an insignificant sum, and so it is; but I do not think that the day of small things has gone. Great things consist of the sum of small things; the millions upon millions of dollars which the New York City transportation system collects and pays its expenses and its dividends with are represented in units of a nickel. The question is not the sum so much as it is whether that sum or that appropriation be needed; and I submit, Mr. President, in all seriousness, that it is a waste of the public money to appropriate this $619,400 or any of it; and I would oppose it as earnestly if it were $1, or if it were $6,000,000, as I oppose it under the present circumstances.

I have not called attention to the first three items for the eradication of cattle ticks, the eradication of hog cholera, and of other diseases, because I am satisfied that I would attack them in vain, although I do not believe, Mr. President, that they are necessary. We have been eradicating cattle ticks for many years, and it will be a great affliction upon those who absorb this appropriation if we ever succeed in that task. Cattle ticks are a nuisance; hog cholera is extremely dangerous; doubtless the appropriations for hog cholera are necessary, and also those for the eradication of other diseases which frequently attack animals in the mass. Let those appropriations stand; but the appropriations designed to encourage the production of commodities for the production of which there is already an incentive far greater than any possible legislation can afford should be eliminated from the bill.

The VICE PRESIDENT. The question is on the amendment of the Senator from Iowa [Mr. KENYON], which will be stated.

The SECRETARY. On page 3, lines 1 and 2, it is proposed to strike out "live-stock production in the Great Plains region, $100,000."

Mr. THOMAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	McNary	Smith, Md.
Bankhead	Johnson, Cal.	Nelson	Smoot
Benet	Johnson, S. Dak.	Norris	Sterling
Brandegee	Jones, N. Mex.	Phelan	Swanson
Chamberlain	Jones, Wash.	Poindexter	Thomas
Culberson	Kendrick	Shafroth	Trammell
Curtis	Lenroot	Sheppard	Underwood
Fall	Lodge	Sherman	Warren
Fletcher	McCumber	Simmons	Wilfley
Gore	McKellar	Smith, Ga.	

Mr. BANKHEAD. I wish to announce that the Senator from Mississippi [Mr. VARDAMAN] is detained on official business.

Mr. PHELAN. I desire to announce that the Senator from Rhode Island [Mr. GERRY] and the Senator from Montana [Mr. WALSH] are detained on important public business.

The VICE PRESIDENT. Thirty-nine Senators have answered to the roll call. There is not a quorum present.

Mr. GORE. I move that the Senate adjourn until Monday at noon.

The motion was rejected.

The VICE PRESIDENT. The Secretary will call the names of the absentees.

The Secretary called the names of the absent Senators, and Mr. KENYON, Mr. NEW, and Mr. OVERMAN answered to their names when called.

The VICE PRESIDENT. Forty-two Senators have answered to the roll call. There is not a quorum present.

Mr. PHELAN. I move that the Senate adjourn.

Mr. SMOOT. I move that the Senate adjourn. It is Saturday afternoon, and nearly 5 o'clock.

The VICE PRESIDENT. The Senator from California and the Senator from Utah move that the Senate adjourn.

Mr. SMOOT. I call for a division.

On a division, the Senate refused to adjourn.

Mr. McKELLAR. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The VICE PRESIDENT. The Sergeant at Arms will carry out the instructions of the Senate.

Mr. SUTHERLAND entered the Chamber and answered to his name.

After a little delay, Mr. RANSDELL, Mr. SHIELDS, Mr. KING, Mr. BORAH, and Mr. KIRBY entered the Chamber and answered to their names.

Mr. GORE. Mr. President, while we wait, I renew the motion that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 50 minutes p. m.) the Senate adjourned until Monday, September 2, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *August 31, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father who art in heaven, hallowed be Thy name.

Thy Kingdom come, Thy will be done in earth as it is in heaven.

Give us this day our daily bread;

And forgive us our debts, as we forgive our debtors.

And lead us not into temptation, but deliver us from evil: For Thine is the Kingdom, and the power, and the glory, forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 12731) amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

The message also announced that the Senate had further insisted upon its amendments still in disagreement to the bill (H. R. 11692) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes, had requested a further conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. SMITH of Maryland, Mr. ROBINSON, and Mr. CURTIS as the conferees on the part of the Senate.

The message also announced that the Senate had passed the bill (S. 4598) further extending the time for the commencement and completion of the bridge or bridges authorized by an act entitled "An act to amend an act to authorize the Dauphin Island Railway & Harbor Co., its successors and assigns, to construct and maintain a bridge or bridges, or viaducts, across the water between the mainland, at or near Cedar Point, and Dauphin Island, both Little and Big; also to dredge a channel from the deep waters of Mobile Bay into Dauphin Bay; also to construct and maintain docks and wharves along both Little and Big Dauphin Islands," approved June 18, 1912, as extended by an act approved June 30, 1916, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had disagreed to the amendments of the House of Representatives to the bill (S. 4723) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and of wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors, had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WALSH, Mr. JOHNSON of South Dakota, and Mr. SMOOT as the conferees on the part of the Senate.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 12731. An act amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message from the President of the United States, by Mr. Sharkey, announced that the President had approved and signed bills and joint resolutions of the following titles:

On July 12, 1918:

H. J. Res. 313. Joint resolution providing for the disposition of moneys represented in the Alfred Bernard Nobel peace prize awarded in 1906; and

H. R. 10021. An act granting the consent of Congress to the county commissioners of Trumbull County, Ohio, to construct, operate, and maintain a bridge and approaches thereto across the Mahoning River in the State of Ohio.

On July 15, 1918:

H. R. 12100. An act to amend the act approved September 7, 1916, entitled "An act to establish a United States Shipping Board for the purpose of encouraging, developing, and creating a naval auxiliary and naval reserve and a merchant marine to meet the requirements of the commerce of the United States with its Territories and possessions and with foreign countries; to regulate carriers by water in the foreign and interstate commerce of the United States, and for other purposes."

On July 16, 1918:

H. J. Res. 309. Joint resolution to authorize the President, in time of war, to supervise or take possession and assume control of any telegraph, telephone, marine cable, or radio system or systems or any part thereof and to operate the same in such manner as may be needful or desirable for the duration of the war, and to provide just compensation therefor.

On July 18, 1918:

H. R. 10069. An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes;

H. R. 10852. An act to provide for the appointment of a commission to standardize screw threads;

H. R. 12099. An act to confer on the President power to prescribe charter rates and freight rates and to requisition vessels, and for other purposes; and

H. R. 12229. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

On July 20, 1918:

H. R. 12002. An act for the establishment of Bar Harbor, in the State of Maine, as a port of entry and delivery for the immediate transportation, without appraisement, of dutiable merchandise; and

H. R. 8839. An act for the establishment of Oswego, in the State of New York, as a port of entry for immediate transportation, without appraisement, of dutiable merchandise.

On July 15, 1918:

S. 3009. An act granting the consent of Congress to the P. M. C. Coal Co. to construct and maintain a bridge across Tug River, connecting Pike County, Ky., and Mingo County, W. Va.

On July 16, 1918:

S. 4444. An act to pension widows and minor children of officers and enlisted men who served in the war with Spain, Philippine insurrection, or in China; and

S. 4555. An act to validate certain public-land entries.

On July 30, 1918:

S. 3529. An act to repeal the act entitled "An act to incorporate the National German-American Alliance," approved February 25, 1907.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4598. An act further extending the time for the commencement and completion of the bridge or bridges authorized by an act entitled "An act to amend an act to authorize the Dauphin Island Railway & Harbor Co., its successors or assigns, to construct and maintain a bridge or bridges, or viaducts, across the water between the mainland, at or near Cedar Point, and Dauphin Island, both Little and Big; also to dredge a channel from the deep waters of Mobile Bay into Dauphin Bay; also to construct and maintain docks and wharves along both Little and Big Dauphin Islands," approved June 18, 1912, as extended by an act approved June 30, 1916, to the Committee on Interstate and Foreign Commerce.

APPROPRIATIONS—DISTRICT OF COLUMBIA.

Mr. SISSON. Mr. Speaker, I ask unanimous consent that the House further insist upon its disagreement to Senate amendments 61 and 83 to the District of Columbia appropriation bill (H. R. 11692) and agree to the conference asked by the Senate.

The SPEAKER. The gentleman from Mississippi asks unanimous consent that the House do further insist upon its disagreement to Senate amendments 61 and 83 and agree to the conference asked by the Senate. Is there objection?

There was no objection.

The Chair appointed the following conferees: Mr. SISSON, Mr. MCANDREWS, and Mr. DAVIS.

LADIES' AUXILIARY, ANCIENT ORDER OF HIBERNIANS.

Mr. FERRIS. Mr. Speaker, the complete organization made up of the president, vice president, secretary, treasurer, and all of the directors of the Ladies' Auxiliary, Ancient Order of Hibernians, are here in convention. Yesterday they passed a resolution extending hope and cheer to the boys of their blood on the other side. The resolution is less than a page in length and is signed by the ladies with their official titles. I ask unanimous consent to insert it in the RECORD.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to insert in the RECORD a certain resolution to which he has referred. Is there objection?

Mr. WALSH. Reserving the right to object, has this anything to do with any action that Congress has taken?

Mr. FERRIS. Not directly; although they are here to select a site for the erection of a monument in honor of the nuns who have fallen on the field of battle, and it is only in completion of a site that Congress gave them, but has no direct bearing on Congress other than that.

The SPEAKER. Is there objection?

There was no objection.

The resolutions referred to are as follows:

A message from the mothers of the Ladies' Auxiliary, Ancient Order of Hibernians, representing American mothers of Irish blood whose boys have gone forth from America to fight the cause of freedom and democracy for the nations of the world, great and small; to the mothers of the boys fighting in the ranks of the allied nations:

Whereas militaristic leaders of central Europe have forced on the democracies of the world the issue of world's supremacy through the barbarous test of steel and bullets; and

Whereas the sons of the democracies of North America have enlisted in this fight to help the allied democracies of Europe and are gallantly, gloriously, and triumphantly giving their lives and shedding their blood in this great war which is being fought out thousands of miles from their homes and mothers: Therefore be it

Resolved, That we, representing the mothers of the Ladies' Auxiliary, Ancient Order of Hibernians of America, whose sons constitute a large portion of the American Army and Navy, and who are now fighting with the American Army and Navy abroad, appeal to the mothers of the boys fighting in the ranks of the allied forces to do all they can to safeguard and protect as only mothers know how our American boys.

To the mothers of Ireland, where so many of our American boys have from time to time found rest, recreation, and respite from peril, we desire to send a particular message, we are grateful to them for the motherly care and solicitude with which they have surrounded our boys, and we feel we do not have to appeal for a continuation of the hospitality for which Irish mothers the world over are noted, for we well know they will continue that gentle motherly care to all American boys, so that they who are so far from home will not be too lonesome for the mothers they have left in America who are praying with the mothers of the world democracies, "God, prosper, guard, and protect our boys."

Mary McWhorter, Chicago, Ill., National President; Adelia Christy, Cleveland, Ohio, National Vice President; Susan McNamee, Charlestown, Mass., National Secretary; Margaret McQuade, Pittsburgh, Pa., National Treasurer; Sarah J. Robinson, Richmond, Va., National Director; Mary Arthur, Indianapolis, Ind., National Director; Ada K. Gannon, Davenport, Iowa, National Chairman of Irish History; Ellen Ryan Jolly, Pawtucket, R. I., National Chairman of Monument to the Nuns of the Battlefield.

PERSONAL EXPLANATION.

Mr. SIMS. Mr. Speaker, I rise to a matter in the nature of a question of personal privilege, in order to discuss it now so as to save time when we get into the consideration of the water-power bill. Day before yesterday the gentleman from Minnesota [Mr. ANDERSON] made a statement criticizing my action as chairman of the committee in which he said, in substance, that I had secured a letter from the President for the purpose of submarining my colleagues on the committee. I would have brought it up yesterday had it not been for the appropriation matters coming up. I want to make a statement concerning it, and I think it will save time, because I do not want to have to do it when we get into the Committee of the Whole. I have conferred with a leading member of the committee on the other side as to whether I ought to do this now, and he says it would be best to do it now.

Mr. GILLETT. Mr. Speaker, I am quite willing that the gentleman should take the time to make these explanations, and consume as much time as he pleases, but for the sake of precedent I think I should state that to my mind he has not stated anything that is a matter of privilege. I suggest that he ask unanimous consent to proceed.

Mr. SIMS. Very well, I ask unanimous consent——

The SPEAKER. The gentleman from Tennessee asks unanimous consent to proceed for five minutes. Is there objection?

Mr. SIMS. Oh, I could not possibly do it in five minutes.

Mr. GILLETT. Let the gentleman take all the time he wishes.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to address the House ad libitum. Is there objection?

There was no objection.

Mr. SIMS. Mr. Speaker, the gentleman from Minnesota——

Mr. GILLETT. Mr. Speaker, I suggest to the gentleman from Tennessee that the gentleman from Minnesota [Mr. ANDERSON] is not here. Undoubtedly he will be here soon. If there are other questions that the gentleman is going to discuss, I suggest that he discuss them first.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman withhold for five minutes in order to permit me to proceed for five minutes to discuss Exhibits A, B, and C found on pages 9657 and 9658 of the RECORD, and in the meantime Mr. ANDERSON could be notified to be here?

Mr. SIMS. Oh, there is a good deal to say about this that is not necessarily a matter of privilege and it is pertinent. I agree not to refer to what the gentleman from Minnesota said until he comes in, unless he delays too long.

Mr. GILLETT. Very well.

Mr. SIMS. Mr. Speaker, I want to state just what occurred as near as I can recollect—and I am human and my memory is fallible—pertaining to the formation of this special committee; also as to what the President did with reference to the two letters he wrote me and the indirect and direct criticism of the President for doing so. This is not an ordinary case. It is not as it usually occurs or has occurred when criticism of the President has been made. The facts are that for many years we have been trying to pass a water-power bill. All bills for that purpose, authorizing the construction of water-power dams on navigable rivers, of course, were properly referred to the Committee on Interstate and Foreign Commerce, and the discussion and consideration of those bills were confined entirely to the question of navigation improvement. They depended upon navigation improvements and were incidental to and grew out of them. On the other hand, many bills with reference to the development and improvement of water-power structures upon public lands were introduced, which bills all went to the Committee on Public Lands. Several bills have passed the House and the Senate coming from each of these committees, but they never have reached the stage of enactment since the general dam act was passed in 1906 and amended in 1910 or 1912. I do not remember the exact date, but some time I think near the Christmas holidays last winter or just after them the President requested members of the Committee on Interstate and Foreign Commerce, members of the Committee on Public Lands, and members of the Committees on Agriculture and on Rules to confer with him at a particular time. We accepted the invitation. There must have been 20 or 25 members present. Numbers of them are here present now who were present then. The President, in substance, stated to these committeemen that in order to get action, in order to secure legislation that he had thought it wise that all the legislation should be included in one bill, in one act. In view of bringing about such a result he stated to us that he had asked the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture to have prepared a bill providing for the construction of water powers on the forest reserves, which were under the immediate jurisdiction of the Secretary of Agriculture, on the public lands, which were under the immediate jurisdiction of the Secretary of the Interior, and on navigable waters, which were under the jurisdiction of the Secretary of War, and that he had requested a bill to be drawn up and that he had the bill there then, and he wanted to know if the members of these several legislative committees were willing to have a special committee created composed of an equal number of members of those legislative committees to consider the bill looking to the development of water power, and that he had asked the Committee on Rules to be there so as to advise whether or not a rule could be secured or could be formulated that would accomplish this purpose. He went over in detail not all the provisions, but the basic, fundamental principles. For instance, he said this bill provides for a term of not exceeding 50 years; it provides for a charge to be made by the United States; provides for the Government to either take over or grant an additional license at the end of the license period and provides for recapture based upon a fair value of the property so taken over not exceeding the actual cost plus such severance damages as might occur to the owner of the development by severing the water-power structures proper from property not taken over.

Mr. SINNOTT. Will the gentleman yield?

Mr. SIMS. I will.

Mr. SINNOTT. Was that the President's idea—to allow severance damages?

Mr. SIMS. The President said that that was the basic fundamental proposition embraced in the bill which he had had drawn up and which he was then presenting to us.

Mr. SINNOTT. He insisted upon it?

Mr. SIMS. He did; that is, he said that was provided for in the bill. Now, he wanted to know if we were willing to do so, the members of these several committees. Mr. LENROOT, who is now a distinguished Senator from Wisconsin, was present, and I do not remember whether Mr. ANDERSON was or not. Was the gentleman present?

Mr. ANDERSON. Yes.

Mr. SIMS. Then, Mr. ANDERSON was present and quite a number of gentlemen were also present. I remember distinctly Mr. FERRIS, chairman of the Committee on Public Lands, said that his committee had no objection and was willing to cooperate; that Mr. LEVER spoke up and, seemingly with a purpose of having a little fun at the expense of the other two committees, said his committee had never considered water-power legislation, but if it would materially help to get water-power legislation that his committee was willing to lend its assistance. I was the last one to speak, and I rose to my feet and stated distinctly and emphatically, and nobody could be mistaken about what I said or meant, that the Committee on Interstate and Foreign Commerce had always had jurisdiction of water-power legislation or the construction of dams for navigation purposes on navigable streams; that it was a committee of great importance; that we regarded it in the nature of a premier committee, and I did not know whether the Committee on Interstate and Foreign Commerce would agree to this proposal or not, and that in the absence of such knowledge I would not agree to the forming of such a committee or to a rule to do so, but that I would submit it to the Committee on Interstate and Foreign Commerce, and if they agreed to it it would be satisfactory to me. But I distinctly said to the President while on my feet, and every member of the committee heard it, that I did not see that there was any great urgency for water-power legislation when the cost of material and labor were such as practically to prohibit the development, and that if a project was developed with such high cost of material and labor that it would be unfair and unjust to have the rates made for the whole period of the license based upon such cost, and that in recapture, if actual cost was to be paid on the basis of war cost, that it would practically be prohibitive on

recapture, and that if we passed legislation at this time providing for recapture upon a fair value of the property, as mentioned by the President, that it ought to be provided in the bill that so far as rate making was concerned and recapture whenever it took place under the bill it should be actual cost based upon the usual or normal conditions in peace times. The President said in reply to me that most of what I had said was true, and that he did not expect that there would be any immediate development under the bill with the present cost of material and labor, but he thought it was very important to have legislation passed so that as soon as the war was over and excessive high prices were reduced that development might then be made, in which, of course, I acquiesced.

The chairman of the Committee on Rules said they could form such a committee if the House would adopt the rule, but he did not know whether it would or not. It was something new and would establish a precedent. Mr. GARRETT of Tennessee was there, the chairman of the Committee on Rules, Mr. POU, Mr. FOSTER, and Mr. LENROOT, at that time a Member of the House, was there. That bill was handed to Mr. POU by the President himself saying at the time in substance that he would not hand it to any one of the committees which now claimed jurisdiction as he had absolutely no preference between them. The President further said in advocacy of this proposition to establish this special committee that he hoped when the bill got to the Senate that the Senate would take similar action, and if they did not establish a special committee that the conferees might be appointed from the several committees having jurisdiction of the same matter that is proposed by this special committee.

Mr. GILLETT. Will the gentleman yield?

The SPEAKER. Does the gentleman from Tennessee yield to the gentleman from Massachusetts?

Mr. SIMS. I do now.

Mr. GILLETT. I was going to ask the gentleman if this is the first conference he had with the President on the subject of water power?

Mr. SIMS. The first I heard of it was when I was invited to attend this meeting. I might have heard that it was coming up, but I never saw the President or talked with him?

Mr. GILLETT. About the water power?

Mr. SIMS. About the water power. All that occurred right there and then.

Now, when I brought the matter before my committee some of the Members who were present were not kindly to it, but they decided not to oppose it. Mr. POU came back to the House and had published 1,000 copies of this proposed bill—drawn up by the three Secretaries—and it was given out broadcast to the whole country as being the administration bill for water-power development, and the basic provisions of the bill were approved by such radical conservationists as Mr. Pinchot.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. JOHNSON of Washington. Was not a bill of that nature introduced by the gentleman from California [Mr. RAKER]?

Mr. SIMS. It was not introduced until after the special Water Power Committee was appointed.

Mr. JOHNSON of Washington. Which is the bill that the special committee considered? Which was the bill that occupied the time of the committee?

Mr. SIMS. I will state that, because I wish to make it a part of my statement.

Mr. POU had that bill printed before any special rule was introduced, and the country had the benefit of it and the House Members had the benefit of it and knew what it was. And when the rule was brought in to form this special committee, that committee was sought to be appointed to consider the bill which Mr. POU had printed and which was given to him by the President of the United States, to which there was nothing added and from which nothing was taken. The rule was reported, as I remember now, and adopted on the 11th day of January, 1918. The committee was appointed by the Speaker on January 16, 1918. The first meeting of the committee was on January 21, 1918. My recollection is that Mr. RAKER introduced his bill, the administration bill, on the 15th of January, or the day before the committee was appointed, although I am not sure about that.

Now, after the committee had been appointed—and I had the honor of the chairmanship of the committee—and after it had had its first meeting and organized and decided to take up the Senate bill and offer the administration bill as an amendment to that bill, Mr. Merrill, who was the chief engineer of the Bureau of Forestry in the Department of Agriculture, came to see me rather late one afternoon and stated that the three Secretaries wanted that bill referred back to them. "Why," I said, "that can not be done. Their bill as we are going to treat it is to be a substitute for the Senate bill and it is not in shape for me to order it sent back by committee action." He stated the reason was they wanted to suggest some amendment to make the purpose and meaning of some provisions of the bill more clear and simple. I said, "Take the bill; go back to the Secretaries and tell them to suggest any amendments they see proper to put in the bill, and bring it back, and I will lay them before the committee for the committee's consideration as suggestions of theirs to the bill which they themselves had prepared."

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. SIMS. I will.

Mr. JOHNSON of Washington. The gentleman does not intend now to further complicate this situation by casting insinuations against the integrity or purpose of Mr. Merrill, of the Forestry Service?

Mr. SIMS. Will the gentleman wait until I get through? I am stating facts, and we will let the facts determine the matter.

Mr. SIMS. On the 27th of February, as I now recall, Mr. Merrill came to the committee room late one afternoon and handed me a letter signed by the three Secretaries, and the bill with the amendments indicated and marked on the bill, and that are in Exhibit B to this report, and said, "Here are the amendments that have been suggested in the interest of clarity and simplicity by the three Secretaries."

Of course, but one thought came to me, and that was that the amendments had been submitted to the President and had his approval. These three Secretaries were the men called on to draft a bill. That bill was the basis of and for the creation of the special committee, and never could I have assumed for a moment that that bill would be materially changed or the amendments proposed that would materially change it without submitting them first to the President, or at least to have said in the letter addressed to me that the amendments had not been submitted to the President and did not have his approval.

I had the letter published in the RECORD. Immediately I had a thousand copies of it printed for the Members of the House and had a thousand copies of the bill printed. I had never read the letter or the bill with the suggested amendments. I had no time then to read it. I was busy with the railroad-control bill and was suffering from a broken shoulder and arm, and only had strength to do what was pressing at the moment. I knew no better for several days afterwards, when Mr. FERRIS said to me, "Have you considered the amendments suggested in the bill as sent up by the Secretaries?" I said, "No; I have not read them." He said, "I think some of them are very material, and I ask you to read them." At the first opportunity I did read them, and I agreed with him they were very material—that they were not simply in the interests of clarity and simplicity. But still I had no thought that these amendments had been prepared and sent up by the three Secretaries without having consulted the President, whose agents they were, and who had asked them to frame the first bill. And when we were having the hearings, and for a long time while those hearings continued, I knew no better. Finally Mr. FERRIS called me over the telephone and said that he had called up Secretary Lane, and from what Secretary Lane said he could not see how he could have given them his approval, and that he did not believe Secretary Lane had given them careful consideration.

Now, the facts further are that at the time this letter was brought to me Secretary Baker was not in the United States. I do not know whether he was in Europe then or not, but I know he was not here. That fact was made known to me by Mr. Merrill, and that, while Secretary Baker did not sign it, he authorized some one to do so for him, and that some one so authorized did sign his name. And as to those amendments, while I was opposed to them—and every question I asked of Mr. Merrill and the other gentlemen who appeared before the committee showed that I did not believe in and did not agree to those amendments—I did not know at that time they never had even been presented to the President.

We disagreed to nearly every one of the amendments, except what is known as the net-investment amendment—I mean the committee did.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. SIMS. Yes.

Mr. RAKER. Is it not a fact that this net-investment amendment was stricken out by the committee and stood stricken out for 10 days, until it was reconsidered?

Mr. ANDERSON. Mr. Speaker, I make the point of order that it is not in order to state what occurred in the committee.

The SPEAKER. The point of order is sustained.

Mr. SIMS. After the bill had been ordered reported——

Mr. GOOD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GOOD. I understood, when the gentleman from Tennessee got unanimous consent, that he had a matter of personal privilege that he would submit to the House. I supposed so; otherwise I would have objected.

Mr. SIMS. I had. I was asked to wait until Mr. ANDERSON came in.

The SPEAKER. Both gentlemen will suspend. The gentleman from Tennessee first intimated that he wanted to rise on a question of personal privilege and started in to tell what his question of personal privilege was, and after he had proceeded for two or three minutes the gentleman from Massachusetts [Mr. GILLETT] impinged on the scene and suggested that he did not have any question of personal privilege, and that he had better ask unanimous consent to proceed, which he did. The Chair announced that he had five minutes. He said that that was not enough. Then the Chair said he could proceed for more, and he has been proceeding. [Laughter.]

Mr. SIMS. By unanimous consent. Now, after the bill had been ordered reported, but before the report had been drawn up and filed, there developed, as you all remember, an agitation in the House for a joint-resolution recess, and I opposed it bitterly, for the reason that I wanted the water-power bill considered before any recess was had, because I was afraid that otherwise it never would pass. Finally the newspapers published a statement to the effect that Senators MARTIN and SIMMONS and Mr. KITCHIN, of the House, had been to see the President, and they had assured him that a recess would not delay or prevent the passage of the water-power bill but would expedite it. That is the substance of it. I had been doing all I could to have it passed before the recess.

I went to see the President before the 28th of June; I think about the 15th, or somewhere about the time that the statement was made. I went to see him for one purpose, and one purpose only, and that was to know whether or not he had acquiesced in deferring the consideration of the water-power bill until after the passage of the revenue bill. I think he also said—although I will not be sure of that—that Mr. KITCHIN had assured him that the water-power bill might be made a special order, following the revenue bill. I stated to him what my fears were, that after the revenue bill was passed we could not hold a quorum here, and I said, "What I want to know, Mr. President, is, do you object to having the water-power bill considered before the recess?" He said, "I do not; I will not interpose any objection."

Mr. GILLETT. Mr. Speaker, will the gentleman yield for a question?

Mr. SIMS. Yes.

Mr. GILLETT. He objected to the recess because of the importance of the water-power bill, but as I notice your statement now, did not the President agree that this water-power bill was of no value until after the war was over?

Mr. SIMS. No. I will state just what occurred. There were some twenty-odd witnesses there, and if I misunderstood him or make a mistake I will be glad to be corrected.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. SIMS. No. It breaks me up. [Laughter.]

Mr. JOHNSON of Washington. That is not my intention.

Mr. SIMS. I had called up the White House and made an appointment four days later than my call, which was as soon as I could get in from the time I asked for the appointment. After I had made the appointment I learned that Mr. FERRIS had an appointment two days earlier. I conferred with Mr. FERRIS and asked him if it was about the water-power legislation or the recess, and he said, "Yes," and I said, "I want to see him about that recess. Why not make it together?" He said that was all right, and the time was changed so as to be put two days earlier, so as not to provide a separate date for me. In the meantime Mr. FERRIS had fallen ill, and when the time came for me to go, on the date set for the appointment, Mr. FERRIS sent over to me by messenger what was stated to me to be his minority views. I never read them. I have not read them yet. I knew what they were, because he had discussed them before the committee ad libitum and had given notice that he was going to file a minority report at the time. I was asked to take them and give them to the President. I did, but in discussing the matter with the President I never referred to that fact. I only talked about the recess, and nothing but the recess until I was ready to leave, and then I handed him the minority report, that had been handed to me, and the letter, and I said, "Mr. President, Mr. FERRIS asked me to give you this letter and the draft of his proposed minority report." But in discussing the fact that I believed the bill could be passed in a very few days, I said to the President that there was only one hotly contested matter in the bill and that was the question of recapture, with which Mr. FERRIS's minority report dealt; and I said, "That is the only matter of contention, and I think we can get the bill through in three or four days."

Then the President said most earnestly, "I know what Mr. FERRIS's position is"—I am only trying to state the substance—"and I agree with him. Those amendments were never submitted to me, and I do not approve of them."

Mr. BYRNS of Tennessee. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Tennessee yield to his colleague?

Mr. SIMS. I do.

CONTINUING APPROPRIATIONS FOR DEPARTMENT OF AGRICULTURE.

Mr. BYRNS of Tennessee. I do not wish to disturb the gentleman's argument or statement, but I want to ask the gentleman if he will yield to permit me to offer a joint resolution (H. J. Res. 323) in reference to continuing appropriations for the Department of Agriculture for the next month? I make that request in view of the fact that the Senate is about adjourning for the day, and I am in hopes the matter can be transacted without delay.

Mr. SIMS. I yield.

Mr. BYRNS of Tennessee. Mr. Speaker, by direction of the Committee on Appropriations, if it does not take the gentleman from Tennessee off his feet——

The SPEAKER. It does not.

Mr. BYRNS of Tennessee. I offer on behalf of the Committee on Appropriations the joint resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Resolved, etc., That the provisions of the joint resolution entitled "Joint resolution making appropriations for certain necessary operations of the Government and of the District of Columbia for the months of July and August, 1918, and for other purposes," approved July 8, 1918, except so far as they relate to the support of the Army, are extended and continued in full force and effect for and during the month of September, 1918.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to modify the resolution by striking out the words "and of the District of Columbia," in line 5.

The SPEAKER. The gentleman asks to modify the resolution by striking out certain words, which the Clerk will report.

Mr. GILLETT. Mr. Speaker, unanimous consent has not yet been given for the consideration of the joint resolution.

Mr. GOOD. Let the resolution be read as modified.

The SPEAKER. The gentleman from Tennessee asks unanimous consent for the present consideration of the joint resolution.

Mr. GILLETT. I object, Mr. Speaker, for the present, for the same reason that I stated yesterday.

Mr. BYRNS of Tennessee. I am going to move to strike out the words "and of the District of Columbia."

Mr. GILLETT. If it is understood that this joint resolution is simply to apply to the Department of Agriculture, I have no objection.

Mr. BYRNS of Tennessee. That is the only intention I have in offering it. By oversight those words were not stricken out of the resolution which I sent to the desk.

Mr. GILLETT. If that is the intention, I have no objection.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The SPEAKER. The Clerk will report the words to be stricken out.

The Clerk read as follows:

Mr. BYRNS of Tennessee moves to amend the joint resolution by striking out, in line 5, the words "and of the District of Columbia."

The amendment was agreed to.

The joint resolution as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. BYRNS of Tennessee, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

Mr. WALSH. It seems to me that the title ought to be amended.

Mr. BYRNS of Tennessee. The title is all right, Mr. Speaker. It was modified before it was presented.

The SPEAKER. The title is all right.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. TOWNER, for six days, on account of making patriotic speeches in Iowa.

PERSONAL EXPLANATION—CONTINUED.

The SPEAKER. The gentleman from Tennessee [Mr. SIMS] will proceed.

Mr. JOHNSON of Washington. Will the gentleman yield for a question?

Mr. SIMS. It breaks me up in my statement, and I would prefer not to be interrupted.

Mr. JOHNSON of Washington. The gentleman has answered any number of questions covering this same matter.

Mr. SIMS. I know; and I would be here two hours if I answered all the questions that gentlemen might ask.

Mr. JOHNSON of Washington. We have got all day now.

Mr. SIMS. All right. Ask your question.

Mr. JOHNSON of Washington. I want to ask the gentleman if this is not a sample of what happens whenever we undertake to have legislation enacted outside of the Halls of the House of Representatives and the Senate of the United States?

Mr. SIMS. I am coming to that. I will answer specifically.

Mr. GOOD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GOOD. When the unanimous consent was granted I was sitting here and would have objected, but I understood that the gentleman was going to speak to a question of personal privilege, but only desired to do it in this way instead of reading some things that would be necessary to show the personal privilege. Now, the gentleman is speaking about all sorts of things——

The SPEAKER. Here is the situation—the Chair stated it awhile ago: The gentleman from Tennessee [Mr. SIMS] started in on a question of privilege, about something that the gentleman from Minnesota [Mr. ANDERSON] had said about the gentleman from Tennessee torpedoing his committee. Well, after he had proceeded about two minutes, the gentleman from Massachusetts [Mr. GILLETT] arose and suggested that he did not have any question of privilege, and if the gentleman from Massachusetts had made the point of order the Chair would have sustained it; but the gentleman from Massachusetts suggested to the gentleman from Tennessee that he ask unanimous consent to proceed, and that is the way it is being done.

Mr. GOOD. So the gentleman can wash all this linen for an hour now?

The SPEAKER. That is a matter for the gentleman's own taste to determine.

Mr. SIMS. I will determine it, if the gentleman will allow me.

Mr. GOOD. How much time has the gentleman?

The SPEAKER. He has all the time he wants.

Mr. SIMS. The gentleman from Massachusetts said he did not care how much time it took.

Mr. JOHNSON of Washington. Neither do we.

Mr. GILLETT. I had supposed that when anybody got the floor in this House, at the expiration of one hour his time would expire.

The SPEAKER. The Chair will hold that.

Mr. SIMS. I understand that, and that is the reason why I do not want to be interrupted, or else I can not reach the question of privilege before the hour is up. I decline interruptions until I complete my statement.

Mr. ESCH. Mr. Speaker, we on this side will ask the same amount of time that the gentleman consumes.

Mr. SIMS. I have just finished what I said occurred between the President and myself. That was before June 28. I do not remember the exact date.

The SPEAKER. The Chair will suggest to the gentleman from Tennessee that he has already occupied 40 minutes and has 20 minutes remaining.

Mr. SIMS. If I am not interrupted I can get through, but not if I stop to answer every gentleman who wishes to ask me a hypothetical question. I am trying to state facts only. I say I never knew until the hearings were practically concluded, I never had even heard that these amendments had not been agreed to by the President; but the gentleman from Oregon [Mr. SINNOTT], a member of the committee, a few days ago made a speech during general debate, published in the RECORD at page 9298. The gentleman from Oregon, among other things, said:

I am at loss to know why a constant reference is made in the minority report to the fact that the "net investment" idea was not in the administration bill; that it has been accomplished by an amendment added to the administration bill. Four times reference is made to the administration bill, leaving the inference or implication that the net investment idea is in conflict with the administration plan. The fair value recapture clause "agreed upon by Secretaries Lane, Baker, and Houston" is referred to. The "recapture proposal, known as the net investment amendment, as provided for by the majority members of the committee," is referred to. Why these repeated insinuations? Are they calculated to prejudice the House or are they mere inadvertences? I know of no better way of getting the views of the Secretaries on the "net investment" plan than by listening to their testimony and reading their letters in favor of this plan. This I have done. I know of no better way—at least for a Republican—to learn whether or not a bill or an amendment is an administration measure than to find that it has the approval of three members of the President's official family and Cabinet—the Secretaries of War, of the Interior, and of Agriculture. I hope that no one in the House will be misled by the devious language in the minority report.

I want to say, in justice and fairness to the gentleman from Oregon, that his conclusions are based upon sound logic and reason; for nobody would suppose that the three Secretaries who had been asked by the President to draft a model bill would then afterwards redraft it practically, and send it out without having referred it to him, and the gentleman from Oregon [Mr. SINNOTT] undoubtedly was justified in making the argument he did, he, like myself, not knowing what the President had said about it, or that he had expressed himself in disagreement to that provision of the bill.

Now, in order that I myself might have something on which I could rely, and knowing as I did that the President had said he was opposed to the net investment provision, I wrote him a letter on the 22d day of this month, which was printed in the RECORD day before yesterday. The President wrote me on the 22d. As I stated before I did not have his letter and he did not have mine at the time these two letters were written on the 22d of August. Those letters have both been read and are in the RECORD. I wrote my letter because the gentleman from Oregon [Mr. SINNOTT] claiming, with much show of reason and legitimate inference, that the bill as amended containing the "net investment," was the President's bill as much as the first one was, because it was drafted by the same members of the Cabinet who drafted the first one. Then I immediately wrote to know the facts that I might use them, and signed my name to the letter as chairman of the committee.

On the 23d I received the letter that the President wrote on the 22d, the letter which I read first, but which was printed last in the RECORD, and on the 27th I received a reply to my letter. The gentleman from Oregon on the day before yesterday, in connection with the letter that I had read, quoted from a book written by President Wilson before he became President—a splendid book, a splendid statement—but it has absolutely no application to the present case.

Now, why should the President be criticized for writing these letters when he had first invited us all beforehand and asked us if we were willing to do what we did—to create a special committee, if we were willing to accept this bill as a basis for legislation? Afterwards when the bill had been amended without his knowledge or approval, and when the gentleman from Oregon claims that it is as amended an administration bill, did he not have the right, and was it not his solemn duty to write the letter to me which he did on the 22d? Did I not have a right to ask for the facts when the gentleman from Oregon was arguing that the bill as amended had the administration's approval?

Now, about the Secretaries. The letter was signed by them. I do not know who wrote it, but a document signed is presumed to have been written by the person or persons signing it. With the war work that all three of the Secretaries were charged with, they had no time in which to hunt up banking experts and confer with them as the letter says, and suggest amendments as the result.

Now, as to the point of the gentleman from Minnesota, as far as the custom and rules of the House are concerned, I think I would be justly censurable under ordinary circumstances. But I ask him, when I knew that the bill which had been given to us by the President had been materially changed and which was charged up to the President as an administration bill, did I not have a right and did not the House have a right to know the facts? I was not submarining my colleagues, but was simply trying to remove the effect of the gas poison that had been injected into them by this amendment coming in in the way it did. He says that I submarined the committee. Then we are even, as I was "gassed." I want to say that when we get to that part of the bill I shall oppose the substitution of the net investment amendment and contend for the provisions of the bill as it was given us. The Secretaries and Mr. Merrill, with others, drafted the first bill. Why did not Mr. Merrill then have time to consult with banking experts? Why did he bring in the bill that he did with over 30 amendments, in order to clear up the first bill? You need not tell me that a scientific expert, an expert engineer, as is Mr. Merrill, did not know that it then had all the defects, if they are defects, which he speaks of afterwards in justification of these 30 amendments. I *do not* charge him with sole responsibility. I know the Secretaries have to rely on the facts given to them as a reason for the proposed amendments. That was why I said the gentleman from Minnesota charged me with having submarined my colleagues by seeking a letter from the President for that purpose. I have a

right to give facts in the case and also explain what I had reference to when the gentleman from Oregon [Mr. SINNOTT] said what he did the other morning.

Mr. SINNOTT. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. SINNOTT. Yesterday, when I asked a question of the gentleman as to whether or not he had seen the President within 10 days or 2 weeks, the matter of the exact time was not material to me. When I read the letter from the gentleman to the President—and the letter evidently contained full, free, and candid information concerning the whole matter; the letter written on the 23d—and knowing that the gentleman some time prior to that discussed the matter with the President, it struck me that there was certain incongruity between the amplitude of the letter and the fact that he had discussed this matter before with the President. The President must have known a great many things in connection with the genesis of the bill. That is the reason I asked the gentleman if he had not had a consultation with the President. It seemed to me that the writing of the letter was a wholly unnecessary thing to do, as the President had all that information.

Mr. SIMS. The gentleman must remember that I wrote the letter on the 22d of August, just following the time the gentleman had made the speech on the floor of the House.

Mr. SINNOTT. And the conference was when?

Mr. SIMS. Between the middle and the 28th of June. I am making no complaint of the gentleman's statement. I only intended to explain that I had not had a consultation with the President in the way of an argument to induce him to write the letter of the 22d.

Mr. SINNOTT. There is no discrepancy between the gentleman and myself.

Mr. SIMS. I see none, Mr. Speaker. I have finished.

The SPEAKER. Has the gentleman from Tennessee yielded the floor?

Mr. SIMS. I do yield the floor.

CONTINUING APPROPRIATIONS FOR DEPARTMENT OF AGRICULTURE.

Mr. BYRNS of Tennessee. Mr. Speaker, I ask unanimous consent to vacate the proceedings had a few moments ago, when the joint resolution extending the appropriations for the Department of Agriculture was adopted. I do that, if the Chair will permit, for this reason: The suggestion was made when the resolution was offered from the Clerk's desk that it contained the words "in the District of Columbia." Without reexamination of the resolution, which was then on the Clerk's desk, I agreed at once to modify it so as to strike out those words, but upon a further examination of the resolution I find that the words "in the District of Columbia" are a part of the title of the resolution which is being extended. For that reason it is necessary and proper that they be included. I therefore ask unanimous consent to vacate those proceedings.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to vacate the proceedings by which House joint resolution 323 was just passed. Is there objection?

Mr. STEENERSON. It is unnecessary to vacate those proceedings in order to correct the title.

Mr. BYRNS of Tennessee. This is not the title; this is the body of the resolution. The words referred to a resolution which is recited in the body of the one I offered.

The SPEAKER. Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Speaker, I now ask unanimous consent for the present consideration of House joint resolution 324, which I send to the desk and ask to have read.

The Clerk read as follows:

Joint resolution (H. J. Res. 324) making appropriations for certain necessary operations of the Government for the month of September, 1918, and for other purposes.

Resolved, etc., That the provisions of the joint resolution entitled, "Joint resolution making appropriations for certain necessary operations of the Government and of the District of Columbia for the months of July and August, 1918, and for other purposes," approved July 8, 1918, except so far as they relate to the support of the Army and of the District of Columbia, are extended and continued in full force and effect for and during the month of September, 1918.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was engrossed and ordered to be read a third time, was read the third time, and passed.

On motion of Mr. BYRNS of Tennessee, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

CONTINUING DISTRICT OF COLUMBIA APPROPRIATIONS.

Mr. BYRNS of Tennessee. Mr. Speaker, I now ask unanimous consent for the present consideration of the joint resolution which I send to the desk and ask to have read.

The Clerk read as follows:

Joint resolution making appropriations for the support of the District of Columbia for the month of September, 1918, and for other purposes.

Resolved, etc., That the provisions of the joint resolution entitled "Joint resolution making appropriations for certain necessary operations of the Government and of the District of Columbia for the months of July and August, 1918, and for other purposes," approved July 8, 1918, so far as they relate to the support of the District of Columbia, are extended and continued in full force and effect for and during the month of September, 1918.

The SPEAKER. Is there objection?

Mr. GILLETT. Mr. Speaker, reserving the right to object, I will ask the gentleman if there are any reasons, other than those he gave yesterday, why this resolution should now be passed?

Mr. BYRNS of Tennessee. Only this: I have been given to understand on very good authority that the Senate is likely to soon adjourn for the day. If it should do so, then it will be an impossibility for the District of Columbia appropriation bill to be passed to-day. As the gentleman knows, the joint resolution which this resolution seeks to extend expires at midnight to-day, and if the bill is not passed, then unless some resolution is passed continuing the appropriations for the District of Columbia there will be no money available for next month. I have offered this because I do not think that Congress should put itself in the attitude of depriving the District of Columbia of any money necessary in the administration of the District affairs. It is likely to cause confusion and chaos if something of this kind is not adopted. I prefer that somebody else take the responsibility, and if the gentleman, representing his side of the House, desires to take that responsibility and that risk, of course he can do it.

Mr. HAUGEN. Mr. Speaker, the Senate has ample time to pass the District of Columbia appropriation bill, and I understand it is practically agreed to except the two amendments to which the House disagreed. I think it is fair to the House to assume that the Senate will do its duty, and the responsibility should not be charged to the membership of this House.

Mr. BYRNS of Tennessee. That is true; but the gentleman knows that a resolution of this kind must originate in the House. I have just stated that it is doubtful if the District appropriation bill will be passed to-day. This resolution must originate here, and if we pass it now I think the House will have rid itself of any responsibility in the matter, and the Senate will have to take entire responsibility.

Mr. HAUGEN. I fully agree with the gentleman that the resolution should originate in this body; but, after all, the time has been extended already for two months, and it seems to me there should be some action taken on these appropriation bills. It is up to the Senate or whoever is responsible for the delay of the passage of them to now act and dispose of the matter. We have just extended for another 30 days the Agricultural appropriations, and these things ought not to be done.

Mr. BYRNS of Tennessee. I think the Senate is clearly responsible and only responsible for the failure to pass the District of Columbia appropriation bill, if it fails to yield on those two amendments to which the gentleman refers. That responsibility is clear and distinct and I do not think that this House ought ever for one moment to think of yielding in conference on the two amendments in dispute, especially one of them which is simply a private claim. If the Senate desires to take the responsibility of defeating the appropriation bill for the District of Columbia merely for the purpose of forcing payment of a claim which is disputed and to which the House conferees have objected and to which the House has objected, then, of course, it can do so. But the House is responsible in the matter of whether or not the appropriations now in force shall be continued during the next month, because, as I stated, the resolution must originate here, and unless we adopt this resolution and send it to the Senate then I do not think the House can wholly escape the responsibility of failure to take steps to continue the present appropriations in the event the pending appropriation bill should not become a law. I simply wanted to present this resolution and let those who care to do so take the responsibility of objecting to it.

Mr. GILLETT. Mr. Speaker, what the gentleman has stated concurs entirely with my own view. He says the responsibility is up to the Senate to pass the appropriation bill, and I am sure he, as well as I, recognizes that it ought to become a law to-day.

Now, it is just as easy for the Senate to pass the appropriation bill as it is for them to pass this resolution, and the only reason they will not pass that bill is because we send them this resolution. I will not so discredit the Senate as to believe that they will not pass this important appropriation bill to-day, the last day of the month; and therefore, Mr. Speaker, not representing this side, but on my own individual responsibility, I object.

The SPEAKER. The gentleman from Massachusetts objects.

BRIDGE ACROSS MONONGAHELA RIVER, FAIRMONT, W. VA.

Mr. NEELY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4597) extending the time for the construction of a bridge across the Monongahela River at Fairmont, W. Va.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

A bill (S. 4597) extending the time for the construction of a bridge across the Monongahela River at or near the city of Fairmont, W. Va.

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by the act of Congress approved April 17, 1916, to be built across the Monongahela River at or near the city of Fairmont, W. Va., by the city of Fairmont, are hereby extended to one year and three years, respectively, from the 17th day of April, 1918.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. NEELY, a motion to reconsider the vote by which the bill was passed was laid on the table.

THE SPECIAL WATER POWER COMMITTEE.

Mr. ANDERSON. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman from Minnesota rise?

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent to speak for two minutes.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to proceed for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. ANDERSON. Mr. Speaker, I am glad that the gentleman from Tennessee [Mr. SIMS] has used his own artillery and ammunition this morning instead of the mustard shells furnished from the other end of Pennsylvania Avenue. [Laughter.] Somebody torpedoed the special Water Power Committee. If it was not the gentleman from Tennessee, he has labored for an hour this morning in vain to demonstrate that he did. As far as I am concerned I prefer to reserve my fire until the gentleman from Tennessee sends the infantry over the top when we reach the disputed item in the bill.

Mr. GILLETT. Mr. Speaker, I would like unanimous consent to speak for five minutes.

The SPEAKER. The gentleman from Massachuetts asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GILLETT. Mr. Speaker, I think the speech which the gentleman has just delivered well illustrates the wisdom of that rule of the House which says that executive communications intended for the use of committees should be sent to the Speaker of the House. I think the practice, of which this is no single instance, of communications from the executive officers which are delivered to this House through the mouths of members of committees, generally through the chairmen of committees, as an indorsement of their projects and as an argument why the House should adopt or reject certain measures, does not conduce to good legislation. It contradicts the excellent excerpt which the gentleman from Oregon read yesterday from that very able work on congressional government by Woodrow Wilson when president of Princeton College, and I think it contradicts the necessity which we all feel, that the legislative and executive branches should be independent, an independence which has been more encroached upon in the last 6 years than at any time within the last 40 years. And I think this illustrates not only the wisdom of that rule, but the remarks of the gentleman illustrate also the wisdom of another rule, that the proceedings of a committee are secret. It is not well on this floor to have statements of personal conversations and of committee proceedings. It leads to contradiction, to disputation, to suspicion, and to mutual recrimination, and it is much better that all of those rules should be lived up to because they were adopted for a wise purpose, and they have been departed from of late, in my opinion, very unfortunately. Now, the gentleman from Tennessee, who has expressed so much eagerness for the passage of this bill, has used almost an hour in informing the House of facts of which we have been elaborately apprised before, and he repeats in extenso the valuable information which he sent to the President in that long letter of his which appears on pages 9657 and 9658 of the RECORD. I confess that I am somewhat surprised by the difference between the letter of the gentleman and the letter of the President. When the President writes to Mr. SIMS in his first letter he writes him with apparent diffidence, as if it were doubtful whether he ought to approach him on the subject of legislation. To be sure they had talked it all over in advance and they each knew——

Mr. SIMS. Oh, no.

Mr. GILLETT. The gentleman himself has said so—each knew the other's attitude, and yet the President says in his letter, with great courtesy and respect:

MY DEAR MR. SIMS: I am going to venture to say to you as chairman of the special Water Power Committee what I hope you will not think I am taking too great a liberty in saying—

And so forth.

Mr. SIMS, in his response, does not seem to consider that he is taking a liberty. He makes no such modest avowal, but he begins right off—

MY DEAR MR. PRESIDENT: General debate on the water-power bill has closed.

And then in the next paragraph of this long history of the incubation he takes pains to inform the President of the views of the present chairman of the Democratic congressional committee and of the ex-chairman of the Democratic congressional committee, and those are the only two persons he refers to and whose views he apparently thinks would be of interest or of weight with the President.

Mr. JOHNSON of Washington. Will not the gentleman go a little further? Does not the gentleman from Tennessee [Mr. SIMS] in that letter put the gentleman from Oklahoma [Mr. FERRIS], the gentleman from Michigan [Mr. DOREMUS], and the gentleman from Tennessee [Mr. SIMS] himself, on one side, against the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture, on the other, and thus submit the matter to the President to be the arbiter, and Congress left out as if its opinion was of no consequence?

Mr. GILLETT. Exactly. In fact, in the whole discussion of the gentleman this morning, he seems to think that it is wonderful presumption on the part of Congress or of anyone to dare to differ from the view which the President has taken, and he seems to take it as great effrontery on the part of those three members of the Cabinet to dare to submit their views when they have not assured themselves carefully in advance that they are in accord with the view of the President. And although in the opening of his letter he was not as deferential as was the President, yet he shows later that this was a mere matter of form and not of spirit, for when discussing the report made by the Secretaries he said, "Assuming that the amendments had been submitted to you by the three Secretaries and approved by you, I never even read the bill or the letter, but went immediately to the floor of the House and had a thousand copies printed." When he thought it had the presidential approval, he did not even stop to read it, but he leaves us to guess with what contumely he would have treated it if he had known the Secretaries had been so audacious as to think for themselves.

And he seems to think that no amendment ought to be offered or considered here in opposition to the President's suggestion. He says in his letter:

I feel absolutely sure that neither the committee nor the House of Representatives would have suggested any such amendments or would have consented to them on any other theory than that they have received your consideration and approval.

Why, gentlemen, can subservience go further than that? Have we reached a pitch where the only thing we must consider in adopting a bill is whether or not it has received sanction from the White House? That would seem to be the conclusion which we must draw from the gentleman's speech.

He says:

It is evident to me that the Secretaries never considered these amendments as thoroughly as they should have been considered.

Why, Mr. Speaker, it is strange that the gentleman should make that declaration, considering the discussion that was had before the committee by the Secretaries—by the Secretary of Agriculture, for instance, when he was examined and cross-examined, and showed an extraordinary familiarity with the subject. Does anyone believe that the President has examined the subject so exhaustively? But the chairman of the committee seems to think that if anybody differs from him and the President, then it must be that they have not fully considered the subject.

Mr. HARDY. Will the gentleman yield for a question?

Mr. GILLETT. Yes.

Mr. HARDY. I have been sitting here for half an hour trying to get some light on what the question is. I have heard some discussion about these amendments, and I would like to hear of the merits of them.

Mr. GILLETT. Now, Mr. Speaker, I agree with the gentleman. The gentleman from Tennessee [Mr. SIMS] has taken 50 minutes in discussing these general propositions, which he himself, as well as others, had thoroughly discussed before, and I thought perhaps it was not an undue intrusion upon the House if I should take five minutes to makes these suggestions, of which the purpose generally is to point out, in accord with the criticism of the gentleman from Texas [Mr. HARDY], that we have wasted a great deal of valuable time in simply bringing before the House the record of conversations and interviews, which undoubtedly were very agreeable and flattering to the gentleman from Tennessee, between him and the President and other Members, but which personally I do not think were pertinent to this debate. I think the bill should be discussed and determined on its merits and not on the opinion of it which may be held by anyone, no matter how lofty his position or extensive his patronage. I accept the suggestion of the gentleman and will not impose upon the House any further.

Mr. JOHNSON of Washington. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. The gentleman from Washington asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of Washington. Mr. Speaker, I am interested in the letters presented by the distinguished chairman of the special committee on water-power legislation, the gentleman from Tennessee [Mr. SIMS], appearing on pages 9657 and 9658, for the reason that when the disputed "fair-value" section of this bill is reached in the debate perhaps some time late to-day, although that is hardly probable, as much of the day is gone, these letters will play an important part in the discussion. Therefore, I think they should be fixed in the minds of the Members who will spend the afternoon here, as Exhibit No. 1, the letter of the President, Woodrow Wilson, dated the 22d of August; Exhibit No. 2, the letter of the chairman of this Water Power Committee, of August 22; and Exhibit No. 3, the letter of the President, dated August 26.

Now, then, Mr. Speaker, I take the liberty of suggesting to the membership of this House, as we come into that intense debate upon this question on which the chairman of the committee, without the knowledge of his committee, apparently, has taken one stand, and with him stand Mr. FERRIS and Mr. DOREMUS, while against him stand Secretary Lane, Secretary Houston, and Secretary Baker, that the Members of the House refrain from speaking of these distinguished members of the Cabinet as the "three Secretaries." That is hardly dignified. In this Exhibit No. 2, the letter by Mr. SIMS, the words "the three Secretaries" appear five times, and the names of the Secretaries not a single time. And during the debate for the rest of the day that the letters first made official appearance frequent reference was made to the "three Secretaries." Thoughtlessly I made the reference once. But in the explanation made this morning by the gentleman from Tennessee [Mr. SIMS], for nearly an hour, the term "three Secretaries" was used by him over and over again, perhaps 20 times, without once naming the distinguished members of the President's Cabinet who have earnestly tried to bring about a compromise that would give the Nation water-power legislation.

Now, thoughtlessly we may get these distinguished gentlemen, Members of the Cabinet, into that position where by continually referring to them as the "three Secretaries," we will have them known and designated, as have been many others in history and literature, even as "The Three Wise Men from the East," or the "Three Little Maids from School," or the "Three Black Crows," or "The Three Musketeers," or "Three Blind Mice," or even, my friends, as "Three Men in a Boat." [Laughter.]

Mr. Speaker, I yield back any time remaining.

Mr. FERRIS. Mr. Speaker, I ask unanimous consent that on Monday I may have leave to address the House for 40 minutes on a subject foreign to the water-power bill.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent that on Monday he may have leave to address the House for 40 minutes on a subject foreign to the water-power bill.

Mr. MILLER of Minnesota. Reserving the right to object, can you not give some more detail as to the subject than that?

Mr. FERRIS. It is on the achievements of the war.

Mr. MILLER of Minnesota. On the achievements of the war and politics? I want to be advised so as to be sure to be here in order to hear it.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

Mr. ROBBINS, by unanimous consent, was granted leave of absence for to-day, on account of important business.

WATER POWER.

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. The gentleman from Oregon asks unanimous consent to proceed for one minute. Is there objection? [After a pause.] The Chair hears none.

Mr. SINNOTT. Mr. Speaker, the gentleman from Tennessee [Mr. SIMS], in his address, said that one of the impelling reasons which caused him to write the President was certain remarks in my talk of the 20th. The remarks were these:

I know of no better way—at least for a Republican—to learn whether or not a bill or an amendment is an administration measure than to find it has the approval of the members of the President's official family and Cabinet, the Secretaries of War and Interior and Agriculture.

He contends that I made a claim by this language that the amendment was an administration amendment or measure. If that is one of the impelling reasons that caused him to write to the President, I wish to call the attention of the House to the fact—and I feel rather slighted over the matter—that there is no reference or mention made of that speech of mine in the letter of the gentleman to the President.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, the water-power bill.

The SPEAKER. The gentleman from Tennessee moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. WALSH. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 38, noes 1.

Mr. WALSH. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present, and evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. The vote is on going into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The question was taken; and there were—yeas 218, answered "present" 1, not voting 212, as follows:

YEAS—218.

Alexander	Dill	Hilliard	Morgan
Almon	Dixon	Hollingsworth	Neely
Anderson	Doolittle	Houston	Oldfield
Ashbrook	Doremus	Hull, Iowa	Osborne
Austin	Dowell	Hull, Tenn.	Overstreet
Ayres	Drane	Humphreys	Park
Baer	Dupré	Igoe	Parker, N. J.
Barnhart	Dyer	James	Phelan
Beakes	Eagle	Johnson, Wash.	Polk
Black	Ellsworth	Kehoe	Pratt
Blackmon	Esch	Kelly, Pa.	Purnell
Bland, Ind.	Evans	Kennedy, Iowa	Quin
Bland, Va.	Fairfield	Kettner	Ragsdale
Blanton	Ferris	Kinkaid	Rainey, H. T.
Bowers	Fess	Knutson	Rainey, J. W.
Buchanan	Fisher	Kraus	Raker
Burnett	Fordney	La Follette	Ramsey
Byrns, Tenn.	Foster	Lazaro	Ramseyer
Candler, Miss.	Freeman	Lea, Cal.	Rayburn
Cannon	French	Lee, Ga.	Reed
Carlin	Fuller, Ill.	Lehlbach	Robinson
Carter, Mass.	Gallagher	Lesher	Rodenberg
Carter, Okla.	Gandy	Little	Rogers
Cary	Gard	Littlepage	Romjue
Chandler, Okla.	Garland	London	Rose
Church	Garner	Lonergan	Rubey
Clark, Pa.	Garrett, Tex.	Longworth	Rucker
Classon	Gillett	Lufkin	Sabath
Claypool	Glynn	McAndrews	Sanders, Ind.
Coady	Godwin, N. C.	McArthur	Sanders, N. Y.
Connally, Tex.	Good	McClintic	Scott, Iowa
Cooper, W. Va.	Goodall	McFadden	Scott, Mich.
Cox	Gordon	McKenzie	Sears
Crago	Graham, Ill.	McKeown	Shallenberger
Crisp	Greene, Vt.	McLaughlin, Mich.	Sims
Crosser	Hadley	McLemore	Sinnott
Currie, Mich.	Hamilton, Mich.	Madden	Sisson
Curry, Cal.	Hardy	Mansfield	Slayden
Dale, Vt.	Hastings	Mapes	Slemp
Darrow	Haugen	Martin	Small
Davis	Hawley	Miller, Minn.	Smith, Idaho
Decker	Hayden	Miller, Wash.	Smith, Mich.
Dempsey	Hayes	Mondell	Snook
Denton	Helvering	Moon	Steagall
Dickinson	Hersey	Moores, Ind.	Stedman

Steenerson	Temple	Waldow	White, Me.
Stephens, Miss.	Thompson	Walsh	Wilson, La.
Stephens, Nebr.	Tillman	Walton	Winslow
Sterling, Ill.	Tilson	Watson, Pa.	Wood, Ind.
Sterling, Pa.	Timberlake	Watson, Va.	Young, N. Dak.
Stevenson	Treadway	Weaver	Young, Tex.
Stiness	Van Dyke	Webb	Zihlman
Strong	Vestal	Welty	The Speaker
Sweet	Voigt	Whaley	
Taylor, Ark.	Volstead	Wheeler	

ANSWERED "PRESENT"—1.

Booher

NOT VOTING—212.

Anthony	Fairchild, B. L.	Key, Ohio	Robbins
Aswell	Fairchild, G. W.	Kiess, Pa.	Roberts
Bacharach	Farr	Kincheloe	Rouse
Bankhead	Fields	King	Rowe
Barkley	Flood	Kitchin	Rowland
Bell	Flynn	Kreider	Russell
Beshlin	Focht	LaGuardia	Sanders, La.
Borland	Foss	Langley	Sanford
Brand	Francis	Larsen	Saunders, Va.
Britten	Frear	Lever	Schall
Brodbeck	Fuller, Mass.	Linthicum	Scott, Pa.
Browne	Gallivan	Lobeck	Scully
Browning	Garrett, Tenn.	Lundeen	Sells
Brumbaugh	Glass	Lunn	Shackleford
Burroughs	Goodwin, Ark.	McCormick	Sherley
Butler	Gould	McCulloch	Sherwood
Byrnes, S. C.	Graham, Pa.	McKinley	Shouse
Caldwell	Gray, Ala.	McLaughlin, Pa.	Siegel
Campbell, Kans.	Gray, N. J.	Magee	Sloan
Campbell, Pa.	Green, Iowa	Maher	Smith, C. B.
Cantrill	Greene, Mass.	Mann	Smith, T. F.
Caraway	Gregg	Mason	Snell
Carew	Griest	Mays	Snyder
Chandler, N. Y.	Griffin	Meeker	Stafford
Clark, Fla.	Hamill	Merritt	Steele
Cleary	Hamilton, N. Y.	Montague	Sullivan
Collier	Hamlin	Moore, Pa.	Sumners
Connelly, Kans.	Harrison, Miss.	Morin	Swift
Cooper, Ohio	Harrison, Va.	Mott	Switzer
Cooper, Wis.	Haskell	Mudd	Tague
Copley	Heaton	Nelson	Talbott
Costello	Heflin	Nicholls, S. C.	Taylor, Colo.
Cramton	Heintz	Nichols, Mich.	Templeton
Dale, N. Y.	Helm	Nolan	Thomas
Dallinger	Hensley	Norton	Tinkham
Delaney	Hicks	Oliver, Ala.	Towner
Denison	Holland	Oliver, N. Y.	Vare
Dent	Hood	Olney	Venable
Dewalt	Howard	O'Shaunessy	Vinson
Dies	Huddleston	Overmyer	Walker
Dillon	Husted	Padgett	Ward
Dominick	Hutchinson	Paige	Wason
Donovan	Ireland	Parker, N. Y.	Watkins
Dooling	Jacoway	Peters	Welling
Doughton	Johnson, Ky.	Platt	White, Ohio
Drukker	Johnson, S. Dak.	Porter	Williams
Dunn	Jones	Pou	Wilson, Ill.
Eagan	Juul	Powers	Wilson, Tex.
Edmonds	Kahn	Price	Wingo
Elliott	Kearns	Randall	Wise
Elston	Keating	Rankin	Woods, Iowa
Emerson	Kelley, Mich.	Reavis	Woodyard
Estopinal	Kennedy, R. I.	Riordan	Wright

The Clerk announced the following pairs:

Until further notice:

Mr. BOOHER with Miss RANKIN.

Mr. OLNEY with Mr. GREENE of Massachusetts.

Mr. O'SHAUNESSY with Mr. SWITZER.

Mr. CALDWELL with Mr. ROWE.

Mr. HOLLAND with Mr. DUNN.

Mr. SCULLY with Mr. WARD.

Mr. EAGAN with Mr. PARKER of New York.

Mr. GALLIVAN with Mr. KIESS of Pennsylvania.

Mr. NICHOLLS of South Carolina with Mr. BRITTEN.

Mr. WILSON of Texas with Mr. FARR.

Mr. STEELE with Mr. BUTLER.

Mr. OLIVER of Alabama with Mr. PETERS.

Mr. TALBOTT with Mr. BROWNING.

Mr. HENSLEY with Mr. MUDD.

Mr. PADGETT with Mr. HICKS.

Mr. DALE of New York with Mr. MCKINLEY.

Mr. RANDALL with Mr. FOSS.

Mr. VINSON with Mr. MOTT.

Mr. LUNN with Mr. FULLER of Massachusetts.

Mr. BRODBECK with Mr. ELSTON.

Mr. BELL with Mr. CAMPBELL of Kansas.

Mr. SHERWOOD with Mr. MAGEE.

Mr. DOUGHTON with Mr. WILSON of Illinois.

Mr. MAHER with Mr. SLOAN.

During the roll call:

The SPEAKER. On this vote the yeas are 207, present 1, making altogether 208—not a quorum.

Mr. SIMS. Mr. Speaker, we lack so few of having a quorum that I would be glad for the roll to be called again. How many do we lack?

The SPEAKER. Two hundred and eight to 218 is 10 lacking.

Mr. SIMS. We could probably get them in a little while.

The SPEAKER. Two hundred and sixteen is a quorum. There are four vacancies.

Mr. SIMS. I ask unanimous consent, Mr. Speaker, that the Clerk may call the roll again. Or I am perfectly willing to wait if I thought that might help.

The SPEAKER. The request for calling the roll again is out of order. You can not turn a wheel without a quorum. The Doorkeeper will ring the bells again.

The Doorkeeper again rang the bells.

The SPEAKER. The Clerk will call my name.

The Clerk called the name of Mr. CLARK of Missouri, and he voted in the affirmative.

Subsequently nine additional Members entered the Hall and voted.

The SPEAKER. Two hundred and eighteen Members are present—a quorum.

So the motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors. The House resolves itself into Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, with Mr. WEBB in the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, with Mr. WEBB in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419. The Clerk will report the bill.

The Clerk read the title of the bill, as follows:

A bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce.

The CHAIRMAN. When the committee rose last night there was an amendment pending, offered by the gentleman from Michigan [Mr. DOREMUS], to section 7, on page 33. The Chair recognizes the gentleman from Michigan for five minutes in support of his amendment.

Mr. DOREMUS. Mr. Chairman, I will not consume time in the discussion of this amendment, because I think it speaks for itself, and its purpose is understood by all the members of the committee.

Mr. WALSH. Will the gentleman permit the amendment to be read again? I should like to ask the gentleman a question about it.

Mr. DOREMUS. Certainly.

The CHAIRMAN. If there be no objection, the amendment will be read again for the information of the committee.

The Clerk read as follows:

Page 33, line 11, after the word "commission," strike out the words "may in its discretion" and insert in lieu thereof the word "shall"; in line 14, after the word "commission," strike out the words "to be best" and insert the words "as well"; in line 16, after the word "region" insert "as the plans of other applicants."

Mr. DOREMUS. Mr. Chairman, section 7 as it is now written would place States and municipalities at a disadvantage in the event they desired to file applications under this bill. It would require them to show to the commission that the plans they submitted were better plans than those submitted by private applicants. The effect would be to work a discrimination against States and municipalities that desire to compete with private applicants for the privileges extended under this act. The sole purpose of this amendment is to place States, municipalities, and other political subdivisions upon an equality with private applicants. Hence the amendment.

Mr. WALSH. Will the gentleman yield for a question?

Mr. DOREMUS. Yes.

Mr. WALSH. Of course, the effect of the gentlemen's amendment will still leave it optional or discretionary with the commission as to whether this preference shall be given?

Mr. DOREMUS. No; I think the gentleman is mistaken about that, because it makes it mandatory upon the commission to grant the license to the State or municipality, if the plans submitted by it are, in the judgment of the commission, as good as those submitted by the private applicant.

Mr. WALSH. That is just it. The State or municipality might submit plans that were better, and yet the commission might deem them not to be as well adapted to serve and utilize in the public interest the navigation and water resources, so that you still leave that proviso in there under which the commission in passing upon these plans might still give the preference against the State or municipality. Now, does not the gentleman think that some language ought to be devised so that the commission could not escape simply by passing an unfavorable judgment upon the plans offered by the State or municipality?

Mr. HUMPHREYS. If the gentleman will pardon me, if you strike out the words "to be best," as suggested, and not insert anything, that will meet the difficulty.

Mr. WALSH. The gentleman from Michigan proposes to insert the words "as well."

Mr. HUMPHREYS. But if you leave out the words "as well," so that it will read—

Provided, That the plans for the same are deemed by the commission to be adapted to conserve and utilize, in the public interest, the navigation and water resources of the region—

Mr. DOREMUS. I would be glad to accept that.

Mr. HUMPHREYS. Just strike out the word "best" and not insert anything in the place of it.

Mr. McLAUGHLIN of Michigan. Of course, you want the resources to be properly utilized and the plans to be properly adapted.

Mr. RAKER. Will the gentleman from Massachusetts yield?

Mr. WALSH. The gentleman from Michigan has the floor.

Mr. RAKER. If I can get the opportunity from either gentleman it will be equally delightful.

Mr. WALSH. The gentleman is sure of the privilege of the floor from either gentleman.

Mr. DOREMUS. I yield to the gentleman.

Mr. RAKER. I thank the gentleman. The suggestion is made that if you make it mandatory, would you not practically defeat the very purpose of the bill, so that if the municipality filed an application for a permit, irrespective of what its plans might be, whether they would care to take in all the system, or whether they would develop all of the water in that community or not, the application of the State or municipality would have to be granted——

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. I ask that the gentleman's time may be extended three minutes, so that I may complete this question.

The CHAIRMAN. The gentleman from California asks unanimous consent that the time of the gentleman from Michigan be extended three minutes. Is there objection?

There was no objection.

Mr. RAKER. Irrespective of what the application of the municipality was, and irrespective of what its plans and purposes might be, the commission would be compelled arbitrarily to grant the permit to the municipality.

Mr. DOREMUS. Is the gentleman's question directed to my amendment or to the suggestion offered by the gentleman from Massachusetts?

Mr. RAKER. To the suggestion offered by the gentleman from Massachusetts.

Mr. DOREMUS. It would only operate against the private applicant in the event that the State or the municipality also desired to apply, and in a situation of that kind I am clearly convinced that the preference should be given to the State or the municipality.

Mr. RAKER. The gentleman did not quite get my question. The gentleman's amendment leaves the discretion with the commission, so that if the plan presented by the municipality is in good shape they must grant the application.

Mr. DOREMUS. I think they ought to.

Mr. RAKER. Yes; but under the suggestion made by the gentleman from Massachusetts, whether the plan was workable or not, if the municipality made an application the commission would be compelled to grant it.

Mr. DOREMUS. You have got to leave the discretion to determine whether the plans are adequate to serve the public interest with somebody, and necessarily it must be with the commission created in the bill.

Mr. RAKER. That being the case they should be allowed that discretion, and not be directed absolutely to grant the application.

Mr. DOREMUS. They would still have the discretion to determine whether the plans submitted by the State or municipality were adapted to conserve the public interests.

Mr. RAKER. Under the gentleman's suggestion, I am in favor of the gentleman's amendment and the purpose to be accomplished.

Mr. DOREMUS. No; even under the suggestion of the gentleman from Massachusetts.

Mr. DEMPSEY. Under the suggestion of the gentleman from Mississippi——

Mr. RAKER. I did not realize that the gentleman from Mississippi had made any suggestion. If he has I know that it should be considered.

Mr. HUMPHREYS. It is not necessary to repeat that. Here is the way it would read:

That in issuing preliminary permits or licenses hereunder the commission shall give preference to applications therefor by States and municipalities provided the plans for the same are deemed by the commission adapted to conserve and utilize in the public interest the navigation and water resources of the region.

What objection can there be to that?

Mr. RAKER. There ought not to be any.

Mr. DOREMUS. Mr. Chairman, I ask unanimous consent to modify my amendment by striking out, in line 14, the words "to be best."

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Page 33, line 11, after the word "commission" strike out the words "may in its discretion" and insert in lieu thereof the word "shall." And in line 16, after the word "region," insert the words "as the plans of other applicants."

Mr. ANDERSON. That is in lieu of the language in the amendment?

Mr. DOREMUS. Yes; and it should be further modified by striking out what I proposed in line 16, because it will become unnecessary on account of the change in line 14.

The CHAIRMAN. Will the gentleman state his amendment again?

Mr. DOREMUS. Page 33, line 11, strike out the words "may in its discretion" and insert in lieu thereof the word "shall." And in line 14 strike out the words "to be best."

The CHAIRMAN. Is that the gentleman's entire amendment?

Mr. DOREMUS. Yes.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Page 33, line 11, strike out the words "may in its discretion" and insert in lieu thereof the word "shall"; and in line 14 strike out the words "to be best."

The CHAIRMAN. Without objection, the original amendment is withdrawn and the amendment just reported is offered in place of it.

The question was taken, and the amendment was agreed to.

Mr. FRENCH. Mr. Chairman, I move to strike out the word "likewise" in line 17.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 33, line 17, strike out the word "likewise."

Mr. FRENCH. Mr. Chairman, the amendment of the gentleman from Michigan is substantially the amendment that I indicated some days ago I was going to offer to this paragraph. I have supported the amendment of the gentleman from Michigan instead of offering one of my own. However, since that has been adopted we ought to strike out the word "likewise" since the word is not necessary.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Idaho.

The question was taken, and the amendment was agreed to.

Mr. WALSH. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman from Michigan a question with reference to line 17.

As between other applicants, the commission may likewise give preference to the applicant the plans of which it finds and determines are best adapted to develop, conserve, and utilize in the public interest the navigation and water resources of the region.

Should not the word "may" also be "shall"?

Mr. HUMPHREYS. In such a case as that the word "may" is construed to mean "shall."

Mr. WALSH. Mr. Chairman, I withdraw the pro forma amendment.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed without amendment joint resolution of the following title:

Joint resolution (H. J. Res. 324) making appropriations for certain operations of the Government for the month of September, 1918, and for other purposes.

THE WATER-POWER BILL.

The committee resumed its session.

The Clerk read as follows:

Sec. 8. That no transfer of any license, or of the rights thereunder granted, except by tax sale, shall be made without the written approval of the commission; and any successor or assign of the rights of such licensee, whether by voluntary transfer, judicial sale, foreclosure sale, or otherwise shall be subject to all the conditions of the license under which such rights are held by such licensee and also subject to all the provisions and conditions of this act to the same extent as though such successor or assign were the original licensee hereunder.

Mr. SINNOTT. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 34, add the following proviso to section 8:
"*Provided, however,* That the commission may pay any delinquent taxes on the property of the licensee, and such payment shall be a first lien on said property for the repayment of said taxes."

Mr. SINNOTT. Mr. Chairman, the commission ought to have the right to protect the property against any tax sales as well as by paying the taxes.

Mr. DOREMUS. Does not it make it mandatory on the commission to pay the taxes?

Mr. SINNOTT. No; it does not.

Mr. WALSH. Read it again.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The amendment was again reported.

Mr. HUMPHREYS. Mr. Chairman, I think the universal interpretation of that language by the executive department would make this mandatory. Wherever the word "may" is used, it is, I think, universally interpreted by the department to mean "shall." Whenever it is desired to really leave it in the discretion of a subofficer the custom is to add the words "in their discretion."

Mr. SINNOTT. Mr. Chairman, I ask to insert, after the word "may," the words "in its discretion."

The CHAIRMAN (Mr. SAUNDERS of Virginia). The Clerk will report the modified amendment.

The Clerk read as follows:

Add to section 8 the following proviso:
"*Provided, however,* That the commission may in its discretion pay any delinquent taxes on property of the licensee, and such payment shall be a first lien on said property for the repayment of said taxes."

Mr. RAKER. Mr. Chairman, I wonder whether the committee has really thought what that means. It leaves it up to the commission to pay these taxes, and there will be no tax sales. Is not that right?

Mr. SINNOTT. No.

Mr. RAKER. Under the amendment it is provided, if the party does not pay his taxes, that the commission should pay them. Is not that the purpose of the gentleman's amendment?

Mr. SINNOTT. The commission may, if it sees fit, and the taxes are charged up as a lien against the property of the licensee.

Mr. RAKER. Then that avoids the tax sale, if a man fails to pay his taxes. If he grows delinquent, he could go and say that the commission's duty is to pay the taxes.

Mr. SINNOTT. Of course, it is not. The commission's duty is no such thing. This makes it discretionary with the commission. It is wholly optional with them.

Mr. RAKER. The man would let his taxes go from year to year. He would not ever pay them. Is not that right? They would charge it up against him.

Mr. SINNOTT. The commission would charge delinquent taxes against his property.

Mr. RAKER. This is a peculiar provision, and I do not think there is any other law in which you will find such a thing. If it is a going concern, one that is successful, the man will pay his taxes. If there is any doubt about it, he will let his taxes go, and you provide in the bill that the commission shall pay them.

Mr. SINNOTT. Oh, no; not that they shall pay them.

Mr. DEMPSEY. It is within their discretion.

Mr. RAKER. Oh, just wait until it gets in operation and you will see that it will be the duty of the commission to see that these taxes are paid at all times. You permit the property to be sold, and it ought to be sold for taxes. Where are you going to recoup yourself? The commission has already made the application. How are they going to pay taxes, and where are they going to get the money with which to pay them? All the man has is in that real estate, in his dam, his project, and let us say that there are $60,000 in taxes charged up against him and there is no sale made. He will go into court and say that it is the duty of the commission to pay the taxes.

Mr. SINNOTT. We can not be held accountable for a man taking that unfounded position.

Mr. RAKER. Let me call the committee's attention to why you should not write such a provision in a piece of legislation of this kind, that the granting power, the power that grants the permit, that owns the property, that appoints a commission to handle its business, is to go to work and see that taxes are paid if the individual, association, or corporation that has it leased failed to do so. That is all there is to this, because the Government will not be paying any taxes.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. DEMPSEY. In the State of New York the ordinary mortgage provides that the mortgagee may pay the taxes and insurance and charge them and add them to his mortgage debt.

Mr. RAKER. But, my dear sir——

Mr. DEMPSEY. Just let me finish the question. Here is a purely discretionary power giving this commission in such instances and circumstances, and in such instances and circumstances only as they see fit to do so, the right to pay taxes, and that is all there is to it.

Mr. RAKER. Oh, no.

Mr. DEMPSEY. The man that goes into court and says that this discretionary power is a mandatory power, would go into court figuring that either the court had no knowledge of law or he himself in going there is going without knowledge of law.

Mr. RAKER. But the gentleman is entirely wrong. In most of the States the mortgagee can pay the taxes if the mortgagor does not. Of course, it is to his interest. It is to the interest of the mortgagee to pay the taxes, because if he does not pay the taxes and the property is sold at a tax sale, the purchaser at the tax sale takes the entire property and the mortgagee has lost all his property. So as a matter of fact, the mortgagee is always interested in seeing that the taxes are paid.

Mr. DEMPSEY. And so here you would lose your recapture rights.

Mr. RAKER. Oh, no. The gentleman is simply leasing this property, and now you turn around and say that the Government shall pay the tax rather than let it be sold at a tax sale, so that some third party can get the property and then have the license transferred to him and use it in his business.

Mr. SINNOTT. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. SINNOTT. It is merely for the purpose of enabling the commission to protect itself and to protect the Government against further embarrassment that would ensue from a tax sale to some one else. They should have that right to protect themselves. It is wholly within the discretion of the commission whether they shall do this or not.

Mr. RAKER. How is the Government going to protect itself? It owns the property and you can not sell the Government property, but you must advance money by appropriation and provide appropriations for that purpose, to pay these taxes.

Mr. SINNOTT. The gentleman's premise is wrong. The Government does not own the property.

Mr. RAKER. If it is sold at tax sale the man who purchases it takes the property and takes the entire project and the Government is protected.

Mr. WALSH. How does this property come to be taxed if it is Government property?

Mr. RAKER. That is another reason why such an amendment should not be agreed to, but this includes the property owned by the licensee in his own name, as well as that obtained by the permit or license. The tax covers it all, and to use the "project" you must not permit it to be separated or divided in any way.

Mr. WALSH. Why should there be a tax sale if the Government owns the property? Who is taxing it?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SIMS. Mr. Chairman, I wish to oppose the amendment. It occurred to me when the gentleman from Oregon [Mr. SINNOTT] first read the amendment that it was a very proper amendment, but when I began to think about it closer I changed my mind. Now in the first place the licensee does own the structures which he put there and they are all that are taxed, and there is no appropriation in this bill or provided in this bill that would be available to the commission to use for any purpose except in executing the powers and duties of the commission, and so I do not believe it ought to be done. If the United States owned the physical structures, if it owned what the licensee put there, then I could see why we should protect it, but the purchaser of the licensee's property will take it as a matter of course subject to the restrictions and provisions and terms of the license under which the licensee held it.

Mr. ANDERSON. If the gentleman will permit, the purposes of section 8, if I understand it, or one of the purposes, is to prevent the transfer of a license or a project to a licensee that is not satisfactory to the Government. Now the gentleman from Oregon conceives the idea it would be possible, by collusion under a tax sale, for some person or corporation to buy in at a tax sale who would not be a satisfactory licensee to the Government. Now he seeks to prevent that by permitting the commission itself to buy in at a tax sale. That is the purpose; whether he has accomplished it by his amendment may be a question, but there is in the provision itself a possibility that by collusion the project

might come into the possession of a licensee who would not be satisfactory to the commission.

Mr. SIMS. Well, if that is the object and purpose of the amendment of the gentleman from Oregon, to prevent use of a tax sale as a means of having a licensee whose license has not been approved, why there is a very good reason for it, but if it is true it ought to go further and provide that the commission might so use the funds of the commission for such a purpose. But there is no appropriation——

Mr. ANDERSON. Is not the appropriation carried in the bill available for any purpose in the bill?

Mr. SIMS. When we reach that section, or rather we have already passed it, we appropriated $100,000, and I understood it to be applicable alone to the payment of the expenses of the commission.

Mr. ANDERSON. The gentleman may be right.

Mr. SIMS. Now, if this is, then the commission would have no funds it could use for that purpose.

Mr. HUMPHREYS. I just desire to ask the chairman a question. Is there any general provision in the bill under which this money, although it constituted a first-mortgage lien, can be collected? Is there any special provision in the bill?

Mr. SIMS. I do not remember of any special provision applying to such a situation in line with the question of the gentleman.

Mr. HUMPHREYS. If the commission pays the taxes, it becomes a first lien on this property, and there ought certainly to be some way by which that can be enforced; otherwise it might run through the term of the lease.

Mr. SIMS. That is one reason why I have come to the conclusion, after thinking about the matter, that this amendment ought not to be adopted.

Mr. HUMPHREYS. It occurs to me it might be a good thing to adopt the amendment, but first to perfect it.

Mr. SIMS. I started to say, without going further and providing the means——

Mr. HUMPHREYS. Provide some means whereby the Government could be reimbursed. I do not know whether it ought to be adopted at all or not. I have not any very fixed opinion on that, but if it is to be adopted there certainly ought to be some provision whereby the Government can reimburse itself out of the proceeds of the enterprise.

Mr. SIMS. That is what I think.

Mr. WALSH. Mr. Chairman, I move to strike out the last two words. Did the chairman of the committee say that if the licensee, after having conducted his business for three or four years should get it into such shape that it had to be sold for taxes, that it did not terminate that license altogether?

Mr. SIMS. We speak here of assignees——

Mr. WALSH. I am talking about the licensee.

Mr. SIMS. Well, the licensee may transfer his right.

Mr. WALSH. With the consent of the commission. Now, I mean, suppose his property is sold for taxes, does not that terminate his license?

Mr. SIMS. It terminates his ownership; there is no question about it.

Mr. WALSH. Then if the property of the licensee is sold for taxes, and the commission should buy it in, and this should be made a first lien upon the property why is not the commission or the Government protected?

Mr. SIMS. Well, as I was going to say, it seems to me that the gentleman from Oregon would accomplish his purpose not by offering the amendment he does offer but to strike out the words "except by tax sale," and then the commission would have to approve——

Mr. WALSH. As I understand, the purposes of section 8 are that no court could enter a decree of foreclosure to order a sale of this property unless the commission gave it permission?

Mr. SIMS. Written approval; yes.

Mr. WALSH. So the courts are to be subject to the three Secretaries' approval in that respect, but they can hold a tax sale without the consent of the commission?

Mr. SIMS. According to this section; yes.

Mr. WALSH. And if a tax sale is held the license that was granted to the owner on the property terminates when the property is sold?

Mr. SIMS. So it seems to me.

Mr. STEVENSON. Does not the language intimate that is not the intention; but it says—

That no transfer of any license or of the right thereunder granted, except by tax sale, shall be made without the written approval of the commission.

That plainly contemplates by tax sale there may be a transfer of the license.

Mr. WALSH. That is the point I am trying to clear up, and I thank the gentleman from South Carolina for directing my attention to the language.

Mr. RAKER. Will the gentleman yield for a question?

Mr. WALSH. Yes.

Mr. RAKER. Under the question of the mortgage foreclosure, it does not require the consent of the commission. Of course, that goes on without any question. And I want to call the gentleman's attention to this amendment. This attempts to make a lien on property by virtue of the commission in its discretion paying taxes for somebody else. You can not make a lien by law that will deprive a prior lien holder on the property of his rights. Suppose bonds were given, and the mortgage given on the property with consent of the commission to secure the bond issue, and the taxes become delinquent? The only way the Government could get hold of it would be by virtue of a sale and purchase at the sale under the delinquent taxes. But you attempt in this amendment to say that they voluntarily pay the taxes and there is no sale, and then you place the subsequent payment as to a prior lien on the mortgage that has been given or on the bonds issued by the corporation, which clearly can not be right.

Mr. WALSH. I did not understand the amendment, then. Is the word "prior" in there?

Mr. RAKER. Yes. It says:

Provided, however, The commission may in its discretion pay any delinquent taxes on the property of the licensee, and such demand shall be a first lien on the said property.

Now, think of it. Here is a proposition where a corporation——

Mr. SINNOTT. Will the gentleman yield?

Mr. RAKER. I want to answer the question. Here is a proposition where a corporation has borrowed money to the extent of, say, half a million dollars, and given bonds which are secured by a first mortgage. The notes of a licensee that deliberately sold the property may be delinquent. The property is not sold voluntarily. The commission goes to work and pays them, and this bill is a prior lien on the property.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WALSH. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

Mr. SIMS. I want to see if we can get an agreement to close debate. Does the gentleman from Oregon [Mr. SINNOTT] wish some further time on this?

Mr. SINNOTT. I want about two minutes in which to just reply to the last remark of the gentleman from California.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and amendments to this amendment shall close in 10 minutes.

Mr. HUMPHREYS. Mr. Chairman, reserving the right to object, I have in mind an amendment I would like to offer. I do not know whether it would be an amendment to this. I think it would be, rather, a substitute for it. I would like to have some time on that if possible.

Mr. SIMS. Do you want to offer it to this amendment or as a substitute?

Mr. HUMPHREYS. My idea was to offer it as a substitute for this.

Mr. SIMS. Does the gentleman wish to offer it now and then debate it?

Mr. HUMPHREYS. I do not know whether it would be in order to offer it now or not. If so, I would like to offer it.

Mr. SIMS. Mr. Chairman, I ask that all debate on this amendment and amendments thereto close in 15 minutes.

Mr. WALSH. Reserving the right to object, does that assume that I may be granted unanimous consent to have a few minutes more?

Mr. SIMS. You are to have five minutes, I understand. That is all you asked for.

Mr. WALSH. I have not permission to have that. The gentleman will yield me that, I presume.

Mr. SIMS. The gentleman from Oregon [Mr. SINNOTT], I believe, asks for three minutes. Therefore I ask unanimous consent that debate close in 17 minutes. That will give the gentleman from Massachusetts seven minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this amendment and amendments thereto shall terminate at the expiration of 17 minutes. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Massachusetts [Mr. WALSH] is recognized.

Mr. WALSH. Mr. Chairman, it seems to me the language of this section, if it is not clear and plain, ought to be perfected so as to provide that if any licensee should permit his business to get in such shape that it is to be sold for taxes, irrespective of whether the commission pays those taxes or permits the tax sale to be held, or a tax sale is held without his permission, it ought to terminate the license. I do not think people should

come in and get a valuable license from the Government for a long term of years and so neglect it or permit it to get in such shape that it has to be sold for taxes, and that then they could still hold that license. It seems to me that the license ought to terminate and the purchaser at the tax sale should be given either a new license or he should be given a license for the balance of the term.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. McLAUGHLIN of Michigan. Suppose the licensee puts a mortgage on his property and later permits it to be sold for taxes, and the sale for taxes will wipe out the license, what becomes of the security held by the mortgagor? He has security, then, on property to which no one has a license.

Mr. WALSH. But if the amendment of the gentleman from Oregon [Mr. SINNOTT] is included in the section, the commission would then come in and pay those taxes, and then they could give permission to the person holding the mortgage to foreclose under the language of the section.

Mr. McLAUGHLIN of Michigan. I think the first right should be given to the holder of the mortgage security. The holder of the mortgage should have a right to pay the taxes or purchase the property at a tax sale, and that right should be prior to the right of any individual or company, or even the Government itself.

Mr. WALSH. That would be permissible under the amendment of the gentleman from Oregon. It is only discretionary upon the commission to pay these taxes. Now, it may be that the taxes go unpaid without fault or neglect on the part of the licensee, and that the commission may come to his rescue temporarily and pay these taxes.

Mr. McLAUGHLIN of Michigan. But it would not be right under those circumstances to make the amount of money paid by the Government a prior lien or a lien prior to the mortgage.

Mr. WALSH. No. I am inclined to agree with the point raised by the gentleman from California.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. WALSH. I do.

Mr. BANKHEAD. It is evident that the main purpose of section 8 is to prevent the transfer of licenses without the consent of the commission. Why would it not cure the defect here if you struck out "by tax sales"?

Mr. SIMS. And make no other amendment?

Mr. WALSH. I do not know about that.

Mr. BANKHEAD. That would obviate the suggestion of the gentleman, that he does not think it would be right by tax sale to transfer the license and at the same time not surrender it.

Mr. SIMS. I want to answer the gentleman's suggestion by saying that I believe the gentleman is right, that the corporation or municipality that will not pay its taxes should not hold the advantages and benefits of a license while the United States water-power commissioner pays the taxes with money the United States taxpayers have to provide. The licensee can get money to pay taxes, unless he has mortgaged his property to death, but if the other motion is made to strike out the exception the defect would be cured.

Mr. WALSH. I do not think, Mr. Chairman, on hasty reflection, that the suggestion of the gentleman from Alabama [Mr. BANKHEAD] ought to prevail, to strike out "excepting by tax sale." I think the taxes should be preserved. We ought not to destroy the right of communities, or whoever will impose these taxes, to collect the amounts due by means of a sale.

Mr. BANKHEAD. That would not, if my friend will allow me, remove that right that the State or municipality would have.

Mr. DOREMUS. It would not take away the power of the State.

Mr. WALSH. I think it would take away the right of the commission to control the transfer of a license.

Mr. DOREMUS. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Does the gentleman desire to ask a question?

Mr. DOREMUS. Yes. As a legal proposition, even though the gentleman's suggestion were adopted and those words were stricken out, it would not take away from the States the power to sell this property in case it became delinquent by the nonpayment of taxes?

Mr. WALSH. No; but if somebody else purchased at tax sale and went to get the approval of the commission to transfer the license, they might refuse to give it.

Mr. DOREMUS. In the event the property was sold for taxes?

Mr. WALSH. I think so.

Mr. DOREMUS. These words should not be in there.

Mr. ESCH. Mr. Chairman, I think if the gentleman will yield——

Mr. WALSH. Certainly.

Mr. ESCH. This condition arises from the fact of the elimination by the committee of certain language in the original draft, which, if retained, would make it more rigid than it is. In the original draft section 8 is as follows:

That no transfer of any license or of the rights thereunder granted, except by tax sale or trust deed or mortgage issued for the bona fide purpose of financing the business of the licensee.

Mr. HUMPHREYS. There is some sense in that.

The CHAIRMAN (Mr. SAUNDERS of Virginia). The time of the gentleman has expired.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. Would it be in order now to offer an amendment as a substitute for that of the gentleman from Oregon?

The CHAIRMAN. That would rest with the committee.

Mr. BANKHEAD. If the chairman of the committee will give me his attention, I would like to secure recognition for the purpose of offering a substitute for the amendment of the gentleman from Oregon.

Mr. SIMS. I ask unanimous consent that the gentleman may be allowed to offer an amendment and be allowed five minutes in which to discuss it. I will couple with my request, Mr. Chairman, a request that the gentleman from Mississippi [Mr. HUMPHREYS] be allowed five minutes to discuss the proposition of the gentleman from Alabama. I amend my request and make it 10 minutes, 5 minutes to go to the gentleman from Alabama [Mr. BANKHEAD] and 5 to the gentleman from Mississippi [Mr. HUMPHREYS].

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the gentleman from Alabama may be allowed to offer an amendment and be given five minutes to discuss it, and that five minutes be given to the gentleman from Mississippi [Mr. HUMPHREYS]. Is there objection?

There was no objection.

Mr. DEMPSEY. There have been a number of suggestions made, Mr. Chairman, in connection with this amendment. The first thing to which I call attention is the suggestion of the gentleman from Massachusetts [Mr. WALSH]; that is, that the owner of the property, in the case of a license granted by the Government, which is presumably of value, should not hold that license after he is in default on account of nonpayment of taxes.

What we are primarily seeking to do here is to bring about a condition so that the water power of this country shall be utilized, and if you insert any condition by way of amendment or otherwise which makes the property right insecure you are going to make it additionally difficult, if not impossible, to develop these water powers, and, in the instance cited, if the owner of property, by becoming in default, shall forfeit his license, that instant you make it impossible for any man with security to advance money in any way by mortgage or bond.

For instance, you will find that the owner of property, no matter how careful he may be, if he lives at a distance from the point where his property is, is liable to let a tax go unpaid without any intention whatever of allowing it to be done, when he intends in good faith to pay his taxes, when, as a matter of fact, he is paying his taxes generally; but it occurs through inadvertence or where the tax is not brought to his attention. If you adopt anything of that nature and attempt to finance a proposition and allow a mortgagee to take all these chances, no mortgagee would for an instant consider doing it. So that you can not, it seems to me, consider seriously forfeiting a license for failure to pay taxes.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SISSON rose.

Mr. SIMS. Is the gentleman from Mississippi ready?

Mr. SISSON. Yes.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise, temporarily.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. LONERGAN, for two days, on account of important business.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. SISSON. Mr. Speaker, I ask unanimous consent to take up the conference report on the District of Columbia appropriation bill.

The SPEAKER. The gentleman from Mississippi asks unanimous consent to take up the conference report on the District of Columbia appropriation bill. Is there objection?

There was no objection.

Mr. WALSH. Mr. Speaker, has this report been printed?

Mr. SISSON. No. This is the last day, I would say to my friend, on which this bill can pass without the District being left without funds.

Mr. GILLETT. Is this a final report?

Mr. SISSON. This is a final report.

Mr. MONDELL. Is it satisfactory to all of the House conferees?

Mr. SISSON. Yes; it is satisfactory to all the House conferees. The Senate, in other words, recedes on both amendments. The only items in disagreement were the Keller amendment and the playground appropriation, and the Senate receded on both items.

The SPEAKER. Is there objection?

There was no objection.

Mr. SISSON. Mr. Speaker, I move the adoption of the conference report.

The SPEAKER. The Clerk will report it.

The Clerk read the conference report, as follows:

CONFERENCE REPORT (NO. 765).

The committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 11692) making appropriations to provide for the expenses of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 61.

Amendment numbered 83: That the House recede from its disagreement to the amendment of the Senate numbered 83, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following: "$70,030, to be paid wholly out of the revenues of the District of Columbia"; and the Senate agree to the same.

T. U. SISSON,
JAS. MCANDREWS,
C. R. DAVIS,
Managers on the part of the House.

JOHN WALTER SMITH,
JOS. T. ROBINSON,
CHARLES CURTIS,
Managers on the part of the Senate.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

On motion of Mr. SISSON, a motion to reconsider the vote whereby the conference report was agreed to was laid on the table.

WATER-POWER LEGISLATION.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, with Mr. SAUNDERS of Virginia in the chair.

Mr. BANKHEAD. Mr. Chairman, I offer as a substitute for the amendment of the gentleman from Oregon, in line 8, page 34, to strike out the words "except by tax sale."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD: Page 34, line 8, strike out the words "except by tax sale."

Mr. BANKHEAD. Mr. Chairman, as I stated in my inquiry of the gentleman from Massachusetts [Mr. WALSH], it is evidently the purpose of section 8 to inhibit the transfer of any license, or the rights granted under any license, except by permission of the commission; but the way that this language is phrased here it says that no transfer of any license, or of the rights thereunder granted, except by tax sale, shall be made without the written approval of the commission. In other words, that makes an exception to the rule, and if this language is adopted as it now stands in the bill, it will not only allow the transfer of a license in the case of a tax sale, without the approval of the commission, but, in my judgment, it might offer some inducement for collusion on the part of persons who might think it desirable to secure a tax sale of this property in order that they might thereby escape this inhibition.

Mr. MONDELL. Has the gentleman offered an amendment to strike out those words?

Mr. BANKHEAD. I offered as a substitute for the pending amendment a motion to strike out the words "except by tax sale," so that the section will consistently carry out the purpose for which it is intended.

Mr. MONDELL. That amendment ought to be adopted.

Mr. BANKHEAD. That will absolutely eliminate any question that might otherwise arise.

Mr. SINNOTT. I want to ask the gentleman a question on that.

Mr. BANKHEAD. I yield to the gentleman from Oregon.

Mr. SINNOTT. Would not that practically deprive the States of the right to collect their taxes?

Mr. BANKHEAD. How?

Mr. SINNOTT. You would give them no sanction——

Mr. BANKHEAD. How could we deprive the States of the right to collect their taxes?

Mr. SINNOTT. If you are striking this out——

Mr. BANKHEAD. We can not by a section of this sort deprive any State of the right to collect its taxes.

Mr. SINNOTT. That is my objection, and therefore these words should be left in the bill.

Mr. MONDELL. The purchaser could go to the commission and get his license.

Mr. BANKHEAD. Absolutely. The gentleman from Oregon is in error in assuming that this would deprive the State of any right that it would have to collect its taxes.

Mr. SINNOTT. I do not think we could deprive a State of that right.

Mr. CANNON. Let us see about that. Here is the property, located in a State. An insolvent company that has the property refuses to pay the taxes, and there is no way to collect the taxes by levy upon the personalty. The property goes to tax sale. Now, in what condition is the State?

> You take my house when you do take the prop
> That doth sustain my house.

And it seems to me that the tax title would be of no avail without the transfer.

Mr. BANKHEAD. The State would be remitted to exactly the same remedy that it would have in the case of any other tax delinquent. There is no distinction in principle as between a water-power project and any other real estate.

Mr. CANNON. Suppose somebody who is not agreeable to the commission buys the property?

Mr. BANKHEAD. Then they ought to make some separate provision to cover a case of that sort, but it ought not to be complicated with this.

Mr. SINNOTT. The trouble with the gentleman's argument is he admits that we can not interfere with the right of the State to collect its taxes, but at the same time we leave in the bill a prohibition against the sale of that property.

Mr. BANKHEAD. Oh, no.

Mr. SINNOTT. Oh, yes.

Mr. BANKHEAD. I do not see how.

Mr. SINNOTT. The bill says——

> That no transfer of any license, or of the rights thereunder granted * * * shall be made without the written approval of the commission—

But it contains an exception—

except by tax sale.

We ought to permit the transfer in case of a tax sale.

Mr. WALSH. Will the gentleman yield?

Mr. BANKHEAD. Yes; I yield to the gentleman from Massachusetts.

Mr. WALSH. How could the State be assured that it could recoup itself for taxes if the purchaser did not know that he could get the approval of the commission and if he bought the property in for a transfer of the license?

Mr. BANKHEAD. I think the State would have the right to put up the property and sell it, like any other property.

Mr. WALSH. Why make the prohibition of transfer of license?

Mr. BANKHEAD. The committee evidently wanted to adopt a general prohibition against the transfer of a license without its approval.

Mr. WALSH. They wanted to protect the purchaser at a tax sale.

Mr. DEMPSEY. They wanted to protect the State.

Mr. BANKHEAD. If the property was sold at a tax sale they should get all the rights under the license without permission of the commission.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. GRAHAM of Illinois. Does the gentleman think the word "transfer" as used refers to anything but a voluntary transfer?

Mr. BANKHEAD. I think that is all.

Mr. GRAHAM of Illinois. The sale of the property would not be a transfer in law.

Mr. BANKHEAD. It would not.

Mr. GRAHAM of Illinois. It is simply a method of collecting taxes. It does not mean anything but a voluntary transfer of property.

Mr. WHITE of Maine. Would not the insertion of the word "voluntary" before the word "transfer" and striking out the words "at a tax sale" obviate the objection?

Mr. HUMPHREYS. Mr. Chairman, my conception of this language, or, rather of what the law would be, is just as suggested by the gentleman from Illinois, but it occurs to me that it would be desirable to add after the word "no," line 7, the word "voluntary," so as to read "that no voluntary transfer of any license," and so forth.

It is evident from the action of the special committee that drew the bill that they intended that no transfer shall be made of these licenses or rights thereunder even through a proceeding in the court. The language of the bill was "no transfer of the license or rights thereunder granted except by tax sale, judicial sale, or foreclosure sale shall be made," and so forth. The committee struck that out. Now, it occurs to me, in view of that, that we ought to put in the word "voluntary," so that no voluntary transfer should be made, and strike out "tax sales," because it is going to be a difficult matter to finance this thing. First, as the law is written, if a man who is to put up the money is confronted with a statute saying that he can not go into the courts and collect the money or enforce a decree of the court by a sale of the property, he is not going to invest his money in the security which is offered. It is evident from the amendment that that is what the committee has in mind, because it deliberately struck out of this exception judicial sales and foreclosure sales so as to limit it exclusively to tax sales. I think the amendment of the gentleman from Alabama ought to be agreed to. I suggest to him that he go a little further and add after the word "no" in line 7 the word "voluntary," and say that no voluntary transfer of any license shall be made without the approval of the commission. I do not think you could enforce any such provision; you could not provide that a man who loans money can not go into court and collect it by enforcing the lien on the property mortgaged without consent of somebody in writing. I do not think that would ever hold. I suggest to the gentleman that he put in the word "voluntary" and strike out the words "tax sale."

Mr. BANKHEAD. Will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. BANKHEAD. I will say that I concur in the gentleman's suggestion and would be glad to adopt it.

Mr. ANDERSON. Will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. ANDERSON. In view of the fact that this particular section has been four times adopted by the House, does the gentleman think that it ought to be amended?

Mr. HUMPHREYS. We have never written it into law, and the fact that it has been four times adopted by the House carries no conviction, and is not even persuasive with me.

Mr. BANKHEAD. Mr. Chairman, I ask unanimous consent to modify my substitute by adding after the word "no" in line 7 the word "voluntary."

The CHAIRMAN. Without objection, the amendment will be so modified.

There was no objection.

The CHAIRMAN. The question now is on the substitute offered by the gentleman from Alabama for the amendment offered by the gentleman from Oregon.

The question was taken, and the substitute was agreed to.

The CHAIRMAN. The question now is on the adoption of the substitute amendment.

The question was taken, and the amendment was agreed to.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference of the two Houses on the amendments of the Senate to the bill (H. R. 11692) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes.

THE WATER-POWER BILL.

The committee resumed its session.

The Clerk read as follows:

SEC. 9. That each applicant for a license hereunder shall submit to the commission—

(a) Such maps, plans, specifications, and estimates of cost as may be required for a full understanding thereof. Such maps, plans, and specifications when approved by the commission shall be made a part of the license; and thereafter no change shall be made in said maps, plans, or specifications until such changes shall have been approved and made a part of such license by the commission.

"(b) Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located with respect to the appropriation, diversion, and use of water for power purposes and with respect to the right to engage in the business of developing, transmitting, and distributing power, and in any other business necessary to effect the purposes of a license under this act.

(c) Such additional information as the commission may require.

Mr. LA FOLLETTE. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read:

The Clerk read as follows:

Page 35, line 4, after the word "to" insert the words "bed and banks and to," so that it will read:

"(b) Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located with respect to bed and banks and to the appropriation, diversion, and use of water for power purposes and with respect to the right to engage in the business of developing, transmitting, and distributing power, and in any other business necessary to effect the purposes of a license under this act."

Mr. LA FOLLETTE. Mr. Chairman, in this section, by the provision that the applicant for a license shall have complied with the rules and laws of the State in regard to the diversion of water, we are trying not to infringe the rights of the States in that respect, and I wish to call the attention of the committee to the fact that many Supreme Court decisions in respect to States' rights as to water also refer to States' rights as to the beds and banks, and I would like to read from the latest United States Supreme Court decision upon this question, delivered on May 12, 1917. The opinion was delivered by Mr. Justice Pitney, and in that he says:

The States have authority to establish for themselves such rules of property as they may deem expedient with respect to the streams of water within their borders, both navigable and nonnavigable, and the ownership of the lands forming their beds and banks.

In many States the law gives the riparian owner title to the middle of the stream. In other States only to the high-water mark. The property rights are within the State. It can dispose of the beds, or parts of them, regardless of the riparian ownership of the banks, if it desires to, and that has been done in some States. If we put in this language, which is practically taken from that Supreme Court decision, as to the property rights of the States as to the bed and the banks and to the diversion of the water, then it is sure that we have not infringed any of the rights of the States in that respect, or any of their rules of property, and we are trying in this bill above everything else to overcome a divided authority and pass a bill that will make it possible to get development. We are earnestly trying not to infringe the rights of the States. If possible we want a bill that can not be defeated in the Supreme Court because of omissions, because of the lack of some provision that we should have put in the bill to safeguard the States.

Mr. HUMPHREYS. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection, and the Clerk again reported the amendment.

Mr. WALSH. Mr. Chairman, it would seem to me that the language the gentleman has employed would not express the idea that he has in mind. He uses the words "the bed and banks."

Mr. LA FOLLETTE. I use the language "bed and banks" because there is but one stream bed to a project, while the decision read refers to the beds and banks because it refers to all streams and in all the States.

Mr. WALSH. Ought it not to be amplified in some way so that it can be identified with the bed and bank of the stream on which the project is to be located?

Mr. LA FOLLETTE. In connection with the diversion of the water in the particular project, I do not think there would be any question in regard to it in the mind of the court or of any individual.

Mr. WALSH. It will read in this way:

Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located with respect to bed and banks and to the appropriation, diversion, and use of water for power purposes.

Mr. LA FOLLETTE. The Supreme Court did not amplify it any more than that. It is a decision as to the property rights of the States and to their property rules as to bed and banks.

Mr. WALSH. Did they use this language?

Mr. LA FOLLETTE. Absolutely, except in this particular case I make it bed; singular instead of plural.

Mr. WALSH. Mr. Chairman, I would like the attention of the chairman of the committee to what I am about to say with reference to paragraph (a) of this section. It reads—

Such maps, plans, specifications, and estimates of cost as may be required for a full understanding thereof.

"A full understanding thereof" of what?

Mr. SIMS. An understanding pertaining to the application.

Mr. WALSH. It seems to me that it ought to read "for a full understanding of the project for which a license is asked." You do not have plans and specifications and maps for a full understanding of a license. You need them for an understanding of the project for which the person wishes to get a license.

Mr. SIMS. As the gentleman from Minnesota [Mr. ANDERSON] said awhile ago, this language in substance, if not exactly, has been four times passed upon by the House, and I think also by the Senate, and I am very loath after the House has given its approval of language to risk even my own judgment suddenly about it.

Mr. WALSH. Is this provision in the Senate bill?

Mr. SIMS. I do not know whether it is exactly the same or not, but the same provisions in respect to the same subject have been in every bill.

Mr. WALSH. That is not at all conclusive. I move, on page 34, line 20, to strike out the word "thereof" and insert the words "of the proposed project."

The CHAIRMAN. The gentleman from Massachusetts offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 34, line 20, after the word "understanding," strike out the word "thereof" and insert in lieu thereof the words "of the proposed project."

Mr. SIMS. I really see no harm in it, and it may be a good amendment.

Mr. WALSH. I think it makes it definite and it does not change the meaning.

Mr. SIMS. Of course, there will be no plans submitted of any other project.

Mr. WALSH. No.

Mr. SIMS. I have no objection to the amendment.

The CHAIRMAN. The Chair will first dispose of the amendment offered by the gentleman from Washington [Mr. LA FOLLETTE]. The question is on agreeing to the amendment offered by the gentleman from Washington.

The question was taken, and on a division (demanded by Mr. ANDERSON) there were—ayes 11, noes 6.

So the amendment was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

Mr. PARKER of New Jersey. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 35, line 2, after the word "complied," insert "or will comply."

Mr. PARKER of New Jersey. Mr. Chairman, the point of this matter is that the Government may be dealing not merely with one applicant but with four or five people as to the same place. Some of these are very large projects. Take, for instance, the Columbia River. There may be a dozen people applying to get a license, and the commission should take the best one of the lot. Only one of them could have complied with the law of the State and obtained the State right, and under those circumstances where a dozen people will apply the commission should not require any one of them to have a monopoly already before they deal, but they should require that every one of them should agree to do whatever was necessary by the law of the State and therefore should have satisfactory evidence that the person who applies has complied with the law of the State or will comply with it, so that the Government can have a choice among the different people.

Mr. SIMS. Mr. Chairman, I do not think the amendment of the gentleman ought to be adopted. Anybody can go and promise to comply, and if they want this permission it does seem to me they ought to furnish the evidence required by this section that they have complied with the laws of their own State.

Mr. PARKER of New Jersey. But does not the gentleman see only one person could have so complied and you have no benefit of competition? Evidence that you will comply means a guaranty.

Mr. SIMS. What is the reason several applicants can not comply?

Mr. PARKER of New Jersey. They can not.

Mr. SIMS. Why not?

Mr. PARKER of New Jersey. Because a great many of the States provide that when dams shall be built in a State only one person gets the permit.

Mr. SIMS. I hope this amendment will fail.

Mr. MONDELL. Mr. Chairman, my understanding is that the laws to which this refers are laws requiring that a certain applicant shall do certain things, shall comply with certain regulations and certain laws, and all applicants can do that.

Mr. PARKER of New Jersey. In some States.

Mr. MONDELL. I think there is objection to the amendment as suggested by the chairman of the committee. The mere promise that an individual will comply, or hopes to comply, or intends to comply, would not be satisfactory at all.

Mr. McARTHUR. Would not the very fact the people who have not complied with the requirements——

Mr. MONDELL. Or made any effort.

Mr. McARTHUR. Or made any effort. Would not the very fact they are privileged under the proposed amendment to come in enable them to hold up bona fide people from developing?

Mr. MONDELL. That is possibly true.

Mr. STEVENSON. Mr. Chairman, there is a very good reason why some such amendment as that proposed by the gentleman from New Jersey should be inserted. There are a good many regulations of the States that can not be complied with until the actual work has begun. For instance, take the State of South Carolina. They are required before they can exercise the right of condemnation to acquire riparian rights and buy three-fourths of the land necessary to be flooded in creating a project of that kind. Now, if they will not be allowed to proceed on giving reasonable assurance they will comply with the law, they will never be able to go ahead and purchase three-fourths, because they will be purchasing in absolute ignorance of whether they will get a license or not. How are you going to manage a condition of that kind? Nobody would ever be prepared to go on and get a license in my State under the present law, undertaking first on a mere venture to buy three-fourths of the water rights or riparian rights necessary for the development.

Mr. MONDELL. Is that a fair interpretation of the provision of this paragraph, that the applicant has complied with all requirements that he can comply with up to the time he receives the permit? Of course he can not comply with other requirements coming subsequently. Those matters will be treated not in his application but in his final agreement with the commission.

Mr. STEVENSON. That is the reason I say there should be some qualifying language here following the idea of the gentleman from New Jersey, because it says absolutely they must comply with all the requirements of the State, and many of those requirements are not conditions precedent to their beginning, but conditions subsequent.

Mr. DEMPSEY. Will the gentleman yield?

Mr. STEVENSON. I will.

Mr. DEMPSEY. Would the word "preliminary" before the word "requirement"——

Mr. STEVENSON. I think some such word as that would obviate the difficulty which I anticipate, and I hope that something of that kind will be inserted.

Mr. DEMPSEY. Mr. Chairman, I offer as an amendment that the word "preliminary" be inserted in line 2 between the word "the" and the word "requirements."

The CHAIRMAN. The gentleman offers that as a substitute?

Mr. DEMPSEY. I offer that as a substitute to the amendment offered by the gentleman from New Jersey.

Mr. PARKER of New Jersey. Mr. Chairman, I desire to say a little more in reference to the amendment. I just want to say one word on the subject. If we have got a dozen different people——

The CHAIRMAN. The gentleman from New York offers as a substitute, if the gentleman from New Jersey will suspend, and the Clerk will report the amendment.

The Clerk read as follows:

Mr. DEMPSEY offers the following substitute amendment to the amendment offered by Mr. PARKER of New Jersey: Page 35, line 2, after the word "the," before the word "requirements," insert the word "preliminary."

Mr. PARKER of New Jersey. Mr. Chairman, the difficulty about this lies in the fact that the laws of the States are so different. In some States they require, as said by the gentleman from South Carolina [Mr. STEVENSON], that before you go ahead with the work you have to buy certain things. In other States they require a claim to be filed, and the first person that files the claim gets the water, and nobody can file after him. It is like filing on a piece of land under the land laws. If there be a big water power, where you want to have competition between different people, the commission, instead of saying that they will lease to the man that has filed on it, or, as they say in Spain, "denounced it," ought to say, if anybody has filed any previous claim to cut out competition, that everybody should have an equal right in developing the water power and that they will not allow anybody to have the first right under the laws of the State. I thought it should be put in that he would comply with the laws of the State, but Mr. Houston was asked about that—I think it was he, but it does not make any difference; it was one of the Secretaries—and said that he thought they could manage it very easily by arranging among the different people as to how they should take care of rights of that sort. The bill says they must get evidence that the man already has a title under the State and has complied with all the laws of the State. Now, if the laws of the State require that he file a claim against the water power, he has the first right on that; and I suggest, if you want to make it a real, workable thing, a competition between great capitalists, you ought to have some language which would allow the commission to say, "We will regard the laws of the State, and any man who takes a license from us will obey those laws. We want a fair field and no favors, and nobody shall take a first license from the State." That is not avoided by the amendment of the gentleman from New York in saying "preliminary," because only one man can file these preliminary claims in some of the States. We want competition; and I want, instead of having satisfactory evidence that they have done what the State requires, satisfactory evidence that they will do it.

I do not understand why everybody does not agree with me. I did not understand it in the committee. But I thought it a duty to bring it before the House.

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from New York [Mr. DEMPSEY] to the amendment offered by the gentleman from New Jersey [Mr. PARKER].

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. PARKER].

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. PARKER of New Jersey. Mr. Chairman, I ask for a division.

The committee divided; and there were—ayes 6, noes 11.

So the amendment was rejected.

Mr. PARKER of New Jersey. Mr. Chairman, I suggest the gentleman from New York [Mr. DEMPSEY] offer his amendment as a separate amendment. I think it a very good one.

Mr. RAKER. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 35, strike out all of lines 1, 2, 3, and 4 and the word "water," in line 4, and insert in lieu thereof the following: "satisfactory evidence that the applicant has complied with the requirements of the law of the State or States within which the proposed project is to be located, with respect to application for the right to appropriate, divert, and use."

Mr. RAKER. Now, Mr. Chairman, I want to respectfully call the committee's attention to this matter. The argument addressed to the committee makes it important that I should at this time at least present to the committee what is in my mind and what was really the matter discussed before the committee when this bill was reported out. The argument here has developed that feature. In practically all the States where there is a diversion of water permitted—and I want to particularly call the committee's attention to that—the right that becomes eventually effective depends upon the work that the man does long years after he makes his application. Now, I want to impress that upon the attention of the committee.

There is no State of the Union in which that is not the law today. A man desires to appropriate water from a stream and he starts in and has to build a dam. He has occupied a long period, in the first instance, making surveys. Then after having the surveys completed, he starts in to build his dam. He then has his ditch to build, and his right to the water does not attach until it is actually used. That is the law in every State of this Union, decided by every State court and by the United States Supreme Court repeatedly and repeatedly.

Now, what have the States done? They have permitted a procedure by which the man who desires to obtain water by appropriation in any of the streams or reservoirs or lakes, or otherwise, has to file an application notice that he intends to do so-and-so and so-and-so. And when he diligently prosecutes that work to completion, when he finally does appropriate the water, his right relates back to the time that he commenced and filed his application. So that any intervening party can not go in and beat him out of the right after he gets his work half completed by erecting a large dam at an enormous expenditure in the construction of it, as well as the ditch. Otherwise the third party could go in and appropriate the water at another place and absolutely defeat all his purposes and his object in that creek or river or stream or whatever it might be. So the courts have held repeatedly that when he actually appropriates the water to his beneficial use his right dates back and begins from the time he complied with the law and made his application. It is required to be recorded in the recorder's office, and so forth, according to the statutes of the several States.

That is the universal rule, and it is the only equitable rule and it is the only just rule, and it is a rule that has grown out of the practice of the miners in the West, and confirmed and approved by the States in their legislatures, and confirmed and approved by the Supreme Court in repeated decisions on water rights.

Now, I want to call attention to the amendment I have offered. That is the one reported by the committee, and one on which there was considerable consideration, and one that ought to go into this bill in order to make it workable, namely, that satisfactory evidence shall be given that the applicant has complied with the requirements of the laws of the State or States in which the proposed project is to be located with respect to applications for the right to appropriate, divert, and use waters for purposes, and so forth.

Mr. SINNOTT. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Not now.

The CHAIRMAN. The gentleman declines to yield.

Mr. RAKER. Here he has complied with the laws of the State in regard to filing his application, either with the water commission of the State, as in the State of Oregon, with which I have been somewhat familiar, or——

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that I may have five minutes more on this subject.

Mr. SINNOTT. Mr. Chairman, will the gentleman yield?

Mr. RAKER. I will yield if I have time when I get through my statement.

Mr. SIMS. I hope there will be no objection.

Mr. SINNOTT. I would like to have the gentleman yield to me for a short question.

Mr. WALSH. I am sorry to see dissension among the members of the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RAKER. Now, I yield to my distinguished friend from Oregon.

Mr. SINNOTT. The amendment which the gentleman is discussing is one of the so-called Merrill amendments?

Mr. RAKER. Not that I know of.

Mr. SINNOTT. One of those brought to the committee by Mr. Merrill?

Mr. RAKER. It is one which I have discussed with many parties outside and otherwise. I am speaking now from the practical standpoint, from an experience of 30 years in dealing with water rights and on the bench, and investigating this subject from the decisions of the courts and the Supreme Court of the United States, and I want now to complete my statement. It is this: Under this legislation when the applicant appears before the commission he must show them certain things, namely, that he has all plats and plans and maps, that it is feasible, that he will have a workable project. Is not that right? Next he must show that there is some water that can be used which will

make the project workable. Part of that he may show, and he must show that he has an absolute title in fee by virtue of his ownership in the land. The greater part of it is that on which he will acquire a right by appropriation.

Now, let me call this to the attention of the committee: Here is an application according to the laws of my State and of the other States, where he has complied with the water laws in making his application for a right to use the water. He has absolutely no right, he has nothing in the way of an indefeasible water right, until he has completed the work and placed the water in actual use. Now, when he makes that application this provision in the law to-day is absolutely impossible to be complied with, because you require him to show that he has built the dam and constructed the ditches and put the water to an actual beneficial use before he is ever in a position to do it, when he had paid out, maybe, a million dollars or two million dollars to construct the dam and build the ditches so that he can turn the water into the head and commence to generate electricity. Now, if the man has complied with the law relating to the application for the water right, for its diversion and appropriation and use, and then gets his permit and proceeds and actually develops it according to that project, the moment he turns the water over the wheel the first time, or turns it upon the land to irrigate it, his right is complete and retroacts back to the time when he gave the notice, and no intervening party can come along and prevent it in the meantime. But to say that he must prove a valid water right at the time of making the application, I tell you it can not be done. For instance, a man desires to appropriate water for his own personal use, and——

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. RAKER. In one moment. Here is a large canyon, with a stream flowing through it. Here is a tract of land, where, if he can construct a ditch and get the water on it, it will be valuable. Building that dam or ditch would be suicidal if he had not first filed his notice of application to divert and appropriate, because the next day some other man, seeing that he had not completed his ditch, though he might have been subject to an expense of $50,000, might construct another dam and turn the water into his ditch, and he would have the first right, and therefore the first man's labor would be lost.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. WALSH. Mr. Chairman, I ask unanimous consent that the gentleman from California may have five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. RAKER. I have repeatedly seen men who had practically lost their fortunes by constructing their ditches and dams without filing the notice before they started the work, because the subsequent man beat them to the use of the water either by running it over the wheel to generate electricity or running a flour mill; but if the previous man had filed his application at the beginning his right would revert back to the time of the application.

Mr. MONDELL. The gentleman's argument is all based on the assumption that this paragraph requires the perfection of a water right. There is nothing in the paragraph that requires the perfection of a water right.

Mr. RAKER. I just yielded to the gentleman for a question.

Mr. MONDELL. The bill provides that all provisions of the law, whatever they may be, shall have been complied with up to that time.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. WALSH. Is it the gentleman's contention that complying with the requirements of the laws of the State in respect to the appropriation, diversion, and use of the water is not compliance with respect to the application for the right to appropriate, divert, and use?

Mr. RAKER. Yes.

Mr. WALSH. Does the gentleman think there is any distinction between complying with the requirements of the law with respect to the appropriation, diversion, and use of the water and complying with an application for the right to appropriate, divert, and use the water? Has he not also complied with the requirements with respect to the appropriation, diversion, and use? In other words, the latter includes the former. Does not the appropriating, diverting, and using of the water include the application to appropriate, divert, and use the water?

Mr. RAKER. I want to call the gentleman's attention to the fact that there would not be one case out of a thousand where a man could show any appropriation or any diversion or any use of the water in any of the projects of this kind before he made his application. Is not that true?

Mr. WALSH. I hardly think that is correct.

Mr. RAKER. Why not?

Mr. WALSH. I think if a person has filed his application for the right to appropriate water, and has complied with the laws respecting the filing of applications, it is not necessary that he should actually have appropriated the water in order for him to be said to have complied with the laws respecting the appropriation of water.

Mr. RAKER. The gentleman just missed my question a little bit.

Mr. WALSH. I think probably I did.

Mr. RAKER. That so far as the appropriation of water or the diversion of water or the use of water is concerned there can have been none of the three when the applicant makes his application for a temporary permit, for a license, because to make any appropriation he must have had his dam and ditch built.

Mr. WALSH. He must appropriate it.

Mr. RAKER. To make any diversion of it he must have had his dam built, so that he can turn the water out of the channel.

Mr. WALSH. He must divert it.

Mr. RAKER. And to use it he must either use it on the land or run it through his wheel for the purpose of generating an electric current, and so forth. The point is to frame this in such a way that this matter shall not be tied up. If he complies with the law relating to the application, it is all that should be required, and that is all you ask him to do, and then after having obtained the permit or the license, then he goes on and completes it for that purpose.

Mr. ANDERSON. Mr. Chairman, I make the point of order that the amendment of the gentleman from California is not in order, because it strikes out an amendment presented by the gentleman from Oregon [Mr. LA FOLLETTE] which has been adopted.

Mr. RAKER. That point comes a little too late. The amendment to which the gentleman refers only includes two or three words.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order?

Mr. ANDERSON. I do not wish to be heard. I think the rule is well settled that where the committee has adopted an amendment to a bill another amendment which strikes out the amendment already adopted is not in order. Now, the gentleman from Oregon [Mr. LA FOLLETTE] offered an amendment which inserted the words "bed and banks" in line 4 on page 35. The gentleman from California offers an amendment which strikes out that amendment along with other language, and inserts language which he proposes. I maintain that that is not in order.

The CHAIRMAN. The Chair desires to ask the gentleman a question. Does not the gentleman think that the point of order comes too late after the gentleman from California has discussed his amendment?

Mr. ANDERSON. I think so, if the gentleman from California makes the point of order that my point of order comes too late.

Mr. RAKER. I make the point of order that it comes too late.

The CHAIRMAN. The point of order is sustained.

Mr. MONDELL. Mr. Chairman, I hope the amendment offered by the gentleman from California [Mr. RAKER] will not prevail. I think the gentleman must have offered his amendment under a misapprehension of the meaning and effect of the language of the provision. The gentleman is assuming that the language which he attempts to amend requires a completed water right and a water-right certificate before the party shall be granted a license under this act or his application be considered. That is not true at all. The provision is that the applicant shall have complied with the laws of the State with respect to the appropriation, diversion, or use of water; that is, he shall have complied with all of the laws of the State applicable to the situation up to the time he makes his application. As was suggested a moment ago when the amendment offered by the gentleman from New Jersey was under consideration, there are other requirements of State law that will apply after the license has been granted and construction begins, requirements that will continue on through the period of construction and through the period of operation. This provision has no reference to such requirements. It simply requires that the State laws shall be complied with so far as the applicant can comply with them in the nature of things up to the time he makes his application. Now, from the standpoint of the commission very great harm would come if the amendment the gentleman proposes should be adopted. There are two controlling reasons for the insertion of this paragraph. The first, from the standpoint of water-power legislation, is that the

water-power commission shall have the benefit of all of the information which the States possess relative to the condition of water supply at the point of proposed diversion. That is a very important reason for a provision of this kind. Another reason——

Mr. SIMS. Mr. Chairman, if the gentleman will yield, how much does the gentleman's time lack of being out? I make this inquiry for the purpose of proffering a request.

The CHAIRMAN. The gentleman has one minute remaining.

Mr. MONDELL. I am going to ask for an extension of five minutes.

Mr. SIMS. I am going to ask that the committee rise so that the Speaker can sign a bill.

Mr. CLARK of Missouri. Let the gentleman have his five minutes, and then the other conference report will be over, and we can attend to both things at once.

Mr. MONDELL. The second reason is so that the bill shall carry with it notice to the commission that they must proceed in accordance with the State laws, which they must do in any event, whether the provision were in the bill or not.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. RAKER. I ask unanimous consent that the gentleman's time be extended 10 minutes.

Mr. SIMS. I have promised to move the committee rise in five minutes.

Mr. MONDELL. If the conference report comes over, I will close in five minutes.

The CHAIRMAN. The gentleman asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. GRAHAM of Illinois. Will the gentleman yield for a question?

Mr. MONDELL. I yield to the gentleman.

Mr. GRAHAM of Illinois. This query has been in my mind, which perhaps the gentleman can answer: Most of the States—and I presume the gentleman's State—require certain things to be done before a company can engage in business in the State. That is, there must be certain deposits, and certain formalities must be complied with, the appointing of agents, and so on. But I assume that in most of the States a company of that kind could bid or make a proposition to do that kind of work without complying with the conditions authorizing them to do business in the State. Now, if this is passed in its present form, before anyone can apply for a license, the corporation will have to comply with all the laws of the State authorizing them to do business in that State, will they not?

Mr. MONDELL. The paragraph refers to the laws of the State relative to the appropriation, diversion, and use of water. It has no reference whatever to the laws of the State relative to carrying on business. It refers only to the laws of the State relative to the diversion and appropriation of water—the diversion laws of the States where the law of appropriation of water prevails.

Mr. DEMPSEY. The gentleman's question would apply only to a foreign corporation anyway.

Mr. MONDELL. The provision is that the applicant shall comply with the State law. All that the gentleman from California wants him to do is to comply with the State law only so far as the making of an application is concerned. What benefit would it be to the commission that Jones, Smith, or Brown may have picked up a piece of paper and scribbled an application on it and put it in the mail, or perhaps filled out the proper application blank. That gets nowhere and accomplishes nothing. The law of the State is that he shall make his application with certain necessary data and that there shall be in response to that inquiry and investigation as to whether there is water available that can be used to turn a wheel without depriving some one else of a prior right and whether or no the conditions are such that under the State law such water can be used at that point for power purposes. After the license applicant has completed his water-right application he comes before the commission with his own data verified and full information obtained from the State and permission from the State to proceed, and applies for his license from the Federal Government. But the gentleman from California would cut all this procedure off immediately on the application to the State being made or notice posted on the bank of a stream in a hazel-brush patch, where nobody would see it. There would be nothing on which the commission could act, no procedure had which would inform the commission on questions of vital importance.

Mr. RAKER. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. RAKER. The gentleman realizes that his assertion about the hazel-brush patch is only sarcasm.

Mr. MONDELL. No; because there are States—one State in particular, which I will not name, an irrigation State, where all it is necessary to do to initiate a water right is to post a notice on the banks of a stream. I have seen such notices. There is no hazel bush there, it is true, but I have seen such notices in a clump of willow brush where no one would be likely to find it. The gentleman would have that procedure as a basis of this application.

Mr. RAKER. No; I do not believe in putting up notices of that kind.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MONDELL. The gentleman from California seems to be fearful that under these provisions some who will attempt this sort of development will have difficulty about their water rights. They might have difficulty under the amendment that he proposes, but that could never occur under the language of the bill. The language of the bill requires the applicant shall proceed how far? Complete his title to the water? No; there is no suggestion of that, but merely that he shall do what is necessary for him to do under the State law to bring his proposition to a point where, under the State law, the commission being willing, he may begin work. That being done, information relative to the water available for use for power, whether or no others will be affected by its diversion, will be before the commission for its information.

Mr. SINNOTT. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. SINNOTT. Under the amendment offered by the gentleman from California all an applicant would have to do would be to file his perfunctory application.

Mr. RAKER. That is not true because he would have to comply with the State law, and there is no State law that allows a man to file a perfunctory notice.

Mr. MONDELL. The gentleman has said that all that was necessary to initiate a right was to file a notice.

Mr. RAKER. According to the laws of the State.

Mr. MONDELL. According to the laws of some States it might be more or less perfunctory, and that would be of no value to the commission and no protection to those we are trying to protect.

Mr. RAKER. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. RAKER. When a man files his application for a license under this project he can have done nothing else except to have posted and recorded his notice under the State laws to apply for a water right.

Mr. MONDELL. A man who has only got that far should have no consideration by the commission, because he would bring to the commission no information such as detailed surveys and plans and certification by the State that there is water at that point available for use for power and that the applicant had proceeded in accordance with State law to initiate a right to use it.

Mr. RAKER. The gentleman will recollect that there are Government reclamation projects where they have filed a notice and where in certain instances they have expended millions of dollars and have not appropriated or diverted a drop of water as yet. They have though properly initiated a water right which will be fully protected as against all subsequent comers until there has been an actual and beneficial use in accordance with the appropriations and actual diversions. You can not divert water until your diversion works are sufficiently completed for that purpose, and can not use it until place of use is provided and ready to permit actual use thereof. To require actual diversions and use without diverting works and place to use it is quite unreasonable as well as absurd.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California.

The question was taken and the amendment was rejected.

Mr. HUMPHREYS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 35, line 3, after the word "located," insert a comma and add the following: "And if the proposed project is to be located in any boundary stream or water that the applicant has secured the consent of Congress."

Mr. HUMPHREYS. Mr. Chairman, this is very much the same question that we had up yesterday. I do not know whether the committee is willing to accept it or not.

Mr. TAYLOR of Colorado. It seems to me that the matter ought to be taken care of separately. I think the gentleman will mix up the grammar and construction by inserting it at this point.

Mr. HUMPHREYS. No; it will read in this way if the amendment is agreed to:

Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located, and if the proposed project is to be located in any boundary stream or water, that the applicant has secured the consent of Congress with respect to the appropriation, diversion, and use of water for power purposes.

And so forth.

That is where it belongs. I do not care to take up too much time of the House. This is, in my opinion, a very vital matter, so vital that I think it ought to be passed upon by at least a quorum.

Mr. SIMS. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. SIMS. The gentleman will remember that yesterday afternoon we agreed by unanimous consent that the section to which he is offering the amendment should be passed over without amendment, so that the members of the Committee on Foreign Affairs might bring in such amendment as they desire regarding boundary waters. Would not what the gentleman now offers be part and parcel of that legislation?

Mr. HUMPHREYS. The only purpose I have in view is this: My understanding is that the chairman of the Committee on Foreign Affairs is not here——

Mr. SIMS. I am just suggesting that after the assurance given yesterday afternoon that the chairman of the Committee on Foreign Affairs or any member of that committee should have opportunity to offer such amendment to this bill as they desire touching boundary waters that we ought not to take up this matter at this time. There was some evidence that it would not go further than the Niagara River. If we dispose of this amendment that is offered now it might embarrass the consideration of any amendment that might be offered later. I am willing that the gentleman from Mississippi should have consent now to return to this same section to offer his amendment after we know what will be the proposed amendment of the Foreign Affairs Committee. There is one gentleman on the Foreign Affairs Committee from New York [Mr. CHARLES B. SMITH], and I know he is very much interested in whatever the committee or the House may do regarding boundary waters. He is not here this afternoon.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. DEMPSEY. I am advised that Mr. Bulkley, who is the representative of the administration with respect to water-power matters generally, has been in consultation with the gentleman from Mississippi [Mr. HARRISON], who was here yesterday, and that Mr. HARRISON has suggested that they will have a meeting of the Foreign Affairs Committee on this question. The fact of the matter is that there has been a bill with regard to the Niagara River before that committee for a long time.

Mr. GARNER. For nine years.

Mr. DEMPSEY. Yes. For a long period of years.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WALSH. Mr. Chairman, I ask unanimous consent that his time be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DEMPSEY. A great part of the munitions of war used by the administration in waging the present war are made at Niagara. It is absolutely necessary that the power there be increased at the very earliest date possible. The water-power men there have ventured $500,000 upon the faith that this bill before the Committee on Foreign Affairs would be passed, and there has been no prospect apparently of its being passed speedily. The administration is exceedingly anxious that some measure of relief should be extended so that the power can be increased at the very earliest moment possible. It is with reference to that question that Mr. Bulkley has been in consultation with Mr HARRISON, as Mr. Bulkley informs me over the telephone, and that a meeting of the Committee on Foreign Affairs is to be had.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to. Accordingly the committee rose, and the Speaker having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 1419, the water-power bill, and had come to no resolution thereon.

ENROLLED BILL AND JOINT RESOLUTION SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill and joint resolution of the following titles, when the Speaker signed the same:

H. R. 11692. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes; and

H. J. Res. 324. Joint resolution making appropriations for certain necessary operations of the Government for the month of September, 1918, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bill and joint resolution:

H. R. 11692. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes; and

H. J. Res. 324. Joint resolution making appropriations for certain necessary operations of the Government for the month of September, 1918, and for other purposes.

ENTRIES ON PUBLIC LANDS.

Mr. FERRIS. Mr. Speaker, I ask unanimous consent for the present consideration of the following House joint resolution which I send to the desk, and which I think the House will conclude is very important and ought to be passed this afternoon.

The Clerk read as follows:

House joint resolution 325.

Resolved, etc., That no relinquishment of any public-land entry made under and by authority of section 8 of the act of the Sixty-fifth Congress, second session, entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917," shall be valid or effective for any purpose unless executed after the entrymen shall have actually resided upon and cultivated the land in the case of a homestead entry for at least six months, and in the case of an entry made under other than the homestead laws after the entryman shall have complied with the provisions of the applicable law for at least one year.

Any person, firm, or corporation soliciting or dealing with the relinquishment of such claim or entry prior to the completion of compliance with the applicable law and with this resolution, and who or which solicits, demands, or receives or accepts any fee or compensation for locating, filing, or securing the claims or entries for persons entitled to the benefits of such section shall, upon conviction, be fined not to exceed $1,000 or imprisoned for not exceeding two years, or both.

Mr. FERRIS. Mr. Speaker, the House will remember, I think, that on day before yesterday when the draft act was passed some question was raised about section 8, which was the public-lands amendment added to the draft bill. It was said at that time by some Members of the House that if the law passed in its present form that it would enable claim attorneys to induce soldiers away from their homes, away from their lands, and away from the State in which the land was situated to file claims for land and then immediately, by relinquishment for a nominal sum, put the land on the market and do great damage to the public lands of the West, and the western Members were afraid that would complicate their interests out there and would also complicate the Government property. They were also afraid it would not do the soldier any good. That was immediately communicated to the Interior Department, and that department came down and on yesterday spent a good deal of the day in conference with certain Senators in charge of the Public Lands Committee of the Senate and also with the Committee on Military Affairs. A moment ago we had a call from Senator CHAMBERLAIN, who said this was what had been agreed upon and was going to be passed in a few moments there, and that it should be passed here. I have in my hand a letter from Commissioner Clay Tallman urging that, together with a somewhat long memorandum from the Commissioner General of the General Land Office. These powers of the Interior Department, officials of the General Land Office and Senators who have given extended attention to it yesterday, including Senator FALL, say this ought to be done. I want to say this does two things. It first prevents the soldier who files on the land while in the service from selling his relinquishment until he returns to the land, settles upon it, and lives upon it for six months and shall have identified himself with the land, thereby assuring that he will have something to return to after the war is over and would not have squandered his land for $25 or $50 or any other small sum. Second, it makes it a penalty for any claim attorney or agent or person taking part in the sale or trafficking with these soldier relinquishments while the soldiers are in the war. It seems to me those two things certainly ought to be done. In conference a moment ago with the gentleman from Wyoming he thought it was barely possible we later would have to do more. The reason it is necessary to pass it this afternoon is the draft bill

was signed to-day and becomes a law to-day, so this resolution will enable the Interior Department to protect the soldiers.

Mr. JOHNSON of Washington. Does the gentleman recall whether or not the law permits the soldier to file upon land without having been there or having seen it?

Mr. FERRIS. The gentleman from Colorado [Mr. TIMBERLAKE], whose judgment I greatly respect, thought the other day by a strained construction that it might be prevented by requiring an affidavit that the applicant had personally inspected the land. You will find it is very interesting language in the amendment which was offered and adopted to section 8 of the draft bill. This is the amendment:

That any person, under the age of 21, who has served or shall hereafter serve in the Army of the United States during the present emergency, shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws.

Then comes the proviso—

Provided, That any requirement as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service.

Now, the next proviso is—

Provided further, That applications for entry may be verified before any officer in the United States, or any foreign country, authorized to administer oaths by the laws of the State or Territory in which the land may be situated.

Now, it is undoubtedly intended to make possible for a soldier in France to file upon a piece of land. I have no objection to it, and this modification does not knock him out of that. It protects him in it—it saves the land for him. It certainly is not good for the soldier or the others to let him file on a tract of land, then let some claim attorney induce the fellow to relinquish and sell, and the poor soldier will have exhausted his homestead rights and have nothing to return to after the war is over. Handled in this way it is a detriment to the soldier.

Mr. MILLER of Minnesota. Will the gentleman yield?

Mr. FERRIS. I will.

Mr. MILLER of Minnesota. There is another class of people I wondered if the gentleman's amendment would take care of; in fact I do not think it will. I want to ask if the gentleman does not think it ought to do so. There is one class of claim attorneys of which the gentleman speaks who would solicit relinquishments and pay something for them, but there is another class of locators. Now, I can conceive how, under this phraseology that is now in the law, there is going to be great opportunity for locators. A man will ascertain where there is a lot of Government land. He will find a soldier in France. Now, he will say, "there is going to be an opportunity for soldiers when this war is over to get land. You can get it now. If you wait until the war is over you will not find any because there is not one piece for one out of ten of you. I am right here and for $100 or $50 I will get you the piece of land." I would like to have that stopped.

Mr. FERRIS. I believe we will do a better job by separate resolution. There is not so much hurry about that.

Mr. RAKER. Mr. Speaker, this could be corrected in this resolution by inserting after the last word "relinquishments" or "location," or such other amendments as might be deemed necessary, if any. This resolution in connection with the act approved February 23, 1917 (39 Stats., 936) will give full protection.

Mr. WALSH. Mr. Speaker, this is too important a matter to discuss and put through in a hurry.

What harm will be done if this goes over until Monday? Nobody can file to-morrow.

Mr. RAKER. Oh, yes.

Mr. WALSH. On Sunday?

Mr. RAKER. No; they could not file to-morrow. I had forgotten that to-morrow will be Sunday.

Mr. WALSH. Can they file on a legal holiday?

Mr. RAKER. No.

Mr. WALSH. If there is to be any change made in it, why can not the matter be deferred until Monday?

Mr. FERRIS. If the gentleman will hear me a moment, I wish to say that I hope the gentleman will not insist on that, because there will not be a quorum here anyway, and, second, rights may intervene between the passage of the draft law, which was signed only this afternoon, and Monday. There might be some rights spring up.

Mr. SINNOTT. They might file by mail.

Mr. WALSH. Certainly; if that law was only signed this morning, there would be no filings made to-day.

Mr. FERRIS. It might be. Under section 8 of the draft bill, they could file at Fort Myer, or at Camp Dix, or in France.

Mr. JOHNSON of Washington. And that is not authorized under State laws?

Mr. FERRIS. It goes further than that. Section 8 of the draft bill says that applications for entry may be verified before any officer of the United States or in foreign countries authorized to administer oaths by any State or Territory in which the land may be situated. We have already passed acts authorizing the commanding officer to take oaths. I think we have made it a sufficient penalty to prevent anybody from trafficking in this.

Mr. WALSH. If the gentleman desires to have the resolution passed in the form in which he has presented it, I shall not object. If there is going to be an attempt to amend it, I certainly think we ought to wait until we can give more consideration to it.

Mr. FERRIS. Under the statement of the gentleman from Massachusetts, will the gentleman allow us to use a little more time on what will come after the war?

Mr. RAKER. The very thing that ought to be stopped now is the one that has been suggested, because now all the fraud will be committed in the application. There are no relinquishments to be made. Therefore, at the very beginning, and I want especially to call the attention of the gentleman from Massachusetts to it, this provision ought to have this penal provision relating to those who are after the soldier to make the application.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. RAKER. I will.

Mr. JOHNSON of Washington. Is it not quite possible now that soldier boys, from the State of Massachusetts, for instance, will be located by men with a knowledge of the West, and located carelessly, perhaps on mountain tops or in lakes?

Mr. RAKER. This provision does not have anything to do——

Mr. FERRIS. This has a locating feature or provision in it that I think will satisfy the gentleman. It is as follows:

Any person, firm, or corporation soliciting or dealing with the relinquishment of such claim or entry prior to the completion of compliance with the applicable law and with this resolution, and who or which solicits, demands, or receives or accepts any fee or compensation for locating, filing, or securing the claims or entries for persons entitled to the benefits of such section shall, upon conviction, be fined not to exceed $1,000 or imprisoned for not exceeding two years, or both.

Mr. JOHNSON of Washington. That is satisfactory and proper.

Mr. RAKER. That covers the whole thing, supplemented by the act just referred to of February 23, 1917.

Mr. FERRIS. It was drafted by the Interior Department, I will say.

Mr. FRENCH. I would like to have the attention of the chairman of the committee. Would the resolution meet this situation: Here, we will say, is Mr. A, who either in the past has acquired a little tract of land, or maybe has just made an entry. He might be able, if there is land available for location around him, to induce three or four or half a dozen soldiers, for that matter, to make their applications, and he could use that land for one year or two years or three years, until the war is over, and he would not come within any of the inhibitions, as I understand, that are in the resolution.

Mr. FERRIS. He is subject to a fine of $1,000 and subject to be convicted of a felony if he solicits or has anything to do with the soldiers making an entry or anything else. This is all that is necessary. This will save the land for the boys. This will afford them something to come back to.

Mr. FRENCH. Do you think that that will be taken care of if he does not receive any fee for it but merely uses the land?

Mr. FERRIS. I think a good Samaritan should, if he desired to, go among the soldiers.

Mr. FRENCH. He is a good Samaritan to himself. He wants the land for himself, but uses the soldier as a means to that end.

Mr. TAYLOR of Colorado. Does not the gentleman think that that is such an infinitesimal thing that it is not worth while bothering with it?

Mr. FRENCH. Very well.

Mr. LA FOLLETTE. As I understand it, this does not change the present law in regard to the man having to swear that he has been on the land, and on each forty of it, and it would be almost impossible for this man that the gentleman from Idaho speaks of to get soldiers that would be able to swear that they had been on the land around this man's place. And I hardly think, therefore, that that trouble would arise.

Mr. FERRIS. I do not think there would be any abuses such as the gentleman from Idaho refers to.

Mr. MONDELL. The present law in regard to soldiers of 21 years is that they shall not have the credit for constructive residence unless the filing was made before they entered the service.

Mr. FERRIS. That is right.

Mr. MONDELL. We discussed that matter in connection with the new draft bill somewhat, and I think the gentleman

from Oklahoma [Mr. FERRIS] was of the opinion that that provision of the law was not changed with regard to these 18 and 19 year old men.

Mr. FERRIS. I think that is so.

Mr. MONDELL. At least that it ought not to be.

Mr. FERRIS. I think that is right.

Mr. MONDELL. There is nothing in this resolution that changes the situation with regard to that. So that if the gentleman's interpretation of the law as it now stands is correct—and I agree in his interpretation—these men below 18 and 19 years of age have no right to credit for constructive residence unless their filings were made before they entered the military or naval service.

Mr. TAYLOR of Colorado. And for that reason this law will really amount to nothing at all.

Mr. MONDELL. For that reason there is not as much necessity for this resolution as there would be otherwise.

Mr. TAYLOR of Colorado. But no 18-year-old boy now can initiate that kind of a claim, and if he can not initiate it by reason of not having complied with the requirements that a 21-year-old boy could comply with, it will not amount to anything.

Mr. MONDELL. He goes out when he is enrolled in the draft.

Mr. RAKER. Mr. Speaker, will the gentleman yield for a question?

Mr. FERRIS. Yes.

Mr. RAKER. Unquestionably this law will have effect. The gentleman from Colorado does not mean that this will not amount to anything. The boy, as soon as he enters the service, can file on 160 acres as a homestead or he can file on 320 acres of an enlarged homestead, and he can file on a stock-raising homestead of 640 acres, and he can file on a desert entry, and he can file on a mining claim. Therefore his rights will be protected while he is in the service. That is as it should be and is the purpose of the amendment placed in the draft bill.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. FERRIS. Yes.

Mr. WALSH. I understood the gentleman from Oklahoma to say that this resolution has had the careful consideration of the Land Office officials?

Mr. FERRIS. Yes. They drafted it. They sent it up to me; also, I just talked to the Senators about it.

Mr. WALSH. That was not the fact in the case of the amendment to the draft law?

Mr. FERRIS. No. That went on as a wild amendment in the Senate.

Mr. WALSH. The officials had that law before them, had they?

Mr. FERRIS. They did. They had a long conversation with Secretary Lane and Mr. Clay Tallman, the Commissioner of the Land Office, and both the Committee on Military Affairs and the Committee on Public Lands have agreed to this.

Mr. WALSH. The Land Office officials are satisfied with it?

Mr. FERRIS. Yes. They favor it. They think it is necessary. The boys will thank us. The West will thank us. It will be best all around. The amendment went in hastily. It was not properly safeguarded. This will make it stronger.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

Mr. WALSH. Has the President been consulted and expressed approval of it? [Laughter.]

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. FERRIS. Mr. Speaker, I ask unanimous consent to give that resolution an appropriate title.

The SPEAKER. Without objection, the title will be framed to conform with the text.

There was no objection.

On motion of Mr. FERRIS, a motion to reconsider the vote whereby the joint resolution was passed was laid on the table.

Mr. FERRIS. Mr. Speaker, I ask unanimous consent to print in the RECORD section 8 of the draft bill, and immediately after that a letter from the commissioner, Mr. Clay Tallman, and after that a letter prepared as a memorandum for the Secretary, and the resolution itself had better be printed in the CONGRESSIONAL RECORD immediately following.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent that the resolution itself be printed in the CONGRESSIONAL RECORD, along with these other documents. Is there objection?

There was no objection.

Following are the documents referred to:

SECTION 8 OF THE NEW DRAFT LAW.

That any person, under the age of 21, who has served or shall hereafter serve in the Army of the United States during the present emergency, shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or specific, as those over 21 years of age now possess under said laws: *Provided*, That any requirements as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service: *Provided further*, That applications for entry may be verified before any officer in the United States, or any foreign country, authorized to administer oaths by the laws of the State or Territory in which the land may be situated.

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DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, August 30, 1918.

Hon. SCOTT FERRIS,
House of Representatives.

MY DEAR MR. FERRIS: Referring to your inquiry over the phone this afternoon relative to section 8 of the new draft bill as reported by the conference committee and appearing on pages 9670 and 9671 of the CONGRESSIONAL RECORD for the 29th instant, I beg to advise that the Secretary sent Mr. Finney and myself to confer with Senator CHAMBERLAIN and others this morning, and finally Senator CHAMBERLAIN, Senator WALSH, and Senator FALL all considered the matter, as a result of which I understood that it was agreed that a joint resolution would be introduced simultaneously with the conference report in the Senate designed better to control the operation of this section 8. I inclose a copy of the proposed resolution as it was drafted this morning, and with which Mr. Finney and I agreed. I inclose also a copy of a memorandum I submitted to the Secretary on the same subject. I judge from the views expressed by the Senators that they were desirous of retaining the special privileges granted men under 21 years of age, wherefore it seems the thing to do is to guard against abuses, which we have endeavored to do in the proposed resolution. The idea of a resolution instead of a regular amendment was to avoid any delay in the enactment of the draft bill.

Your, very truly,

CLAY TALLMAN.

—

AUGUST 28, 1918.

MEMORANDUM FOR THE SECRETARY.

Yesterday you called my attention to the amendment proposed by Senator FALL to the new draft bill now pending, appearing on page 9517 of the CONGRESSIONAL RECORD for August 26. The amendment as there stated is as follows:

"And such person shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws: *Provided*, That any requirements as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service."

In the RECORD for yesterday (Aug. 27), at page 9571, the amendment was again submitted, in the following language:

"Any such person shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws: *Provided*, That any requirements as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service: *And provided further*, That application for entry may be verified before any officer in the United States or any foreign country authorized to administer oaths by the laws of the State or Territory in which the land may be situated."

It appears that Senator CHAMBERLAIN accepted the amendment, and as he is chairman of the committee in charge of the bill, I apprehend no vote on the amendment was necessary, there being no opposition to it.

It will be noted that the second quotation above adds to the first a provision that applications for entry "* * *" may be verified before any officer in the United States or any foreign country authorized to administer oaths by the laws of the State or Territory in which the land may be situated."

This corrects an evident misapprehension in the mind of Senator FALL, as indicated near the bottom of the first column on page 9518 of the RECORD for August 26, wherein he states that the requirement that land applications be sworn to within the land district is a matter of regulation and not of law. This requirement is contained in section 2294, Revised Statutes, as amended.

It will be noted that the amendment as probably passed commences with the expression, "Any such person." Not having the bill before us, it is impossible to state just how "any such person" is defined in previous sections of the bill, but presumably it refers to men under the age of 21 years. The first effect of the bill, therefore, is to extend the homestead right to soldiers under 21 years of age. Section 2300 of the Revised Statutes already provides that a soldier in time of war who has served 14 days shall not be denied any rights under the homestead laws by reason of his age.

In this connection it should be noted that several acts have been passed for the relief of soldiers, excusing them from compliance with various public-land laws during the period of their service in the Army. All of these acts are restricted in their operation, however, to those who initiated claims to public lands prior to their enlistment. As it stands now, a homestead or desert-land entryman who made his entry before enlisting is excused from performing any acts whatever until after the war is over and he is discharged. The department in all its reports on bills has consistently urged that the line be drawn at this point. Another act was passed allowing those soldier entrymen who had initiated their claims prior to enlisting to swear to any papers necessary to be used in support of their claims before their commanding officer. There was already a law authorizing the making of oath before a commanding officer for the man whose family was residing on the land. This, of course, was insufficient to meet the situation, and the department recommended the bill allowing the making of oaths before commanding officers by all soldier entrymen. So far as this point is concerned, it would seem preferable to have so provided in the amendment under discussion rather than to compel a soldier to seek some other officer authorized to administer oaths in foreign countries by the laws of the State where the land is situated.

Two broad questions appear here for consideration: First, extending the age limit down to 18; and, second, excusing entrymen who make entry after enlistment from compliance with the law until after their return from the Army. It should be borne in mind that Senator FALL'S amendment simply states that the entry be suspended. Under the existing laws for the relief of soldiers, their service in the Army is substituted for two years' residence and cultivation under the homestead law, whereas under this proposed amendment the entry is to be held intact until the entryman returns from war, whereupon he would be required to make full compliance with the law for the full time. I do not doubt, in this connection, but what the contention will be made

that the acts which substitute service in the Army for cultivation and residence for those soldiers who made entry prior to enlistment should be applied to those soldiers who, under this amendment, are enabled to make entry after enlistment and have their entries "suspended."

On one side of the question it may be argued that it is only just to the soldier that he should have a right to fasten on a piece of land and have it held for him until he can get back from the war to reside on and cultivate it; on the other side, it will be a fact that this legislation will result in entries by agent, and every soldier who has not used his homestead right can make an entry and relinquish it when he sees fit, and thereby a good, active agent could readily control large areas of public lands for speculation, to the small profit of the soldier and the large profit of the agent.

Another feature of this amendment worthy of consideration is that technically this privilege is apparently conferred only on those between 18 and 21 and denied to those over 21 years of age, which would be manifestly unfair.

Resolved, etc., That no relinquishment of any public-land entry made under and by authority of section 8 of the act of the Sixty-fifth Congress, second session, entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917," shall be valid or effective for any purpose unless executed after the entryman shall have actually resided upon and cultivated the land, in the case of a homestead entry for at least six months, and in the case of an entry made under other than the homestead laws after the entryman shall have complied with the provisions of the applicable law for at least one year.

Any person, firm, or corporation soliciting or dealing with the relinquishment of such claim or entry prior to the completion of compliance with the applicable law and with this resolution, and who or which solicits, demands, or receives or accepts any fee or compensation for locating, filing, or securing the claims or entries for persons entitled to the benefits of such section shall, upon conviction, be fined not to exceed $1,000 or imprisoned for not exceeding two years, or both.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they presented to the President of the United States, for his approval, the following bill:

H. R. 12731. An act amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

ADJOURNMENT.

Mr. SIMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 34 minutes p. m.) the House adjourned until Monday, September 2, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting a draft of a bill requested by Gen. Pershing to prevent waste and to encourage saving by the organizations of the Army (H. Doc. No. 1266) was taken from the Speaker's table, referred to the Committee on Military Affairs, and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PARKER of New Jersey: A bill (H. R. 12851) to further supplement an act entitled "An act to provide for a uniform rule for the naturalization of aliens throughout the United States, and establishing the Bureau of Naturalization; to the Committee on Immigration and Naturalization.

By Mr. DYER: A bill (H. R. 12852) to increase the rates of pay of certain grades of officers; to the Committee on Military Affairs.

By Mr. WOOD of Indiana: A bill (H. R. 12853) to incorporate the American War Mothers of the United States of America; to the Commmittee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 12854) granting an increase of pension to Mattie Hank; to the Committee on Pensions.

By Mr. DOWELL: A bill (H. R. 12855) granting an increase of pension to William N. Jones; to the Committee on Pensions.

By Mr. STEENERSON: A bill (H. R. 12856) granting a pension to Louis Larson, alias Lewis Lewis; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 12857) granting a pension to Robert E. Tabor; to the Committee on Pensions.

By Mr. WILSON of Illinois: A bill (H. R. 12858) for the relief of Wilson Warford; to the Committee on Military Affairs.

By Mr. WOOD of Indiana: A bill (H. R. 12859) granting an increase of pension to Louis Melcher; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CARY: Petition of the Milwaukee-Western Malt Co., against the prohibition amendment to the emergency agricultural appropriation bill; to the Committee on Agriculture.

Also, petition of August Rebhan, of Milwaukee, Wis., protesting against the proposed plan of Government control of insurance companies; also petition of Walter Schroeder, of Milwaukee, Wis., against bills introduced by Senator LEWIS and Representative SAUNDERS of Virginia concerning the insurance business; to the Committee on Interstate and Foreign Commerce.

By Mr. DALE of New York: Resolution of the Interstate Furniture Manufacturers' Association, asking for the repeal of the periodical postage amendment to the war-revenue act; to the Committee on Ways and Means.

Also, memorial of the National Investors' Protective League, protesting against the Gore amendment to the food-stimulation bill; to the Committee on Agriculture.

By Mr. FRENCH: Petition of the Steuben County (Ind.) "Dead Dry" Committee and other citizens, urging war prohibition and woman suffrage; to the Committee on Woman Suffrage.

By Mr. GALLIVAN: Resolution of the Union Label Trades Department of the American Federation of Labor, against further prohibitory action; also resolutions of the New England Hotel Association, protesting against further prohibition legislation; to the Committee on the Judiciary.

By Mr. HAMILTON of Michigan: Petition of citizens of Nottawa, Mich., urging the repeal of the zone system for second-class postage; to the Committee on Ways and Means.

By Mr. KIESS of Pennsylvania: Resolution adopted at the twenty-eighth annual assembly of the Prohibitionists of Lycoming County, Pa., in favor of immediate war-time prohibition; to the Committee on the Judiciary.

By Mr. RAKER: Resolution passed by the Chamber of Mines and Oil, M. H. Whittier, president, in re production of gold; to the Committee on Mines and Mining.

Also, resolution adopted by Federal Employees' Union, No. 1, port of San Francisco, urging the passage of the McKellar-Keating retirement bill; to the Committee on Interstate and Foreign Commerce.

Also, resolution adopted by the Italian Chamber of Commerce, protesting against universal prohibition; also letter from California Hop Growers, Milton Wasserman, secretary, Santa Rosa, in re prohibition as it affects the hop-growing industry; to the Committee on the Judiciary.

Also, telegrams of the Little River Redwood Co., Frank L. Van Duzen, superintendent, and C. S. Sharp, manager, all of Eureka, Cal., urging national prohibition during the war; also letter by J. L. Rollins, Colfax, Cal., in re prohibition; also telegram from Northern California Hotel Association and of the Restaurant Owners' Association, of San Francisco, in re the prohibition amendment; to the Committee on the Judiciary.

Also, letter by Harris Weinstock, State market director, San Francisco, Cal., in re suspension of immigration laws during the war period; to the Committee on Immigration and Naturalization.

Also, letter by Douglas Young, San Diego, Cal., in re the dairy industry; to the Committee on Agriculture.

Also, letter by J. Thurston, San Quentin, in re parole law; to the Committee on the Judiciary.

SENATE.

MONDAY, *September 2, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we bow before Thy sovereignty and call upon Thy name seeking Thy blessing and guidance this day. This day has been set apart in the interest of that great toiling mass who have added so much happiness and prosperity to our country. We pray that Thy blessing may rest upon the toilers of our land. We thank Thee for the nobility of this class of our citizenship, for their loyalty to the Nation, and their devotion to the flag. They have been called upon to perform a great task in the present world conflict. Give to each one a clear vision of the glory of their toil as a part of the Nation's struggle to preserve our liberties. Bless them with happy homes and the widest opportunities for advancement in life. Grant, we pray, that Thou wilt, through the ministry of this

day, bring together in closer fellowship and sympathy all the classes of our citizenship, that we may realize the oneness of our national life and of the high aims that we have before us to-day. As we remember to-day, according to the program of this day, one who has passed away from the membership of this Senate we pray that Thy Spirit may lead us to remember the uncertainties of life, and lead us to cherish the memories of men who have so truly served their day and generation, and hold sacred their names in the list of the honored of our land, that they may not be forgotten but abide as an inspiration to those who follow them. Hear us in our prayer. For Christ's sake. Amen.

BUSINESS OF THE SENATE.

Mr. PITTMAN. Mr. President, the ceremonies that we intend to hold to-day were to be held last Wednesday, but at that time it was unanimously understood that they would be postponed until to-day, and that on to-day no other business would be transacted. I do not know whether the understanding has been placed in the regular form of a unanimous-consent agreement, and therefore I ask unanimous consent that the reading of the Journal be dispensed with, that the morning business be dispensed with, and the unfinished business temporarily laid aside for the day, and that upon the completion of the ceremonies the Senate shall adjourn until Tuesday at 12 o'clock.

The VICE PRESIDENT. The Senator from Nevada asks unanimous consent that the reading of the Journal be dispensed with, that morning business be dispensed with, that the unfinished business be temporarily laid aside, that the proceedings of the day consist of memorial addresses on the life and character of the late FRANCIS G. NEWLANDS, a Senator from the State of Nevada, and that at the conclusion thereof the Senate shall adjourn. Is there objection?

Mr. GORE. Mr. President, will the Senator yield to me for a moment that I may file a written notice which requires one day's notice before being called up, and which will probably enable us to finish the unfinished business to-morrow? Otherwise I would not prefer the request at this time.

Mr. PITTMAN. I accept the suggestion of the Senator from Oklahoma.

Mr. GORE. I hereby give notice in writing that during the consideration of the bill H. R. 11945, known as the bill to stimulate agriculture, and so forth, I shall move to suspend the standing rules of the Senate so as to permit the offering to said bill of the following amendment:

Add a new section, as follows:

"SEC. —. That the sum of $50,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be used for the temporary relief of farmers in the drought-stricken section of the country engaged in the production of staple agricultural products, including live stock suitable for human food.

"The Secretary of the Treasury is authorized to advance out of said sum to banks situated in the drought-stricken section of the country, and which have loaned to farmers engaged in the production of staple agricultural products money at a rate of interest not in excess of the prevailing legal rate and taken as security therefor United States bonds, commonly known as liberty bonds, or other securities which may be approved by the Secretary of the Treasury, an amount not exceeding the amount of such bonds or securities at a rate of interest to be fixed by said Secretary, taking the obligation of the bank for the payment of such advances in addition to the securities held by such bank.

"All such advances shall be made payable on or before November 1, 1919, and when collected shall be covered into the Treasury and become a part of the general fund.

"The Secretary of the Treasury is authorized to make all necessary and proper rules and regulations to carry into effect the provisions of this section and shall report to Congress at its regular annual session in December, 1919, as to his action in pursuance hereof."

The VICE PRESIDENT. Is there objection to the request of the Senator from Nevada [Mr. PITTMAN]? The Chair hears none.

MEMORIAL ADDRESSES ON THE LATE SENATOR NEWLANDS.

Mr. PITTMAN. Mr. President, FRANCIS GRIFFITH NEWLANDS, late Senator from the State of Nevada, passed away on the 24th day of December at his home here in Washington. In his intellectual prime and splendid physical vigor, his death came as a severe shock to his colleagues. There was no warning to prepare us for the great loss. During the entire session, yes, even to the day of his departure, his brilliant mind and active body were busily engaged with legislation vital to the welfare of our country.

As chairman of the great Committee on Interstate Commerce of the Senate, during a period when transportation was the lifeblood of nations in a world's war for existence, every resource of his masterful mind and every nerve of his body were self-sacrificingly dedicated to his patriotic task.

Mr. President, FRANCIS G. NEWLANDS was wont to carry his heavy burdens in so happy a manner and to accomplish his great undertakings with such modesty that even his family and most intimate friends did not realize that he had given all he had to give in this life to the cause of his country. He went over the top and gave his life with the same unflinching bravery and glorious patriotism that has lifted our boys in France above earthly praise. He has gone and the Nation has lost a great and good man. He enjoyed the profound respect and the deep affection of every Member of this body and we grieve with his family and our heartfelt sympathy goes out to them.

Mr. President, the life of Senator NEWLANDS was such as is rarely allotted to man. He was born in Natchez, Miss., August 28, 1848. His parents were of good old Anglo-Saxon stock, possessed of the means to give their son every advantage of learning and culture. He received his education from private tutors and at Yale College and the Columbian Law College. When 22 years of age he was admitted to the practice of law in the District of Columbia. This, however, was not to be the arena for his enterprise. Even then he had visions of a broader field of endeavor. With that independence and fearlessness that marked his whole life he enthusiastically pursued his destiny.

Immediately after his admission to the bar he removed to San Francisco, Cal., then the pioneer cosmopolis of our country, and cast his career in its wild, brilliant, complex atmosphere. Those were the days of gold. Its irresistible magnetism had drawn from the four corners of the earth typical specimens of all God's creation. The Mexican relic of the hacienda California, the rough miner, the brazen gambler, the cunning confidence man, the patient padre, and the new millionaire, lived, dined, and brushed shoulders with distinguished jurists, eminent scientists, and superior men of every occupation, all drawn to the golden mecca by the same alluring power, a power that must be felt to be understood. Not the sordid greed for gold that puts its mark upon the miser, but the exhilarating joy of discovering it in nature's hiding places and giving it bounteously to the world—the power of romance, hope, and unrestricted opportunity.

The legal history of the West is illuminated by the names of the great lawyers who came from every section of the United States, moved by the same vision that appeared to FRANCIS G. NEWLANDS. Neither the influence of family, wealth, nor prior prestige had power of conquest in that new world. Every man was weighed and measured for his intrinsic worth. It was a frank, independent, fearless, vigorous, charitable, generous, fighting community. There was no such thing as equality of accomplishment nor of existence. A man either went over the top or was shot at dawn.

Into this maelstrom of action and events went the young NEWLANDS, without introduction, wealth, or influence. In four years he had fought his way to the forefront of the San Francisco bar. As general counsel for the mining interests of Senator Sharon in the great Comstock mines he became a frequent visitor to the State of Nevada. He became acquainted with her vast acres of rich soil impatiently waiting for the tardy hand of government to permit the waters of the mountains to flow over their bosoms and fertilize them into wonderful productivity. He saw the great silver producers of the State, that had sustained the Nation's credit in its hour of panic, calling for a champion to tear away the heavy hand of those who would destroy them. It was a great arena for a great fighter, and FRANCIS G. NEWLANDS longed for the fray. In 1888 he moved to Nevada, established his home, took an active part in the development of the State, and became one of its largest landowners.

Nevada at that time was suffering from the effects of the demonetization of silver and the negligent attitude of the National Government toward its public lands, which embraced 95 per cent of the area of the State. The people of Nevada were thoroughly aroused by these intolerable conditions. Naturally, Mr. NEWLANDS was animated by the local sentiment, but his sincere belief in the economic soundness of bimetallism can not be doubted by anyone who has read or listened to his persuasive addresses upon this subject. He was deeply sympathetic with the silver miner and was conscious of the violent legislative injustice done a great western industry, yet he did not base his principal arguments upon these grounds, but, in the characteristic manner in which he approached all great problems, he considered and presented the subject from the broad standpoint of the national welfare. He soon became one of the strongest advocates of the principle and was recognized throughout the country as a leader in the movement.

In January, 1892, in the city of Washington, he actively participated with other great leaders in the organization of the American Bimetallic Party. This organization was rather of the character of a committee, but it was the forerunner and the inspiration for the organization of the National Silver Party, which held its convention at St. Louis, Mo., on the 26th day of July, 1896, and which nominated William J. Bryan, the then Democratic candidate, as its candidate for President of the

United States. Senator FRANCIS G. NEWLANDS was chairman pro tempore of this remarkable convention, and as such officer was delegated the honor of laying down the principles of bimetallism.

In the same year he also participated in the organization of the Silver Party in Nevada and became its first nominee for Representative in Congress. A newcomer to the State and a stranger to most of its citizens, he entered the campaign with the same fearlessness that marked his rise in San Francisco, and through the force of his own ability and personality was elected by the largest plurality ever given any candidate for the high office.

In 1894 he was elected upon the concurrent nominations of the Silver Party and the Silver Republican Party. In 1896, 1898, and 1900 he was successively returned to Congress upon the nomination of the Democratic Party and upon the indorsement of the Silver Party. This term ended his brilliant career in the House of Representatives. As a Member of that body he served upon several great committees and took an active part in the debate upon the floor.

Immediately upon his induction into office as a Member of the House he vigorously attacked the problem of national conservation of the waters of the West and the reclamation of its vast valleys of arid but fertile Government lands. The policy was then considered by almost the entire membership of Congress as an Utopian dream of most radical and impracticable State socialism, unworthy, even, of the gentle ridicule of profound and distinguished statesmen. Conservation had not then become the stepping-stone for statesmen and the football for fools. Its dawn was not visible except to the few farsighted statesman. Day by day and month by month his unanswerable logic and persuasive pleas fell upon unlistening ears. Session after session he saw his legislative provisions silently and contemptuously brushed aside. Yet for 10 years in the House of Representatives he persisted in his untiring efforts, and with that fortitude, patience, and faith that is so rare in legislators and that so peculiarly characterized our deceased colleague, slowly but surely he won the country to his views, and after 10 years of unceasing labor, Congress passed the Newlands national reclamation act.

This law has transformed hundreds of thousands of acres of desert land into blooming, productive fields; has made happy homes for thousands of citizens, and enriched his State and the Nation. Senator NEWLANDS has many splendid acts of statesmanship to his credit, yet this alone will cause his name to live in the hearts of the West and upon the pages of his country's history.

In 1902 he was nominated by the Democratic Party for United States Senator and indorsed by the Silver Party. That was the last year of the existence of the Silver Party. It had played its part, its work was done. At the ensuing election he was selected as a Member of this body by an overwhelming vote. Again in 1908 and in 1914, as the candidate of the Democratic Party, he was returned to the Senate. Immediately upon taking up his duties in the Senate he continued his constructive work for the conservation, control, and utilization of the flood waters of our rivers. His comprehensive and magnificent plan contemplated the impounding of such flood waters at or near the source, and their control and utilization for irrigation and in aid of navigation upon our inland waterways. He deplored the neglect of our inland waterways and their abandonment as arteries of trade. He clearly saw the era rapidly approaching when these great public highways would be essential to the speedy and economical transportation of the tremendous and rapidly growing traffic of our country. How clear was his vision is conclusively proven by the present conditions. Just before he gave up his life work, and after 16 years of able and persistent endeavor, his heart was made glad and his patient labors were rewarded by the initiation of the first step in his great program.

Mr. President, I will not further attempt to review other important acts of legislation in which he played a leading part. These are all matters of record, and further, Mr. President, are more familiar to some of his other colleagues who participated directly with him in such momentous undertakings.

Mr. President, Senator NEWLANDS was peculiarly a national statesman. His mind dwelt upon large national and international problems. His wonderful vision and progressive ideals frequently led him away from the present into the impending realm of future activity. Vigilant and vigorous though he was in the protection of the local interests of his State, he never emphasized this branch of his service or attempted to use it for political profit. He took no pleasure in the power of political patronage and cringed from the practice of minor political arts. He was firm in his adherence to certain principles of government, but was individualistic rather than partisan in politics. He was a happy, sociable, congenial man, who loved his fellow man, and yet he made no effort to utilize these charming gifts to win the support of the voters of his State. He seemed to feel that such a method of campaigning was a reflection upon the intelligence of the citizens of his State and a depreciation of the great office which he represented. He was a politician only in the highest sense of the term. And yet, Mr. President, no man ever had a stronger hold upon the confidence and loyalty of the people of his State than did FRANCIS G. NEWLANDS. They knew the man. They had confidence in his ability, sincerity, and loyalty. They recognized his statesmanship and were proud to have him as the representative of the State of Nevada.

The private and domestic life of Senator NEWLANDS was equally idealistic. In 1874 Clara Adelaide Sharon, daughter of Senator Sharon, of Nevada, became his wife. To this short but happy union three daughters were born to give pride and happiness to their father throughout his entire life. In 1882 Clara Sharon Newlands passed away. The period of his widowerhood was probably the only sad years of his long life. In 1888 he was united in marriage to Miss Edith McAllister, the daughter of the dean of the San Francisco bar. No union could have been more complete or happy. A woman of remarkable ability, splendid education, and unusual accomplishments, she became his daily companion in all of his thoughts and works. Through her charming hospitality and entertaining personality she attracted to their home in Nevada and their home in Washington the most delightful men and women in public and private life. His happy disposition reflected the love and admiration of his family and friends.

He was a devoted husband and father, a true friend, a fearless man, and he died while performing his public duties after 25 years of continuous service on behalf of his State and his country.

Mr. LODGE. Mr. President, Senator NEWLANDS became a Member of the House on March 4, 1893, the same day on which I took my seat in the Senate, and from that day until his death—for 25 years—we were friends, meeting constantly not only in the Senate but elsewhere. I felt for Senator NEWLANDS always a very real affection, and his death meant to me the loss of a most valued friend.

It is not for me to sketch the history of his life. That will be better done by others. I desire only to speak briefly of the man as I knew him. He was very active always in the work of the House and the Senate. He was a man who was both liberal and tolerant, and he was one who thought for himself and had many ideas of his own which he desired to put into the form of law. People were apt, I think, to regard him in some degree as a dreamer, but many of his dreams have finally found either complete or partial expression in laws which have been passed. He was very pertinacious about any idea or any scheme which he had once adopted, and neither opposition nor indifference could turn him from his path. But however impracticable some of his theories may have been thought at the time or subsequently, everyone had to admit that they were designed to promote the welfare of the country and the well-being of his fellow citizens. His designs were large, but their purpose was always a good one. He did not confine himself to the subjects which greatly occupied his mind, like the coordination of Government activities and the development of our internal navigation. He spread himself over a much larger field, for he was a lover of art and architecture, and he had a realizing sense of the permanency involved in buildings and monuments. He addressed himself in obedience to these desires and tastes to the improvement of the city of Washington. We are painfully familiar with Members of Congress in both branches who find it desirable to assail Washington and its people, which can be done with political safety and possibly with political profit. From such persons as these Senator NEWLANDS widely differed. He worked for the improvement of Washington not because there was any political profit in it, for there was none, but because he desired to see our Capital City worthy of the Nation which established it. It was most disinterested and most unselfish work, and his name stands with the very few in House and Senate who have labored in season and out for the interests of Washington with no thought except what was best for the Capital of the country.

After all, however, that which is uppermost in my mind is the thought of the man and the friend who has gone. He always seemed to me to be one of the very best tempered men I have ever known. No difference and no opposition ever seemed to change his pleasant ways toward those who did not agree with him. His ability no one questioned, and everyone recognized that he was one of the most agreeable companions and one of the

pleasantest of friends. It was always a happiness to meet him everywhere, and he had in large measure that most impalpable and most attractive of all qualities—personal charm. In the lives of all who have known him and who have had a warm affection for him he leaves a gap which is one of those that can not be filled.

Mr. PITTMAN. Mr. President, the Senator from Delaware [Mr. SAULSBURY] has written me a letter, which I ask permission to read. It is as follows:

UNITED STATES SENATE,
COMMITTEE ON COAST AND INSULAR SURVEY,
August 31, 1918.

Hon. KEY PITTMAN,
United States Senate, Washington, D. C.

DEAR SENATOR: It causes me deep regret that I am unable to be present at the memorial exercises of Senator NEWLANDS to be held in the Senate on Monday. The postponement of these exercises has made it impossible for me to make a short address on the occasion; therefore I am writing you.

I do not believe the Senate ever had among its Members a more earnest, industrious, straightforward, honorable, untiring Senator than FRANCIS G. NEWLANDS, of Nevada. Those of us who were honored with his personal friendship feel deeply the great loss we have suffered. He was a man of far vision, looking toward the great ends of government and public action, troubled little by the smaller details or temporary hindrances which sometimes seem so important to men of more limited horizon.

Several times during my service with him in the Senate he has proposed measures far in advance of the thought of the time and lived to see us come to take the view he has first advanced. His solicitude when considering public matters was always that right principles should be established and the matter immediately under consideration brought in harmony with the principle, rather than that some temporary aim should be served. I doubt if Senator NEWLANDS in advocating or opposing a measure ever considered whether a majority of his colleagues would support his views or oppose them. His effort was to have us all appreciate the reason for the course he advocated, and, having presented those reasons, I never observed in him the slightest sign of irritation toward anyone who failed to appreciate the views he presented.

I esteemed it a great privilege to be considered by Senator NEWLANDS as a personal friend. I saw him often, and only a few hours before his death enjoyed that perfect hospitality for which in this city he was famed.

Senator NEWLANDS will be long remembered by those who served with him in the Senate as a faithful, high-minded public servant, who conscientiously and with consideration only of the public interest brought forward and advocated public measures which came before us. The West lost in him one of her greatest sons, and the Nation mourns a Senator of high ideals and far-visioned aspirations, guided in his public efforts by his conception of the best interests of all our people in the widest sense. He was useful, eloquent, and industrious, and by his efforts helped to maintain the high standard of the Senate, which loved and respected him.

Yours, very truly, WILLARD SAULSBURY.

Mr. CHAMBERLAIN. Mr. President, it is fitting that we pay tribute to the memory of our late and beloved colleague, FRANCIS G. NEWLANDS.

It has been my privilege and pleasure to know him quite intimately during the past 15 years, and as I look back over that acquaintance it is gratifying to me to know that nothing has ever transpired to interrupt a delightful friendship.

It is hard to realize that he is no longer with us. The fleeting years had dealt with him so kindly that he seemed at the time of his death almost in his prime, and there was every indication that he would yet be spared to round out a busy and useful life. Words are feeble things when one undertakes to give utterance to the thoughts in one's mind when the heart is distressed over the loss of a dear friend or loved one. So now I find myself unable to give expression to my feelings in reference to our dear dead friend.

He was in many respects a very remarkable man. Born, as he was, in the South, while yet a boy he took up his residence in the West and, it might be said, grew up with it. He loved the West as the West loved him, and there was constantly in his mind the thought of constructive legislation which would benefit the section which he so ably represented. I think it may be safely said that no one did more, and probably no one did as much as he in the matter of legislation that would result in reclamation of arid and semiarid lands. He had much to do with the original Carey Act, as he had with the later act providing for the reclamation of Government lands. These acts bear the impress of his brain and hand. Together they have added millions of wealth to the semiarid States, and furnished homes to the homeless from nearly every State in the Union.

For a number of years he had worked most diligently along the lines of conservation of our national resources, and his colleagues will remember how zealously he contended for the storage of waters at the head of navigable streams, with the object in view, first, of reducing flood devastation and, second, utilization of these stored waters for the purpose of reclamation. In my opinion he impressed the country not only with his sincerity in this behalf but of the entire feasibility of his plan, and after years of effort the first steps are being taken to carry out a part of his program. His persistency in the accomplishment of legislation which was near to his heart was the wonder and admiration of his friends, whether they agreed with him or not. In season and out of season he took occasion to impress his views upon the Senate, and always did it eloquently and ably. The record of his long and splendid public service has been dwelt upon by his colleagues, and I merely mention the two or three things with which his name must ever be connected and which have done so much for the happiness of mankind.

In his association with his colleagues he was always the same cordial, kind-hearted, chivalrous gentleman, and, although I have seen him laboring under great provocation, I have never in my life seen him lose his temper. I have sometimes wondered how he maintained such splendid equilibrium at all times and under all circumstances. In all the years of our acquaintance I never heard him speak unkindly of friend or foe, and that can not be said of many men in public life. There was always that in his heart which made him love to do a kindly act, or to say a pleasant thing of his fellow man. Those of us who have enjoyed the hospitality of his delightful home look back with pleasure upon our association with him there. A genial and lovable man in all his associations, he was at his best as a host. He possessed that peculiar charm of manner that made all who approached love and admire him.

Mr. KING. Mr. President, I did not know until a few moments since that I was to be honored in having an opportunity to submit a few observations upon this occasion. While I appreciate the courtesy extended me to say a few words, I know I shall fail to give utterance to what is within my heart to say concerning the memory of one whom I loved so well. And what I shall say will be a very imperfect tribute to a great man who has gone from our midst and whose death has resulted in a loss which is irreparable. While these memorial exercises have been in progress I have been thinking of great public characters whom I have had the honor of knowing and who have passed to the Great Beyond; and I can truthfully state that, much as I esteemed and honored them, the death of none gave me such poignant grief and sorrow as that of the demise of FRANCIS G. NEWLANDS. There was no one in public life for whom I entertained so deep an affection as I did for him.

His death, therefore, means to me much more than the passing away of a great public character; it means the loss of one whose friendship I prized, whose companionship I cherished, whose qualities of head and heart drew from me deep and lasting affection for him.

My acquaintance with Senator NEWLANDS began at the special session of Congress in 1897. I had known of him prior to that time because his fame had spread throughout the West. He had been conspicuous in the advocacy of great and important fiscal policies and in the discussion of questions relating to the development of the West and the resources of our country. When I came, as a young man, to the House of Representatives, I immediately sought an acquaintance with Mr. NEWLANDS, the then Representative from the State of Nevada. Because of his great ability, his high character, his qualities of leadership I sought an opportunity to know him and was glad to regard him as a mentor and as a guide. I had somewhat of the feeling toward him then that finds expression in the words of the intrepid Kent, who said to the kingly Lear:

> You have that in your countenance which I would fain call master—authority.

He exhibited so much of wisdom, of sagacity, of brilliant statesmanship, and possessed so clear a vision of the future of the needs of our Nation, and he spoke with such assurance and such authority, that I was glad to stand near him and to follow his leadership upon great and important questions. In the great battles which he waged in the House, and those in which he participated in this forum, I always thought of him as one—

> Whose armor conscience buckled on,
> Whom zeal and charity brought to the field,
> As God's own soldier.

The Civil War and the period of reconstruction following, as well as a consideration of the important questions which called for national legislation, seemed to have clouded the vision of our country to the West and to its resources and possibilities. There were many in our country who regarded the arid and semiarid West as an encumbrance and liability to our Nation, and any attempt to present the interests of the West or to discuss policies relating to the conservation of the Nation's resources, or the development of the resources of the West, provoked bitter criticism. There were some who felt that most of the territory lying west of central Nebraska was valueless, and that those who resided in the western part of the United States were suffering from an incurable mania growing out of bimetalism. There were many in the National Legislature and in high positions in our land who could not see that all the States were linked together, and that whatever brought prosperity and development to one section of our Nation added to the general advancement of the entire country.

When I entered the House, Senator NEWLANDS was attempting to secure legislation for the reclamation of the arid lands of the Nation. He had given profounder thought to irrigation problems, to the questions connected with opening up and settling the public lands, the impounding of the waters found at the sources of our great rivers, the question of preserving the Nation's forests, and the general question of conservation, than any other man in public life. In dealing with these and related questions he was easily supreme. He studied these problems, not as mere local questions, but in their national aspect, and as they affected the future growth, development, and prosperity of the entire people of our land.

At that time I was honored with his friendship and confidence, and I am happy to say that the friendship then formed continued without interruption until he passed from our midst. I was frequently called into conferences which he held concerning the great reclamation bill and other legislative measures with which he was identified; and it was my privilege to be permitted to cast the deciding vote which first reported the Newlands reclamation bill from the committee to the House of Representatives. In the Fifty-fifth and Fifty-sixth sessions of Congress, at which time I was intimately associated with Senator NEWLANDS, he not only gave earnest attention to the questions to which I have just referred, but he was deeply interested in all matters affecting our Nation's welfare.

I recall that in the Fifty-fifth Congress Senator NEWLANDS offered a resolution in the House for the annexation of the Hawaiian Islands. He believed, with Seward, that the Pacific Ocean would become the theater upon which our Nation would play a most conspicuous part. I remember his sagacious remarks concerning oriental trade questions and the sound statesmanlike views which he frequently enunciated concerning the future relations between the United States and China and Japan. He appreciated the fact that with the progress of civilization nations would be drawn closer together, and that there must be more toleration and sympathy between nations. He believed that our Nation should possess a strong Navy, and that the important part which our country would take in the Pacific Ocean required that we should have a strong naval base in the Hawaiian Islands. He loved peace and desired that the policies of our Nation should be so just as to command the respect and admiration of all other nations, but he comprehended that there were nations that were selfish and ambitious, and that to secure our rights and protect our national honor it was essential that our Navy should be brought to a high stage of perfection.

Perhaps no man in our country had so great a grasp of the intricate questions involved in transportation problems as did Senator NEWLANDS. In his able addresses he showed the intimate relation between transportation and material prosperity. He challenged attention to the discriminations under which certain sections of our country labored at the hands of the great transportation companies of the land. He sought to improve the condition of our railroads and mitigate the evils and burdens, unjust and unnecessary, to which the railroad companies were subjected; to unify in a proper way, without destroying competition, the railroad systems of our land; to effectuate reductions in freight rates, and to secure a beneficent and just control over public utilities that would prove of advantage to the people as well as to the investors in the stocks and bonds of transportation corporations. He had large plans in process of development which would have, in my opinion, resulted in the greatest good to the people of our land, not alone the general public but those who owned the railroads and the stocks and securities of the same. It was a great misfortune that this masterful man should have been called from our midst at the moment when the transportation question was one of the most important and far-reaching questions presented for determination by this Nation.

The Senator from Nevada [Mr. PITTMAN] has referred to his activity in behalf of bimetalism and related financial questions. He was deeply grounded in financial questions and was one of the ablest exponents of the quantitative theory of money. His views upon this question were misunderstood by many, but it is sufficient to state at this time that he dealt with the money question in a broad, comprehensive, and scientific way.

After he left the House of Representatives I followed the career of this distinquished man with very great interest. He grew with the passing years until he became a national figure, a statesman of commanding ability. In the Senate, as in the House, he took a conspicuous part and was the proponent of measures of the greatest magnitude and of far-reaching importance to our country. My regard for Senator NEWLANDS was so great and my confidence in his ability and statesmanship so strong that early in the year of 1912, when Democrats were casting about for a candidate for the Presidency, I reached the conclusion, after mature deliberation, that Senator NEWLANDS measured up to the most exacting demand and was an available candidate for that high office. I accordingly wrote him and urged that he become a candidate for the Presidency. I felt that no man in the Democratic Party was better equipped for the position than he was. His great knowledge of our domestic problems, his long and faithful public service, his great intellectual and moral qualities marked him, in my opinion, as the most suitable candidate for his party to select. His reply was characteristic of the man. I felt then, as I have felt upon other occasions, that Senator NEWLANDS was too modest and too unpretentious. I might say, in passing, that he was always democratic, gentle, chivalrous, and splendid in his relations with his fellows.

When Germany's violations of international law and the rights of our Nation no longer could be tolerated and our Nation recognized a State of War as existing between it and the Imperial Government of Germany, he patriotically supported every measure necessary to prepare our country for the conflict. For some time prior to the declaration of war his keen vision had enabled him to see that war was inevitable. There were no lamentations from him because of the war. There was a stern determination upon his part that our country should mobilize her resources and prepare in a most thorough and effective way to strike relentlessly until Prussian autocracy was destroyed and a just and righteous peace secured.

Senators will recall his infrequent but earnest speeches following the entrance of our country into the conflict and the sound advice which he gave concerning the policies which should be pursued in order that our resources might be conserved and all of the power of our Nation concentrated for the winning of the war. I remember the warnings which he gave to capital and to some of the great corporations of our country that were profiteering out of the war. He conjured them, as well as all others, to patriotically serve our country, and warned those who were securing great profits from the war of the inevitable results which would follow, and particularly in the circles of labor. He was always a "watchman upon the tower." He saw the first glimpse of the morning and he was among the first to grasp the dangers that menaced our country from without as well as from within. The immediate questions involved in this great conflict did not close his eyes to the mighty questions with which this Nation and other nations will be compelled to grapple when this titanic contest is ended. I recall many conversations with him in which he expressed in a clear and comprehensive way some of the complex situations which we would be compelled to meet in the near future. I learned from him but a short time prior to his death that he was working out the problem of transportation, national and international, following the war. He was maturing plans to increase and secure our foreign trade, to procure the raw materials which our country would require in order that it might continue to be a great manufacturing Nation. He had dreams of this Republic becoming the great commercial and financial mart of the world, and if he had lived his pen would have drawn many of the important measures so necessary to enable our country to take and maintain her proper station among the nations of the world.

Senator NEWLANDS brought into public life a well-trained mind, enriched with a knowledge of the political, economical, and industrial questions affecting our country, and with that broad vision which is found in every great leader and which must exist in every statesman. It was said by a great prophet that "where there is no vision the people perish." The truth of this statement finds exemplification in all generations and in all lands. The multitude keep their eyes upon the ground, upon

the trivial and petty things of life, and many who are raised to position and power act with selfishness and for personal or party ends instead of for the public weal. They have no vision, no prophetic gift, no power to "dip into the future," and their plans and policies and programs bring confusion and discord and ultimate hurt to the people. A state or nation is blessed when there comes to it a man of vision, a man of high ideals, and of spiritual power. Great men carry the world upon their shoulders. Each becomes a fabled Atlas, and on his bowed back humanity moves forward to higher ground and greater achievements.

The struggle is always on between the spiritual and progressive forces and dark and gross materialism. The mass of the world have always been content to follow the prophet of to-day rather than the one who spoke for the morrow. We find it easier to plan for to-day than to build for the morrow. It is a long way from self to unselfishness, from self-service to service for others; and so, in the field of national concerns, we find too many engaged in limited and narrow circles, without vision or capacity or desire to comprehend the future. It is so easy to be local and provincial; to see the narrow field where the landscape and the horizon meet. Only men whose eyes are anointed by the Infinite One and whose hearts respond to the thrilling force which He sets in motion can look with unblanched cheek into the future and read its riddles, and with prophetic power lead, as an evangel, the struggling masses of the world. Fortunate, as I stated, is the generation or the State that can have leaders of this character, men in public place to strike from the necks of the people the chains of narrow and sordid provincialism and point the way to national vigor and national progress and moral and spiritual evolution. There is no line of cleavage between the moral, ethical, and spiritual forces which underlie an indestructible Christianity and the forces and influences which lead to human progress and the growth of liberty in the governments of men. In other words, if justice and righteousness and high ethical concepts and spiritual forces and power find expression in the faith of Christ, these same influences, forces, and powers should be manifest in the conduct and activities of men and in their relations with each other, whether of a business or social character or whether relating to political and governmental questions.

So if vision is necessary in religion it is necessary in the perplexing questions affecting life and the confusing and bewildering problems relating to our economic, industrial, and political life. "Without vision the people will perish"; they will perish religiously, atrophy will overtake them spiritually; they will perish industrially and politically. In proportion as we have leaders of vision and follow them our progress will be assured. Thank God for leaders who have vision, statesmen who can see beyond some local lines and comprehend the problems of the Nation and the questions that are international. This age calls for men who not only think nationally but internationally.

And such a one was our beloved friend who has gone from our midst. He was a big man who dealt with big things in a big way. There was nothing petty or mean in his soul. In all of my relations with him I never heard him utter a trivial or commonplace remark. His active mind was constantly engaged in the contemplation of important measures relating to our country and to the world. It is given to some men to have only a fleeting vision of a great project or to have borne in upon their hearts some great idea. FRANCIS G. NEWLANDS lived in the atmosphere of great ideas and great ideals, and he had visions of many great projects, policies, and truths which guided him in his noble and exalted aims. When he thought of his State it was to regard it as a sovereign nation with a great mission and with great responsibilities resting upon it. When he thought of the Nation which he loved so well it was to regard it as the great political and moral guide to the world, and he believed that the democratic forces of our country would lead this Nation to glorious heights and evolve moral and spiritual forces which would enlighten all nations. He exemplified in high degree the words of Lord Bacon wherein he says:

> It is a great error and a narrowness of the mind to think that nations have nothing to do one with another except there be either an union in sovereignty or a conjunction in pacts or leagues; there are other bands of society and implicit confederations.

Mr. President, FRANCIS G. NEWLANDS was an intensely patriotic man. He loved his country with a passion and devotion that few men possess. He was always planning for its development and progress and for its future. No mere temporary expedient satisfied him. Legislation to command his support must be comprehensive, general, and fundamentally sound. He was analytical and philosophical. He believed that there was law and unity pervading life and man's activities.

He was not a pessimist. He believed the world was growing better, and as the years were lost in the centuries the world would grow better and liberty and progress would crown all nations and all peoples. To him there was no death. There was life everywhere and humanity to him was one living stream the source of which was in God and the end of which could only be found in the Eternal and Omnipotent Power which guides all things. With such views he could not be other than intellectually honest, which can not be said of all men in public places. It was impossible for him to reason in a circle. He saw the objective and with steady eye and courageous heart he went with unerring step.

Senator NEWLANDS was a courageous man. There was not a drop of the coward's blood in his body. With a courtliness that few possess he met his adversaries. He was just and tolerant to his opponents, but he did not hesitate to denounce injustice and to unmask heresy and lies, no matter by whom they were cloaked or who were their protagonists. Whatever he believed he believed with all his heart. If an idea took possession of his soul and he believed that it was right, he became a crusader in its propagation. He was patient, persevering, relentless in the pursuit of any cause which he espoused.

Senator NEWLANDS, as I have stated, was a man of high ideals. Whatever appeared to him to be unjust or immoral or not in consonance with the spiritual teachings of a great Christian people met with his stern disapproval. He was not a Pharisee nor did he make frequent proclamation of his religious views, but he had a profound belief in God, a living faith in the immortality of the soul, and a sincere regard for the great spiritual forces which animate and control the world.

Mr. President, the life and the death of this great man bring convincing proof of the immortality of the soul. It is impossible to believe that the mind and soul and being that could conceive the great thoughts to which our deceased friend gave expression, and comprehend the vital and spiritual forces which found expression in his life, should perish. If there is persistence of force, there is persistence of life; and the great soul of our loved friend still lives, mingling with the just and actively engaged in service which contributes to the accomplishment of the purposes of the Everlasting Father.

He left us at a time when great problems pressed for solution. This hour calls for giants. We shall miss him in this hour and in the days pregnant with mighty events that are immediately before us. We feel that in his death we suffer an irreparable loss. God grant that to others may be given something of the genius and gifts and powers so richly possessed by him. His life was rich in good deeds and in great achievements, and he has left a patrimony to his State and to the Nation that enriches us all. We will go from this memorial service with higher purpose and resolve to serve our country and humanity, and endeavor from his life and his glorious service to obtain that inspiration which will lead us, falteringly indeed, in his footsteps to that high plane which he trod and into the field where he rendered such rich and profitable service.

Mr. PHELAN. Mr. President, death has been very busy in this body; and the transitory character of human affairs has been brought home to us in unexpected ways.

When the great statesman, Edmund Burke, felt the poignancy of domestic grief, in the midst of his labors, with introspective glance, he said: "What shadows we are, and what shadows we pursue!" If we thought only of the inevitable end we would become morbid, and constantly have in mind that thought of Burke, "What shadows we are, and what shadows we pursue!" But it is in human nature to be hopeful and optimistic. Normal men do not ordinarily dwell upon mortality; and it is well that it is so, because, as it has been observed, no development is possible to the individual and no progress is possible to the race where the power of death to destroy life is not conquered in thought and feeling. Therefore we go on our accustomed way; the ranks which have been depleted are filled; and we pause, as to-day, to express our sorrow for the death of our beloved colleague, feeling our duty done.

He might have prolonged his years, as many another Senator, by avoiding the strenuous character of public life and retiring before his appointed time; but among brave and valorous men there is never a disposition to leave the scene of conflict. They prefer to die fighting. The Empress Theodora said, when she was admonished that her duties led inevitably to a premature end, that "the throne is a glorious sepulcher." The Senate is a glorious sepulcher. Men who die in the service of the State, men who yield all that is mortal while serving in the Senate of the United States, go out gloriously. They might have saved a few years of their lives by retiring, and eke out a feeble ex-

istence leading to the inevitable end; but no! Instinctively and consciously they remain in the public service, and go down fighting. And so, since death must come to all, it is well that our colleague should die in the midst of his labors and in the fullness of his fame.

It fell to my lot to be with him on the last day. He was my neighbor and friend. We were bound together by those endearing ties of our common western citizenship and by associations growing out of our residence in the city of San Francisco, as well as in the city of Washington. In our club on the very day of his death I found him in his usual good spirits and apparent health. We sat down at a small table together and had lunch and discussed questions of life and death, prompted by his indisposition, which then seemed trivial, and we discussed current and pending legislation. Foremost, I remember, in his mind was the solution of the railroad problem, and he was waiting to hear what determination should be arrived at by the President, before whom he had laid the facts. It is a regret to recall that he died before the solution of that question had been made. Public control was declared by the President on the very day of his obsequies. But the labor, the thought, and the anxious hours that he gave to a consideration of that and other public questions no doubt brought about his untimely end, because when I observed that he looked well and inquired about his general health he said that he had never felt better in his life than when he rose that morning. But his vitality had been undermined. When I suggested then he must be suffering from some passing ailment he said, "No; it is more than that; a near relative has just died of heart trouble, and I feel that my affection is of the heart." Then he showed by his expressed feelings that he was suffering a sense of suffocation. So that fatal clot of blood was working his destruction, although he bore all the appearance of health and vigor.

As I sailed by with colors flying,
You would not know that I was dying.

He consulted a doctor, who reassured him, doubtless, because he returned to the club, but after going home that night he died.

The Senate has been informed about the particulars of his career, how he was born in the South, educated in the East, and cast his destinies in California and in Nevada.

California and Nevada are closely allied. The great mountains that stand between us are the glory and pride of both States. The beautiful Lake Tahoe, seated in the mountain crest, is the common possession of Nevada and of California. Senator NEWLANDS was as much a Californian as he was a Nevadan. California may be said to have given Senator NEWLANDS to Nevada just as she had given in another generation Senator Baker to Oregon. We claim as ours the fame of these great men and hold them as dearly as do the Commonwealths that particularly honored them by elevating them to the Senate of the United States.

But what made Senator NEWLANDS in this body a unique figure? He was not a practical politician. But he was a man endowed with vision. He served an ideal. He could see and did see very much further than the average of his colleagues, and he wrought for the future, that future which could not reward him, as he wrought for this disfranchised city of Washington with all the zeal which too often only signalizes, in other fields, the pure selfishness of man.

He saw the great West with the poet's eye and he saw the possibility of reclaiming it. To draw no invidious comparison, Daniel Webster, practical statesman, saw the great West with its trackless prairies, its forbidding deserts, impassable mountain ranges and torrential streams, and he said we can never take in that territory as a part of the Union; it is too difficult to reclaim and too remote to govern; and he expressed the hope that an empire would some day be set up in the far West which would maintain amicable relations with the Federal Government. That great man, Daniel Webster, who hoped that his eyes would not look, in the final hour, upon broken and dismantled fragments of a glorius Union, could not in a constructive way see the policy and the possibility of bringing together plain and mountain and desert and erecting a State worthy of admission into that Union which he so much loved. But Senator NEWLANDS saw this, and the Newlands Act, of which we have heard, is perhaps the greatest monument to his fame.

Then he turned from the reclamation of the desert, by putting water upon it, to the control in other regions of the mountain streams where water, getting away from control, devastated great areas. Water, like fire, is an excellent servant, but a very bad master.

In doing these things, accomplishing such comprehensive results, he did not seek to impose any burdens upon the common country, which would indubitably benefit in the largest possible way by the reclamation of waste lands suitable for human habitation. Nations go to war at the cost of millions of lives and millions of treasure to acquire territory, but the Senator saw the territory we needed within our own confines, and to spend money upon it to redeem it was a higher and a better method of enlarging our arable domain for the benefit of the people, and became a constructive legislator.

But even then he provided a fund which was to be known as a revolving fund—that is, in the first instance, the Government would put the land by a large outlay under water, and the beneficiary, holding the land, would over a long period of years return the money to the fund, and the fund then would be available for further projects.

When he came before the Senate to ask within my time for $600,000,000 to check the ravages, particularly, of the Mississippi River, which came down from its mountain fastnesses like a bandit, ravaging fertile valleys below, the Senate looked upon him as a visionary, in an incredulous way, surprised at the magnitude of the amount, $600,000,000; but they had to listen to him week after week on the necessity of such a work to save the lands threatened by destruction, and furthermore on the pressing need of coordination in order to get the maximum of service out of the departments and the bureaus. Senator NEWLANDS's discussion of "coordination" became almost a byword, and yet, justifying him again, as he has been justified in all his public acts by time, he had been gone but a short space when in this crisis we found it necessary to give the President power, in order to prevent duplication and waste, for that coordination for which the Senator pleaded so eloquently on this floor. He did not have the rough ways, he did not have, perhaps, the persuasive power to immediately carry his project, cajoling his colleagues by one specious method or another, but he had the quality of perseverance and he kept talking upon his subject until he commanded a hearing.

While it is true he did not get the desired $600,000,000 for the purpose of restraining devasting streams, he got a substantial sum, as I recollect, as an appropriation for the purpose of determining exactly how these great evils should be righted, how the great damage should be averted, and how the people of the interior valleys of this country could live in security and reap the rewards of their labor. He felt for the men who worked; he kept apace sympathetically with the industrial evolution of the times as no other man, and his heart went out to those who were handicapped by fortune in the daily struggle on every side, but the result of whose combined labors, he believed, made the national wealth and the national greatness.

His heart and mind in full accord were moved by what he knew and saw and felt.

'Tis hard to sow in spring and not to reap
The autumn's yield;
'Tis hard to till and when tilled to weep
The fruitless field!

I have heard him in the presence of the President tell of the unrewarded labor of the pioneers of the West. He said—and he was capable of demonstrating it—that all the money spent by individuals, not counting their time wasted, in exploration and discovery of the precious metals was far in excess of the yield by the mines of the West; and if the Federal Government had out of its Treasury from the beginning pursued that policy of development on its own account, for that same reason its expenditures would have been far in excess of the return.

So he pleaded for consideration of the man who was willing to take his chance in the difficult places of the earth and discover the presence of the minerals, and then by his labor, although he himself may be lost, unknown to fame and unrewarded, make the Nation his debtor by revealing the treasures otherwise hidden from human ken.

But what appealed to me very strongly in observing the course of the Senator in this body was his love of the beautiful. It is not common in legislative bodies nor among the mass of the people to find any great devotion to art. Our art seems to be reserved for a select few, and we depend upon the leaders in the great moral, spiritual, and artistic movements to command a following and achieve results.

The city of Washington, planned by L'Enfant, is perfect in conception, and only where L'Enfant's designs have failed of execution by a subsequent generation has Washington been marred. It is the constant surprise of newcomers that the city remains so beautiful; but it is due only and wholly to the vigilance of such idealists as Senator NEWLANDS. Plato said that children should not be allowed to grow up amid the images of evil, lest their souls simulate the ugliness of their surround-

ings, and I could appropriately paraphrase our great American sculptor, W. W. Story, when he said:

Is this the stately form I saw
In Greece a thousand years ago,
Who ruled the world by beauty's law
And used among the gods to go?
Now scant in garb, a mendicant
She stretches forth her tearful palms,
And Congress in pity for her want,
Contemptuous, tosses her its alms!

That is the spirit in which Congress has conserved the beauty of the Capital. When the invading bands of a heedless commerce, for the purpose of saving money and sacrificing art, sought to construct smokestacks under the very Monument of Washington in the Mall, it was the Senator from Nevada who persistently arraigned those who attempted this perpetration. He had behind him the American Institute of Architects and the Commission of Fine Arts, whose approval he demanded from a self-sufficient Congress on all occasions before public monuments and public buildings were constructed within the sacred precincts of this District.

Loving art and in a most practical way defending art, meeting every obstruction that might be put in the path of the accomplishment of Washington's dream and L'Enfant's plan, he valiantly on more than one occasion saved the city. I know the people of Washington appreciate his service. I know that artists have enshrined his name.

So he is tied to the West and to the East by the indissoluble bonds of affection. Nature and art mourn his loss.

So long as the desert yields to the will of men and engineering skill restrains the mountain torrents to create homes for the helpless and promote happiness in the reclaimed regions of the West; so long as Beauty sits enthroned by the Golden Gate—because his labors there were just as efficacious as here—or by the shores of the Potomac; so long as the snows upon the Sierra Nevadas look down upon the sister States, yielding sustenance to field and farm; so long as friendship remains, binding heart to heart, this beloved and lamented Senator shall not be forgotten.

He shall stand as a sentinel!
He shall still rule us from his grave.

In our conversation that fateful day he said he felt that upon him was a grave crisis and could not expect immunity because he had attained, he said, nearly 70 years.

Edwin Arnold, pessimistic, with his heathen philosophy upon his lips, had written—

This life of man so pleasant
Ran it not to waste and woeful finishing
In time's dry sand?

But I think the Senator, if he were consulted, in the words of his poet friend, Edward Robeson Taylor, of San Francisco, would rather say:

Death, take my body; it has served me well;
Nor do I now begrudge thy longed-for dole;
But to thy very face dare this I tell.
Thou shall not have the treasure of my soul!

His pure spirit, pure and untrammeled, has, let us believe, taken its heavenly flight, but he will also enjoy, I am convinced, an earthly immortality not only in the pages of the history of the West and of his country but in the loving hearts of his friends and his colleagues and his countrymen.

Mr. SHAFROTH. Mr. President, in the fall of 1891 I was in Salt Lake City, Utah, on law business and noticed in the morning newspaper that an irrigation congress was to be held there that day. I concluded that I would attend the opening exercises, and there I met for the first time Mr. FRANCIS G. NEWLANDS, who was the leading spirit in the sessions of the congress. Mr. NEWLANDS was then a thin, delicate-appearing man, but he made a speech that was one of the most remarkable I had ever heard on the need, indeed the necessity, of irrigation for the arid West. It was there that I learned, perhaps for the first time, the reason why the soil of the arid West is so fertile; why it is that it needs no fertilizer and will not for many years; that in the aridity of that region is contained the compensating advantage of fertility. That was one of the features of his speech that impressed me very much.

In the East, where there is more rainfall, of course the washings of the ages upon the soil have dissipated its fertility. All soil is nothing but disintegrated rock, and it is necessary to preserve the mineral salts in that soil in order to retain its fertility. The arid condition of the Great American Desert has been the principal factor that has preserved the fertility of the soil in that great expanse of territory and saved it for these later ages, to be brought to a condition which can produce crops in more abundant quantity and of better quality than those which any other soil can produce. By reason of excessive rains in other portions of the country, which melt and dissipate the mineral salts, the very fertility which is the basis of great and excellent production is wasted. It, therefore, becomes necessary to supply fertilizers in those sections.

Knowing that the region west of the one hundredth meridian, which passes through the State of Kansas, was of the nature that needed the aid of irrigation, FRANCIS G. NEWLANDS realized the great problem that he was undertaking in a career which he at that time anticipated would follow in the next few years, and he made his beginning in his speech in favor of the irrigation of that vast extent of territory that could supply millions and millions of people with food and would afford homes for millions of people on which to live prosperous and happy lives.

At that time Mr. NEWLANDS was not in office, but it was then stated to me—for his speech made a lasting impression upon every person who heard him—that he expected to run for Congress and would no doubt be elected. The next year he was a candidate for Congress and was elected by an overwhelming majority. When he came to Washington he began his work in an attempt to get Government assistance in the reclamation of the arid lands of the West. He followed up his effort by speeches in the House of Representatives and in many conferences and many conventions which he attended. Two years after that I was elected to the House of Representatives, and, having met him at Salt Lake City, renewed my acquaintance with him and assisted him in every way that I could in getting his projects, his bills, his ideas concerning reclamation indorsed by the Congress.

After some years it was deemed advisable by the western Senators and Representatives to appoint a committee of 17 Members, consisting of 1 from each of the 17 arid States and Territories, to draft a bill that would be acceptable to the Senate and the House of Representatives. FRANCIS G. NEWLANDS, at that time still a Member of the other House, represented the State of Nevada and I happened to represent the State of Colorado on that committee. We met at night and we consumed probably a period of six weeks in formulating the bill and reconciling the various differences of opinion in reference to it, but the leading spirit of that committee was FRANCIS G. NEWLANDS. While he differed in some respects upon some of the points that were made by other members of the committee, he, nevertheless, was possessed of that spirit of amiability and of fairness which prompted him always to concede merit in the contention of others. When it came to name the man who should introduce the bill in the House of Representatives, I had the honor of moving that Mr. NEWLANDS be named as the one to do so, which was agreed to; and he introduced the bill. That bill thereafter became an important subject of discussion in the Congress.

Nearly all of the parliamentarians of the House of Representatives were against the passage of the bill; all of the leaders, if might be said, of the House were opposed to it. Dire predictions were made of its total failure, and arguments on the impropriety of the Government going into the field of business were vigorously urged. There was a parliamentary filibuster, as it might be termed, started against the measure. For some reason or other, in the bringing in of the rule for consideration of the bill the hour of 5 o'clock in the afternoon was fixed as the time when its consideration should cease if a vote had not then been taken. It was rather a singular order, and it was thought by some of us that it had been imposed with an idea of letting the hour of 5 o'clock come during debate and then of letting the bill be relegated to the calendar, with possibly but little chance of again getting it up for consideration at that session, for it was near the close of the long session of Congress, and the short session is always crowded with work, so that a measure can hardly be supposed to have a chance of passage at a short session if there is strong objection to its consideration.

It became necessary to limit the debate on each amendment which was offered. Senator NEWLANDS and I had grown very intimate by that time and we frequently conferred over plans for the bills advancement. He was a very courteous, kindly man, and loath to offer motions to cut off debate. He therefore requested me to make the necessary motions in the attempt to limit debate on each amendment, so that we should certainly reach the end of the consideration and secure a determination of the measure by 5 o'clock in the afternoon. I did so, and I had to make many such motions; I had finally to move to limit the time of debate on amendments to a very few minutes; in fact, sometimes to three minutes. It was only at 10 minutes of 5 o'clock that the vote was ordered to be taken upon the bill. Senator NEWLANDS was present at all times, and was active in the endeavor to utilize every force and every particle of his influence in favor of the passage of the bill; and at last, when the Newlands bill was passed in the House of Representatives, it

was regarded as one of the greatest achievements of that Congress, and, indeed, of many Congresses which had preceded it.

Mr. President, we all loved FRANCIS G. NEWLANDS. He was intimate, I believe, with every Member of this Chamber. He was always pleasant. He often told me that he thought that his good nature had prevented his getting consideration of some of his measures; that he ought, perhaps, to have used the weapon which is sometimes used of objecting to the consideration of other measures until his measure could be considered by the Senate; but his nature was too kindly to permit him to do so. He was always considerate of and most liberal in his attitude toward the opinions of others. So beloved was he that I believe there was no Member of this body who did not sincerely grieve when he realized that FRANCIS G. NEWLANDS had expired.

Mr. President, we all honored him; we all appreciated his ability; we all recognized his greatness; and we know that he will be regarded as one of the greatest Senators who ever sat in this body from the West.

Mr. RANSDELL. Mr. President, two or three things attracted me to Senator NEWLANDS. He was born on the banks of the Mississippi River, in the city of Natchez, and my home is on the river about 120 miles north of that city. Senator NEWLANDS was greatly interested in questions relating to water in some form or other, and I have also during my public life always been intensely interested in the same subject.

The first thing that attracted me to him after I entered Congress in 1899 was his very enthusiastic and persistent advocacy of the Newlands reclamation bill, which had been under consideration for some time. He was not a man who went into anything half-heartedly, but was the most persistent man whom I have ever known in either House of Congress. When he undertook to advocate a measure he did so with his whole heart and soul; he did so with every appearance of having the utmost faith himself in it and with the determination to win.

There was a fellow feeling between the people of the West and myself in their efforts to secure the irrigation of their arid lands. They desired to put water on land which had none, whereas in my portion of Louisiana the people wished to restrain the floods of the mighty Mississippi River which swept down to the Gulf with the accumulated waters of 31 States, frequently bearing death to many persons and destruction to vast quantities of property. It seemed to me to be very natural that, as I desired the water kept from the lands of my State, I should aid the people of the West in their effort to put water on their arid lands; hence I early took an interest in Senator NEWLANDS and the great measure which he advocated so enthusiastically.

It was a long time before he could secure the passage of his bill. I well recall that the river and harbor bill, in which I was intensely interested, was talked to death by Senator Carter of Montana because of its failure to carry an appropriation of about $300,000 to irrigate some lands in the State of Montana. That was in the spring of 1901; and the great bill carried $54,000,000 for improving the waterways of the Nation for purposes of navigation.

Within a year from that date the sentiment in favor of irrigation had grown materially, Senator NEWLANDS and other friends had been doing wonderful work, and President Roosevelt, the remarkable man who then occupied the White House, had sent to Congress the strongest kind of message in favor of general irrigation in the West. With the aid of that message, and of many representatives from the Mississippi Valley, Senator NEWLANDS succeeded in passing his great reclamation act, to my mind one of the most magnificent pieces of constructive legislation passed by Congress during the 19 years of my service—a measure under which over $100,000,000 has been expended, which has made not two blades of grass to grow where none grew before but wonderful crops, beneficial to the whole Union, on millions of acres of land that were entirely arid before, and initiating a program which is going to result in the reclamation of a great many more millions of acres of land now utterly worthless because of the lack of life-giving water.

It was a wonderful conception, a marvelous accomplishment, and it is the greatest monument, in my judgment, to the memory of FRANCIS G. NEWLANDS and the other western Representatives and Senators who worked so hard and so faithfully to secure its passage.

Another matter that caused me to take an interest in Senator NEWLANDS was his enthusiastic advocacy of flood control. That matter has been alluded to by one or two Senators who have preceded me, but it came home to me, Mr. President, as perhaps no other Member of this body, for my own section of Louisiana has time and again been devastated by the Mississippi's floods. My State has 14,000 square miles of land subject to overflow when that great river breaks its bounds. There are 28,000 square miles of such land in the valley of the Mississippi, and great floods have often swept over that area, more fertile than the valley of the famous River Nile.

During his entire congressional career, at least since I have been a Member of Congress, which embraces a period of 19 years, Senator NEWLANDS was a friend of flood control. He had a great conception about it. He desired to control water in all its forms from the time it fell from the clouds until it evaporated and became a cloud again. His idea was that Congress should create a great waterways commission and give it money and authority to handle water for every purpose, to purify the streams in order that the water might conserve the best purposes of health and sanitation, to regulate the underground flow of water in order that agriculture might be benefited and improved; to regulate it so as to increase the growth of our forests; to drain the 77,000,000 acres of swamp lands in this country, 120,000 square miles of swamps, an area equal to two and a half times the total area of the State of Louisiana; to control floods in every part of the Nation, not alone on the Mississippi River but all over the Union; and his conception always took in the use of our internal waterways for purposes of navigation.

It also included the control of the mountain torrents for hydraulic power. He wished to harness this water and create an enormous quantity of valuable power. His plan was a big one. Years ago he introduced the first bill for the Newlands National Waterways Commission, and sought to have Congress appropriate $60,000,000 a year for 10 years—a total of $600,000,000. Some day that sum will be appropriated; but the Senator looked further into the future than most of us, and I doubt if a dozen Senators agreed with him on the large appropriation to be carried in his bill. I for one disagreed with him on it, but he finally persuaded the majority of the Senate to create the National Waterways Commission and arm it with the necessary money and power to make investigations and report upon all of the uses of water—appropriations for same to be made hereafter if the reports are approved. Every legitimate and proper use of water is to be studied and reported upon by this great commission, which was provided for in the river and harbor act of last year. It was a Herculean task to persuade Congress to agree to the creation of that commission, and it gives me much satisfaction to recall that I aided Senator NEWLANDS therein to the best of my ability. The Senator did not live to see the commission actually appointed. Its members have not yet been named. I presume the President has been so engaged by his duties in connection with the war that he has not found time to select the seven strong men for this truly great commission; but they will be appointed some day, and will evolve plans to be presented to Congress that, in my judgment, will result in very beneficial laws, which, in turn, will become other great monuments to the memory of FRANCIS G. NEWLANDS.

Mr. President, I knew the Senator well. Though I differed with him on some subjects, I admired his ability greatly, and I was much pained and shocked when I heard of his untimely death.

One of the best friends and greatest admirers of Senator NEWLANDS was Mr. F. H. Newell, for a long time head of the Reclamation Service and now chief of the department of civil engineering in the University of Illinois. Prof. Newell has sent me a brief statement with regard to the Senator, which I will conclude my remarks by reading:

FRANCIS GRIFFITH NEWLANDS.

"Senator NEWLANDS remains in the memory of his friends a man at all times courteous and considerate of others whether Senators or servants. With his strong, decided views on many points he necessarily differed from many of those about him, but in his intercourse or reference to his opponents he preserved a rare degree of consideration for them. In spite of the difficulties, embarrassments, and petty annoyances which make up the life of an active business man and Senator he maintained his characteristic poise, meeting all situations with his rare sense of humor.

"As a statesman his chief characteristic was that of the breadth of his views and his grasp of national and international relations. He was a man of vision without being visionary. His thoughts were not bounded by civil divisions, but included the whole United States and its relation with other countries. He looked far ahead and discussed the needs of legislation so much in advance of his colleagues that one of them jokingly said: 'Whenever we want to find out about a subject now being

discussed we look up what NEWLANDS said concerning it 10 years ago.'

"Thus it was with the reclamation act, which is forever connected with his name. He worked for this ideal even before coming to Congress and endeavored to persuade the State of Nevada to take the lead. Failing in this he, as Representative from Nevada, drafted many bills providing for the reclamation of the arid west; in season and out with rare persistence and tact he kept continually forward the conception that it was the duty of the Nation as the proprietor of unutilized but valuable lands to make these available for homes. He attracted to the support of these measures other men both in and out of Congress and presented his ideas so clearly and persistently that they could not fail to be adopted.

"Senator NEWLANDS seemed never to tire, but displayed a most unusual persistency in his advocacy of large ideals and measures such as those embodied in part in the reclamation act. This had no sooner passed into law and become effective than he took up and urged year after year the continuation of similar principles which involved a higher degree of cooperation and coordination of governmental functions in developing and utilizing other resources in the United States. At the time of his death he was still urging action which would extend to other parts of the country some of the benefits of water conservation, flood protection, and development of power such as were in part covered by the reclamation act. The country as a whole lost in his death the activity of one of the most unselfish and yet persistent advocates of internal development."

Mr. THOMAS. Mr. President, I was acquainted with Senator NEWLANDS during the last 25 years of his life. I met him at the convention of 1892 in the city of Chicago. My subsequent relations with him were intimate and cordial. I was not in Washington when he died. The news of his demise reached me through the press dispatches. I was not even aware that he was ill when I learned that he was dead.

During my membership in this body our acquaintance ripened into a close and intimate friendship. Naturally I saw much more of him than before, and I learned to appreciate him, not only as a fellow legislator but as a companion in all that the term implies. His death was a great shock to me, and I could not but reflect how many Members and former Members of this body had passed away during the short term of my service in it. I have had frequent occasion since then to indulge in the same reflection, for the hand of death has been busy in this body since it convened on the 2d day of April, 1917. Ten of our Members have gone to their long home. Who will next be called we do not know, but I am sure that if it can be said of him, as it can be said of FRANCIS G. NEWLANDS, that his life was an open book, and his work an earnest of his devotion to his country, he will not have lived in vain.

Senator NEWLANDS possessed in high degree two fundamental qualities of statesmanship—the one, perseverance; the other, imagination. The union of these in a man bent upon the accomplishment of a given object makes him a strong force for its ultimate accomplishment. He believed thoroughly in this Republic, and loved the West with a passionate devotion. It was the mainspring of his efforts for western development.

Senator NEWLANDS was a national representative. He was a stateman in the broadest sense. We are too prone, as Members of the Congress of the United States, to regard ourselves more as the representatives of the political divisions which choose and send us here. We are too apt to exalt the wants, prejudices, preferences, and selfishness of our immediate constituencies above the calls and requirements of national duty. Hence it is reassuring to find in such surroundings a man of broad national views like Senator NEWLANDS, who regarded his duty always as first to the Nation, yet loyal to his State.

It has been said that a sense of duty arises from a consciousness of public responsibility. His consciousness of public responsibility was always present with Senator NEWLANDS, and the dominant note in all of the utterances which he made upon this floor when speaking to some great measure pending before it.

He had also the element of moral courage—a quality greatly needed in public life, and, unfortunately, all too rare in this hour of the Nation's crisis. He did not act impulsively, but only after due and careful deliberation. Having resolved upon a course he could not be dissuaded from it. He was not a Titan, striking sledge-hammer blows in behalf or in defense of his purpose. His power was rather that of the sunshine. Its constant play upon the forces of the opposition sometimes slowly but always surely overcame opposition or tended to the accomplishment of his objects.

His disposition was singularly sweet and attractive. I have seen him occasionally lose his temper when under great provocation. I never knew him to remain out of humor 10 minutes at any time. He could not be an enemy, because he could not carry malice long enough to provoke resentment. He won his way through the world by a genial disposition, an excellent temper, a quiet but overwhelming determination, and a thorough acquaintance with every subject which engaged his energies. He is gone, Mr. President. His death has left a void among us which can not soon be filled. As we mourn his loss, we pay tribute to all that he did and all that he desired. Let us hope that "when," in Tyndall's phrase, "we shall like streaks of morning cloud have melted into the infinite azure of the past," the same may be said in small measure of ourselves.

Mr. CUMMINS. Mr. President, I very deeply regret that absence from Washington made it impossible for me to be in the Chamber during the entire memorial services.

I shall not attempt to express, even measurably, my sense of the overpowering loss which, as an individual, I sustained in the death of Senator NEWLANDS. We were close, intimate friends, and I entertained for him an affection which during my whole life I have felt for few, very few men. We were companions in so many conferences and discussions upon public affairs that it is difficult for me to realize that never again am I to experience the joy of his delightful presence, the warmth of his gracious personality, and the strength of his wise and exalted counsel. In all the wide range of the subjects in which we were so vitally interested no man ever helped me more than this sound-hearted, broad-minded, highly cultured, well-trained student of political economy. To the end of my days I shall gratefully remember his exceeding kindness, his fine inspiration, his wonderful fellowship, and his earnest, though tolerant, leadership. I shall never cease to mourn the fate which carried him from our world to the rewards of the future at the very climax of his usefulness and power.

My chief, indeed my only, purpose upon this occasion is to record in an enduring way my estimate of his service as a Senator of the United States and of the value of the heritage which he has bequeathed to us and to all who are to follow us.

My acquaintance with Senator NEWLANDS began in the early years of the last decade when he, as Senator and member of the Waterways Commission, and I, as governor of Iowa, came together in an effort to advance the movement for water transportation. He had been long engaged in the work. I was a stranger to it. He was familiar with every phase of the subject. I had yet to grasp its full significance and supreme importance. Comparisons are said to be odious, and I recognize that there have been and are many men whose contributions to this subject have been invaluable, but I am sure that I may be permitted to say without offense that in the persistency of his labor, in comprehension of the whole intricate problem, in the tremendous energy he expended in turning the country toward practical achievement, in the zeal with which he reiterated his well-matured views upon every proper occasion he rose high above all his fellows. It is in these and in kindred qualities that his greatness is to be found.

He was not a dreamer, but a man with vision, and he was always able to clothe his abundant imagination with the realities of development. He was a prophetic philosopher and could not only foretell in speech but could clearly see the course which the Nation must pursue to attain its ends. He loved to surround himself with pictures of things as they are to be, and they were as real to him as they will be to the generation before which they will rise up in form and substance.

How often have we heard him from his place in this forum with unflagging industry and noble eloquence appealing for the future—for the reclamation of our deserts; for the preservation of our forests; for the proper use of all our natural resouces; for the regulated flow of our streams; for the construction of reservoirs to confine our waters in flood time; the straightening of channels; the protection of river banks; and the indissoluble union that must be established between land and water carriage, all to the one great purpose that every force capable of working in harmony should be invoked and the mighty volume of production be distributed throughout the country easily, quickly, and cheaply. All these things will come, and are coming day after day; but he was one of those rare men who could visualize them as a complete whole even before their disjointed parts began their inevitable movement toward each other. We used to jest with him now and then about his frequent use of the word "coordinate," but we knew all the time that he employed it with the utmost discrimination and accuracy. The truth is that the word was not only frequently upon

his lips but it was the keynote of his life. He perceived, as few of us do or can, the actual relation between the potentialities of nature and the activities of humanity. Most of us fail to grasp this vital kinship and lose the strength that ought to be summoned to achieve the desired result. With him it was instinctive, and in felicitous, faultless language he could marshal all the contributing factors until his hearers could see them converging to accomplish a common purpose. This was his coordination, and nothing truer or higher can be conceived by mortal man.

When I came to the Senate in 1908 Senator NEWLANDS was a leading member of the Committee on Interstate Commerce and soon became its ranking minority member. With the change in the political complexion of the Senate he rose to the chairmanship and continued as the head of the committee until his death. It happened that I was assigned to that committee, and shortly after the change in the administration I became the ranking minority member. I mention these things only to indicate the opportunity I had to know the qualities of his mind and the integrity of all his work.

This committee undertakes the consideration of all bills relating to our interstate commerce save those which affect the improvement of rivers and harbors. In times of peace the authority to regulate commerce among the States is the broadest and most important power granted by the Constitution, and it was most fortunate that leadership upon such a subject was conferred upon a man so superbly fitted to guide and direct. He was diligent, watchful, and tactful; but that is saying little, for these are common characteristics. He was vastly more. He brought to the committee that wide knowledge and perfect understanding of the relation which the component parts of commerce bear to each other, which I have mentioned with respect to other subjects. The regulation of our 250,000 miles of railway was his chief concern. While admitting that the interstate-commerce act and the Interstate Commerce Commission had done much to correct the wrongs and mistakes of transportation, his unerring vision detected the inherent and fundamental defects in the system. It was again an instance of want of coordination. Not for a moment did he hesitate in reaching down to the underlying causes of failure and in exposing them to the view of less analytical observers. He believed that adequate regulation could not be secured until all railway corporations were organized under the laws of the United States, and without entering into the detail of his marvelous plan it is enough to say that, under my observation, he gave 10 years of his life to the movement, and led it from the darkness of total obscurity and the weakness of almost universal opposition to the very point of general approval and acceptance. With the dawn of victory gladdening his weary eyes, the summons of the Master came.

Greatness is elusive and hard to define. No man is great in all things and few are great in anything.

The man who leaves behind him an indelible impress for good upon the world was a great man. The man who found his country wrong in any material thing and by his influence left it right was a great man.

In this rank I enroll FRANCIS GRIFFITH NEWLANDS.

Mr. HENDERSON. Mr. President, the passing of FRANCIS G. NEWLANDS came at a time when the State, and in large measure the Nation, could ill afford his loss.

Never before were the people of the United States and the Congress faced with problems affecting so directly every phase of our national life and our international relations, whose solution will shape the destiny of man for centuries.

The welfare of our present and future millions depends absolutely upon the decisions that must be reached in this Chamber. To the wise solution of these problems must be brought not only the wisdom and experience of the past but an ability to penetrate the future and judge its needs. This demands vision. Such vision had Washington; such vision had Lincoln; and such vision had he whom we miss and honor at this hour.

Had Senator NEWLANDS lived, his vision, his energies, and his talents would have been generously devoted to the great new work at hand, and his advice and counsel would have made straight and plain many of the paths that now seem dark and uncertain. But it is not to be given to us to measure what that service might have been, for he has taken his honored place among those who have served the Republic, and his name stands high upon the Nation's honor roll as one who foresaw and made wise provision for his country's development and welfare.

Now that the Book of Life is closed to him here, of how little moment it is, where and when he was born, or from whence he sprang; of how little concern is a record of his comings and goings and the events that marked his useful life of 69 years. His fame rests not on these, but will endure through his great works accomplished here; through his clear vision coupled with rare capacity for work which made him one of the great constructive statesmen of his time. He will live in the hearts of grateful millions as that great empire reaching from the watersheds of the Mississippi to the boundaries of California attains its highest development and fructifies because of the wise and beneficient plans of water storage and control and the irrigation and reclamation of arid lands, so ably fostered and developed by him.

In reviewing the life work of Senator NEWLANDS, recalling many conversations had with him on the great problems to which he had addressed himself, there has repeatedly recurred to me the words and the vision of another great statesman, Edmund Burke, who said in his speech on conciliation:

> "Young man, there is America—which at this day serves for little more than to amuse you with stories of savage men and uncouth manners; yet shall, before you taste of death, show itself equal to the whole of that commerce which now attracts the envy of the world. Whatever England has been growing to by a progressive increase of improvement, brought in by varieties of people, by succession of civilizing conquests and civilizing settlements in a series of seventeen hundred years, you shall see as much added to her by America in the course of a single life!" If this state of his country had been foretold to him, would it not require all the sanguine credulity of youth, and all the fervid glow of enthusiasm, to make him believe it? Fortunate man, he has lived to see it! Fortunate indeed if he lives to see nothing that shall vary the prospect and cloud the setting of his day!

Senator NEWLANDS had the same vision of Burke as to the future of America. And to him was given the privilege and the opportunity to make much of the dream of both come true.

His life spanned a period in the development of the United States of America in which greater progress was made in the work of controlling and utilizing the forces of nature for the benefit of mankind than had ever been made before in any period of human history.

When he was a youth the vast territory extending from the Mississippi River to the Pacific Ocean was almost an unbroken wilderness, unpopulated and undeveloped. Through the ensuing years the part he took in its transformation is conspicuous and truly worthy.

From the beginning to the end of his public carreer, both as a Member of the House of Representatives and of the Senate, covering a period of 25 years, his dream of conquest was for the conquest of the deserts and their subjugation to the uses of mankind. To a large extent he lived to see the fulfillment of that dream. It is conceded by those familiar with the events leading up to the enactment of the United States reclamation act in June, 1902, that without his efforts in its behalf there would have been no such law, though no one could have been more generous than he in extending to his coadjutors in that great undertaking the fullest measure of credit and recognition. The reclamation act before its passage was known as the Newlands national irrigation bill. He suggested the plan of providing a revolving fund from the proceeds derived from public-land sales, and around the measure embodying this idea he organized the western Representatives solidly in its support. The success of the engineers of the Reclamation Service in the contruction of the great engineering works built under the reclamation act was to him a source of never-failing gratification.

Great as was his work on reclamation, of more far-reaching import were his efforts on water control, centering largely on the Mississippi and its vast watershed.

He was born at Natchez, Miss., on the banks of the great Father of Waters. Those were the days when the river was crowded with the splendid river steamers, which were a feature of the earlier development of transportation in this country.

It is an interesting fact that one of the greatest ambitions of his later years was a restoration of the rivers of the country to their rightful place as a part of a great coordinated system of rail and water transportation, and particularly that the Mississippi River, on the banks of which he was born, should again enjoy its rightful heritage as one of the greatest carriers of water-borne commerce in the world.

Looking backward he saw in his mind's eye that mighty river carrying on its bosom the crowded commerce of a vast inland territory, teeming with a life filled with events that stirred men's blood and with a romance that fascinated their minds.

Looking forward he saw the vision of that magnificent river harnessed and controlled, its floods conquered and made to do man's bidding, its depth standardized and flow regulated, its banks stabilized and lined with thriving communities, the gateways through which a rich and populous land, well named "The Sugar Bowl of the Continent," shall pour into the world's commerce its contributions to the needs of man.

Since Marquette first threaded the swamps of that river's valley and Ponce de Leon sought the Fountain of Youth along

its lower reaches, the menace of devastating floods has hung like a pall over that region. The Ohio, the upper Mississippi, and the Missouri have poured their flood waters into the lower Mississippi without let or hindrance.

Looking forward, again, into the glass of the future he saw the floods prevented at their source; he saw the freshet waters held back and absorbed into Mother Earth, our greatest reservoir, to nourish the growth and increase the fruitage of plants and trees; he saw the floods impounded in surface reservoirs and used to drive the power wheels for industry; he saw the source streams on all that vast watershed, comprising one-third of the entire area of the United States, regulated and controlled; he saw the time when floods shall be no more, and when the now wasted flood waters shall be proved to have been, as he so well characterized them, "The Nation's greatest asset," he saw the channels of all the source streams which are now raging torrents in winter and dry beds in summer changed to cool and beautiful perennial streams, flowing gently through deep pools, between banks overhung with verdure, and led out through myriads of ditches to carpet the fields with green and water the gardens around countless homes where men and women and their children shall have found a land of plenty.

It is not alone in the arid region that irrigation is a blessing. In the not distant future, in every State of the Union, millions of irrigated garden homes will contribute food for the family, and the Nation will be astonished at the yield from the magic touch of water. In the humid region supplemental irrigation is crop insurance, and will prodigiously increase crop production. These are the benefits of source stream control and river regulation in which every farmer may participate, whether his farm be located on the prairies of the central West, among the hills of New England, in the Allegheny or Appalachian Valleys, or in the arid region.

His labors in this field of water conservation, water development, and water utilization were not limited to the West. He thought always as a national statesman, never as a local representative only. His vision of the national benefits from the control and use of water covered every watershed in the United States and every use to which "the Nations greatest asset," its unused waters, could be put. Not the least of these uses was navigation, and a great national network of waterways was the keystone of the arch of the system he proposed.

His efforts in this field culminated in a legislative measure known as the Newlands river-regulation bill. That bill provided a complete and comprehensive system for regulating the flow of all the rivers of the United States and all their source streams, through coordinating for teamwork, in place of the chaotic confusion that now exists, the Departments of War, Interior, Agriculture, and Commerce, in cooperation with the States and all local agencies, or, as he himself expressed it in the bill, "with a view to assigning to the United States such portion of such development, promotion, regulation, and control as may be undertaken by the United States, and to the States, political subdivisions thereof, municipalities, communities, corporations, and individuals such portions as belong to their respective jurisdictions, rights, and interests."

The larger measure was summarized and epitomized in an amendment to the river and harbor bill which became a law on August 8, 1917, and has been known as the Newlands river-regulation amendment. The appointment of the commission created by this river-regulation amendment will practically bring to fruition the life work of FRANCIS G. NEWLANDS in that field. It was his belief that the creation of that commission, not as a mere investigating commission, but as a permanent coordinating commission, with a membership in sympathy with the broad and comprehensive purposes of the act, would insure to the people of the country the far-reaching benefits contemplated in the original bill, as fast as the work of construction can be practically carried forward. Every great structure built in the future through the work of that commission will stand as an enduring monument to the life work of FRANCIS G. NEWLANDS.

While water conservation is perhaps the most conspicuous achievement of FRANCIS G. NEWLANDS, it by no means marks the limit of his accomplishments as a national legislator. He took an active part in many matters of national importance. It may be said of him that throughout his long career in Congress there was hardly an important subject that had not the benefit of his intelligence, his judgment, and his powers.

Senator NEWLANDS's quarter of a century of service in Congress was marked by unremitting study, which took him deep into the fundamentals of the various phases of the legislation he sought to develop, by tireless energy, and finally by high accomplishment. As has been well said before, any one of several of his efforts was great enough to have been the great life work of a great man. He fairly earned the verdict so freely given him by the people of Nevada, "Well done, good and faithful servant."

Mr. President, on August 2, 1917, Senator NEWLANDS delivered in this body an address on river development, water conservation, and coordinated rail, river, and ocean transportation. At that time permission was granted the Senator to insert historical statements on this measure, containing extracts from messages of various Presidents, extracts from reports of committees, and other public matter, both in newspapers and in the public records, and letters relating to this subject. When I arrived in Washington I found that these remarks had been corrected and these historical data had been supplied, and permission having been granted at that time, I now send to the desk the remarks of the Hon. FRANCIS G. NEWLANDS on the subject just enumerated, with the data attached, and ask that they be printed in the RECORD.

The PRESIDING OFFICER (Mr. POMERENE in the chair). Without objection, they will be ordered printed in the RECORD.

The matter referred to is as follows:

"RIVER DEVELOPMENT—WATER CONSERVATION—COORDINATED RAIL, RIVER, AND OCEAN TRANSPORTATION.

[Remarks of Hon. FRANCIS G. NEWLANDS, of Nevada, in the Senate of the United States, Thursday, Aug. 2, 1917.]

The Senate had under consideration the conference report on the river and harbor bill, confirming the following Senate amendment:

Mr. NEWLANDS. "Mr. President, I quite agree with the Senator from Minnesota [Mr. NELSON] as to the importance of bringing the rail and water carriers into coordination and cooperation. I wish, however, to call the attention of the Senator from Minnesota to the fact that, desirable as the cooperation and coordination of rail and water carriers is, we must have a perfected instrumentality for rail carriers and must have a perfected instrumentality for water carriers; and a complete and perfect waterway is as essential for water carriage as a complete and perfect railway for rail carriage.

THE RHINE AND THE DANUBE.

"We have been singularly lethargic in our movement for the perfection of our waterways. The newspapers announce that, even during the stress of war, Germany and Austria have agreed upon a plan, and are now engaged in its actual execution, of connecting the headwaters of the Rhine, which empties into the North Sea, with the headwaters of the Danube, emptying into the Black Sea. When that is done we shall find as the result that the perfectly coordinated system of waterways of Germany—uniting all her waterways by artificial connection in such a way that you can proceed from one part of Germany to any other part of Germany by waterway—will be united with an equally perfected system of waterways in Austria. When this war ends that great union of coordinated empires will have the most perfect system of rail, river, and ocean transportation in the world.

COORDINATED RAIL AND RIVER TRANSPORTATION.

"Mr. President, I wish to add something further to what the Senator from Minnesota has said. He has suggested that, as chairman of the Interstate Commerce Committee, I should apply my energies to bring the rail and waterway carriers into coordination. I wish to say that that matter has received my utmost earnest attention, and is now before the Joint Committee on Interstate Commerce of the Senate and the House of Representatives, of which I have the honor to be chairman, and which is considering the whole question of waterway transportation. If the Senator will read the reports of the hearings held by that joint committee, he will find how large a space is devoted to the consideration of a perfected waterway system, with a view of bringing rail carriers, river carriers, and ocean carriers into coordination.

"Now, Mr. President, I wish to express my great gratification that the amendment of the Senate providing for a waterways commission has been accepted by the House conferees.

THE RIVER REGULATION BILL.

"This amendment embodies the substantial features of a measure known as the river regulation bill, which some of us have been urging for years for the practical coordination of the engineering and scientific services of the country engaged in the study of our water resources in order that those resources may be fully utilized for navigation, irrigation, swamp and arid land reclamation, water-power development, and all other useful purposes for which the surplus waters that are now wasted may be beneficially used, and for the coordination of the Nation with the States in plans and works for the full development from the source to the mouth of all waterways in such a way as to eliminate destructive floods and to utilize flood and stored waters for beneficial and wealth-producing purposes.

"Such legislation was approved nearly 10 years ago by the Inland Waterways Commission appointed by Mr. Roosevelt, and has been supported by Mr. Roosevelt and by Mr. Taft, as well as by President Wilson and his Cabinet. Whilst the provision in the river and harbor bill does not carry the large appropriations contemplated in the original bill introduced by me and urged for so many years, it does provide for its entire plan of organization and administrative machinery, and under it plans for construction can be perfected and submitted for the approval of Congress.

"I predict that the passage of this measure will open up a new era in transportation and that under it a perfectly coordinated system of rail, river, and ocean transportation will be developed. I predict also that destructive floods will be mitigated and eventually eliminated; that swamp lands will be restored; that arid lands will be reclaimed; that intensive cultivation and forestry will be stimulated by supplies of stored water; that water power will be developed for municipal and power uses; and that under its provisions a remarkable conservation of the natural resources of the country will be established.

"No one can picture the beauty and perfection of our waterway system when our river banks can be made stable, when the channels become fixed and the flood plane determined and controlled, and when thriving towns and cities will be established at places which have been for years threatened with constantly rising floods and recurring overflows.

WATER CONSERVATION A WAR MEASURE.

"As a war measure nothing surpasses in importance this measure. Our rivers, connected with each other by artificial channels, and with the Great Lakes, and with the gulfs and oceans, will carry the cheap and bulky articles of freight which are now burdening our railroads to the point of congestion.

"We must not overlook the fact that the war is enormously stimulating industry along lines that are largely temporary. Peace will bring far-reaching stagnation, unless some great constructive policy for building internal improvements is substituted for the stimulus to industry created by the war, which will be withdrawn when peace returns. The plans for such a great national constructive era for internal improvement and development can now be made before the war closes. The instant peace has been achieved this Nation can turn the same indomitable energy that it is now devoting to winning this war against a foreign foe to winning a greater war against the destroying forces of nature, and to the creation of new wealth, by building waterways, by creating new communities on reclaimed lands, by developing water power, by controlling floods, by planting forests, by preventing forest fires, and by conserving for the best and highest use, for the benefit of all the people, the natural resources of the country.

THE SAME ALL-CONQUERING ENERGY.

"The greatest waste that takes place in this country to-day is the waste of its surplus waters, which are the Nation's greatest asset, but which now run to waste in the sea, carrying destruction in their path in the form of devastating floods. We must learn to conserve that waste and to transform it into wealth—we must learn to fight that devastation with exactly the same all-conquering energy that we are now devoting to war. In no other way can the period of industrial depression that will otherwise be the aftermath of the war be so effectually averted. If that is to be done the great work of making the working plans for construction must be done before the war ends. It must be begun now and prosecuted with the same diligence that war measures are being prosecuted. This great work of building internal improvements and creating densely settled rural communities on newly reclaimed lands and on old lands protected from overflow or fortified by an abundant water supply, will furnish a way of providing for the industrial employment of the hundreds of thousands of men who will return from the war when it has closed and their terms of enlistment have expired, and for whom occupation must be provided in time of peace.

STRENUOUS ECONOMIC COMPETITION.

"We can not ever expect to maintain a large army in idleness in this country in time of peace, but we can maintain an industrial army. The pressure of the strenuous economic competition that will prevail in the world after the war will not permit the economic waste of a large army of idlers. If we have an army it will have to be a working army, engaged in the construction of works of internal improvement, such as are contemplated in this provision for river regulation which is embodied in the river and harbor bill.

"In the economic era that lies ahead, that nation which applies the greatest science and skill in the elimination of waste, in the conservation of natural resources, and in the development of opportunity, will fare best in material progress, in the creation of national strength and wealth, and in the progressive development of world influence. This river-regulation provision opens the gate wide for us.

A CONSTRUCTIVE EXECUTIVE.

"Mr. President, the agitation which has finally resulted in the adoption of this measure has been going on for more than 10 years; very many have contributed most materially to its advancement; waterways associations and chambers of commerce and boards of trade throughout the country have had their attention directed to this movement and have approved it, and many eminent, energetic, and public-spirited men have contributed to its advancement. I wish to say, however, that my experience in Congress has been that it is very difficult for an individual Member of Congress to initiate and carry through within a reasonable period any great constructive work of legislation. It took 10 years to carry through the reclamation act, and then we had to summon to our support the matchless energy of Theodore Roosevelt, without whose aid the passage of that bill would probably have been much longer delayed. It is absolutely essential that there be a constructive Executive to focus the attention of the country and of Congress upon a particular constructive measure. So it was in reference to the Trade Commission, a measure which had been pending here for years, and which needed the energizing force of President Wilson to carry it into accomplishment; so it is with this measure. Every friend of waterway development is indebted to Mr. Wilson for the painstaking attention which he has given to this subject. He appointed a Cabinet committee to investigate it and to make a report to him, and ever since that time he has been the firm and consistent friend of a great, comprehensive measure for the development of our waterways and the conservation and utilization of our water resources.

THE EDUCATIONAL CAMPAIGN.

"I can not in this connection close in reference to those who outside of Congress have been active in this movement without referring to Mr. George H. Maxwell, the Executive Director of the National Reclamation Association, who is so prominently identified with the national reclamation movement, who conducted the educational campaign throughout the country for 10 years which finally led to putting that measure upon the statute books; who, ever since then, has been continuously connected with the Nation-wide educational campaign for the passage of this measure, and who, as the trusted adviser of the Flood Commission of Pittsburgh and of the Reclamation Association of Louisiana, gave his ripe experience to the subject of conducting this great educational campaign, and the prosecution of the work of those organizations. In connection with that work, he lived for nearly three years in Pittsburgh, from 1908 to 1911, studying the flood problems of the Ohio River Valley, and during 1912 and 1913, the two great flood years, he was in New Orleans studying the flood and waterway problems of the Mississippi River Valley.

"Mr. President, I would be glad to mention other names, among them the names of Frederick H. Newell; Gifford Pinchot; the late W J McGee; Herbert Knox Smith; Walter Parker, of New Orleans; Robert H. Downman, of New Orleans; Joseph N. Teal, of Oregon; the late Charles B. Boothe, of Los Angeles, for many years president of the National Reclamation Association; William E. Smythe, of San Francisco, the founder of the National Irrigation Congress; Francis Cuttle, of Riverside, chairman of the Tri-Counties Reforestation Committee; J. L. Craig and George McM. Ross, of Stockton, Cal.; Gov. Hall, of Louisiana; Gov. Capper and J. B. Case, of Kansas; and Herbert Quick, of the Federal Farm Loan Board.

"The General Federation of Women's Clubs of the United States, through its present chairman of conservation, Mrs. John Dickinson Sherman, and her predecessor, Mrs. Emmons Crocker, have been unfaltering in their support of this measure, which is equally true of innumerable State and local women's clubs, under the leadership of such loyal adherents as the late Miss Hattie M. Carstens and Mrs. B. F. Williston, of Detroit; Mrs. Foster Elliot, of Los Angeles; Mrs. Roydan Douglas, of New Orleans; and many others who ought to be mentioned. In fact, there is hardly a State in the Union which has not furnished its quota of zealous advocates of this plan for river regulation which is embodied in the measure now befor the Senate. Their name is legion, and the mention of a few involves no lack of appreciation of the faithful work of the many who are entitled to recognition."

Mr. HENDERSON. In this connection, Mr. President, I ask leave to insert a historical statement of this measure containing extracts from the messages of various Presidents, extracts from reports of committees, and other public matter, both in news-

papers and in the public records, as well as letters relating to this subject.

The PRESIDING OFFICER. Without objection, leave will be granted. The Chair hears no objection.

The matter referred to is as follows:

TOPEKA, KANS., *April 5, 1917.*

Hon. FRANCIS G. NEWLANDS,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I thought you might be interested in the inclosed letter, which I have received from J. B. Case, of Abilene. You probably know Mr. Case. He is one of our finest citizens and a great booster for your bill. I think he is right in his views.

With best regards, I am,
Very respectfully, ARTHUR CAPPER.

FARMERS' LOAN & TRUST CO.,
Kansas City, Mo., April 3, 1917.

Hon. ARTHUR CAPPER,
Topeka, Kans.

MY DEAR GOVERNOR: I inclose a clipping of the Star of this date, which goes to show how slow and careless the people of the United States perform and also goes to show the great projects that Senator NEWLANDS has figured out in the interest of the West; I say West—in the interest of the whole country; but it looks to me as though it were up to the West to push this matter of the Newlands bill harder than we ever have before.

It also goes to show that with Germany's great war and expense that the present indications of war in the United States should be no reason why this Government should not take up the Newlands project with the sum of $600,000,000 in comparison with the $163,000,000 which Germany has already appropriated for a like construction.

I have recently been drafted by this company as its president, but do not think I will change my residence, as I expect to spend part of my time in Abilene as usual.

Yours, truly, J. B. CASE, *President.*

[From the Kansas City Star.]

GERMANY PLANS A NEW SHIP CANAL.

In the midst of war Germany is planning vast industrial developments and internal improvements to be carried out after peace comes. One of the most gigantic of these has in it a lesson for Americans, and especially for those of the Middle West. It is a ship canal 440 miles long, 120 feet wide, and 11 feet deep, capable of floating vessels of 1,200 tons, to connect the Main and the Danube Rivers. It will cost $163,000,000 and will require eight years to build. The Bavarian Government has already made arrangements to raise its share of the cost.

By following the course of this canal on a map of Germany an idea of its importance may be had. The River Main is to be deepened from its confluence with the Rhine at Mainz to Nuremberg. From there the canal will go south to the Danube. When this work is finished boats from the North Sea may enter the Rhine, go up to Mainz and enter the Main, and so on to the Danube and down that river to the Black Sea.

Why is Germany going to spend such a vast sum on an internal waterway? The answer contains the lesson from which America may profit. Mainly this work is to be done to relieve railway congestion. Germany's plans for great industrial development can not be carried out if the railways are to become congested with freight and traffic delayed. Experience has shown that in times of great activity the railroads are not adequate to handle the traffic. Germany has had that experience, just as we had it this year, and many times before. Germany, with an already widely developed system of waterways, has learnt how water-borne traffic relieves railway congestion. Between 1895 and 1905 the traffic on German waterways increased 125 per cent, and on railways it increased 71 per cent. The two systems work together, the waterways taking the poorest paying heavy merchandise, such as coal, sand, lumber, hardware, leaving the railways free for passengers and fast freight.

America's waterways are undeveloped. In time they will all be great arteries of transportation and then we shall not have the whole railway transportation system of this country stalled because of congestion from trains of coal and wheat and lumber and iron ore moving slowly on every line. Those commodities will go by water, as they do in Germany. If the United States is to keep up with Germany in the race for the world's trade we must plan for as great efficiency as Germany has, and one of the things contributing to that efficiency is water-borne transportation.

TREASURY DEPARTMENT,
Washington, April 18, 1917.

Senator FRANCIS G. NEWLANDS,
United States Senate, Washington.

MY DEAR SENATOR: You and I have been interested for years in the matter of the development of our inland waterways. You may possibly remember my book, American Inland Waterways, published in 1909 by Putnam.

For some years I have refused to take any interest in the matter of this development because of the conviction which has been borne in upon me that all plans for restoring commerce to our rivers will be futile, save under exceptional conditions, until a national policy is adopted which will require the railroads to correlate their business with the business of the waterways; will prevent them from pursuing policies which are destructive to waterway commerce; will enable shippers to route their shipments by land or water, in whole or in part, according to their needs; which will force joint traffic arrangements between water lines and railway lines; and which will build up our inland harbors with freight-handling appliances and means generally for putting the waterway transportation lines as nearly upon an equality with railway lines in the matter of service as is possible.

I am taking the liberty to address this letter to you at this time because of the fact that the railroads are, in my opinion, absolutely sure to break down completely under the load of freight which they will have to carry during this war.

We are urging the farmers to produce and produce, and to continue to produce, but we are providing no additional transportation of any sort for them. The slow, heavy freight not only ought to go by water where possible, but additional possibilities for its movements ought to be opened up, and the railroads should be, if necessary, coerced into allowing that sort of freight to come by water instead of breaking their backs trying to carry it by rail.

I certainly doubt whether complete development of the interior of a country like this can ever take place except by the development of our waterways.

Under the present conditions of the American railways prosperity can develop only up to a certain point. When this point is reached, prosperity is strangled by lack of transportation. This condition is intolerable, to my mind, and within six months I feel sure that it will be so regarded by all minds.

Whatever is necessary to be done in the way of legislation or constitutional amendments ought now to be done, in order that we may adopt a national waterways policy which will include not only reforestation to prevent the silting up of our waterways, but also headwaters control, a system of reservoirs on the general principles advocated by Mr. Marshall O. Leighton in 1907, and the development of the water powers which will be made available by such a system. At present the constitutional doctrine that nothing can be done in these matters except in the interests of navigation makes all coordinated effort in that direction difficult. May I suggest that now is the time for a "spring drive" in the direction of waterway development. I do not for a moment believe that you are oblivious of the fact that the present crisis is an opportunity, and I am writing this to express my belief that the breakdown of transportation which is now apparent will soon make transportation one of our big issues.

There are no cars for coal. The Packard Co. are delivering their automobiles all over the United States, even as far as the Pacific coast, by having them driven overland on account of lack of cars. I am told that in the city of Flint, Mich., there are from 15,000 to 20,000 automobiles parked in open places of the city for lack of storage room, every one of which has been sold to a customer but can not be delivered for want of cars. What will happen under the pressure of war and war orders and the movement of troops is something which the country and its legislators have not yet realized.

Please pardon this long letter, which I will not make longer unnecessarily.

Yours, sincerely, HERBERT QUICK,
Member Farm Loan Board.

HISTORICAL STATEMENT REGARDING THE WATERWAY MOVEMENT.

THE NEWLANDS RIVER REGULATION AMENDMENT: SECTION 18 OF THE RIVER AND HARBOR BILL OF AUGUST, 1917.

[By George H. Maxwell, executive director National Reclamation Association.]

A historical statement of the national campaign that has led up to the final adoption of the great comprehensive plan for river regulation provided for in section 18 of the river and harbor bill of August, 1917, known as the Newlands River Regulation Amendment, in place of the old and hopelessly inadequate, piecemeal system of river improvement is a most interesting chapter in the legislative history of the United States.

The river-regulation movement harks back to the very beginning of the agitation for national irrigation and water conservation in the West—even farther back than the founding of the National Irrigation Congress by William E. Smythe, more than a quarter of a century ago. Many of the early pioneers in the movement, like Maj. J. W. Powell, did not live to see the realization of their visions, but we are now within reach of that realization.

River regulation—the control of the surplus flow and flood waters on the source streams by systems of reservoirs—was the original idea of this movement when it first took the form of a nation-wide campaign.

The Newlands Reclamation Act, passed in 1902, was a compromise and provided only for the reclamation of specific tracts of land where the cost of the reclamation could be reimbursed from the lands reclaimed. It was not a complete adoption of the comprehensive national policy which had been theretofore urged upon Congress, the policy of regulating the flow of all rivers by reservoirs so as to increase the water resources of the Nation, without reference to any specific use of the water or any particular tract of land any more than has been the policy in other river improvements under the river and harbor bills.

The Newlands Reclamation Act was only a stepping stone to the more comprehensive river-regulation policy, which included in its scope the full conservation and utilization of all the vast unused and now wasted water resources of the United States, not only for navigation but for every beneficial purpose for which the water could be used.

Immediately following the inauguration of the new national policy provided for by the Newlands Reclamation Act the advocates of a nation-wide policy of river regulation returned to their active efforts to secure the inauguration by Congress of the whole broad river-regulation policy, and those efforts have at last culminated in its adoption through the enactment of this Newlands River Regulation amendment.

The most interesting and complete historical statement heretofore published with reference to this movement is found in the report of the Flood Commission of Pittsburgh, pages 1 to 5, from which the following is quoted:

"HISTORICAL.

"The regulation and control of the flow of navigable rivers in aid of interstate commerce is an important factor relating to the conservation, development, and use of the natural resources of the United States and the enlargement of its internal trade and commerce. When such a national policy has been adopted on a scale commensurate with the magnitude of the problem, it will not only promote navigation and water transportation but must also necessarily include the storage of flood waters for flood prevention and for all other beneficial uses and the protection of watersheds from denudation and erosion and from forest fires.

"Much has already been done, in a disconnected and inadequate way, toward the inauguration of such a comprehensive national policy for river regulation, and the work done and measures advocated by the Flood Commission of Pittsburgh are in the direction of an ultimate enlargement of that policy, which will be vastly beneficial to the entire country. The progress thus far made has been accomplished as the result of three organized movements:

"First. The national irrigation movement, culminating in the passage of the national irrigation act, which became a law on June 2, 1902. Under this act about $60,000,000 has been thus far expended in the construction of works for water storage and control in the western half of the United States. Several large reservoirs have been built on the headwaters of the Missouri River and its tributaries.

"Second. The Appalachian Forest Reserve movement, resulting in the passage of the Weeks Appalachian National Forest Act, which became a law on March 1, 1911. The purpose of this act, as expressed in its title, is 'to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers.'

"Third. The national storage-reservoir movement, which was first in order of date and was inaugurated by the Chamber of Commerce of Pittsburgh through the National Board of Trade in December, 1898. The resolution then presented by the Pittsburgh Chamber of Commerce to the National Board of Trade urged 'the storage of flood waters on the upper branches of navigable streams, to be held in use for irrigation, for checking damaging floods and liberating water in times of drought that will preserve streams in navigable condition.'

"In behalf of this proposition Mr. George H. Anderson, then secretary of the Chamber of Commerce of Pittsburgh, submitted a report, the preamble of which was as follows:

"Your committee, to whom has been referred the subject of the storage of flood waters on the higher tributaries of the navigable streams in the Mississippi and Ohio Valleys for improving navigation, providing for irrigation, etc., present the following report:

"After the discussion following the reading of this report, which is published on pages 59 to 76 of the Report of the Twenty-ninth Annual Meeting of the National Board of Trade, held in Washington in December, 1898, and in Appendix No. 6 of this volume, a resolution was adopted by the National Board of Trade embodying substantially the recommendations of the Pittsburgh Chamber of Commerce on this subject and laying stress upon 'the value of a system of improvement on the navigable waterways of the Mississippi and Ohio Basins for irrigating and making productive vast areas of arid lands, for the continued improvement of these rivers for transportation purposes, and diminishing the destructive power of floods.

"NATIONAL IRRIGATION MOVEMENT.

"The movement thus started by the Pittsburgh Chamber of Commerce was taken up by the National Irrigation Association, organized on June 2, 1899, and brought about the enactment of the national irrigation act previously mentioned. This association has persistently advocated the adoption of a national policy which is stated in the constitution of the association as follows:

"The preservation and development of our national resources by the construction of storage reservoirs by the Federal Government for flood protection and to save for use in aid of navigation and irrigation the flood waters which now run to waste and cause overflow and destruction.

"A national educational propaganda was inaugurated, based upon the action of the National Board of Trade on the resolution of the Pittsburgh Chamber of Commerce, and also upon the recommendations of the Chittenden Report, Document No. 141, House of Representatives, Fifty-fifth Congress, second session. This report was made under an appropriation contained in the rivers and harbors act of June 3, 1896, which provided, in section 8, for a number of preliminary examinations, among which was the following:

"For the examination of sites and report upon the practicability and desirability of constructing reservoirs and other hydraulic works necessary for the storage and utilization of water, to prevent floods and overflows, erosion of river banks and breaks of levees, and to reinforce the flow of streams during drought and low-water seasons, at least one site each in the States of Wyoming and Colorado.

"The Chittenden Report, transmitted to Congress on December 6, 1897, now out of print, has attracted wide attention and may be found in part in the report of the Chief of Engineers of the United States Army for 1898. An abstract of this report will be found in Appendix No. 6 of the report of the flood commission. After a most exhaustive examination and consideration of the whole question of the effect and value of reservoirs to aid navigation, to prevent floods, and to furnish water for irrigation, the following conclusions were stated:

"First. A comprehensive reservoir system in the arid regions of the United States is absolutely essential to the future welfare of this portion of the public domain.

"Second. It is not possible to secure the best development of such a system except through the agency of the National Government.

"The work of the Flood Commission of Pittsburgh has related primarily, of course, to the conditions on the headwaters of the Ohio River. It is worthy of note at this point that in considering the effect of flood-water storage on the Missouri River upon floods in the lower Mississippi Valley, Col. Chittenden said:

"The floods of the Mississippi are formed by the heavy rains in the low regions east of the ninety-eighth meridian and very largely come from east of the Mississippi itself. The great controlling element, in fact, in all the lower river floods is the Ohio River.

"The relation of flood-water storage on the upper Ohio and its tributaries to river regulation and flood prevention in the lower Mississippi Valley is thus clearly set forth, and makes manifest the fact assumed in the resolution of the Pitsburgh Chamber of Commerce to the National Board of Trade in December, 1898, above referred to. Considered from a national point of view, flood-water storage on the Ohio Basin is but one aspect of a great national problem, which is coextensive with the entire drainage basin of the Mississippi River and all its tributaries, covering an area comprising more than one-third of the United States, and stretching from Canada to the Gulf of Mexico, and from the crest of the Appalachian Range, on the east, to the crown of the continent, on the west. Hence any attempt to localize the problem must fail.

"In presenting the arguments, which make it clear that reservoir construction for river regulation is naturally and necessarily a national function, Col. Chittenden, on pages 55 and 56 of his report, says:

"In the case of reservoirs it not infrequently happens that some of the very best sites are to be found close to State lines, where the waters so stored will flow immediately into neighboring States. In these extreme cases the States where they are located could not, of course, be expected to construct reservoirs, and the States to be benefited would not be likely to go outside their own borders to do so. The function clearly pertains to that sovereignty which covers all the country and embraces the streams from their sources to the sea. It alone can store these waters and be sure that it is reaping the full benefit.

"The policy of the Government in the matter of the preservation of the forests of the country is a case directly in point. There seems to be a well-nigh universal consensus of opinion that the preservation

of the forests of the arid regions is distinctly a Government duty. * * * Inasmuch as the commercial value of these forests is practically insignificant, except for furnishing fuel and rough timber, the water question is really the more important one. If it is properly a Government function to preserve the forests in order to conserve the flow of the streams, surely it can not be less a Government function to execute works which will conserve that flow even more positively and directly. Granting all that can be said of forests in this connection, they certainly can never prevent the June rise, and it is precisely this waste flow which reservoirs will help to save. The forests ought unquestionably to be preserved, and the Government is the proper agency to do it, but the principal arguments therefor apply with accentuated force to the construction of reservoirs.

"The precedent for the construction of reservoirs for river regulation and to reinforce the flow during low-water season had already been established by the construction, beginning in 1881, of five reservoirs on the headwaters of the Mississippi River, where dams were built across the outlets of natural lakes. These reservoirs are described in Appendix No. 5 of this report, and are referred to at some length by Mr. Anderson in his paper mentioned above.

"FOREST MOVEMENT.

"The National Government has now, however, by the enactment of the Appalachian National Forest bill, gone to the full extent of recognizing and using its constitutional power to control and regulate the flow of navigable rivers at their sources not only by the building of artificial reservoirs but by preserving the forests and woodland cover on the watershed as natural reservoirs.

"The maintenance and preservation of natural reservoirs by forest preservation, as provided in this act, and the construction of artificial reservoirs, as advocated by the flood commission of Pittsburgh, on the headwaters of the Ohio River in the Appalachian Mountains, involve the exercise of a constitutional power which is precisely the same in both instances. It is the same power which was exercised in the creation of the California Débris Commission, to prevent the silting up of navigable channels by the débris from hydraulic mines. It is also the same power which was exercised in the construction of levees on the lower Mississippi to aid in maintaining a navigable channel, notwithstanding the conceded fact that one of the greatest moving forces in that case was the necessity for protecting the plantations from overflow.

"So, in the case of reservoir construction on the headwaters of the Ohio River, the constitutional power being so clearly established, the enormous damages by floods in the Ohio Valley, estimated to average at least $50,000,000 a year, and in some years to be as high as $100,000,000, furnishes strong ground for relief from the National Government; when it is conceded that such regulation of the flow of the river by reservoirs as would, beyond question, immensely aid navigation and would also give relief from these destructive floods. Senator Burton clearly saw this aspect of the question when, in his speech in the Senate on the passage of the Appalachian National Forest bill, he said:

"Another thing that the Federal Government ought to do if this precedent is established, and it ought to do it right away, is to provide means for the prevention of floods. At certain seasons of the year we can hardly take up a newspaper without reading of the loss of life and of the mammoth destruction of property as a result of floods in the Ohio, the Mississippi, and various other streams of the country. Those floods have a direct influence upon navigation. If we are going to inaugurate this policy, why not protect these manifold interests by preventing floods and save the tremendous loss of property and the very pitiful loss of life which so frequently occurs?"

"EXTENSION OF POLICY TO RESERVOIRS.

"The National Government having, by the passage of the Appalachian National Forest Act, inaugurated the policy of maintaining natural reservoirs on the tributaries and source streams of the navigable rivers, for the purpose of regulating their flow, and having extended the policy of national forest reserves for that purpose into the Appalachian region, it is manifest that even-handed justice between the different sections of this great country requires that the policy of building artificial reservoirs for river regulation should also be extended over that portion of the United States lying east of the Mississippi River. Thus far everything done under that constitutional power, for the control and regulation of the flow of the navigable rivers, has been on the headwaters of the Mississippi River, or in the lower valley of that river, or in the vast territory to the west of it. The entire territory extending from the Mississippi River on the west to the Atlantic seacoast on the east has been excluded from any local participation in the benefits of expenditures under that policy.

"The flood commission of Pittsburgh now urges that the policy already inaugurated in a part of the country be made broadly national and that the East as well as the West shall be made beneficiaries under it. The Chamber of Commerce of Pittsburgh has at all times, from the very first, been an active and consistent advocate of the reservoir policy in the West, and now, with the same broad vision of national benefits, the flood commission organized by the chamber of commerce urges its extension to the East. All who advocate national irrigation in the West, national drainage in the South, or flood prevention in the East through national river regulation are practically supporting one and the same national policy and should unite to accomplish its Nation-wide adoption.

"Pittsburgh took the lead in urging this broad application of the policy as far back as 1898, and has aided other sections to secure the first benefits from its adoption. It is therefore peculiarly appropriate that Pittsburgh, after spending over $100,000 to establish the facts and showing the practicability and necessity for the adoption of the same constructive national policy in the Ohio Valley, should take the lead in a national campaign to extend the national policy of flood-water storage over the entire United States, and to all navigable rivers and their tributaries and source streams.

"THE NEWLANDS BILL.

"A bill providing for such a broad national extension of the policy of river regulation was introduced by Senator NEWLANDS in the Senate of the United States on March 1, 1911, the day the Weeks Appalachian National Forest bill became a law by the signature of the President. The purpose of this Newlands river-regulation bill was to so enlarge the forest policy inaugurated by the Weeks bill as to make it cover the entire United States, and to supplement the establishment and maintenance of the natural reservoirs, which the forests and woodland cover create, by an adequate national system of artificial reservoirs for flood-water storage. This bill, which is printed in Appendix No. 6 of this volume, was Senate bill 10900, in the Sixty-first Congress, third session, and Senate bill No. 122, in the Sixty-second Congress, first session.

"The Chamber of Commerce of Pittsburgh has in the past supported both the national irrigation act, which was known as the Newlands bill in the House of Representatives when it passed that body, and the Weeks Appalachian National Forest Act; and has extended its indorsement and support to the Newlands river-regulation bill by the adoption on April 13, 1911, of the following resolution:

"Whereas a bill was introduced in the Senate of the United States by Senator NEWLANDS on March 1, 1911, entitled:

"A bill to create a board of river regulation and to provide a fund for the regulation and control of the flow of navigable rivers in aid of interstate commerce, and as a means to that end to provide for flood prevention and protection and for the beneficial use of flood waters and for water storage, and for the protection of watersheds from denudation and erosion and from forest fires, and for the cooperation of Government services and bureaus with each other and with States, municipalities, and other local agencies; and

"Whereas the primary purpose of said bill is to bring into conference and cooperation the National Government with the States, municipalities, counties, and local districts for the construction of the works necessary for the regulation of the flow of rivers and for flood prevention and protection, and it provides a fund of $50,000,000 annually for 10 years for said purpose; and

"Whereas the passage of said bill by Congress would result in the relief not only of Pittsburgh but of all cities and communities on the Ohio, Missouri, and Mississippi Rivers from destructive floods, and increase the flow of the rivers in the low-water season for navigation: Now therefore be it

"*Resolved*, That the Chamber of Commerce of Pittsburgh hereby indorses said Newlands river-regulation bill and requests the Senators and Congressmen from this State to urge its passage by Congress."

The bill referred to in the foregoing resolution has been designated and known throughout the country as the Newlands river-regulation bill. It was printed in full on pages 391 to 396 of the aforesaid report of the flood commission of Pittsburgh, being S. 10900 (61st Cong., 3d sess.), introduced in the Senate of the United States by Senator FRANCIS G. NEWLANDS on March 1, 1911, and reintroduced by him as S. 122 (62d Cong., 1st sess.) in the following session of Congress, on April 6, 1911.

The Newlands river-regulation bill was evolved and developed from a bill known as the Inland Waterways Commission bill, which was introduced in the Senate by Senator NEWLANDS on December 4, 1907 (S. 500, 60th Cong., 1st sess.), and which had been prepared with a view to securing the legislation necessary to inaugurate the national policy with reference to river regulation and a national system of waterways which was subsequently recommended by the Inland Waterways Commission in its report of February 3, 1908.

The following is a copy of the Inland Waterways Commission bill above referred to (S. 500, 60th Cong., 1st sess.):

THE NEWLANDS BILL INTRODUCED IN THE SENATE DECEMBER 4, 1907.

"A bill (S. 500) providing for the appointment of an inland-waterway commission and for the improvement and development of the inland waterways of the country with a view to the promotion of transportation between the States and with foreign countries.

"*Be it enacted, etc.*, That a special fund shall be established in the Treasury, to be known as the inland-waterway fund, to be used in the examination and survey for and the development of

the inland waterways of the country; and the sum of $50,000,000 is hereby reserved, set aside, and appropriated as such fund.

"SEC. 2. That the President of the United States is hereby authorized to cause to be made examinations and surveys for the development of the inland waterways of the country, including the Great Lakes, the Mississippi River and its tributaries, the navigable rivers of the Gulf of Mexico and their tributaries, the navigable rivers of the Atlantic coast and their tributaries, the navigable rivers of the Pacific coast and their tributaries, and for the connection of such rivers with each other, wherever practicable and desirable, by connecting canals and by coastal canals, with a view to the promotion of transportation between such rivers by vessels of a standard draft; and to investigate all questions relating to the development and improvement of the inland waterways of the country, with a view to the promotion of transportation; and to consider and coordinate the questions of irrigation, swamp-land reclamation, clarification of streams, utilization of water power, prevention of soil waste, protection of forests, regulation of flow, control of floods, transfer facilities and sites, and the regulation and control thereof, and such other questions regarding waterways as are related to the development of rivers, lakes, and canals for the purposes of commerce.

"SEC. 3. That in order to enable the President to make such examinations, surveys, and investigations and to construct the works provided for by this act, he is authorized to appoint an inland waterways commission, to be composed of ——— members, and to bring in coordination therewith the Corps of Engineers of the Army, the Bureau of Soils, the Forest Service, the Bureau of Corporations, the Reclamation Service, and other branches of the public service related to waterways, and to appoint such experts and other persons and create such board or boards in connection therewith as the work may require, and to fix the salaries of all commissioners, experts, and other persons employed under this act until the same has been fixed by Congress, the official salary of any official appointed or employed under this act to be deducted from the amount of salary or compensation fixed under the terms of this act.

"SEC. 4. That such commission shall make to the President annually, and at such other periods as may be required either by law or by the order of the President, full and complete reports of all their acts and doings and of all the moneys received and expended in the construction of works and in the performance of their duties in connection therewith, which reports shall be by the President transmitted to Congress; and such commission shall furthermore give to either House of Congress such information as may at any time be required either by act of Congress or by order of either House of Congress.

"The President shall cause to be provided for the use of the commissioners and other employees under this act such offices as may, with the suitable equipment of the same, be necessary and proper in his discretion for the proper discharge of their duties.

"SEC. 5. That if after such examination, survey, and estimate such commission shall determine that any project for the improvement or construction of an inland waterway or coastal waterway is practicable and desirable, it may, with the approval of the President and through the appropriate service, construct or execute, or cause to be let, contracts for the construction or execution of the same, in such portions or sections as it may be practicable to construct and execute as parts of the whole project: *Provided*, That the necessary moneys therefor are available in the inland waterway fund.

"SEC. 6. That such projects may include such collateral works for the irrigation of arid lands, for the reclamation of swamp lands, for the conservation or replacement of forests, for the clarification of streams, and for the utilization of water power as may be deemed advisable in connection with the development of a channel for navigation or as aiding in a compensatory way in the diminution of the cost of such project.

"SEC. 7. That such commission is authorized, with the approval of the President, to enter into cooperation with States, municipalities, communities, corporations, and individuals in such collateral works, and to make arrangements for the proportionate payment of the cost thereof out of the inland waterway fund and by the States, municipalities, communities, corporations, and individuals benefited thereby, in such manner as to secure an equitable distribution of the costs and benefits: *Provided*, That the cost of such collateral works shall be paid, if practicable, out of funds provided therefor by Congress, but if sufficient provision therefor is not specially made by Congress, such commission is authorized to pay for the same out of the inland waterway fund; but the total payments made on account of such collateral works from such inland waterway fund shall not exceed 10 per cent thereof, and provision shall be made, as far as practicable, for the reimbursement to such fund of such payments by the States, municipalities, communities, corporations, or individuals benefited thereby: *And provided also*, That the inland waterways developed shall remain free for all the uses of navigation.

"SEC. 8. That such commission shall make, with the approval of the President, rules and regulations governing the cooperation and compensation to the fund, wherever practicable, by the conveyance of reclamation rights, the lease of water power, and such other means as may be beneficial to the United States and the several States, municipalities, communities, corporations, and individuals entering into such cooperation.

"SEC. 9. That in carrying out the provisions of this act regard must be had, as far as practicable, to the equitable apportionment and contemporaneous execution of the projects contemplated under this act among the several waterway systems of the country.

"SEC. 10. That the President is authorized, whenever the inland-waterway fund is reduced below $20,000,000, to make up the deficiency in such fund by the issue and sale of bonds in such amount and for such time as he shall deem advisable, bearing interest at a rate not exceeding — per cent per annum; but the amount of bonds issued shall not at any time exceed the difference between the cash on hand in such fund and $50,000,000."

The foregoing bill, known as the inland-waterways bill (S. 500), upon its introduction was referred to the Committee on Commerce of the Senate, and by that committee the bill was referred to the War Department for its suggestions and recommendations.

The bill was returned by the War Department to the Committee on Commerce with a communication, bearing date April 17, 1908, from the Secretary of War to the chairman of the Committee on Commerce, approving the bill, with some amendments which were suggested in detail in the communication.

Extracts from this communication from the Secretary of War were embodied in an address by Senator NEWLANDS in the Senate on February 18, 1910, at the time of the introduction by him of the first river regulation amendment on that date, from which address the following is quoted:

"Here is what Secretary Taft said upon this subject in his letter of April 17, 1908, addressed to the Senate Committee on Commerce regarding Senate bill 500, which I had introduced in the Sixtieth Congress, and which was similar in its terms to Senate bill 3717, introduced by me in this Congress.

"(c) The bill provides for correlating the existing agencies in the Departments of War, Interior, Agriculture, and Commerce and Labor through certain powers vested in the President. The need for some such plan is sufficiently shown by the fact that while this country is better endowed with waterways than any other our streams are less used for navigation and other public purposes than those of other countries. Since this provision touches duties placed on the War Department by law, it has received careful consideration. It does not appear that the measure would interfere with the functions of the War Department, or with the continuation and extension of the engineering work now performed there, but it is believed that the provision for administration would tend to promote the general welfare. Accordingly this feature meets the approbation of the War Department.

* * * * * * *

"(e) The bill provides also for the initiation of projects by a board of experts. These provisions affect the work of the War Department and have had careful consideration. Suitable provisions for expert initiation and prompt execution are essential to the proper development of any system of river improvement. The chief defect in the methods hitherto pursued lies in the absence of executive authority for originating comprehensive plans covering the country or natural divisions thereof. The creation of an Inland Waterways Commission for the purpose of initiating plans for the improvement of waterways seems to me a more effective way of a general plan for the improvement of all the waterways in the country than under the present provisions of law. This would not dispense with the admirable machinery furnished by the War Department for the improvement of waterways when the plan has been determined upon and is to be executed. But it supplies what does not exist in the law now—a tribunal other than Congress charged with the duty of originating and developing a satisfactory plan.

"Secretary Taft adds:

"3. In its present form the bill might be construed to curtail indirectly certain functions of the War Department, which is now charged with large discretion in waterway affairs. Possible ambiguity on this point should be removed.

"Mr. Taft goes on and gives the history of the Engineer Corps of the Army and shows how it drifted into the control of our waterways.

"Under the same long-standing arrangement—

"Mr. Taft says—

"It is the policy of the War Department to maintain a trained body of military engineers with a view to the national defense, and to keep these engineers in training in time of peace by detail to civil duty allied to their professional duty in time of war or military preparation; and it was carrying out this policy that the functions of the War Department pertaining to waterways have been more and more largely intrusted to the engineers of the Army during the 110 years since the Army and Navy were separated in distinct departments. This policy has long been sustained by the Congress, although the military engineers have been prohibited from initiating projects or originating plans

for meeting the growing needs of commerce. It is desirable to continue the policy of keeping the military engineers in training and at the same time rendering their skilled service available in work on waterways, although it is not necessary to vest them with the power of initiative, which they have not exercised in the past and which is, perhaps, inconsistent with their primary duty in connection with the military establishment of which they form a part. A provision that the Chief of Engineers of the Army shall be a member of the commission proposed to be created, and a further provision specifically covering the detail of military engineers to the service of the commission whenever such detail shall be consistent with their military duties, would remove any possible ambiguity and would be in accord with the custom and policy of the War Department.

* * * * * * *

"THE WATERWAYS COMMISSION APPROVE.

"Here also is the letter of the Inland Waterways Commission, signed by Theodore E. Burton, chairman, which, referring to this bill, states as follows:

"1. Several of the leading provisions of the bill are in accord with the recommendations of the commission in a report submitted on Februrary 3 last and transmitted to the Congress by the President on February 26. Among these are (a) the provision for coordination of navigation with related uses of the waters; (b) the provision for cooperation between the Federal Government, States, municipalities, communities, corporations, and individuals; (c) the provision for correlating existing agencies in the Departments of War, Interior, Agriculture, and Commerce and Labor in such manner as to secure effective administration; and (d) the provisions looking toward the control of running waters in such manner as to protect and promote navigation. In so far as these provisions are concerned, the bill has the unqualified approbation of the commission.

* * * * * * *

"3. The general purpose of the bill is in harmony with the comprehensive plan for improving and developing the waterways of the country framed by the commission and approved by the President in his message of February 26 last.

"It is fair to say that this expression was somewhat modified by Gen. Mackenzie, Chief of the Engineer Corps, whose views, however, as I recall, accord with the modified provisions of the pending amendment.

"I think the honored chairman of that committee, Mr. Burton, will bear witness with me as to the intelligent service rendered by the chiefs of the scientific services of the country who were on that commission. I am sure that ever since my experience with them I have had a higher idea of their efficiency, their capacity, and their high public spirit. I know of no organization in a business way in the country that surpasses the scientific services of the country in integrity and in efficiency."

THE INLAND WATERWAYS COMMISSION.

The Inland Waterways Commission was created by President Roosevelt on March 14, 1907, with the following membership: Hon. Theodore E. Burton, chairman; Senator Francis G. Newlands, vice chairman; Senator William Warner, Hon. John H. Bankhead, Gen. Alexander Mackenzie, Mr. W J McGee, Mr. F. H. Newell, Mr. Gifford Pinchot, Hon. Herbert Knox Smith.

The following brief summary of the activities of this commission is quoted from page 17 of its printed report:

"PROCEEDINGS.

"After conference and correspondence between the chairman and other commissioners, a meeting for organization was held in the United States Capitol, beginning April 20 and ending May 3 (1907). A second meeting and inspection trip on the Mississipi River from St. Louis to The Passes took place May 13 to May 23. A third meeting and inspection trip, first on the Great Lakes from Cleveland to Duluth, next on the Mississippi from St. Paul to Memphis, and then on the Missouri from Kansas City to St. Louis, took place September 21 to October 13. A fourth meeting was held in the United States Capitol, beginning on November 25, 1907, for the purpose of preparing a preliminary report; it ended February 3, 1908."

The report above referred to was adopted and transmitted to President Roosevelt on February 3, 1908, and by him transmitted to Congress on February 26, 1908.

The report was printed as Senate Document No. 325, Sixtieth Congress, first session, entitled "Preliminary Report of the Inland Waterways Commission."

The work of the Inland Waterways Commission ended with this report, on which no action was taken by Congress at that time.

Subsequently the United States National Waterways Commission, composed of 12 Members of the Senate and House of Representatives, was created by act of Congress of March 3, 1909.

The statute creating the National Waterways Commission provided that a preliminary report should be filed not later than January 1, 1910, containing conclusions reached by the commission upon the several subjects investigated. Such a report was made.

This United States National Waterways Commission, "having concluded its investigation of questions relating to water transportation and the improvement of waterways," ended its labors by the submission to Congress of its final report, which was ordered printed on March 25, 1912, and was thereafter printed as Senate Document No. 469, Sixty-second Congress, third session, entitled "Final Report of the National Waterways Commission."

The preliminary report of this commission was printed in full on pages 65 to 95 of that same volume.

No action based on these reports of the United States National Waterways Commission has ever been taken by Congress.

The action now taken by the adoption of the river-regulation policy embodied in section 18 of the pending river and harbor bill is in accordance with the recommendations not of the National Waterways Commission but of the Inland Waterways Commission, as set forth in the report of the Inland Waterways Commission made on February 3, 1916, the closing paragraph of the final recommendations of that report having been as follows:

"We recommend that the Congress be asked to authorize the coordination and proper development of existing public services connected with waterways, and we suggest that such enactment might provide that the President of the United States be authorized, with the advice and consent of the Senate, to appoint and organize a national waterways commission, to bring into coordination the Corps of Engineers of the Army, the Bureau of Soils, the Forest Service, the Bureau of Corporations, the Reclamation Service, and other branches of the public service in so far as their work relates to inland waterways, and that he be authorized to make such details and require such duties from these branches of the public service in connection with navigable and source streams as are not inconsistent with law; the said commission to continue the investigation of all questions relating to the development and improvement and utilization of the inland waterways of the country and the conservation of its natural resources related thereto, and to consider and coordinate therewith all matters of irrigation, swamp and overflow land reclamation, clarification and purification of streams, prevention of soil waste, utilization of water power, preservation and extension of forests, regulation of flow and control of floods, transfer facilities and sites and the regulation and control thereof, and the relations between waterways and railways; and that the commission be empowered to frame and recommend plans for developing the waterways and utilizing the waters, and as authorized by Congress to carry out the same through established agencies, when such are available, in cooperation with States, municipalities, communities, corporations, and individuals in such manner as to secure equitable distribution of costs and benefits."

A comparison of the foregoing recommendation of the Inland Waterways Commission with the river-regulation amendment embodied in section 18 of the river and harbor bill of 1917, exemplifies the fact that after an interval of nine years and seven months, during which the report of the Inland Waterways Commission has lain dormant, and the commission has been out of existence, the tenacity of purpose of the advocates of river regulation has finally prevailed to the extent, at least, of securing the inauguration of so much of the national policy of river regulation as was recommended in the section quoted above from the report of the Inland Waterways Commission of February, 1908.

The complete statement of the conclusions of the Inland Waterways Commission, as embodied in this preliminary report of February 3, 1908, hereinbefore referred to, was as follows:

"The commission is fully aware that its creation was due to a demand of the people, and that there exists an expectation in certain localities that the report here presented will include plans extending in detail to the principal waterways of the country. To prepare and consider such plans would require extended study at large expense by engineers and other experts whose services were not available. Under the instructions from the President, and in the absence of funds and of the men and time required for such study, the commission was necessarily confined in preparing this preliminary report to the more general features of 'A comprehensive plan designed for the benefit of the entire country,' viz, a statement of principles and an outline of policy, coupled with recommendations which, if adopted, will insure the continuation of the work and the practical application of the principles and policy.

"FINDINGS.

"1. The possibilities of inland navigation are indicated by the fact that there are in mainland United States some 25,000 miles of navigated rivers and at least an equal amount which are navigable or might be made so by improvement; there are also some 2,500 miles of navigable canals and over 2,500 miles of sounds, bays, and bayous readily connectible by canals, aggregating less than 1,000 miles in length, to form inner passages paralleling the Atlantic and Gulf coasts—these being additional

to some thousands of miles (reckoned between leading ports) of regularly navigated waters in lakes and land-locked bays. These waterways lie in or along the borders of Alabama, Arkansas, California, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, Washington, West Virginia, and Wisconsin, i e., 42 States; while the development of rivers for irrigation, power, and other purposes will also render navigable certain waterways in Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming. Although it is not probable that any considerable share of this vast mileage of navigable waterways will be improved to a high standard of efficiency, at least at an early date, yet the assured growth of the country and the capacity of these waters, not only for navigation but for other uses, render imperative the necessity for their control and utilization as an asset of almost unlimited value. It is desirable that these waterways, of which portions have been surveyed or improved for purposes of navigation, should be further investigated with a view to the systematic development of interstate commerce in coordination with all other uses of the waters and benefits to be derived from them.

"2. While the railways of mainland United States have been notably efficient in extending and promoting the production and commerce of the country, it is clear that at seasons recurring with increasing frequency they are unable to keep pace with production or to meet the requirements of transportation.

"3. While navigation of the inland waterways declined with the increase in rail transportation during the later decades of the past century, it has become clear that the time is at hand for restoring and developing such inland navigation and water transportation as upon expert examination may appear to confer a benefit commensurate with the cost, to be utilized both independently and as a necessary adjunct to rail transportation.

"4. While the decline of navigation in the inland waterways was largely due to the natural growth and legitimate competition attending railway extension, it is also clear that railway interests have been successfully directed against the normal maintenance and development of water traffic by control of water fronts and terminals, by acquisition or control of competing canals and vessels, by discriminating tariffs, rebates, by adverse placement of tracks and structures, and by other means.

"5. Any complete or practically successful plan for the general improvement of waterways must eventually provide for satisfactory adjustment of the relation of rail lines to such waterways. Since present and prospective railways reach all parts of the country while navigable waterways are confined to certain natural lines, it is clear that railways can so control transportation as to leave the waterways insufficient traffic to support the requisite vessels and terminals. The railways have accordingly, save in certain exceptional cases, substantially absorbed the traffic of the country, and unless the present unrestricted and short-sighted competition between the two systems is intelligently adjusted they will continue to do so. So large a portion of railway traffic is free from water competition that railways can readily afford to so reduce rates on those portions affected by such competition as to destroy the profits of the water lines without appreciably affecting the profits of the rail systems which recoup these reductions by higher rates elsewhere. This has been the case with most of the great inland waterways, excepting the Great Lakes, where the conditions of water and traffic approach those of open seas. In spite of the great increase of traffic and the continued improvement of waterways, the total river traffic of the country has steadily decreased both proportionately and absolutely, with the result that few rivers are used to anything approaching their full capacity. It will not relieve traffic congestion to improve our waterways unless the improved waterways are used; hence it is obvious that relief from the existing congestion by waterway improvement can be made permanently effective through coordination of rail and water facilities as will insure harmonious cooperation rather than injurious opposition.

"6. Existing data as to the nature and amount of the internal commerce of the country are extremely meager and incomplete. Such information is essential to the intelligent treatment of the inland waterways, and it is desirable that means be employed to obtain it.

"7. Improvements of navigation in inland waterways in the main affect favorably the purity of the waters and the regularity of the supply, and these objects should be carefully kept in mind. The increasing pollution of streams by soil wash and other waste substances connected with a growing population reduces the value of the water for manufacturing purposes, and renders the water supply for communities injurious to and often destructive of human life. The prevention of these evils should be considered in any scheme of inland waterway improvement.

"8. Engineering works designed to improve navigation affect favorably the regimen of the streams, including floods and low waters. The annual floods of the United States occasion loss of property reaching many millions of dollars with considerable loss of life, while the low water of late summer involves large loss in diminished water supply, in reduced power, and in the fouling of streams with consequent disease and death. It has been claimed that in specific cases the cost of works required both to control floods and meet the needs of commerce would be less than the amount of this loss. It is desirable that more detailed information be collected concerning the effects of floods and low waters and their prevention by engineering works and other devices.

"9. The annual soil wash in mainland United States is estimated at about 1,000,000,000 tons, of which the greater part is the most valuable portion of the soil; it is carried into the rivers where it pollutes the waters, necessitates frequent and costly dredging, and reduces the efficiency of works designed to facilitate navigation and afford protection from floods. The direct and indirect losses from this source have not been measured, but are exceedingly large; and it is desirable that definite determinations be made with the view of devising means for reducing the loss to the land and preventing the impairment of the streams for purposes of commerce.

"10. Both the regimen of streams and the purity and clarity of waters are affected by forests and other natural growths and by farming, mining, and other industrial operations over the watersheds in which they gather. Millions of acres in mainland United States have been deforested unnecessarily, and the floods and low waters ascribed to this cause have in some localities occasioned losses commensurate with the value of the timber. Means should be devised and applied for coordinating forestry, farming, mining, and related industries with the uses of streams for commerce and for other purposes.

"11. The effect of wide variations in the level of navigable streams is to render difficult the establishment of necessary terminals for the handling of traffic, and thus to interfere seriously with the utilization of our inland waterways. The prevention or mitigation of such variations would be most helpful to the revival of river traffic, and means to this end should be adopted in plans for waterway improvement.

"12. The storage of flood waters combined with the diversion of streams to arid and semiarid lands for purposes of reclamation by irrigation creates canals and also tends to clarify the waters and increase the seepage or return waters during times of drought. There have already been put under irrigation over 10,000,000 acres of fertile land, adding a quarter of a million homes and several hundred million dollars of taxable wealth, and it is estimated that by fully conserving the waters and by utilizing the water power developed in connection with storage and other works fully three times as much land can be reclaimed in the western half of the United States. It is desirable to continue the collection of data with a view to so adjusting irrigation and power development with navigation and other uses of the streams as to secure the highest value of the water to the greatest number of people.

"13. Locks and certain other works designed to improve navigation commonly produce head and store water in such manner as to develop power available for industrial purposes, while works designed to develop power on navigable and source streams affect the navigation and other uses of river systems; and these uses must necessarily be considered together. Information concerning water power in the several States and sections is incomplete, yet it is known to be a vast and intrinsically permanent asset which should be utilized for the benefit of the people of the country, in whose interests it should be administered with careful regard for present and prospective conditions. The facts ascertained in certain specific cases furnish a basis for the claim that the value of the power would pay the cost of all engineering and other works required in such cases to control the streams for navigation and other uses. In the light of recent progress in electrical application, it is clear that over wide areas the appropriation of water power offers an unequaled opportunity for monopolistic control of industries. Whenever water is now or will hereafter become the chief source of power the monopolization of electricity produced from running streams involves monopoly of power for the transportation of freight and passengers, for manufacturing, and for supplying heat, light, and other domestic, agricultural, and municipal necessities to such an extent that unless regulated it will entail monopolistic control of the daily life of our people in an un-

precedented degree. There is here presented an urgent need for prompt and vigorous action by State and Federal Governments.

"14. Any comprehensive system of improvement of inland waterways will necessarily affect the drainage or reclamation of swamp and overflow lands, which are mainly rich alluvial tracts largely along or near waterways. The construction of dikes and levees or bank-protective works and the deepening of channels are often closely connected with means of control both of overflow and of underflow by drainage. It is estimated that there are 77,000,000 acres of such land, now unproductive, but which, with drainage and protection from overflow, will have exceptionally high agricultural value; if divided into 40-acre farms, these lands will furnish homes for 10,000,000 people.

"15. The control of waterways on which successful navigation depends is so intimately connected with the prevention of floods and low waters and works designed for these purposes, with the protection and reclamation of overflow lands and works designed therefor; with the safeguarding of banks and maintenance of channels and works employed therein; with the purification and clarification of water supply and works designed therefor in conjunction with interstate commerce; with control and utilization of power developed in connection with works for the improvement of navigation; with the standardization of methods and facilities and the coordinating of waterway and railway instrumentalities; and throughout the larger areas of the country with reclamation by irrigation and drainage and works designed primarily for these purposes, that local and special questions concerning the control of waterways should be treated as a general question of national extent, while local or special projects should be considered as parts of a comprehensive policy of waterway control in the interests of all the people.

"16. Governmental agencies whose work is related to the use and control of streams are now in existence in the Federal Departments of War, Interior, Agriculture, and Commerce and Labor; and it is desirable, in order to prevent duplication of work and function and to avoid unnecessary delays in the development of the inland waterways, that means should be provided for coordinating all such agencies.

"17. While precise figures are not now obtainable, it is safe to say that the current value of our inland transportation facilities (of which railways form all but a small percentage) exceeds one-eighth of our national wealth; yet these facilities are so far inadequate that production is impaired and the growth of the country is retarded. While trustworthy estimates can not be made without further data, it is reasonable to anticipate that congestion of interstate commerce can be obviated in large measure by judicious improvement of waterways adapted to barge and boat traffic at a figure much less than that estimated by competent authorities for so increasing railway facilities as to meet present needs. It is desirable that additional data be obtained by requisite expert investigation.

"18. It is conservative to estimate that judicious improvement of the waterways of the country will confer direct benefits through increased transportation facilities which will exceed the cost, while the collateral benefits will be at least comparable with the gain to commerce. Under a coordinated plan, such collateral benefits as the enhanced value of lands reclaimed by irrigation and drainage, the value of water power developed, the increased values due to the prevention of floods and low waters, and the great benefits of purified and clarified water will more than balance the cost of the works.

"19. In a comprehensive system of water improvement and control designed to meet present and future needs, the practicability of any project will depend not alone on local and general demands of commerce, but measurably on attendant natural and industrial conditions, including nature of banks and bed, suitability of the ground as a foundation for works, volume of water, and liability to floods and low stages, configuration of the watershed and its susceptibility to control by judicious agriculture and forestry or by reservoirs and other means, local and general demand for pure-water supply, amount and value of available water power incident to the works, proximity and cost of structural material, relations to existing and prospective projects on the same and neighboring waterways, and all other physical and economic factors entering into or tending to counterbalance the cost; and the local surveys or plans for any project should take account of all such natural and industrial conditions and be adapted to the attainment of maximum benefits at the minimum cost.

"20. Existing data concerning the volume, regimen, and other physical features of most streams are meager and imperfect. Since plans for improving and controlling the waterways and utilizing the waters must rest on these facts it is desirable that means be employed to extend and perfect physical data relating to the navigable and source streams of the country.

"21. The benefits of a comprehensive system of waterway improvement will extend to all the people in the several sections and States of the country, and the means employed should be devised, so far as possible, to distribute the cost equitably through cooperation between Federal agencies, States, municipalities, communities, corporations, and individuals.

"22. In order to improve the inland waterways for navigation and at the same time coordinate the agencies and means of transportation, develop the collateral benefits of waterway improvement, adapt all natural and industrial conditions related with waterways to the attainment of maximum benefits at the minimum cost, and perfect means for distributing the cost equitably between Federal agencies, States, municipalities, communities, corporations, and individuals in a prompt and efficient and economical manner, it is desirable to maintain an administrative agency with large powers for the investigation and elaboration of projects under suitable legislative regulation.

"23. The immediate use of natural resources in the rapid development of the country are often allowed to stand in the way of more beneficent and permanent utilization. This is especially true of all resources connected with running waters, the substantial value of which has not been adequately appreciated. It is clearly practicable, without undue expense or interference with current use, to carry out broad plans for the complete development of the resources of the country, and thus assure to the greatest number of people the greatest good for both the present and the future, while if this is not done the temporary or partial development of these resources will prevent their full utilization for the general benefit. Steps should be taken without delay to outline and initiate the more pressing projects of conservation and to apply practically the principle of conservation before it is too late.

"24. Our unsurpassed natural wealth and the eagerness of our people for immediate results regardless of future needs have led to a policy of extravagant consumption of natural resources and to an encouragement of monopoly, whereby an excessive share of such resources has been diverted to the enrichment of the few rather than preserved for the equitable benefit of the many. Monopolistic tendencies have appeared (a) in the extensive control of mineral fuels on public lands, whereby large values essential to the development of the country have passed beyond public regulation; (b) in the acquisition and needless destruction of forests, whose preservation is a public necessity for stream control, for timber supply, and for other purposes; (c) in the acquisition of controlling sites on waterways and the appropriation of valuable water powers with their segregation from public uses without adequate compensation, whereby indispensable utilities escape public regulation in the interests of the people; (d) in the segregation of lands, especially in the semi-arid regions, whereby development is retarded, so that the lands remain without benefit to commerce or advantage to the growth of the country; (e) in the control of products and of transportation to disturb the normal values and natural channels of trade, thereby imposing undue burdens on producers and consumers; and (f) in various interferences with the production and commerce of the country, whereby prosperity is curtailed and progress impeded. While such monopolistic tendencies have been conspicuous in connection with the agencies of transportation, they are now in many cases opposing the best utilization of streams by diverting their control from State and Federal jurisdiction in the public interests to personal and corporate means of excessive and burdensome profits. Since transportation is a primary factor in the existence and development of any people, and is increasingly important with the growth of population, it is essential that its means should be regulated in the public interests; and any plans for relieving congestion of transportation in the United States should be so framed as to employ all proper State, Federal, and municipal agencies in protecting from monopolistic control not only the agencies and avenues but also the materials of interstate commerce.

"RECOMMENDATIONS.

"A. We recommend that hereafter plans for the improvement of navigation in inland waterways, or for any use of these waterways in connection with interstate commerce, shall take account of the purification of the waters, the development of power, the control of floods, the reclamation of lands by irrigation and drainage, and all other uses of the waters or benefits to be derived from their control.

"B. We recommend that hereafter both local and general benefits to the people shall be fully considered in any such plans for the improvement of navigation in inland waterways or for any use of these waterways in connection with interstate commerce; and that wherever practicable Federal agencies shall

cooperate with States, municipalities, communities, corporations, and individuals with a view to an equitable distribution of costs and benefits.

"C. We recommend that hereafter any plans for the navigation or other use of inland waterways in connection with interstate commerce shall take full account of transfer facilities and sites and of the location of tracks, grades, bridges, dams, depots, and other works on navigable and source streams with a view to equitable cooperation between waterway and railway facilities for the promotion of commerce and the benefit of the people.

"D. We recommend that any plans for improving the inland waterways shall take account of the present and prospective relation of rail lines to such waterways, and shall ascertain so far as may be whether such waterways when improved will be effectively used in the face of railway competition; and that the relations between railways and waterways be further examined with the purpose of devising means of rendering the two systems complementary and harmonious and making such fair division of traffic that rates and management may be coordinated economically and with benefit to the country.

"E. We recommend the adoption of means for ascertaining regularly all facts related to traffic on the inland waterways and for publishing the same in a form suitable for general use.

"F. We recommend the adoption of means for ascertaining and rendering available, at such rate as to meet public necessities, all requisite data related to the physical character and general utility of the navigable and source streams of the country.

"G. We recommend that hereafter any plans for the use of inland waterways in connection with interstate commerce shall regard the streams of the country as an asset to the people, shall take full account of the conservation of all resources connected with running waters, and shall look to the protection of these resources from monopoly and to their administration in the interests of the people.

"H. We recommend that the Congress be asked to make suitable provision for improving the inland waterways of the United States at a rate commensurate with the needs of the people as determined by competent authority; and we suggest that such provision meet these requisites, viz, expert framing of a definite policy; certainty of continuity and coordination of plan and work; expert initiative in the choice of projects and the succession of works; freedom in selection of projects in accordance with terms of cooperation; and the widest opportunity for applying modern business methods.

"I. We recommend that the Congress be asked to authorize the coordination and proper development of existing public services connected with waterways; and we suggest that such enactment might provide that the President of the United States be authorized, with the advice and consent of the Senate, to appoint and organize a National Waterways Commission, to bring into coordination the Corps of Engineers of the Army, the Bureau of Soils, the Forest Service, the Bureau of Corporations, the Reclamation Service, and other branches of the public service in so far as their work relates to inland waterways, and that he be authorized to make such details and require such duties from these branches of the public service in connection with navigable and source streams as are not inconsistent with law; the said commission to continue the investigation of all questions relating to the development and improvement and utilization of the inland waterways of the country and the conservation of its natural resources related thereto, and to consider and coordinate therewith all matters of irrigation, swamp, and overflow land reclamation, clarification and purification of streams, prevention of soil waste, utilization of water power, preservation and extension of forests, regulation of flow and control of floods, transfer facilities and sites and the regulation and control thereof, and the relations between waterways and railways; and that the commission be empowered to frame and recommend plans for developing the waterways and utilizing the waters, and as authorized by Congress to carry out the same, through established agencies when such are available, in cooperation with States, municipalities, communities, corporations, and individuals, in such manner as to secure equitable distribution of costs and benefits.

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"Respectfully submitted.

"THEODORE E. BURTON, *Chairman.*
"FRANCIS G. NEWLANDS.
"WM. WARNER.
"J. H. BANKHEAD.
"W J MCGEE.
"F. H. NEWELL.
"GIFFORD PINCHOT.
"HERBERT KNOX SMITH.

"SUPPLEMENTARY REPORT OF COMMISSIONER SENATOR FRANCIS G. NEWLANDS.

"I concur in the report of the commission, but desire to emphasize my belief that it is of the highest importance that in dealing with subjects relating to the respective powers, rights, and interests of the Nation, States, municipalities, corporations, and individuals large powers and a comparatively free hand should be given to an administrative body of experts in the full development of projects, lest the complexity of the transactions, the time necessary to secure congressional approval, and difference of view as to purpose of method may result in indecision and delay, the worst enemies of effective development.

"An ample fund should be provided, to be reenforced from time to time either by legislative appropriation or by bond issue, and the administrative board or commission should be given the power not only to investigate projects but also, when determined to be feasible, to enter, with the approval of the President, upon their immediate execution; but the power should be limited so as to prevent such administrative body from entering into any contract unless there are sufficient unappropriated moneys in the fund to meet the cost thereof.

"Unless some method of construction and development insuring prompt decision and execution and continuous and consecutive work by a body of experts is adopted, I fear that the best of projects may be wrecked in the shoals and quicksands of legislation.

"FRANCIS G. NEWLANDS."

The statement above set forth of the findings and recommendations of the Inland Waterways Commission will be found on pages 18 to 27 and the supplementary report of Commissioner Senator FRANCIS G. NEWLANDS, on pages 30 and 31 of the Preliminary Report of the Inland Waterways Commission, Senate Document No. 325, Sixtieth Congress, first session.

It also appears, as above republished, in Senate Document No. 550, Sixty-fourth Congress, first session, entitled "River Regulation, Flood Control, and Water Conservation and Utilization. Hearing before the subcommittee of the Committee on Commerce, United States Senate, Sixty-fourth Congress, first session, on S. 5736, a bill to promote interstate commerce, agriculture, and the general welfare by providing for the development and control of waterways and water resources; for water conservation; for flood control, prevention, and protection; for the application of flood waters to beneficial uses; and for cooperation in such work with States and other agencies, and for other purposes," pages 147 to 153.

PRESIDENT ROOSEVELT'S RECOMMENDATION.

In the letter of transmittal by the President to Congress of the report of the Inland Waterways Commission on February 26, 1908, President Roosevelt closed the letter with the following urgent recommendation:

"The development of our waterways and the conservation of our forests are the two most pressing physical needs of the country. They are interdependent, and they should be met vigorously, together, and at once. The questions of organization, powers, and appropriations are now before Congress. There is urgent need for prompt and decisive action."

EVOLUTION OF NEWLANDS RIVER-REGULATION BILL.

From that time until the present the effort to secure action from Congress has never ceased. The campaign has been steadfastly and continuously conducted. In nearly every session of Congress measures have been urged by Senator NEWLANDS with a view to securing action that would inaugurate the broad and comprehensive river regulation, waterways, and water resources national policy embodied in the river-regulation amendment which Congress has now adopted. Until this session no such comprehensive legislation has been enacted. Congress has confined its action to such incomplete, inadequate, and piecemeal or local legislation as the White Mountain and Appalachian National Forest Reserve act, passed in February, 1911, and the Mississippi and Sacramento Rivers flood-control act, passed at the last session.

The following references to bills introduced and to debates and remarks in the Senate and in the House of Representatives, and to public addresses and articles in newspapers, periodicals, and magazines by Senator FRANCIS G. NEWLANDS, from 1894 to 1917, furnishes a historical reference record, extending over a period of 23 years, of the development of the river-regulation movement from the reclamation movement *originating* in the West, and of the evolution of congressional action relating to that movement, from the earliest measures introduced down to the final inauguration of the comprehensive river regulation and waterways and water resources policy embodied in the river-regulation amendment, section 18, of the river and harbor bill of August, 1917.

August 11, 1894: Remarks of Hon. FRANCIS G. NEWLANDS, in the House of Representatives, on reclamation of arid lands. (CONGRESSIONAL RECORD, vol. 26, pt. 8, p. 8427.)

February 17, 1896: Remarks in House on irrigation investigations. (CONGRESSIONAL RECORD, vol. 28, pt. 2, p. 1815.)

March 14, 1898: Introduced H. R. 9080, for construction of reservoirs in the arid region. (CONGRESSIONAL RECORD, vol. 31, pt. 3, p. 2792.)

December 19, 1899: Introduced H. R. 4751, directing Secretary of Interior to make surveys and report cost of erecting reservoirs in arid region, and making appropriations for same. (CONGRESSIONAL RECORD, vol. 33, pt. 1, p. 594.)

December 17, 1900: Introduced H. R. 12844, for the disposition and settlement of arid lands, etc. (CONGRESSIONAL RECORD, vol. 34, pt. 1, p. 386.)

January 9, 1901: Remarks in House; Storage reservoirs—The arid lands question—Missouri headwaters improvement. (CONGRESSIONAL RECORD, vol. 34, pt. 1, p. 784.)

January 11 and February 9, 1901: Made statements at hearings before House Committee on Arid Lands.

January 15, 1901: Offered amendment for construction of two reservoirs on the Humboldt River. (CONGRESSIONAL RECORD, vol. 34, pt. 2, p. 1056.)

January 15, 1901: Remarks in House on Missouri headwaters improvement. (CONGRESSIONAL RECORD, vol. 34, pt. 2, p. 1055.)

January 15, 1901: Remarks on Humboldt River improvement. (CONGRESSIONAL RECORD, vol. 34, pt. 2, p. 1056.)

January 26, 1907: Introduced H. R. 13846, for the reclamation of arid lands. (CONGRESSIONAL RECORD, vol. 34, pt. 2, p. 1542.)

January 30, 1901: Remarks in House on Irrigation. (CONGRESSIONAL RECORD, vol. 34, pt. 2, p. 1700.)

February 6, 1901: Introduced H. R. 14072, to construct public works for river regulation in the arid region. (CONGRESSIONAL RECORD, vol. 34, pt. 3, p. 2047.)

February 6, 1901: Introduced H. R. 14088, to construct reservoirs, etc., in the arid region. (CONGRESSIONAL RECORD, vol. 34, pt. 3, p. 2047.)

February 19, 1901: Remarks on cost of determining water supply. (CONGRESSIONAL RECORD, vol. 34, pt. 3, p. 2665.)

February 19, 1901: Remarks on Nevada and its need of irrigation. (CONGRESSIONAL RECORD, vol. 34, pt. 3, p. 2662.)

February 19, 1901: Remarks in House, Labor's intelligent appreciation of the reclamation projects. (CONGRESSIONAL RECORD, vol. 34, pt. 3, p. 2664.)

February 19, 1901: Remarks on Nevada and irrigation. (CONGRESSIONAL RECORD, vol. 34, pt. 3, p. 2665.)

March 2, 1901: Introduced H. R. 14326, to store water, etc. (CONGRESSIONAL RECORD, vol. 34, pt. 4, p. 3484.)

March 2, 1901: Introduced H. R. 14338, to store water, etc. (CONGRESSIONAL RECORD, vol. 34, pt. 4, p. 3605.)

March 12, 1901: Remarks on plan for storing water. (CONGRESSIONAL RECORD, vol. 34, pt. 4, p. 3565.)

March 12, 1901: Remarks in House, to double appropriation for irrigation investigations. (CONGRESSIONAL RECORD, vol. 34, pt. 4, p. 3572.)

December 2, 1901: Introduced H. R. 51, to authorize and begin the construction of reservoirs, canals, etc., for the irrigation of arid lands in Nevada. (CONGRESSIONAL RECORD, vol. 35, pt. 1, p. 52.)

December 2, 1901: Introduced H. R. 52, to provide for the disposition of arid public lands, to authorize the construction of reservoirs for the storage of waters, etc. (CONGRESSIONAL RECORD, vol. 35, pt. 1, p. 52.)

January 21, 1902: Remarks in House—Western irrigation measure—Competition of western with eastern farmers (reply to Sibley). (CONGRESSIONAL RECORD, vol. 35, pt. 1, p. 836.)

January 21, 1902: Introduced H. R. 9676, appropriating receipts from sales and disposal of public lands in certain States and Territories to construction of irrigation works for reclamation of arid lands (this is the reclamation act now in force). (CONGRESSIONAL RECORD, vol. 35, pt. 1, p. 851.)

March 8, 1902: H. R. Report 794 on above bill. (CONGRESSIONAL RECORD, vol. 35, pt. 3, p. 2549.)

March 10, 1902: Same; views of minority. (CONGRESSIONAL RECORD, vol. 35, pt. 3, p. 2549.)

March 20, 1902: Remarks in House on irrigation of arid lands. (CONGRESSIONAL RECORD, vol. 35, pt. 3, p. 3088.)

April 7, 1902: H. R. Report 1468 on S. 3057, same. (CONGRESSIONAL RECORD, vol. 35, pt. 4, p. 3812.)

May 14, 1902: Remarks in House on reclamation of arid lands. (CONGRESSIONAL RECORD, vol. 35, pt. 8, Appendix, p. 253.)

June 12, 1902: Remarks in House on H. R. 9315, irrigation of arid lands. (CONGRESSIONAL RECORD, vol. 35, pt. 7, p. 6673.)

June 13, 1902: Remarks in House, same. (CONGRESSIONAL RECORD, vol. 35, pt. 7, p. 6731.)

July 6, 1902: Article in Washington Post on irrigation.

October 15, 1903: "Watering the desert"; article in the Youth's Companion.

November 1, 1903: Article in Twentieth Century West on irrigation.

March 25, 1904: Reform of land laws—State cooperation in irrigation—Nevada irrigation statute; remarks in House. (CONGRESSIONAL RECORD, vol. 38, pt. 4, p. 3667.)

December 26, 1904: Walker River storage. Correspondence about Walker River water rights.

January 17, 1905: Walker River storage. Correspondence about Walker River water rights.

March 2, 1905: Resources of the semiarid region; Senate Document No. 191, published at Mr. NEWLANDS's request.

June —, 1905: Remarks at banquet to irrigation party at Red Bluffs, Cal.

June 30, 1905: Remarks at Sheridan, Wyo.

September —, 1906: "Irrigation as a social problem"; article in the Pacific Monthly.

March 14, 1907: Mr. NEWLANDS was appointed by President Roosevelt a member of the Inland Waterways Commission.

April 29, 1907: The commission organized at Washington, D. C., and selected Mr. NEWLANDS as vice chairman.

May 13–23, 1907: The commission made a trip on the Mississippi River, from St. Louis to The Passes. Mr. NEWLANDS spoke at St. Louis.

September 3, 1907: Addressed the National Irrigation Congress, at Sacramento, on waterways.

September 21 to October 13, 1907: Commission made a trip on the Great Lakes, from Cleveland to Duluth; on the Mississippi from St. Paul to Memphis; and on the Missouri from Kansas City to St. Louis, Senator NEWLANDS accompanied it. He spoke at several places on the route, including St. Paul (Sept. 27), Memphis (Oct. 5), Kansas City (Oct. 7), and Jefferson City (Oct. 10).

October 26, 1907: Spoke on waterways before the University Club, at Washington, D. C.

November 19, 1907: Made the opening address at the Atlantic Deeper Waterways Conference, Philadelphia.

November 26, 1907: Spoke at the National Drainage Congress, Baltimore, Md.

December 4, 1907: Introduced S. 500, for the appointment of an inland waterways commission, etc., and spoke briefly in its support. (CONGRESSIONAL RECORD, vol. 42, pt. 1, p. 143.)

December 5, 1907: Address before National Rivers and Harbors Congress, Washington, D. C.

December 17, 1907: Remarks in Senate on waterways and on S. 500. (CONGRESSIONAL RECORD, vol. 42, pt. 1, pp. 389, 400.)

January 1, 1908: Article in the Annals of the American Academy of Social and Political Science on the "Use and development of American waterways."

January 3, 1908: Addressed the Springfield (Mass.) Board of Trade.

January 22, 1908: Spoke at the banquet of the National Board of Trade, Washington, D. C.

January 30, 1908: Mr. NEWLANDS spoke before the Traffic Club, at their annual banquet, Chicago.

February 7, 1908: Article on waterways in the Christian Endeavor World, Boston, Mass.

February 7, 1908: Address before chamber of commerce, Atlanta, Ga.

February 26, 1908: Joined with the Inland Waterways Commission in their preliminary report.

March 5, 1908: Article on waterways in Leslie's Weekly.

April 8, 1908: Mr. NEWLANDS spoke before the waterways section of the Southern Commercial Congress at Nashville.

April 11, 1908: Mr. NEWLANDS addressed the National Drainage Congress at New Orleans.

April 16, 1908: Mr. NEWLANDS spoke on waterways at a banquet given by the Pittsburgh Chamber of Commerce in honor of the Flood Commission.

May 13, 1908: Mr. NEWLANDS introduced S. 7112. (CONGRESSIONAL RECORD, vol. 42, pt. 7, p. 6175.)

May 14, 1908: S. 7112 reported from Committee on Commerce with amendment. (CONGRESSIONAL RECORD, vol. 42, pt. 7, p. 6226.)

May 15, 1908: Debate. (CONGRESSIONAL RECORD, vol. 42, pt. 7, p. 6333.)

May 16, 1908: Debate. (CONGRESSIONAL RECORD, vol. 42, pt. 7, pp. 6403–6405.)

May 19, 1908: Reported S. 7112 as substituted for H. R. 21899. (CONGRESSIONAL RECORD, vol. 42, pt. 7, p. 6525.)

May 20, 1908: Debate. (CONGRESSIONAL RECORD, vol. 42, pt. 7, p. 6577.)

May 23, 1908: Debate. (CONGRESSIONAL RECORD, vol. 42, pt. 7, pp. 6808–6811.)

May 26, 1908: Debate. (CONGRESSIONAL RECORD, vol. 42, pt. 7, pp. 6950, 6965, 6972.)

May 28, 1908: Debate. (CONGRESSIONAL RECORD, vol. 42, pt. 7, p. 7124, Appendix.)

November 25, 1908: Addressed the River Regulation Commission of Stockton, Cal., on waterways.

December 10, 1909: Introduced S. 3717, for the formation of an inland waterways commission, etc. (CONGRESSIONAL RECORD, vol. 45, pt. 1, p. 76.)

February 16, 1910: River regulation amendment to rivers and harbors bill. (CONGRESSIONAL RECORD, vol. 45, pt. 2, p. 1963.)

February 17, 1910: Debate. (CONGRESSIONAL RECORD, vol. 45, pt. 2, p. 1998.)

February 18, 1910: Debate. (CONGRESSIONAL RECORD, vol. 45, pt. 2, pp. 2067–2072.)

February 22, 1910: Amendment to S. 6168 for Government business methods commission. (CONGRESSIONAL RECORD, vol. 45, pt. 2, p. 2204.)

April 11, 1910: Rivers and harbors bill debate. (CONGRESSIONAL RECORD, vol. 45, pt. 5, p. 4496.)

April 15, 1910: Debate. (CONGRESSIONAL RECORD, vol. 45, pt. 5, pp. 4805–4809.)

April 18. 1910: Debate on rivers and harbors bill. (CONGRESSIONAL RECORD, vol. 45, pt. 5, pp. 4877, 4885, 4893, 4894, 4895, 4896.)

April 19, 1910: River regulation, amendment to rivers and harbors bill. (CONGRESSIONAL RECORD, vol. 45, pt. 5, pp. 4972, 4984.)

June 8, 1910: Debate, rivers and harbors bill. (CONGRESSIONAL RECORD, vol. 45, pt. 7, pp. 7601–7602.)

June 23, 1910: Amendment to Senate bill 4501, Appalachian and White Mountain Forest Reserve bill. (CONGRESSIONAL RECORD, vol. 45, pt. 8, p. 8813.)

January 17, 1911: River regulation, amendment to rivers and harbors bill. (CONGRESSIONAL RECORD, vol. 46, pt. 1, p. 983.)

February 3, 1911: Article in the Commoner on "Suggested Legislation," containing river-regulation program.

February 15, 1911: Debate on Appalachian bill. (CONGRESSIONAL RECORD, vol. 46, pt. 3, pp. 2577–2587, 2592–2595.)

March 1, 1911: Introduced S. 10900. (CONGRESSIONAL RECORD, vol. 46, pt. 4, p. 3752.)

March 15, 1911: Letter to Hon. CHAMP CLARK, waterways as a part of the legislative program.

April 6, 1911: Introduced S. 122. (CONGRESSIONAL RECORD, vol. 47, pt. 1, p. 103.)

May 11, 1911: Introduced S. Res. 41, legislative program.

May 15, 1911: Debate. (CONGRESSIONAL RECORD, vol. 47, pt. 2, pp. 1205–1213.)

May 16, 1911: Debate. (CONGRESSIONAL RECORD, vol. 47, pt. 2, pp. 1225–1229.)

May 24, 1911: Debate. (CONGRESSIONAL RECORD, vol. 47, pt. 2, pp. 1546–1547.)

June 24, 1911: Debate. (CONGRESSIONAL RECORD, vol. 47, pt. 3, pp. 2443–2448.)

July 22, 1911: Introduced S. Res. 109, legislative program. (CONGRESSIONAL RECORD, vol. 47, pt. 4, p. 3176.)

July 24, 1911: Debate. (CONGRESSIONAL RECORD, vol. 47, pt. 4, pp. 3181–3189.)

August 4, 1911: Debate. (CONGRESSIONAL RECORD, vol. 47, pt. 4, p. 3601.)

December 7, 1911: Introduced S. Res. 159.

December 11, 1911: Debate. (CONGRESSIONAL RECORD, vol. 48, pt. 1, pp. 186–188.)

January 23, 1912: Debate. (CONGRESSIONAL RECORD, vol. 48, pt. 1, pp. 648, 657.)

April 13, 1912: Debate. (CONGRESSIONAL RECORD, vol. 48, pt. 5, pp. 4705, 4706.)

April 30, 1912: Amendment to H. R. 21447, rivers and harbors bill. (CONGRESSIONAL RECORD, vol. 48, pt. 6, p. 5576.)

April 30, 1912: Waterways. (CONGRESSIONAL RECORD, vol. 48, pt. 6, pp. 5576, 5577.)

May 9, 1912: Debate. (CONGRESSIONAL RECORD, vol. 48, pt. 6, pp. 6110–6119; Appendix, pp. 216–228.)

July 18, 1912: Debate. (CONGRESSIONAL RECORD, vol. 48, pt. 9, p. 9220.)

July 26, 1912: H. R. 21214. (CONGRESSIONAL RECORD, vol. 48, pt. 10, pp. 9707, 9708.)

August 9, 1912: Debate. (CONGRESSIONAL RECORD, vol. 48, pt. 11, pp. 10572–10574.)

October 3, 1912: Article in the Independent on "Possibilities of a Democratic administration," including the subject of waterways.

February 19, 1913: Amendment to river and harbor bill. (CONGRESSIONAL RECORD, vol. 49, pt. 4, p. 3400.)

February 20, 1913: Debate. (CONGRESSIONAL RECORD, vol. 49, pt. 4, pp. 3478–3498.)

February 22, 1913: Debate. (CONGRESSIONAL RECORD, vol. 49, pt. 4, p. 3636.)

February 24, 1913: River regulation commission debate. (CONGRESSIONAL RECORD, vol. 49, pt. 4, pp. 3786–3791.)

March 1, 1913: Debate. (CONGRESSIONAL RECORD, vol. 49, pt. 5, pp. 4365–4376.)

April 10, 1913: Article in the Independent: Control of our waterways.

March 13, 1913: Introduced S. Res. No. 4; debate. (CONGRESSIONAL RECORD, vol. 50, pt. 1, pp. 16–17.)

March 17, 1913: Debate. (CONGRESSIONAL RECORD, vol. 50, pt. 1, pp. 33–34.)

April 21, 1913: Debate. (CONGRESSIONAL RECORD, vol. 50, pt. 1, p. 205.)

May 5, 1913: Debate. (CONGRESSIONAL RECORD, vol. 50, pt. 1, pp. 210–211.)

May 19, 1913: Debate. (CONGRESSIONAL RECORD, vol. 50, pt. 1, pp. 265–267.)

May 20, 1913: Debate. (CONGRESSIONAL RECORD, vol. 50, pt. 2, p. 1092.)

July 14, 1913: Introduced S. 2739: A bill to create a waterways commission and a board of river regulation. The bill is printed in full on pages 2393 to 2395 of the RECORD of this date. (CONGZESSIONAL RECORD, vol. 50, pt. 3, pp. 2392–2395.)

January 31, 1914: Introduced an amendment in the nature of a substitute for S. 2739, this substitute bearing the same number, and being known as the Newlands-Broussard river-regulation bill. It is printed in full in the RECORD of this date. (CONGRESSIONAL RECORD, vol. 51, pt. 3, pp. 2635–2638. 2640.)

In his remarks on the introduction of this bill, Senator NEWLANDS said:

I wish to introduce the bill which I send to the desk as a substitute for the bill (S. 2739) known throughout the country as the Newlands river-regulation bill, submitted by me on July 14, 1913. This substitute is intended to remove all doubt as to the purpose of the original bill regarding the Mississippi River. It proposes to make the Mississippi River, with its banks, its levees, its spillways, and its cut-offs, a national highway.

In the CONGRESSIONAL RECORD of this same date, following the bill, articles were printed entitled, as follows:

1. Editorial from the Memphis News-Scimitar, January 15, 1914.

2. Editorial from the Mobile Item, January 22, 1914.

3. Resolutions of the Trans-Mississippi Commercial Congress, fourteenth annual session, Seattle, Wash., Augut 18–21, 1903.

4. Flood control—Impounding waters at their sources, by George H. Maxwell. From the Southern Lumberman, Nashville, Tenn., December, 1914. (CONGRESSIONAL RECORD, vol. 51, pt. 3, pp. 2634–2640.)

June 22, 1914: River-regulation amendment to rivers and harbors bill introduced, with explanatory remarks. Amendment printed in RECORD and referred to Senate Committee on Commerce. (CONGRESSIONAL RECORD, vol. 51, pt. 11, pp. 10833–10834.)

July 9, 1914: Debate; discussion of the river-regulation amendment, the Newlands-Broussard bill, and the river and harbor bill. (CONGRESSIONAL RECORD, vol. 51, pt. 12, pp. 11864–11866.)

December 23, 1914: Reintroduction river-regulation amendment, remarks on river-regulation bill, Democratic platforms, 1908–1912.

In the course of his remarks Senator NEWLANDS said:

"The President, without committing himself to this or any measure, is inclined to favor the general principles of the bill; but he does not think that there is time enough for its consideration at the short session.

"While I am reluctant to lessen the pressure for legislation on this important question, and believe that the force of public sentiment should be continuously exerted, and while I have reason to believe that the measure which I have been advocating has the support of thinking people in every section of the country, I can not take exception to the position of the President, burdened as he is with the advocacy of other measures of great importance. I have therefore concluded not to press the matter in any form at this session unless a decided change in the conditions takes place.

"I wish, however, to impress the friends of river regulation and water development with these facts:

"First. That public opinion is against the present system of river and harbor improvements.

"Second. That the committees of the Senate and House are favorable to the present system and will abandon it with great reluctance.

"Third. That it is necessary for that reason to maintain the pressure of a sound public opinion in order to force the consideration of the measure.

"To this end I think it important that the development of the rivers should be entirely separated from the development of the harbors. The harbors are a part of foreign commerce. The rivers are a part of interstate commerce. The harbors bill should go to the Commerce Committee in the Senate. The river-regulation bill should, in my judgment, in the Senate go to the Interstate Commerce Committee, of which I am chairman, and not to the Commerce Committee, as the chairman of the Commerce Committee contends.

"In the Senate this bill now lies on the table awaiting the determination of the Senate itself as to which committee the bill shall go. If it goes to the Interstate Commerce Committee, we can then formulate all the necessary legislation that will make river development dovetail with the development of railroad transportation. Provisions can be secured in that legislation that will prevent the destruction of river transportation by the unfair competition of the railroads. Interstate commerce is one subject, and it should not be divided between two committees.

"For the reasons above given I have concluded not to press the river-regulation bill at this session, but to press it with vigor at the next session of Congress, and I urge all who feel the importance of river regulation to bring the weight of their personal influence to its support. It has been indorsed throughout the entire country by chambers of commerce, boards of trade, and waterway associations. It has been hospitably received by the press of the country. It has received the indorsement of several State legislatures. It is the only concrete measure upon which public opinion can be concentrated. It is no new thing.

"Pressure for the bill gives concrete expression to a favorable public sentiment regarding the principles of the bill and does away with the necessity for tedious elaboration in its advocacy. I invite the hearty support of all people who believe that water is a valuable asset; that it should be conserved and regulated as such, and that its highest uses should be developed and maintained with scientific accuracy. As the President so happily expressed it to the irrigation congress at Salt Lake, 'the floods should be turned from a menace into a blessing.'

"Now, Mr. President, I offer, but not with a view to pressing the matter, an amendment to the river and harbor bill similar to the one which I offered at the last session. That amendment refers simply to the organization of the commission, and not to the creation of a fund."

The river-regulation amendment above referred to is printed in the RECORD of this date. (CONGRESSIONAL RECORD, vol. 52, pt. 1, pp. 623–624.)

February 4, 1916: Remarks in protest against inadequate methods of dealing with flood problem. (CONGRESSIONAL RECORD, vol. 53, pt. 3, p. 2105.)

February 19, 1916: The Newlands-Broussard river-regulation bill proposed as an amendment to the Shields water-power bill (S. 3331). (CONGRESSIONAL RECORD, vol. 53, pt. 3, p. 2805.)

March 8, 1916: Debate. (CONGRESSIONAL RECORD, vol. 53, pt. 4, pp. 3732–3736.)

April 11, 1916: Senator NEWLANDS presented the following documents, which were printed in full in the RECORD:

1. Telegram from Walter Parker, general manager New Orleans Association of Commerce, to Hon. William C. Redfield, Secretary of Commerce, dated February 15, 1916, and containing a copy of telegram from Woodrow Wilson to FRANCIS G. NEWLANDS, president Irrigation Congress, Salt Lake, Utah, dated Seagirt, N. J., September 20, 1912.

2. Letter from President Woodrow Wilson to Hon. FRANCIS G. NEWLANDS, United States Senate, dated the White House, April 3, 1916, transmitting report of the Interdepartmental Cabinet Committee, dated Washington, February 26, 1916, and signed by the Secretaries of Interior, Agriculture, and Commerce. (CONGRESSIONAL RECORD, vol. 53, pt. 6, p. 5871.)

April 11, 1916: Remarks by Senator NEWLANDS explaining the difference between the Ransdell-Humphreys flood-control bill and the Newlands-Broussard river-regulation bill, and the recommendations of the Interdepartmental Cabinet Committee with relation to both bills. (CONGRESSIONAL RECORD, vol. 53, pt. 6, p. 5872.)

April 17, 1916: Senator NEWLANDS introduced river-regulation amendment to river and harbor bill (H. R. 12193) with the following remarks:

"Mr. NEWLANDS. Mr. President, I submit an amendment intended to be proposed by me to the river and harbor bill, embracing the recommendations of the Secretaries of the Interior, Agriculture, and Commerce to the President of the United States, regarding a full and broad system of river regulation and control. These recommendations were recently transmitted to me by the President of the United States in a letter, which, with the accompanying recommendations, were at my instance recently printed in the RECORD. They were recommendations made by an interdepartmental committee appointed by the President two years ago, consisting of the Secretaries of War, Interior, Agriculture, and Commerce. Owing to a vacancy in the War Secretaryship the recommendations were signed only by the three other Secretaries, but I am informed that the recently appointed Secretary of War is in harmony with them. The letter of the President and the recommendations of the Secretaries will be found in the CONGRESSIONAL RECORD of April 11, 1916." (CONGRESSIONAL RECORD, vol. 53, pt. 7, p. 6269.)

The river-regulation amendment introduced as aforesaid on April 17, 1916, is printed in full in the CONGRESSIONAL RECORD of that date, pages 6269–6270.

April 24, 1916: Introduced S. 5736. (CONGRESSIONAL RECORD, vol. 53, pt. 7, p. 6688.)

May 9, 1916: Remarks prompted by discussion of appropriation in rivers and harbors bill as to floods in Kansas; conference at office of governor of Kansas; inadequacy of flood-control bill. (CONGRESSIONAL RECORD, vol. 53, pt. 8, p. 7656.)

May 18, 1916: Remarks: Flood-control bill; correspondence with Hon. B. G. HUMPHREYS. The Humphreys bill and the Newlands bill printed in parallel columns. (CONGRESSIONAL RECORD, vol. 53, pt. 8, pp. 8232–8235.)

May 18, 1916: Remarks: Coordination of rail and water transportation. (CONGRESSIONAL RECORD, vol. 53, pt. 8, p. 8248.)

May 22, 1916: Remarks in protest against piecemeal character of river and harbor appropriations and urging necessity of comprehensive plan. (CONGRESSIONAL RECORD, vol. 53, pt. 9, pp. 8435–8437.)

May 24, 1916: Debate, same subject, and also flood-control bill; protest against organization of National Waterways Commission in March, 1909; investigation should now be followed by the actual work of construction. (CONGRESSIONAL RECORD, vol. 53, pt. 9, pp. 8568–8572.)

May 26, 1916: Remarks: Shafroth amendment requiring 20 per cent contribution from States on river and harbor improvements. (CONGRESSIONAL RECORD, vol. 53, pt. 9, pp. 8703–8705.)

May 26, 1917: Introduced river-regulation amendment to river and harbor bill, H. R. 12193, which was ordered to lie on the table and be printed. (CONGRESSIONAL RECORD, vol. 53, pt. 9, p. 8729.)

May 27, 1917: River-regulation amendment offered, the river and harbor bill being under consideration:

"Mr. NEWLANDS. I wish to offer the same amendment that was offered and put into the river and harbor bill some three years ago regarding the creation of a river regulation commission with powers of coordination and cooperation. * * *

"Mr. CLARKE (chairman of the Commerce Committee). I trust that the Senate will permit the amendment to be adopted without comment. * * *"

The amendment was read and appears in full in the RECORD of this date on page 8763. The point of order being made against the amendment that it is general legislation on an appropriation bill, the amendment was temporarily withdrawn. (CONGRESSIONAL RECORD, vol. 53, pt. 9, p. 8763.)

May 29, 1917: River-regulation amendment again offered, with the following remarks:

"Mr. NEWLANDS. Mr. President, I renew the amendment I offered the other day, an amendment which was inserted in the river and harbor bill some two years ago by the Senate. (CONGRESSIONAL RECORD, vol. 53, pt. 9, p. 8832.)"

The amendment was subsequently stricken out on a reserved point of order. (See p. 8835.)

May 31, 1917: Debate as to reference of flood-control bill, H. R. 14777: An act to provide for the control of floods in the Mississippi and Sacramento Rivers; relation of flood control to waterway transportation. (CONGRESSIONAL RECORD, vol. 53, pt. 9, pp. 8953–8957.)

August 1, 1916: Remarks prompted by floods in Alabama, North and South Carolina. (CONGRESSIONAL RECORD, vol. 53, pt. 12, p. 11908.)

December 21, 1916: Introduced a bill (S. 7510) providing for the control of waterways and water resources, for water conservation for flood control, prevention, and protection. (CONGRESSIONAL RECORD, vol. 54, pt. 1, p. 635.)

February 10, 1917: Remarks:

"Mr. NEWLANDS. I wish to ask of the chairman of the Committee on Commerce whether there is reported in the river and harbor bill a provision for the organization of a waterways

commission, composed of departmental chiefs and distinguished engineers who are to make a thorough study of all the questions that relate to the development of our waterways for navigation and other purposes?"

The chairman of the Commerce Committee replied that such provision had been embodied in the bill, and the amendment (the river-regulation amendment) is printed on page 2990 of the RECORD. (CONGRESSIONAL RECORD, vol. 54, pt. 3, pp. 2989–2990.)

February 26, 1917: Debate: Mississippi and Sacramento Rivers flood-control bill, on the passage of the bill. (CONGRESSIONAL RECORD, vol. 54, pt. 3, pp. 4282, 4290, 4292, 4294, 4298.)

THE NEWLANDS RIVER-REGULATION AMENDMENT.

The first Newlands river-regulation amendment was introduced in the Senate as an amendment to the river and harbor bill by Senator NEWLANDS, on February 16, 1910, and on February 18 was reintroduced by him, with a brief amendment, and is printed in full in the CONGRESSIONAL RECORD of the latter date.

At that time Senator NEWLANDS addressed the Senate on the subject of this amendment, and from his remarks the following is quoted:

"THE WATERWAY CAMPAIGN.

"Mr. NEWLANDS. Mr. President, the question of the development of the waterways of the country has been receiving great attention within the past few years. Various organizations have been formed throughout the country relating to the development of our waterways, associations appropriately named for the promotion of such development in the Mississippi Valley, on the various tributaries of the Mississippi, on the Atlantic, the Pacific, and the Gulf coasts. This movement reached such headway through conventions and river and harbor congresses that Mr. Roosevelt, then President, took the matter in hand and appointed a commission in aid of his power of recommendation to Congress, called 'the Inland Waterways Commission,' which made a preliminary report to him, which report was subsequently submitted to Congress.

"It was my privilege to serve on that commission, and whilst a member of it I introduced a bill, Senate bill No. 500, in the Sixtieth Congress, first session, for the organization of an inland waterway commission, for the coordination of the various scientific services of the Government that related in any way to the development of our waterways and water resources, and for cooperation between the Nation and the States, municipalities, and private interests in the development of these waterways. That bill, with certain modifications, was approved by the then Secretary of War and by the Inland Waterways Commission, of which Mr. Burton, of Ohio, was the chairman. It was referred to the Commerce Committee and there considered. But it did not come up for passage.

"Since then Congress itself took the matter in hand and appointed a National Waterways Commission, composed entirely of Senators and Representatives, the previous Inland Waterways Commission appointed by the President under his executive power of recommendation being a mixed commission, consisting of two Senators, two Members of the House of Representatives, and five others—the Chief of the Engineer Corps of the Army, the Chief of the Reclamation Service, the Chief of the Forestry Service, the Chief of the Bureau of Soils, and the Chief of the Bureau of Corporations.

"Both these commissions have agreed substantially upon the lines of their recommendation as to legislation. They have declared for coordination of the scientific and constructive services of the Government in this great work and for the cooperation of the Nation with States, municipalities, corporations, and individuals that have any jurisdiction over or any right or interest in the development of our waterways, the purpose being to unite the information, the experience of the scientific services of the Government, and to unite the energies of all the various sovereignties and of all the corporations and individuals having jurisdiction over or interest in the water resources of the country in developing our waterways, not only for navigation, but for every other useful purpose.

* * * * * * *

"THE RELATED USES OF WATER.

"Mr. President, I imagine that there will be little difference of opinion that these related questions of forestry, of the reclamation of arid lands, of the drainage of swamp lands, of the development of water power, and the clarification of streams, all have a relation to the development of waterways for the purpose of navigation. The development of a waterway for navigation may be entirely impracticable because of its cost; but if we can unite with the development of that waterway the reclamation of the arid lands above, the drainage of swamp lands below, and the intermediate development of valuable water power, we then add to the natural resources of the country and create values which in themselves will be compensatory of the entire work, whereas the work would not be in any measure self-compensatory if confined to navigation alone.

"We have in this Government various scientific services, services of a very high standard, services of great esprí de corps, services that have won the admiration and respect not only of Congress, but of the entire country. These services are now acting entirely separate and apart from each other, and yet they are all practically acting upon parts of the same subject matter.

"We have the Engineer Corps of the Army operating simply upon the question of navigation. Their efforts thus far have been largely confined simply to the maintenance of a stable channel through the operations of dredging and bank protection. We have the Reclamation Service engaged in the diversion of the flood waters of the upper reaches of streams, carrying those flood waters over the arid lands, and thus aiding in the prevention of the extraordinary floods which impair the efficiency of the channel of the river below. We have in them an agency for flood prevention and for the storage of the flood waters which will aid and promote navigation. Then, we have below vast areas of swamp land, rich with alluvial soil, the deposits of ages, almost useless because of the annual overflow, and the channel of the river itself so scattered and diverse as not to permit navigation anywhere.

"The problem there is to make one navigable channel by bank protection and by bank levees, and by one process thus clear the channel for navigation and at the same time promote the reclamation of vast areas of rich and fertile land. So, also, in the development of our works for navigation we are compelled in places to provide for dams and locks in the rapids of the river where there is a rapid fall, and those dams and locks are useful for the development of water power, which in itself is partly compensatory of the project.

"We have, then, the Reclamation Service; we have the Forestry Service; we have the Weather Service; we have the Soils Service; we have the Coast and Geodetic Survey; and we have the Geological Survey, all of them engaged in the study of questions relating to water, its development, and its regulation and control. Is it not the businesslike thing to provide some method by which those services can be brought together for consultation and joint action?

"The purpose of this amendment is to permit the President of the United States to bring into coordination, through a board or boards, these related services; to bring them into coordination with the Corps of Engineers of the Army, leaving that as the central organization in connection with the development of our waterways, as it has been for so many years, but giving it the benefit of the advice and the accumulated experience and information of these great services which have been making a study of similar subjects.

"WATER AND RAIL COOPERATION.

"Then there is the question of transportation. The National Waterways Commission in its very elaborate and able report presents the question of the development of our waterways in connection with railways, insisting that the decline of waterway transportation thus far has been due to the fact that the railways have discouraged water transportation and have sought by unfair competition to destroy it. So, in connection with this great work, we should be allowed the opportunity of calling upon the great transportation experts of the country, and also the members of the Interstate Commerce Commission themselves, for the purpose of advising this board, or these boards, regarding methods that will bring water and rail into cooperation and make each the friend and ally instead of the enemy of the other.

"TRANSPORTATION A CHARGE ON OUR NATURAL RESOURCES.

"The railroad managers have declared that it is essential, in order to meet the transportation requirements of the country in the near future, that at least $5,000,000,000 shall be expended upon the railways of the country. That $5,000,000,000 is a charge upon the natural resources of the country, as is so well stated in the report of the national commission. The interest upon it, amounting to at least $250,000,000 annually, will be paid by the shippers of the country, and is it not a wise thing for us to consider whether we can not reduce in part the necessity for such enormous expenditure by spending within the next 10 years $500,000,000, and even perhaps a billion dollars in the aggregate? It is reasonable to suppose that the expenditure of a billion dollars in waterway transportation at the rate of $100,000,000 a year during the next 10 years will save more than half of the necessary expenditure of $5,000,000,000 upon the railways.

"Why is it that the railways have been unequal to the transportation requirements of the country? Why was it that two

or three years ago they broke down just before the panic? It was simply because the railroads were made the agencies of transporting the bulky and cheap products of the country, products which could be better and more cheaply carried by water, and in reference to the transportation of which time was not an essential. Inquire of any railroad man, and you will find that the breaking down of the transportation system of the country was not due to the transportation of the high-priced products, which pay high freight, but to the coarser products, the products of the mine, the products of the field and the farm, such products as in Germany are carried mainly by waterway transportation, and which in this country, if we perfect our waterway transportation, can be carried largely upon the rivers of the country; so that it is important for us to act now and to establish the system under which we are to proceed.

"The amendment which I have offered, whilst not going so far as I would desire to do, as indicated in my appendix to the report of the Inland Waterways Commission, goes as far as the judgment of Congress will at present sanction; but I believe that, so far as providing for coordination of the scientific services of the country, providing for comprehensive plans, and for cooperation between the Nation and the States is concerned, Congress will readily see the propriety of this amendment. Then we will have enlisted not only the information and experience of the Engineer Corps of the Army, but the information and experience of every scientific service of the Government and the services of the best engineers, constructors, and transportation experts of the country in the solution of these important problems; and we can enter upon this great work with comprehensive plans, assigning to each sovereign its duty, to each interest its duty, properly apportioning costs and benefits, instead of entering upon an accidental and disjointed development, which may result, I fear, in the shipwreck of the waterway movement of the country."

* * * * * * *

"THE GOVERNORS' CONFERENCE.

"If you will read the report of the conference of the governors, unanimously acquiesced in by the governors of the great States, you will find the principles of coordination and of cooperation, such as are outlined in this amendment clearly sustained and vindicated.

"I quote from the declaration of the governors, as follows:

"We declare our firm conviction that this conservation of our natural resources is a subject of transcendent importance which should engage unremittingly the attention of the Nation, the States, and the people in earnest cooperation. These natural resources include the land on which we live and which yields our food; the living waters which fertilize the soil, supply power, and form great avenues of commerce; the forests which yield the materials for our homes, prevent erosion of the soil, and conserve the navigation and other uses of the streams; and the minerals which form the basis of our industrial life, and supply us with heat, light, and power.

"We agree that the land should be so used that erosion and soil wash shall cease; and that there should be reclamation of arid and semiarid regions by means of irrigation, and of swamp and overflowed regions by means of drainage; that the waters should be so conserved and used as to promote navigation, to enable the arid regions to be reclaimed by irrigation, and to develop power in the interests of the people; that the forests, which regulate our rivers, support our industries, and promote the fertility and productiveness of the soil should be preserved and perpetuated; that the minerals found so abundantly beneath the surface should be so used as to prolong their utility; that the beauty, healthfulness, and habitability of our country should be preserved and increased; that the sources of national wealth exist for the benefit of the people, and that monopoly thereof should not be tolerated.

"We commend the wise forethought of the President in sounding the note of warning as to the waste and exhaustion of the natural resources of the country, and signify our high appreciation of his action in calling this conference to consider the same and to seek remedies therefor through cooperation of the Nation and the States.

"We agree that this cooperation should find expression in suitable action by the Congress within the limits of and coextensive with the national jurisdiction of the subject, and, complementary thereto, by the legislatures of the several States within the limits of and coextensive with their jurisdiction.

"We declare the conviction that in the use of the national resources our independent States are interdependent and bound together by ties of mutual benefits, responsibilities, and duties.

* * * * * * *

"We recognize in our waters a most valuable asset of the people of United States, and we recommend the enactment of laws looking to the conservation of water resources for irrigation, water supply, power, and navigation, to the end that navigable and source streams may be brought under complete control and fully utilized for every purpose. We especially urge on the Federal Congress the immediate adoption of a wise, active, and thorough waterway policy, providing for the prompt improvement of our streams and the conservation of their watersheds required for the uses of commerce and the protection of the interests of our people."

The Newlands river-regulation amendment was agreed to by the Senate as an amendment to the river and harbor bill on February 23, 1913, but was stricken out in conference, as will be seen by reference to the debates in the Senate on the river and harbor bill on March 1, 1913. (CONGRESSIONAL RECORD, vol. 49, pt. 5, pp. 4365–4376, 4388, 4427–4428.)

On June 22, 1914, Senator NEWLANDS again introduced the river-regulation amendment, and from his remarks in the Senate at that time the following is quoted:

"Mr. NEWLANDS. Mr. President, I submit an amendment intended to be proposed to the river and harbor appropriation bill, and I desire to make a brief statement in connection therewith.

"Ever since 1907 I have been urging the adoption of a river-regulation bill, providing a commission with a fund of $60,000,000 annually for 10 years, for the purpose of promoting the development and control of our rivers in the interest of irrigation, and also with a view to the solution of the related questions of irrigation, forestry, fisheries, swamp-land reclamation, flood control, water-power development, cooperation of railways and waterways, and promotion of transfer facilities and sites. Two years ago I succeeded in placing an amendment upon the river and harbor bill in the Senate providing for the skeleton organization covered by this bill, but the amendment was lost in conference because of the opposition of the House conferees. Since then, as the result of conferences with Senator RANSDELL and Senator elect Broussard, of Louisiana, the bill has been amended by fully recognizing the Mississippi River as a national problem, and the bill now has the active cooperation of these gentlemen, Mr. Broussard having recently introduced it in the House. The bill is now known as the Newlands-Broussard bill.

"Early in the present administration the President's attention was called to the bill as a substantial compliance with the Democratic platforms of the past two campaigns, calling in the most specific terms for comprehensive plans, an ample fund, the coordination of the scientific services, and the cooperation of the Nation with the States in the full development and control of our rivers for every useful purpose. The President was much interested, and referred the bill to a Cabinet committee consisting of the Secretaries of War, Interior, Agriculture, and Commerce for their study and report. This Cabinet committee is very favorably inclined toward the general lines of the bill, but recommends as a step in the ultimate solution of the problem the adoption of an amendment to the river and harbor bill practically on the lines of the amendment offered by me two years ago and adopted in the Senate. The matter has been the subject of discussion at a Cabinet meeting, and the President approves of this action.

"The most important difference between this amendment and the full bill is that it does not carry the large and continuing appropriation for which the advocates of a comprehensive plan of waterway development have been working. It does, however, provide complete machinery for the coordination of the scientific services of the Government, for the study of the problems involved, and for the formulation of plans. The amendment has the approval of the Secretaries of the departments named, as well as of the President, and is acceptable to me as a step in the right direction, although it does not go as far as I had hoped it might be carried. It is my belief that upon such a substantial foundation, with the cordial cooperation of the administration, it will be a question of only a comparatively short time until the problem of how to conserve our water resources will be solved in the best possible way.

"I ask that the amendment be printed in the RECORD and referred to the Committee on Commerce."

There being no objection, the amendment was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

"SEC. —. That a commission, to be known as the river-regulation commission, consisting of the Secretary of War, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, two Members of the Senate to be selected by the President of the Senate, and two Members of the House of Representatives to be selected by the Speaker, is hereby created and authorized to investigate questions relating to the development, improvement, regulation, and control of navigation as a part of interstate and foreign commerce, including therein the related questions of irrigation, forestry, fisheries, swamp-land reclamation, clarification of streams, regulation of flow, control of floods, utilization of water power, prevention of soil waste, cooperation of railways and waterways, and promotion of transfer facilities and sites, and to formulate, if practicable, and to report to the Congress comprehensive plans for the development of the waterways and water resources of the country for every useful purpose through cooperation between the United States and the several States, municipalities, communities, corporations, and individuals within the jurisdiction, powers, and rights of each, respectively, assigning to the United States such portion of such development, promotion, regulation, and control, if any, as can be properly undertaken by the United States by

virtue of its power to regulate interstate and foreign commerce and by reason of its proprietary interest in the public domain, and to States, municipalities, communities, corporations, and individuals such portion, if any, as properly belongs to their jurisdiction, rights, and interests, with a view to properly apportioning costs and benefits, and with a view to so uniting the plans and works of the United States within its jurisdiction, and of the States and municipalities, respectively, within their jurisdictions, and of corporations, communities, and individuals within their respective powers and rights, as to secure the highest development and utilization of the waterways and water resources of the United States. Such river-regulation commission is authorized, for the purpose of said investigation and report, to bring into coordination and cooperation with the Corps of Engineers of the Army, as a board or boards, the other scientific or constructive services of the United States that relate to the study, development, and control of waterways and water resources and subjects related thereto, and to the development and regulation of interstate and foreign commerce, and to consider as a part of its study of a comprehensive plan the continuance of such a board or of such boards with a view to keeping such services in coordination and cooperation; and such river-regulation commission is authorized to appoint as members of such board or boards such engineers, transportation experts, experts in water development, constructors, and other employees as it may deem advisable to appoint and employ in connection with the investigation and the formulation of plans herein authorized, and to lease offices. And for the expenses of such investigation, organization, and formulation of plans the sum of $500,000 is hereby appropriated."

The river-regulation amendment finally passed by Congress on August 3, 1917, and which became a law by the signature of the President on August 8, 1917, is section 18 of H. R. 4285, an act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," Public, No. 37, Sixty-fifth Congress, is as follows:

"SEC. 18. That a commission, to be known as the Waterways Commission, consisting of seven members to be appointed by the President of the United States, at least one of whom shall be chosen from the active or retired list of the Engineer Corps of the Army, at least one of whom shall be an expert hydraulic engineer from civil life, and the remaining five of whom may each be selected either from civil life or the public service, is hereby created and authorized, under such rules and regulations as the President may prescribe, and subject to the approval of the heads of the several executive departments concerned, to bring into coordination and cooperation the engineering, scientific, and constructive services, bureaus, boards, and commissions of the several governmental departments of the United States and commissions created by Congress that relate to study, development, or control of waterways and water resources and subjects related thereto, or to the development and regulation of interstate and foreign commerce, with a view to uniting such services in investigating, with respect to all watersheds in the United States, questions relating to the development, improvement, regulation, and control of navigation as a part of interstate and foreign commerce, including therein the related questions of irrigation, drainage, forestry, arid and swamp land reclamation, clarification of streams, regulation of flow, control of floods, utilization of water power, prevention of soil erosion and waste, storage, and conservation of water for agricultural, industrial, municipal, and domestic uses, cooperation of railways and waterways, and promotion of terminal and transfer facilities, to secure the necessary data, and to formulate and report to Congress as early as practicable a comprehensive plan or plans for the development of waterways and the water resources of the United States for the purposes of navigation and for every useful purpose, and recommendations for the modification or discontinuance of any project herein or heretofore adopted. Any member appointed from the retired list shall receive the same pay and allowances as he would if on the active list, and no member selected from the public service shall receive additional compensation for services on said commission, and members selected from civil life shall receive compensation of $7,500 per annum.

"In all matters done, or to be done, under this section relating to any of the subjects, investigations, or questions to be considered hereunder, and in formulating plans, and in the preparation of a report or reports, as herein provided, consideration shall be given to all matters which are to be undertaken, either independently by the United States or by cooperation between the United States and the several States, political subdivisions thereof, municipalities, communities, corporations, and individuals within the jurisdiction, powers, and rights of each, respectively, and with a view to assigning to the United States such portion of such development, promotion, regulation, and control as may be undertaken by the United States, and to the States, political subdivisions thereof, municipalities, communities, corporations, and individuals such portions as belong to their respective jurisdictions, rights, and interests.

"The commission is authorized to employ or retain and fix the compensation for the services of such engineers, transportation experts, experts in water development and utilization, and constructors of eminence as it may deem necessary to make such investigations and to carry out the purposes of this section. And in order to defray the expenses made necessary by the provisions of this section there is hereby authorized to be appropriated such sums as Congress may hereafter determine, and the sum of $100,000 is hereby appropriated, available until expended, to be paid out upon warrants drawn on the Secretary of the Treasury by the chairman of said commission.

"The commission shall have power to make every expenditure requisite for and incident to its authorized work, and to employ in the District of Columbia and in the field such clerical, legal, engineering, artistic, and expert services as it may deem advisable, including the payment of per diem in lieu of subsistence for employees engaged in field work or traveling on official business, rent of offices in the District of Columbia and in the field, and the purchase of books, maps, and office equipment.

"Nothing herein contained shall be construed to delay, prevent, or interfere with the completion of any survey, investigation, project, or work herein or heretofore or hereafter adopted or authorized upon or for the improvement of any of the rivers or harbors of the United States or with legislative action upon reports heretofore or hereafter presented."

The following is a copy of S. 5736, Sixty-fourth Congress, first session, introduced April 24, 1916, by Senator FRANCIS G. NEWLANDS with a view to embodying in the Newlands river-regulattion bill the recommendations of the Interdepartmental Cabinet Committee and the Interdepartmental Committee of Service Chiefs, appointed by President Wilson:

"*Be it enacted, etc.*, That the sum of $60,000,000, to be apportioned as hereinafter provided, is hereby reserved, set aside, appropriated, and made available until expended, out of any moneys not otherwise appropriated, as a special fund in the Treasury, to be known as the 'river-regulation fund,' to be used to promote interstate commerce by the development and improvement of the rivers and waterways of the United States and their connections with the Great Lakes and with each other, and by the coordination of and cooperation between rail and water routes and transportation, and the establishment and maintenance of adequate terminal and transfer facilities and systems, and their maintenance, improvement, and protection, and by the making of examinations and surveys and by the construction of engineering and other works and projects for the regulation and control of the flow of rivers and their tributaries and source streams, and the standardization of such flow, and by the maintenance of navigable stages of water at all seasons of the year in the waterways of the United States, and by preventing silt and sedimentary material from being carried into and deposited in waterways, channels, and harbors, and by the conservation, development, and utilization of the water resources of the United States, and by flood prevention and protection, through the establishment, construction, and maintenance of natural and artifical reservoirs and detention basins for water storage and control, and levees, revetments, and other bank-protective works, spillways, wasteweirs, wasteways, bypasses, controlled outlets, and flood-control works of every nature and kind, and the protection of watersheds from denudation, erosion, and surface wash, and from forest fires, and the maintenance and extension of woodland and other protective cover thereon, and the reclamation of swamp and overflow lands and arid lands, and the building of drainage and irrigation works in order that the flow of rivers shall be regulated and controlled not only through the use of flood waters for irrigation on the upper tributaries, but also through controlling them in fixed and established channels in the lower valleys and plains, and by doing all things necessary to provide for any and all beneficial uses of water that will contribute to its conservation or storage in the ground or in surface reservoirs as an aid to the regulation or control of the flow of rivers, and by acquiring by purchase, condemnation, or otherwise, holding, using, leasing, hiring, and transferring by appropriate deed lands and any other property that may be needed for the aforesaid purposes, or which it may be deemed advisable to dispose of, and by doing such other things as may be specified in this act or necessary to the accomplishment of the purposes thereof, and by securing the cooperation therein of States, municipalities, and other local

agencies, as hereinafter set forth, and for the payment of all expenditures provided for in this act.

"The aforesaid sum of $60,000,000, appropriated as hereinbefore provided, shall be apportioned for expenditure under this act as follows:

"(a) Twenty-five million dollars to the Illinois River and its watershed and to the Mississippi River from the mouth of the Illinois to the Head of the Passes, including the Atchafalaya River as one of the mouths of the Mississippi River, to be expended for the improvement of the Illinois River and for continuing the improvement of the Mississippi River from the Head of the Passes to the mouth of the Illinois River, for the control of floods thereon, and the establishment of a waterway from the Lakes to the Gulf; (b) $5,000,000 to the watersheds of the Ohio River and its tributaries, for the control of floods thereon, and the consequent improvement of navigation; (c) $5,000,000 to the watershed of the Mississippi River above the mouth of the Illinois River; (d) $5,000,000 to the watersheds of the Missouri River and all other tributaries of the Mississippi River, except the Ohio, from the mouth of the Illinois River to the Gulf, and all rivers draining into the Gulf of Mexico west of the Mississippi River; (e) $5,000,000 to the watersheds of the rivers draining into Canada, the Great Lakes, and the Atlantic Ocean and rivers draining into the Gulf of Mexico east of the Mississippi River; (f) $5,000,000 to the watersheds of all the rivers draining into the Pacific Ocean in Oregon and Washington, including the Columbia River watershed; (g) $5,000,000 to the watersheds of the rivers draining into the Sacramento and San Joaquin Valleys and into the Pacific Ocean north of Santa Barbara, in California; (h) $5,000,000 to the watersheds of all other rivers in California and the Great Inland Basin and the Colorado River.

"NATIONAL WATERWAYS COUNCIL.

"SEC. 2. That a national waterways council, hereinafter called the council, is hereby created, consisting of the President of the United States as chairman, the Secretary of War, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, and the chairman of the water-control board, to be appointed as hereinafter provided.

"The council shall have authority to direct and control all proceedings and operations and all things done or to be done under this act, and to establish all rules and regulations which may, in their judgment, be necessary to carry into effect such direction and control consistent with the provisions of this act and with existing law and with any provisions which Congress may from time to time enact.

"All plans and estimates prepared by the water-control board, as hereinafter provided, which contemplate or provide for expenditures from the river-regulation fund shall be submitted to the council for final approval before any of the expenditures therein provided for or contemplated are authorized or made or any construction work undertaken or contracts let under or in pursuance of such plans: *Provided*, That in case of an emergency the chairman of the water-control board shall have full power to act, and shall report in detail his action in every case to the council at its next meeting after his action.

"WATER-CONTROL BOARD.

"SEC. 3. That to assist in carrying out the purposes aforesaid the council may utilize the various agencies of the Government, and there is hereby created a water-control board, hereinafter called the board, which shall consist of a chairman, to be appointed by the council, and four assistant secretaries, to be appointed as hereinafter provided, and such additional members as the council may from time to time appoint. The chairman of the board shall receive a salary of $12,000 per annum, each assistant secretary aforesaid shall receive a salary of $10,000 per annum, and said additional members of the board such salaries as the council may from time to time fix. Subject to the direction and control of the council as to general policy and procedure, it shall be the duty of the board to ascertain in detail the work in progress and obtain plans, recommendations, and estimates of the work contemplated in the general field of water conservation, control, and utilization by the various agencies of the Government, States, counties, municipalities, districts, communities, corporations, associations, and individuals, and on the basis of such information and the results obtained by its own surveys and investigations to prepare for the consideration of the council a general and comprehensive program of water and waterways conservation, regulation, development, and utilization, extending through a number of years, with comprehensive general plans for each watershed, treating the entire watershed of each river as a unit, and with specific projects, plans, estimates, and recommendations, involving independent work by the United States and the combining of resources and energies of the various public and private agencies aforesaid; to coordinate and bring into conference the various agencies of the Government; and to examine, compare, adjust, allot, assign, and supervise their work, to the end that duplication may be avoided and the highest efficiency obtained; by agreement to assign to the various cooperating agencies the work to be done by them within their respective spheres; to accept, on behalf of the United States, from such agencies contributions of money and property of any kind to be used for carrying out the purposes authorized by this act; to make field inspection of all work done or contemplated under this act by the Government and its cooperating agencies; and to employ such engineers, transportation experts, experts in water development, constructors, and other employees, and to construct such buildings and work as may be necessary for those purposes. The board is hereby authorized to expend from the sums herein provided such amounts as may be necessary for services of employees in the city of Washington, D. C., and elsewhere; to pay therefrom such sums as may be necessary for office accommodations in the city of Washington, D. C., and elsewhere, and to purchase such law books, books of reference, periodicals, engineering, statistical, and professional publications as may be needed. Contributions received under this section shall be used by the board, under the direction of the council, for carrying out the purposes of this act, and money so received shall be paid into the river-regulation fund herein created. Subject to the approval of the council, the board is authorized to enter into such contracts or carry on by hired labor or otherwise such work as may be necessary for carrying out the purposes of this act, within the limits of appropriations made or authorized by this act or appropriations or contributions which shall be hereafter made or authorized from time to time, or as may be necessary for executing projects under this act within the respective limits of cost thereof approved by the Congress, the funds for which shall have been provided by the Secretary of the Treasury in accordance with the authority conferred by this act. Subject to the approval of the council, the board may also employ the various agencies of the Government in carrying out such purposes or executing such projects.

"COOPERATION WITH STATES AND OTHER AGENCIES.

"SEC. 4. That the board shall, in all cases where possible and practicable, encourage, promote, and endeavor to secure the cooperation of States, municipalities, public and quasi public corporations, towns, counties, districts, communites, persons, and assocations in the carrying out of the purposes and objects of this act, and in making the investigations and doing all coordinative and constructive work provided for herein; and it shall in each case endeavor to secure the financial cooperation of States and of such local authorities, agencies, and organizations to such extent and in such amounts as the council shall determine to be a just and equitable apportionment of work, costs, and benefits under all the circumstances in each case; and it shall negotiate and perfect arrangements and plans for the apportionment of work, cost, and benefits, according to the jurisdiction, powers, rights, and benefits of each, respectively, and with a view to assigning to the United States such portion of such development, promotion, regulation, and control as can be properly undertaken by the United States by virtue of its power to regulate interstate and foreign commerce and promote the general welfare, and by reason of its proprietary interest in the public domain, and to the States, municipalities, communities, corporations, and individuals such portion as properly belongs to their jurisdiction, rights, and interests, and with a view to properly apportioning costs and benefits, and with a view to so uniting the plans and works of the United States within its jurisdiction, and of the States and municipalities, respectively, within their jurisdictions, and of corporations, communities, and individuals within their respective powers and rights, as to secure the highest development and utilization of the waterways and water resources of the United States.

"APPOINTMENT OF WATER-CONTROL BOARD.

"SEC. 5. That each head of a department named in this act is authorized to appoint, with the approval of the council, for service as a member of the board, a highly qualified representative, who shall be an assistant secretary in the department in which he is appointed; shall devote his time primarily to the work authorized by this act; shall have, subject to the direction of the head of the department, such general supervision and control as may be necessary for the purposes of this act of the agencies within the department engaged upon such work; shall serve during good service and behavior; and shall be removable by the head of the department only for good cause.

"RIVER-REGULATION FUND.

"SEC. 6. That no sums shall be paid out of the river-regulation fund except on vouchers signed by the chairman of the

board or by an official designated by him in writing, drawn on the Secretary of the Treasury. To provide for carrying out the projects formulated under this act, which involve expenditures in excess of the $60,000,000 herein appropriated to the river-regulation fund, the appropriation hereafter to the credit of said fund of such sums as may be necessary is hereby authorized. At any time that the Secretary of the Treasury shall determine it to be necessary or advisable, in order to provide all or any part of the appropriation made or authorized by this act or which may be hereafter made or authorized or to provide revenues to execute a project under this act, which shall have been approved by the Congress, he may issue and sell, or use as a means of borrowing money, bonds in the necessary amount, in accordance with the provisions of the act of August 5, 1909 (36th Stats. L., pp. 11, 117), the act of February 4, 1910 (36th Stats. L., p. 192), and the act of March 2, 1911 (36th Stats. L., p. 1013). The sums appropriated or provided by the Secretary of the Treasury pursuant to this section shall be paid into the river-regulation fund and shall be available until expended and paid out as provided for in this act. All moneys received in connection with any operations under this act as well as from the sales of materials utilized and any condemned property shall be covered into the 'river-regulation fund' and be available for expenditure therefrom. It is the intent and purpose of this act to authorize and empower the council and the board and their officers, agents, and employees to do all necessary acts and things in addition to those specially authorized in this act to accomplish the purposes and objects hereof."

The following is a reference to the leading measures which have been introduced by Hon. FRANCIS G. NEWLANDS at different times, from which the present river-regulation measure, section 18 of the river and harbor act of 1917, has been developed:

The Newlands national irrigation bill, officially designated after its enactment as the United States reclamation act: H. R. 9674, introduced January 21, 1902.

The inland waterways commission bills: S. 500, introduced December 6, 1907, and S. 3717, introduced December 10, 1909.

Amended to S. 4501, the White Mountain and Appalachian National Forest bill: Introduced June 23, 1910.

The Newlands river-regulation bill: S. 10900, introduced March 1, 1911; S. 122, introduced April 6, 1911; S. 2739, introduced July 14, 1913.

The Newlands-Broussard river-regulation bill, introduced as an amendment in the nature of a substitute for S. 2739, introduced January 31, 1914.

The Newlands river-regulation bill, providing for a national waterways council and a water-control board, to conform to recommendations of the interdepartmental committee: S. 5736, introduced April 24, 1916.

The reclamation act, known before its passage as the Newlands national irrigation act, was passed by Congress on June 13, 1902, and was signed by President Roosevelt and became a law on June 17, 1902.

The river-regulation act, section 18 of the river and harbor act of 1917, known before its passage as the Newlands river-regulation amendment, was passed by Congress on August 3, 1917, and was signed by President Wilson and became a law on August 8, 1917.

The original Newlands river-regulation bill, S. 10900, was printed in full in the report of the flood commission of Pittsburgh, pages 391 to 396, and in a public document containing the remarks of Senator NEWLANDS in the Senate on Wednesday, February 15, 1911, on the passage on that day of the Appalachian and White Mountain Forest Reserve bill.

The Newlands-Broussard river-regulation bill, amendment to S. 2739, was printed in the CONGRESSIONAL RECORD, volume 51, part 3, pages 2635–2638, and also in Senate Document No. 418, Sixty-third Congress, second session.

The last Newlands river-regulation bill, embodying the recommendations of the interdepartmental committee, and providing for a national waterways council and water-control board, as recommended in that report, was printed in full in Senate Document No. 550, Sixty-fourth Congress, first session, and has been hereinbefore reprinted in full in this historical statement.

At every stage of its progress this great national movement for the conservation, development, and complete utilization of the water resources of the United States has been opposed on the ground that it was an unconstitutional and unwarranted enlargement of the functions of the National Government, and the measures which Congress has finally adopted have each settled some one particular phase of this advancement of the sphere of governmental action.

The United States reclamation act settled forever the right and obligation of the Government of the United States to construct works for the conservation and utilization of the surplus waters in the western half of the United States.

The White Mountain and Appalachian National Forest Reserve act went further and settled the question as to the range and scope of the activities of the Federal Government on the watersheds of the navigable rivers. It established the principle that the constitutional power and obligation of the National Government extends to the source of every tributary stream feeding a navigable river, and to the doing of any and all things that may be essential to control and regulate the flow of that river and all its source streams, so as to standardize their flow, so far as practicable, throughout the year. The act provides only for forest methods of accomplishing this object but if forestry is within its powers and obligations, there is no reason why all practicable methods of accomplishing the same result are not equally within the powers and obligations of the National Government, such as the building of artificial surface reservoirs, as advocated by the flood commission of Pittsburgh, or the conservation by storage in the ground of waters used for agricultural purposes.

The Mississippi and Sacramento Rivers flood-control act again extended the recognized powers and obligations of the National Government to the protection of lands from overflow and flood devastation by engineering works built for that purpose, without any necessary justification for their construction, on the ground that such construction was warranted by their benefit to navigation, as had previously been contended.

And now the river-regulation amendment, section 18 of the river and harbor bill of 1917, has practically and substantially declared that the powers authorized in the three bills above mentioned shall be extended to and cover the whole field of the conservation, development, and utilization of all the water resources of the United States, for every useful and beneficial purpose for which those waters can be used, and upon every watershed in the United States.

The United States reclamation act of June 17, 1902, was only a single stepping stone to this complete and comprehensive policy; the White Mountain and Appalachian Forest Reserve act was another stepping stone; the Mississippi and Sacramento Rivers flood-control act was another; and now Congress has, after a campaign always having that ultimate object in view, and extending over more than a quarter of a century, unequivocally placed the authority and powers and obligations of the National Government in this broad field upon a Nation-wide, enduring, and comprehensive foundation that will in its eventual working out save from waste "the Nation's greatest asset," the surplus and now unused waters of the United States.

The educational campaign that has steadfastly pushed forward this broad and beneficial national policy has been conducted through several different organizations, the oldest being the National Irrigation Congress and the American Forestry Association.

The National Irrigation Congress declared for the national irrigation policy at some of its earliest sessions and squarely put its demands before the people at the seventh national irrigation congress held at Phoenix, Ariz., in 1897, and was unfaltering in its support of that policy until it was adopted by Congress in June, 1902, by the enactment of the reclamation act.

The American Forestry Association championed the White Mountain and Appalachian National Forest Reserve bill, organized a national campaign in its behalf, and marshaled the forces that fought for that bill through a period of fully 10 years, until it was finally enacted by Congress in February, 1911.

The National Reclamation Association was organized as the National Irrigation Association on June 3, 1899, for the purpose of conducting a Nation-wide campaign for the entire broad national policy advocated in the statement of the objects of the association, as set forth in its constitution, as follows:

[The National Irrigation Association, organized June 2, 1899.]

"OBJECTS.

"1. The adoption by the Federal Government of a permanent policy for the reclamation and settlement of the public domain under which all the remaining public lands shall be held and administered as a trust for the benefit of the whole people of the United States, and no grants of title to any of the public lands shall ever hereafter be made to any but actual settlers and home builders on the land.

"2. The preservation and development of our national resources by the construction of storage reservoirs by the Federal Government for floor protection, and to have for use in aid of

navigation and irrigation the flood waters which now run to waste and cause overflow and destruction.

"3. The construction by the Federal Government of storage reservoirs and irrigation works wherever necessary to furnish water for the reclamation and settlement of the arid public lands.

"4. The preservation of the forests and reforestation of denuded forest areas as sources of water supply, the conservation of existing supplies by approved methods of irrigation and distribution, and the increase of the water resources of the arid region by the investigation and development of underground supplies.

"5. The adoption of a harmonious system of irrigation laws in all the arid and semiarid States and Territories under which the right to the use of water for irrigation shall vest in the user, and become appurtenant to the land irrigated, and beneficial use be the basis and the measure and limit of the right.

"6. The dissemination by public meetings and through the press of information regarding irrigation, and the reclamation and settlement of the arid public domain, and the possibilities of better agriculture through irrigation and intensive farming, and the need for agricultural education and training, and the creation of rural homes as national safeguards, and the encouragement of rural settlement as a remedy for the social and political evils threatened by the congestion of popualtion in large cities."

The National Reclamation Association of Louisiana was organized in January, 1912, with a view to subsequently merging it with the National Irrigation Association, which was done in January, 1913, and after the great flood of 1913 a statement was issued to the business men of the United States setting forth the reasons why the Newlands river-regulation bill should have the support of the business interests of the country.

That statement was as follows:

"*To the merchants and manufacturers of the United States:*

"The National Reclamation Association extends to you its greetings and urges your consideration of the following facts:

"There is not a merchant or manufacturer in the United States whose market is the country at large who did not suffer from loss of trade, delayed collections, or uncollectible accounts, with consequent loss of profits, as the result of the disastrous floods that devastated the Ohio and Mississippi Valleys in 1912 and 1913. These national catastrophes will continue to recur at frequent intervals in different parts of the country unless preventive measures are adopted by the National Government. Is it not better that this be done without delay by prompt congressional action? Every year's delay means a continuation of this risk of enormous losses, which will be removed whenever the inertia of Congress has been overcome by an insistent demand from the business men of the country.

"You insure against fire loss by the payment of a premium to an insurance company or by cooperation with some plan for mutual insurance. Is it not good business policy for every merchant and manufacturer in the United States to cooperate with others, and by their mutual activity and insistent demand for immediate action by Congress secure the passage of the Newlands river-regulation bill at the next session? That bill provides flood insurance for all parts of the United States by providing for doing the things in this country that have been so successfully done in several European countries to prevent and protect against damage by floods. What other countries have done we can do. Not to do it is to court the eventual destruction that has finally been the fate of the countries of Asia and northern Africa that have neglected these national protective measures against the destructive forces of nature.

"The Newlands river-regulation bill creates a waterways commission and board of river regulation composed of the heads of the departments and bureaus of the National Government that are now at work on the problem of river regulation and control. It coordinates their work, provides for cooperation with States and local districts or municipalities, and then appropriates enough money for the work to actually get it done. The policy that built the Panama Canal and the national irrigation works in the West is applied by the Newlands bill to building works to harness and control the floods in all parts of the United States. The bill appropriates $60,000,000 a year for 10 years to do this work. That total appropriation of $600,000,000, covering 10 years of construction work, is less than the actual direct losses from floods within two years in the Ohio and Mississippi Valleys alone.

"The only way to deal with the flood problem is to treat every river from source to mouth, with all its tributaries, as a unit, and so far as possible slow up the run-off, harness the floods at their sources by all practicable means, and restore nature's safeguards by providing controlled outlets and excess flood-water channels as well as levees, revetments, and local protective works. Levees alone can never be made an adequate protection against the extraordinary floods of the unusually heavy flood years, and any plan that contemplates 'levees only' as a remedy will in the end prove a delusion and a snare and worse than a waste of money.

"The Newlands river-regulation bill provides not only for levees but also for all other means for flood prevention and protection that are practicable and applicable to the particular section where they should be adopted. It covers the whole problem and it covers the entire country. It recognizes the necessity for flood protection and prevention and the equal right to such relief in all flood-menaced sections of the United States. The solution of this great problem demands that sectional selfishness be laid aside and the question dealt with nationally, under the constitutional power of Congress to aid navigation. The water that now goes to waste in floods must be conserved for beneficial use and turned into the river channels in the low-water season to float water-borne commerce.

"On the Mississippi River, which presents the largest problem, because this great river drains 41 per cent of the entire United States, the annual appropriations in the river and harbor bill should be enlarged from year to year as the value of this great national inland waterway becomes better appreciated and commerce thereon increases. The work done under the river and harbor bill, which is largely channel-improvement work, must be supplemented by source-stream control, bank-protective works, and a system of controlled outlets and excess flood-water channels, so as to regulate the flow of the river, lower the flood stages, and raise the low-water stages, as provided in the Newlands river-regulation bill. The floods that come from the West should be held back and used for irrigation and power development. The floods from the Ohio River should be controlled on the tributaries whence they come, and the water beneficially used, instead of sweeping down the valleys as a mighty agency of devastation and destruction.

"The Newlands river-regulation bill has been before the country for more than two years and is strongly supported by such organizations as the Pittsburgh Chamber of Commerce, Philadelphia Board of Trade, St. Louis Merchants' Exchange, National Irrigation Congress, National Lumber Manufacturers' Association, Associated Chambers of Commerce of the Pacific Coast, San Francisco Chamber of Commerce, Los Angeles Chamber of Commerce, Los Angeles Clearing House, Arizona and California River Regulation Commission, River Regulation Committee of Stockton, Cal., Texas Bankers' Association, Louisiana Bankers' Association, Southern Cypress Manufacturers' Association, National Slack Cooperage Association, Flood Commission of Pittsburgh, and many other similar organizations, and has Nation-wide support from the press.

"The active campaign for the passage of the bill by Congress is being conducted by the National Reclamation Association and the cooperation of every commercial and manufacturing concern and industrial institution in the United States is earnestly desired in order that the relief which this great constructive national legislative measure will bring to the entire business interests of the country and particularly to the flood-menaced sections may be expedited and the danger of a recurrence of past disasters safeguarded against without delay.

"NATIONAL RECLAMATION ASSOCIATION,
"R. H. DOWNMAN,
"*Chairman of the Board.*
"GEORGE H. MAXWELL,
"*Executive Director.*
"WALTER PARKER,
"*Secretary.*"

The National Irrigation Association, now known as the National Reclamation Association, from the date of its organization in June, 1899, 18 years ago, up to the enactment of the United States reclamation act, in June, 1902, conducted one of the most far-reaching and vigorous campaigns of education ever conducted in the United States for the policy set forth in its constitution above set forth, and its efforts contributed largely to the success of the movement that brought about the final passage of the reclamation act on June 13, 1902.

The National Irrigation Association, in 1903, turned its attention again to the broader aspects of the national movement to which it was devoted, and the broad and comprehensive national policy embodied in the Newlands river-regulation bill was declared and indorsed in the following resolutions drawn by George H. Maxwell, and adopted as an expression of the broad western vision of what should be done to prevent the waste and destruc-

tion of our national resources and safeguard against the annually recurring menace of the floods:

RESOLUTIONS ADOPTED AT THE FOURTEENTH ANNUAL SESSION OF THE TRANS-MISSISSIPPI COMMERCIAL CONGRESS HELD AT SEATTLE, WASH., AUGUST 18–21, 1903.

"We are drawing from nature's treasure vaults the wealth that has been accumulating through the ages. That wealth is in our forests, our mines, and our farms. Their products are the basis of both our internal and our foreign trade and commerce, and the original source of all employment for labor.

"CONSERVE NATIONAL RESOURCES.

"The unparalleled era of prosperity through which we are now passing results from the rapid development of the material resources of our country, and we must preserve those resources if we are to maintain that prosperity. We are drawing from nature's treasure vaults the wealth that has been accumulating through the ages. That wealth is in our forests, our mines, and our farms. Their products are the basis of both our internal and our foreign trade and commerce, and the original source of all employment for labor.

"This mighty resource of natural wealth must not be wasted or destroyed. Not only should the natural resources of the trans-Mississippi region be systematically preserved but the home market for its products should be protected.

"We have a higher destiny as a Nation than the mere creation or accumulation of capital. We must preserve and bequeath to future generations the natural resources which will be necessary to their material welfare, and without which in the years to come, the masses of our people will inevitably be reduced to poverty, and suffer privation and distress.

"WHAT MUST BE DONE.

"We may use and enjoy these vast natural resources without destroying them, and by a wise governmental policy they may be enormously developed and enlarged. But if this is to be done:

"1. The appalling ravages from forest fires must be stopped.

"2. The reckless destruction of our timber resources by careless and wasteful methods of lumbering must cease.

"3. The forests must be preserved by right use, not only as a permanent source of supply for wood and timber but as sources of water supply and great natural reservoirs to hold back the flood waters and lessen the destructive volume of floods.

"4. The waters that now run to waste must be stored both for flood protection and for use in irrigation and to create electric power and for the improvement of navigation.

"5. Reservoirs should be built throughout the mountain regions, and wherever practicable in the natural depressions and basins of the great plains in the valleys of the Missouri and Mississippi Rivers and their tributaries.

"6. The building of a multitude of small reservoirs and ponds by damming the draws and coulees should be brought about.

"7. The river channels should be, wherever necessary, deepened, straightened, and improved, and the banks protected by revetments.

"8. Levees should be built along the rivers for flood protection and to improve the channels for navigation.

"9. The public lands should be held as a sacred trust for those who will build homes upon them, and their rapid absorption into private ownership by speculators and to create great ranges for live stock should be immediately stopped.

"10. The National Government should build the great irrigation systems necessary for the reclamation and settlement of the arid region by actual settlers and homemakers, and the lands reclaimed should repay to the Government the cost of the construction of the works.

"GREAT ENGINEERING WORKS.

"The great engineering works necessary for the utilization of the waters of such large rivers as the Columbia, the Missouri, the Colorado, the Snake, the Milk, the Salt and Gila, and the Sacramento and San Joaquin Rivers in California, should proceed as rapidly as the lands reclaimed will be utilized, and will repay to the Government the cost of the works; and in the great interior central valley of California the problem of the control of the floods of the Sacramento River, which would furnish water enough to irrigate 10,000,000 acres of land, if conserved and utilized, should be treated as a single problem involving arid-land reclamation, flood control, navigation, and drainage, and while the improvements of the Sacramento and San Joaquin Rivers should be continued and extended by the National Government to fully develop the navigability of those rivers, the necessity of coping with the problem in its broadest aspects should be recognized and a complete and comprehensive plan for its entire solution should be prepared without delay by the engineers of the Reclamation Service and of the War Department of the United States."

The urgent needs of different sections of the country for relief along the comprehensive lines embodied in the Newlands river-regulation bill and in the river-regulation amendment, section 18 of the river and harbor act of 1917, have found expression in the formation of strong local organizations in widely separated hydrographic basins. These local organizations have strengthened and supplemented the Nation-wide educational campaign which the National Reclamation Association has during the last 18 years conducted in behalf of this national policy for the conservation, development, and utilization of all the water resources of the Nation for every beneficial purpose for which these now wasted water resources can be utilized, in every practicable way and by every practicable method which can be adopted.

The Pittsburgh Flood Commission was organized by the Pittsburgh Chamber of Commerce January 30, 1908. It raised a fund of over $125,000, made a complete survey of the watershed of the upper tributaries of the Ohio River above Pittsburgh, and published a report, which covered every phase of the problem of flood control, prevention, and protection with reference to that territory.

This report established indisputably Pittsburgh's need for the broad national river-regulation policy contemplated by the present measure. Out of this need grew the larger and more comprehensive measure designated and known as the Newlands river-regulation bill, which was drawn with the special view of covering the Nation's needs for flood protection as well as waterways. The Newlands river-regulation bill was an extension and enlargement of the original Waterways Commission bills, S. 500 and S. 3717, heretofore referred to in this statement, and was, first introduced in the Senate by Senator NEWLANDS on March 1, 1911. It is printed in full on pages 391–396 of the Report of the Pittsburgh Flood Commission, being S. 10900, Sixty-first Congress, third session, and S. 122, Sixty-second Congress, first session.

The Newlands river-regulation bill was indorsed by the National Irrigation Congress at its Chicago session in December, 1911, an indorsement which has been repeatedly reiterated at later sessions of that congress, by the California Inland Waterways Association, by the Legislatures of California, Louisiana, South Dakota, and Wisconsin, and by an almost unanimous public sentiment expressed through the press of practically every State in the Union. A late favorable editorial expression is from the Detroit News, from which is quoted the following excerpt:

"The river and harbor bill contains one provision that may help to solve the 'pork barrel' problem. It provides for a waterways commission of seven members. Congressional rules cut that provision out of the bill in the House, but the Senate restored it. A similar provision was inserted in the bill last year by the Senate, but the bill failed to pass."

After specifying the powers conferred on the commission, this editorial continues:

"These are sweeping powers, but they are needed if system is to be introduced in place of chaos. The country is tired of the annual rivers and harbors bill fight and will be glad to see the entire control of waterways placed in competent hands. The danger is that Members of Congress eager for appropriations for pet projects ignored by the new board will try to override its reports, as they have sometimes overridden those of the Government's engineers to secure picayune improvements for their districts. But if the country gets behind the commission and insists that its recommendations be adopted, it may be that the annual 'pork barrel' scandal may be avoided hereafter."

The most active of the local organizations above referred to was the National Reclamation Association, of Louisiana, organized at New Orleans in January, 1912, and merged with the National Irrigation Association in January, 1913, as the National Reclamation Association. Those associations brought the necessity for source stream control before the Mississippi Valley as a lesson taught by the devastating floods that swept through that valley in 1912 and 1913. The campaign of the National Reclamation Association culminated in resolutions adopted at a great public mass meeting at the Tulane Theater in New Orleans on May 15, 1913. Those resolutions were formally presented to President Wilson by Mr. R. H. Downman, chairman of the National Reclamation Association, acting as the personal representative of Gov. Hall, of Louisiana, on May 18, 1913.

The following is a copy of those resolutions:

FLOOD PROTECTION AND PREVENTION AND RIVER REGULATION.

Resolutions adopted at the second mass meeting of the citizens of New Orleans and Louisiana held at the Tulane Theater on May 15, 1913, reaffirming and reiterating and again approving and indorsing the joint resolution of the General Assembly of the State of Louisiana adopted June 6, 1912, which was specifically and in extenso approved,

adopted, and indorsed at the first citizens' mass meeting held at the Progressive Union Assembly Hall in New Orleans on June 20, 1912, and indorsing and urging the immediate enactment by Congress of the Newlands river-regulation bill as amended when reported from the Senate Commerce Committee to the Senate on March 3, 1913, and embodied in full in Senate report No. 1339, Sixty-second Congress, third session, the said bill being S. 122, calendar No. 1187, of said session.

[R. H. Downman (chairman), J. H. Fulton, John J. Gannon, Frank B. Hayne, Chas. Janvier, general committee.]

"Whereas the people of the State of Louisiana, through their representatives in legislature assembled, did on June 6, 1912, by joint resolution, concurred in by the senate and house of representatives, declare as follows:

"'Whereas the great flood of 1912 has demonstrated that the National Government only can obviate a recurrence of such overflow disasters in the future by a national policy under which an adequate levee system will be built and maintained as national fortifications against invasion and destruction by the forces of nature; and

"'Whereas the steadily increasing volume of the floods in the lower Mississippi Valley has been largely caused by the changed condition of the watershed in the States comprising the drainage basin of the Ohio, upper Mississippi and Missouri Rivers; and

"'Whereas these causes and conditions are beyond the control of the States bordering the Mississippi from Cairo to the Gulf, and can only be controlled by the National Government: Now, therefore, be it

"'*Resolved by the House of Representatives of the State of Louisiana (the Senate concurring therein)*, That the National Government should immediately extend such temporary relief as may be necessary to repair the broken levees and to maintain them in future, and to control the river in its channel by revetments and bank protective works which will safeguard against the destruction of levees by caving banks and shifting channels.

"'*Resolved further*, That in working out plans for flood prevention and the protection of the lowlands of the Mississippi Valley from overflow, the Mississippi River and all its tributaries and source streams should be treated as a unit, and a comprehensive and adequate levee system, to be permanently maintained by the National Government, should be supplemented by a system of reservoirs on the headwaters of the Ohio and its tributaries, and also on the upper Mississippi, and by a system of flood-water canals and storage reservoirs in the Missouri River Valley, by means of which the flood plane at Cairo would at all times be so reduced that no combination of high water in the three upper rivers would ever create a great flood in the lower Mississippi Valley, and at the same time prevent overflow and damage by floods in the valleys of the Ohio, the upper Mississippi, and Missouri Rivers.

"'*Resolved further*, That the Nation can not longer afford to permit its resources of soil, of power, of water, and of navigation to be carried as a wasteful and destructive flood to the sea, and that since the States themselves can not, in the general interest, prevent this waste, the Federal Government should conserve such floods at their sources, and subject the now-wasted waters to beneficial use.'

"And whereas subsequently, on June 20, 1912, at a public mass meeting of the citizens of New Orleans, held in the Progressive Union Assembly Hall, the foregoing joint resolution was approved and ratified and embodied in its entirety in the resolutions adopted at said meeting; and

"Whereas a flood prevention and river regulation conference, attended by representative citizens from many different sections of the State of Louisiana, was held in New Orleans on January 7, 1913, at which resolutions were unanimously adopted urging that the Newlands river regulation bill should be so amended as to specifically appropriate and set apart $100,000,000 for work on the Mississippi River from St. Louis to the Gulf; and

"Whereas the said bill as originally drawn contained the following provision:

"'SEC. 18. That in carrying out the provisions of this act regard must be had, as far as practicable, to the equitable apportionment and contemporaneous execution of the works and projects contemplated under this act among the several waterways systems of the United States'; and

"Whereas when said bill was reported from the Senate Commerce Committee on March 3, 1913, it was amended in accordance with the resolutions of said flood prevention and river regulation conference and the following provision added to said section 18:

"'Not less than $10,000,000 annually shall be apportioned to the Mississippi River from St. Louis to the Gulf, $5,000,000 to the Missouri River, $5,000,000 to the Ohio River, $5,000,000 to the upper Mississippi River above St. Louis, and $5,000,000 to the Sacramento and San Joaquin Rivers in California'; and

"Whereas said bill also contains the following specification as to the appropriation and apportionment of the $50,000,000 a year for 10 years appropriated thereby:

"'For the Corps of Engineers, United States Army, for building bank-protective works to prevent erosion and cutting of the banks and consequent caving, and to control the river and hold it in a permanently fixed and established channel, and for building and maintaining revetments, dikes, walls, levees, embankments, gates, wasteways, by-passes, flood-water canals, restraining dams, impounding basins, and bank-protective works for river regulation, and as a means to that end the building of works for reclamation, drainage, and flood protection, and for building reservoirs and artificial lakes and basins for the storage of flood waters to prevent and protect against floods and overflows, erosion of river banks, and breaks in levees, and to regulate the flow of source streams and navigable rivers, and reinforce such flow during drought and low-water periods, and for the operation and maintenance of the same, $30,000,000'; and

"Whereas the said Newlands river-regulation bill, when so amended, specifically and by its terms fully and completely provides for New Orleans, La., and the whole Mississippi Valley all the relief and benefits and all the measures for flood protection and prevention, and embodies the entire national policy advocated in the aforesaid joint resolution of the Legislature of Louisiana; and

"Whereas the said bill rejects and condemns no plan, and provides not for 'levees only' or for any one plan to the exclusion of others, but covers and provides for the adoption of all safeguards and all plans and methods for flood protection and prevention that may, after proper survey and examination, be found practicable; and

"Whereas the said bill further provides similar relief and benefits for other sections of the country that are demanding national aid for flood protection, and without whose cooperation and support the Mississippi Valley can not expect to secure such national aid; and

"Whereas the said bill has been before the people of the United States for more than two years, and now has Nation-wide support extending from Pennsylvania to California and from Montana to Texas, and will combine sufficient territorial political strength to insure its passage by Congress;

"Now, therefore, we the citizens of New Orleans and Louisiana, in mass meeting assembled, do most heartily again indorse the wise and patriotic joint resolution passed by the Legislature of the State of Louisiana on June 6, 1912, and do hereby renew and reiterate the demands embodied in the said joint resolution, and do hereby indorse the Newlands river regulation bill, and do hereby most earnestly urge the enactment of said bill by Congress at the present session, in order that the development of the Mississippi Valley shall be no longer retarded by the flood menace;

"And we hereby call upon our Senators and Representatives in Congress to extend their hearty and unqualified support to the principles so positively and unequivocally declared, as aforesaid, by the Legislature of Louisiana, and to the aforesaid bill in which those principles have been embodied for congressional enactment."

After the presentation of the foregoing resolutions to the President at Washington by Mr. Dowman on May 18, 1913, the following striking article, setting forth a forecast of what the adoption of the national policy urged in those resolutions would bring to the great territory embraced in the valleys of the Mississippi River and its tributaries, was published editorially in the New Orleans Item of May 23, 1913:

"WHEN THE VALLEY IS REDEEMED AND THE MOSSBACKS ARE ALL FORGOTTEN.

"Let us draw breath a moment in the strike, stop to tighten belts and lean upon our weapons, scan with placid and contented eye the moiling fragments of the scattered, frothing enemy—and then glance beyond the battle lines to the certain victory.

"The space of peace is pardonable. We stand intrenched in truth. The cause is just—God knows none other touches nearer our hearts and homes. The foe is really ignorance, and for the fighters under that banner we can feel pity while we smite them hip and thigh.

"Picture the valley, 10 years hence, with the flood menace long since lifted, with the resource, the purse, and mind and conscience of the great Republic busy completing the task of redeeming and conserving against the waste of future ages the uncounted boundless wealth that fate and nature have given to us here between the Rockies and the Alleghenies:

"In the Appalachians the new forests on the watersheds will have begun to grow anew. On the mountain slopes of upland America the agents of a beneficent Government will have shown the natives how to terrace their hillside farms. In the gorges

and valleys of the Allegheny and Monongahela, the Kentucky, the Cumberland, the reservoirs will be finished. On the watersheds of the Ohio to the northward science will have worked out plans to prevent the recurrence of the disaster to come from such floods as 1913. Along the Ohio the locks and dams whose construction has dragged for years will be finished. From out the harbors of Pittsburgh, Louisville, Indianapolis, Cincinnati, will be moving vast fleets of barges and modern river craft, bearing to the markets of the South the product of the greatest freight-producing region on this earth—bearing it at the cheapest freight rate the world knows—by the easiest, surest route to the greatest market in the history of mankind.

"Far up the upper Mississippi the canals through to the Great Lakes will be built. Boats will be loading in Minneapolis, in Chicago, in Duluth, Cleveland, Milwaukee, Rock Island, with all the myriad articles their factories and their fields and mines produce that folk to the southward need. Reservoirs above Minneapolis will have lifted danger of flood from a vast area there. From great water-power plants established on the dams, hydroelectric power will keep the busy factories humming through the nights and days—the charge therefor maintaining the works for flood prevention and stream control.

"Away in the far Northwest, on millions of acres of land now lying barren to the suns of summer and the winter winds, the quiet farms will guard their fertile acres—where the water is kept on the 'land that wants it' and off the land that doesn't. From out of the prairies the tide of corn and wheat will move toward the river towns on the Missouri, there by barge to seek the route that nature marked thousands of years ago, down to the southern sea. The Missouri, no longer the sullen, vengeful, reckless stream of disorder and disaster, will carry again the argosies of commerce. On the distant mountain sides the new sapling forests will begin anew to catch and hold the humus and the moisture. Cared for, handled, guarded, controlled, the 'blessed rain,' no longer an agent of destruction everywhere, will be man's best instrument of plenty and prosperity.

"So to the southward may we picture the change—Memphis no longer a promontory in a springtime inland sea, with busied Army officers sending out relief expeditions into the flooded area, but instead a great 'port of call' on the river route to the markets beyond the Gulf and beyond the canal; with warehouses, wharves, elevators lining its river front; the new-style river steamers replacing the ancient boats of the 'Lee Line' and the old *Kate Adams;* the harbor busy as that of Hamburg or any city on the Rhine or Elbe; and the whole mind of the people turned away from the dread of disaster to busy thinking of how best to turn to use the tremendous instrument which nature gave and man retained for a Nation's use.

"Imagine the significance of that altered frame of mind on down the valley! Vision the dwellers on the rich lands of the Mississippi Delta, of the Arkansas lowlands, no longer dreading floods! Think of their initiative freed from the numbing weight of the 'flood menace'! Picture the stream flow regulated, levees strong enough to stand the height beyond which the people know the waters can not go and banks assured against all caving! Picture Helena, Arkansas City, Greenville absolutely safe for themselves and for the region round about them!

"Vision that security in upper Louisiana, in the country facing Vicksburg and Natchez; imagine it in the lowlands along the Red, the Ouachita, the Black! Picture the change in the waste land about the junction of the Red, the Mississippi, and the Atchafayala, with the swamps reclaimed, with a great controlled sluice way across Old River, with adequate levees on both sides the Atchafalaya to the Gulf, with locks that will continue navigation while the gated dam controls the stream flow to Red and Mississippi alike!

"In Pointe Coupee and West Baton Rouge, in Iberville and Ascension the current would have ceased to gnaw, the herald of alarm would no longer call the countryside to battle against the water as against a living, vengeful enemy. The banks would be fixed, the levees would be strong and broad and built for the ages.

"At Bayou Plaquemine, at Manchac, at Lafourche, perhaps at other places, there would be regulated, guarded, absolutely controlled spill ways, themselves leveed and guarded out to the lakes, to take off the surplus water, insurance against any greater height than the levees would be built to sustain.

"In all the region men would go about their business absolutely sure!

"No longer would the winds of March bring fear and the April rains disaster.

"And in all the valley the new measure of activity, of commerce, of business, would converge toward the valley's outlet to the southward!

"To the empty acres of Louisiana and Mississippi the flocking land-hungry emigrants from the Middle West would have rushed the moment the 'flood menace' had been made sure of extinction. Already the millions of acres of reclaimed and reclaimable land about the mouth of the Mississippi would have been taken up. The swamps would have been cleared and drained, the great estates cut up into busy farms. Good roads, good schools, quickened life and trade already would have remade the life of all. In the towns and villages a new era would have come, a new point of view been opened, a new hope and a new confidence creating a new activity.

"And sitting at the valley's gate, New Orleans, redeemed and safe and whole, would sit the beneficiary of all the change from far-off watersheds in the mountains of the East and West down to the very Gulf. To her merchants would come the trade of the new dwellers on the safe lands of the South. To her banks would center the surplus capital of the region relieved from danger. To her docks and wharves would come the river craft from the Ohio, the Missouri, the Great Lakes, the upper Mississippi, the Red, the Cumberland, the Kentucky, the Tennessee; and to her harbor would assemble the ships of all the seven seas to barter cargoes with the craft from the inland waters.

"A 'dream'?

"'Too good to be true?' in the poetic language of the facile 'Pic.'

"So men sneered at the suggestion that the Great American Desert would ever be smiling farm land. So elder statesmen as wise and weird as RANSDELL laughed to scorn the suggestion that Oregon and Washington were worth fighting for. So the reclamation act was laughed at, and the Appalachian bill said to be a 'joke.' So men scoffed at Edison when he explained his incandescent lamp. So railroad-owned newspapers and their blind followers prodded old John T. Morgan, when through the harassed years he took the part of modern Cato and ever thundered that 'The canal must be dug!' So learned engineers told Goethals and Roosevelt that the Panama Canal never could be completed in the exact way, shape, and form in which it is being completed!

"So our own fossils of many years ago told Eads the jetties wouldn't work; so our own Supreme Court wisely asserted that no human power could ever filter enough Mississippi River water for New Orleans to drink and bathe in. Yet the jetties are built and working, and the filtered water is at hand for anyone who will turn the faucet!

"A dream?

"No! A plain picture in the large of the exact changes that have been wrought on smaller scale by these exact means in other regions, a picture of what we can get for the Mississippi Valley!

"It is this which the Newlands bill has in view. Mr. RANSDELL has said that the Newlands bill furnishes 'ample means to build levees on the Mississippi and protect us from floods.' His bill proposes no more than that. Isn't the bare possibility that this 'dream' might be made true in its other particulars enough to make it worth working for?"

The needs of the San Joaquin Valley and central California for waterway, flood prevention, and water conservation legislation of this character have been urgently pressed by the Stockton River Regulation Commission, through its chairman, Mr. J. L. Craig, and vice chairman, Mr. G. McM. Ross, and indorsed by the Water Problems Association of California, the Fresno Chamber of Commerce, the San Joaquin Valley Commercial Association, and numerous other similar organizations on the Pacific coast.

The Los Angeles Chamber of Commerce for more than 15 years has been a constant and earnest advocate of this legislation, supported by the Pittsburgh Chamber of Commerce and many other similar organizations in every great hydrographic basin in the United States, most active among whom has been the New Orleans Association of Commerce, working in cooperation with the National Reclamation Association, and as the result of their activity the special requirements and needs of the great Mississippi Valley drainage basin were more fully and specifically provided for in the bill known as the Newlands-Broussard river-regulation bill (S. 2739 and H. R. 12754) printed as Senate Document 418, Sixty-third Congress, second session, which in other respects was substantially the same as the original Newlands river-regulation bill.

On February 24, 1913, the Senate adopted an amendment to the river and harbor bill which was known as the Newlands river-regulation amendment, and which was very similar in its provisions to the amendment embodied in the bill by the Senate Commerce Committee at this session and now under consideration. After extended discussion, however, which will be found

in Senate Report 1339, Sixty-second Congress, third session, that amendment was lost in conference.

Again, substantially the same river-regulation amendment was adopted by a vote of the Senate as an amendment to the river and harbor bill, but it was afterwards stricken out on a reserved point of order.

When the water-power bill was before the Senate on February 21, 1916, an amendment to that bill was moved by Senator NEWLANDS which embodied the provisions of the Newlands-Broussard river-regulation bill.

The discussion in the Senate at that time on this subject extended over several days and has been brought together and published as a public document under the title "Water a national asset." That document includes the platforms of the political parties in different campaigns approving the general policy with reference to our rivers which has now taken form in the pending measure. The Democratic platforms of 1908 and 1912 were particularly clear and specific in their pledges for legislation such as that which the Congress is now enacting.

The direct appeal to President Wilson through the resolutions of the mass meeting at New Orleans which were presented to the President by Mr. R. H. Downman on May 18, 1913, resulted later in the appointment by the President of the Interdepartmental Cabinet Committee, composed of the Secretaries of War, Interior, Agriculture, and Commerce, who, with the aid of the chiefs of the different Government services and bureaus having to do with waters and waterways, made a most exhaustive investigation of the subject, particularly with relation to the working out of some plan for the better coordination and cooperation of these Government departments and agencies. As the result of that investigation and study of the subject, the hearty cooperation of the Secretaries named and of President Wilson has been enlisted and exerted in bringing this great public movement to a successful conclusion.

The country is to be congratulated that the support of President Wilson, first expressed in his telegram to Senator NEWLANDS as president of the National Irrigation Congress at its Salt Lake session on September 29, 1912, has resulted in the enactment of the present measure creating the Waterways Commission, which opens up such stupendous possibilities of benefit to the people of the United States.

The broad and comprehensive purposes which have actuated the Congress in its enactment were strongly stated in the report of the Secretaries composing the Interdepartmental Cabinet Committee to the President on February 26, 1916, set forth in full in the CONGRESSIONAL RECORD for April 11, 1916, from which the following is quoted:

[Remarks of Hon. FRANCIS G. NEWLANDS, of Nevada, in the Senate of the United States, Apr. 11, 1916.]

"Mr. NEWLANDS. Mr. President, some time ago, at the height of the flood at New Orleans, a telegram was addressed by the New Orleans Association of Commerce to the Secretary of Commerce, which I will insert in the RECORD, calling attention to these floods and to the party assurances given regarding flood mitigation and river development, and suggesting immediate legislative action upon the subject. Following the receipt of that telegram the President reconstituted the interdepartmental committee, which some time ago was instructed by him to inquire into the differing phases of river regulation and control presented by various bodies and to report to him. That committee consisted of the Secretaries of War, of the Interior, of Agriculture, and of Commerce.

"The office of Secretary of War being vacant, the three other Secretaries met and communicated with the senior Senator from Louisiana [Mr. RANSDELL], the junior Senator from Louisiana [Mr. Broussard], the Representative from Mississippi [Mr. HUMPHREYS], and myself. Mr. HUMPHREYS was unable to be present, owing to illness; but after several discussions of the question the Interdepartmental Cabinet Committee drew up a report to the President presenting their views regarding needed legislation. That report has been recently transmitted to me by the President of the United States. I ask to have read the letter of the President and the report of the interdepartmental committee, and I will ask unanimous consent to insert in the RECORD the telegram to which I have referred.

"The VICE PRESIDENT. Without objection, it is so ordered.

"The telegram referred to is as follows:

"[Telegram.]

"NEW ORLEANS, *February 15, 1916.*

"Hon. WILLIAM C. REDFIELD,
"Secretary Department of Commerce, Washington, D. C.

"DEAR SIR: One of the main-line levees of the Mississippi River in northern Louisiana has just given way in a district which suffered in 1912 and in 1913. A vast area of fertile farm land is being inundated. The people are fleeing from their homes. We are sending them help, as we always do. You are one of the members of the interdepartmental committee appointed many months ago to study the various submitted plans of stream and flood control. Your committee, we have been informed, reached an agreement upon the principle of the measures which were to be supported before Congress by the executive department. This organization, voicing the settled judgment of the business community of New Orleans, is on record as favoring the principle and the form of one great measure submitted to you for your approval, and by you in principle indorsed.

"Through three sessions of Congress we have waited patiently for the action to which the Democratic Party is pledged and to which you gentlemen yourselves have submitted your belief and your approval. We have waited, conscious that each year of delay in approaching the problem of flood and stream control in a broad and comprehensive manner adds another year to the many years of our continual and recurring peril. Still no action has come. We do not presume to sit in judgment upon those of you who occupy posts in close relationship to the processes of legislation and of execution in the Federal Government, but we do know that our peril continues, that we lose in money and in lives in each returning year of flood. We suffer an invasion as real as though it were directed by the head of an alien government. We lose lives as certainly as though they had been lost in Mexico or on the high seas. We suffer the imposition of indemnities which we must meet with taxes and bond issues that are just as much indemnities as though levied by a conquering army, and through the years and in proportion to the wealth of the region afflicted, what we have lost and what we have paid surpasses the indemnities inflicted upon France after the Franco-Prussian War—the greatest indemnity ever paid by any one nation.

"Here in New Orleans we feel that we as individuals and our investments are physically safe because we have massed resources of human power and of material which enable us to keep our levee breastworks so far ahead of the long lines reaching up the two sides of the Mississippi River from here to Cape Girardeau that levees elsewhere give way before the flood level reaches us, and thus we are saved by the misfortune of our fellow citizens of the Mississippi Valley. We appeal to you now in behalf of those unfortunates in Kentucky, southern Missouri, Arkansas, Mississippi, and Louisiana who have lost their homes, their fortunes, or their lives through the onslaught of the forces of nature operating over the territory of thirty-odd States, and concentrating their evil effect upon those who live in the smaller regions on the lower reaches of the Mississippi Valley.

"It is now too late for Congress to do more for those who are suffering than to give them food, if they need it, to furnish them with Government tents, and to put at their call the officers of the United States Army; but it is not too late for the interdepartmental committee to make known its conclusion and its findings with reference to suggested legislation having to do with the inland rivers of the United States. It is not too late for the executive department of the Government to put its recommendations before Congress, to lend the strength of its influence in support of the measures already drafted and pending therein, which will bring to bear upon the whole vast interrelated problem of stream-flow control, flood-disaster prevention, and use of the rivers in navigation the coordinated power and capacity of the whole Federal Government. It is not too late for this administration and this Congress to undertake 'after Panama' the task of 'the inland rivers'; carrying out the policy so well phrased and indorsed by President Wilson in his telegraphic message to Senator NEWLANDS, dispatched in the autumn of 1912:

"'SEAGIRT, N. J., *September 29, 1912.*

"'Hon. FRANCIS G. NEWLANDS,
"'President Irrigation Congress, Salt Lake, Utah:

"'Please express to the National Irrigation Congress my hearty approval of the policy it is met to promote, and especially of the policy of supplementing bank and levee protection by storage of flood waters above for irrigation and water power, turning floods from a menace into a blessing and at the same time abundantly feeding navigable waters.

"'WOODROW WILSON.'

"Is it asking too much to request you to read this telegram at the next Cabinet meeting as a respectful and an urgent message from the Association of Commerce, as representing the afflicted and jeopardized people, to the responsible heads of a Government from which we had expected adequate measures of safety?

"WALTER PARKER,
"General Manager New Orleans Association of Commerce."

"Mr. NEWLANDS. Now I ask that the Secretary read the letter of the President and the report of the interdepartmental committee.

"The VICE PRESIDENT. In the absence of objection, the Secretary will read as requested.

"The Secretary read as follows:

"THE WHITE HOUSE,
"Washington, April 3, 1916.

"Hon. FRANCIS G. NEWLANDS,
"United States Senate.

"MY DEAR SENATOR: I take the liberty of sending you inclosed a copy of a memorandum concerning flood control which the Secretaries of the Interior, of Agriculture, and of Commerce were kind enough to prepare for me. I hope that it will prove of interest to you. I know that you were consulted at the time the memorandum was contemplated.

"Sincerely, yours, WOODROW WILSON.

"THE SECRETARY OF THE INTERIOR,
"Washington, February 26, 1916.

"DEAR MR. PRESIDENT: In accordance with your suggestion we beg to present a résumé of our views as to the practicable way of dealing with the problem of so regulating and handling our rivers that they will be made to be of greater use and of less injury to the Nation.

"We do not feel the necessity for emphasizing the need for such legislation. Each recurring year makes plain the greatness of the work that must be undertaken if we are to keep our rivers within their banks. The floods of each year take their toll in property and lives. Our streams are filling with silt and their channels becoming less certain and reliable as nature's primal highways. Vast bodies of lands of the richest alluvial character are submerged so large a portion of the time as to be of no value to the Nation and of no service to the world. Therefore, to make more navigable our streams, to protect the cities and farms already established and to make a place for others, to save life and increase our crops, to conserve the waters on the higher

reaches of the streams where they may be used for needed irrigation, and to convert their fall into electric power—these are the chief ends to be reached by river improvement.

"It is now time, we believe, to urge a comprehensive and constructive plan of river development upon Congress, a plan which recognizes the magnitude of the problem, the impossibility of dealing with it by temporary expedients, and that looks definitely to the time when the flood evils of to-day will be remedied and the waters put to their highest use. This means nothing less than a study under one responsible authority of the problems and possibilities of each river, and after such study a determination upon a definite policy with regard to it and the commitment of the Government to the pursuit of such policy. It has been suggested that an adequate lump-sum and continuing fund for carrying on such national work shall be placed in the hands of a commission composed of the President and four of his Cabinet, which fund shall be expended upon such projects as it sees fit. We do not think this plan in its logical entirety necessary to the end in view.

"We do believe, however, that the Congress should commit itself to a comprehensive policy of river development, involving the expenditure over a long period of a large sum of money, with sufficient appropriations immediately available for continuing the work on the lower Mississippi substantially in accordance with the plans of the Mississippi River Commission, and for taking the necessary preliminary steps for the study of problems and the projection of work on other parts of the Mississippi and of other rivers. It should study each river system, and as projects are developed reports with recommendations for expenditure should be made to Congress, with the understanding that Congress, on the basis of the data furnished, would provide sufficient sums for the continuous prosecution of the work. There are precedents for this course, such as the Panama Canal and the Alaskan railroad projects. In these cases Congress determined that such enterprise should be undertaken, the general lines of development, and in a sense pledged itself to award the money necessary for the completion of the enterprise within a limited time, leaving the details of the plans and their execution to executive bodies.

"We believe that for the execution of such a policy the Congress should authorize a national waterways council, composed of the President and the four heads of departments most concerned—War, Interior, Agriculture, and Commerce—and a subordinate water-control board, composed of a highly qualified representative from each of the four departments and of such engineers or other officials as the Congress may authorize. The four department representatives of the latter board should have such standing in the departments and such functions as would enable them to secure such data and services in connection with the work from the various bureaus in the departments as may be serviceable and necessary. The national waterways council should be authorized to direct and control the general policy and procedure of the water-control board and other agencies charged with the execution of the work, to establish the necessary rules and regulations, to consider and approve plans, the distribution of funds under authorization from the Congress, to decide questions of conflict, and to report to Congress. The latter board should be authorized to coordinate and invoke the services of the necessary bureaus and agencies of the Government, to make preliminary surveys and detailed plans for work in various areas, to prepare estimates, to study the activities of the States, municipalities, organization, and individuals in water regulation, to prepare a general program of water and waterways regulation and development involving the combined resources and cooperation of all the agencies, to recommend to the council for approval the assignments for the different bureaus or services of the departments, to complete statements of the work already accomplished, and immediately to supervise the prosecution of the work under the plans approved. It would be understood that in the meantime there should be no interference with the execution of the existing plans of the Mississippi River Commission for the work on the lower Mississippi, and that these plans should proceed as outlined unless it should become clear that improvements could be made.

"The most pressing call for help has come and continues to come from the lower Mississippi. As to this river, what may be determined defensive plans have been elaborated by the eminent body of national officials who are now prepared to proceed with their work to its completion. Their embarrassment arose out of the fact that they can not plan for the execution of their work continuously and for a sufficiently long period, owing to the fact that each year the work must wait on the appropriations for that year. There would seem to be every reason for prosecuting these plans vigorously, and later as investigations proceed for supplementing these works with others of a constructive nature higher up the river, and for undertaking as soon as possible projects on other rivers.

"To summarize, we recommend:

"1. That Congress declare its purpose to deal with our river problems in a comprehensive way, involving a large ultimate expenditure of funds and the immediate expenditure of considerable amounts, and the creation of machinery intimately related to the executive branch of the Government.

"2. That the boards and the other parts of the machinery provided for shall be directed to continue the work on the lower Mississippi substantially under existing plans and to proceed with the investigations and the elaboration of plans on other parts of the Mississippi River and other rivers of the Nation.

"3. That all the available agencies of the Government shall be coordinated in this endeavor to improve and protect our rivers, to control floods, to utilize waters, and to reclaim valuable lands and make the necessary reports to Congress as bases for additional appropriations.

"4. That the expenditures for this work should, in the main, be met by the sale of national bonds, and that the lands benefited should be made to bear a proportion of such expenses, agreements in this regard to be submitted to the Congress as part of the plan for development.

"Cordially, yours,

"FRANKLIN K. LANE.
"D. F. HOUSTON.
"WILLIAM C. REDFIELD.

"The PRESIDENT,
"The White House."

The necessity for such legislation as that embodied in the river-regulation amendment, section 18 of the river and harbor bill of 1917, was explained in brief and its relation to the provisions of the Democratic platforms of 1908 and 1912 shown in the remarks of Senator NEWLANDS in the Senate on February 21, 1916, on the subject, as set forth in the following quotation from the CONGRESSIONAL RECORD of that date:

"RIVER DEVELOPMENT FOR INTERSTATE COMMERCE.

"Mr. KENYON. May I suggest that in the debate on the river and harbor bill it was disclosed that over $140,000,000 had been spent on the Mississippi River?

"Mr. GALLINGER. Yes. Can the Senator give us any good reason, any substantial reason, that would tend to clarify our minds and vision, when we come to the consideration of this subject, as to how it is that after having spent $140,000,000 on the Mississippi River there is not any commerce on that river?

"Mr. NEWLANDS. I tried to explain that in my remarks when the Senator from New Hampshire was not present.

"Mr. GALLINGER. I am sorry I was not present.

"Mr. NEWLANDS. But I shall be glad to give the Senator an epitome of what I said on that subject.

"THE MISSISSIPPI AS A PERFECETD INSTRUMENTALITY OF COMMERCE.

"The Senator's inquiry is as to how, logically, we can consider the expenditure of more money on the Mississippi River when the expenditure of $140,000,000 has done very little toward the promotion of navigation on that river. My answer is that that expenditure has been scattered most ineffectively over a great number of years; that the expenditure did not involve the comprehensive treatment of the entire river with a view to making it an instrumentality of commerce; that the work was done largely in detached places here and there, in the removal of sand bars and other obstructions or in the construction of levees, and so forth; but that there never has been an effort really to artificialize and perfect the Mississippi River as an instrumentality of commerce. That involves the establishment of transfer facilities and sites, the dovetailing of the river with the rails by a system of legislation and administration, the construction of the proper wharves, the erection of the proper stations and warehouses, and so forth. The river has thus far been developed practically as a railroad would be developed across the continent, with spaces, every mile or two, of rails left out, or without stations or sidetracks. The Senator can understand how effective a railroad would be upon which a very considerable amount of money had been expended that was in that condition; and that has been practically the condition of the Mississippi River.

* * * * * * *

"What does the development of our rivers for purposes of commerce mean? It means the construction of wharves, warehouses, and transfer facilities, the acquisition of transfer sites, and a complete coordination with our railways. We have allowed our railways to sandbag our water carriers without protecting our water carriers by the law, and then we have failed to give our water carriers a perfected instrumentality, which means not only a steady channel, a steady flow of water, but wharves, warehouses, and transfer facilities and a coordination of rail and water carriage.

"You might as well say that you could perfect railway transportation by building a railway across the continent, leaving out the rails every 10 miles and leaving out sidetracks, warehouses, and stations, as to contend that you can make a river an instrumentality of commerce under the conditions which have prevailed with reference to their development.

"How have the water carriers been enabled to sustain themselves in this unequal conflict? Sandbagged by the railways during the period of navigability that put down their rates to the point of loss, without terminal facilities, without transfer facilites, wthout stations or warehouses, unprotected by the law, the individual carrier, the owner of a steamboat, has been compelled to struggle against these tremendous odds, and because he has not succeeded the former Senator from Ohio, after years of investigation, practically declares that the improvement of our rivers for purposes of commerce is a failure.

"Would the Germans have succeeded under such a system? Did they allow the railroads to sandbag the water carriers? Did they say, 'We will perfect railways in every way with single and double tracks and sidetracks and stations and warehouses and the most perfect facilities for transportation, and all we will do on our rivers is to dredge a sand bar here and there, or here and there put up some levees for the protection of some swamp-land proprietor?' Did they content themselves with that, perfecting the railway system and allowing the river system to take care of itself?

"No; they practically artificialized every river throughout its entire course and the tributaries, and not only that but they connected them by canals entirely artificial in their creation, and to-day waterway transportation is just as important as railway transportation, and it is important because it is the cheapest known method of transportation, for you can carry enormous bulk in barges and steamers. In a single barge itself you can carry as much as can be carried in an entire train. The

cheapness of carriage to-day from Pittsburgh down to New Orleans of coal and iron indicates how cheap that transportation is.

"DEMOCRATIC PLEDGES.

"Now, Mr. President, the Democratic Party is under a peculiar obligation to do something upon this great subject, for whilst the Republican Party for years has been contenting itself with general phrases the Democratic Party in two conventions has declared in the most specific terms, first, for the coordination of all the scientific services of the Government that relate to water so that their plans shall dovetail with each other; second, for the cooperation of the Nation with the State so that each can cooperate with the other in the formation of plans and the construction of works belonging to their respective jurisdictions; and, third, the creation of an ample fund for continuous work covering every watershed in the country.

"I will ask to insert these various planks of the platform of 1908 and the platform of 1912 in the RECORD.

"The PRESIDING OFFICER (Mr. VARDAMAN in the chair). If there is no objection, it will be so ordered.

"The matter referred to is as follows:

"DEMOCRATIC PLATFORM, 1908.

"WATERWAYS.

"Water furnishes the cheaper means of transportation, and the National Government, having the control of navigable waters, should improve them to their fullest capacity. We earnestly favor the immediate adoption of a liberal and comprehensive plan for improving every watercourse in the Union which is justified by the needs of commerce; and to secure that end we favor, when practicable, the connection of the Great Lakes with the navigable rivers and with the Gulf through the Mississippi River and the navigable rivers with each other by artificial canals, with a view of perfecting a system of inland waterways to be navigated by vessels of standard draft.

"We favor the coordination of the various services of the Government connected with waterways in one service for the purpose of aiding in the completion of such a system of inland waterways, and we favor the creation of a fund ample for continuous work, which shall be conducted under the direction of a commission of experts to be authorized by law.

"DEMOCRATIC PLATFORM, 1912.

"WATERWAYS.

"We renew the declaration in our last platform relating to the conservation of our natural resources and the development of our waterways. The present devastation of the lower Mississippi Valley accentuates the movement for the regulation of river flow by additional bank and levee protection below and the diversion, storage, and control of the flood waters above, and the utilization for the beneficial purposes in the reclamation of arid and swamp lands and the development of water power instead of permitting the floods to continue, as heretofore, agents of destruction.

"We hold that the control of the Mississippi River is a national problem. The preservation of the depth of its water for the purposes of navigation, the building of levees to maintain the integrity of its channel, and the prevention of the overflow of the land and its consequent devastation, resulting in the interruption of interstate commerce, the disorganization of the mail service, and the enormous loss of life and property, impose an obligation which alone can be discharged by the General Government.

"To maintain an adequate depth of water the entire year, and thereby encourage water transportation, is a consummation worthy of legislative attention and presents an issue national in its character. It calls for prompt action on the part of Congress, and the Democratic Party pledges itself to the enactment of legislation leading to that end.

"We favor the cooperation of the United States and the respective States in plans for the comprehensive treatment of all waterways with a cooperative plan for channel improvement, with plans for drainage of swamp and overflowed lands, and to this end we favor the appropriation by the Federal Government of sufficient funds to make surveys of such lands, to develop plans for drainage of the same, and to supervise the work of construction.

"We favor the adoption of a liberal and comprehensive plan for the development and improvement of our inland waterways with economy and efficiency, so as to permit their navigation by vessels of standard draft."

The broad and comprehensive plan for dealing with the problems of river improvement for navigation and the conservation, development, and utilization of all the water resources of the United States embodied in the river-regulation amendment has been widely discussed in the press of the country from one end of it to the other, and has received the practically unanimous approval of the best thought of the Nation, as expressed through resolutions of organizations of every character and the leading newspapers.

The following quotations are merely a brief indication of the trend of sentiment shown by and expressed in thousands of similar indorsements:

"Senator NEWLANDS certainly deserves well of his country for pushing his waterways proposition as he has done." (Salt Lake Tribune.)

"Senator FRANCIS G. NEWLANDS, of Nevada, has been talking sound sense about the futility of the present method of making appropriations for rivers and harbors." (New York Tribune.)

"The Mississippi Valley's prosperity is essential to the prosperity of the whole country; the only way to secure its prosperity is by flood prevention; the only effective flood prevention is by the passage of the Newlands bill or similar legislation." (Houston (Tex.) Chronicle.)

"In the face of the awful lessons of 1911, 1912, and 1913 those Congressmen who opposed the Newlands bill in the last session assumed a grave responsibility." (Los Angeles Tribune.)

"The appalling flood catastrophe which has just befallen the people of the Ohio River Valley emphasizes with striking and irresistible force the urgent and imperative necessity of the national legislation embodied in the Newlands river-regulation bill." (Cincinnati (Ohio) Commercial Tribune.)

"Probably no man in public life is better fitted to discuss questions relating to conservation, particularly as regards dealing with water, than United States Senator FRANCIS G. NEWLANDS, of Nevada." (Troy (N. Y.) Times.)

"Senator NEWLANDS's bill seems to be broadly national rather than selfishly sectional, and in that is to be found no small part of its wisdom and the promise of its deserved success before Congress." (Los Angeles Examiner.)

"We join heartily with Senator NEWLANDS in his idea that the time has come when the issue should be made between annual expenditure of millions on fighting the Mississippi River and a sensible attempt to control it to the advantage of unirrigated territory. The issue is simply one between loss and gain." (Minneapolis News.)

"Senator NEWLANDS is not only a broad-minded statesman and an able speaker, he is an adroit manager and he combines the suaviter in modo with the fortiter in re. When Congress emerges from the tariff-currency-Mexican web in which all other legislation is now enmeshed it may, and probably will, take up the Newlands reclamation bill. Once it shall be seriously considered its passage will be a foregone conclusion." (Los Angeles Times.)

"The Newlands bill for the regulation of water flow in the Mississippi Valley and for the reclamation of waste lands is in every feature thoroughly practicable." (F. H. Newell, Director of the Reclamation Service, quoted in the New Orleans Item.)

"The remedy for a pork-barrel system lies in a comprehensive national plan for river improvement and flood prevention, which shall treat each stream in the country as a unit, which shall utilize all the departments of the Federal Government in cooperation, and which shall have regard for all the uses of water, instead of regarding only the local interest. Such a plan is before Congress now in the form of the Newlands river-regulation bill. * * * The adoption of this plan for river control and use would result in the absorption and retention of the water on the upper source streams and tributaries, and this would so standardize the flow and lower the ordinary flood levels and raise the low-water levels that navigation would be enormously improved.

"But the occupation of levee boards, contractors, Army engineser, local politicians, and others who profit from the piecemeal, mud-pie system of sinking money in useless river projects would be gone. Therefore the Newlands bill sleeps in committee, while the pork barrel rolls merrily forward." (Gilson Gardner in Harper's Weekly.)

"The measure proposed is not the result of any slight consideration of the big work in hand, but its terms embody the best thought in the Nation on the subject of river regulation and control, and it behooves everybody in the two great valleys of the State to get behind the bill and leave nothing undone to impress Congress with the crying necessity for such a measure." (Stockton (Cal.) Independent.)

"The Newlands bill, now before Congress, proposes a new policy of flood prevention and river regulation, a policy that clearly recognizes the vital necessity of conserving the food supply of the Nation, which supply is absolutely dependent upon water." (St. Paul Pioneer Press.)

"It is with extreme satisfaction that we note the fast-growing popularity and progress of the Newlands river-regulation bill." (Stockton (Cal.) Mail.)

"This is the greatest constructive measure ever inaugurated by the United States Government for the protection of those affected by the wet and dry seasons of our rivers." (Escalon (Cal.) Tribune.)

"According to Judson C. Wall, of New York, a conservation specialist who advocates the Newlands bill, a comprehensive measure for conserving soil fertility, this country is losing under the present river-regulating policy an average of over $100,000,000 a year." (Wall Street (N. Y.) Journal.)

"A comprehensive, practical, and efficient measure is the Newlands bill for the control of floods of this great valley, and it is growing more and more in public favor as it is better understood." (Memphis News-Scimitar.)

"It is interesting to note that the Newlands bill is gaining friends and that there seems to be good grounds for expecting its passage." (Dayton (Ohio) News.)

"All California, without regard for political considerations or affiliations, will get behind Senator NEWLANDS's comprehensive

plan for the development of the inland waterways of the State. Senator NEWLANDS proposes to meet in a statesmanlike way, by a single operation, three of the most pressing problems that confront the people of California." (San Francisco News Letter.)

"The Newlands plan offers opportunities for realization of the ambitions which the people of this region have long cherished and deserves the support of all progressive citizens." (Portland (Oreg.) Oregonian.)

"There can be little doubt that one of the greatest physical tasks awaiting the people of the United States is the proper development of the national water supply. Nor can there be any doubt that this development will best be achieved by a nationally directed policy rather than by the haphazard methods of the different States and of irresponsible private enterprise." (San Francisco Bulletin.)

"Senator NEWLANDS will deserve the thanks of the Nation if he can devise a method of removing the taint of 'pork barrel' from the rivers and barbors bills."

The following is a reproduction of an editorial from the San Francisco Call-Post of August 28, 1917, which points out the great benefits that may result from the inauguration of the policy embodied in the river-regulation amendment, with reference to the industrial conditions that will prevail after the close of the war with Germany:

WORK FOR CALIFORNIA AFTER WAR—TO SAVE WASTED WATER—RESOURCES WORTH $15,000,000,000 WAIT UTILIZATION WHILE VAST AREA OF LAND REMAINS UNPRODUCTIVE.

"After the war, what?

"When the world has been made safe for democracy; when 20,000,000 men have stacked their guns; when the colossal war machine has been brought to a dead halt and the engines and industries of destruction are at last standing still, where shall this inconceivable energy which is now devastating the world be diverted?

"For California this question was raised and answered a few days ago in the United States Senate by Senator FRANCIS G. NEWLANDS.

"No Californian knows better than Senator NEWLANDS what are California's greatest resources and needs.

"On August 2 Congress adopted his amendment to the rivers and harbors bill. It is a measure whereby the United States Government will undertake the solution of the Nation's water problems. Senator NEWLANDS had won a victory for which he has been fighting for 10 years. He said:

"Peace will bring far-reaching stagnation unless some great constructive policy for building internal improvements is substituted for the stimulus to industry created by the war that will be withdrawn when peace returns.

"The instant peace has been achieved this Nation can turn the same indomitable energy that it is now devoting to winning the war against a foreign foe to winning a greater war against the destroying forces of nature.

"The greatest waste that takes place in the country to-day is the waste of its surplus waters, which are the Nation's greatest asset, but which now run to waste in the sea, carrying destruction in their path in the form of devastating floods. We must learn to conserve that waste and fight that devastation with exactly the same vast and all-conquering energy that we are now devoting to war.

"What is that waste in California? What is the value of our undeveloped water resources?

"When HIRAM W. JOHNSON, now with NEWLANDS in the Senate, was governor of California he appointed Dr. George C. Pardee, former governor, head of a conservation commission to study this question and make investigations.

"Pardee devoted several years to the work.

"He computes the value of California's water resources at $15,000,000,000.

"Fifteen billions of dollars!

"Fifteen thousand times one million!

"Such a sum is inconceivable, as Senator JOHNSON said only the other day in Washington. The human mind can not grasp it. Like infinitude, it is incomprehensible.

"Were this wealth in minted money or in some form that we could measure and divide, it would mean, if distributed, $5,000 to every man, woman, and child in California to-day.

"Enough that every family, counting five to a family, could have a $25,000 farm.

"And since this wealth consists entirely of the unused water and the unused land in the State—though Dr. Pardee did not include the value of the land in his estimate—the farm, of course, makes the most appropriate unit of measurement.

"Dr. Pardee estimates that the water of the State for power purposes is worth $10,000,000,000 and for irrigation $5,000,000,000.

"Less than one-tenth of the available water power is now harnessed and less than one-fifth of the irrigable lands are being watered.

"To make the $15,000,000,000 available for man's enjoyment is the work that Senator NEWLANDS refers to.

"To harness these waste waters, to irrigate another 12,000,000 acres of arid lands, is the work that confronts California.

"To reach this treasure will require the building of great dams, of reservoirs, power plants, and irrigation works.

"There is the fight for California when the war is done."

Mr. HENDERSON. Mr. President, I also send to the desk a memorial to FRANCIS G. NEWLANDS by the National Reclamation Association, and ask that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The memorial is as follows:

NATIONAL RECLAMATION ASSOCIATION.

MEMORIAL TO FRANCIS G. NEWLANDS.

"Where there is no vision, the people perish."

"The country owes a debt of gratitude to FRANCIS G. NEWLANDS that can be paid only by completing the great work to which his life was devoted. His vision of nature's devastating forces conquered and controlled, of deserts reclaimed by irrigation and swamps by drainage, of valleys defended against onrushing floods, of forests safeguarded against fires, of grass and trees made to grow over millions of acres where none grew before, of winter floods harnessed to float water-borne commerce in summer and furnish power to industry, of waterways aiding railways to meet growing transportation needs, of the Nation's greatest asset, its unused and now wasted waters, fully conserved and utilized for food production, power, and navigation, was a vision of benefactions to future generations that will guide and inspire all who may hereafter labor for its fulfillment.

"Peace will bring obligations to serve humanity no less potent than the demands of war. The devastating forces of nature, forest fires, floods, and the deadly encroachments of the deserts, must in future be fought with the same invincible determination and adequate expenditure with which we have fought the devastating forces of war. Wherever the tendrils of a new life are creeping upward beside the hearthstone of a home founded on the reclaimed desert, the child at its mother's knee should be taught its obligations to those who made that home possible, and its duty to enlist in the great army of peace that will fight to achieve the full realization of the vision of the pioneers of deserts conquested, swamps subjugated, and floods chained and held back until needed to feed gently flowing rivers.

"For a full quarter of a century FRANCIS G. NEWLANDS was a guiding spirit among those pioneers and their leader in the national halls of legislation. He attended the first session of the National Irrigation Congress at Salt Lake City in 1891, and bore a prominent part in its deliberations. Elected to the House of Representatives in the following year (1892), he deliberately dedicated himself to the one great task on which he had determined to found his public career—the reclamation of the arid lands by means of a bold and far-reaching policy of statesmanship. His capacious intellect, informed by wide experience of affairs and tempered by a fine instinct of benevolence, supplied the ideal equipment for this special undertaking.

"He realized that the men of the great West, as trustees for the Nation, and forefathers of an unimaginable future, stood in the presence of a vast problem of which there then appeared no possible solution, yet upon the solution of which the existence and happiness of millions of people would ultimately depend.

"At the beginning of his work in Congress he encountered three apparently insuperable obstacles.

"First, there was a well-nigh universal hostile public opinion, for the science of irrigation was unknown or unappreciated, the half continent of arid or semiarid land was considered practically worthless.

"Next, there was deep-seated opposition from eastern people, particularly farmers, to the appropriation of public moneys for the creation of new agricultural districts in the far West.

"Finally there were local jealousies in arid America itself, each State and valley preferring its own claims to attention before all others.

"With unconquerable optimism this man of vision set himself to overcome the stupendous odds.

"His ceaseless campaign of education, conducted both in and out of Congress, with voice and pen, and extended even to his Washington home, where he converted his colleagues through a series of entertainments and illustrated lectures, eventually brought a powerful following to his support.

"But he had yet to forge the weapon—the actual legislation—on the anvil of debate. He brought forth at length a shining lance, a miracle of statesmanship, which enabled him to strike a fatal blow to the heart of all opposition, both eastern and western.

"This weapon was the original Newlands national-irrigation bill, introduced January 26, 1901, nearly 10 years subsequent to the first national irrigation congress, but prior to the ap-

pointment of the famous committee of western statesmen who finally approved it, and before the accession of the President who later urged and signed the measure.

"The Newlands bill overcame all eastern opposition by proposing to take the receipts arising from the sale of the public domain—money contributed by western settlers in exchange for western lands—instead of asking appropriations from the National Treasury.

"It harmonized all western differences by providing for the equitable apportionment of the fund among the public-land States.

"It was a great piece of automatic legislation, placing a revolving fund at the disposal of the Secretary of the Interior and thus providing for the construction of project after project without further action of Congress.

"If the fame of FRANCIS G. NEWLANDS rested on nothing more it would be secure in the hearts of the western people, but his promotion to the Senate of the United States was followed by something infinitely greater—the Newlands river-regulation bill—certainly the most comprehensive and perhaps the most beneficent single measure of legislation ever devised in any age or country.

"Under the terms of this bill man would assert his promised dominion over the earth and come into his rightful heritage.

"Every stream would be harnessed—for power, for irrigation, for drainage, for navigation—erosion and floods would be prevented and their menace lifted from the flood-stricken valleys.

"Every forest area would be conserved, every deforested area replanted, and new forest plantations created.

"There would be no idle men in the length and breadth of the land; for the work of broadening the country's economic foundation and mobilizing its entire fund of natural resources for human uses would absorb and reward all energies.

"And this was and is only the beginning.

"The great ultimate objective is to open the way for millions of men and women to get homes on the land, to achieve individual independence, and thus effectually to secure the true liberty of the American people throughout all generations.

"The adoption of this policy of continental conquest is as certain as the rising of to-morrow's sun.

"On no other terms can the Republic meet the mighty strain that will be put upon it with the cessation of war activities and the return home of the battling hosts.

"No man lives beyond his allotted span save the few who give the world a new and creative thought that influences for good the fortunes of the many throughout all time.

"To this small company of immortals FRANCIS G. NEWLANDS assuredly belongs.

"A great man who led his country to the threshold of a great epoch and pointed the way!

"He fell at the supreme height of his usefulness.

"He had steadily grown through the years until at last he had attained an unquestioned eminence in the rare quality of constructive statesmanship.

"His fame will broaden and deepen with the passing generations living in the shelter of his thought and work.

"J. H. Braly, president; Francis Cuttle, vice president; W. A. Reeder, chairman of the board; George L. Ralston, treasurer; Fred E. Peterson, secretary; William E. Smythe, T. P. Lukens, George Wharton James, memorial committee; A. K. Brauer, M. V. Hartrauft, Louis C. Hill, George H. Maxwell, Frank H. Olmsted, executive council."

The PRESIDING OFFICER. The ceremonies having been concluded, the Secretary will notify the House of Representatives thereof, and in accordance with the unanimous-consent agreement, the Senate stands adjourned until 12 o'clock to-morrow.

Thereupon (at 2 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, September 3, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *September 2, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, Infinite Spirit, our Heavenly Father, for our great Republic, the foundations of which were laid by the invisible hand of God, out of the eternals, upon which its superstructure has been reared in liberty, truth, justice, and equal rights for all its citizens; for its wide domains, fertile fields, hills, and valleys, mountains and plains filled with treasures, all of which wait on brain and brawn to convert them into the necessities of life.

We thank Thee that a day has been set apart, known as Labor Day, to dignify and celebrate the toiling millions.

Nature has united inseparably capital and labor, each depending upon the other for the highest and best results; and we pray for the day when they shall be joined together in reason and justice, each for all and all for each; that the principles of brotherly love may prevail and harmony reign supreme. In the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of Saturday last was read and approved.

WOMAN SUFFRAGE.

Mr. DUPRÉ. Mr. Speaker, I ask unanimous consent to insert in the RECORD an extract, 20 lines in length, from an act of the General Assembly of the State of Louisiana memorializing Congress to reject the Susan B. Anthony amendment.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

Mr. WALSH. Reserving the right to object, why does the gentleman desire to have that in the proceedings of the House, when we have acted upon the matter here?

Mr. DUPRÉ. It has not been disposed of in Congress, and the House is a concurrent branch of that body. I have not the right to offer it in the other branch, and I deem it proper to submit it here.

The SPEAKER. Is it an excerpt from a legislative act?

Mr. DUPRÉ. It is.

The SPEAKER. Is there objection?

There was no objection.

The matter referred to is as follows:

[Extracts from act No. 10 of the general-session acts of the extra session of the General Assembly of the State of Louisiana for the year 1918. Approved Aug. 5, 1918.]

* * * * * * *

Be it resolved by the house of representatives of the people of Louisiana (the senate concurring), That the Congress of the United States be, and it is hereby, memorialized to reject the so-called Miss Susan B. Anthony amendment to the Federal Constitution, requiring each State to grant suffrage to the female sex without choice or limitation, and authorizing Federal power to enforce the amendment; the said Congress of the United States to declare by this action that the democracy of each separate American State is safe against the force and power of a combination of other American States; and

Be it further resolved, That we call upon our sister States of the Union to likewise declare for State integrity and the safety of American democracy, and vigorously oppose Federal interference with or control of State franchises.

Be it further resolved, That a copy of this resolution be forwarded to each House of Congress.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that on August 31, 1918, they presented to the President of the United States, for his approval, the following bill and joint resolution:

H. R. 11692. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes; and

H. J. Res. 324. A joint resolution making appropriations for certain necessary operations of the Government for the month of September, 1918, and for other purposes.

DROUTH IN TEXAS.

Mr. GARNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a resolution passed by the Texas Bank Association touching the drouth conditions in west Texas.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD on the subject stated. Is there objection?

Mr. WALSH. Reserving the right to object, does the resolution recommend legislation?

Mr. GARNER. It does.

Mr. WALSH. Does the gentleman expect to introduce that legislation?

Mr. GARNER. I would not want to say that; I would not want to say that I advocated the policy that the resolution requests, but I do say that it has information that Congress ought to have and it comes from one of the most responsible bodies of the people that ever congregated in Texas.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The following are the resolutions:

[Resolutions regarding drought-stricken area of west Texas passed by the Central West Texas Bankers' Association at a meeting held in Sweetwater, Tex., Aug. 23, 1918.]

We, your committee appointed on resolutions, beg to report as follows: We find represented at this meeting the banking and business interests of the counties within a radius of 60 miles of Nolan County, in which for the past three years an unprecedented drought has existed,

the severity and extent of which is greater than ever known. Yet the people are not asking charity or contribution to enable them to live, but are unable to stay on and live, producing many crops and live stock for their own benefit as well as that of the Government, unless extended further financial assistance. The people have held on and worked diligently until they have exhausted their resources and have sacrificed all their available property which could be used as collateral, but are willing to stay on and work if they can get financial assistance for their farming and stock-raising operations.

We find that the banks and business men have carried faithfully and efficiently the financial burden of the people for the past three years to an extent that they find themselves unable to extend further credit to carry this burden for another year, but it is the sense of the interest represented here that they will continue to carry the burden already imposed upon them for another year if outside assistance can be obtained to finance the farming and stock-raising interests for the coming year.

We commend Secretary W. G. McAdoo, the Federal Reserve Board, and the War Finance Corporation in their present efforts to assist the stock raisers, but direct their attention to a fact which is very evident in this country—that the small farmers are also badly in need of the same character of assistance heretofore rendered others: Therefore be it

Resolved, That the Government owes to the farmers every assistance that can properly be given, and to that end we recommend that the loans be made by the War Finance Corporation direct to the farmers in an amount of not less than $5 per acre for each acre which is planted not later than May 15, 1919, with such crops as are essential to the best interests of the Government; said loans to be made upon the following conditions: Loans to be made to all landowners and also to tenants whose paper is supported by the landowner's signature, and said loans to be payable on or before December 1, 1919, secured by a first lien on all crops planted, the proceeds of the loan to be used only in farming operations. The banking interest represented here obligate themselves to administer said relief without expense to the borrower or to the Government.

We recommend that a committee of two be appointed to present these resolutions to the proper authorities and to urge upon them prompt action in procuring the necessary relief called for to the end that funds may be available not later than October 1, 1918.

We further recommend that copies of these resolutions be forwarded to the Federal Land Bank of Houston, the Federal Reserve Bank of Dallas, Gov. W. P. Hobby, of Texas, the War Finance Corporation, Senators and Congressmen from Texas, and the press.

Respectfully submitted.

YOUR COMMITTEE.

LABOR.

Mr. CARY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, and they are my own remarks, on labor, this being Labor Day.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to extend his own remarks in the RECORD on the labor question, this being Labor Day. Is there objection?

There was no objection.

INCREASING THE MILITARY ESTABLISHMENT OF THE UNITED STATES.

Mr. KITCHIN. Mr. Speaker, on Saturday we passed House joint resolution 325, amending section 8 of an act entitled "An act to increase the Military Establishment of the United States." Neither the Clerk of the House nor his assistant is present in the city to sign the resolution. I ask unanimous consent that D. K. Hempstead, present enrolling clerk, be authorized to sign the joint resolution as Clerk pro tempore.

The SPEAKER. The gentleman from North Carolina asks unanimous consent that Mr. D. K. Hempstead, the enrolling clerk, be authorized to sign the resolution as Clerk pro tempore. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Oklahoma [Mr. FERRIS], by special order of the House, is recognized for 40 minutes.

Mr. FERRIS. Mr. Speaker and gentlemen of the House:

America entered the war 17 months ago. Five million men are now being called to service. A million and a half men are in France fighting the battles of the Republic—troops are being transported at the rate of 300,000 a month. The Republic is making every sacrifice that goes with war. This is no time for forensic oratory, high-sounding platitudes or phrases. It is no time to think of trifling things. The seriousness of the war should be foremost in every citizen's mind. It should beget from every citizen a citizen's part.

In the few moments I shall engage your attention I shall content myself to deal with that short stretch of time between April 6, 1917, the date of our entrance into the war, and the present.

STATUS OF ARMY ON ENTRANCE INTO THE WAR—A COMPARISON OF THE ARMY DURING THE THREE PRECEDING ADMINISTRATIONS.

At the close of President Roosevelt's administration in 1909, there were all told but 207,067 officers and men in the Army of the United States.

At the close of President Taft's administration in 1913 there were in all branches of the Army service but 211,964 officers and men.

At the close of President Wilson's administration in 1917 there were in all branches of the Army service 323,000 officers and men.

On August 24, 1918, after 17 months of war, we have an army of 2,587,393 officers and men, one million and a half of whom are now in France upholding the honor of the Nation, giving a good account of themselves and making a grateful Nation proud of their hourly and daily achievements. [Applause.]

The last 8 or 10 months have been weird months to me, and must have been to the American people. Each day we have read how, with renewed fury and renewed vigor, the German Army was driving the allies back a little closer to Paris. How proud we have been to read in the papers of the last few weeks that, instead of constantly bending the line back toward Paris, by the aid of our brave boys the allies have been bending the Hindenburg line back toward Berlin. [Applause.]

A COMPARISON OF ARMY APPROPRIATIONS UNDER THE ROOSEVELT, TAFT, AND WILSON ADMINISTRATIONS.

During the last four years of the Roosevelt administration the total appropriations for the Army of the United States were $425,801,575.25.

During the four years of President Taft's administration, covering the years from 1909 to 1913, the total amount appropriated for the Army of the United States was $442,066,469.35.

During the first four years of President Wilson's administration, covering the years from 1913 to 1917, the total amount appropriated for the Army was $989,413,588.69.

Thus it will be observed that during the first Wilson administration, while the Nation was at peace and prior to our entrance into the war with Germany, the total appropriations for war preparedness exceeded, by more than a hundred million dollars, the total amount appropriated by both the Taft and Roosevelt administrations next preceding.

Mr. GILLETT. Will the gentleman yield?

Mr. FERRIS. I yield to the gentleman.

Mr. GILLETT. That, I suppose, included the contest with Mexico?

Mr. FERRIS. Yes; we had the Mexican trouble. That came in during Wilson's first administration. I will repeat the statement again. Wilson's first administration during those four years appropriated more than $100,000,000 more for preparedness than the two preceding Taft and Roosevelt administrations combined. I do not mention these figures in any invidious sense, but they do quite well, I think, disclose that our opponents do not have a complete monopoly on vision and military preparedness.

Mr. MADDEN. Will the gentleman yield just for a question?

Mr. FERRIS. I do.

Mr. MADDEN. Is the gentleman able to tell just how much of that was expended in connection with the so-called Mexican border war?

Mr. FERRIS. I do not have those figures segregated. I suppose it would be difficult to determine exactly.

On April 6, 1917, the total number of officers in all branches of the Army service was 8,684. To-day there are 173,077.

On April 6, 1917, the total number of forts, cantonments, training camps, and arsenals in the United States was 257. To-day we have 419.

ACHIEVEMENTS OF THE MEDICAL DEPARTMENT.

Medical science has in all things kept abreast of the times. Eighty-one per cent of the men wounded in action are, by the aid of the Medical Department, the Red Cross, the Y. M. C. A., and the other patriotic institutions, mended up, restored to health, and returned to action for combatant service. [Applause.]

Only 14 per cent of the men wounded in action are discharged as unfit for further military service. They, by the aid of modern science, are made whole again and returned to the civil pursuits of life. [Applause.]

Only 5 per cent of the men wounded in action die of the wounds received.

Mr. THOMPSON. Will my colleague yield right there?

Mr. FERRIS. I will be glad to yield.

Mr. THOMPSON. If my colleague will allow me, I will say that I have just returned from across the sea, and Maj. Perkins, who is commissioner of the Red Cross in Europe, told our party that they had now reduced the figures until only 3 per cent of the injured died. About 85 per cent recovered entirely and were able to go back into the trenches, and only about 12 per cent were permanently and seriously injured in such a manner as to become what is commonly called salvage. [Applause.]

Mr. FERRIS. I thank my colleague very much. I am only too glad to be prompted by my colleague from Oklahoma.

To me this stands out boldly as a true compliment to the medical profession and to the brave and faithful women of the Red Cross who are each day undergoing the hardships at the front ready to do and to die for the soldiers of democracy. To me this stands as a monument to modern science, as a comfort and solace to the mothers and fathers of the land who have given these boys to this patriotic service.

COMPARISON OF THE DEATH RATES IN ARMY CAMPS DURING THIS WAR AND THE SPANISH-AMERICAN WAR.

During the Spanish-American War in 1898 the death rate in the training camps reached the enormous percentage of 20.14 men out of every 1,000. The death rate at the present time in camps has been reduced by proper medical attention, proper sanitation, proper nursing, and the application of modern methods to 7.5 men out of every 1,000. [Applause.]

ARMY HOSPITALS.

At the date of our entrance into the war we had but seven Army hospitals with a bed capacity of 5,000 men. To-day we have 63 Army hospitals with a bed capacity of 60,000, with sufficient hospitals under construction to take care of 100,000 men.

PERSONNEL ENGAGED IN HOSPITAL WORK.

On the date of our entrance into the war the total personnel engaged in hospital work was 8,900. To-day we have 171,000 engaged in this most important work. On the date of our entrance into the war we had but 375 nurses. To-day we have 14,527, and the total number is being augmented each day.

COMPARISON OF STRENGTH OF ARMS OF THE SEVERAL COUNTRIES ENGAGED IN THE WAR.

It will be interesting, I know, to the fathers and mothers of the land who are sending 5,000,000 boys across the sea to fight the battles of the Republic to know the armed strength of the leading countries engaged in this war. The following figures are presented. They are taken from newspapers and do not purport to be entirely authentic:

Great Britain	5,000,000
France	3,500,000
Italy	2,000,000
Belgium, Serbia, and Portugal	750,000
United States	2,500,000

NOTE.—Under the new draft law 24,000,000 American men will be registered and an army of 5,000,000 will be raised.

Germany	7,500,000
Austria	4,500,000
Turkey	1,250,000
Bulgaria	350,000

COMPARATIVE AGES INCLUDED IN DRAFT OF THE SEVERAL COUNTRIES.

Much has been said and more written about what ages should be included in the draft. I feel sure it will be of interest to observe what the leading countries engaged in the war have done on this subject. The following figures are taken from the Statesman's Yearbook of 1918:

England	18 to 50
France	18 to 48
Italy	18 to 44
Belgium	18 to 40
Japan	17 to 40
Germany	17 to 55
Austria (peace army)	19 to 42
Turkey (peace army)	20 to 50
Bulgaria (peace army)	20 to 46

INSURANCE FOR THE AMERICAN SOLDIERS AND THEIR DEPENDENTS.

The Wilson administration has created a War Risk Insurance Bureau through which 5,227,434 checks have been issued to dependents of soldiers, aggregating a total sum of $160,568,598.53.

The total number of beneficiaries who are receiving these checks is 1,012,537.

The total amount of insurance written for the soldiers now in the service aggregates the stupendous sum of $30,497,394,000. [Applause.]

It is an admitted fact to-day that nowhere in all the world is there an army of soldiers so well fed, so well clothed, so well paid, so well insured as are the brave boys who are fighting the Republic's battles this day. [Applause.]

AIRPLANE ACHIEVEMENTS.

Much has been written and more spoken regarding the airplane service and the efforts of your Government in airplane production and the mastery of the air. When we entered the war we had 65 officers and 1,120 men in the air service. To-day we have 6,600 officers and 150,000 men in that service. [Applause.]

When we entered the war we had three small aviation fields. To-day we have 28.

When we entered the war we had less than 200 second-class planes. To-day we have 5,554 American-built planes and more than 2,000 planes in France. [Applause.]

Mr. JOHNSON of Washington. The gentleman remembers the efforts of the late distinguished Augustus P. Gardner to have this House vote in an appropriation bill enough money to build 600 aeroplanes?

Mr. FERRIS. I do, and may the God of the universe, keeper and ruler of us all, honor and revere his memory. We are proud of him and of the patriotism which led him into the war in which he lost his life, and I yield to no man in my admiration for him. [Applause.]

We have 7,000 trained aviators in the United States; 2,000 men trained abroad; 4,000 awaiting assignment to ground school. Our cadets are flying 3,000 hours a day, a total of 195,000 miles, or eight times around the entire world.

In one field in the United States 135 planes can be seen in the air at one time. These planes are flying 882 hours a day.

I do not say in a great undertaking like this one—a mastery of the air—there will not be mistakes. There doubtless have been and will be both mistakes and money lost; but I do say that this long line of achievements, and this long line of development, and this long line of training, I have recited as to airplanes, need make no American ashamed either of his President, his country or his flag. [Applause.]

Some months ago critics and enemies of the Republic were heard to say, "The Wilson administration and Secretary Baker have not come up to the standard in quickly and efficiently raising an army." I pause and ask where and when in the history of all civilization has republic or empire within any 17 months' period of recorded time made such a record in raising, equipping, transporting, and making in all things ready such an army? Can there be anything about this achievement that will make Americans ashamed? Can there be anything about this achievement that will make Democrats ashamed of their democracy or make Republicans ashamed of their country? Can there be anything about this long line of achievement that will be otherwise than pleasing to the patriotic citizens of the land and otherwise than displeasing and disheartening to the enemies without? Will the carping critics go on criticizing and obstructing the Government that protects them, feeds them, and serves them? Will the enemies of the Republic within, either through disloyalty or blind partisanship, go on destroying more than constructing, hindering more than helping? No! I prefer to believe that this will be the verdict of but the few. I prefer to believe that Republicans and Democrats everywhere will prefer to stand behind and encourage the public officers and the private citizens who stand squarely behind the President, the Congress, the country, the Government, and the brave boys at the front during this trying hour. [Applause.]

ACHIEVEMENTS OF THE NAVY.

When we entered the war 17 months ago we had in the Navy of the United States, all told, 304 ships; to-day, struggling against the heaviest odds, combating submarines, a world war, and the demands that go with it, instead of 304 we have 1,720 ships in the Navy of the United States. [Applause.]

When we entered the war we had 83,323 officers and men, all told, in the Navy of the United States; to-day we have in the Navy of the United States 561,735. [Applause.]

COMPARISON OF THE NAVY UNDER ROOSEVELT, TAFT, AND WILSON.

The total number of men in the Navy of the United States at the close of Roosevelt's last administration, including the Navy, Naval Reserves, and all, was 55,548.

The total number of men in the Navy of the United States at the close of Taft's administration, including the Navy, Naval Reserves, and all, was 65,056.

The total number of men in the Navy of the United States at the close of Wilson's first administration, including Navy, Naval Reserves, and all, was 83,323.

At the present time, after 17 months of preparation and war, we have a Navy made up of 561,735 officers and men, who are giving a good account of themselves both at home and abroad. [Applause.]

A comparison of these figures and the modest growth of the Navy under the three administrations just referred to discloses the fact that during the four years of President Taft's administration we increased the Navy but 10,000 men; during the four years of Wilson's administration we increased it 18,000. Thus it will be observed that prior to our entrance into the war no political party held a complete monopoly on preparedness or the increase of the personnel of the Navy of the United States.

COMPARISON OF FIGHTING SHIPS UNDER ROOSEVELT, TAFT, AND WILSON.

At the close of the last Roosevelt administration the Republic was protected by 173 Navy ships only. At the close of the Taft administration our Republic was protected by 176 Navy ships only. At the close of Wilson's first administration our Republic was protected by 304 Navy ships.

Thus it will be observed that the Wilson administration had been gradually forging to the front in naval construction and in naval preparedness.

COMPARISON OF NAVAL APPROPRIATIONS UNDER ROOSEVELT, TAFT, AND WILSON.

During the last four years of the Roosevelt administration the actual amount appropriated, all told, for the Navy of the United States was $470,811,372.11.

During the four years of the Taft administration the actual amount appropriated, all told, for the Navy of the United States was $526,350,935.24.

During Wilson's first administration the actual amount appropriated, all told, for the Navy of the United States was $1,141,856,694.25.

Thus it will be observed that the Wilson administration, during the four years prior to our entrance into the War appropriated $140,000,000 more than both the Taft and Roosevelt administrations combined. [Applause.] Thus it will be observed that it can scarcely be charged that the Wilson administration had been without vision, without preparedness, and without patriotism. [Applause.]

When we entered the war our Navy ranked but a slow third, even a fourth, among the navies of the world; to-day she ranks second, and from a standpoint of efficiency we may well assert that she is without a parallel and without a peer. [Applause.]

This Navy has escorted, in a single six-month period, by one detachment of American destroyers, 717 single vessels, as well as 86 separate convoys averaging from 10 to 40 ships each. It has engaged in 81 submarine combats; it has sailed over 1,000,000 miles; it has conducted our boys across in safety; it is the wonder and marvel of the age! [Applause.]

Eight months ago critics and enemies of the Republic were calling the brilliant Secretary of the Navy, Josephus Daniels, a backwoodsman, a country newspaper editor, an inefficient cabinet officer of the United States. To-day both critic and hypercritic are silent and unobserved. To-day friends of the Republic point to the achievements of Josephus Daniels and the Navy of the United States as in all things efficient and in all things making good.

To-day Josephus Daniels stands out as the popular hero of the hour, the efficient Secretary of the Navy. If such a Secretary of the Navy be a backwoodsman and a country editor, and if such a Secretary of the Navy be a fit subject for the critic and hypercritic, may the God of the Universe increase and multiply his tribe. [Applause.]

UNPARALLELED DEVELOPMENT OF THE AMERICAN MERCHANT MARINE DURING THE WILSON ADMINISTRATION.

America has always needed an adequate merchant marine. In war times she needs it worse than in any other time. At the outbreak of the war our merchant marine was composed of 385 vessels, with a total tonnage of 1,225,784 gross tons. We now have 1,400 ships, with a total tonnage of 7,000,000.

Mr. GILLETT. Will the gentleman yield?

Mr. FERRIS. I will.

Mr. GILLETT. Does that include the German shipping that was taken over?

Mr. FERRIS. It does, yes. I was just going to give that.

Mr. ALEXANDER. I call the attention of the gentleman to the fact that many of these vessels have been assigned to the Navy.

Mr. FERRIS. Let me proceed and I think the gentleman will be satisfied with what I shall say. I get these figures from the Shipping Board. They have found them to be correct. We now have 1,000 American-built vessels; we have 400 vessels that have been requisitioned, making a total of 1,400 vessels, and of the 1,000 which we built and the 400 which we requisitioned, 1,400 in the aggregate, it makes a total gross tonnage of 7,000,000 tons. [Applause.] Thus it will be observed that our shipping has been changed from 1,000,000 plus tons to 7,000,000 tons in the period of 17 months. [Applause.]

Mr. MADDEN. Will the gentleman yield for information?

Mr. FERRIS. I really would like to go on.

Mr. MADDEN. Right at that point. I do not do it to embarrass the gentleman.

Mr. FERRIS. I know the gentleman does not. I will tell the gentleman if I am able to answer.

Mr. MADDEN. I would just like to ask if the gentleman knows how much of that tonnage has been built by the Shipping Board and how much was requisitioned?

Mr. FERRIS. One thousand of them are American-built ships and 400 are requisitioned.

Mr. MADDEN. And how much tonnage?

Mr. FERRIS. I will give the tonnage. The 1,000 American-built ships have a tonnage of 4,584,000 gross tons. The 400 requisitioned have 2,500,000 gross tons, making an aggregate of 7,000,000 gross tons of shipping as distinguished from a million and a quarter gross tons of shipping at the beginning of this war. [Applause.]

We have to-day under construction 819 shipbuilding ways, including those for wooden, steel, and concrete vessels, which is twice as many ways as there are in the rest of the shipyards of the world. Our present program calls for 2,101 vessels, exclusive of tugs and barges, which will be built and put on the sea by the Emergency Fleet Corporation in the course of carrying out the present program. The total aggregate dead-weight tonnage of this enormous program will be 14,715,000 gross tons.

Five billion dollars will be required to finish our program for the years of 1918, 1919, and 1920.

Can there be in all history such a marvelous achievement? Can a grateful Republic fail to appreciate and recognize an achievement so marked and outstanding? Can a faithful constituency, solicitous for the well-being of their Republic, be unmindful of this achievement in merchant-marine building, and can the critic of yesterday still be the critic of to-day. Can the patriotic man who loves and reveres his country fail to take full cognizance of the adverse conditions under which the Emergency Fleet Corporation has labored?

No! I prefer to believe that a grateful Republic will give full credit where credit belongs, and will stand behind the President and the Congress that have faithfully stood by them. [Applause.]

AMERICA GENEROUS—AMERICA WILLING—AMERICA ACTUALLY DOING HER FULL PART.

How proud it must make every American feel to know that he lives in a country so strong, so able, so willing, and so generous, as to help the struggling nations of the earth preserve the liberties of mankind. The United States have, up to September 2, 1918, executed loans to our allies engaged in this great conflict to the amount of $7,092,040,000. Thus it will be observed that in shipbuilding, in railroad building, transportation of troops and supplies, in carrying every burden incident to this great conflict, in each time America has stood erect to duty the day that duty called—she has performed her full part. History's pages can not fail to record and give full credit to her great achievements and her great ability to do and to achieve.

AMERICA THE MELTING POT.

As we run down the roster of names that are serving in this great conflict, we find every nationality represented, we find every nationality doing its part. How proud I am that this is true. How proud I am that the great majority of those that come to us from foreign shores so soon have taken on the spirit of freedom, liberty, and justice; how soon they take on the spirit that means hope for humanity, how soon the heartbeat quickens for the flag of their adopted land!

This was brought to my attention most forcibly in an article appearing in Everybody's magazine for July, 1916, by Elias Liebermann, "I am an American."

At a meeting of school children in Madison Square Garden, New York City, to celebrate the Fourth of July, one boy, a descendent of native Americans, spoke as follows: "I am an American. My father belongs to the Sons of the Revolution; my mother belongs to the Colonial Dames. One of my ancestors pitched tea overboard in Boston Harbor; another stood his ground with Warren; another hungered with Washington at Valley Forge. My forefathers were American in the making; they spoke in her council halls; they died on her battle fields; they commanded her ships; they cleared her forests. Dawns reddened and paled. Staunch hearts of mine beat fast at each new star in the Nation's flag. Keen eyes of mine foresaw her greater glory; the sweep of her seas, the plenty of her plains, the man-hives in her billion-wired cities. Every drop of blood in me holds a heritage of patriotism. I am proud of my past. I am an American."

[Applause.]

Then a foreign-born boy arose and said:

"I am an American. My father was an atom of dust; my mother was a straw in the wind to His Serene Majesty. One of my ancestors died in the mines of Siberia; another was crippled for life by 20 blows of the knout; another was killed defending his home during the massacres. The history of my ancestors is a trail of blood to the palace gate of the Great White Czar. But then the dream came—the dream of America. In the light of Liberty's torch the atom of dust became a man and the straw in the wind became a woman for the first time. 'See,' said my father, pointing to the flag that fluttered near. 'That flag of stars and stripes is yours; it is the emblem of the promised land. It means, my son, the hope of humanity. Live for it, die for it!' Under the open sky of my new country I swore to do so; and every drop of blood in me will keep that vow. I am proud of my future. I am an American."

[Applause.]

SPECIOUS PLEAS OF THE UNPATRIOTIC.

Most of the hundred and ten million people of this Republic are good people—few of them are bad. Most of the people are patriotic, love their flag and their country—few of them are unfaithful and untrue and would hinder and destroy more than they would help and support. The names of the latter class will not adorn the pages of history. Their names will be forgotten with the close of the day. Their individuality forgotten with the

onrushing tide of a mighty nation engaged in honest effort and honest achievement.

During the early days of the war men were heard to say, "This is a rich man's war and a poor man's fight;" but this accusation, both then and now, was false and malicious, for under the income-tax laws and the excess-profit tax law the rich in so far as it is possible for dollars to pay for the war, are largely bearing the burden. Under the selective draft law and regulations the rich man's son is standing side by side with the poor man's son, fighting the battles of his country. [Applause.] While I hold no brief for the rich—I neither belong to that class nor do I know much about them—yet I would hate and despise the name that I bear, I would hate and despise myself, if I found myself going up and down the country teaching the doctrine that one class of citizens should hate and despise another. [Applause.] No; in a land where freedom, justice, and liberty is to have and to hold by every citizen of the Republic, in a land where the humblest citizen can rise from the lowest walks of life to the highest pinnacle of political preferment and success—in a land where officials are elected by the popular vote, and where every citizen is clothed with the right to vote—no, in a land where the rich and poor, the savage, and the civilized are all allowed to participate in the blessings of their Government, these agitators carrying the doctrine of unrest should not go unchallenged and untouched. [Applause.]

ENEMIES OF THE REPUBLIC ASSERT WILSON A DICTATOR.

Enemies of the Republic have been heard to say, some through blind partisanship, and some through disloyalty, that our President and our Commander in Chief is a dictator, clothed with more authority than any President should have. My answer to this charge is that it is a slander and an untruth; my answer to this is that one who makes such a charge in war times is a man who hates his country more than he loves it, who retards it more than he helps it, and who worries more about politics and partisan advantage than he does about the success of the boys at the front.

This charge shall not be answered alone by denial. It shall be answered on substantial grounds, which will be both satisfying and sufficient, to the satisfaction of historians and to the man who loves and reveres the country in which he lives.

The Constitution, formulated by the fathers almost a century and a half ago, laid down the doctrine that the President of the United States shall be the Commander in Chief of the Army and Navy. That Commander in Chief during war times should be, and of right is, the Commander in Chief in all that the term implies. His power must, and of necessity should be, unusual, far-reaching, and complete. To have it otherwise is to subject the Republic to the only criticism that has ever been successfully waged against a republican form of government, which is that a republic governed by the consent of the governed during the hour of great stress can not quickly assemble itself for purposes of defense. I repeat, the only way to successfully combat this charge is in time of war to quickly, completely, and without stint give the Chief Executive full power to act, and to act without conducting a debating society while the enemy of the country is at the gates.

No; for me and mine, I prefer to have it said of us as a Nation, as a people, and written in history, that in time of great stress we first dared to give our Chief Executive full power to act and, second, that he, with the valor and courage of a true American, dared to use sufficiently and well the power so conferred upon him.

The Congress of the United States have given this power. How proud I am this day that the present President of the United States has both the courage and the ability to execute, use, and exert the powers thus conferred efficiently, honestly, intelligently, and courageously.

OPPONENTS CHARGE INFIDELITY BECAUSE OF THE FACT THAT IN THE LAST CAMPAIGN WE USED THE SLOGAN "HE KEPT US OUT OF WAR."

If it be a crime for a great peace-loving President, backed up by a peace-loving Congress and Nation, to strive two and a half years to keep us out of war, we are guilty of bad faith. During that two and a half years of war, amidst President Wilson's appeals for peace, Germany sank 1,276 merchant ships that were carrying on the commerce of the United States. Four hundred and twenty-five of those merchant vessels belonged to neutral countries, in no wise engaged in the war—21 were vessels of the United States, carrying the starry banner of the Republic; all of these vessels were going where they had the right to go, doing what they had the right to do, molesting no one, only asking to be let alone.

Of the countless thousands of citizens who were sent to the bottom with these ill-fated ships, 225 were American-born citizens, men, women, and children, who, too, were doing what they had the right to do, molesting no one, only modestly asking to be let alone and protected in their undoubted rights.

Was it the wish of these critics that their President should not make the struggle for peace, and hope and pray that the bitter cup of war might pass? Was it the wish of these critics that after we had suffered these attacks for two and a half years, and Germany had served formal notice on us that the attacks would continue, and that the sea was closed, and that our commerce would be fired upon, submarined, sunk without warning, that then the President should not go to war? What is the exact position of these critics?

Some say we went to war too quickly, others say not quickly enough, but the great bulk of the people of this country did not want the President to go to war any sooner than he did, and they were anxious and ready to support him in his efforts when he did enter; and the Republic to-day, irrespective of partisan politics, irrespective of selfishness, and irrespective of slight disloyalty here and there, are standing behind the President, are upholding the President, are approving of his course, and are helping him win the war.

No, to me this attack that our opponents are making is both false and unavailing. It can but mislead the unwary, it can not but tickle the palate of the disloyal; it can not disrupt, disintegrate, or interrupt the mind, the hopes, the fears, the ambitions of the patriotic, good citizen who first wanted his country to remain at peace, if peace was possible, and second, wanted his country to go to war if lasting and honorable peace were impossible.

WASHINGTON, LINCOLN, AND WILSON—ALL OBSTRUCTED BY AGITATORS.

Agitators, like the poor, will always be with us. Washington had many Tories, Lincoln had many copperheads, Wilson has a few pacifists and agitators. Wilson has less than the rest.

During the Civil War, the immortal Lincoln, whose homely words grow in grace as the years speed by, spoke of agitators in the following words:

Must I shoot a simple-minded soldier boy who deserts, while I must not touch a hair of a wily agitator who induces him to desert? This is none the less injurious when effected by getting a father or brother or friend into a public meeting and there working upon his feelings till he is persuaded to write the soldier boy that he is fighting in a bad cause for a wicked administration of a contemptible Government, too weak to arrest and punish him if he shall desert. I think that in such a case to silence the agitator and save the boy is not only constitutional but withal a great mercy. [Applause]

To-day the one plea of our President is, and has been, to silence the agitator and save the boy.

In war times desertion is a capital offense for which the military court may administer the highest penalty. Still, your President, like Lincoln of the sixties, like Washington of Revolutionary times, is worrying less about the homesick boy who deserts his command to return to his sorrowing mother than about the wily agitator who induces him to desert. [Applause.]

The SPEAKER. The time of the gentleman from Oklahoma has expired.

Mr. MILLER of Minnesota. Mr. Speaker, I ask unanimous consent that the gentleman may proceed for 10 minutes more.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the gentleman from Oklahoma may proceed for 10 minutes more. Is there objection?

Mr. GARD. I amend that request by asking that the gentleman be permitted to go on until he concludes.

Mr. FERRIS. I thank the gentleman. I am much indebted to him, but I thing I can conclude in the time asked for. I thank both the gentleman from Ohio and the gentleman from Minnesota.

STAND BY THE PRESIDENT, STAND BY THE COUNTRY, STAND BY THE FLAG, STAND BY THE BOYS AT THE FRONT.

There can be but one issue at the approaching election. No one would have it otherwise if they could, no one could change it if they would. It is the all-absorbing question of standing together as a unit for an early and successful closing of this war. [Applause]. We want our brave boys to come marching home in victory—not in defeat. We want them to feel and know that they are fighting for a united and undivided country. We want them to feel and know that when they return, they will return to an undivided and united country. The issue was plain during the Spanish-American War, when the late President McKinley was Commander in Chief of the Army and Navy. The issues were made plain by ex-President Roosevelt, while he was a candidate for governor of New York, speaking for the election of a Republican Congress and appealing to the citizenship to stand behind President McKinley, while he conducted the Spanish-American War. His exact words were as follows:

Remember that whether you will or not, your votes this year will be viewed by the nations of Europe from one standpoint only. They will draw no fine distinctions. A refusal to sustain the President this year, will, in their eyes, be read as a refusal to sustain the war and to sustain the efforts of our peace commission to secure the fruit of

war. Such a refusal may not inconceivably bring about a rupture of the peace negotiations. It will give heart to our defeated antagonists; it will make possible the interference of those doubtful neutral nations, who in this struggle have wished us ill.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Oklahoma yield to the gentleman from Illinois?

Mr. FERRIS. I want to go a little further. I know the gentleman will be glad to hear it. It is always refreshing to the gentleman to quote prominent Republicans.

Mr. MADDEN. I will be glad to hear what the gentleman says.

Mr. FERRIS. This is not what I say. Ex-President Benjamin Harrison, speaking at a biennial election while the Spanish-American War was yet unsettled and in progress, had this to say, and I want the gentleman from Illinois to get it:

If the word goes forth that the people of the United States are standing solidly behind the President, the task of the peace commissioners will be easy, but if there is a break in the ranks—if the Democrats score a telling victory, if Democratic Senators, Congressmen, and governors are elected—Spain will see in it a gleam of hope, she will take fresh hope, and a renewal of hostilities, more war, may be necessary to secure to us what we have already won.

Mr. MADDEN. Mr. Speaker, will the gentleman yield there?

Mr. FERRIS. I want to go a little further.

Mr. MADDEN. It is right on that point.

Mr. FERRIS. The American people answered the summons of their Commander in Chief, they gave him a Republican Congress to show to Spain and to the world that we were solidly behind the Commander in Chief. So, I am to-day happy in the thought that we may with full propriety issue a similar summons to the American people to stand behind the President, show complete solidarity and let the world know that we are unflinching and unfaltering in our efforts to win the war quickly. My speech is their speech, my appeal is their appeal. [Applause.]

Mr. MADDEN. Mr. Speaker, will the gentleman yield now?

Mr. FERRIS. Yes; I yield to the gentleman.

Mr. MADDEN. The gentleman will not deny, I hope, that no more loyal support has been given to the President by anybody than that which has been given by the Republican Members of this House, and I hope the gentleman will not make the assertion that if Republican Members of the House are elected who are known to be loyal it will be considered as adverse to the President.

Mr. FERRIS. Well, there are so many recipes and so many acid tests going around, governing men's votes and conduct here, I know the gentleman would not be satisfied with any acid test that I might lay down, and I will tell the gentleman a story which I think will fit his case pretty well.

Mr. MADDEN. I should like to have the gentleman answer my question.

Mr. FERRIS. The purported ardent support of some of our Republican friends in standing by the President reminds me of a boy who was hoeing potatoes in the blazing sun. A traveling man came along and said to the boy: "Sonny, how much do you get for hoeing potatoes?" The boy said: "I don't get nuthin' if I do hoe 'em, but I get hell if I don't." And that is about the way with you brethren over there. [Laughter.]

Mr. MADDEN. I should like to ask the gentleman one more question.

Mr. FERRIS. I do not know that I will be able to answer it.

Mr. MADDEN. Does the gentleman wish to have the people understand from the story he has just told that Republican Members of Congress of the United States have supported the Government of the United States because they were afraid that if they did not do it they would get hell, or have they supported it because they are for America? [Applause].

Mr. FERRIS. The gentleman must not make a speech in my time. The gentleman is swerving a pleasantry into a serious matter. I am proud of most of you, as you know, and I appreciate the good work you have done. Some of you have stubbed your toes a little over there, as occasionally we do on our side.

Mr. JOHNSON of Washington. Will the gentleman be good enough to admit that the potato-digging story which he has just told is one of the famous stories of the late lamented Francis W. Cushman, whose district I now have the honor to represent on this floor?

Mr. FERRIS. Sure! We were always delighted and convulsed with the humor and stories of the beloved Cushman.

REPUBLICANS' CHIEF SLOGAN—THEY, TOO, ARE STANDING BEHIND THE PRESIDENT.

This virtue of standing behind the President, which we all hear so much about on the part of our brethren on the other side, makes one pause and reflect—if the chief virtue of the Republicans to-day is that they are standing behind the Democratic President, surely there must be some virtue in the Democratic President they are so clamorous to stand behind.

THE WILSON ADMINISTRATION HAS BEEN FREE FROM PARTISANSHIP.

One word about some of the more or less specious pleas that are flying through the air. There are men here who are better able to present that than I. We hear it in the press, we hear it on the floor, and we heard it the other day, that the President was steeped in partisanship, and that partisanship was about the only business he was carrying on. Well, I have served in the minority in this House a long time, and I know how easy it is for men of the minority to think the majority is bad. I sometimes in a moment of anger have thought that myself, and you probably think that we are. But let us examine and see just how partisan the President has been in some of his appointments. The first prominent mission that has been sent abroad to render any marked service was headed by Elihu Root, one of the most prominent Republicans of the country to-day, who has seen service in almost all walks of public life.

Mr. MILLER of Minnesota. Will the gentleman be kind enough to yield there?

Mr. FERRIS. I want to go further.

Mr. MILLER of Minnesota. My inquiry is pertinent right here. Does the gentleman say that the numerous and much repeated trips to Europe of Col. House have been of no avail?

Mr. FERRIS. I merely mention, and the gentleman with his good nature and good idea of governmental affairs will not deny it, that the man sent on one of the most delicate missions was headed by Elihu Root, a Republican.

A second appointment, as chairman of the War Labor Board, is none other than the distinguished and beloved ex-President of the United States, William Howard Taft.

And the next one—and it was to a delicate task—and if there were any errors made in the war at all—and I assume there have been many, and they probably have been in connection with the aircraft service—let us see how partisan the President was: He appointed ex-Justice Hughes, the last Republican nominee for the Presidency; so that if there is anything wrong, he can bring it out and show it to the American people.

Let us see who is Director General of the Emergency Fleet Corporation. It is Charles M. Schwab, a Republican.

Charles Piez, vice president of the Fleet Corporation, is a Republican. William Phillips is an Assistant Secretary of State, and he appoints all the consular officers of the United States to go everywhere on earth. He is a Republican. Mr. L. W. Woolsey, a solicitor of the State Department, is a Republican. Mr. L. S. Rowe is an Assistant Secretary of the Treasury, a Republican. Mr. R. C. Leffingwell, Assistant Secretary of the Treasury, is a Republican. He approves of the Liberty loan quotas, and so forth. Frank A. Vanderlip, chairman War Savings Stamps Committee, is a Republican. Benedict Crowell, first Assistant Secretary of War, is a Republican. Mr. Frederick P. Keppel, Assistant Secretary of War, is a Republican. Mr. E. R. Stettinius, Assistant Secretary of War, is a Republican. Mr. A. B. Bielaski, who investigates everything from a hencoop to the President of the United States, is a Republican. Mr. William R. Willcox, former chairman of the Republican Committee and who conducted the last Republican campaign, is also a Republican, and he is connected with the Federal Railway Wage Commission. H. A. Garfield, who tells you whether you shall shiver or be warm, is a Republican.

Mr. LONGWORTH. As a former resident of my State, I must protest against the gentleman's attack on Dr. Garfield. He is not a Republican, and never has been. He has been a strong supporter of President Wilson both times. He is the son of a Republican ex-President, of course.

Mr. FERRIS. If I am wrong about it, and he has seen the light at this late hour, we welcome him. We will leave the latchstring out for the rest of the sons of Republican ex-Presidents.

Mr. LONGWORTH. He has gone from the light into the darkness, but that happened many years ago.

Mr. FERRIS. We shall welcome them in.

Mr. Herbert Hoover is a Republican. He tells whether we can or can not have jelly on our bread. [Laughter.]

Mr. MADDEN. Who knows that?

Mr. FERRIS. The facts are that the President in a moment of generosity and perhaps of doubtful propriety gives a Republican an office, and you gentlemen ought to applaud the fact rather than to turn them out of the party the minute they get an appointment from us. There are so many Republicans in office now if you depose them all you will be destitute of the personnel of the Republican Party. [Laughter.]

Mr. MADDEN. Mr. Herbert Hoover is a man of great merit, of course, whether he is a Republican or Democrat.

Mr. KNUTSON. He has not voted for 20 years.

Mr. MADDEN. I do not know whether he has or not, but he is a good man.

WE MUST WIN THE WAR.

Mr. FERRIS. The Republic must play a vigorous and prominent part in the winning of this war. To do otherwise is to admit that free governments can not survive, that free governments will not stand together against the mailed fist. The Republic can not successfully follow the dim and flickering light of pacifism. The "peace at any price" citizen will but lead us in the pathway of dishonor, disaster, disintegration, and shame.

If Germany should succeed, it would be written in history that democracies are too weak to grapple with monarchies. The patriotic blood that flows through our veins, handed down to us by the fathers who conceived this Republic, will allow no such page in history to be written.

We must win the war, for to lose it is not alone to lose our country, but our liberty. To lose the war would be to let freedom and liberty welter in the blood of the fathers. To lose the war is to say that the soldier and not the citizen shall make the state. To lose the war would mean that liberty would go cringingly out the back door while militarism comes in at the front.

No one knows when the war will be concluded or won. But I believe every one of the 110,000,000 patriotic citizens of the land knows it will be won, and that our brave boys at the front will do their full share in winning it. [Applause.]

PEACE.

Peace has always been a passion with the Nation in which we live. But it has been an honorable peace we have sought, as distinguished from a dishonorable one.

It has been a lasting peace that this Nation has sought and not a temporary one. There are rights and liberties among men that are dearer than peace.

Peace can not be among honorable men or nations when war is constantly made upon them. Peace can not be when the flag of the Republic is being fired upon and disdained. Peace can not be when innocent men, women, and children, going where they had the right to go, attending to their daily routine affairs, are torpedoed, submarined, mutilated, murdered, and sunk. Peace can not be amidst the gurgling sounds of the drowning. Peace can not be when Kaiserism, Prussianism, and the mailed fist reigns, and liberty, justice, and even the Deity is proselyted and disdained.

Democracy to-day is making her last stand in a death grapple with autocracy. The right of democracy to succeed against autocracy is dearer than peace. There can be no peace but an honorable peace. There can be no peace worth having but a lasting peace.

Patriotism! The Republic and its destiny rests with you. Let every citizen in every corner of the land kindle it anew. Kindle the smouldering embers that patriotism may stalk among us as it did in '76. Kindle it anew that liberty, democracy, free Government, free institutions, and the Republic in which we live may not be disintegrated, perished, and gone. For in the name of freedom, justice, and the liberties of men, we are right and they are wrong. [Applause.]

SUPPLEMENTAL SLATE EMBODYING AMERICA'S ACHIEVEMENTS IN WAR MAKING COVERING A PERIOD OF SEVENTEEN MONTHS.

CAUSES OF THE WAR.

First, 1,276 merchant ships, 425 neutral ships, 21 American ships sunk prior to April 6, 1917. Among thousands that went down, 225 were full American citizens.

Second, through Germany's war zone so closed, two-thirds of our export wheat, five-sixths of our hog products, six-sevenths of our cotton products, seven-eighths of our beef products passed last year.

Third, 26 countries have either severed diplomatic relations or declared war against Germany—four-fifths of the earth's surface to-day are sworn enemies of Germany.

Fourth, President Wilson, Congress, 100,000,000 people pleaded for peace two and half years. There was no peace.

WAR RESOLUTION.

Passed House April 6, 1917—373 to 50; 196 Democrats "yes"; 16 Democrats "no"; 177 Republicans "yes"; 32 Republicans "no".

Passed Senate April 4, 1917—82 to 6; 45 Democrats "yes"; 3 Democrats "no"; 37 Republicans "yes"; 3 Republicans "no".

Signed by President Wilson April 6, 1917.

CONSCRIPTION.

Passed House—397 "yes"; 24 "no".

Passed Senate—81 "yes"; 8 "no".

Most democratic way to raise an army.

YOUTHFUL VOLUNTEERS DURING CIVIL WAR.

For example, under the volunteer system during the Civil War youths of tender years neglected their education, neglected their all, to enlist in the war. The War Department has compiled a list of men who served in the Civil War, by groups, and they are as follows:

10 years and under	25
11 years	13
12 years	187
13 years	75
14 years	1,223
15 years	104,464
16 years	125,064
17 years	613,840
18 years	306,547
19 years to 21 years	1,008,360
22 years to 24 years	571,855
25 years to 43 years	30,555
44 years and over	16,071

I shall not by word or thought cast one aspersion upon the volunteer soldier. The volunteer soldier is the salt of the earth—God bless him and increase his tribe. But what I will say is that the volunteer system is not without its impedimenta, objections, and hardships. For example, the War Department has compiled a list of bounties paid by the several States that became necessary to secure soldiers to fight the cause of the Union. The list by States is no less than astounding. It is as follows:

Maine	$7,837,000
New Hampshire	9,600,000
Vermont	4,500,000
Massachusetts	22,900,000
Rhode Island	820,000
Connecticut	6,800,000
New York	89,600,000
New Jersey	23,868,000
Pennsylvania	43,000,000
Delaware	1,000,000
Maryland	6,000,000
District of Columbia	134,000
West Virginia	864,000
Kentucky	692,000
Ohio	23,500,000
Indiana	9,000,000
Illinois	17,000,000
Michigan	9,600,000
Wisconsin	5,800,000
Iowa	1,600,000
Minnesota	2,000,000
Missouri	1,200,000
Kansas	57,000

LINCOLN'S LETTER TO MRS. BIXBY.

During the progress of the Civil War that great man in the White House, the lamented Lincoln, wrote this letter to a mother up in New England. It is dated Executive Mansion, Washington, November 21, 1864, and is written to Mrs. Bixby, Boston, Mass.:

DEAR MADAM: I have been shown in the files of the War Department a statement of the adjutant general of Massachusetts that you are the mother of five sons who have died gloriously on the field of battle. I feel how weak and fruitless must be any word of mine which should attempt to beguile you from the grief of a loss so overwhelming. But I can not refrain from tendering you the consolation that may be found in the thanks of the Republic they died to save. I pray that our Heavenly Father may assuage the anguish of your bereavement and leave you only the cherished memory of the loved and lost and the solemn pride that must be yours to have laid so costly a sacrifice upon the altar of freedom.

Yours, very sincerely and respectfully,

A. LINCOLN.

Who is there by word or thought that believes that this widowed mother should furnish five boys to give up their lives in defense of their country while the next-door neighbor keeps their boys at home, refuses to let them serve, thereby enabling them to profit by the going of the widow's sons?

COMPARISON OF ARMY UNDER ROOSEVELT, TAFT, AND WILSON.

At close of Roosevelt's administration, all branches of service	207,067
At close of Taft's administration, all branches of service	211,964
At close of Wilson's first administration, all branches of service	323,000
August 24, 1918, after 16 months of war, an army of (1,450,000 of whom are now in France)	2,587,393
April 6 1917, total number officers, all branches of the service	8,684
August 24, 1918, total number officers, all branches of the service	173,077
April 6, 1917, total number forts, cantonments, training camps, arsenals	257
June 19, 1918, total number forts, cantonments, training camps, arsenals	419
Casualties up to August 24, 1918	23,537

ARMY APPROPRIATIONS.

Roosevelt, 1905–9	$425,801,575.23
Taft, 1909–13	442,066,469.35
Wilson, 1913–17	989,413,588.69

MEDICAL DEPARTMENT, RED CROSS, Y. M. C. A., ETC.

1. Report August 24, 1918. Eighty-one per cent men wounded in action return to action; 14 per cent of men wounded are discharged unfit for military service. Five per cent of men wounded die of wounds.

2. During Spanish-American War, 1898, death rate in camps was 20.14 men out of every 1,000. Present death rate 7.5 per 1,000, August 24, 1918.

3. Army hospitals, 7 then, 63 now (Aug. 24, 1918). Others under construction. Bed capacity then 5,000, now 60,000. Soon to be increased to 100,000.

4. Personnel engaged in hospital work—then 8,900, now 171,000. Then 375 nurses, now 14,527 nurses (Aug. 24, 1918). Ambulance service—then, nothing; now (Aug. 24, 1918), 6,000.

5. Gas masks that protect the wearer from 12 to 24 hours without discomfort. An adequate supply has been produced and furnished the soldiers at the front.

ACHIEVEMENTS OF THE WAR RISK INSURANCE BUREAU.

American soldiers better fed, better clothed, better paid, better insured than any other soldiers in the world.

The Wilson Administration has created the War Risk Insurance Bureau, through which 5,227,434 checks have been issued to dependents of soldiers, representing an aggregate sum of $160,568,598.53.

Total number of beneficiaries who are receiving checks (August 24, 1918), 1,012,537.

Total amount of insurance written for the soldiers now in the service aggregates the stupendous sum of $30,497,394,000.

April 6, 1917, 304 ships afloat; August 24, 1918, 1,720 ships afloat.

April 6, 1917, men and officers, 83,323; August 24, 1918, men and officers, 561,735.

April 6, 1917, third or fourth navy of the world; August 24, 1918, second navy of the world—from standpoint of efficiency, first.

COMPARISON OF NAVIES UNDER ROOSEVELT, TAFT, AND WILSON.

Total number of men in Navy at close of Roosevelt administration, including naval enlisted and naval reserves	55,548
Total number at close of Taft administration	65,056
Total number at close of Wilson's first four years	83,323
Total number Aug. 24, 1918	561,735
Navy ships of all kinds.	
Close of Roosevelt administration	173
Close of Taft administration	176
Close of Wilson's first administration	304
Navy appropriations.	
Roosevelt	$470,811,372.11
Taft	526,350,935.24
Wilson's first	1,141,856,694.25

NAVY CONSTRUCTION.

April 6, 1917, 35,000 mechanics and men.
August 24, 1918, 90,000 mechanics and men.

SHIP SINKINGS.

April 6, 1917 to August 24, 1918, 124 merchant vessels, gross tonnage 314,303; 13 vessels of the Navy—mostly small craft and converted yachts.

April 6, 1917 to August 24, 1918, neutral merchant vessels sunk, 1,431; gross tonnage 2,205,054.

The Navy has escorted thousands of ships in safety. In a six months' period one detachment of American destroyers escorted 717 single vessels as well as 86 convoys, numbering from 10 to 40 ships. It engaged in 81 submarine combats and sailed over 1,000,000 miles.

RELATIVE RANK OF NAVY FOR CERTAIN PERIODS.

No. 3 at close of Roosevelt administration.
No. 3 at close of Taft administration.
No. 2 at close of Wilson's first term.

AMERICAN MERCHANT MARINE.

At the beginning of the war we had about 385 vessels, with a tonnage of 1,225,784. We now have about 1,000 American-built vessels, with a tonnage of 4,584,000. Adding to that 400 vessels, requisitioned or commandeered from other countries, with a tonnage of 2,500,000 tons, gives us to-day a total of 1,400 vessels in the service of the United States, with a tonnage of 7,000,000 tons.

On August 24, 1918, we had under construction 819 shipbuilding ways, including wood, steel, and concrete, which is twice as many shipbuilding ways as there are in the rest of the shipyards of the world combined.

Our program calls for a total of 2,101 vessels, exclusive of tugs and barges, which will be built and put on the seas by the Emergency Fleet Corporation in the course of carrying out the present program, with an aggregate dead-weight tonnage of 14,715,000 tons.

Five billion dollars will be required to finish our program for 1918–19 and 1920.

At the beginning of the war there were only about 45,000 men employed in shipbuilding yards of the country. To-day, in the four Government yards and 398 privately owned yards working on Government contracts, there are employed 320,000 men, and in allied industries about 200,000.

At present (Aug. 24, 1918) our merchant marine is second of the world power, as far as we know. We have reason to expect that when our program is completed our merchant marine will be first.

AIRPLANE SERVICE.

April 6, 1917, 1,185 officers and men.
July 15, 1918, 156,000 officers and men.
April 6, 1917, 3 aviation fields.
July 15, 1918, 28 aviation fields.
April 6, 1917, less than 200 second-class airplanes.
July 15, 1918, 5,554 American built planes in United States, and more than 2,000 in France.

August 24, 1918. 7,000 trained aviators in United States; 2,000 trained aviators in France; 4,000 awaiting assignment to ground schools.

Cadets flying 3,000 hours a day—flying 195,000 miles a day, or 8 times around the world.—(August 24, 1918.)

In one American field 135 planes are in the air at once, flying a total of 882 hours a day.—(August 24, 1918.)

AMERICA GENEROUS.

September 2, 1918.—Loans to allies $7,002,040,000

WAR PRISON BARRACKS.

War prison barracks have been established at Fort McPherson, Ga., Fort Oglethorpe, Ga., and Fort Douglas, Utah, and 2,590 alien enemy prisoners have been confined in these barracks. Another at Hot Springs, N. C., with 2,300 prisoners.

WILSON HAS BEEN CHARGED WITH PARTISANSHIP.

A few of the prominent Republicans serving under Wilson: Wm. H. Taft, Chairman War Labor Board; Chas. E. Hughes, Investigate Aircraft; C. M. Schwab, Chairman Emergency Fleet Corporation; Chas. Piez, Vice President Fleet Corporation; Wm. Phillips, Assistant Secretary of State; L. W. Woolsey, Solicitor, State Department; L. S. Rowe, Assistant Secretary of Treasury; R. C. Leffingwell, Assistant Secretary of Treasury; Frank A. Vanderlip, Chairman War Savings Stamps Commission; Benedict Crowell, First Assistant Secretary of War; Frederick P. Keppel, Assistant Secretary of War; E. R. Stettinius, Assistant Secretary of War; A. B. Bielaski, Bureau of Investigation; Wm. R. Willcox, Federal Railway Wage Commission; H. A. Garfield, United States Fuel Administrator; Herbert Hoover, Food Administrator.

SPECIOUS PLEAS OF THE UNPATRIOTIC.

First, pacificism; second, opposed to all war; third, opposed to oversea fighting; fourth, this is an unholy war; fifth, it could have been avoided; sixth, Wall Street war; seventh, rich man's war and a poor man's fight; eighth, Wilson a dictator. A thousand other disloyal utterances.

AGITATORS NOW AS DURING CIVIL WAR.

During the Civil War our great martyred President, Lincoln, made a wonderful statement in this connection, in which he compared a soldier boy who had deserted with the public agitator who was trying to work up sentiment against the administration, in the following language:

> Must I shoot a simple-minded soldier boy who deserts, while I must not touch a hair of a wily agitator who induces him to desert? This is none the less injurious when effected by getting a father or brother or friend into a public meeting and there working upon his feelings till he is persuaded to write the soldier boy that he is fighting in a bad cause for a wicked administration of a contemptible Government, too weak to arrest and punish him if he shall desert. I think that in such a case to silence the agitator and save the boy is not only constitutional, but withal a great mercy.

ROOSEVELT'S APPEAL TO STAND BY PRESIDENT M'KINLEY DURING SPANISH WAR.

Typical of many was the appeal made in 1896 by Col. Roosevelt then candidate for Governor of New York. He said:

> Remember that whether you will or not, your votes this year will be viewed by the nations of Europe from one standpoint only. They will draw no fine distinctions. A refusal to sustain the President this year, will, in their eyes, be read as a refusal to sustain the war and to sustain the efforts of our peace commission to secure the fruit of war. Such a refusal may not inconceivably bring about a rupture of the peace negotiations. It will give heart to our defeated antagonists; it will make possible the interference of those doubtful neutral nations, who in this struggle have wished us ill.

In similar tenor former President Benjamin Harrison pleaded for the election of a Republican Congress to support McKinley. He is quoted in the Philadelphia North American of November 1, 1898, as saying:

> If the word goes forth that the people of the United States are standing solidly behind the President, the task of the peace commissioners will be easy, but if there is a break in the ranks—if the Democrats score a telling victory, if Democratic Senators, Congressmen, and governors are elected—Spain will see in it a gleam of hope, she will take fresh hope, and a renewal of hostilities, more war, may be necessary to secure to us what we have already won.

TWENTY-SIX NATIONS DECLARE WAR OR SEVER DIPLOMATIC RELATIONS WITH GERMANY.

The population of the combined allied nations is 1,439,759,105; the combined population of the central powers is 144,084,000. The combined area, in square miles, of the allied nations is 39,549,767; the combined area of the central powers is 2,249,858.

Nation.	Population.	Area.
The following countries are at war with the central powers:		*Sq. miles.*
1. Serbia	4,547,000	34,000
2. Russia	175,130,000	8,647,657
3. France	87,000,000	4,746,088
4. Belgium	22,571,000	911,373
5. Great Britain	439,959,000	13,153,721
6. Montenegro	516,000	5,650
7. Japan	73,807,000	258,000
8. Italy	37,398,000	706,623
9. San Marino	12,000	38
10. Portugal	12,208,000	867,757
11. Roumania	7,508,000	54,000
12. United States	113,168,000	3,741,828
13. Cuba	2,500,000	46,000
14. Panama	427,000	32,380
15. Greece	4,821,000	46,522
16. Siam	8,149,000	220,000
17. China	413,000,000	1,851,000
18. Brazil	24,000,000	3,292,000
19. Guatemala	2,119,000	42,890
20. Liberia	2,000,000	41,000
21. Albania	825,000	11,000
22. Costa Rica	420,000	23,000
Total	1,435,581,180	38,726,797
The following have broken off diplomatic relations:		
23. San Domingo	710,000	19,325
24. Honduras	600,000	46,250
25. Bolivia	2,267,925	708,195
26. Nicaragua	600,000	49,200
Grand total	1,439,759,105	39,549,767

Central nations.

Nation.	Population.	Area.
Germany	67,810,000	1,236,600
Austria-Hungary	50,000,000	260,031
Turkey	21,274,000	710,224
Bulgaria	5,000,000	43,000
Total	144,084,000	2,249,858

THE FLAG.

"Your flag and my flag, and how it flies to-day,
In your land and my land and half a world away;
Rose red and blood red its stripes forever gleam,
Snow white and soul white, the good forefathers' dream;
Sky blue and true blue with stars that gleam aright;
The gloried guidon of the day, a shelter thru the night.

Your flag and my flag, and, oh, how much it holds!
Your land and my land, secure within its folds;
Your heart and my heart beat quicker at the sight
Sun-kissed and wind-tossed, the red and blue and white;
The one flag—the great flag—the flag for me and you,
Glorifies all else beside, the red and white and blue.

—*By Wilbur Nesbitt.*

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. SWITZER indefinitely, on account of illness.

Mr. HASTINGS. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. HASTINGS. I found this item in a local newspaper in Oklahoma, and I think it ought to be preserved in the records of this country. So far as I know, it is the best record, I think, for patriotism, for sacrifice, and for service that has been called to my attention. It is as follows:

Zeke McCoy, of Vian, who left with the county contingent, is the ninth member of his immediate family to enter the service. He now has eight brothers who are already serving with the colors.

[Applause.]

SALE OF PUBLIC LANDS AT YELLOWSTONE, MONT.

The first business on the Calendar for Unanimous Consent was the bill (S. 41) to authorize the sale of certain lands at or near Yellowstone, Mont., for hotel and other purposes.

The SPEAKER. Is there objection?

Mr. WALSH. I object.

The SPEAKER. The gentleman from Massachusetts objects, and the bill will be stricken from the calendar.

AUTHORIZING THE STATE OF MONTANA TO MAKE EXCHANGE OF LANDS.

The next business on the Calendar for Unanimous Consent was the bill (S. 934) authorizing the State of Montana to select other lands in lieu of lands in section 16, township 2 north, range 30 east, within the limits of the Huntley irrigation project and the ceded portion of Crow Indian Reservation in said State.

The SPEAKER. Is there objection?

There was no objection.

Mr. EVANS. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. The gentleman from Montana asks unanimous consent to consider the bill in the House as in Committee of the Whole. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the State of Montana be, and is hereby, authorized to select, in lieu of lands in section 16, township 2 north, range 30 east, within the limits of the lands withdrawn for the Huntley irrigation project and formerly within the ceded portion of the Crow Indian Reservation in said State, other unappropriated surveyed nonmineral public lands of equal area situated within the limits of said State in the manner provided in the act approved February 28, 1891 (26 U. S. Stat. L., p. 796), entitled "An act to amend sections 2275 and 2276 of the Revised Statutes of the United States providing for the selection of lands for educational purposes in lieu of those appropriated for other purposes": *Provided*, That such selection of lands by said State shall be a waiver of its right to the lands in said section 16: *And provided further*, That the homestead entries heretofore erroneously allowed for a portion of said section 16 shall become valid, subject to future compliance with the law applicable thereto.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. EVANS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

CONVEYING LAND TO THE CITY OF BOZEMAN, MONT.

The next business on the Calendar for Unanimous Consent was the bill S. 936, an act to authorize the Secretary of the Treasury to convey to the city of Bozeman, Mont., certain lands for alley purposes.

The SPEAKER. Is there objection?

Mr. WALSH. Reserving the right to object, can the gentleman from Montana state whether it is the purpose to donate the land, or is it to be paid for?

Mr. EVANS. It is to be donated. The citizens have donated approximately the same amount of land that the Government is to donate to make the alley. They want the alley to enter the Federal building.

Mr. WALSH. It does not appear that the citizens have donated any. The provision is that "the adjacent and abutting property owners shall also quitclaim to said city a strip of land of sufficient width to create a 17½-foot alley." Has that been done?

Mr. EVANS. I can not say that the deed has been executed; but it is a condition precedent to the Government turning over its portion of the land.

Mr. WALSH. The portion to be taken from the Federal site is about 10 feet in width, and that would leave 7½ feet.

Mr. EVANS. The balance would be 7½ feet, as the alley is to be 17½ feet wide. The people would give more, but that width runs up close to their buildings.

Mr. WALSH. Why could not the city of Bozeman pay something for this property? The Government had to pay for it.

Mr. EVANS. As a matter of fact, the Government paid little or nothing for the property. I think it was donated for a Federal site. They have built the structure. They have a mud alley in the rear of it and they desire to pave it, and the city must do it, but it does not care to pave it unless they get title for public purposes.

The SPEAKER. Is there objection. [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. EVANS. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and empowered to convey, by quitclaim deed, to the city of Bozeman, Mont., for the purpose of a public alley, and for no other purpose, all the right, title, and interest of the United States of America in and to a strip of land 10 feet in width off of the rear of the Federal building site in said city of Bozeman: *Provided*, That the adjacent and abutting property owners shall also quitclaim to said city a strip of land of sufficient width to create a 17½-foot alley: *Provided further*, That the city of Bozeman shall open said alley and improve and maintain the same as other public alleys of said city are improved and maintained.

The bill was ordered to be read a third time, was read the third time and passed.

On motion of Mr. EVANS, a motion to reconsider the vote by which the bill was passed was laid on the table.

SALE OF CERTAIN LANDS AT YELLOWSTONE, MONT.

Mr. EVANS. Mr. Speaker, I ask unanimous consent that the bill (S. 41) to authorize the sale of certain lands at or near Yellowstone, Mont., for a hotel, and other purposes, the first bill on the Calendar for Unanimous Consent, which was objected to, be permitted to retain its place on the calendar.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, it should go to the foot of the calendar; otherwise, I shall object.

The SPEAKER. Without objection, the first bill called, S. 41, goes to the foot of the calendar and stays on the calendar.

There was no objection.

CHANGES IN BOUNDARY LINE BETWEEN WISCONSIN AND MINNESOTA.

The next business on the Calendar for Unanimous Consent was the bill (S. 2180) to approve mutual cessions of territory by the States of Wisconsin and Minnesota and the consequent changes in the boundary line between said States.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That Congress hereby consents to and approves of the cession by the State of Wisconsin to the State of Minnesota of the following-described territory, to wit:

All that territory formerly a part of the town of Buffalo, in the county of Buffalo and State of Wisconsin, which lies northerly and westerly of the following-described line, to wit: Commencing at the point in the center line of the main channel of the Mississippi River above Island Numbered Seventy-two, where the center line of the channel running between Island Numbered Seventy-two and Island Numbered Seventy-one intersects the center line of said main channel, and running thence easterly and southeasterly along the center line of the channel between said islands and between said Island Numbered Seventy-two and the main Wisconsin shore to the center line of the main channel of said river, being lot numbered three in section numbered one, township numbered eighteen north, of range numbered eleven west of the fourth principal meridian, and commonly known and described as Island Numbered Seventy-two in the Mississippi River, duly made by the act of the Legislature of the State of Wisconsin, known as chapter sixty-four of the session laws of nineteen hundred and seventeen, approved April ninth, nineteen hundred and seventeen, and assented to and accepted by the State of Minnesota by act of its legislature, known as chapter one hundred and sixteen of the session laws of nineteen hundred and seventeen, approved March twenty-sixth, nineteen hundred and seventeen, an authenticated copy of which act has been duly filed in the office of the secretary of state of the State of Wisconsin, and by the written acceptance of the governor of the State of Minnesota filed in the office of the secretary of state of the State of Wisconsin on the twenty-fourth day of April, nineteen hundred and seventeen; and the boundary line between the said States at the location of said cession is hereby described and declared to be as follows, to wit: Commencing at the point of intersection of the center line of the main channel of the Mississippi River with the center line of the channel running between Island Numbered Seventy-two and Island Numbered Seventy-one and running thence easterly and southeasterly along the center line of the channel between said islands and between said Island Numbered Seventy-two and the main Wisconsin shore to the center line of the main channel of said river.

SEC. 2. That Congress hereby consents to, and approves of, the cession by the State of Minnesota to the State of Wisconsin of the following-described territory, to wit:

All that territory formerly a part of the town of La Crescent, in the county of Houston and State of Minnesota, which lies easterly of the following-described line, to wit: Commencing in the northeast quarter of section numbered eleven, township numbered one hundred and four north, range numbered four west of the fifth principal meridian, at the point of intersection of the center line of the west channel of the Mississippi River with the center line of the main east channel of said river and running thence southeasterly along the center line of said west channel to its intersection with the center line of said east channel of said river in the easterly part of section numbered twenty-four in said township and range, duly made by the act of the Legislature of the State of Minnesota known as chapter one hundred and sixteen of the session laws of nineteen hundred and seventeen, approved March twenty-sixth, nineteen hundred and seventeen, and assented to and accepted by the State of Wisconsin by act of its legislature known as chapter sixty-four of the session laws of nineteen hundred and seventeen, approved April ninth, nineteen hundred and seventeen, and authenticated copy of which act has been duly filed in the office of the secretary of state of the State of Minnesota, and by the written acceptance of the governor of the State of Wisconsin, filed in the office of the secretary of state of the State of Minnesota on April seventeenth, nineteen hundred and seventeen; and the boundary line between the said States at the location of said cession is hereby described and declared to be the center line of the west channel of the Mississippi River beginning at the point of intersection of said center line with the center line of the main east channel of said river, in the northeast quarter of section numbered eleven, township numbered one hundred and four north, range numbered four west of the fifth principal meridian, and running thence southeasterly to the point of intersection of the said center line of said west channel with the center line of the main east channel of said river, in the easterly part of section numbered twenty-four, in said township and range.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. ESCH, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXCHANGING PUBLIC BUILDING SITE AT EATONTON, GA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10609) authorizing the Secretary of the Treasury to exchange the present Federal building site at Eatonton, Ga., for another site on the public square in said city.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. This bill is on the Union Calendar.

Mr. FOSTER. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and empowered to exchange the present Federal building site at Eatonton, Ga., for another site on the public square in said city upon such terms as he may deem to be to the best interests of the United States: *Provided*, That the cost of such new site, including the purchase price of the present site, shall not exceed the original limit of $5,000 fixed by the act of Congress approved March 4, 1913, authorizing the acquisition of a Federal building site at Eatonton, Ga.

Mr. WALSH. Mr. Speaker, can anybody state how far this new site is from the present site that the Government now owns?

Mr. FOSTER. Mr. Speaker, the gentleman from Georgia [Mr. BRAND], who has charge of the bill, is unavoidably absent. I am not able to give the information the gentleman desires.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FOSTER, a motion to reconsider the vote by which the bill was passed was laid on the table.

INCREASING SALARY OF UNITED STATES DISTRICT ATTORNEY, CONNECTICUT.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 4246) to increase the salary of the United States district attorney for the district of Connecticut.

The Clerk reported the title of the bill.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. I desire to be advised what, if any, authority the Committee on Expenditures in the Department of Justice has to initiate legislation increasing the salary of the United States district attorney of Connecticut?

The SPEAKER. The Chair does not know. Is there objection to the present consideration of the bill?

Mr. WALSH. Mr. Speaker, I object.

The SPEAKER. The gentleman from Massachusetts objects, and as the gentleman who introduced the bill [Mr. LONERGAN] is absent, the Chair will ask that it go to the foot of the calendar. Without objection, it is so ordered.

There was no objection.

CONTEST AND CANCELLATION OF HOMESTEAD ENTRIES.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 9897) to authorize the contesting and cancellation of certain homestead entries, and for other purposes.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I ask that the bill be first read.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the homestead entries made for pasture and wood reserve lands in the Kiowa, Comanche, and Apache Reservations, in the State of Oklahoma, opened to settlement and entry upon sealed bids, as authorized by the act of June 5, 1906 (34 Stat. L., 213), be, and the same are hereby, made subject to contest, upon charges alleging that the entryman never established residence upon the land, or that having established such residence he failed to maintain same, or to improve and cultivate the land in accordance with law; and upon proof sustaining such charges, submitted in accordance with the rules of practice, the entries will be canceled and the money paid by the entrymen in default will be forfeited: *Provided*, That any person who has been residing upon the land for at least two years prior to the cancellation of such entry, and if there be no such settler, then the successful contestant, shall, if qualified to make a homestead entry, have a preference right for a period of 60 days from notice, to make a homestead entry for the land, paying therefor the price bid by the original entryman, or a price to be fixed by appraisement upon the applicant's request, the improvements made by such settler not to be taken into consideration in making such appraisement: *Provided further*, That should there be two settlers on a tract, the land will be partitioned to them upon mutual agreement, or will be sold to the settler submitting the highest bid at a public offering: *And provided further*, That payment for the land shall be made in four equal installments, one installment at the date of entry, and the other installment in one, two, and three years thereafter: *And provided further*, That failure to comply with the homestead law or to make the annual pay-

ment when due in the case of any entry under this act shall be a sufficient cause for the cancellation of the entry and the forfeiture of the money paid: *And provided further*, That any vacant lands in the wood and pasture reserves in said Indian reservations, opened to entry under said act of June 5, 1906, for which no preference right of entry exists, as herein provided, or under the act of June 28, 1906 (34 Stat. L., 550), shall be subject to sale at public auction to the highest bidder under rules and regulations to be provided by the Secretary of the Interior: *And provided further*, That the moneys received from the sale of the lands under this act shall be deposited in the Treasury of the United States, shall draw interest, and be administered in accordance with the provisions of section 2 of said act of June 5, 1906.

With the following committee amendments:

Page 1, lines 9 and 10, after the word "contest" insert the words "at any time after 60 days from the date of this act."

Page 2, line 22, strike out the word "installment" and insert the word "installments."

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. This bill is on the Union Calendar.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that it be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will read the bill for amendment.

The Clerk proceeded to read the bill.

Mr. MONDELL (interrupting the reading). Mr. Speaker, the bill having been read, I ask unanimous consent that further reading of the bill be dispensed with and that the committee amendments be now acted on.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote by which the bill was passed was laid on the table.

SUBTREASURY PROPERTY, SAN FRANCISCO, CAL.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 7225) providing for the transfer to the custody and control of War Department property in San Francisco, Cal., known as the old Subtreasury property.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, I would ask the gentleman from California [Mr. KAHN] if he can state where this California Débris Commission is now housed?

Mr. KAHN. Mr. Speaker, they occupy, as I recall, some quarters in the United States Appraisers' Building. But I want to say to my friend from Massachusetts that there are many officers of the Federal Government at San Francisco that occupy rented quarters, and if the Débris Commission should move to this building I have no doubt that some other officers of the Government can be accommodated in the offices now occupied by the Débris Commission. It would probably effect a saving in rental by the Government.

Mr. WALSH. Is this building vacant and unoccupied—this old Subtreasury?

Mr. KAHN. Whether it is unoccupied now I do not know. This Subtreasury building, I want to say, was the only one of the Federal buildings destroyed by the fire of 1906. It was never fully rebuilt. It was cut down several stories, and a new roof was put upon it. It was occupied by the Subtreasury until the new Subtreasury building was finished, but whether the Treasury Department people have been using it since that time I do not know. The Treasury Department seems to have no further use for it, and the War Department could use it to very good advantage.

Mr. WALSH. This does not change the ownership, but only the custody and control?

Mr. KAHN. That is all. The ownership is still in the Government of the United States.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. KAHN. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in the Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized in his discretion to transfer to the custody and control of the War Department the old Subtreasury property, located on the north side of Commercial Street about 60 feet west of Montgomery Street, and known as 608 Commercial Street, San Francisco, Cal.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. KAHN, a motion to reconsider the vote by which the bill was passed was laid on the table.

CONVEYANCE OF LAND, PRINCETON, IND.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 10663) to convey a strip of land on the site of the Federal building at Princeton, Ind.

The Clerk read the title of the bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. This bill is on the Union Calendar.

Mr. FOSTER. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and empowered to convey, by quit-claim deed, to the city of Princeton, Ind., for the purpose of a public alley, and for no other purpose, all the right, title, and interest of the United States of America in and to a strip of land off the rear of the Federal building site in said city of sufficient width to provide, in connection with land adjacent thereto, a ten-foot alley: *Provided*, That the city of Princeton shall open said alley and improve and maintain the same as other public alleys of said city are improved and maintained.

The committee amendment was read as follows:

Page 1, line 8, after the word "city" strike out the words "of sufficient" and insert in lieu thereof the words "five feet in."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time; was read the third time and passed.

On motion of Mr. FOSTER, a motion to reconsider the vote by which the bill was passed was laid on the table.

INTERSTATE TRANSPORTATION OF IMMATURE CALVES.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 3134) to regulate the interstate transportation of immature calves.

The Clerk read the title of the bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That no person, firm, or corporation shall ship or deliver for shipment, nor shall any common carrier nor the receiver, trustee, or lessee thereof, receive for transportation or transport from one State or Territory or the District of Columbia into or through another State or Territory or the District of Columbia any live calf not accompanied by its mother unless the same is four weeks old or over: *Provided*, That the Secretary of Agriculture may make rules and regulations permitting, in cases of emergency only, the shipment in interstate commerce of live calves less than four weeks old.

SEC. 2. That any person, firm, or corporation, or any common carrier or the receiver, trustee, or lessee thereof, who shall violate any of the provisions of this act shall, upon conviction, be deemed guilty of a misdemeanor and shall be punished by a fine of not less than $20 nor more than $50 for each calf offered for shipment, shipped, or received for transportation or transported in violation of any of the provisions of this act.

The SPEAKER. Before proceeding with this bill, the Chair can answer the parliamentary inquiry propounded by the gentleman from Ohio [Mr. GARD] a while ago. The bill about the district attorney's salary for the district of Connecticut was properly referred to the Committee on Expenditures in the Department of Justice. There is a long string of decisions to that effect, beginning with section 4317 of Hinds' Precedents. From the reasoning on the proposition, the Chair doubts very much whether it is a correct reference.

The question is on the engrossment and third reading of the bill.

Mr. WEBB. Mr. Speaker, I desire to ask the author of the bill a question. I want to know why he makes the age of the calves so young. Why not make it three or four or even six months—a year would satisfy me better? It would seem that the supply of cattle of the country are dependent on the calves. If you permit the calves to be slaughtered you are not going to get enough cattle to feed the country.

Mr. HAMILTON of Michigan. I want to say to my friend that personally I am very much in sympathy with the view which he expresses, but if he knew the difficulty I have had about fixing the age limit——

Mr. WEBB. I am not going to object. I am saying I think it is very important——

Mr. HAMILTON of Michigan. What I want to do is to try to get this bill through. Then, perhaps later on we can get some amendment to the law. I was obliged to enter into a sort of compromise arrangement by which four weeks was agreed upon finally. The gentleman knows the circumstances. Certain dairy districts of the country have been great offenders. The gentleman knows what they do. They take these little calves away from their mothers when they are too young to take other

nourishment than their mother's milk. They do not want to teach them to drink. They sell them when they are a day or two old, before they have learned to drink or eat. There are places where they bone them off and make them into canned chicken. When you eat canned chicken you are liable to be eating immature calf. They have been shipping them in great numbers to Boston and New York. The committee finally agreed to the four weeks' limit. I think, myself, that the question of the increase of food for the people is an important one to be considered, but I am afraid if this bill should be amended so as to increase the age that it will never pass. There is also a constitutional difficulty which I will not undertake to discuss now.

Mr. WEBB. I am not going to offer an amendment in view of the gentleman's statement, but I think it is a very important war emergency measure that we should preserve the calves of this country in order to make cattle to feed the people, and I wish we could make it four or six months or a year. However, I shall interpose no objection.

Mr. SIMS. Mr. Speaker, I want to approve what the gentleman from Michigan has said, because we tried to get 4 months, 6 months, and 12 months, and the more we asked the less we were able to get.

Mr. GARNER. Mr. Speaker, has unanimous consent been given for the consideration of this bill?

The SPEAKER. Yes.

Mr. GARNER. Is it a House bill or a Senate bill?

The SPEAKER. A House bill.

The bill was ordered to be engrossed and read the third time, was read the third time and passed.

FORBIDDING PENSIONS TO DISLOYAL CITIZENS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 5380) to forbid the payment of pensions to anyone who is or may hereafter become disloyal to the United States Government.

The SPEAKER. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none.

This bill is on the Union Calendar.

Mr. FOSTER. Mr. Speaker, I ask unanimous consent that it be considered in the House as in the Committee of the Whole.

Mr. WEBB. It ought not to be on the Union Calendar.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

Mr. WALSH. Mr. Speaker, I would like to inquire what this is doing on the Union Calendar?

Mr. WEBB. It does not carry any charge on the Government.

Mr. FOSTER. It is on the Union Calendar because it relates to money in the Treasury.

The SPEAKER. A bill that puts money into the Treasury or takes money or property away from the Government goes to the Union Calendar.

Mr. WEBB. This does not do either.

The SPEAKER. This bill, it seems to me, puts money into the Treasury and lets it stay in after it gets there.

Mr. WEBB. Provided a person is convicted of disloyalty.

The SPEAKER. Suppose a man is drawing a pension of so many dollars a month and he becomes disloyal and is convicted under this bill, his pension remains in the Treasury for all years to come. The Chair thinks it is rightly on the Union Calendar. The Clerk will report it.

The Clerk read as follows:

A bill (H. R. 5380) to forbid the payment of pensions to anyone who is or may hereafter become disloyal to the United States Government.

Be it enacted, etc., That hereafter no pension shall be allowed or paid to any person who is shown to be disloyal to the Government of the United States or in sympathy with the cause of any Government with whom the United States is at war. The use of seditious or abusive language in regard to the President of the United States may be accepted as presumptive evidence of such disloyalty.

Also, the following committee amendment was read:

Page 1, beginning with the word "is," in line 4, strike out all down to and including the word "disloyalty," in line 9, and insert in lieu thereof the following: "after final judgment, stands convicted of a violation of any of the provisions of an act entitled 'An act to punish the willful injury or destruction of war material, or of war premises or utilities used in connection with war material, and for other purposes,' approved April 20, 1918, and an act entitled 'An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes,' approved June 15, 1917, or any of the provisions of the amendment of said last-named act."

The SPEAKER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WEBB, a motion to reconsider the vote by which the bill was passed was laid on the table.

The title was amended to read: "A bill to forbid the payment of pensions to anyone who is or may hereafter be convicted of certain disloyal crimes against the United States."

QUARTERS IN POST-OFFICE BUILDING, SACRAMENTO, CAL.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 204) to provide for the fitting up of quarters in the post-office building at the city of Sacramento, Cal., for the accommodation of the District Court of the Northern District of California and its officers, and making an appropriation therefor.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. MONDELL. Mr. Speaker, I object.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that this bill remain on the calendar. The gentleman from California [Mr. CURRY] representing that district is not able to be here because of sickness, but will doubtless be here when the calendar is considered again. I therefore ask unanimous consent that it remain on the calendar.

The SPEAKER. The gentleman from California asks unanimous consent that this bill remain on the calendar.

Mr. FOSTER. To go to the foot of the calendar?

Mr. RAKER. To go to the foot of the calendar.

The SPEAKER. To go to the foot of the calendar. Is there objection?

Mr. MOON. Mr. Speaker, there is a great deal of important business on this Unanimous Consent Calendar. There are only 18 men on the floor of the House, and I make the point of no quorum.

The SPEAKER. The gentleman from Tennessee makes the point of no quorum, and evidently there is none.

Mr. FOSTER. Mr. Speaker, I move a call of the House.

Mr. WALSH. Mr. Speaker, I move that the House adjourn. You can not get a quorum.

The SPEAKER. The gentleman from Massachusetts moves that the House do now adjourn.

The question was taken and the Speaker announced that the noes seemed to have it.

Mr. WALSH. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 5; noes 16.

Mr. FOSTER. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Illinois moves a call of the House.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. WALSH. Mr. Speaker, I ask for a division.

The House divided; and there were—ayes 23, noes 3.

The SPEAKER. The ayes have it. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The roll was called, and the following Members failed to answer to their names:

Anderson	Delaney	Griffin	Lunn
Anthony	Dent	Hamill	McArthur
Aswell	Dewalt	Hamilton, N. Y.	McCormick
Ayres	Dies	Hamlin	McKenzie
Bacharach	Dillon	Haskell	McKinley
Barkley	Dominick	Hayes	McLaughlin, Pa.
Beshlin	Donovan	Heaton	Magee
Bland, Va.	Dooling	Heintz	Maher
Borland	Doughton	Helm	Mann
Bowers	Drukker	Hensley	Mansfield
Brand	Dunn	Hicks	Mason
Britten	Eagan	Hood	Mays
Browne	Edmonds	Houston	Meeker
Browning	Elliott	Howard	Merritt
Brumbaugh	Elston	Humphreys	Montague
Burroughs	Emerson	Husted	Moore, Pa.
Butler	Estopinal	Hutchinson	Morin
Byrnes, S. C.	Fairchild, B. L.	Johnson, Ky.	Mott
Caldwell	Fairchild, G. W.	Johnson, S. Dak.	Mudd
Campbell, Kans.	Fairfield	Johnson, Wash.	Neely
Cannon	Farr	Jones	Nelson
Cantrill	Fess	Juul	Nicholls, S. C.
Caraway	Flood	Kahn	Nichols, Mich.
Carew	Flynn	Kearns	Nolan
Carter, Mass.	Focht	Keating	Norton
Chandler, N. Y.	Foss	Kelley, Mich.	Oliver, Ala.
Church	Francis	Kennedy, R. I.	Oliver, N. Y.
Clark, Fla.	Frear	Kiess, Pa.	Olney
Cleary	Freeman	Kincheloe	O'Shaunessy
Coady	Fuller, Mass.	King	Overmyer
Connelly, Kans.	Gallivan	Kraus	Padgett
Cooper, Ohio	Garland	Kreider	Paige
Cooper, W. Va.	Garrett, Tenn.	LaGuardia	Parker, N. Y.
Copley	Good	Langley	Peters
Costello	Goodwin, Ark.	Lehlbach	Phelan
Cox	Gould	Lesher	Platt
Crago	Graham, Pa.	Lever	Polk
Cramton	Gray, Ala.	Linthicum	Porter
Dale, N. Y.	Gray, N. J.	London	Pou
Dallinger	Greene, Mass.	Lonergan	Powers
Darrow	Gregg	Lufkin	Price
Decker	Griest	Lundeen	Ragsdale

Rainey, H. T.	Saunders, Va.	Steele	Ward
Ramsey	Schall	Stephens, Nebr.	Wason
Randall	Scott, Pa.	Sullivan	Watkins
Rankin	Scully	Sumners	Watson, Pa.
Reed	Sells	Swift	Welling
Riordan	Shackleford	Switzer	White, Me.
Robbins	Sherley	Tague	White, Ohio
Roberts	Sherwood	Talbott	Williams
Robinson	Shouse	Templeton	Wilson, Ill.
Rodenberg	Siegel	Tilson	Wilson, La.
Rose	Slayden	Tinkham	Wilson, Tex.
Rowe	Slemp	Towner	Wingo
Rowland	Sloan	Treadway	Winslow
Rucker	Smith, C. B.	Van Dyke	Wise
Russell	Smith, T. F.	Varé	Woodyard
Sanders, La.	Snell	Venable	Wright
Sanders, N. Y.	Snyder	Vinson	Zihlman
Sanford.	Stafford	Walker	

Mr. FOSTER. Mr. Speaker, I would like to inquire how many Members answered on the roll call.

The SPEAKER. One hundred and ninety-one answered to their names.

ADJOURNMENT.

Mr. CRISP. Mr. Speaker, at the request of the gentleman from North Carolina [Mr. KITCHIN], I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 16 minutes p. m.) the House adjourned until to-morrow, Tuesday, September 3, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FOSTER, from the Committee on Mines and Mining, to which was referred the joint resolution (S. J. Res. 156) to suspend the requirements of annual assessment work on mining claims during the continuation of the war in which the United States is now engaged and until midnight of December 31 of the year following that in which such war is concluded, reported the same with amendment, accompanied by a report (No. 766), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MILLER of Minnesota: A bill (H. R. 12860) granting to members of the Army Nurse Corps (female) and Navy Nurse Corps (female) pay and allowances during any period of involuntary captivity by the enemy of the United States; to the Committee on Military Affairs.

By Mr. LEHLBACH: A bill (H. R. 12861) amending the act of August 24, 1912, chapter 389, paragraph 1 (37 Stat., 550), to include periodical publications of regularly incorporated charitable organizations, admitting such publications to the mail as second-class matter; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII,

Mr. WEBB introduced a bill (H. R. 12862) granting a pension to Nancy Robinson, which was referred to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rules XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. DALE of New York: Petition of Adolph Lewisohn, of New York, favoring the Keating child-labor bill; to the Committee on Labor.

By Mr. ESCH: Resolutions of the Pecos Valley Water Users' Association of Texas, favoring the Chamberlain-Smith reclamation bill; to the Committee on the Public Lands.

By Mr. FULLER of Illinois: Petition of Charles G. Kelly and others for the enactment of the Edmonds bill (H. R. 5531) to provide a pharmaceutical corps in the Army; to the Committee on Military Affairs.

By Mr. OSBORNE: Petition of Andre Rouseyrol and many other citizens of Los Angeles, Cal., for the enactment of the Edmonds bill (H. R. 5531) to provide a pharmaceutical corps for the Army; to the Committee on Military Affairs.

By Mr. PRATT: Petitions favoring the prohibition of the beverage-liquor traffic during the period of the war as a war measure, by the Methodist Protestant Church of South Canisteo, N. Y.; the First Baptist Church, of Hartsville, N. Y.; and the Presbyterians, Baptists, and Methodists of Canisteo, N. Y.; also, petition adopted by the Epworth Leagues and Y. P. B.'s of Brookton, Slaterville Springs, and Forest Home, N. Y.; also, resolution adopted at a public meeting at Savona, N. Y., relative to polygamy; to the Committee on the Judiciary.

By Mr. YOUNG of North Dakota: Resolutions adopted by the Young People's Society of Tunbridge and of the Young People's Society of Berwick, both in the State of North Dakota, urging war-time prohibition; to the Committee on the Judiciary.

Also, petition signed by Judge O. D. Comstock and 52 other citizens of Minnewaukan, N. Dak., urging war-time prohibition; to the Committee on the Judiciary.

SENATE.

TUESDAY, *September 3, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we commit our way into Thy hands. All things work together for good to them that love God. We believe that out of the strife and conflict of the present time there may come a larger life, a higher form of civilization, a diviner destiny. We commit it all to Thy hands and pray for Thy guidance. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PURCHASE OF LIBERTY BONDS.

Mr. SHERMAN. Mr. President, the issue of liberty bonds will again be offered next month, or beginning this month, probably. There has been a pretty generous support everywhere. Everyone, according to his means, has subscribed. I see no reason for the procedure adopted in a communication of date July 20, 1918, which is an order, apparently, from local authorities, against which I wish to protest. I do not know that it is by any direction of Federal authority, but the board of education of district No. 139, in Hamilton, Ill., notify the teachers:

> According to our records you were not among the number who registered your purchases and intended purchases on June 28 of war-savings stamps in compliance with President Wilson's proclamation.

I do not know that the President has any power to issue a proclamation to the teachers of public schools ordering them to subscribe for stamps. I do not believe he has done so. I have seen nothing of the kind.

We have, however, obtained—

It continues—

> an extension till next Wednesday, July 24. Will you please report before next Wednesday evening to the secretary of our board of education, personally, on your war-savings stamps purchases?
>
> You are required to give amount of war-savings stamps ($5 stamps) you have purchased and total amount you expect yet to purchase before the end of the year 1918.
>
> All such reports will be then tabulated and sent in to general headquarters for review.
>
> All such persons not making purchases of stamps must appear and give reason for failure to do so.

This is an extra-official statement to compel those probably who hold their positions from the board of education in this particular place to subscribe. I think it my duty to protest against such a usurpation of authority or such an abuse of power. The American people are not ready either in that particular district or elsewhere to subscribe to such autocratic treatment. We have voluntarily given liberally of our means. There is a general outpouring of everybody, large and small, in their subscriptions.

Mr. THOMAS. Mr. President——

Mr. SHERMAN. I yield to the Senator.

Mr. THOMAS. I wish to ask who wrote the letter that the Senator is reading?

Mr. SHERMAN. Who signed it?

Mr. THOMAS. Yes. Did the teachers sign it?

Mr. SHERMAN. It is signed by the board of education. There is no name save the secretary of the board of education, district 139, E. M. Leroy, secretary, dated Hamilton, Ill., which is in Hancock County, Ill., a city right opposite Keokuk, on the Illinois side, at the end of the power dam.

Mr. THOMAS. I agree with the Senator that it is a most extraordinary document.

Mr. SHERMAN. It certainly appears to me as it does to the Senator from Colorado. It has all the authority of a distress for the collection of taxes and seems to present an obligatory duty. I wish to seasonably make my protest here against it in the hope that it may have proper publicity and be checked.

PETITIONS.

Mr. JONES of Washington. I present a letter signed by M. P. Goodner, executive secretary of the State Council of Defense of Washington, in the nature of a petition asking Senators and Representatives to vote for the repeal of the act fixing zone rates for second-class mail matter. I move that it be referred to the Committee on Post Offices and Post Roads.

The motion was agreed to.

Mr. KNOX presented petitions of sundry citizens of Danville, Bolivar, Sharpsville, Berlin, Brush Valley, Berwick, Williamsport, Glen Moore, Barneston, Springfield, Garrettford, Upper Darby, West Philadelphia, and the townships of Bloom, Dyberry, Oregon, and Lebanon, all in the State of Pennsylvania, praying for national prohibition as a war measure, which were ordered to lie on the table.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the following bills:

S. 934. An act authorizing the State of Montana to select other lands in lieu of lands in section 16, township 2 north, range 30 east, within the limits of the Huntley irrigation project and the ceded portion of Crow Indian Reservation, in said State;

S. 936. An act to authorize the Secretary of the Treasury to convey to the city of Bozeman, Mont., certain land for alley purposes; and

S. 2180. An act to approve mutual cessions of territory by the States of Wisconsin and Minnesota and the consequent changes in the boundary line between said States.

The message also announced that the House had passed the following bills and joint resolution, in which it requested the concurrence of the Senate:

H. R. 3134. An act to regulate the interstate transportation of immature calves;

H. R. 5380. An act to forbid the payment of pensions to anyone who is or may hereafter be convicted of certain disloyal crimes against the United States;

H. R. 7225. An act providing for the transfer to the custody and control of the War Department property in San Francisco, Cal., known as the old Subtreasury property;

H. R. 9897. An act to authorize the contesting and cancellation of certain homestead entries, and for other purposes;

H. R. 10609. An act authorizing the Secretary of the Treasury to exchange the present Federal building site at Eatonton, Ga., for another site on the public square in said city;

H. R. 10663. An act to convey a strip of land on the site of the Federal building at Princeton, Ind.; and

H. J. Res. 325. Joint resolution amending section 8 of the amendment to the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 4901) to amend sections 1033 and 1034 of the Code of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. CUMMINS:

A bill (S. 4902) granting a pension to William E. Kersey (with accompanying papers);

A bill (S. 4903) granting an increase of pension to Samuel Lockwood (with accompanying papers); and

A bill (S. 4904) granting an increase of pension to Mrs. Marcellus M. Crocker (with accompanying papers); to the Committee on Pensions.

By Mr. JOHNSON of California:

A bill (S. 4905) granting a pension to Ella A. Mead;

A bill (S. 4906) granting a pension to Singleton M. Paulley;

A bill (S. 4907) granting a pension to William B. Wilson; and

A bill (S. 4908) granting a pension to James J. Butler; to the Committee on Pensions.

By Mr. GORE:

A joint resolution (S. J. Res. 171) authorizing the admission to the United States of aliens who are refugees from conditions created by the war; to the Committee on Immigration.

EMPLOYMENT OF STENOGRAPHER.

Mr. SHEPPARD offered the following resolution (S. Res. 295), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on the Census be, and hereby is, authorized during the Sixty-fifth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding $1 per printed page, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recess of the Senate.

COMMITTEE SERVICE.

Mr. DILLINGHAM was, at his own request, relieved from further service on the Committee on Appropriations.

Mr. WEEKS was, at his own request, relieved from further service on the Committee on Banking and Currency.

On motion of Mr. WARREN, it was

Ordered, That the Senator from Vermont [Mr. DILLINGHAM] be assigned to membership on the Committee on Finance.

That the Senator from Massachusetts [Mr. WEEKS] be assigned to membership on the Committee on Appropriations.

That the Senator from Kansas [Mr. CURTIS] be assigned to membership on the Committee on Rules.

That the Senator from New York [Mr. CALDER] be assigned to membership on the Committee on Appropriations.

That the Senator from New Jersey [Mr. FRELINGHUYSEN] be assigned to membership on the Committee on Banking and Currency.

RENTS IN THE DISTRICT OF COLUMBIA.

Mr. THOMAS. Mr. President, before morning business is closed I should like to inquire what is the status and prospect of the so-called housing bill (H. R. 9248) in the District of Columbia. The last information I had concerning it was a disagreement, and a very serious one, between the House and the Senate members of the committee of conference. While they are quarreling time is passing, the 1st of October will soon be here, and unless we have some legislation on that very serious subject there will be a great deal of difficulty and trouble in the District growing out of what I understand to be a generally prevailing intention to increase the rents in the District.

Mr. JONES of Washington. Does the Senator refer to what is known as the Pomerene measure?

Mr. THOMAS. Yes; I perhaps did not give it the proper appellation. I mean the bill upon which there has been a pending conference for some time. Perhaps the Senator can give the Senate some information about it.

Mr. JONES of Washington. I will state to the Senator that I think the situation really requires pretty prompt action as far as conditions in the District are concerned. The situation with reference to the bill as I understand it is this: A disagreement arose between the House and Senate, and the Senate conferees have been excused by the Senate from action. The Senate has passed a resolution reciting the status of the matter, and that has gone to the House of Representatives and no action has as yet been taken by that body.

Mr. THOMAS. Does not the Senator think that some further action should be taken by the Senate?

Mr. JONES of Washington. I do not know what action under the circumstances could be taken by the Senate upon that particular bill. I do know unless the Senate does get some action something ought to be done otherwise, and we ought to make provision in some other bill that may be passing here.

Mr. THOMAS. I can not conceive of any situation that would be more delightful to me if I were a landlord in the District of Columbia.

Mr. LENROOT. If the Senator will yield to me, I think at the time the resolution was passed the suggestion was made that it would be competent later on to move to discharge the Senate conferees and ask for a new conference that might revive the matter. I think the Chair informally stated that such a motion would be in order under the rules.

Mr. THOMAS. I give notice, Mr. President, that I shall submit a motion to that effect upon the convening of the Senate to-morrow morning.

Mr. JONES of Washington. I wish to suggest to the Senator that the Senate conferees have been excused from acting by the Senate.

Mr. THOMAS. I understand.

Mr. JONES of Washington. I do not see that any resolution to discharge them is necessary or how they could be discharged. They have in effect been discharged already.

Mr. THOMAS. Some sort of a resolution on the subject to get action ought to be passed by the Senate; I do not care what you call it or just how we get at it, but I want to see something done with that bill and done very soon. It is one of the urgent matters that is now before Congress.

Mr. JONES of Washington. I agree with the Senator.

Mr. THOMAS. It is perhaps more urgent in some respects than anything else. I am told that new employees are coming

into the city at the rate of 500 a day. The construction of the temporary quarters for them is proceeding at a snail's pace. We have an abundant amount of labor, but I notice that it is conducting itself very leisurely in the construction of these houses; and, of course, the influx of that number even for a month or a week would seriously affect the existing situation here, 500 a day being 15,000 a month.

Mr. KENYON. Mr. President——

Mr. THOMAS. I yield to the Senator from Iowa.

Mr. KENYON. I was going to agree with the Senator upon the proposition. The Senator will remember that the dignity of the Senate was very much offended by some remarks made in the House, and that led to the unfortunate situation which we are now in. It would seem that after this length of time the feeling in the Senate should subside and we ought now to do something to solve the situation. I believe we must have new conferees appointed under the parliamentary situation, and I hope the Senate will take action.

Mr. THOMAS. I hope so. Senatorial dignity is a good thing, but it is at the expense of the employees of the Government in the District of Columbia.

Mr. KENYON. It is good for the profiteer.

Mr. JONES of Washington. I wish to suggest to the Senator from Iowa, who is on the committee, and also to the Senator from Colorado that it is more than the dignity of the Senate which is involved; it is the honesty of the Senate conferees and of Senators. I hope the Senator will read the resolution the Senate passed when considering the form of a resolution to discharge the conferees.

Mr. THOMAS. I do not desire to reflect upon the Senate conferees. I have no question but that if I had been a member of the committee I would have taken the same position, and which was sustained by the Senate. But the conditions are becoming very serious in the District, and some legislation even at the expense of our sense of the treatment which the conference committee on the part of the Senate received is demanded by an exigency that can not be avoided and is getting more and more pronounced every day.

Mr. SHERMAN. Mr. President, I wish to make an inquiry of the Senator from Colorado. Is the Senator informed—I saw something in the CONGRESSIONAL RECORD, House proceedings—about a bill from the Committee on Public Buildings and Grounds reported by Representative CLARK? It was a bill covering the housing question. It proposes to vest in the executive department, the President, the power, a nominal exercise of power, to take the buildings wherever there is a dispute, and if necessary protect the rights of tenants, as I understand the comments on the bill. That would be another committee than the one in which the difficulty arose referred to by the Senator.

Mr. THOMAS. I recall seeing something of that kind, but I did not charge my memory with it particularly. However, I hope some bill, some measure, some provision, or some resolution will soon be enacted by both Houses that will relieve this wretched situation.

Mr. SHERMAN. I agree with the Senator from Colorado. I am thinking that that bill might be the foundation for further action. It opens up the question so that even if we did not take the bill as it came from the House it would be the foundation for proper amendment and action and avoid a large part, if not all, of the embarrassment that came from the other bill and the unfortunate condition in which it was finally placed.

THE REVENUE.

Mr. McKELLAR submitted an amendment intended to be proposed by him to the bill (H. R. 12863) to provide revenue, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

HOUSE BILLS REFERRED.

H. R. 3134. An act to regulate the interstate transportation of immature calves was read twice by its title and referred to the Committee on Interstate Commerce.

H. R. 5380. An act to forbid the payment of pensions to anyone who is or may hereafter be convicted of certain disloyal crimes against the United States was read twice by its title and referred to the Committee on Pensions.

H. R. 9897. An act to authorize the contesting and cancellation of certain homestead entries, and for other purposes, was read twice by its title and referred to the Committee on Public Lands.

The following bills were severally read twice by their titles and referred to the Committee on Public Buildings and Grounds:

H. R. 7225. An act providing for the transfer to the custody and control of the War Department property in San Francisco, Cal., known as the old Subtreasury property;

H. R. 10609. An act authorizing the Secretary of the Treasury to exchange the present Federal building site at Eatonton, Ga., for another site on the public square in said city; and

H. R. 10663. An act to convey a strip of land on the site of the Federal building at Princeton, Ind.

PUBLIC LAND ENTRIES FOR SOLDIERS.

Mr. CHAMBERLAIN. I desire to ask that the House joint resolution 325 be substituted for Senate joint resolution 169 and take its place upon the calendar. It is the joint resolution, the Vice President will remember, amending section 8 of the draft act which passed last week, and it was discussed at some length here the other day.

The VICE PRESIDENT. Does the Senator want to have the House joint resolution taken up for passage now?

Mr. CHAMBERLAIN. Yes; I should like to have it passed now.

The VICE PRESIDENT. Then the proper procedure would be to ask unanimous consent to consider the House joint resolution and when it is passed to indefinitely postpone the Senate joint resolution.

Mr. CHAMBERLAIN. Very well.

The VICE PRESIDENT. Is there objection to the present consideration of the House joint resolution?

Mr. WALSH. I ask that it be read.

The VICE PRESIDENT. The Secretary will read.

The Secretary read the joint resolution, the first time by its title and the second time at length, as follows:

Resolved, etc., That no relinquishment of any public land entry made under and by authority of section 8 of the act of Sixty-fifth Congress, second session, entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,'" approved May 18, 1917, shall be valid or effective for any purpose unless executed after the entryman shall have actually resided upon and cultivated the land, in the case of a homestead entry, for at least six months, and in the case of an entry made under other than the homestead laws, after the entryman shall have complied with the provisions of the applicable law for at least one year.

Any person, firm, or corporation soliciting or dealing with the relinquishment of such claim or entry prior to the completion of compliance with the applicable law and with this resolution, and who or which solicits, demands, or receives or accepts any fee or compensation for locating, filing, or securing the claims or entries for persons entitled to the benefits of said section shall, upon conviction, be fined not to exceed $1,000 or imprisoned for not exceeding two years, or both.

Mr. JONES of New Mexico. Mr. President, I do not want to delay action upon the subject embraced in this joint resolution, but I should like to suggest that the resolution go over for a day and be referred to the Committee on Public Lands. The Committee on Public Lands has never considered the subject. Last week I made some observations regarding the matter which, to my mind at least, raised some very important questions. I believe that in the interest of good legislation this joint resolution ought to go to the Committee on Public Lands for consideration. I am not going to object to the present consideration of the resolution, if the chairman of the committee insists upon its consideration at this time; but I do feel that the Public Lands Committee ought to give the matter consideration. The members of the committee are here in Washington now—or at least a majority of the committee are—and they ought to be able to dispose of the matter to-day in committee, so that it may be taken up for consideration by the Senate to-morrow. No harm can come from a delay for a day or two or for a week or two, for no entries can be made for several days which would be the subject of relinquishment.

I see no objection to the matter being given consideration in committee for at least a day, and I request the chairman of the committee to permit the joint resolution to be referred to the Committee on Public Lands.

Mr. CHAMBERLAIN. Mr. President, the Committee on Public Lands in this case has done what is very frequently done here in reference to emergency legislation. The majority of the members of the committee read and recommended the enactment of this joint resolution last week. That is not an uncommon method of procedure. When the joint resolution was presented to the junior Senator from New Mexico [Mr. JONES], he took the same care to examine it as did others, and he objected to it; but he was the only member of the Public Lands Committee who did object.

Mr. President, the Senate joint resolution was very carefully prepared and the House resolution is almost in hæc verba with the language of the Senate resolution. The changes which were made were immaterial. In view of the suggestion that has been made by the House that under the Fall amendment to the draft bill there might be a possibility of frauds being perpetrated on young men, in order to relieve that doubt entirely the senior Senator from New Mexico [Mr. FALL] and others who considered the joint resolution thought it ought to pass. If the junior

Senator from New Mexico wants to object, he must take the responsibility, but I feel like insisting that the joint resolution be now considered.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. GORE. Mr. President, I wish to say that I have yielded, I think, once or twice——

Mr. CHAMBERLAIN. But we are now in the morning hour.

Mr. GORE. I know that, but the consideration of the joint resolution may consume the entire day. [A pause.] The Senator from Oregon [Mr. CHAMBERLAIN] suggests to me that he only wishes to have the joint resolution considered until 2 o'clock.

Mr. CHAMBERLAIN. That is all.

Mr. GORE. I wish to explain that the unfinished business was agreed to be made so with an ironclad order that nothing else should be considered. I have yielded a time or two for the consideration of the pending resolution; of course, I am anxious to facilitate its consideration and passage, but I do not want to be continually yielding, for I might be regarded as somewhat derelict in my efforts to press the unfinished business to its passage.

Mr. BRANDEGEE. Mr. President, a parliamentary inquiry: While the unfinished business by unanimous consent was made such, to be considered exclusively, it does not come up until 2 o'clock each day after an adjournment, does it? There is a morning hour, I believe.

Mr. GORE. I understand the unfinished business is to be considered after the morning business and not after the morning hour.

Mr. BRANDEGEE. I did not understand that the unfinished business should also occupy the morning hour. I understood that we had unanimously agreed that it should remain the unfinished business; and, under the rules of the Senate, the unfinished business automatically comes before the Senate at 2 o'clock each day, or, at least, two hours after the Senate convenes.

The VICE PRESIDENT. This is the situation exactly: The unanimous-consent agreement provides that the bill—

Shall continue the unfinished business of the Senate—

Which would, of course, prevent a motion to substitute any other business for it—and then further:

And on and after August 26 it shall be considered to the exclusion of all other business (except that it may be temporarily laid aside by unanimous consent) until passed or defeated on a vote taken on the question of its passage.

If the present occupant of the chair had been called upon to rule first, he should have held that after August 26 the present unfinished business should occupy the exclusive attention of the Senate until after it was passed; but the Senate itself has construed the unanimous-consent agreement and has been proceeding with morning business right along.

Mr. SMOOT. Mr. President, I wish to say that there was a ruling during the absence of the Vice President to the effect that the unfinished business was to be taken up immediately after the close of morning business, and it has been in the past so taken up under that ruling.

The VICE PRESIDENT. The Chair does not know what the ruling was, but does know that the Senate has construed the unanimous-consent agreement to the effect that the bill is to be considered after the conclusion of morning business.

Mr. SMOOT. I said "after the close of morning business."

The VICE PRESIDENT. Yes; the unanimous-consent agreement has been construed, and it is now too late to raise the question about morning business. The Chair has a right to lay down messages from the House of Representatives, and the Senate has a right to take them up and dispose of them. Is there objection to the present consideration of the joint resolution? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to the consideration of the joint resolution (H. J. Res. 325) amending section 8 of the amendment to the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

Mr. JONES of New Mexico. Mr. President, section 8 of the bill which passed the Senate last week extending the draft age contained a provision with reference to public-land entries which is an innovation upon all legislation upon that subject heretofore passed by the Congress of the United States. It creates a new policy with reference to the public lands, and, in my judgment, the new policy, although springing from commendable motives, is not justified at this time.

All the public-land legislation of the country since the very earliest legislation providing only for the sale of the public domain has contemplated actual settlement. The purpose of it has been to develop the section of the country where the public lands lie. Very liberal provisions have been made respecting the entry of these lands, and especially with reference to entries by those who have served in the armed forces of the country; but the legislation, even though dealing with the rights of those engaged in the armed forces of the country, has all had in mind as its prime purpose the settlement of the public domain, the making of homes, and the development of the country where the lands lie.

We are all familiar with the homestead laws, which require actual settlement, actual improvement, and in practically all cases actual cultivation—everything implying the ultimate getting of the applicant for the land upon the soil itself and his development of it. Special privileges have been made with respect to soldiers under legislation which existed prior to our entry into this war. A soldier of the United States Army or a sailor in the Navy or a marine while in the service was permitted to make an entry upon the public lands, but with very important provisions. In one of the statutes it is provided that he must at the time have residing upon the land some member of his family and that he, within six months after the application to enter, must personally go upon the land and reside upon it. We have another statute which enables a soldier to make an entry or an application for an entry upon the public domain by an agent, but it is coupled with the provision that he must within six months personally go upon the land and comply with the provisions of the land laws.

We have also a provision in existence since 1872 that all those who have served or are serving in the armies of the United States, regardless of age, may make homestead entries; but in all these laws there are requirements that in six months there shall be actual settlement and compliance otherwise with the land laws of the country the same as in the case of a civilian.

That has been the policy as to soldiers' entries. Their affidavits can be made outside of the district in which the land is situated under legislation which existed prior to this Congress; but they must come upon the land ultimately and comply with the provisions of law which other people would have to comply with in order to obtain title to the land from the Government. It has never been the policy of this country to try to furnish land as a mere bonus to those in either the Army or the Navy; it has never been the policy during the wars of this country to hold up the public domain and prevent people from going upon it and using it during the war so that it might be retained for the benefit of the soldiers after the war.

This legislation, as I have said, is an innovation; it establishes a new policy. Under section 8 of the new draft act it is provided:

SEC. 8. That any person under the age of 21 who has served or shall hereafter serve in the Army of the United States during the present emergency shall be entitled to the same rights under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws: *Provided*, That any requirements as to establishment of residence within a limited time shall be suspended as to entry by such person until six months after his discharge from military service: *Provided further*, That applications for entry may be verified before any officer in the United States or any foreign country authorized to administer oaths by the laws of the State or Territory in which the land may be situated.

Under that provision it is possible—and that, it seems to me, is its only purpose—for soldiers under 21 years of age who are in the Army and all those who may go into the Army at any time henceforth under the age of 21 years, regardless of their residence, to make an affidavit away from the land, never having seen it, and hold up the use of that land until six months after discharge from the military service.

We do not know how long this war is going to last; we do not know how long these people are going to be in the military service; and I submit that it is unwise to hold up the settlement of the public domain and prevent its use while the war is going on. I submit that it is unwise to enable anybody who has never seen the public land to hold up the use of that land until he shall have been discharged from the Army.

This is a time when we are seeking to produce all the food which this country can produce. This is a time when we want the public domain actually used by people actually upon the land, when we want this land cultivated if anybody is willing to cultivate it. We want this land to get into the private ownership of those who will use it during the war. We do not want it held out from use until the indefinite period of six months after the war shall have ended and the applicant for the homestead has been discharged from the Army.

We have passed a good deal of legislation regarding the soldiers of the country and their rights upon the public domain during the war. We have provided in all cases that where entries have been made prior to enlistment the term which the soldier shall serve in the Army shall be construed as actual

residence upon the land. In regard to desert-land entries we have provided as to entries heretofore made, or made prior to enlistment, that the requirement of the expenditure of a dollar an acre on the land each year while the soldier is in the service of the Army shall be deferred, but in all the remedial legislation up to this joint resolution we have sought to have actual settlement upon the land and to benefit those who have previously gone upon it with a view to making an actual improvement or bona fide home upon it. No legislation up to this joint resolution has provided that the land shall be held up, that it shall not be put to use during the war, or rather that it shall be put in a position where its use can be prohibited during the war.

Moreover, Mr. President, I deem section 8 of the act passed the other day unwise because it makes a discrimination between our boys over 18 years of age and under 21 who are not permitted actually to enlist in the Army. All of these boys are within the selective-draft age, and the reason why they will not all get into the Army is because of ill health or because they are serving some useful purpose necessary to the conduct of the war. I see no reason why the boys of this country 18 years of age and under 21 who are not enlisted in the Army should not be permitted the same rights with respect to the public domain as those who actually get into the service; and if the privileges of the general land laws are to be extended to those below the age of 21, is it not important that they should be extended to those who are within the draft age and who are staying at home because they are producing something, performing a service essential to the conduct of the war?

I submit, therefore, that there is no reason why a discrimination should be made between the boy 18 years of age who goes into the Army and the boy 18 years of age who stays upon the farm in order to produce food. Moreover, Mr. President, I see no reason why the boy under 21 years of age who enlists in the Army should have any other or greater rights than the man above 21 years of age who enters the Army. If you are going to enable a boy under 21 to hold up a homestead until six months after his discharge from the Army, I ask you what reason can there be for denying this right to the man above 21 years of age? The man above 21 years of age is much more likely to have some one dependent upon him, to have home conditions which make it necessary for him to engage in independent enterprise, than the man under 21. So why should there be this discrimination? No reason has been suggested.

Section 8 was put into the bill without any consideration from the committee; it was put into the bill without any discussion upon this floor; and it seems to me that there is something here which demands serious consideration from the committee and serious consideration and debate upon this floor. It is important; it affects the entire western section of this country. As I pointed out the other day, there are serious consequences which may flow from it.

The joint resolution which has passed the House, and which is almost identical with the one presented to the Senate the other day, simply meets one particular phase of the situation. It prevents relinquishments during service in the Army; but that is simply a further step to tie up the land and prevent its use during the period of the war and for six months afterwards. So this joint resolution, instead of meeting the situation, to my mind accentuates some of the evil.

What is a relinquishment? It is nothing except a surrender of the land by the applicant back to the Government of the United States. That is all a relinquishment is.

Can there be any serious objection to it? The only objection which has arisen with regard to relinquishments in the past has sprung from the thought that by getting relinquishments and holding them in the pocket of some speculator you tied up the public domain, you prevented settlers who actually wanted to use the land from going upon it and acquiring title to it. That has been the objection to relinquishments in the past. But, Mr. President, with this joint resolution adopted, at one fell swoop you put a restriction upon the acquirement of title to all the land which may be entered by these soldiers. Instead of removing the evil from promiscuous relinquishments which has existed in the past, you simply add to it, and do by law what we condemned in the past as being done by private citizens.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. LENROOT. I should like to ask the Senator whether it is not true that the danger under the existing law, in so far as there is any danger, is of land agents securing boys in the service to make applications and then securing from them their relinquishments and thus speculating in them, while under the pending joint resolution that can not be done? Will it not mean a very much less number of applications with the joint resolution passed? Will it not confine applications to young men who really intend in good faith to locate upon the land and shut out all others?

Mr. JONES of New Mexico. The Senator has just referred to speculation as the evil. Speculation per se is not an evil. The evil comes from enabling the speculator to tie up the land.

Mr. LENROOT. Does the Senator say that speculation in homestead relinquishments is not an evil?

Mr. JONES of New Mexico. I will ask the Senator to state what evil will flow from it.

Mr. LENROOT. The evil is this, that if speculation be permitted in homestead relinquishments, you have encouraged a vast number of men to tie up lands through making entries with the idea not of making homes for themselves but of selling out to a land locator, and thus speculating upon relinquishments. The very idea of speculation in relinquishments involves the tying up of public lands, not for improvement and making homes but for speculation only.

Mr. JONES of New Mexico. I agree with the last statement which the Senator made, but I do not think the first statement is in harmony with the last. Relinquishment is one thing, securing people unlawfully to make entries is another, and the securing of people to make entries for an unlawful purpose is contrary to law now, and will be as long as anything like existing legislation obtains. That is one evil which is made a criminal offense, and nobody wants to repeal any provision of that kind. But when you come to the relinquishment itself after the entry has been made, the only purpose of the relinquishment is to turn back the land to the Government and put somebody on it who will use it. In other words, by speculating in relinquishments you simply prevent some sincere person from going upon the land and obtaining title to it.

What does this joint resolution do? By providing that no relinquishment shall be executed until six months after discharge from the service, you tie up by legislation these public lands. People may go upon them and enter them under promises that the land will be valuable after the war. They will make their entries with the vain hope or prospect or accident that they may want to use the land after the war is over; and when they do that, you have tied up the land by this joint resolution so that it can not be released, so that an honest homesteader who wants to make immediate use of it can not use it.

Mr. President, I submit that this legislation is unwise. It is true that it can be said that the passage of this joint resolution will not hurt the situation very much, that it can be remedied hereafter; but it is my experience in this body that the time to enact appropriate legislation is while the people are wanting something done with regard to it, and that is why I am objecting to this joint resolution. I think that all Senators are willing to give to the boys under 21 years of age exactly the same rights that those above 21 years of age possess. I do not believe that anybody objects to that. I am satisfied that that was the thought in the minds of practically all of the Senators at the time this section was written into the draft bill. The only thought which came into our minds was that a good, wholesome provision was being made for those under 21 years of age. It was not discussed. It had not been given consideration by any committee. No Senator had it explained to him on the floor, and I imagine that very few gave it consideration at any time, assuming and resting in confidence that it simply provided some benefit, and the same benefit for the boy under 21 as the citizens above 21 possessed. But upon analysis it does more. To my mind, it will have a very serious influence upon the productivity of the western country during the war. It will seriously retard the growth and progress of that section of the country.

To my mind, the provision which all of us agreed to, and which goes far enough, is simply one which will give the boys under 21 years of age, and above 18, the same privileges as citizens above 21 years of age. Is not that all that we want to do? Do we want to give them more? Has any reason been suggested why the boy under 21 should have a higher privilege with respect to the public domain than the man or soldier above 21?

So, Mr. President, if there is a disposition to pass this joint resolution without any serious consideration, I am going to ask to substitute a bill for it. I should like to make a parliamentary inquiry—whether a bill can be substituted for a joint resolution?

The VICE PRESIDENT. There is not any doubt about the right of the Senator to move to strike out all after the resolving clause and put in anything he wants to or can get in.

Mr. JONES of New Mexico. Then, if the matter is to be disposed of now, and not to go back to the committee, I should like to substitute the following provision:

That any person under the age of 21 who has served, or shall hereafter serve, in the Army of the United States during the present emergency, and any citizen of the United States who shall have attained, or shall hereafter attain, the age of 18 years or more, shall be entitled to the same rights, privileges, and immunities, and no other or greater rights, privileges, and immunities, under the homestead and other land and mineral entry laws, general or special, as those over 21 years of age now possess under said laws; and all laws or parts of laws in conflict herewith be, and the same are hereby, repealed.

Mr. SHERMAN. Mr. President, I do not wish to discuss particularly the matter referred to by the Senator from New Mexico. [After a pause.] The colleague of the Senator who has just surrendered the floor informs me that he desires to have a vote taken upon the pending joint resolution, and I presume so does the Senator from New Mexico who has just been commenting upon it. I will yield the floor until the matter is disposed of.

Mr. WALSH. Mr. President, I feel that perhaps a word should be said upon this matter before the vote is taken.

The discussion of the subject by the Senator from New Mexico, whose familiarity with the subject is as great as, if not greater than, that of any other Senator, has opened up a number of very important considerations that perhaps were not reflected upon with any particular degree of care or intensity by those who are responsible for the provision of the bill to which the joint resolution is addressed.

Among other things, it is very pertinently inquired by the Senator from New Mxeico as to whether those over the age of 21 years should not be entitled to exactly the same privilege given to those under 21 by the bill, namely, the right to verify an application for a homestead in some distant country in which they may at the time be serving in the Army or Navy of the United States. The trouble about the matter is that there are well-founded apprehensions that the amendment as it existed in the first place would open up possibilities of fraud that none of us desire to leave open.

I can not but feel that the Senator from New Mexico, who now offers a substitute, is unduly apprehensive about the absorption of the public domain under the provisions of the bill as it now stands with the amendment which was eventually made to it. I can not believe there will be any great rush to make entries under the provisions of the bill, safeguarded as it is. It does, as a matter of fact, when considered in the form in which it was finally passed, represent an entirely new policy, but that new policy is simply the reflection of new conditions. Heretofore entrymen making homestead entries were at perfect liberty to execute relinquishments of any kind they saw fit. That was a perfectly wise policy. It was adopted so as to speed the absorption and appropriation of the public domain. Under the act as it stands, as a matter of course, as pointed out by the Senator from New Mexico, there will be more or less difficulty about the rapid disposition of the public domain; and yet, as I said, I do not believe that there is a cause for the apprehension which he evidently entertains.

Mr. President, heretofore in connection with all the great wars waged by this country we were under no necessity whatever to make provision so that those returning from the war would have abundant opportunity to take public lands.

We had a great abundance of them and the returning veterans freely availed themselves of the opportunity to take land. But the area now open to appropriation is limited, and it is going very rapidly, indeed. Our young men arriving speedily at the age of 21 years would be entitled to take these lands, but we take them from their homes and we send them to a distant country, so that they can not avail themselves of the opportunity to take the lands even when they arrive at the age of 21 years.

Speaking for myself, Mr. President, notwithstanding it means to some extent the tying up of the public domain, I am in favor of permitting these young men, before they go away and even after they go away, to exercise the privilege of taking a piece of the public domain and adopting a policy which will not mean the entire absorption of the public domain while they are gone by those who remain at home. Accordingly I think all ought to agree to the policy of giving these young men an opportunity to take lands.

Mr. President, if we adopt the substitute offered by the Senator from New Mexico none of them will be able to take any public lands after they have left their homes, simply because, under the existing law, it becomes necessary to make the affidavit in verification of the application within the land district in which the land is situated, and the beneficent purposes of the act will be to a very large extent entirely destroyed.

Mr. JONES of New Mexico. Mr. President——

Mr. WALSH. Pardon me for just a moment. Yet, on the other hand, if we leave the matter in such shape as that they may take the lands, make their entries abroad with perfect freedom, execute their relinquishments at any time or at any place, we immediately offer a most inviting field to land sharks and others desirous of absorbing a large portion of the public domain and institute at once a traffic in the relinquishments which they shall procure from the boys in France, and then sell to others who may desire to enter these particular homesteads. We ought not to leave that door open. Consequently the amendment finally took such shape as to make such relinquishments unavailable to anyone, and to be effective for no purpose whatever until the entryman shall have resided upon the land for the period of at least one year. With that qualification, I do not feel, as does the Senator from New Mexico, that there will be any very large amount of the public lands appropriated in this way.

But, Mr. President, if it is done it can only be done by the man who has the bona fide purpose eventually to cultivate the land and to reside upon it, because he will have no object in taking it and he can do nothing with his right unless under those conditions, and I am perfectly satisfied that he shall have that right and that the land shall be preserved for him after he has returned.

I now yield to the Senator from New Mexico.

Mr. JONES of New Mexico. There has been a great deal of legislation enacted since we entered the war for the relief of certain entrymen upon the public domain, but all of that has simply gone to the point of protecting entries made before the soldier entered the war. Does not the Senator believe that all the young fellows of the country who live in a land section and who know conditions in the West, know what the land is and what use it can be put to, will have an opportunity before they are actually enlisted in the Army to make their entries, and, if they do, then legislation which we have enacted in two or three different bills would protect their rights during the war?

Mr. WALSH. I do not think many of the young men will avail themselves of the right given by the act and make their entries before they go away.

Mr. JONES of New Mexico. No; Mr. President, I again inquire why we should not give the right to the young man just coming 18 years of age, or 19, or 20, to make an entry before he has to go into the Army. This relates only to those who have served or are serving in the Army. So it does not extend the right to a young man of 18, 19, or 20 years of age until he actually goes into the Army and leaves the land.

Mr. WALSH. Much may be said upon that, because a young man may be drafted and actually never see service at all. This is intended to give the right to those who can not avail themselves of the right in any other way.

Mr. President, I conclude what I have to say about this matter by suggesting, as I did on Friday to the Senator from New Mexico, that this legislation was not carefully considered by a committee as legislation of this character under ordinary circumstances ought to be, but no possible harm can be done with the joint resolution if passed as it came from the House, and then the whole subject can have the careful consideration of the committee upon the bill offered by the Senator from New Mexico, and it can be perfected in accordance with the wisdom which may be developed in the course of a full hearing and discussion before the committee.

Mr. FALL. Mr. President, I have no desire to prolong the discussion, and if the Senator from Montana will allow me I will simply refer to one phase of the land question, in his time, and ask him if he has not also thought upon the proposition. Under the 640 acres grazing homestead act there are classifications going on by the department. In every land district in New Mexico there are now surveyors and agents of the Land Department engaged in classifying the lands. None of the lands in New Mexico were subject to this 640-acre entry until classified. Those classifications are being made. In reports from the department recently in the Russell land district office there have been approximately three-quarters of a million acres the preliminary work upon which has been done.

In the entire State of New Mexico, in all the different land districts, the acreage involved would amount to approximately 3,000,000, as I compute it, and yet the lands are not distinctly classified and are not subject to entry at this particular moment. They are being listed and in a very few months or weeks many of them will be classified and will be subject to entry. The homesteaders have come in from various portions of the United States. Those who are of age and qualified homestead entrymen under the law have made their applications for the designa-

tion of these lands and obtained a preference right. There are great communities throughout my State in which this condition of affairs exists.

Now, the boys who are 21 have the same opportunity their fathers had to enter the land. Those who are 18 years of age have not. Many of them will be subject to military service under the draft law. They will depart from that community and yet they are individually familiar with every quarter section of land, as is required by the regulations. They can testify; they can make oath as to the exact character of every 40 acres of a 640-acre tract or fraction thereof which they might desire to enter. They can not make those entries because they are not 21 years of age. Their rights should be preserved to them. That is all there is or was intended at least to be covered by the provisions of the amendment which has now been enacted into law.

Mr. WALSH. Mr. President, another thing may be said in that connection. It would be only a very small portion of the right that we ought to extend to these young men to give them the right to make entry before they actually go away, because many things may intervene affording a young man an inviting opportunity after he has gone which did not exist at the time he left home. It might easily be that he would be able to purchase a relinquishment from a neighbor who desired to leave the country for one reason or another. It might be that he would be able to institute a contest against an entryman who had failed to comply with the law. In the western section of the country—a matter that will soon engage the attention of the Senate—they have suffered a very disastrous drought. As a consequence of these conditions many homesteaders will abandon their places after the lapse of a certain period, six months or thereabouts, possibly a year, and these will be subject to contest and possibly relinquishment may be purchased from them. So a young man who had no thought of making a homestead entry before he goes into the Army would find a most inviting opportunity after he had actually entered the service.

But, Mr. President, no great harm can be done, as it seems to me, to allow the joint resolution to go through, and then the whole subject can be canvassed and considered by the committee upon the bill which is tendered by the Senator from New Mexico as a substitute for the pending joint resolution.

Mr. JONES of New Mexico. Mr. President, the only purpose which I had in calling attention to the joint resolution has been to get the attention of the Senate directed to the situation, which ought to be dealt with in a serious manner. I quite agree with the Senator from Montana and my colleague that the passage of the joint resolution per se will not hurt the situation very much. It will have a tendency to hold matters in statu quo until proper legislation may be had. Believing, as I do, that the attention of the Senate has now been called to the situation and having the belief that the Committee on Public Lands will deal with the situation in a careful way, I am not going to further oppose the passage of the joint resolution, and instead of offering my bill as a substitute for it I simply ask that it may be introduced and referred to the Committee on Public Lands.

The VICE PRESIDENT. Without objection, the bill will be received and referred.

The bill (S. 4909) extending the benefits of the public-land laws to persons under 21 years of age, and for other purposes, was read twice by its title and referred to the Committee on Public Lands.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Without objection, the joint resolution (S. J. Res. 169) regulating the operation of the act entitled "An act amending the act entitled 'An act to authorize the President to increase temporarily the Military Establishment of the United States,' approved May 18, 1917," will be indefinitely postponed.

STIMULATION OF AGRICULTURE.

The VICE PRESIDENT. Is there further morning business? [A pause.] The morning business is closed. The Chair lays before the Senate the unfinished business.

UNOFFICIAL AND PERSONAL GOVERNMENT.

Mr. SHERMAN. Mr. President, in this juncture of affairs I desire to submit some observations on unofficial and personal government.

The union of the American people in the war against Germany is one of the remarkable chapters in the history of nations. The obliteration of partisan lines in the conduct of the war is the most gratifying evidence of national spirit. The diverse racial elements of our population and the fierce political struggles in our domestic affairs make both events especially significant.

The minority party has generously given its support to the President and his Cabinet on every essential war measure proposed. Doubts on the wisdom or propriety of details are resolved in favor of the administration. Criticism of admitted or demonstrated error has been constructive or friendly, not malignant or destructive. The recorded votes bear witness to this happy truth. This unanimity will continue to the end, whatever rebuffs or want of appreciation may be manifested. Our country's welfare makes it our duty and our wishes a willing service or sacrifice. The inspiration of a great hope for a league of peace-loving, justice-administering nations and a higher patriotism than merely one country lights our way amid the sorrows and perils of our generation. A new spirit will be born on the shell-pitted, blood-washed fields of France.

This is no one man's war. It is the war of no political party. Neither is it the war of one country. On the battle ground of nations entire peoples are joined on the solemn issue of whether governments responsive to the consent of the governed shall survive or medieval kingship wielding the power of peace and war, life and death shall return mankind to the feudalism of the Dark Ages. This clearly felt but hitherto dimly seen goal is the higher impulse that has girded the sword on militant republics and sent the best of their blood to the battle fields of an imperiled world.

Our thoughts to-day are on the Marne. We see our colors in a distant land. Beside the flag of France our soldiers hold the lines with as brave men as ever that martial race sent to keep sacred her soil from the foot of the invader. They join with England and her colonies, younger children of her liberal empire, who send their sons to defend this great parliamentary lawgiver of nations. Italy strives with a valor and devotion worthy of the great cause at stake. What an inspiring scene to animate all who remain behind the lines! The heirs of the ages we! Our generations bear the priceless treasures won by civilized man since first he smote the oppressor, not to travel the path of glory but to achieve civil liberty for himself and his successors. If they fail on the battle front, all we have and know perishes in weakness and dishonor. The torch we caught from our fathers' hands goes out in the savagery of the Hun and the despotism of his king if we lose.

In this supreme crisis what a spectacle is the slacker in the rear, the workingman who strikes or quits or lags in the needful task, the wretch whose alien heart is wrong. For as they falter, at last its intended weakness breaks by that much the strength of the far-off battle line in whose ebb and flow pulsates the heart of the world's humanity.

What of those who, while the American people are centering thought and effort on our tremendous task, use the war to betray republican government to its undoing? Under the specious pretext of war necessity they are now substituting their obsessions and follies for the institutional liberty that is the birthright of both soldier and civilian. They pillage the temple of free government and set up in it their false gods, shouting that war demands the new worship. When the men return in victory they will face in civil life a socialistic state. Vast bureaucracies and centralized departments will have seized the principal occupations of private life. I believe it part of my duty to save for the man at the front the domestic institutions of his country at home while he is making the world safe for democracy abroad.

Autocratic power never rests. One demand granted becomes the lever to lift its impudent claims to further heights of usurpation. The great climacteric of civil government will come with the end of the war. We must then decide whether the American Republic remain a Government of regulated individualism or be transformed into a civilian autocracy of interrelated boards, bureaus, and departments operating the chief instruments of production, distribution, and communication of thought, including the printing press. The newspaper is as much within this subtle and malign power as the telegraph or bank. The recent order curtailing news columns under the guise of conserving paper stock is an invasion of the right of a privately owned, free press, designed to control the avenues of information.

Not one undertaking seized as a war measure is intended ever to be returned to their owners by the Burlesons, the Bakers, and the Gompers. They know as we do that the war is a handy pretense to embark the Government on their fantastic adventures. Physical properties are seized. They are used to exploit pay rolls dedicated to the alleged sacred cause of labor. At the very mention of this a complaisant Congress falls prostrate.

Pay rolls inevitably become the potent rod of politics. Not a Government enterprise but will be a recruiting station to mold votes to continue such a Government. It is political, not governmental control. It is not Government ownership, it is political ownership. No one knows this better than its promoters, who laugh at the ease of concealing from the public their real political purpose. It is so ridiculously simple they have lost their caution. The sincere socialist is aghast at the rapidity of the advance. The thinkers among them deplore the speed of the movement. They fear a reaction. Their heads are clearer than the power-drunken part of the crew on the ship driving upon the shore of a decrepit despotism of political control of essentially private pursuits. Call it what you like, it is a political party bent upon political ownership and control of all private property. Government control is a mere name. It lulls some into repose. It deceives some. It misleads many, because it is always easier to accept names than examine facts. No such vast delusion ever went so long unchallenged. Government control as now exercised by this administration is the threshold of permanent political ownership and operation. This administration's settled purpose is never to return to their owners any of the enterprises seized as alleged war necessities. It is publicly stated by a Cabinet officer intimately associated with the Executive that such property will never be surrendered to the owners without a vote of the people in spite of the express mandate of every act of Congress authorizing the taking that Government control be limited to a fixed time after the end of the war. Let it be blazoned to the thinking people of the country that Government control after the war is undiluted political control. On all questions directly or indirectly related to labor Gompers is practically President of the United States. Burleson controls the physical agencies for the communication of thought, McAdoo the railways and the country's finances. The three can reduce the industrial world to servile obedience or wearied disgust when they will acquiesce in a surrender of their property as a relief. The pay rolls will be unionized and the service and voters used to maintain and perpetuate the political party that subscribes to the original prostitution of Government and its subsequent usurpations. In the deepest sense it is reactionary and affirmatively so retrogressive as to end in the decay of Anglo-Saxon American spirit. Strip off the mask of alleged Government ownership and see behind it the revealed political ownership and control of Gompers, Burleson, and McAdoo for partisan purposes, to be used relentlessly to elect party candidates now and in 1920 a President. A medieval class government by a few who control the political party is what it is, call it by any name you please.

Consider the facts briefly stated: The shorter lines of steam railways are returned to their owners to survive or perish, as they can. They must subsist on local traffic or make terms on through business with the Government. They are reduced to impotency and can be bought at any figure a political government decides ultimately to pay. The standard return of the retained lines is the sole source out of which interest and dividends can be met. Such payments are vital to the maintenance of railway security values. If the standard return is to be diverted at the pleasure of the Government to improvements, betterments, and extensions and war instruments, such securities will swiftly reach the vanishing point. The negotiations now pending disclose a demand by the Government of this power, so as to apply what is in effect the rent paid by the tenant Government to the lessor railway owners for the use of the latter's private property. A like claim on the telephones, telegraphs, and industrial plants will be made. The slump in privately owned shares will be colossal. The cynical reply is made, this is the Government's time to buy cheap. The natural result of such an enormous shrinkage in values would be a tremendous panic.

The opportunity to exploit common stock at the expense of other issues by interested groups under such a power is among some of the incidental evils. The fluctuation of railway shares under the hammer of the Government's asserted claim to divert the standard return at pleasure expresses the sinister effect of political control of every species of private property. Not a public utility, a municipality, or a private corporation can borrow money on its own bonds without the approval of the Government. I know that at present the ban is a moral force only, but it is as effectual for drying up the fountain heads of credit as if armed with the plenary powers of a mandatory statute. Here again political influence centers in the Federal Government to sway every part of the country. After 30 years of political experience and observation I know how such a power will be used in the stress of campaign warfare. The strength of any political system is tested by evils resulting from a crisis and not its apparent safety or strength in normal times. Our ancestors, who founded our present constitutional system of representative government, so often reviled, surveyed the historical experience of the English-speaking race and of antiquity to provide against such stress and insure against both mobs and oligarchies.

It must be remembered that it is on the rights of private property that arbitrary government usually begins its attacks. That outpost taken, the great primary rights of person can be more readily disintegrated and destroyed.

Those rights are always vulnerable, because they arouse the hatred of many who are without property. Such assaults are made under the claim that a redistribution of property by law rather than economic processes is necessary by the changed conditions of modern society. Equality of opportunity under the law is the specious plea advanced. Equality of property is calmly assumed to be the only instrumentality to bestow of giving to each an equal amount as a cure for the unequal equality of opportunity. Therefore distribute property by law as a necessary means to the desired end. The evident absurdity gifts of fortune reduces considerably the number who favor a periodical division as a remedy.

That inconvenient individual result is avoided by aggregating the individuals and benevolently saying private property, now held by a few, will, by a philanthropic government, be taken and held for all who toil, who shall share equally in its benefits. The scheme is plausible and has led astray many kindly hearts and sincere searchers after truths. The basic error is ignoring the varying individual qualities and merits of persons and the lack of vigilant care for possessions owned in common as against what is owned by the individual. These two powerful incentives have stood the test of ages as the propelling forces of human economic progress. Any system which ignores either and assumes that everybody can be made a philanthropist by changing the form of government has and will come to grief. Still the scheme offers the accepted weapon for an insidious attack upon the entire institution of private property. Mere names are not substitutes for thought. The administration is embarking on a course whose governmental compass points to a total destruction of private property. Its ownership is now being assumed sufficiently under the pretense of war powers to aggregate its control in the hands of a few politicians and labor leaders. Whether they will administer it for a general diffusion of benefits among all or for powerful dominating groups or classes, ignoring and crushing the rights of minorities when peace comes, is the query. If human nature is become purged of its follies, its vices, and its crimes, it will succeed, for the millennium has arrived. No restraints of human government are needed to regulate a world of angels merely waiting for the last trump and suitable ascension robes. If this be not so, we enter upon a painful experience to learn anew the limitations and chastening influence of those immutable laws set about us by nature and an eternal God for our discipline and development while we tarry and toil for a brief season on earth. There is no practical difference between the political ownership and operation of essentially private property for the alleged equalization of the benefits to all and the actual benefit of a class or group and the periodical division of property among all so as to equalize property possessions. The process moves through longer cycles. It finally reaches the same goal in the slower mutations of government ownership as the swifter and more direct methods of taking and dividing.

Socialism is the fantastic younger brother of almost decrepit despotism, which it wants to succeed; its efforts are therefore in the deepest sense reactionary.

This was written by Nietzsche, the German, some time before he died.

History does not record a race that permitted its private possessions, its earnings, and its right to toil to be assumed by an oligarchy, however wise and just originally, that the subjugation of their personal rights or civil war did not end the melancholy chapter. Those who deserve civil liberty and the rights of a free man see danger from afar, as did the spirits who laid the deep foundations of the Republic now so vilely sought to be cast away while the best of our blood and brain struggles devotedly to free the world from a military despotism. The Kaiser will be overthrown, his ambition blasted, till he eats the bread of bitterness and drinks of the waters of sorrow. While we sacrifice to this paramount purpose, shall we permit without protest civil officers to rivet an economic class despotism on our necks? I abhor such a scheme. I denounce a political autocracy covertly engaged when the Nation is in the stress of war in undermining the institutional civil liberty that will turn victory into ashes on a trusting people's lips.

Politics is adjourned! Worse, more rampant, rancorous, partisan politics never abused the patriotism and generous confi-

dence of a great Nation. I know the answer to this. My reward will be the mendacious charge that I am embarrassing the administration in its conduct of the war.

We are not. We are criticizing the conduct of domestic affairs which relate to the peace period.

American civil government need not be destroyed to achieve victory abroad. "A country preserved at the sacrifice of all the cardinal principles of liberty is not worth the cost of preservation." Against the clandestine partisan activities of this administration hidden under the thick clouds of war, I raise my voice seasonably in remonstrance.

What an ungrateful return for a mighty loyalty! Poor and rich, the humble and the exalted, have answered their country's call and broken down party lines everywhere. Behind this rampart of a Nation's devotion hide a coterie of politicians gilded and plated by a group of theorizing, intolerant intellectuals as wildly impractical as ever beat high heaven with their phrase-making jargon. They appeal to the impulsive, the thoughtless, the ignorant, class hatred, the iconoclast, the freak, the degenerate, to convert the United States into an economic class despotism administered by a political party. Even now it is putting up and pulling down candidates to this end. Not on principle is the test, not how they voted, but when, and their ability to endure servile prostration before the seat of power. It even presumes to dictate Republican candidates in Republican States, beating its pharisaical bosom the while that all may witness its nonpartisan virtues. I respect the open, honorable warfare of a political opponent; I can not the skulking treachery to deceive and destroy. It introduces into American politics what too nearly resembles the German methods, among nations universally execrated and condemned.

There is no change now from other days, Mr. President. There circles about the seat of power in every age the unctuous sycophant, who beats the earth with his brazen forehead and tortures Heaven with his discordant brayings. In monarchies the king's jester, who was among the wisest of the realm, sufficed somewhat to abate such pests, so as to give relief to the royal cranium, without resorting too frequently to justifiable homicide. For egomania or any species of grandiose vanity nothing is so deadly as impulsive laughter. It has relieved many an inflammation without bloodletting and brightened the journey to our final interview with St. Peter. Many times anciently it gave the official fool killer a needed rest, so as to recuperate for his busy season. These defensive practices, sanctioned by arbitrary governments, have never found favor among free peoples. The obnoxious satellites who in earlier times were kept down by the court jester and the headsman infest modern democracies unchecked. If it fall out that some of the present variety of this servile gentry hath a facility of expression, a book results. Then it is the difficulties of saving our most cherished institutions are vastly multiplied. Ordinary laws are futile. Constitutional limitations aggravate the disorder. Nothing but an oriental despot could devise governmental processes adequate for the offender. Holy Writ suggests, as it so often does, a remedy for sorely beleagured human nature, for Solomon advises:

> Answer a fool according to his folly, lest he be wise in his own conceit.

Grave analysis and sound argument fall unheeded on certain weightier offenses. Let this be at once my apology and defense in this Chamber for my past or future lapses from accepted standards.

Worst of all, a grave suspicion is bruited about that the real power that wields the scepter revels in the laudatory mire of a biographical wallow now extant. Horrifying evidence that the mere idle gossip of envious pelf seekers is not the source of these tales accumulates. The most recent testimony is extracted from 306 pages of a book called "The Real Colonel House." The approved way is to begin with the hero's birth, but it is more lucid to begin with the end and finish with the beginning. As the time is out of joint anyhow, the last paragraph on the last page is first quoted. It refers to the colonel's choice of exit:

> I have always wanted to die with my boots on. I dread the thought of dying in bed.

It is inconceivable over 300 pages of miasma could escape its author without the colonel's knowledge and approval. This assumed, his chances of dying in bed are brighter than the average Texan's is supposed to be. Anyone who could read such personal reference and resist a mighty desire to hunt the author up and dispatch him is not game. He is doomed to die barefooted of an untragic cold in the head or something like that. I read the whole devilish mess, feeling that somehow or other the hero would, at last, be redeemed. When the final paragraph quoted was assimilated, hope fled to the darkest abyss of despair, never to return.

Our ancestors provided us with a government by the people through the agency of the election of public officers. Congress has created great departments to supplement the President in administering executive power. Vast sums of money are appropriated to this end. Governmental power is supposed to return to the people at fixed intervals. This makes our Government responsive to public opinion and enables its representatives to enact, expound, and execute the great salutary elementary principles that successfully govern States. After the "real Col. House" is understood it is easy to see the criminal blunders perpetrated by our ancestors in framing the Constitution under whose sheltering walls the public peace and private security of 100,000,000 people are maintained.

Be it ever remembered the simon-pure texture of the colonel's thoughts can be had only by digesting a novel written by him. I know that heretofore it has ordinarily been mere gossip around the cloakrooms that he was the author; but I state, subject to any proof that may be offered that he is not, that I have such satisfactory evidence as leads me to say that he is the author of the novel. The publisher of the Gehenna of a tale of politics, civil war, love, and reform with a meat ax says, introducing his weird eruption to a skeptical public:

> The author of this book, a man prominent in political councils, must necessarily remain anonymous. His pages are full of facts known only to the inner circle in statecraft and finance. His story shows how the seething, radical elements in the political cask to-day, under pressure of rising prices for the poor and greater privileges for the rich, literally burst into one great conflict—the second Civil War—out of which rises the figure of Philip Dru, who shapes the future of the Nation.

Its title-page is dated 1912 and is a story of 1920 to 1935 called Philip Dru, Administrator. Here is exhibited the colonel's whole mental viscera. If there be twilight zones in the biography of 1918, the colonel's 312 pages of fiction flashed from the watchtowers of 1912 a searchlight athwart the gloaming so any wayfarer can see everything. Suffice it to know Philip Dru is an autobiography of the colonel himself and solves the conundrum how to get rid of the Constitution.

In Joe Jefferson's autobiography, in the foreword, he quotes an Irishman who says, "A man's autobiography should always be written by himself." This, therefore—the biography written by one of the numerous Smith family—is really misnamed on the title page. It ought to have been written by the colonel himself, because it contains his inner personal and political life. In the novel he solves the problem of how to get rid of the Constitution. His forebears in 1861 wrestled with it in just the same way. They failed in the first Civil War. The second civil war succeeds in fiction. It is a rebellion against plutocrats who exist only because of a written constitution. They corrupt Congress, the Supreme Court, the President, everything. The people rebel against the ill-flavored government. A hideous battle is fought near Lake Erie. It makes the Marne and Verdun look like a street car riot. He revels in fictitious dead. Col. House's biographer quotes him as saying:

> I think it is my memory of early times keeps me from being so shocked as some people are at the dreadful slaughter of this war. To a man who can remember when bad men killed for sport in open daylight in city streets and desperadoes swarmed in bands and ruled whole tracts of country, the destruction of European lands is not so startling after all.

So it is natural when he drops into fiction to be liberal with imaginary gore. Of course, the plutocrats lose the battle. The Government of the United States which sheltered them, the Constitution which created them by protecting the vested rights of property, and the whole obsolete theory of the reserved rights of the States went to everlasting smash. The colonel in battle array on the page of fiction is a fearsome sight indeed. Nobody can fully appreciate it without reading the novel at length.

Again we view Col. House in triumph. Nothing is visible now but Philip Dru, administrator of the Republic. He becomes dictator with a clean slate. He indulges in a few remarks. Rebellion is justified. The government was defective in machinery, defective in constitution and laws. Laws caused all the differences between the few and the many. The constitution and laws are grotesque, obsolete, oppressive, arbitrary, and the source of injustice. The whole Federal Government is a system of negation. It restricts efficiency. It is a fair question whether this whole allegory of alleged inefficiency and oppression does not violate the espionage act every time a copy of the book is sold. I believe it does. So our hero obliterated the entire pestiferous brood with his trusty sword. Delightfully like Creel, who tried to turn the trick with his fountain pen. How plain that these kindred souls in fiction stand by each other heroically in a bloodless revolution by seizing everything

in sight. Always we glimpse in both, in the biography and fiction, the abolition of government by law and the substitution of a superman government.

The waste of effort in the ministration of the Christian churches will interest the clergy:

> There was evolved the Christian religion of to-day, a religion almost wholly selfish and concerned almost entirely in the betterment of life after death.

The old hymn that said—

> This world's a wilderness of woe;
> This world is not my home—

was a humbug, according to Col. House. According to this novel, it is a mere jingling ditty, as the university professor in Chicago said when he was making fun of our grandfather's hymns a few years ago. So the colonel, in order to explain matters, starts a heaven here on earth to show how useless the pulpit has always been up to this time.

The fictitious hero frames a universal code of laws himself. Everybody is given an equal opportunity. Everybody gets justice. Avarice is eliminated. The sting of poverty is removed. Envy, selfishness, extravagance are banished by a few wholesome laws conceived in horse sense and conferred by the colonel on a long-suffering people who are become incapable of self-government. They are rescued from devouring plutocracy by this benignant genius who is a mixture of Thomas Jefferson, George Washington, and Jefferson Davis on the American side of the family and of Moses, Zoroaster, and Napoleon in Europe, Asia, and Africa. He exterminates quack doctors. The lawyers are shut up by showing them the standing army. Two-thirds of the State and Federal courts are abolished and the practice of the beggarly remnant so simplified and expedited everybody can be his own lawyer and collect his claim the day after he brings suit. Psychology is substituted for taxation. We will pay our taxes in a state of spiritual exaltation, just like a man chloroformed has his leg cut off and does not know it. Cotton exchanges reformed, woman suffrage settled, swamp lands, old-age pensions, labor insurance, Government pawnshops where one's benevolent uncle accepts anything as collateral without interest, free employment agencies, eight-hour day or less, work for everybody, high-cost living rooted out, political bosses killed off, a short ballot, commission form of government, monopoly dead, funerals reformed, crape discontinued, and cremation introduced, gossip and quilting clubs giving healthful circulation to family secrets discouraged, peace leagues and Hull Houses started everywhere; a battleship he invents that can not be hit, all the powers of Europe, Asia, and Africa made behave and their several spheres of activity fixed by this colossus in whom we again glimpse a reflection of the "real Col. House." Mexico is soundly drubbed, Canada annexed, the Philippines swapped off and made a vassal of Japan, China and Japan given a free hand to chase Russia out of the Orient, and then the millenium arrives. It makes us sad, for nobody can afford to die after House gets through cleaning up the earth.

The colonel's set of remedial laws make the Code Napoleon seem like a prohibition ordinance in a local-option town. The last feat of this Ajax of modern fiction was to frame a constitution to fit his code of laws. This wise precaution prevents any of the statutes from being held unconstitutional by future judicial aberration. Most text writers will regard this as an innovation. Simplicity must, however, not be sacrificed to antiquated scruples in popular reforms. No lawyer ever thought of such a perfectly novel scheme. But that tribe are chained to precedent and much given to wise saws and fixed rules which are scorned by all true reformers everywhere. A few men like Col. House, or his alter ego, Philip Dru, properly distributed through the ages, will make resolution No. 193, introduced January 8, 1917, by the senior Senator from Oklahoma [Mr. OWEN], to remove all judges from the bench who decide an act of Congress unconstitutional, a waste of print paper.

The colonel presents his views of freeing the slaves in the first Civil War. He estimates it confiscated $2,000,000,000 worth of perfectly good salable live stock. Then the pension system following the Rebellion was one-sided. It pensioned only the Union soldiers. He figured out by 1927 more than $5,000,000,000 had gone to those who kept the Government from destruction, while the South was taxed her part and could not get on the pension roll. A post-mortem reflection is inserted that for nearly half a century "no southerner was considered eligible for the Presidency." They are now, we infer, collecting back pay and recuperating from the 50 lean years when the colonel's constituency abstained from refreshing themselves at public expense.

The inspiring panorama of the colonel's hero riding swiftly down Pennsylvania Avenue on a seal-brown gelding named Twilight amid the deafening plaudits of the multitude is worth many gallons of midnight oil and hours of toil to discover and drag forth into the glare of day. The only modesty shown in the whole affair is mounting him on a gelding.

Unofficial and personal government began with Mr. House—he execrates the colonel to his name—and is now in its zenith. His biographer says the colonel is one of the most remarkable characters in American history. A swarm of colonels in all latitudes will instantly dispute this. At any rate our startled gaze first rests on him with Lloyd George, President Poincaire, President Wilson, Gen. Lundendorff, and the Kaiser. Such a vision of glory makes Creel wish he had done it himself. The colonel's name, I quote, "is now a household word throughout the world. After the President no man in public life exerts so dominant an influence on domestic or international affairs. He occupies a place in connection with the administration which is anomalous, because no such place ever existed before Wilson became President. The colonel wields a power greater than that of any political boss or Cabinet Member, because the President knows he can trust him." This resounding slam on officers elected by the people proves what an expensive piece of excess baggage Congress is. It explains why such impedimenta encumbering the Executive is to be soundly cuffed now and then and shown its place.

Why should the Cabinet be thus cruelly banged about when three of its members hail from the colonel's own State of Texas? Diplomats do not act in foreign parts until this unofficial envoy extraordinary and personal minister omnipotent surveys the habitable globe. We learn from his biographer he saw the war coming in 1913, and in 1914 went to Europe to notify the Kaiser not to start it. Henry Ford collected a frenzied drove of pacifists and more or less hairy architects of prismatic visions in *Oskar II* and hied him to Europe to do the same thing after it started. If both of them had spent their energies in preparing for war and awakening public sentiment their claims to fame would read better. Ford is to be made Senator from Michigan by Executive order, and Col. House has his biography published while he is still alive. Paul wrote Timothy, A. D. 66:

> Alexander, the coppersmith, did me much evil; the Lord reward him according to his works.

When the colonel went to Europe as the President's personal envoy in May, 1914, he abode in the capitals of the powers. Advice he gave then in abundance. The faithful chronicler of unofficial government informs us they listened politely and went their several degenerate ways. The views of the United States on the freedom of the seas were delivered to the belligerents in March, 1915, by the colonel on a second trip. In substance it meant exemption from capture or harm of all noncombatants and neutrals and confined war solely to operations of the armies and navies of the belligerents, the cargo, contraband or noncontraband, of merchantmen being guaranteed against seizure. A blockade of an enemy nation becomes impossible. A navy could be used only as a defense against invasion. The United States was then a neutral and at peace with every Government in the world. The offer of Col. House changed the international law known to every civilized country. The President then had no war powers. His secret and personal envoy exercised unofficial and usurped powers of government. His gratuitous advice so to settle the U-boat dispute provoked the derision of Germany and the impatience of the allies.

The colonel had a plan next to turn Austria into a collection of internal disturbances which would make the Bolchevists yearn for it as a vast improvement over their contrivance to disintegrate undesirable empires. If it had been adopted instead of causing people to look bored, the war would have been over before the President could have kept us out of it in 1916. How the colonel could have elected him a second time if this debacle had occurred the biographer prudently avoids.

However, reelect him he did, almost single-handed against the world, the flesh, and an astonishing variety of devils. The only help he had were a few football players with their college yell, "He kept us out of war," and a miscellaneous assortment of Bull Moose remnants shouting onward and downward, landing bodily in the Democratic Party. These political windfalls became a household necessity to the administration. The President is a strict party man all say who hold discourse on that subject. He found them legal tender in the payment of minority obligations. This did no violence to his conscientious scruples on party regularity. It further enabled him to pay off his friends outside his party and really to forage on the enemy. This noble squad of last deckers have since all found gratifying and comfortable office to represent the Republican Party. Not a refusal or a resignation appears to mar their continuous efforts for many years to devote themselves to the

public service. Having failed to secure elective office from an ungrateful people, they all virtuously resolved they would rather sit at the door of the Democratic Party on the minority pay roll than dwell in the tents of Republican wickedness.

We learn from this historical compendium the colonel decided a coalition cabinet during the war was impossible. It was admitted it had succeeded in Europe, but—

Our political institutions would not lend themselves to such departures. There were constitutional, political, and human obstacles in Washington which would not permit any Republican to be chosen to any civil position about the President.

The extraordinary amount of responsibility intrusted under the Constitution to the President made it incumbent upon the Chief Executive to have the support of men of his party. To him will go the credit for victory. No; a coalition cabinet was rejected by Col. House's evenly balanced mind.

The President had certain aims and ideals which he could not intrust to any but lieutenants of his own way of thinking.

To him, to the President, will go the credit for victory. I have thought possibly, Mr. President, in my innocence or ignorance, that the credit for victory would go to a loyal and united American people. I have thought it even possible that some small measure of credit would go to the minority party who have voted for war supplies, who have voted for men, so that both may be used in force without stint against the public enemy. The majority in this Senate have been generous and given us due credit. I have thought possible that everyone who set his politics aside and rose to the higher level of patriotism would be entitled to some credit. But we are informed by the colonel that this is an error. To the President will go the credit.

The colonel is quoted:

If a war-council bill is passed, he can veto it, and if it is passed over his head, he can appoint men whom he knows he can trust.

The resolution by the junior Senator from Massachusetts [Mr. WEEKS] in the beginning of the war looked to the appointment of a joint committee on the management of the war. It was beaten, and beaten with the approval of the Executive. I take it, therefore, that all appointments in every executive department, in every one of the civilian offices, and in the airplane department are those for which the President primarily is responsible.

He has appointed men whom he knows, to follow this quotation, I presume, he can trust. Having done that, claiming the credit for the war, assuming the power that makes him responsible, we ask him, therefore, to produce the necessary results commensurate with the expenditure of money and the granting of power by Congress. The report recently made by the subcommittee of the Committee on Military Affairs of the Senate indicates that in the airplane construction the men whom he knows he can trust in this branch of the service have proved either recreant to their trust or supremely incapable of performing their duty.

I state on credible information Col. House read the proof sheets of the book before it was published. Politics is not adjourned even in conducting the war. Again quoting the colonel:

The handicap on statesmen is talking too much. They like to say something that will attract the crowd and then sit idle for a week and read over their speech complacently.

No statesmen ever read his speech oftener than the colonel did the proof of his biography.

The colonel became the head of the American war mission. We learn from this deluge of biographical conceit professional Democrats and Republicans boiled with rage because he had never worn the toga of a Senator or possessed the privileges of the House. They did not understand that colonels outranked a mere Member of Congress and are much more numerous. No one in Congress noticed the temperature rise. Neither would any save a valorous knight of the inkpot resolved to create a hero at all hazards paragraph his subject as a mysterious colonel and unlettered Texas ranchman who conferred with premiers of the great European nations. Still unofficial and personal government in view.

From a remarkable quotation we learn the colonel believes "the smaller the number of men handling a proposition the better." Connecting the prompt and beneficial results got by the colonel's hero of romance, Mr. Dru, with the quotation, we realize a military dictator or a king is this Government efficiency expert's way of solving great reforms. "Let the people rule" is a grotesque theory.

The colonel, we learn, is now gathering peace data and preparing a treaty that will settle everything everywhere. The Senate's function will be limited to ratifying what he sends to it. The amazing bales of international lore he is stowing away can be faintly conjectured by reading chapter 23 of his biography. An immense array of wise men abound there. Some are essayists of incalculable horsepower who have essayed everything under the sun. Professors are professing furiously. Lawyers are lawing. Editors are editing. Cartographers are mapping the earth's surface and geologists examining its bowels. A fair sprinkle of socialists are innocently planted away. They will spring up every time political ownership needs boosting. Time nor place ever influences them in thrusting their views forward. The troop of savants, each prancing gaily along on his lifetime hobby, will leave nothing to be desired and everything impossible ever to be known. The records of civilization will be ransacked, beginning with original chaos and Moses and ending with the Official Bulletin. Everything will be discovered, from what has become of the billion-dollar airplane appropriations to the color of an Arab sheik's hair. Conservation experts are secured who could have created the whole earth if they had been consulted in time and saved enough cosmic building material to make an extra one for the Kaiser. On his committee are mathematical seers who can demonstrate the fourth dimension and square the circle so lucidly it can be taught in the primary grades. Others swell dried apples to any desired power by the binomial theorem, thereby adding to our food supply. Executive experts look in your eyes, order you to walk backward five steps and jump sideways, both ways simultaneously, and assign you to the kindergarten instruction of Government mules or decide you only fit to assist Creel. Psychologists with X-ray vision drop different colored handkerchiefs on a table, spill a half pint of navy beans, ask you in a sepulchral tone what disease Walter Raleigh died of, and demand the number of legumes without counting. Your memory, perceptive faculties, concentration, and other mental giblets are tagged and you are pigeonholed for future reference.

I have seen those psychologists in my time and have dealt with them. If they were put out in a forest or in a potato patch, they have not sense enough to kill a rabbit or dig a potato to save themselves from the pangs of starvation. This is a government by professors and intellectuals. I repeat intellectuals are good enough in their places, but a country run by professors is ultimately destined to Bolshevism and an explosion.

We learn from this perennial volume of incessant surprises that all foreign Governments have secret ambitions and pet obsessions mingled with their war aims which will warp peace-treaty talk. It is Col. House's function to riddle them out and purify peace. Alsace-Lorraine has been dissected and card indexed by this committee. From the Chinese wall to Archangel it is so analyzed and arranged the Senate is relieved of all responsibility save ratifying the colonel's labors.

German West Africa and all the rest of that continent will be cross-filed and familiar as a golf course. The freedom of the seas will be examined from every angle of law, commerce, and history by the colonel. In this aggregated encyclopedia the Jews in Palestine, the Slavic elements in the Balkans, the Czecho-Slovaks, Italia Irredenta, Poland, Arabia, the Kurds, Armenia, Afghanistan, and permanent peace are all being now salvaged by the colonel and his committee. Here we are thrown a life preserver which keeps breath in our bodies a little while.

The colonel's and the President's minds run parallel on everything of great importance. It is the only thing that saves us. If they diverged, I forbear, with the limited facilities of mere human speech, to presage the end.

Here is how it all started: The colonel picked four governors of Texas and United States Senators too numerous to recite. He ran its politics for years by simply telling everybody else what to do. Then all at once it staled on him. For a long time he had been out with a dragnet searching for a candidate to exploit in a national convention. The colonel, the biographer says, opined Bryan's free-silver nostrum was a fatal dose of poison. But, said he—I quote still:

I couldn't conceive myself voting anything but a Democratic ticket.

The independent citizen is the highest type of citizen, the colonel hastens to remark, with a modest spirit of self-abnegation. While the heaven-decreed ratio was being knocked rudely about by blasphemous scoffers, we read the colonel sat tight and bided his time when the frenzy would abate. If this book is to be trusted, the colonel tarried in his storm cellar 12 years. It is commonly supposed during this period of nearly total abstinence the colonel compounded in his novel the saturnalia of reform, in which he staged himself as the dictator of North America and the last hope of a degenerate world. At any rate, having detected what he diagnosed as a lucid interval in his party, he fared forth with his dragnet again. Mayor Gaynor attracted his attention. In the early summer of 1910 the colonel suggested he run for governor of New York and allow himself to be translated from Albany to the White House.

The mayor acted up mulishlike, so runs this tale of the man who was out when fate disguised as Col. House knocked at his door. He refused to hearken to the colonel's voice. Contrary to custom, fate called a second time. The mayor was invited to make a speech at the Dallas State Fair. The Texas Legislature was in session. Both barrels of Lone Star politics could be discharged at once. A party of friends, casually headed by the colonel, appeared at the New York City hall and bid the mayor observe the White House beckoning him frantically from the skyline of the Texas horizon. But with the customary provincialism of the blase New Yorker he forgot his acceptance of the colonel's invitation to hit the trail for the Presidency via Dallas. He wired a Texas newspaper man collect he never heard of it before. Anybody who could father a snub like that might be fit for mayor of a coast town, but he lacked executive sense to discriminate between a chairman of a ward meeting in the metropolis and a Texas statesman. The colonel dropped him unostentatiously but instantly. Anybody who could not remember Col. House longer than that made him want to die with his boots on worse than ever. This unseemly affair also made the colonel uncomfortable. Acting on his request, the Texas Legislature had resoluted beseeching the mayor to orate to their joint bodies on any current topics of public concern. Here the biographer got his notes mixed. These were the fellows who boiled with rage. The colonel's ears burned several days.

But he wiped off the slate and started a fresh search for somebody to make a speech at his State fair. Now the author halts creation long enough to remark:

> That was probably the worst mistake that Col. House ever made, and it served to convince him that his policy of putting prospective candidates over the jumps until they had demonstrated their paces was the only safe one.

From his indefatigable biographer we derive the satisfying information the colonel was not discouraged, but with—

> his usual calm aplomb surveyed the available stock of eastern Democrats.

He moved his star of empire over Princeton, N. J. Thus Texas scored heavily on New York, the Presidency crossed the river, and the city hall remained unspoiled by madding ambition. Right here history repeats itself. To anchor down the star at the aforesaid spot the colonel dangled his State fair before Gov. Wilson. He just would have somebody make a speech at his fair, although he thinks speech making a useless vanity, yet many giddy creatures will persist in listening to it. So Gov. Wilson came, "went over his jumps, and demonstrated his paces" with as much zeal as if he had not been the colonel's second choice.

All these contortions behind the scenes remind one strangely of the ways of politicians and divers of the ungodly. But among the elect, like the colonel, it is a candidate's civil-service examination. It separates the remembering sheep from the forgetful goats who forget their invitations to State fairs, and the like. So the candidate passed with good grades; the colonel gave out the word and the mill started. There had not been so much excitement in Texas since it was independent and lost a $5,000,000 loan from France because an Austin hotel keeper horsewhipped the French minister's servant who had killed the boniface's pigs that had broken into the stable and eaten the minister's horse's corn, whereat the Gallic diplomat, failing otherwise to obtain satisfaction, killed the loan as dead as the pigs and left the Lone Star Republic in high dudgeon.

To resume the trail, the colonel and the governor met in New York soon after. Let it be told in the colonel's own language; no mortal can improve it:

> We talked and talked, we knew each other for congenial souls at the very beginning. I don't remember just what we said, but I know we hit the "high spots." We agreed about everything.

Of the second meeting the colonel says:

> We talked about everything, I believe, and this time we could go into details and analyze our thoughts. It was remarkable. We found ourselves in agreement upon practically every one of the issues of the day. I never met a man whose thoughts ran so identically with mine.

Here originated the parallel of minds already related. The biographer's innocence is the most touching passage in the roll call of human credulity. The annals of American politics do not reveal a candidate who had not a parallel mind with the man who carried the delegates from a State like Texas and a lot of its neighbors around with him. This veracious political encyclopedia of the genesis of Democratic politics says the colonel fell ill of a fever at a most inopportune moment. It was right after the Manhattan Club affair, when George Harvey, an early and sincere friend, was sacrificed in cold blood to pacify Col. Bryan and Col. Watterson. If Col. House had been on his legs instead of sick in Texas, it is hinted it would not have happened. "His diplomacy in handling men" as one colonel to another would have saved the day. As it was, Col. House, we learn by the book, feels it operated to their candidate's advantage, because the radicals were delighted to see a man of preservative good sense like Harvey kept out of the inner circle. The radicals have been delighted several times since. They have multiplied in the administration like a malignant germ culture. They must please Col. House, as they believe in smashing things as much as the colonel's heroes in his autobiographical novel. One iconoclast recognizes another by instinct, just as the book says the colonel does his politics.

The Joline letter, written by the President in 1907, desiring earnestly some dignified and effective way of knocking Bryan once for all into a cocked hat, came to the surface while the colonel was still sick. Like his candidate's application to the Carnegie pension fund for an annuity, the thing excited campaign headquarters a good deal. Bryan returned from Jamaica just in time to get their full flavor. The colonel being ill, Josephus Daniels was dispatched to meet Bryan and explain. He fixed it up beautifully, and a Secretary of the Navy was politically begotten on the spot. Out of a spell of fever and the cocked-hat epistle the fates wrote a Cabinet member's commission.

Senator Bailey's friends, we next learn, owned most of the voting shares in the Texas State machine. The colonel scorned petty details. He got Burleson to attack the machine. Gregory joined in the chase. Here were two more Cabinet members hatched in as palpable a political incubator as ever rejoiced the heart of a politician. Houston had more than a platonic affinity in Texas politics as president of the agricultural and mechanical college of that State. He was useful in 1912 by filling their candidate's speeches and cranium with destructive free-trade data. Translated to Missouri, he is debited to that State. This accounts for another Cabinet member. Mr. Redfield had laid the robber tariff by the heels with sundry heavy blows when he was a Member of the lower House instead of the Texas House. He was likely one of the statesmen who read over his speech for a week complacently. It would not be amiss to have somebody who dealt in a large way with abstractions. So commerce was enriched by his presence in the Cabinet. He has made some sparkling contributions to trade. From him came the shocking information that the high cost of living was caused by too many delivery wagons. He invented a plan of reducing meat bills by eating cheese. An epic on fish and clams is credited to him, along with a sonnet or two on sheep-killing dogs.

A. Mitchell Palmer was originally slated, I learn from this veracious source, for Secretary of War. Unfortunately Mr. Palmer was a Quaker. He feared the position would endanger his creed. There was little time left in Cabinet building, we learn by a perusal of the book, to secure a man of the proper caliber, so they had to take what was available. Joseph P. Tumulty suggested Lindley Garrison. Every sincere lover of his country would wish Mr. Tumulty might have been authorized then and there to select more of the Cabinet if this is so. Garrison measured up to the place. He saw the shadow of the mighty struggle across the Atlantic. More practical was he than House because he sounded the note of preparation. His plan would have trained an army ready to strike when we declared war, not 15 months afterwards. Creel would have been robbed of his rapturous ecstacy, but the public would have reconciled itself to that. Garrison's successor has made everybody wish the Quaker had overcome his scruples and been put in charge of the fighting instead of one who thinks the war front is 3,000 miles away, talks glibly of quantity production of combat airplanes, delays three months the draft-law amendment of 1918, opposes universal military training, and says Washington's soldiers at Valley Forge were drunkards and chicken thieves, only to be declared by Executive proclamation to be the most capable official that distinguished functionary ever knew.

This worldly turmoil would make a carnal politician casually observe it the same as he does, but the Cabinet was not done by considerable. The historian informs us the party was still rent by feuds and dissensions. The horoscope cast by the colonel showed Col. Bryan in the offing unprovided for. Bryan's aid in holding the party together was desired. He was not made Secretary of State to guide the steps of 100,000,000 people in the quicksands of Old World diplomacy, but to serve as a cohesive tie, a sort of mortar to bind the rolling stones of a political party together. It was considered by the President and his friends the correct policy to placate Bryan by taking him into the Cabinet. Politics began there and it has never adjourned since in domestic affairs. It is frankly said that in two years when he resigned he had played second fiddle long enough to serve the purpose he was selected for and "his power for harm

had waned." Was there ever a more sordid revelation of selfish time-serving politics in American affairs with the first executive office next only to the President shuffled about as plunder to serve partisan ends?

Reformers must, of course, write some hullabaloo about politicians. It is popular with men who could not be elected town clerk by their neighbors any place in the civilized world. But what has Col. House got out of it for Texas? Three Cabinet members and enough Federal appointments to crowd the Bolshevist government up through the Arctic Circle. It is a mistake to say the South is in the saddle. Col. House and a coterie of Texas politicians are in the saddle, and they are doing politics in the same old way. Here is what the author says about the colonel's purpose and peculiarities in politics:

Practical politicians immediately concluded that here was a man to be conciliated, and they were quick to endeavor to place their talents at Col. House's disposition. But for all who came he had a courteous greeting, and not much else. He listened to what they had to say, of course. He is an unusually good listener. But after they had talked their heads off he had only a courteous good-by to reward them with, and the practical politicians went away with a distinct feeling of resentment. They told each other that "this fellow House" was plainly not going to share things; he was going to try "to hog it all for himself." And clumsily, after their own fashion, they sought to start backfires against him, which either flickered out in the kindling or else spurted flames at the conspirators. It took a long time for the professional politician to have it seeped through his head that Col. House was not in the game for the purposes which animated him.

It is an open secret that Col. House's rôle in the administration at first was that of political next of kin to Mr. Wilson, an all-around counselor and conciliator. His wits fairly itched to get at the international problems, which were the most interesting phase of governmental work to him; but he appreciated the need of settling the vital questions of domestic legislation before devoting his attention elsewhere.

He has a talent for taking the kinks out of Government work.

Any leader who disregards the politicians can not help succeeding is a maxim we learn. Here is the way he manages his business:

"Listen," he says, "you do not need to call in the town brass band, enlist spellbinders, and hire a press to accomplish any worth-while purpose."

Tell it to the Committee on Public Information. Why not ask the colonel to take that amazing outfit in hand and muzzle its roaring deluge of emptiness? Why not have the colonel sell Liberty bonds without so much uproar? The colonel is "a consulting expert in politics and adviser and assistant of office-holders."

He plays politics because he loves politics, because he can not resist the pleasure of directing men and policies any more than the born artist can keep his hands off paint tubes and brushes.

We know whom to hold responsible from now on.

He is chief adviser in the formation of all of the President's important decisions.

Col. House's sole object is to help Mr. Wilson in his difficult task, and in helping him to help Americans and all mankind, and to the President the advice of this man of crystal-clear vision means acceleration of his gigantic projects for humanizing modern civilization. "It is safe to say," observes the inspired hynotized author, and I have no doubt it is so, "that nobody appreciates Col. House's value so highly as does the President." This applied to 100,000,000 American people is literally true of this alleged unelected unofficial assistant President of the United States. He it is, the Executive's spear, whose staff is like a weaver's beam and whose weight is 300 shekels of brass, who is the six-fingered son of Gath in this administration.

After this astounding melange of as personal politics as ever appeared anywhere, the colonel gravely remarks in appointments, "Our first test was fitness." After this tell us anything, and it will be made credible. If he can perform such services as are indicated without publicity and without a brass band, then save such orders as recently went out from the Postmaster General; save the orders that went out curtailing the use of print paper, when the columns of all the newspapers in the country are cut all the way from 15 to 60 per cent, including the week-day editions, as well as the Sunday editions. I view this and all the other insidious advances, Mr. President, as a means of controlling the sources of information and of distributing that information to the general public only as the Government permits. It is an attack upon the freedom of the press in an effort to control and bring within governmental supervision the distribution of all domestic news from whatever source it may come or of whatever kind it may be.

It is these reasons, Mr. President, that have led me to analyze the mind of the President's chief adviser as indicated by the work of fiction and by the biography recently given to the public. They throw a flood of light upon the intentions of the administration and of its unofficial, irresponsible advisers; they indicate the goal for which both are bound, and become a material guide at this time as to the merits or demerits of measures presented in this body hereafter for taking over different enterprises in private life for alleged purely war purposes.

Several Senators on the minority side who sincerely believe in Government ownership of certain agencies—one of them the junior Senator from California [Mr. JOHNSON]—have said in regard to taking over the telephones and telegraphs that it was well understood that there was no war emergency. While the Senator from California favors the Government ownership of certain public utilities, this process of taking over many things on war excuses has run to dangerous limits. It is only a question of time when all the insurance companies will be attacked in the same way and when their business will meet with Government competition, or be seized as other lines of private enterprise have; when every line of industrial effort will, by the same process, be taken by the Government and operated ostensibly for war purposes. It is to check this method of advance concealed by such reasons, the masked purpose of a general advance toward the universal ownership of all the instruments of production and distribution, as well as the instruments of communicating intelligence, that I enter my protest at this time. There will be nothing to tax or do, Mr. President, in the future. Five years more and there will be nothing from which an income tax can be collected or a private occupation obtained. The two books that I have analyzed, in my opinion, throw a flood of light upon the ultimate destination of this administration.

STIMULATION OF AGRICULTURE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) entitled "An act to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled 'An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.'"

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). The question is on the amendment offered by the Senator from Iowa [Mr. KENYON], which will be stated.

The SECRETARY. On page 3, line 1, after the numerals "$105,000," it is proposed to strike out "live-stock production in the Great Plains region, $100,000."

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Henderson	McNary	Sherman
Benet	Johnson, Cal.	Martin	Smith, Ariz.
Borah	Jones, N. Mex.	Nelson	Smith, S. C.
Brandegee	Jones, Wash.	Norris	Smoot
Culberson	Kellogg	Nugent	Sterling
Cummins	Kendrick	Overman	Sutherland
Curtis	Kenyon	Phelan	Thomas
Dillingham	King	Pittman	Townsend
Fall	Kirby	Poindexter	Trammell
Fernald	Knox	Pomerene	Walsh
Fletcher	Lenroot	Ransdell	Warren
France	Lodge	Robinson	Watson
Gore	McCumber	Shafroth	Wolcott
Hale	McKellar	Sheppard	

Mr. SUTHERLAND. I wish to announce the absence of my colleague [Mr. GOFF] on account of illness.

The PRESIDING OFFICER. I desire to announce the absence of my colleague [Mr. SHIELDS] on important business.

Mr. BANKHEAD. I desire to announce the unavoidable absence of my colleague [Mr. UNDERWOOD]. He is paired with the Senator from Ohio [Mr. HARDING]. I ask to have this announcement stand for the day.

The PRESIDING OFFICER. Fifty-five Senators have answered to their names. There is a quorum present. The question is on the amendment offered by the Senator from Iowa.

Mr. WARREN. Let the amendment be stated.

The PRESIDING OFFICER. The Secretary will again state the amendment.

The SECRETARY. On page 3, line 1, after the numerals "$105,000," it is proposed to strike out "live-stock production in the Great Plains region, $100,000."

Mr. FALL. Mr. President, some of us are accustomed to straining at gnats and swallowing camels. We have appropriated some $20,000,000,000 and have provided for the raising of $24,000,000,000 as a war measure without a roll call, and yet we propose to strike out an item requested by the Department of Agriculture appropriating $100,000 for a given purpose.

This item has been discussed at some length. A justification for it is found on page 5 of the Estimate for Appropriations, 1919. Among other justifications is given the situation in the Southwest upon the great feeding and grazing ranges. I read from the Estimates of Appropriations as follows:

The situation in all the drought area from the Mexican border to the Canadian boundary is one which should receive close and persistent attention. If rains come in time to insure a crop in 1918, every effort should be made to plan a cropping system which will insure supplies of feed. * * * If rains do not come in time to insure ample pasturage during 1918, it will probably be necessary for the cattle owners in the Great Plains region, especially in Texas and other sections in the Southwest, to sell their cattle, which are being carried through the winter on borrowed money in the hope that pasture will be at hand when spring arrives.

The situation has grown so serious, Mr. President, that the War Finance Corporation has been compelled to offer some assistance to preserve the meat cattle, not only for the production of meat for the people of the United States now but that we may have the stock to draw upon in the future. The State of Texas through some of its accredited representatives has recently, as I happen to know, requested that an appropriation amounting to as much as $50,000,000 be made by Congress for the assistance of those who have lost practically everything which they have had during the present drought.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Montana?

Mr. FALL. I yield to the Senator from Montana.

Mr. WALSH. Is it the understanding of the Senator from New Mexico that this item is intended to take care of the situation resulting from the extraordinary drought in the western section of the country?

Mr. FALL. It is my understanding that the $100,000 which is provided for here is for the payment of salaries of special observers, investigators, and assistants employed by the Department of Agriculture who are engaged in assisting the people down there to some extent to provide against losses such as have been incurred in the last year. The justification to which I was referring shows what this money is to be expended for. I was going further to call specific attention to one of the results of the work of just such men as these under former appropriations exactly such as this which have been made by Congress.

Mr. WALSH. I desire simply to say that the situation is one the gravity of which can not be overestimated, but it occurred to me that if an appropriation is made to meet the situation it ought to be expressed much more clearly than in the language employed in this bill.

Mr. FALL. The Senator is, of course, entirely correct in his statement; but the purpose of this appropriation, as I understand, is to pay the salaries of those who are engaged in exactly that character of investigation necessary to form a foundation upon which Congress may make the proper appropriations to relieve the conditions, and their particular work is along the line of assisting those who are living in the section of the country referred to, as I shall point out specifically, by attempting to find some relief from the conditions which those living there may work out for themselves.

I have some little familiarity personally with some of the work done by the agents of the department along this line. I have before me a report which should have been published, I think, long ago, upon some of the substitute feeds which are being developed, found growing upon the range, which even the cattlemen of that country did not know could be used as serviceable feed for starving cattle.

The report to which I refer is the Forsaling report, made by an agent of the department. Whether or not this particular agent is paid out of this particular appropriation I am unable to say. However, he is an agent of the department, paid out of some appropriation of that character.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Colorado?

Mr. FALL. I yield to the Senator.

Mr. THOMAS. On Saturday the senior Senator from Wyoming [Mr. WARREN] argued that this appropriation was for the purpose of teaching young farmers how to build silos.

Mr. FALL. I was reading, Mr. President, from page 5 of the estimates submitted by the department, the justification upon which they asked for this identical appropriation.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Wyoming?

Mr. FALL. I do.

Mr. WARREN. I should like to ask the Senator from Colorado what inconsistency there is between that statement and the other one?

Mr. THOMAS. If the Senator from New Mexico will allow me, Mr. President, if an appropriation is made for the purpose of paying salaries it certainly is not made for the purpose of building silos. To me there is some inconsistency between the two ideas.

Mr. WARREN. The Senator from New Mexico states that there is this suffering on the part of cattle and live stock in some localities, and that there must be means of obtaining sustenance, and so forth, in order to bring them through. It is all along the same line.

Mr. FALL. Exactly; it is all along the same line. The justification here refers to the construction of pit silos, and says, further:

If the pasture is not available these cattle may be thrown on the market. Those remaining in the Southwest are the best of the herds existing before the drought and represent a fine collection of beef-breeding animals. The department should be ready, if such a contingency arises, to throw a large force of men into that section and to develop the work done there last summer on an extensive scale with a view to save as many of these cattle as possible.

I may say that the conditions which were, if not anticipated, at least dreaded by the department, and which are referred to here, are exactly the conditions which have existed. We have in New Mexico, particularly in the southern part of it, among the best breeding ranges of the United States, and I think in some respects possibly the best cattle-breeding ranges in the United States. That is, the cattle require no shelter at all during the winter, and no winter feed in normal years. The grasses are not rich and strong, and they do not make beef cattle; but the pastures of Colorado and of Kansas and of the Northwest are replenished through the purchase of yearlings, seldom even 2-year-olds, from the great breeding ranges of west Texas, New Mexico, and Arizona.

Mr. President, this section of the country is that portion of the Southwest formerly known as the Great American Desert. The people there are not engaged in farming. It is impossible for them to raise crops by cultivation except where they have the advantage of irrigation. The streams are very few and far between, and irrigation is only carried on upon a very small scale, in isolated localities, sometimes 40 or 50 acres; then a space of 100 miles where there will not be another cultivated portion of the country. The general range conditions in normal years will enable a cattle grower to support about one cow to 40 acres, upon an average of such range. We have had three years of drought. Cattle have died by the thousands. In the Pecos Valley in New Mexico one firm of hide buyers have bought 21,000 hides taken from the carcasses of starved animals this year alone. During my recent visit to my State I conferred with a great number of cattlemen; and the estimate placed by them upon the loss, largely in southern New Mexico, of cattle during this year alone, exclusive of the new calf crop, was 100,000 head, of a minimum value of $4,000,000. The loss to my knowledge would have been very much greater in southern New Mexico had it not been for the fact that the Government agents themselves, following and assisting in experiments made by the cattlemen, have worked out a feed which I will say as a cattleman myself I had not conceived the possibility of using.

We have great areas in New Mexico, west Texas, and Arizona covered with a species of yucca plant growing from 3 feet to 6 or 8 feet in height, the growth upon the land being as much as 150 tons per acre. This particular species of yucca, ordinarily known to us as the palmilla, has never been used or thought of being used by the cattlemen until within the last two or three years.

Another species growing upon the sides of the mountains has been used for a great many years, but this particular species has not been used. The department, through its agents, has been cooperating with the cattlemen themselves in developing a machine for using this yucca. Through such cooperation the cattlemen of New Mexico and Arizona have saved thousands of head of breeding cows this year.

First the attempt was made, I may say, three years ago to use this feed through cutting up the stalk of the yucca and siloing it; and the department suggested at that time the construction of pit and other silos for this purpose. The experiments carried out this last year upon what is known as the reserve in Dona Ana County, N. Mex., convinced the cattlemen and the department's agents that siloing was not necessary, but that the development of other machinery suitable for cutting up this particular plant was necessary. I may say to you, Mr. President and Senators, that I myself went first to the College of Agriculture and Mechanic Arts in New Mexico, where experiments are being carried on and have been carried on for three years, and are now culminating in the feeding of this yucca, together with cottonseed meal in a very small amount; and such experiments have resulted in establishing the fact that not only will the yucca save the lives of the cattle without any other feed, but that with a minimum of cottonseed cake fed with it cattle can be fattened upon it.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from North Dakota?

Mr. FALL. I yield to the Senator.

Mr. McCUMBER. I want to ask the Senator if all this experimentation is not paid for out of appropriations for plant industry that are provided in other sections of the Agricultural bill?

Mr. FALL. Undoubtedly a portion of it is, but, as I understand, such appropriations are made for specific purposes; and some portions of these very experiments undoubtedly are paid for out of such appropriations. However, other portions of the work are not so paid for, as I understand; and for that reason they have, as a justification for the request of this appropriation of $100,000, stated the conditions as they exist, and what it would be necessary to do. No appropriation of any kind whatsoever has been made to enable them to throw a large force of men into that country, as they have said should be done provided we had no rain this year.

Three million head of cattle either died or were moved out of west Texas last year owing to the drought. Up to May of this year the rains were exceedingly favorable, and it was supposed that those ranges would be restocked. Since May they have had no rain at all.

The experiments which are being carried on by the agents of the department are those such as I have mentioned with relation to the yucca, and others with relation to showing the cattlemen by actual experiment how it is possible to raise certain forage crops upon that desert area which they may use not only for grazing but as silage for cattle when it is needed. I happen to know that those experiments are being conducted, particularly in my State, through the cooperation of the College of Agriculture and Mechanic Arts with what is known as the reserve ranch, which is under the management of the department directly, and through the cooperation of men who are being paid under appropriations of exactly this character. I can not mention one of them who is receiving a specific amount out of this $100,000, but I do know that these people are all cooperating and are in thorough cooperation with the cattlemen of my portion of the country and of the great Southwest generally; and I can say very frankly that, in my judgment, the department is doing remarkable work, and doing work that is absolutely necessary.

The average range cattleman knows nothing about the raising of crops of any kind or character. We have proceeded along the lines of utilization of the open range where we have no pastures and no fences. This is peculiarly true of a great public-land State such as New Mexico, where we have remaining 27,000,000 acres of public domain, constituting, as I say, the great breeding area of the United States. The Congress of the United States has failed and refused, when opportunity has been offered from time to time, to enact proper legislation for the purpose of enabling the people there to utilize to the best advantage this great area of public land. The consequence is that, as from time immemorial, the cattlemen are continuing to use these lands, paying nothing to the United States Government, and simply obtaining title to the water upon the public lands. The result is that every cattleman overgrazes his range because if he undertakes to reserve it perhaps for a day in the future by not putting enough cattle upon it to eat it entirely off he knows that, being public domain, and he having no control over it and no title to it, any other cattleman or sheepman, seeing the grass growing thereupon, will move in on it and eat it off. The consequence is that there is an inducement for each man to overstock the range, to gamble, in other words, with the hope that a drought will not strike him or that he will make a fortune and sell out before the drought does strike him and the hard times come.

Recently a great deal of attention has been paid by the department to these conditions, and while the attempt which has been made has not yet crystallized, in my judgment, in a constructive form and in a proper form, and legislation has not been asked except requesting the Congress of the United States to adopt a lease law for the public domain, still experiments have been carried on and the Agricultural Department is now doing exactly that character of work which I hope will result in legislation being enacted by the Congress of the United States to relieve the conditions as they now exist.

But, Mr. President, we all know, of course—those of us from the West particularly, and those from any of the rural States—how important it is to keep up the cattle industry and the sheep industry in this country, particularly from the breeding range. The ranges that I speak of are the great source of supply for practically all the farms and pastures of the Northwest and the West. It is from these sources that you must replenish your cattle supply, and from which the world's cattle supply must be replenished after this war is over. We are suffering there to-day and losing hundreds of thousands of head of cattle. This is a small appropriation, and being, I think, properly used, some of it possibly not resulting very beneficially, but being used in good faith by the department in further investigations and for the instruction of the cattlemen themselves, who, as I say, heretofore have known nothing about any methods of conservation. This is the method in which this money is being used.

I happen to have had these matters come under my observation and to have known what these people are doing. I myself saw 2,000 head of cows that had been too poor to ship to Dakota, the range for which did not exist in southern New Mexico, where it was impossible to keep them alive upon the native ranges, where it was impossible to purchase cottonseed cake with which to keep them alive—because we are only allowed a limited amount under the rules and regulations now—I saw 2,000 head of cattle being fed day by day upon this yucca as the outcome of experiments made by the representatives of the Department of Agriculture in one portion or another of this region; and these cattle were strong, and the owner was expecting to ship them to Dakota, to the Indian reserve ranges, which are still being leased by cattlemen, within a month or six weeks. The cattle would have died except for these feeds. The use of the feed was brought about by cooperation of the agents of the Agricultural Department and the practical cattlemen themselves. This is the character of work which is being done, and I do not think this item should be stricken from the bill.

I referred a moment ago to the fact that the situation was so serious that the Secretary of the Treasury, cooperating with the Director of the Finance Corporation, was now adopting rules and regulations by which loans can be made to the cattlemen. Just let me trespass upon your time a moment to call your attention to the conditions existing in New Mexico.

The cattle loans have all been called by the banks. Over six months paper can not be rediscounted. Four millions of dollars of losses, as a minimum, have been incurred in the cattle business in New Mexico already. The State of New Mexico has "gone over the top" in every liberty loan, in every subscription to the Red Cross, in every subscription of any kind or character asked by the Government of the United States in carrying on this war. New Mexico has no munitions plants, has no war industries of any kind or character; and in the face of the greatest drought ever known, continuing for three years, and enormous losses of sheep and cattle, the people of New Mexico have responded as patriotically as the people of any other State in this Union to the call of the Government.

The banks have been compelled to carry the people for loans with which to purchase bonds. The people have mortgaged themselves to the banks. No Government deposits are placed in the banks of New Mexico. The banks can not come to the assistance of the cattlemen of New Mexico. They have not the money. Therefore, under representations made by various representatives of New Mexico, banking interests and other interests, as well as by the delegation here, the Finance Corporation have finally responded by agreeing that they would adopt rules and regulations by which the cattlemen might receive assistance. But, sir, that relief will extend only to the larger man. He must go, or be able to send some one and pay his expenses, to Dallas or to Kansas City to procure a loan. The man who wants twenty-five or thirty or forty or fifty or one hundred thousand dollars can afford to do that. The man who needs that amount can afford to pay the expenses involved.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Florida?

Mr. FALL. Certainly.

Mr. FLETCHER. May I ask the Senator if the drought to which he refers continues, or has it been broken now?

Mr. FALL. I am glad to say that it has been partially broken in some sections of the country. In west Texas it has not been broken to-day. In southern New Mexico it has been broken in the mountain regions. In northern New Mexico recently, when it was almost too late to make grass, it has been broken generally.

Mr. President, the point I was making was this: The big man can nearly always take care of himself. He can go to Kansas City or he can go to Dallas, pay his expenses and those of a lawyer, have an abstract of title presented, and comply with all the rules and regulations with reference to a loan. We are attempting to settle up our western country and our State with small cattlemen. We want population as well as prosperity in business. We want a cowman on every five or six thousand acres with two or three or four hundred head of cattle, enough cattle at least to enable him to provide something in the nature of a living for his family and an education for his

children. Under the land laws as we have them to-day he can not so provide, but a homesteader in New Mexico taking up his homestead and attempting to make a living for his family by the cultivation of one, two, or three acres, or half an acre, through the use of water drawn from the bowels of the earth by a windmill, must have something to assist him, something to subsist upon, and he accumulates a few head of cattle. Dairying is impossible. You must feed dairy cows. They can not produce milk without it. We have not the feed for them. We can only raise the range stuff, and derive a living from the sale of the calves from those cattle.

Every cowman in New Mexico owning less than 500 head of cattle to-day, I think without exception, is in debt to his local bank. They have been compelled to buy cottonseed cake at $71 a ton, and where they buy less than a carload lot they have been compelled to pay $85 to $100 a ton for cottonseed cake which sold three years ago for $34 a ton delivered to them. They have been compelled to go to the banks to secure money with which to carry those purchases. They have been compelled to pay extortionate rates of interest and to secure the money on short-time notes. These men can not go to Kansas City nor to Dallas. They are the men who need relief from Congress through some special legislation.

I have had in mind, and have now in my desk, an amendment to this bill asking the Congress of the United States to appropriate a revolving fund of $5,000,000 for deposit in the banks of New Mexico, that it may be loaned to these people upon all their property as security, under the direction of the Secretary of Agriculture, so that their necessities may be relieved, with the power of sale, allowing him upon the expiration of the note, if it is not paid, to take entire charge of the property and sell it out, so that the Government can not possibly lose anything if proper discretion is used in extending the credit.

Something must be done, Senators. Something is being done by the department in a small way in investigations and reports such as the Forsaling report upon this yucca, to which, being an illustration in point, I have called the attention of the Senate. The work of the Agricultural Department is not being advertised. The people of the United States, except those who come in contact with some particular phase of that work, do not know the magnificent work which is being done by the Agricultural Department. The food-conservation department is doing magnificent work, in my judgment. I am not one of those who have been found here in the Senate or out of it criticizing the work of Mr. Hoover. I think he has done magnificent and absolutely necessary work for the people of the United States; but his work has been along the line of conservation of foodstuffs and holding down the prices to the consumer where possible. Who has done anything whatsoever to assist the producer of foodstuffs? The Agricultural Department alone. There has been no more successful advertising propaganda ever known in the United States than that of the Food Administration. Its work has been magnificently advertised. The great work of the Agricultural Department receives no advertisement at all except through adverse criticism from time to time in this or the other body of the Congress of the United States.

There are valuable documents which should be in the hands of every cattleman and of every farmer in the United States lying in the vaults of the Agricultural Department, the people not knowing that they exist. This report—Forsaling's report; an exceedingly interesting one to all cattlemen in the Southwest—is not known except as it has been sent out by a few of us who have had it transcribed by typewriters and sent out to various portions of our southwestern country and secured its publication in the weekly or daily newspapers of our section.

Mr. President, I think that if it were possible for the Secretary of Agriculture to secure from the Congress of the United States any amount of money with which to advertise his work, and that of the department, and that of the agents of the department, the money would be most excellently spent and would tend very largely to increasing, as it is necessary to increase, the food production of this country. But, Mr. President, we hear criticisms of this character: I recall distinctly that on two or three occasions we have had here discussions as to the acceptance by the department of donated funds for the use of agents of the department—dollar-a-year men of the department—in all kinds of extension work, in every State of the Union, in investigating every character of insect life injurious to crops. In all work of this kind large funds have been placed at the disposal of the Department of Agriculture; and here in this body I have heard Senators whom I know to be absolutely sincere object to the acceptance by the department of funds applied exactly as the funds asked here to be appropriated are applied for special work from time to time. Upon the one hand we reject individual appropriations upon the theory that we should not use the "tainted money" of the Rockefeller or the Carnegie Foundation. Upon the other we criticize the department when it says, "We must have this necessary money to carry on our investigations," and we move to strike it out.

I sincerely believe that we do not give enough consideration to matters of this kind, and, as I said, Mr. President, it strikes me that those of us who vote without question, without roll calls, for hundreds of millions of dollars—$60,000,000 for housing, $50,000,000 more for housing, $100,000,000 more in a short time for housing—should not hesitate to grant the request of the department for $100,000 to enable them to carry on the good work which they have inaugurated.

Mr. THOMAS. Mr. President, this appropriation is insisted upon for reasons which seem to me to be inconsistent. The Senator from New Mexico [Mr. FALL] has called attention to the very serious condition in his State resulting from an unprecedented drought, and has also dwelt upon the discovery of means of forage which until recently were not known to exist. Presumably these remarks were designed to support the contention that this particular appropriation is necessary for an inquiry into the means of cultivation of a plant which has been demonstrated to be edible and therefore which can be used for the maintenance of live stock upon the plains of New Mexico.

As far as the drought is concerned and its consequences, we all deplore it, but I am unable to perceive how the appropriation of $100,000 would go very far either toward the prevention of such a great loss as has occurred in the cattle industy or in experiments in determining the usefulness and nutriment of a plant whose usefulness and nutriment have already been determined.

The Senator called attention to the fact that the agricultural college in his own State has given attention to this subject and has developed the fact that a source of supply of forage for cattle hitherto unknown to exist exists in considerable quantities in his State, all of which, in my judgment, demonstrates one of two things, either that the purposes for which this appropriation is desired have already been accomplished or that it is too small to serve any good or useful purpose whatever.

Mr. President, I want to see, we all want to see, the live-stock industry promoted. I particularly am interested in anything that will develop what is known as the Great Plains region. I am unable to perceive how these little driblet appropriations can accomplish anything beyond the creation of half a dozen or more petty offices and paying salaries to those who hold them. The general appropriations which the Senator from North Dakota called attention to are or should be amply sufficient for purposes of this kind. The Bureau of Plants and Soils is fully equipped with such means as may be needed for the carrying out of experiments and the fulfillment of its functions. But notwithstanding that, every bill of this sort, whether it be the regular one or extraordinary bills like the present, can not come from the House to the Senate or go to the House from the Senate without being loaded with these small appropriations, which in the aggregate amount to millions and which can conserve no purpose outside of that covered by the general appropriations except, as I said, to give employment to men who become supernumeraries in the civil service and who once established always remain.

A very serious objection, Mr. President, independent of those which have been urged by myself at least to this and kindred appropriations, lies in the fact that once they enter an appropriation bill they are there forever. If we lived 100 years from now and our form of government did not change and our methods of appropriation were not radically altered we would still see these items, based upon no reason whatever except the fact that precedents have been set for them in the past, and men and women have become dependent upon them for a livelihood and therefore they should be continued.

Mr. KING. Will the Senator before taking his seat permit a question?

Mr. THOMAS. Certainly.

Mr. KING. I desire to ask the Senator, and I ask for information, if the bill which is now under consideration was not prepared before the general Agricultural appropriation bill which was passed in July was enacted into law?

Mr. THOMAS. The chairman of the committee can answer that question better than I can. I really do not know.

Mr. KING. The chairman of the committee was not in at the moment, but has now come into the Senate.

Mr. GORE. It was prepared after the Agricultural appropriation bill was passed through both Houses, but not before it went to the White House.

Mr. THOMAS. The Senator from Utah will notice that it duplicates quite a number of appropriations carried in the regular bill.

Mr. KING. Will the Senator from Colorado permit me to ask the chairman of the committee a question?

Mr. THOMAS. I yield the floor.

Mr. KING. I will ask the chairman of the committee if it is not a fact that the bill now under consideration duplicates many items that are found in the regular appropriation bill, carrying more than $27,000,000, recently passed through this body?

Mr. GORE. I will say in answer to the question that a reading of the pending bill would lead one to that conclusion. I think an analysis of it, however, would not sustain the conclusion. The same items in terms are provided for, but work that has been under way for a number of years and provided for in the regular appropriation bill is to be expanded under the appropriations carried in this measure; that is, the existing work, the existing organization, is to be expanded to meet the expanded requirements of war. The same character of work which has been going forward in certain parts of the country heretofore is to be installed in different parts of the country where it has not been carried on heretofore.

So the bill seems to be a duplication, and even this bill seems to duplicate itself, but on analysis that is not the case. An appropriation for one item with respect to canning clubs and other clubs, which has been going forward under existing law and under previous appropriations, is to be expended in those localities, and the same sort of work is to be instituted in localities where it has not been previously carried forward. That gives the measure, I may say, a deceptive character. It seems to be duplicating even duplications, but I do not think that is the fact.

Mr. KING. Before the Senator takes his seat will he permit me to ask him another question?

Mr. GORE. Yes.

Mr. KING. Were not the items carried in the bill which is now under consideration recommended by clerks and employees of the Agricultural Department?

Mr. GORE. I will say, Mr. President, that every item in this bill as it came from the House, with one trifling exception of, I think, $5,000, was regularly estimated for by the department under the law and was transmitted, I understand, to the Speaker of the other House. The estimates are printed and are available, and the department undertakes to justify each appropriation carried in this bill and explains it in such a way that Senators will see duplications do not really occur.

Mr. KING. But each of the proposed appropriations has been recommended by some clerk or some bureau, the latter of which was seeking to extend its powers and to increase the number of employees who would operate under that bureau. Is not that true?

Mr. GORE. That would probably be the result. Whether that was the motive or not I could not say. I assume the head of the department called upon the heads of the bureaus for recommendations, and that certain estimates are based upon those recommendations. I understand that that is the process by which estimates are made.

Mr. STERLING. Will the Senator yield to me?

Mr. KING. I yield to the Senator.

Mr. STERLING. I should like to say, for the benefit of the Senator from Utah, that the particular appropriation under consideration now of $100,000 for live-stock production in the Great Plains region was recommended by the Chief of the Bureau of Animal Industry, and if the Senator will refer to page 9785 of the RECORD, he will there find the basis for the recommendation by the chief of that bureau. I do not think the Senator was in the Chamber when that communication was read from the desk. I had it read on Saturday. It shows the ground for this particular appropriation.

Mr. McCUMBER. Will the Senator allow me to call attention right now to what it does propose to do with this money?

Mr. KING. I shall yield for that purpose, and then I should like to ask another question.

Mr. McCUMBER. I can do it very shortly from the letter which was received by the Senator from South Dakota [Mr. STERLING]. This is what is stated in that communication:

> If the large crops of feeds which were produced there during the years of sufficient rainfall had been stored in silos, the drought which caused such losses during 1917 could probably have been borne without serious difficulty.

Then he goes on to state:

> As soon as a crop is assured, a strong campaign should be inaugurated for the construction of silos, especially the pit type, on every farm where the conditions are favorable.

So the Senator will see that the real purpose of this appropriation is to instruct the cattle raisers in the dry sections of the country and give them information which they, of course, never would receive except through the department, that if they would construct silos and raise corn and put that corn in silos in a year of plenty they would have something to feed during the next dry year. If that was something new that the western farmers never heard of before, and it is necessary to pay $100,000 to have them instructed, I would vote for the item.

I want to call the Senator's attention to the fact that this is not an appropriation in any way for plant industry to show how to raise new kinds of plants and grasses; there are other appropriations for that purpose; but it is simply for the purpose of instructing those farmers when they do raise a crop, and they expect to raise a crop this year, how to build a silo, and to save their corn for next year, when there may be a drought.

Mr. STERLING. If the Senator from Utah will allow me——

Mr. KING. I yield.

Mr. STERLING. The Senator from North Dakota takes too narrow a view of the purpose of the appropriation when he says it is merely for the purpose of building silos in the Great Plains region. The Senator from North Dakota read but a small part of the recommendation of the Chief of the Bureau of Animal Industry. I just want to call attention to one or two sentences here that are very suggestive. He says:

> During the last year a careful study of the situation in the Great Plains region, which includes that portion of Montana east of the Rockies, indicated the desirability of placing the agriculture of that section, as far as possible, on a live-stock basis.

That is the object and the purpose of this appropriation. It is a great semiarid region, where there are apt to be failures in crops. Rightly used it will promote a great diversified industry there, and it will be stock raising combined with farming, thus making it a rich and prosperous country.

Now, let me call the attention of the Senator from Utah to this fact: We are appropriating some $650,000 to $750,000 every year for farm-demonstration work, and the Senator from Utah votes for these appropriations. There is no objection to them. This is simply farm-demonstration work of a particular kind applicable to a particular region to meet particular conditions and particular needs, and on the same principle that I support the appropriation for farm-demonstration work, which, I think, is proving its value more and more as the years go by, I shall vote for this appropriation, because it is for that kind of work.

Mr. KING. Mr. President, the Agricultural appropriation bill which was passed in July carried $4,079,588 for the Bureau of Animal Industry. It carried various other appropriations aggregating $27,875,353.

Mr. POMERENE. Mr. President——

Mr. KING. I yield to the Senator.

Mr. POMERENE. May I ask the Senator a question? The Senator is referring to the appropriation that has already been made for the Bureau of Animal Industry. Is that appropriation so limited in its purpose as not to include the purposes for which the pending appropriations are made?

Mr. KING. I was about to call attention a little more specifically to the appropriations, and then the Senator will be able to determine, and he can determine better than I, whether the appropriations in the general Agricultural bill would be adequate to meet the items referred to in the bill now under consideration. But let me state first, before coming to the point that I had in mind, that of this amount of $4,079,588 appropriated for the Bureau of Animal Industry, $479,710 have been appropriated for the salaries of the officials connected with the bureau.

I might say in passing, Mr. President, that as these bureaus increase in power they increase materially in the number of the employees within the bureau, and it seems as if their activities are largely devoted to finding ways and means by which they can increase the number of employees and augment the salaries which they receive. There are some people who are determined that our Government shall be a bureaucracy whether the people will or not.

For inspection and quarantine work, including the necessary expenses for the eradication of scab in sheep and cattle, inspection of southern cattle, supervision of transportation of live stock, and so forth, $503,662 are carried in the Agricultural appropriation bill passed in July of this year.

Then for the investigation of the disease of tuberculosis of animals and other diseases $500,000 are carried in the appropriation bill last referred to.

For expenses in the eradication of southern cattle ticks $750,000 are provided in the Agricultural appropriation bill.

For expenses of investigating and conducting experiments in the dairy industry $364,390 have been appropriated.

For all necessary expenses for investigations and experiments in animal husbandry, for experiments in animal feeding and breeding, including cooperation with the State agricultural experiment stations, and so forth, $308,680.

Mr. WALSH. Mr. President——

Mr. KING. I yield to the Senator.

Mr. WALSH. I likewise am curious, as the Senator from Ohio [Mr. POMERENE] evidently is, to ascertain whether there is a duplication so far as the item under consideration is con-

cerned. Could the Senator direct our attention to any provision of the larger appropriation bill, if that is the proper designation, which would include the item now under consideration?

Mr. KING. In reply I will state to my friend from Montana that as I understand the item now under consideration it provides $100,000 for experimentation in the feeding of live stock upon the Great Plains.

Mr. WALSH. I do not understand so. The item is $100,000 "to promote the production of live stock." Let me remark that the item to which the Senator has just called our attention in the original bill for the conduct of experimentations in feeding might seem at first blush to cover the same subject, but obviously it does not. That item is undoubtedly intended to cover tests made to determine the particular value of particular kinds of feed. Certain fodders are particularly adapted to young and growing animals. Certain other fodders are particularly adapted for fattening purposes. The item to which the Senator has called our attention in the original bill undoubtedly refers to experimentations in determining the relative values of different kinds of fodders for different animals of different ages. Now, under the estimate given us in connection with the item under consideration it is to be devoted to an entirely different purpose. I should not like to vote for this item in the bill under consideration if the matter is already covered, but if it is not it does occur to me that there is much merit in the item we are now considering.

Mr. McCUMBER. I should like to ask both Senators why they should speculate over the question as to how this money is to be expended when the author of the item itself directly states in the statement that was given by the Senator from South Dakota [Mr. STERLING] exactly how it is to be expended and for what particular purpose.

Mr. KING. I shall be glad if the Senator from North Dakota will call my attention to that.

Mr. STERLING. If the Senator will permit me, I will read the entire recommendation of the Chief of the Bureau of Animal Industry.

Mr. KING. I have yielded to the Senator from North Dakota.

Mr. McCUMBER. I want to say to the Senator from Utah and the Senator from South Dakota that I do not want the Senator from South Dakota to assume that in the portion that I read of this letter to him I omitted anything essential. The Senator from South Dakota stated that I did not read it all, and therefore he read the first part of it, which reads:

During the last year a careful study of the situation in the Great Plains region, which includes that portion of Montana east of the Rockies, indicated the desirability of placing the agriculture of that section, as far as possible, on a live-stock basis.

He seems to think that that is a very broad proposition and they can consider almost anything under it, but if he will go a little further down he will see that it reads:

The only way in which this can be satisfactorily done—

I want to repeat—

The only way in which this can be satisfactorily done is to utilize silos on an extensive scale and put up such roughage as can be secured.

Then he goes on. I did leave out one other thing for which he said it was to be used, and this is on page 9785 of the RECORD:

The 1919 food-production act as it passed the House contained an item for $100,000—

This appropriation of $100,000 is the one he is referring to—

with which the bureau intends—

With this $100,000—

with which the bureau intends to employ 30 beef-cattle specialists to assist farmers and cattlemen in conserving all good breeding cows and to stimulate and emphasize the necessity of breeding for a maximum calf crop and preparing permanent pastures, building silos, and preserving all available foodstuffs in the Great Plains region.

So this is to pay for 30 beef experts who are to be sent out to tell the cattle raisers of Montana and North Dakota how to raise beef cattle by conserving the best character of cows. I do not believe——

Mr. WALSH. Mr. President——

Mr. McCUMBER. In just a minute. I do not believe there is a stock raiser in that whole section who does not understand what particular breed of cattle is best for dairy purposes and what particular breed is best for a beef supply. I do not believe it is necessary to give these 30 men $100,000 to tell those stock raisers how to select their particular breeding cows to raise their calf crop for the next year.

Mr. WALSH. If the Senator from Utah will pardon me——

Mr. KING. I yield.

Mr. WALSH. I wish to correct a statement made by the Senator from North Dakota, if I am not in error myself. He said this is to teach cattle raisers how to raise cattle. I do not so understand it at all. I understand that it is to teach those who are not cattle raisers the advantage of raising cattle and the advantage of using silos for the utilization of roughage of various kinds that can be grown at little expense.

Mr. McCUMBER. That is just exactly what I read.

Mr. WALSH. No.

Mr. McCUMBER. Yes; because this is what I read:

With which the bureau intends to employ 30 beef-cattle specialists to assist farmers and cattlemen in conserving all good breeding cows.

Mr. WALSH. Exactly.

Mr. WARREN. Is not the Senator mistaken in thinking that it refers to the appropriation of $105,000 for beef cattle?

Mr. McCUMBER. No; the appropriation of $100,000.

Mr. WALSH. The idea is that the people out there are very largely, if not exclusively, devoted to raising grain. They do not know anything about cattle raising. Many of them know very little about grain raising, and we have taken care of that. We have a farm-extension service and many experts to teach them all about grain raising, dry farming, and all that kind of thing, and it has been a source of enlightenment upon that matter. But it is recognized that the ultimate permanent prosperity of the country depends upon its becoming to a very large extent a live-stock country, and it is to teach those people.

Mr. McCUMBER. The small farmer knows that; but if he has not got the credit to buy the stock and to raise it and to hold it for three years before he can begin to realize on it, all that information will be wasted. He probably knows the value of cattle now, and if he had the money to invest in buying the stock he undoubtedly would do it. Then he would know how to conserve it as well as these beef specialists.

Mr. WALSH. The Senator now precipitates an entirely different question, as to how to finance a thing when he does know.

Mr. STERLING. Mr. President, just a word. I am glad that the Senator from North Dakota has been led to read practically the entire recommendation of the Chief of the Bureau of Animal Industry. He has disclosed by reading it that the recommendation is not wholly for the purpose of teaching farmers how to build silos. The statement read shows the activities of the Bureau of Animal Industry are or will be many, certainly in regard to the raising of live stock in the Great Plains region, where there is a special field for the instruction of farmers and stock growers.

Referring to what the Senator from Montana [Mr. WALSH] has just said, the farmers went to the western part of my State, west of the Missouri River, and to large areas in his State, with the idea of being grain-growing farmers, with the idea of producing wheat largely, thinking, perhaps, they would be successful in producing wheat year after year in that largely semiarid region; but they have not been successful. Anyone who understands climatic conditions the country over can readily see why they can not succeed by devoting their energies to the growing of wheat year after year; but with the diversification of their interests there, in grain growing and stock raising, as I said a moment ago, it will become a very rich and prosperous country. The idea of this particular appropriation is to assist in demonstrating to the farmers of that region the one great and important fact that there are the facilities, there is the climate, and there is the soil, and there are the grasses, which permit this diversification. Its purpose is to teach them how they may best utilize the facilities they have and adapt them to the one great end of making that region a very productive country.

To follow out the argument of the Senator from North Dakota [Mr. McCUMBER], Mr. President, we should abolish at once at least that much of the Department of Agriculture, namely, the Bureau of Animal Industry, for each and every appropriation made here or in the annual Agricultural appropriation bill for the Bureau of Animal Industry is for something which, according to the Senator from North Dakota, the farmer himself might do or manage; and so we should do away with it all. This is simply an extension of a piece of work which we have for years regarded as most valuable—farm-demonstration work. Why teach the farmer anything about the growing of wheat or the growing of oats or the growing of corn anywhere else within the United States? Yet we have the farm agents from the Department of Agriculture in nearly all the counties of the Middle West—the great agricultural region of the country—and the farmers now would not dispense with their aid and the valuable suggestions they are able to give in regard to grain or stock raising or in regard even to the work of home eco-

nomics. The Great Plains region is a field where that kind of work is needed more than it is needed in Illinois or in Iowa or in eastern South Dakota. If there is an appropriation in this bill that is meritorious it is this appropriation of $100,000. It will provide the means to instruct and help the farmer and homesteader in bringing about that diversity of industry which will insure another rich and prosperous section of our country.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Iowa [Mr. KENYON]. [Putting the question.] The "noes" seem to have it.

Mr. KENYON. I ask for a division, Mr. President.

The question being put, on a division the amendment was rejected.

Mr. GORE. Mr. President, I send to the desk an amendment the adoption of which I move.

Mr. KENYON. I desire to suggest to the Senator that the original amendment offered by myself covered a number of items. The amendment was divided at the request of the Senator from South Dakota [Mr. STERLING]. So my amendment is not as yet disposed of.

Mr. GORE. Very well. I had overlooked that.

Mr. BRANDEGEE. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Jones, N. Mex.	Martin	Smith, S. C.
Borah	Jones, Wash.	Nelson	Smoot
Brandegee	Kellogg	New	Sterling
Culberson	Kendrick	Norris	Sutherland
Curtis	Kenyon	Nugent	Thomas
Fall	King	Overman	Townsend
Fernald	Kirby	Pittman	Trammell
Fletcher	Knox	Poindexter	Walsh
France	Lenroot	Pomerene	Warren
Gore	Lodge	Robinson	Willey
Hale	McCumber	Shafroth	Wolcott
Henderson	McKellar	Sheppard	
Johnson, Cal.	McNary	Simmons	

Mr. JONES of New Mexico. Mr. President, I desire to announce that the junior Senator from South Carolina [Mr. BENET] was compelled to leave the Chamber just a moment ago on public business. He asked me to make this announcement and that it stand for the day.

Mr. PITTMAN. The senior Senator from Arizona [Mr. ASHURST] asked me to announce that he was necessarily absent on account of official business.

The VICE PRESIDENT. Fifty Senators have answered to the roll call. There is a quorum present.

Mr. THOMAS. Mr. President, I desire to reserve the right to renew the motion to strike out the words "live-stock production in the Great Plains region, $100,000," when the bill comes into the Senate.

The VICE PRESIDENT. It is only necessary to reserve the right of a separate vote in the Senate when an amendment has been adopted as in Committee of the Whole. The next amendment proposed by the Senator from Iowa will be stated.

The SECRETARY. On page 3, line 2, after the figures "$100,000," it is proposed to strike out "production of pork, $150,000."

Mr. KENYON. Mr. President, on that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JONES of Washington (when his name was called). The junior Senator from Virginia [Mr. SWANSON] is necessarily absent on account of sickness in his family. I am paired with that Senator during his absence and therefore withhold my vote.

Mr. KNOX. I inquire if the senior Senator from Oregon [Mr. CHAMBERLAIN] has voted?

The VICE PRESIDENT. He has not.

Mr. KNOX. I withhold my vote, having a pair with that Senator.

Mr. SUTHERLAND (when his name was called). I have a pair with the Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to my colleague, the senior Senator from West Virginia [Mr. GOFF], and vote "nay."

Mr. WALSH (when his name was called). I am paired with the Senator from New Jersey [Mr. FRELINGHUYSEN]. I transfer that pair to the Senator from Arizona [Mr. ASHURST] and vote "nay."

The roll call was concluded.

Mr. FLETCHER (after having voted in the affirmative). I voted under a misapprehension. I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. I do not know how he would vote on this question if present, and I therefore ask to withdraw my vote.

Mr. PENROSE. I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS], which I transfer to the senior Senator from New York [Mr. WADSWORTH] and vote "yea." I ask that this announcement of my pair and its transfer stand for the remainder of the day.

Mr. CURTIS (after having voted in the negative). I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the junior Senator from Vermont [Mr. PAGE] and will permit my vote to stand.

Mr. FERNALD (after having voted in the negative). I transfer my pair with the junior Senator from South Dakota [Mr. JOHNSON] to the junior Senator from North Dakota [Mr. GRONNA] and will permit my vote to stand.

Mr. LODGE (after having voted in the affirmative). I have a general pair with the Senator from Georgia [Mr. SMITH]. I transfer that pair to the junior Senator from New Jersey [Mr. BAIRD] and will allow my vote to stand.

Mr. TOWNSEND. My colleague [Mr. SMITH of Michigan], who is necessarily absent, is paired with the senior Senator from Missouri [Mr. REED].

Mr. BANKHEAD. I again announce the absence of my colleague [Mr. UNDERWOOD], who is paired with the junior Senator from Ohio [Mr. HARDING]. I make this announcement for the day.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from New York [Mr. CALDER] with the Senator from Rhode Island [Mr. GERRY];

The Senator from Illinois [Mr. SHERMAN] with the Senator from Kansas [Mr. THOMPSON];

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS]; and

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY].

The result was announced—yeas 23, nays 27, as follows:

YEAS—23.

Borah	King	Martin	Smoot
Brandegee	Kirby	Nelson	Thomas
Cummins	Lenroot	Overman	Townsend
Johnson, Cal.	Lodge	Penrose	Trammell
Kellogg	McCumber	Pomerene	Wolcott
Kenyon	McKellar	Simmons	

NAYS—27.

Bankhead	Henderson	Pittman	Sutherland
Curtis	Jones, N. Mex.	Poindexter	Vardaman
Fall	Kendrick	Robinson	Walsh
Fernald	McNary	Shafroth	Warren
France	New	Sheppard	Watson
Gore	Norris	Smith, S. C.	Willey
Hale	Nugent	Sterling	

NOT VOTING—44.

Ashurst	Gerry	La Follette	Shields
Baird	Goff	Lewis	Smith, Ariz.
Beckham	Gronna	McLean	Smith, Ga.
Benet	Guion	Myers	Smith, Md.
Calder	Harding	Owen	Smith, Mich.
Chamberlain	Hardwick	Page	Swanson
Colt	Hitchcock	Phelan	Thompson
Culberson	Hollis	Ransdell	Underwood
Dillingham	Johnson, S. Dak.	Reed	Wadsworth
Fletcher	Jones, Wash.	Saulsbury	Weeks
Frelinghuysen	Knox	Sherman	Williams

So Mr. KENYON's amendment was rejected.

Mr. GORE. Mr. President, does that complete the amendments offered by the Senator from Iowa?

The VICE PRESIDENT. That does not complete the amendments of the Senator from Iowa. The next amendment will be stated.

The SECRETARY. On page 3, line 3, afer the figures "$150,000," it is proposed to strike out:

Production of poultry, $129,600.

Mr. SMOOT. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). Making the same announcement as to my pair and its transfer as on the previous vote, I vote "nay."

Mr. FLETCHER (when his name was called). Making the same announcement as to my pair as before, I withhold my vote.

Mr. JONES of Washington (when his name was called). I make the same announcement concerning my pair as I did awhile ago, and withhold my vote. I will allow this announcement to stand for the day.

Mr. KNOX (when his name was called). Repeating the same announcment as to my pair I made a moment ago, I withhold my vote.

Mr. LODGE (when his name was called). Making the same announcement as to my pair and its transfer as on the last vote, I vote "yea."

Mr. SUTHERLAND (when his name was called). Making the same announcement as to my pair and its transfer as before, I vote "nay."

Mr. WALSH (when his name was called). Transferring my pair with the Senator from New Jersey [Mr. FRELINGHUYSEN] to the Senator from Oklahoma [Mr. OWEN], I vote "nay."

The roll call was concluded.

Mr. McKELLAR. I wish to announce the unavoidable absence of my colleague [Mr. SHIELDS] on important business. I ask that this announcement stand for the day.

The result was announced—yeas 20, nays 28, as follows:

YEAS—20.

Borah	Kenyon	Martin	Simmons
Brandegee	King	Nelson	Smoot
Cummins	Lodge	Overman	Thomas
Johnson, Cal.	McCumber	Penrose	Townsend
Kellogg	McKellar	Pomerene	Wolcott

NAYS—28.

Ashurst	Henderson	Nugent	Sterling
Bankhead	Jones, N. Mex.	Pittman	Sutherland
Curtis	Kirby	Poindexter	Trammell
Fall	Lenroot	Robinson	Vardaman
France	McNary	Shafroth	Walsh
Gore	New	Sheppard	Watson
Hale	Norris	Smith, S. C.	Wilfley

NOT VOTING—46.

Baird	Goff	Lewis	Smith, Ga.
Beckham	Gronna	McLean	Smith, Md.
Benet	Guion	Myers	Smith, Mich.
Calder	Harding	Owen	Swanson
Chamberlain	Hardwick	Page	Thompson
Colt	Hitchcock	Phelan	Underwood
Culberson	Hollis	Ransdell	Wadsworth
Dillingham	Johnson, S. Dak.	Reed	Warren
Fernald	Jones, Wash.	Saulsbury	Weeks
Fletcher	Kendrick	Sherman	Williams
Frelinghuysen	Knox	Shields	
Gerry	La Follette	Smith, Ariz.	

So Mr. KENYON's amendment was rejected.

The VICE PRESIDENT. The Secretary will state the next amendment offered by the Senator from Iowa.

The SECRETARY. On page 3, lines 3 and 4, it is proposed to strike out "production of sheep, $60,000."

Mr. THOMAS. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. KNOX (when his name was called). Repeating the announcement I have heretofore made, I withhold my vote.

Mr. TOWNSEND (when the name of Mr. SMITH of Michigan was called). I desire to repeat the announcement I made awhile ago as to my colleague. I ask that the announcement stand for the day.

Mr. SUTHERLAND (when his name was called). Making the same announcement as to my pair and its transfer as before, I vote "nay."

Mr. WALSH (when his name was called). Making the same transfer of my pair as announced in the preceding vote, I vote "nay."

The roll call was concluded.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from Illinois [Mr. SHERMAN] with the Senator from Kansas [Mr. THOMPSON];

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS]; and

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY].

Mr. GERRY. I have a general pair with the junior Senator from New York [Mr. CALDER]. I transfer that pair to the Senator from Illinois [Mr. LEWIS] and vote "nay."

The result was announced—yeas 19, nays 29, as follows:

YEAS—19.

Borah	Kenyon	Martin	Smoot
Brandegee	King	Nelson	Thomas
Cummins	Lodge	Overman	Townsend
Johnson, Cal.	McCumber	Penrose	Wolcott
Kellogg	McKellar	Pomerene	

NAYS—29.

Ashurst	Jones, N. Mex.	Pittman	Trammell
Curtis	Kendrick	Poindexter	Vardaman
Fall	Kirby	Robinson	Walsh
France	Lenroot	Shafroth	Watson
Gerry	McNary	Sheppard	Wilfley
Gore	New	Smith, S. C.	
Hale	Norris	Sterling	
Henderson	Nugent	Sutherland	

NOT VOTING—46.

Baird	Calder	Dillingham	Goff
Bankhead	Chamberlain	Fernald	Gronna
Beckham	Colt	Fletcher	Guion
Benet	Culberson	Frelinghuysen	Harding
Hardwick	McLean	Sherman	Thompson
Hitchcock	Myers	Shields	Underwood
Hollis	Owen	Simmons	Wadsworth
Johnson, S. Dak.	Page	Smith, Ariz.	Warren
Jones, Wash.	Phelan	Smith, Ga.	Weeks
Knox	Ransdell	Smith, Md.	Williams
La Follette	Reed	Smith, Mich.	
Lewis	Saulsbury	Swanson	

So Mr. KENYON's amendment was rejected.

The VICE PRESIDENT. The Secretary will state the next amendment passed over.

The SECRETARY. The next amendment proposed is to strike out, on page 3, lines 4 and 5, the following:

Making cottage cheese on the farm, $52,950.

Mr. THOMAS. I call for the yeas and nays on the cheese.

Mr. SHAFROTH. Mr. President, I want to be heard on this amendment.

Mr. KENYON. I rose to withdraw the amendment, Mr. President.

Mr. THOMAS. I will renew the amendment if the Senator withdraws it.

Mr. KENYON. It seems to me, in view of the votes on the other amendments, that it might as well be withdrawn.

Mr. SHAFROTH. Mr. President, when I first came to the Senate I had the impression that nearly all of the appropriations made in this general way were wasteful. It so happened that I was appointed a member of the Committee on Agriculture and Forestry, and I attended the hearings that were had upon such items as were presented by the Agriculture Department. I gave close attention to them, and I came to the conclusion that nearly every one of them possessed great merit.

Great ridicule has been made over the proposition of appropriating money under this head:

Making cottage cheese on the farm, $52,950.

I turned to the hearings, therefore, to see what there was to sustain that appropriation. I want to read a few sentences from the hearings, and see whether every Senator will not agree that great good is being done to increase food products by the Agricultural Department along this line.

I read from page 31 of the hearings:

Mr. RAWL. One hundred pounds of milk will produce about 15 pounds of cottage cheese. When fed to hogs judiciously it will make something like 4.8 pounds of meat. Cottage cheese has more protein in it than meat, but it has not so much fat, so that we consider them approximately the same in food value. There is, then, more than three times as much human food in the cottage cheese as in the pork which may be produced from a similar quantity of milk.

* * * * * * *

It is estimated that, with the proper utilization of the skim milk and buttermilk obtained incident to the manufacture of creamery butter, it will be possible to add annually millions of pounds of good food to supply the Nation in the form of cottage cheese. These by-products—skim milk and buttermilk—could also be used in the manufacture of condensed skim milk, a wholesome and nutritious food, the demand for which is increasing, as well as in the manufacture of casein, which is now very useful in the arts and for war purposes.

Mr. BORAH. Mr. President, whose statement is this?

Mr SHAFROTH. This statement is made by Mr. Rawl, who is the Chief of the Dairy Division of the Bureau of Animal Industry:

We have secured the services of 25 experienced creamery men for a period of four months for the purpose of instructing creamery operators as to the utilization of skim milk and buttermilk by manufacturing cottage cheese and other products.

Here the problem is a commercial one and involves the assembling of the skim milk in the factories and manufacturing it commercially and putting it on the market.

Last summer we tried that out somewhat experimentally. A small force of 10 men was employed during the latter part of the season to go among the creameries where there was or could be had a supply of skim milk.

These 10 men were able to induce 58 factories to undertake this work. These factories operated for an average period of 78 days during the time that this work was in progress.

During these 78 days those 58 factories manufactured over 12,000,000 pounds of skim milk into slightly over 2,000,000 pounds of cottage cheese. None of these factories was making the product before we took it up with them. This record shows what was done during that period of 78 days.

Most of these factories no doubt have continued it.

There is another way of using this skim milk, and that is to condense it. Condensed skim milk is being used extensively in various ways. It is somewhat more difficult to conserve skim milk in the form of condensed milk, because it requires more equipment and more skill. But we were able to induce several factories to undertake that work, and during an average period of 78 days—the period this work was in progress—they utilized 7,000,000 pounds of skim milk in that way. We were able to get two factories to utilize the whey, and they saved half a million pounds of whey.

The aggregate result of this factory work for that period, which cost the department $9,442, was a saving of more than 20,000,000 pounds of skim milk for use as human food. This was manufactured into what would be the equivalent of 3,217,000 pounds of cottage cheese, and that would be equivalent to a similar amount of meat.

If this milk had been fed it would not have produced over 1,000,000 pounds of pork at the outside, so that by conserving it and using the milk as human food we are able to save 2,000,000 pounds more of food than if it had been fed to live stock. The total cost of that was $9,442.

Therefore for each dollar spent we were able to conserve as human food 342 pounds of cottage cheese. That is the result of what was done last fall, the production of 342 pounds of good food for every dollar spent. On that basis, therefore, we asked for more funds, and this spring that work was greatly enlarged by putting on 25 men to go out into the factories. These men are experienced creamery men, and they, too, are working in cooperation with the extension departments.

Mr. POINDEXTER. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Washington?

Mr. SHAFROTH. I yield to the Senator.

Mr. POINDEXTER. Was that made on the farm?

Mr. SHAFROTH. It was produced as a fit food for human beings, which was the equivalent of 3,200,000 pounds of meat. Now, do you tell me that no good is produced by these appropriations?

Mr. POINDEXTER. Mr. President——

Mr. SHAFROTH. I yield.

Mr. POINDEXTER. That was all made, according to the Senator's own statement, in factories. I wish the Senator would tell us how to make it on the farm.

Mr. SHAFROTH. Oh, Mr. President, we know that there is waste on the farm, and we know that farmers feed skimmed milk to animals, and that milk fed to animals is not worth a third of what it is worth when it is manufactured into cottage cheese. We know also that this milk will not even be conserved on the farm unless these factories are interested sufficiently to buy the milk. This was merely an experiment to the extent of $9.442. Is it possible that when we save 3,000,000 pounds of the equivalent of meat we can not say that the action of the Agricultural Department has been good, even in this so-called ridiculously absurd item, cottage cheese?

Mr. VARDAMAN. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to the Senator from Mississippi?

Mr. SHAFROTH. I do.

Mr. VARDAMAN. The Senator from Washington [Mr. POINDEXTER] said that this experiment was made in the factories. That is true; but the purpose of this appropriation is to make the experiments on the farm, and to save this food to the farmer.

I really agree with the Senator that there is scarcely an item in this bill that has not behind it a necessary and a useful purpose. I feel that larger returns than from many Government activities will come from the money invested by the General Government in these activities of the Agricultural Department.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Colorado yield to his colleague?

Mr. SHAFROTH. Certainly.

Mr. THOMAS. All these items, I assume, are made from milk. Does the Senator believe that because of that we should milk the Treasury?

Mr. SHAFROTH. No, Mr. President; they are for the purpose of making human food from milk that ordinarily is half wasted and the rest of which is fed to animals, where it does not either fatten or otherwise build up the animal. For that reason it seems to me that with an enlargement to $52,000 of this appropriation the Agricultural Department can accomplish wonders in the production of good, wholesome food. Food which is the equivalent of meat releases a corresponding amount of meat for shipment to our soldiers.

Mr. GORE. Mr. President, in further answer to the question of the Senator from Washington [Mr. POINDEXTER], which I think was very pertinent, I should like to say that the Department of Agriculture, through the agricultural and mechanical colleges of the several States, and through other organizations in the several States, have perfected a pretty complete organization in a great many States, if not in all the States. They have organized women's clubs, making an effort to carry them down to the township and even to the school district. They have secured the enlistment of thousands of women, agreeing to follow their rules and directions with respect to making cottage cheese; they have introduced the iceless refrigerator; and the same thing applies to the poultry club, an item dealt with a moment ago. It was my pleasure to attend a meeting of these State superintendents—most of them, I think, are women—and I heard their discussion here last fall; and the work that is being accomplished undoubtedly justifies and compensates for this appropriation.

Mr. KENYON. Mr. President, I was so convinced by the votes on these other portions of my amendment that the Senate is thoroughly committed to them as war propositions that I rose for the purpose of withdrawing this part of my amendment at the time the Senator from Colorado [Mr. SHAFROTH] took the floor. I am so further convinced by his remarks upon the subject that I think I should withdraw this part of the amendment. It is apparent that cottage cheese is a great necessity, both for peace, as he delineates it, and for war. From his remarks it is quite apparent that there will be no danger of any trouble in this country for lack of food if we properly develop the cottage-cheese industry, and that when everything else is destroyed we will still have cottage cheese.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. KENYON. Certainly.

Mr. McKELLAR. Does not the Senator think that we had better have an amendment here forcing the people to eat cottage cheese after we get it manufactured?

Mr. KENYON. I am not prepared to answer that question. Likewise this cottage-cheese item must be a very important item for the war. If we run out of ammunition, we may possibly be able to use cottage cheese; or if prisoners throw up their hands and cry "Kamerad" we can meet them with the charge of "schmierkase," or cottage cheese.

The ridiculousness of the whole thing is so apparent that I am not willing to waste the time of the Senate by a record vote on the subject. As the Senate has already voted on these other items, and it is perfectly impossible to strike anything out of this bill in the way of an appropriation, I ask to be permitted to withdraw that part of my amendment.

Mr. THOMAS. I renew the motion to strike it out, Mr. President.

Mr. WATSON. Mr. President, do I understand that the Senator from Colorado renews the motion to strike out the item?

Mr. THOMAS. Yes.

Mr. WATSON. That is what I was about to do.

The VICE PRESIDENT. The question is on the amendment of the Senator from Colorado [Mr. THOMAS].

Mr. WATSON and Mr. SMOOT called for the yeas and nays, and they were ordered.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. FLETCHER (when his name was called). Making the same announcement of my pair as before, I vote "nay."

Mr. SUTHERLAND (when his name was called). Making the same announcement as before, I vote "nay."

Mr. WALSH (when his name was called). Making the same transfer as announced on the preceding roll call, I vote "yea."

The roll call was concluded.

Mr. PENROSE. I have already announced the transfer of my pair, and I will let that announcement stand for the day. On this question I will vote. I vote "yea."

Mr. LODGE (after having voted in the affirmative). I did not make the announcement of the transfer on this occasion, but I have made it before; and I wish that announcement of the transfer of my pair with the Senator from Georgia [Mr. SMITH] to the Senator from New Jersey [Mr. BAIRD] to stand for the day.

Mr. GERRY. Making the same announcement as the last time, I vote "nay."

Mr. CURTIS (after having voted in the negative). I make the same announcement of pairs as on the previous roll call, and will let my vote stand. I ask to have this announcement stand for the day.

I have also been requested to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from Connecticut [Mr. McLEAN] with the Senator from Montana [Mr. MYERS];

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Illinois [Mr. SHERMAN] with the Senator from Kansas [Mr. THOMPSON];

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY]; and

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON].

The result was announced—yeas 34, nays 17, as follows:

YEAS—34.

Ashurst	Johnson, Cal.	Martin	Smoot
Bankhead	Kendrick	Nelson	Thomas
Borah	Kenyon	New	Townsend
Brandegee	King	Norris	Walsh
Chamberlain	Kirby	Nugent	Watson
Cummins,	Lenroot	Penrose	Wilfley
Fall	Lodge	Pittman	Wolcott
Hale	McCumber	Pomerene	
Henderson	McKellar	Robinson	

NAYS—17.

Curtis	Jones, N. Mex.	Sheppard	Trammell
Fletcher	McNary	Simmons	Vardaman
France	Overman	Smith, S. C.	
Gerry	Poindexter	Sterling	
Gore	Shafroth	Sutherland	

NOT VOTING—43.

Baird	Guion	McLean	Smith, Ga.
Beckham	Harding	Myers	Smith, Md.
Benet	Hardwick	Owen	Smith, Mich.
Calder	Hitchcock	Page	Swanson
Colt	Hollis	Phelan	Thompson
Culberson	Johnson, S. Dak.	Ransdell	Underwood
Dillingham	Jones, Wash.	Reed	Wadsworth
Fernald	Kellogg	Saulsbury	Warren
Frelinghuysen	Knox	Sherman	Weeks
Goff	La Follette	Shields	Williams
Gronna	Lewis	Smith, Ariz.	

So Mr. THOMAS's amendment was agreed to.

Mr. GORE. Mr. President, I send to the desk an amendment which I desire to offer at this time.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to add at the end of the bill a new section, as follows:

SEC. —. That the sum of $150,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be used for the temporary relief of farmers in the drought-stricken section of the country engaged in the production of staple agricultural products, including live stock suitable for human food.

The Secretary of the Treasury is authorized to advance out of said sum to banks situated in the drought-stricken section of the country, and which have loaned to farmers engaged in the production of staple agricultural products money at a rate of interest not in excess of the prevailing legal rate and taken as security therefor United States bonds, commonly known as liberty bonds, or other securities which may be approved by the Secretary of the Treasury, an amount not exceeding the amount of such bonds or securities at a rate of interest to be fixed by said Secretary, taking the obligation of the bank for the payment of such advances in addition to the securities held by such bank.

All such advances shall be made payable on or before November 1, 1919, and when collected shall be covered into the Treasury and become a part of the general fund.

The Secretary of the Treasury is authorized to make all necessary and proper rules and regulations to carry into effect the provisions of this section and shall report to Congress at its regular annual session in December, 1919, as to his action in pursuance hereof.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed a concurrent resolution (No. 51) authorizing the printing of 25,000 copies of the bill (H. R. 12863) to provide revenue, and for other purposes, together with the report thereon, etc., in which it requested the concurrence of the Senate.

ADMISSION OF ALIENS.

Mr. GORE. From the Committee on Immigration I report back favorably, without amendment, the joint resolution (S. J. Res. 171) authorizing the admission to the United States of aliens who are refugees from conditions created by the war.

The VICE PRESIDENT. The joint resolution will be placed on the calendar.

PRINTING OF REVENUE BILL.

The VICE PRESIDENT laid before the Senate the following concurrent resolution of the House, which was read and referred to the Committee on Printing:

Concurrent resolution 51.

Resolved by the House of Representatives (the Senate concurring). That there be printed 25,000 copies of H. R. 12863, entitled "A bill to provide revenue, and for other purposes," together with the report numbered 767 upon the same, as a House document, 2,000 copies to go to the document room of the House of Representatives, 21,750 copies to the folding room of the House of Representatives, and 1,250 copies to the Committee on Ways and Means, and that there be printed 10,000 copies as a Senate document for the use of the Senate.

EXECUTIVE SESSION.

Mr. MARTIN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock p. m.) the Senate adjourned until to-morrow, Wednesday, September 4, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate September 3, 1918.

COLLECTORS OF CUSTOMS.

Fountain Rothwell, of Columbia, Mo., to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo. Reappointment.

Richard E. Crawford, of El Paso, Tex., to be collector of customs for customs collection district No. 24, with headquarters at El Paso, Tex., in place of Zach L. Cobb, resigned.

PROMOTIONS IN THE UNITED STATES ARMY.

QUARTERMASTER CORPS.

Lieut. Col. Alexander M. Davis to be colonel from July 26, 1918.

Maj. William B. Rochester to be lieutenant colonel from July 26, 1918.

CAVALRY ARM.

To be first lieutenants.

Second Lieut. Robert C. Knowlton from July 17, 1918.
Second Lieut. Richard H. Pinney from July 19, 1918.
Second Lieut. Garland C. Black from July 29, 1918.
Second Lieut. Keith F. Driscoll from August 2, 1918.
Second Lieut. Albert G. Hunt from August 6, 1918.
Second Lieut. Egbert F. Bullene from August 9, 1918.

APPOINTMENTS IN THE ARMY.

MEDICAL CORPS.

To be first lieutenants.

First Lieut. Harlin Guilford Tucker from August 26, 1918.

First Lieut. Du Mont Frelinghuysen Elmendorf from August 27, 1918.

PROMOTIONS IN THE NAVY.

The following-named captains to be majors in the Marine Corps, for temporary service, from the 1st day of July, 1918:

Harry Schmidt,
George C. DeNeale,
Albert R. Sutherland,
Rolland E. Brumbaugh,
Earl C. Long,
Harry L. Smith,
William M. McIlvain,
Roy D. Lowell,
Selden B. Kennedy,
Miles R. Thacher,
Marion B. Humphrey,
William B. Sullivan,
George W. Martin,
George K. Shuler,
David S. Barry, jr.,
David L. S. Brewster,
Tracy G. Hunter, jr.,
Bernard F. Hickey,
John L. Doxey,
John A. Gray,
William C. MacCrone,
Charles A. E. King,
Paul C. Marmion,
Lowry B. Stephenson,
John L. Mayer,
Benjamin A. Moeller,
Archibald Young,
Clyde H. Metcalf,
Harold C. Pierce,
Norman C. Bates,
Douglas B. Roben,
Harry K. Pickett,
Maurice S. Berry,
Harold D. MacLachlan,
John B. Sebree,
Vincent E. Stack,
Theodore A. Secor,
Thomas M. Luby,
Henry P. Torrey,
George A. Stowell,
Henry L. Larsen,
William H. Rupertus,
James L. Underhill,
Louis E. Fagan, jr.,
Keller E. Rockey,
Bryan C. Murchison,
Egbert T. Lloyd,
Allen H. Turnage,
George W. Hamilton,
Louis M. Bourne, jr.,
David H. Miller,
Matthew H. Kingman,
Alphonse DeCarre,
Cecil S. Baker,
John F. S. Norris,
Arthur Kingston,
Samuel L. Howard,
Lyle H. Miller,
Anderson C. Dearing,
Ralph J. Mitchell, and
Robert O. B. Burwell.

The following-named first lieutenants to be captains in the Marine Corps, for temporary service, from the 1st day of July, 1918:

William A. Worton,
William E. Campbell, jr.,

Jonas H. Platt,
James F. Rorke,
Charles McK. Krausse,
Alan V. Parker,
John F. Horn,
Ross W. Davidson,
Glenn E. Hayes,
Stanford W. Hoffman,
Stewart B. O'Neill,
Lynn B. Coovert,
Robert A. Kennedy,
John F. Talbot,
Stanley A. Beard,
John L. Garner, jr.,
John W. Thomason, jr.,
Robert L. Duane,
Clarence Ball,
George F. Hill,
Kenneth E. Schwinn,
Dan E. Root,
Merritt B. Curtis,
Charles T. Brooks,
James L. Denham,
Herbert Hardy,
Walter T. H. Galliford,
Richard B. Buchanan,
Benjamin R. Avent,
William H. McCormick,
David R. Kilduff,
James A. Connor,
Charles N. Muldrow,
Einar W. Jacobsen,
Hugh McFarland,
Walter D. Shelly,
John T. Walker,
Bert A. Bone,
Frank W. Wilson,
Carl F. Dietz,
Oliver P. Smith,
Hugh Shippey,
Joseph G. Ward,
Robert C. Anthony,
Baptiste Barthe,
Sidney R. Vandenberg,
Robert C. Thaxton,
James D. McLean,
Thomas S. Whiting,
Robert Blake,
Henry D. Linscott,
John G. E. Kipp,
William T. Clement,
Ralph L. Schiesswohl,
Ralph E. West,
Euvelle D. Howard,
Alfred H. Noble,
Keith E. Kinyon,
William A. Duckham,
Harlen Pefley,
Frank D. Strong,
Benjamin Goodman,
Harold D. Campbell,
Lyman Passmore,
Louis W. Bartol,
Donald Kenyon,
James A. Nelms,
Clifford O. Henry,
John Sellon,
Joseph T. Smith,
Raymond E. Knapp,
Hiram R. Mason,
Horatio P. Mason,
Carleton S. Wallace,
Samuel C. Cumming,
George B. Lockhart,
John D. Macklin,
Edward L. Burwell, jr.,
Jack S. Hart,
Omar T. Pfeiffer,
Robert S. Pendleton,
Lemuel C. Shepherd, jr.,
John F. Blanton,
Drinkard B. Milner,
Roscoe A. Parcel,
James F. Moriarty,
Davis A. Holladay,
Frank P. Snow,
Samuel W. Freeny,
Julius C. Cogswell,
William H. Harrison,
Campbell H. Brown,
Edward B. Hope,
Fred W. Clarke, jr.,
Edmund P. Norwood,
Edwin R. Brecher,
Charles P. Nash,
Durant S. Buchanan,
Fielding S. Robinson,
Thomas T. McEvoy,
William H. Price,
Lewie G. Merritt,
Harry C. Savage, jr.,
John Frost,
George F. Smithson,
John P. Adams,
Henry E. Chandler,
Otto E. Bartoe,
Ernest E. Eiler,
Harold D. Shannon,
Robert M. Johnson,
Louis R. Jones,
Ramond J. Bartholomew,
Bruce B. MacArthur,
Claude A. Larkin,
Macon C. Overton,
Erwin Mehlinger,
William B. Croka,
Lothar R. Long,
Gilbert D. Hatfield,
Amos R. Shinkle,
Bruce Gootee, jr.,
George H. Morse, jr.,
Marc M. Ducote,
Wesley W. Walker,
Lewis B. Freeman,
William H. Taylor, jr.,
Lucian W. Burnham,
William K. Snyder,
Shaler Ladd,
Robert M. Montague,
Alfred C. Cramp,
James T. Yarborough,
John A. Willis, jr.,
Charles Z. Lesher,
John C. Wood,
Thomas R. Jewett,
James R. Henderson,
William T. Evans,
George D. Hamilton,
Benjamin W. Gally,
Lloyd B. Dysart,
Joseph F. Gargan,
Charles I. Emery,
Clyde P. Matteson,
Rolla R. Hinkle,
William R. Mathews,
Charles T. Lawson,
David I. Garrett,
Nathaniel H. Massie,
Richard H. Jeschke,
Sidney W. Wentworth,
Frank L. Shannon,
Samuel M. Noblitt,
Francis P. Mulcahy,
Frederic C. Wheeler,
Benjamin H. Brown,
Thomas E. Kendrick,
Benjamin L. Harper,
Alfred A. LeBoeuf,
Will H. Walter,
Alfred W. Ogle,
William van D. Jewett,
Robert S. Lytle,
Paul E. McDermott,
Albert P. Baston,
Donald J. Kendall,
Harold St. C. Wright,
Horace B. Derrick,
Leonard Stone,

Alton A. Gladden,
Lewis B. Reagan,
Dudley S. Brown,
Robert H. Pepper,
Robert L. Nelson,
John B. Wilson,
James McB. Sellers,
James D. Colomy,
Lathrop B. Flinton,
Clive E. Murray,
Joseph A. Hagan,
Ivan Langford,
Galen M. Sturgis,
Mordecai C. Chambers,
Carl W. Meigs,
Joseph W. Knighton,
Charles I. Murray,
James A. Poulter,
Karl S. Day,
George L. Maxwell, jr.,
Joseph C. Bennet,
James A. Mixson,
Cecil B. Raleigh,
George L. Maynard, jr.,
William H. Hollingsworth,
Lades R. Warriner,
John O. Hyatt,
Oakley K. Brown,
Charles D. Roberts,
Gus L. Gloeckner,
Graves B. Erskine,
Frederick I. Hicks,
Phillips B. Robinson,
Thomas W. Scott,
Leo F. S. Horan,
Felix Beauchamp,
Maurice Brulay,
James B. McCormick,
Walter R. Macatee,
Philip A. Murray, jr.,
John H. Craige,
Kortright Church,
John N. Popham, jr.,
Reginald C. M. Peirce,
Theodore C. Johnson,
Claude M. Bain,
Thomas A. Tighe,
Thomas W. Bowers,
John R. Foster,
Russell W. Duck,
David Bellamy, and
Robert W. Claiborne.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service, from the 1st day of July, 1918:

Hans H. Harders,
Paul E. Corriveau,
Milton W. Vedder,
Harold R. Ballin,
Darius T. Wood,
William W. Ashurst,
Frank C. Young,
Willard P. Leutze,
George C. Dickey,
Herbert S. Summers,
Allan MacRossie, jr.,
John W. McIver,
Walter V. Allen,
James R. Stockton,
James J. Bettes,
Philip G. Stiles,
Richard F. Boyd,
Edward J. Winters,
Hal N. Potter,
Ralph McN. Wilcox,
Clement A. Berghoff,
Bernard W. Bierman,
Walter S. Hallenberg,
Max D. Gilfillan,
Charles A. Etheridge,
Carlton Hill,
Cecil L. Eaton,
Herman A. Zischke,
William O. Lowe,
Samuel E. Lawrence,
Thomas R. Brailsford,
Wallace A. Bell,
Kenneth D. Ransom,
George W. Renwick,
Willis Brodhead,
James B. Riley,
Harry W. Le Gore,
John I. Conroy,
Morgan R. Mills, jr.,
Harold Moore,
James M. Garvey,
John W. Overton,
Donald T. Winder,
Victor A. Barraco,
Thomas O. Tate,
James G. Somerville,
Jack H. Tandy,
Augustine Healy,
Eric A. Johnston,
William N. Wallace,
Fred W. Maack,
Kenneth O. Cuttle,
William P. T. Hill,
Robert A. Bowen, jr.,
Henry T. Dunn,
William E. Embry,
Philbrick W. Jackson,
John D. Bowling, jr.,
Walter S. Weeks,
William W. Carson,
Carl G. James,
Norman R. Jensen,
Albert V. Williams,
Holcomb York,
George A. Percy,
William B. Moore,
Harold B. Hoskins,
Benjamin T. Reidy,
Paul S. Taylor,
Marshall P. Madison,
Lucian H. Vandoren,
Stanley W. Burke,
Carroll J. Single,
John L. Gregson, jr.,
Donald B. Cowles,
Thornton Wilson,
Daniel W. Bender,
Clyde N. Bates,
Richard V. Hood,
Frederick M. Bock, jr.,
Samuel W. Meek, jr.,
George H. Whisenhunt, jr.,
Carl D. Brorein,
John McHenry, jr.,
Vincent J. Fitzgerald,
Anthony W. Durell, jr.,
William R. Brown,
Moore M. Peregrine,
Dunlevy C. Downs,
James M. Wallace,
John G. Vowell,
Lewis R. Stickles,
William A. Eddy,
Lucius L. Moore,
Oliver T. Francis,
Carlos H. McCullough,
Francis J. Campbell, jr.,
Cornelius H. Reece,
John A. West,
Robert R. Dickey, jr.,
Lemuel A. Haslup,
James P. Adams,
Edward A. Fellowes,
William A. Morrison,
Haskin U. Deeley,
Frederick B. Davy,
Sparling B. Anderson,
Henry W. Paret, jr.,
Louis F. Timmerman, jr.,
Gordon M. F. Chance,
George K. Campbell,
Maco Stewart, jr.,
Harry H. Barber,
Henry R. Heebner,
Fred C. Eastin, jr.,

Robert C. Kilmartin, jr.,
Edward A. Craig,
Cameron Winslow,
Joseph Wickes,
James E. Hunter, jr.,
William O. Rogers, 3d,
Julian P. Brown,
William E. Riley,
John R. Hardin, jr.,
Albert G. Skelton,
Walter S. Fant, jr.,
Andrew L. W. Gordon,
Percival L. Wilson,
Victor Romaine,
Bernard Dubel,
John G. Schneider, jr.,
George C. Medary,
Charles C. Simmons, jr.,
Maurice P. King,
James H. B. Brashears,
Thomas G. Letchworth,
Edwin C. McDonald,
Earle M. Randall,
Leland S. Swindler,
John P. Manton,
Ernest H. Lowenthal,
Ray A. Robinson,
Howard N. Stent,
Gillis A. Johnson,
Kenneth B. Collings,
Basil Gordon,
Donald Spicer,
Ford O. Rogers,
Creswell M. Micou,
Walter G. Farrell,
Raymond T. Presnell,
Lloyd A. Houchin,
Roy M. Simpson,
William L. Harding, jr.,
John B. Neill, jr.,
David Duncan,
Lyle C. De Veaux,
Charles G. Thoma,
Greenough Townsend,
Henley M. Goode,
Ralph R. Robinson,
Floyd W. Bennett,
Norman E. True,
Thurston J. Davies,
Walter E. Bilisoly,
John K. Martenstein,
Francis J. Kelly, jr.,
Daniel B. Brewster,
Douglass P. Wingo,
Conrad S. Grove, 3d,
Dale S. Young,
Charles M. Portis,
St. Julien R. Childs,
Clifford C. Cowin,
Hamilton M. H. Fleming,
Walter I. Greth,
Frederick E. Stack,
George C. Collar,
John F. Roy,
Edward S. Shaw,
Stanford H. Moses,
Edward L. Pollock, jr.,
William J. Parrish, jr.,
Gardiner Hawkins,
Campbell R. Coxe,
Leland D. Breckinridge,
Merritt A. Edson,
Laurence T. Stallings, jr.,
Edgar A. Poe, jr.,
Edward O. Bogert,
Randolph A. Christie,
George Wale, jr.,
John A. Tebbs,
John C. Wemple,
Curtis W. Le Gette,
Cleghorn Foote,
Thomas B. McMartin,
Thomas H. Raymond,
David C. Levy,
Joseph H. Fellows,
Louis G. De Haven,
John S. Tyler,
Luther W. Jones,
Harry E. Stovall,
Chester R. Milham,
David P. Cowan,
Robert L. Montague,
Lester A. Dessez,
John R. Minter,
Robert B. Stuart,
James Wood,
Andrew R. Holderby, 3d,
Charles S. Willcox,
Fillmore W. Eiker,
Timon J. Torkelson,
Ross S. Wilson,
Merton A. Richal,
William B. Shealy,
Robert A. Barnet, jr.,
Francis B. Reed,
Frank B. Wilbur,
Lester D. Johnson,
Edgar B. Pendleton,
John Kaluf,
Judson H. Fitzgerald, and
Samuel A. Milliken.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service, from the 18th day of July, 1918:

Henry D. F. Long,
James Diskin,
Ross L. Iams,
Lee Carter,
George Nielsen,
Wyle J. Moore,
Charles D. Baylis,
Richard B. Dwyer,
William G. Kilgore,
Harry E. Leland,
Winfield S. Cranmer,
John F. Leslie,
David R. Nimmer,
William J. Platten,
Allen G. Williams,
Georges F. Kremm,
Jesse F. Dunlap,
Melchoir B. Trelfall,
Walter H. Batts, and
Trevor G. Williams.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service, from the 16th day of August, 1918:

Horace Talbot,
Edward B. Moore,
Frank W. Hemsoth,
Emil M. Northenscold,
David Kipness,
Robert K. Ryland,
William D. Wray,
Uley O. Stokes,
Earl W. Garvin,
Charles P. Phelps,
Eugene B. Hanson,
Sherman L. Zea,
Harold W. Whitney,
Claude A. Phillips,
Harry G. Fortune,
Charles E. Lighter,
Fred Thomas,
James Gandee,
William S. Cowles, jr.,
Anthony G. Armstrong,
Victor F. Bleasdale,
Bruce E. Tow,
John W. Beckett,
Russell A. Hicks,
Harold F. Swindler,
William C. Parker,
Robert L. Jarnagin,
Nathan D. McClure,
Harold T. Palmer,
John Halla,
Guy L. Ferguson,
Edward E. Mann,

Merwin H. Silverthorn,
George L. Ball,
Kenneth A. Inman,
Charles N. Briggs,
Aaron J. Ferch,
Robert S. Benepe,
James McI. Adam,
Robert L. Bard,
Russell C. Bayne,
Alphonse H. Wambsgans,
Charles T. Langan,
Arthur F. Lamey,
Jacob H. Heckman,
Charles F. Conahan,
Edward W. Staunton,
Charles E. Huntting,
Kyle C. Hash,
Norman McA. Moss,
Phillips Eastman,
Ray Sunderland,
Arthur J. Pelander,
Jesse C. Scroggins,
Charles P. Flood,
Lester N. Medaris,
Tolbert W. Wagoner,
Fred R. Sparger,
Charles C. Cameron,
Albert W. Paul,
Herbert G. Joerger,
Irving B. Purdy,
John Ayrault, jr.,
John A. Tracy,
Claggett Wilson,
Howard E. Rothrock,
Raymond F. Murphy,
Robert E. Towey,
Charles R. Francis,
Morton B. Houston,
Frank X. Bleicher,
Hubert B. McPeak,
Oscar A. Swan,
Frank B. Geottge,
Ralf C. Paddock,
Norman H. Wilson,
Joseph C. Grayson,
John A. Scanlon,
Richard L. Byrd,
Charles J. Reilly,
Walter S. Gaspar,
Donald G. Oglesby,
Edward B. Orr,
Orlando A. MacKinnon,
Henry McClintock,
Kenneth B. Stiles,
Donald G. Stookey,
Byron F. Johnson,
John H. Parker,
Robert P. Moyer,
James D. Desmond,
Harry P. Strong,
Nicholas E. Clauson,
John F. Ellis,
Alfred C. Cottrell,
Stewart W. Purdy,
Carl P. Hedberg,
Carl D. Wingstrand,
Edwin U. Hakala,
Louis J. Davis,
Roger B. Kirkbride,
Leigh A. Poole,
Richard Boydston,
Earl K. Smith,
Sydney Thayer, jr.,
Wallace G. Gibson,
Hubert J. Davis,
Earl F. Johnson,
Arnold D. Godbey, and
John A. McShane.

Second Lieut. Henry L. Hulbert to be a first lieutenant in the Marine Corps, for temporary service, from the 2d day of July, 1918.

The following-named officers on the retired list of the Marine Corps to be majors in the Marine Corps, on the retired list, for temporary service, from the 1st day of July, 1918:

Capt. Daniel W. B. Blake,
Capt. Alfred McC. Robbins,
Capt. Harold C. Daniels,
Capt. Frederic Kensel,
Capt. Frank L. Martin,
Capt. Daniel M. Gardner, jr.,
Capt. Cleyburn McCauley,
Capt. Harold Colvocoresses,
Capt. Ralph E. Walker, and
Capt. Alexander B. Mickell.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 3, 1918.

ASSISTANT SECRETARY OF THE TREASURY.

Albert Rathbone to be Assistant Secretary of the Treasury.

SECOND ASSISTANT SECRETARY OF WAR.

John D. Ryan to be Second Assistant Secretary of War.

COLLECTORS OF CUSTOMS.

Fountain Rothwell to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo.

Richard E. Crawford to be collector of customs for customs collection district No. 24, with headquarters at El Paso, Tex.

PUBLIC HEALTH SERVICE.

Dr. Charles Edward Gibbs to be assistant surgeon in the Public Health Service.

Dr. Claude William Mitchell to be assistant surgeon in the Public Health Service.

Dr. Richard Baxter Norment, jr., to be assistant surgeon in the Public Health Service.

REGISTER OF LAND OFFICE.

Edward D. Gianelloni to be register of the land office at Baton Rouge, La.

RECEIVER OF PUBLIC MONEYS.

William W. Ventress to be receiver of public moneys at Baton Rouge, La.

HOUSE OF REPRESENTATIVES.

TUESDAY, *September 3, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Father in Heaven, we appeal to Thee in all fervency of prayer for a wisdom that shall open the eyes of the world to truth, with strength, courage, and fortitude to pursue it; a love so deep, so broad, that it shall unite all mankind in the ties of brotherhood and establish an everlasting peace.

Less than this we could not pray for. More than this we do not need. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed by unanimous consent that the reading of the Journal be dispensed with, that morning business be dispensed with, and the unfinished business be temporarily laid aside, and that the proceedings of the day consist of memorial addresses on the life and character of the late FRANCIS G. NEWLANDS, a Senator from the State of Nevada; that at the conclusion thereof the Senate shall adjourn, and that the Secretary notify the House thereof.

WATER-POWER LEGISLATION.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, with Mr. WEBB in the chair.

Mr. RAKER. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. There is an amendment pending, offered by the gentleman from Mississippi [Mr. HUMPHREYS]. The Clerk will report it.

The Clerk read as follows:

Page 35, line 3, after the word "located," insert a comma and add the following: "and if the proposed project is to be located in any boundary stream or water that the applicant has secured the consent of Congress."

Mr. DEMPSEY. Mr. Chairman——

The CHAIRMAN. Does the gentleman from New York desire to speak on the amendment?

Mr. DEMPSEY. Yes.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. DEMPSEY. Mr. Chairman, I ask unanimous consent that I may proceed for 15 minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent that he may proceed for 15 minutes. Is there objection?

There was no objection.

Mr. DEMPSEY. Mr. Chairman, Niagara at the present time, under treaty with Great Britain, has 20,000 cubic feet of water per second diverted for power purposes. Efficiency at Niagara Falls would mean that that water would create 400,000 horsepower, but the water at Niagara has not been developed efficiently, and we have only 275,000 horsepower developed there.

As soon as the present Congress convened the Secretary of War, knowing that munitions of war were being made at Niagara, realizing the importance of the power there, realizing its necessity to the war, sent to the Foreign Affairs Committee a bill, which was introduced by the gentleman from Virginia [Mr. FLOOD], by which efficiency would be created at Niagara, by which we would develop the full 400,000 horsepower. That bill has been considered by the Foreign Affairs Committee for a long time, but that committee apparently is no nearer action to-day than it was when the bill was first presented. What has been the result? The Secretary of War has gone to those who were to develop Niagara efficiency and has said to them that he believes that Congress, recognizing the necessity of the munitions of war which are being made at Niagara, would beyond question pass a bill, and so he asked the men who had this matter in charge to take the chance of losing their money and start the work of development so that that additional 125,000 horsepower could be created. Those gentlemen said, "We will spend half a million dollars at our own risk," and they have spent that amount of money; but still the work is far from being finished. It is a matter of millions, not of hundreds of thousands, of dollars, and it is absolutely necessary to the prosecution of the war that that increased efficiency should be had at the earliest possible moment. The question here is simply this, whether, owing to the fact that when the rule was brought in boundary streams were excluded, we should now in terms exclude Niagara out of courtesy to the Foreign Affairs Committee, and that is the only question. That question can properly be answered by asking another: Is it more important that we should pay the courtesy to a committee than it is to create this additional water power which is so badly needed in the prosecution of this war?

On Monday I addressed a letter to the Secretary of War, which I will read to the committee. I said:

SEPTEMBER 2, 1918.

Hon. NEWTON D. BAKER,
Secretary of War, Washington, D. C.

MY DEAR MR. SECRETARY: 1. What, which is important to the prosecution of the war, is being manufactured by power derived from the water diverted from the Niagara River—stating the percentages produced there of the whole amounts made in this country?

2. Is it important to the prosecution of the war that the power produced there be increased as far as possible—that the production be made efficient at the earliest moment this can be accomplished; and if so, why?

3. Is legislation necessary, such as, for instance, inclusion of the Niagara River in the general water-power bill now under consideration by the House of Representatives or the bill now under consideration by the Foreign Affairs Committee of the House, before the power plants at Niagara can be made efficient?

4. How important is it to the prosecution of the war that enabling legislation be had without delay so that the full efficiency of the power at Niagara may be developed?

5. I ask these questions because the general water-power bill, as it now stands, is broad enough in its terms to include Niagara, and the question has been raised whether it should be excluded. Thanking you for advising me promptly, as the consideration of the bill will be resumed Tuesday and the question whether Niagara shall continue subject to it or be excluded will be determined then, I am,

Respectfully, yours,

S. WALLACE DEMPSEY, M. C.

Now, this morning just after the Journal had been read the answer of the Secretary of War was placed in my hands, and, although I have not had any opportunity to do more than simply to glance at it for less than one minute, I am going to ask the Clerk to read this letter in full; but first I am going to call the attention of the House to some specific things.

Stated in percentages, the following table shows the extent to which Niagara Falls power enters into our output of the products named:

Aluminum, 30 to 35 per cent.

Ferrosilicon, 80 to 85 per cent.

I would say that ferrosilicon, as probably is known to almost all of you, but a few of you may not know, enters into the manufacture of steel, and 70 per cent of the steel made in this country could not be made at all except by the use of ferrosilicon.

Eighty to eighty-five per cent of that absolutely necessary product is made by Niagara Falls power.

Phosphorus, 100 per cent.

Silicon, 100 per cent.

Artificial abrasives, 100 per cent.

Artificial abrasives go into all kinds of products, practically everything that helps to wage this war.

Chlorine, 75 per cent.

Electrodes, 70 per cent.

Now, without having read it before I am going to read a paragraph which seems to answer my question, as I glanced at it hurriedly, as to the necessity of legislation being had immediately:

Unless legislation is had promptly certain extensions and improvements, now under way at Niagara Falls, which were undertaken at the specific request of this department and therefore with its deliberate approval, may be suspended for lack of ability to raise the needed money. These improvements are based upon plans approved by this department; they involve the expenditure of nearly $5,000,000, and their completion will add about 60,000 horsepower to the available supply. The interests engaged in this work have found it unexpectedly expensive, and they inform me that unless permanent legislation is soon completed they may be forced to suspend work by the exhaustion of their funds and by their inability to obtain money from the banks, which are averse to lending money on property whose legal status is doubtful.

Gentlemen, that shows in a general way the situation at Niagara, and the question presented here is simply this question, whether it is more important that this committee of the House should pay deference to the Foreign Affairs Committee by waiting for it at some future time, some uncertain time, some time which will be in the regular session of December, some time in the dim distant future, some time to be reckoned having in mind the fact that the Foreign Affairs Committee have been trying to pass a bill for eight or nine years—the question is whether, with that history of the past, with, as I understand it, the statement of the chairman of the Committee on Foreign Affairs that there is no intention of taking up the bill until December, when all these projects are needed and necessary from day to day for the successful progress of the war, this committee shall wait for the Committee on Foreign Affairs. As I understand it, the Committee on Foreign Affairs is not solicitous about this matter; they have never loved the bill, they have never hugged jurisdiction, and never insisted that the bill be left for them.

It has been urged that 50,000 tourists visit the rapids of the St. Lawrence annually. Are the rights of 50,000 tourists greater than the rights of 120,000,000 Americans? Are they to be superior to the prosecution of this war? Why, there is no one who believes that navigation should not be made safe in the St. Lawrence; no one who doubts for one moment that the great power of the St. Lawrence should be at once utilized.

It is said that the Aluminum Co. of America, a great corporation, is about to develop this power on the St. Lawrence. I do not know whether that is so or whether it is not so. I do know that one of the things most needed in the prosecution of the war is aluminum, and if the Aluminum Co. of America will give it to us, in God's name let them make all they can because the War Department is at its wit's end to get aluminum. It has taken it from all the industries and devoted it to the war. Why should we oppose the further production of aluminum?

The gentleman from western New York [Mr. CHARLES B. SMITH] is a member of the committee. I am unable to state so reliably, but I am told that Mr. SMITH is in favor of this bill remaining as it is.

Now, I am going to ask that this letter be read in full. It is in answer to specific questions. I am going to ask that it be read in full so that you may have in detail before you the reasons which actuate the War Department in asking that this bill be passed in terms broad enough to include, as it does at the present time, Niagara.

I ask unanimous consent that the Clerk read this letter at this time.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

WAR DEPARTMENT,
Washington, September 3, 1918.

Hon. S. WALLACE DEMPSEY,
House of Representatives.

MY DEAR SIR: In reply to your letter of September 1, I would say that Niagara Falls power is used not only at Niagara Falls, N. Y., but at Buffalo, Rochester, and throughout the western part of that State. This is one of the most important industrial regions of the country, in which are located factories for the production of a very wide variety of war materials.

While many of these factories are, as stated, engaged in making such war materials as guns, shells, aeroplanes, aeroplane engines, motor trucks, and other things whose war use is obvious, the matter of power

supply to such industries is of less relative importance than is the case with the electric furnace and electrochemical industries, in which cheap and dependable power is a matter of the highest consequence. It is, however, a fact that cheap and dependable power is an advantage to all industries, and while labor is a more important element in making such products as are named in the opening part of this paragraph than it is in the operation of the electric furnace or of electrolytic cells, for example, still all industry thrives most where, other circumstances being equal, power is plentiful and cheap.

There are some industries, however, in which the cost of power enters as largely into that of the finished product as to cause their existence to depend upon the availability of relatively cheap power, and most of them, being continuous processes, require also an unfailing supply of continuous power.

The latter class of industries include such products as aluminum, ferrosilicon and other ferro alloys, artificial abrasives, chlorine and the sodium compounds resulting from the electrolytic decomposition of common salt, phosphorus, high-grade steel, artificial graphite, silicon, and the carbon electrodes needed in all electric furnaces. Such industries as these have become possible in this country mainly because of the cheapness, dependability, and large quantity of power to be had at or near Niagara Falls. As a result Niagara Falls itself is the center of the electrochemical industries of the country, and in a general way it may be said that the larger part of the country's output of electrochemicals is made from Niagara Falls power. The aluminum industry originated there and has since been developed at two other localities in the United States. The manufacture of phosphorus, artificial abrasives, graphite, and silicon is carried on nowhere else in the United States, while by far the larger part of the ferrosilicon and other ferro alloys, chlorine, and electrodes made in this country are also dependent upon the use of Niagara Falls power.

Stated as percentages, the following table shows the extent to which Niagara Falls power enters into our output of the products named:

	Per cent.
Aluminum	30–35
Ferrosilicon	80–85
Phosphorus	100
Silicon	100
Artificial abrasives	100
Chlorine	75
Electrodes	70

It seems scarcely necessary to dwell upon the necessity and desirability of increasing to the utmost the amount of water power generated in the United States. Our fuel situation is well known, as are the difficulties caused to our railroads by the demand for cars and engines for hauling coal, the largest single item of freight on our railroads. Water power developed and available would be useful almost regardless of its location, but in no other place in our country is water power available in such quantity and excellence as at Niagara Falls and at the same time so close to a large and important center of skilled industry. With the best boilers and machinery a continuous horsepower generated from steam would require 6 to 8 tons of coal annually, so that the water power now developed and in use at Niagara Falls saves from 1,500,000 to 2,000,000 tons of coal each year, while at the same time it makes possible the existence of some industries which, but for this power, could never have raised their heads against foreign competition. It is of the highest importance to the prosecution of the war that we increase to the utmost and at the earliest possible moment the amount of water power developed at Niagara Falls. This is shown by the fact that a careful investigation at Niagara Falls, Buffalo, and in that general vicinity last spring showed an unfilled power demand of about 135,000 horsepower, which was expected to grow to 200,000 horsepower early in 1919. Since then our Army program has been increased so that in place of 1,500,000 men we expect to maintain 4,000,000 men in France. This change will necessitate a proportionate increase in large guns, shells, small arms, ammunition, and everything that goes to make up the equipment of troops, and, unless sources of additional power are developed, we may be unable to supply these increased needs. It is to my mind, therefore, imperative that all possible additional power shall be developed at Niagara Falls, where of all places in this country it can most economically and quickly be done. Any new development at Niagara Falls should, of course, be made with the highest possible efficiency so that the maximum amount of power may be developed from the volume of water diverted.

To permit further development of power at Niagara Falls, and indeed to enable the present power companies to improve their facilities, legislation is necessary. The two companies now developing power at Niagara Falls were in existence before the beginning of the public discussions that led to the passage of the Burton Act, and since that time they have operated under revocable permits or through the mere tolerance of this department. Their status has never been definitely settled, and this involves some uncertainty and hesitation when further investments in their business become necessary. In addition the diversion authorized by our treaty with Great Britain is not fully used, and legislation should be had to permit the efficient development of the power pertaining to the unused portion as well as to enable such additional investments to be safely made as are necessary to keep the efficiencies of the two existing power plants abreast of the progress of the art. As water-power development at Niagara Falls differs in no material respect except quantity and continuity from water power developed elsewhere, I believe that sound public policy should prescribe a single law and a uniform procedure to govern the handling of the problem, and that the general water-power bill now under consideration by your House should, if necessary, be amended so as clearly to include jurisdiction over Niagara Falls. If this can not be done, then the bill pending before your Foreign Affairs Committee should be passed at the earliest possible moment. I might add, however, that once international agreement is made to indicate the extent to which both Canada and the United States may go in developing power from our boundary waters, there appears to be no other circumstance connected with the development of power from these boundary streams that calls for special treatment or legislation.

Unless legislation is had promptly, certain extensions and improvements now under way at Niagara Falls, which were undertaken at the specific request of this department, and therefore with its deliberate approval, may be suspended for lack of ability to raise the needed money. These improvements are based upon plans approved by this department; they involve the expenditure of nearly $5,000,000, and their completion will add about 60,000 horsepower to the available supply. The interests engaged in this work have found it unexpectedly expensive, and they inform me that unless permanent legislation is soon completed they may be forced to suspend work by the exhaustion of their funds and by their inability to obtain money from the banks, which are averse to lending money on property whose legal status is doubtful.

The suspension of the work now in progress would be a detriment to the public so great as almost to be a disaster. The power which it was expected to realize from these improvements has already, on the advise of our War Industries Board, been allotted to the manufacture of such products as are regarded as being most important and most in need of such stimulation. Unless this additional power is made available, we shall be short of some of the things most essential to the carrying on of the war.

For the reasons above given, I strongly urge the desirability of providing at the earliest possible moment legislation that will clearly and unmistakably indicate the terms under which the water power of the Niagara River may be improved and further developed.

Very respectfully,

BENEDICT CROWELL,
Acting Secretary of War.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to. Accordingly the committee rose, and the Speaker having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 1419, the water-power bill, and had come to no resolution thereon.

WAR REVENUES.

Mr. KITCHIN. Mr. Speaker, I present at this time the report (H. Rept. No. 767) of the Committee on Ways and Means upon the bill H. R. 12863, to provide revenue, and for other purposes.

The SPEAKER. The Clerk will report the bill by title.

The Clerk reported the title of the bill.

The SPEAKER. The bill and report are ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. KITCHIN. Mr. Speaker, I desire to give notice to the House at this time that we will call this bill up for consideration on Friday next. We think it is very important that the House should have two or three days in which to study the bill and report.

Mr. DUPRÉ. Mr. Speaker, does the gentleman intend now to ask for additional copies to be printed?

Mr. KITCHIN. Yes. Mr. Speaker, I ask unanimous consent for the present consideration of the following concurrent resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House concurrent resolution 51 (H. Doc. No. 1267).

Resolved by the House of Representatives (the Senate concurring), That there be printed 25,000 copies of H. R. 12863, entitled "A bill to provide revenue, and for other purposes," together with the report No. 767 upon the same, as a House document, 2,000 copies to go to the document room of the House of Representatives, 21,750 copies to the folding room of the House of Representatives, and 1,250 copies to the Committee on Ways and Means, and that there be printed 10,000 as a Senate document for the use in the Senate.

The SPEAKER. Is there objection to the present consideration of the resolution which the Clerk has reported?

There was no objection.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

Mr. KITCHIN. Mr. Speaker, I would like to say to the House that we are permitted to print only 1,000 copies of the hearings, and I wish to warn the Members that if they desire copies they will have to be careful to keep them because we can not print any more.

WAR PROHIBITION.

Mr. ROGERS. Mr. Speaker, will the gentleman from North Carolina yield?

Mr. KITCHIN. Yes.

Mr. ROGERS. Mr. Speaker, a great many Members who are away are very much concerned to know when the so-called war-prohibition bill (H. R. 11945) is likely to be brought up for consideration in the House. Can the gentleman give us any information as to the probability in respect to that?

Mr. KITCHIN. I do not know. I spoke to the gentleman from South Carolina [Mr. LEVER] this morning. The Senate has not yet passed the bill, and I would say that it would certainly not be here before Thursday, and I do not see how it could be taken up then.

Mr. ROGERS. But the gentleman rather thinks it will be taken up this week?

Mr. KITCHIN. I do not think it will, if it does not come up before Thursday.

Mr. ANDERSON. Of course, I take it that if it does not come up by Thursday, and we take up the revenue bill on Friday, the gentleman will not set aside the revenue bill to consider the agricultural prohibition bill?

Mr. KITCHIN. I do not see how I could do that, because I imagine we would take all day upon the prohibition measure. I take it also that it may have to go to the committee before we can consider it. I doubt whether we can get unanimous con-

sent to take it right up from the Speaker's table when it comes over from the Senate and concur in the amendments or send the matter to conference. I imagine it will have to go to the committee. I would say that the probability is that it will not be taken up this week.

Mr. ROGERS. Several Members are anxious to know.

CALENDAR WEDNESDAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent to dispense with business in order on Calendar Wednesday, to-morrow.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to dispense with business in order to-morrow, Calendar Wednesday. Is there objection?

Mr. GILLETT. Mr. Speaker, reserving the right to object, the purpose of that is to continue the consideration of the water-power bill?

Mr. KITCHIN. Yes.

The SPEAKER. Is there objection?

There was no objection.

WAR REVENUES.

Mr. SABATH. Mr. Speaker, will the gentleman from North Carolina yield for a question?

Mr. KITCHIN. Yes.

Mr. SABATH. Has any agreement been entered into as to the time for general debate upon the revenue bill?

Mr. KITCHIN. No. Our idea is to proceed without limit of debate for a day or two, and then perhaps we can see whether we ought to limit general debate or not.

Mr. BARNHART. Mr. Speaker, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. BARNHART. Has any arrangement been made in respect to printing extra copies of the bill?

Mr. KITCHIN. Yes. We have just passed a concurrent resolution in respect to that.

Mr. BARNHART. I just came into the Chamber, and I would like to submit to the chairman of the committee that I have been advised by the Government Printing Office that if this resolution specifies the kind of type that the bill shall be set in we can save two-thirds of the cost.

Mr. KITCHIN. Document type.

Mr. BARNHART. That is, 10 point, octavo?

Mr. KITCHIN. Yes.

WATER-POWER LEGISLATION.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 1419, the water-power bill.

The motion was agreed to. Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill, with Mr. WEBB in the chair.

Mr. SIMS. Mr. Chairman, this is an important amendment to an important part of the bill, and therefore I think it ought to be well understood.

The special rule creating the committee gave it jurisdiction of bills affecting water power, except bills and resolutions of which the Committee on Foreign Affairs has jurisdiction under the general rules of the House. I never investigated or examined what jurisdiction the Committee on Foreign Affairs had under the general rules of the House, but I felt that because it did not say boundary waters, that is what it meant, and we have used the term "boundary waters" all along, although it is not in the special rule. So when the hearings were being had on this bill, and a gentleman would ask before that Water-Power Committee about these matters, I would always say, "Well, under the rule under which we are acting we have no jurisdiction of bills and resolutions touching boundary waters." I reached that conclusion from the fact it was said that it excluded the bills of which the Foreign Affairs Committee had jurisdiction. Now, when the gentleman made his motion the other day I was perfectly willing that that or some other plan be adopted, but in talking to Mr. FLOOD, chairman of the Committee on Foreign Affairs several times, I said to him that if there was to be any amendment to this bill touching the subject matter of his committee I would be glad to have him prepare it and offer it. I had come to the conclusion from what I had heard in rather a general, loose way that the chairman of the Committee on Foreign Affairs was especially interested in excluding Niagara Falls in any general legislation, but I do not know that I was warranted in that at all.

Now, I have been as fair about it as I knew how to be and as liberal as I knew how to be, and I thought if the Foreign Affairs Committee wanted any amendment put on this bill for the reason that the bills of which the Foreign Affairs Committee had jurisdiction were excluded from the consideration of the special committee, they should offer it. But, of course, on the floor of the House any Member can offer an amendment that is germane to the bill, and the House has the right to consider it, as this rule does not apply to the House. Now, this morning I received the following letter from the Assistant Secretary of War, Mr. Benedict Crowell, dated September the 3d, in response to an inquiry from the gentleman from New York [Mr. DEMPSEY]. It says:

WAR DEPARTMENT,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, D. C., September 3, 1918.

Hon. T. W. SIMS,
House of Representatives.

MY DEAR CONGRESSMAN: In response to an inquiry from Congressman DEMPSEY I have to-day written him concerning the urgent necessity of legislative action providing for the disposition of the right to use water for power purposes at Niagara Falls. In view of the fact that the general water-power bill promises to become a law before it would be possible to secure action upon the measure proposed by the War Department with respect to boundary streams, I earnestly hope that it may be possible to deal with this matter in the bill now pending before the House.

I am writing to Congressman FLOOD urging him to waive the question of jurisdiction on the part of his committee, and would ask you if it may not be possible to give him proper assurance that the views which his committee hold will be given every consideration by the conferees on the general water-power bill.

Very truly, yours, BENEDICT CROWELL,
Acting Secretary of War.

Now, speaking for myself again, I am perfectly willing, if the bill as drawn without amendment includes Niagara Falls and all other boundary waters, that no amendment be adopted excluding such waters. But I had not investigated treaty provisions as to boundary waters, and I did not know but that there was a treaty provision in regard to Niagara Falls and other boundary waters that would, in effect, exclude them from the provisions of this bill as to its general jurisdiction. I have no objection to the amendment being voted down and let the bill pass as it is, but I lived up in good faith to what I believed at the time was a correct interpretation of the rule.

Mr. HARRISON of Mississippi. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. HARRISON of Mississippi. I understood the gentleman to say in the discussion last Friday or Saturday that he would not oppose an amendment being offered before the bill was finished that would take away from this bill jurisdiction over Niagara Falls.

Mr. SIMS. Or such waters over which the Foreign Affairs Committee claimed jurisdiction under the general rules of the House, if it went no further than that.

Mr. HARRISON of Mississippi. Do I understand the gentleman is to oppose this amendment offered by the gentleman from Mississippi [Mr. HUMPHREYS]?

Mr. SIMS. No; I am not opposing it or advocating it, because I asked that this portion of the bill be passed over until the Committee on Foreign Affairs had opportunity to say whether or not it wanted to amend the bill and could prepare the amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HARRISON of Mississippi. I want recognition, Mr. Chairman. I move to strike out the last word.

Mr. Chairman, I am in favor of this amendment or some amendment that will take away from this legislation jurisdiction over water-power diversion at Niagara Falls. This legislation has been before the Committee on Foreign Affairs for eight years. Recently the committee practically finished consideration of it and had a bill ready to report. Three times, I believe, a bill touching Niagara Falls power has been reported out of the Foreign Affairs Committee and passed this House. Diversion of power at Niagara Falls is a very complicated question. Treaty rights and many other questions are interwoven in that subject. There are two large power companies up there. One of them is utilizing the water to a high efficiency, the other is not. That is one question that the Committee on Foreign Affairs has given consideration. Everyone should agree that these companies be compelled to obtain the very highest efficiency from the water diverted. That question has not been considered in this bill. Many other questions incident to diversion at Niagara have been considered by the Foreign Affairs Committee that have not been considered in this legislation. When this committee was created the Rules Committee specifically considered the question of Niagara Falls power being utilized and excepted in the rule creating this committee that subject from consideration in this legislation. The gentleman realizes that. Every man on the committee must realize it, and it is not fair to the Committee on Foreign Affairs—it is not carrying out the purpose and intent for which the special committee here was created—to write into this bill legislation pertaining to water

development at Niagara Falls. And I submit it ought to be excluded. The gentleman from Tennessee [Mr. SIMS] did say last Friday or Saturday that if the Foreign Affairs Committee should consider that the development of water power at Niagara Falls should not be considered in this legislation he would not insist on it. But the chairman of the Foreign Affairs Committee is not here. He is on business in Virginia. The committee therefore is not called to meet.

In all probability we will not have a meeting, but I do know that the Committee on Foreign Affairs has given tedious and earnest consideration to this question. The Secretary of War has been before it and presented his views thoroughly before it. We have considered every possible question incident to it. The Assistant Secretary of War has never been before the Committee on Foreign Affairs to present the matter. I do not know what he knows about the question, but I am quite sure that the views of the Secretary of War ought to prevail and that your committee should not usurp jurisdiction of this question. It is not just; it is not right to do it. The gentleman from Tennessee [Mr. SIMS] admitted the other day that he did not know whether this question was embraced in this bill; did not know whether or not any question concerning the Niagara Falls diversion was in the bill. That is too big a question—by far, too important—to legislate concerning, when the committee did not consider it in writing the bill.

Mr. SIMS. The committee did not exercise any jurisdiction on that subject.

Mr. HARRISON of Mississippi. Of course not, and for that very reason this question ought to be excluded from it, and I submit that the amendment of the gentleman from Mississippi [Mr. HUMPHREYS] ought to prevail, or some similar amendment ought to prevail, that would take from this legislation jurisdiction over development at Niagara Falls.

Mr. SIMS. Mr. Chairman, I understood that we had passed over this amendment without action for the purpose of allowing the Committee on Foreign Affairs to take such action, whether in favor or in opposition, as it saw fit. I neither opposed nor agreed to what was submitted.

Mr. HARRISON of Mississippi. The Foreign Affairs Committee can not agree to what the gentleman says his committee itself has not considered. Treaty rights are wrapped up in this matter, the question of compelling these power companies to utilize the water to its highest efficiency, and many other questions included in it that have not been considered by the committee, and I submit the Niagara Falls power development should be excluded.

Mr. ESCH. Mr. Chairman, the amendment offered by the gentleman from Mississippi [Mr. HUMPHREYS] inserts these words on page 35, line 3, "if the proposed project is to be located on any boundary stream or water, the applicant has secured the consent of Congress," so that as amended the section would read:

Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located, and if the proposed project is to be located on any boundary stream or water, the applicant has secured the consent of Congress with respect to the appropriation, diversion, and use of the water for water-power purposes.

Considering the desirability of the amendment excluding boundary waters, it occurs to me that the insertion of the gentleman's amendment in the connection just cited would arouse certain doubts and ambiguities as to the interpretation of the whole section, in view of the fact that in the Western States they have the doctrine of prior appropriation of waters, a doctrine which does not obtain in the eastern sections of the country and which does not obtain in the region about Niagara Falls. So that if the amendment is inserted in the connection just recited, it would make confusion in the application of that amendment to the section.

If the gentleman desires to exclude boundary waters, I would suggest that his amendment more properly comes at the end of the last section of the bill, in which section we specifically exclude from the operation of this bill the Hetch Hetchy project, supplying the city of San Francisco with power and with water. If it is put in there, its meaning would be clear and it would not confuse the text, as would be the case if the amendment were inserted where the gentleman desires.

Now, I wish to say a few words with reference to the merits of the proposition of excluding boundary waters. In my opinion, it is better for one commission to have jurisdiction of all navigable waters and waters on the public domain and on the forest reserves, and I believe that to be the case for the very reason that the gentleman from Mississippi stated, that we ought not to create this new commission in this bill because there was already an existing Waterways Commission, and he sought to avoid duplication of work and additional expense by giving to the Waterways Commission the powers we seek to give to the commission in this bill, consisting of the three Secretaries. That same argument can be applied to his amendment. If we here have a commission that has jurisdiction of the navigable waters within the United States and waters on forest reserves and on public lands, it should have jurisdiction of boundary waters in order to avoid duplication of work and the creation possibly of an additional commission. What objection is there to this commission consisting of these three Secretaries taking charge of boundary waters? I can conceive of no objection whatever.

Why, under existing law the Niagara Falls water powers are administered by the Secretary of War under existing treaty rights. In this bill we make the Secretary of War a member of the commission, so that all the knowledge he has, all the experience he has had with reference to dams upon the boundary waters, can be brought to the attention of this commission, and the whole commission can act upon a boundary water project, and we will thus have the advice of three, instead of one Secretary. It occurs to me that we had better leave the bill as it is.

In this connection I wish to read a bit of the testimony where this very matter was brought up while Secretary Houston was on the stand. I asked him a question and referred to the water-power bill which was introduced just a little while after this pending bill was introduced in the House and was referred to the Committee on Foreign Affairs, but which has not thus far been reported. Secretary Houston, referring to that bill, said:

I see no reason for any such division—just the contrary.

Mr. ESCH. Your opinion would be, then, that the whole matter should be left to the commission provided in this bill?

Secretary HOUSTON. And, if I am not mistaken, could be dealt with under this bill.

Then he states:

My view is that the boundary waters ought to be handled by the same body, and my impression is—but I speak subject to correction—that boundary waters can be handled under the terms of this bill.

Mr. SIMS. Mr. Chairman, I want to submit a request for unanimous consent. This amendment was passed over in the debate yesterday afternoon. It has only been debated this morning. I want to see if we can not agree upon the suggestion made by the gentleman from Wisconsin [Mr. ESCH], that this amendment be reserved and offered at the end of section 29.

Mr. HUMPHREYS. That is my understanding of what the agreement was on Saturday afternoon. I thought it was agreed to.

Mr. SIMS. The gentleman from New York [Mr. DEMPSEY] only spoke of it this morning.

Mr. HUMPHREYS. That was my understanding on Saturday afternoon. It was the idea that in the meantime the Foreign Affairs Committee might get a proper amendment.

The CHAIRMAN. What is the suggestion of the gentleman from Tennessee?

Mr. SIMS. That the voting on what is known as the Humphreys amendment, or similar amendment, requiring the consent of Congress as to boundary waters, should be passed over and be offered at the conclusion of section 29 if that is satisfactory to the gentleman from Mississippi.

Mr. HUMPHREYS. I do not know what section that is.

The CHAIRMAN. Without objection, the request of the gentleman from Tennessee will be granted.

There was no objection.

Mr. SMALL. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

Mr. SIMS. Is there an amendment pending to this section?

Mr. SMALL. Then I will ask leave to proceed out of order.

Mr. SIMS. If the gentleman has no amendment to section 9, can he not wait until the next section is read?

Mr. SMALL. I have no amendment to section 9.

Mr. SIMS. Then I will ask the Clerk to read section 10, and the gentleman can offer his remarks to that section.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 10. That all licenses issued under this act shall be on the following conditions:

(a) That the project adopted, including the maps, plans, and specifications, shall be such as in the judgment of the commission will be best adapted to a comprehensive scheme of improvement and utilization for the purposes of navigation, of water-power development, irrigation, and of other beneficial public uses; and if necessary in order to secure such scheme, the commission shall have authority to require the modification of any project and of the plans and specifications of the project works before approval.

(b) That except when emergencies shall require for the protection of navigation, life, health, or property, no substantial alteration or addition not in conformity with the approved plans shall be made to any dam or other project works constructed hereunder of a capacity in excess of 100 horsepower without the prior approval of the commission; and any emergency alteration or addition so made shall thereafter be subject to such modification and change as the commission may direct.

(c) That the licensee shall maintain the project works in a condition of repair adequate for the purposes of navigation and for the efficient operation of said works in the development and transmission of power, shall make all necessary renewals and replacements, shall maintain adequate depreciation reserves for such purposes, shall so maintain and operate said works as not to impair navigation, and shall conform to such rules and regulations as the commission may from time to time prescribe for the protection of life, health, and property. No license hereunder shall have the effect of relieving the licensee from liability for any injury or damage occasioned by the construction, maintenance, or operation of said project works; and the United States shall in no event be liable therefor.

(d) That out of surplus earnings, if any, accumulated in excess of a specified rate of return upon the net investment of a licensee in any project or projects under license the licensee shall establish and maintain amortization reserves, which reserves shall, in the discretion of the commission, be held until the termination of the license or be applied from time to time in reduction of the net investment. Such specified rate of return and the proportion of such surplus earnings to be paid into and held in such reserves shall be set forth in the license. And the license may provide as to any balance of said surplus earnings that the same in whole or part shall be used in reduction of rates and annually divided and repaid to and among the persons who have paid such rate according to the amount paid by each such person during the year.

(e) That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission. When licenses are issued that contemplate the use of navigation dams or other structures owned by the United States, in the discretion of the commission the charges to be paid by the licensee may be readjusted at periods of not less than 10 years, in a manner to be described in each license: *Provided*, That licenses for the development, transmission, or distribution of power by States or municipalities shall be issued and enjoyed without charge to the extent such power is used by such State or municipality for State or municipal purposes; and that licenses for the development, transmission, or distribution of power for domestic, mining, or irrigation use in projects of not more than 50-horsepower capacity may be issued without charge; but in no case shall a license be issued free of charge for the development and utilization of power created by any navigation dam, and that the amount charged therefor in any license shall be as nearly as possible that ascertained by the commission to be the value of such power.

(f) Such further conditions not inconsistent with the provisions of this act as the commission may require.

(g) That combinations, agreements, arrangements, or understandings, express or implied, to limit the output of electrical energy, to restrain trade, or to fix, maintain, or increase prices for electrical energy or service are hereby prohibited.

Mr. ESCH. I suppose it is understood that subsections (c) and (d) are passed over. That was the understanding the other day.

Mr. SIMS. Yes; and there are several amendments to be offered to this section; but I understand that the gentleman from North Carolina [Mr. SMALL] wishes to speak for 10 minutes on the bill, without reference to any particular amendment.

Mr. ESCH. I have no objection to that.

Mr. SIMS. I have two amendments to be offered on page 37.

Mr. ESCH. But subsections (c) and (d) were passed over temporarily.

Mr. SIMS. Certainly.

Mr. HUMPHREYS. They will be subject to amendment and consideration later on.

Mr. ESCH. Certainly.

The CHAIRMAN. The gentleman from North Carolina [Mr. SMALL] asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. SMALL. Mr. Chairman, the gentleman from Tennessee [Mr. SIMS], chairman of the Committee on Interstate and Foreign Commerce, and chairman of the Special Water Power Committee created in the Sixty-fifth Congress, second session, under leave of the House made some remarks on August 31, 1918, pages 9797 and 9798 of the RECORD, from which I quote. In the first paragraph, page 9797, first column:

> The facts are that for many years we have been trying to pass a water-power bill. All bills for that purpose authorizing the construction of water-power dams on navigable rivers, of course, were properly referred to the Committee on Interstate and Foreign Commerce, and the discussion and consideration of those bills were confined entirely to the question of navigation improvement. They depended upon navigable improvements and were incidental to and grew out of them.

The gentleman in another portion of his remarks, on page 9797 of the RECORD, second column, used this language, which he said he substantially made to the President of the United States, referring to the Committee on Interstate and Foreign Commerce:

> That the Committee on Interstate and Foreign Commerce had always had jurisdiction of water-power legislation or the construction of dams for navigation purposes on navigable streams.

Mr. SIMS. I want to say to the gentleman that while I did say that I intended to say since I have been a member of the committee.

Mr. SMALL. I think the gentleman will even have to modify that statement.

Mr. SIMS. That is what I intended to express, and I may have been in error about that.

Mr. SMALL. I think the time has come to clarify the situation a little as to the jurisdiction of committees. The gentleman from Tennessee [Mr. SIMS] was entirely in error in the statements which he made. The facts are that every Government dam which has been authorized and appropriations made therefor and constructed by the Government was considered and reported on by the Committee on Rivers and Harbors. This statement applies to all Government dams which have been authorized by law since the creation of the Committee on Rivers and Harbors in 1883. It is true that Congress authorized the purchase and improvement of dams in Fox River, Wis., in 1870 and 1872 by legislation reported from the Interstate and Foreign Commerce Committee, but this, of course, was prior to the creation of the Committee on Rivers and Harbors.

In the CONGRESSIONAL RECORD of April 10, 1916 (vol. 53, pt. 6, 64th Cong., 1st sess., p. 5836), there is incorporated in the remarks of Mr. Adamson, at that time chairman of the Committee on Interstate and Foreign Commerce, a letter from the Secretary of War containing a list of Government dams in which power could be developed. All of these Government dams were authorized in bills reported by the Committee on Rivers and Harbors.

In Senate Document No. 57, Sixty-second Congress, first session, there was presented by Senator Burton on June 29, 1911, a list of the acts of Congress concerning water-power privileges at Government dams which was furnished by the War Department, and all of these Government dams had been authorized in bills reported by the Committee on Rivers and Harbors.

I submit the statement, which I think is entirely correct, that there is not a single law authorizing the construction of a Government dam which was reported by the Committee on Interstate and Foreign Commerce since the creation of the Committee on Rivers and Harbors.

And I ask gentlemen who have been active in combating the jurisdiction of the Committee on Rivers and Harbors at any time during this debate to cite a single act of Congress creating a Government dam which was not reported by the Committee on Rivers and Harbors.

It follows, therefore, that the statement of Mr. SIMS that the Committee on Interstate and Foreign Commerce had always had jurisdiction of the construction of dams for navigation purposes on navigable streams was entirely erroneous.

The two last general dam laws, the first approved June 21, 1906, and the last approved June 23, 1910, had reference only to private dams and expressly excluded Government dams from the operation of such general dam laws.

Mr. SIMS. May I ask the gentleman a question?

Mr. SMALL. Yes.

Mr. SIMS. Is it not a fact that for five or ten years—that is as far back as my memory of these things goes accurately—all bills for the purpose of erecting dams for power purposes on navigable streams have been referred uniformly by the Speaker of the House to the Committee on Interstate and Foreign Commerce?

Mr. SMALL. The gentleman is mistaken about that.

Mr. SIMS. I ask for information. I did not make any assertion.

Mr. SMALL. Oh, I beg the gentleman's pardon. Bills authorizing the construction of private dams have been referred to the Committee on Interstate and Foreign Commerce, but Government dams in navigable rivers, authorized by Congress and constructed out of Federal revenues, are within the jurisdiction of the Committee on Rivers and Harbors, and have always been reported by that committee.

Mr. SIMS. Purely for navigation purposes.

Mr. SMALL. Navigation primarily, water power incidentally.

Mr. SIMS. Then I was correct as far as my statement went in reference to bills introduced to permit private corporations and individuals to build dams——

Mr. SMALL. That was not the statement of the gentleman.

Mr. SIMS. I know, but I want to be correct. I want to say that in my statement the question of jurisdiction was a minor one, and perhaps I made an error which was not intended at all to reflect on the Committee on Rivers and Harbors or to deny them the great service performed when they did exercise jurisdiction. I see no reason why the gentleman's committee should not have jurisdiction of dams that are to be erected in those streams simply for navigation purposes, the object and purpose of which water power is an incident.

Mr. SMALL. So long as I am chairman of the Committee on Rivers and Harbors I will endeavor to preserve the jurisdiction of that committee.

The first instance in which the Committee on Interstate and Foreign Commerce reported any bill affecting Government dams or the use of same was on April 28, 1914, with reference to H. R. 16053, Sixty-third Congress, second session, Report No. 592. I refer to section 14 of that bill. The bill did not become a law. The second and last time the Committee on Interstate and Foreign Commerce reported a bill affecting Government dams was on March 21, 1916, Senate bill 3331, Sixty-fourth Congress, first session, Report No. 404. Section 19 of that bill did contain a

provision regarding the use of the power at Government dams. This bill did not become a law. No point of jurisdiction was raised against these provisions in either one of the two foregoing bills, although such legislation was clearly within the jurisdiction of the Committee on Rivers and Harbors. It is perfectly clear that the Committee on Rivers and Harbors has exclusive jurisdiction of all bills authorizing the construction of Government dams on navigable rivers and making appropriations for such construction, and it equally follows that this committee has jurisdiction of all legislation concerning the use of such Government dams for the development of water power.

The origin of all dam legislation for the last 20 years is based upon section 9 of the river and harbor act of March 3, 1899, which provides—

That it shall not be lawful to construct or commence the construction in any navigable river or other navigable water of the United States until the consent of Congress to the building of such structures shall have been obtained and until the plans for the same shall have been submitted to and approved by the Chief of Engineers and the Secretary of War.

This legislation from the Committee on Rivers and Harbors has controlled the course of all subsequent legislation concerning dams. If it were not for this provision it is quite probable that a majority of all persons desiring to construct dams would not apply to Congress but to the legislatures of their several States for authority. They would do so because the question of whether the dam was an obstruction to a navigable stream would be a question of fact and not of law. As a matter of fact, many dams are constructed where the stream is not actually navigable, and it is probable that in a majority of cases the dam would be an improvement instead of an injury to navigation.

Further illustrations may be given of laws relating to the construction of Government dams upon navigable rivers for navigation purposes. In volume 3 of the Laws Relating to Rivers and Harbors, page 72, are several laws where the Secretary of War is authorized to grant leases for navigation dams. The dams specified are in Ohio, on the Muskingum River; in Kentucky, on the Green and Barren Rivers; in Tennessee, on the Cumberland; and in Illinois, on the Wabash River. All these were contained in river and harbor acts and all concerned Government navigation dams constructed by appropriations made by the Committee on Rivers and Harbors and primarily for navigation. The bill providing for the increase of the height of Dam 17 on the Black Warrior so as to provide for the development of water power, approved August 22, 1911, was reported by the Committee on Rivers and Harbors. (See vol. 3 of Laws Relating to Rivers and Harbors, p. 54.) A provision in the river and harbor act approved February 27, 1911 (vol. 2 of Laws Relating to Rivers and Harbors, p. 1468), authorized the Ragland Power Co. to complete the dam theretofore constructed by the Government at Lock No. 4 on the Coosa River. On the Tennessee River there were quite a number of acts authorizing the Secretary of War to lease the power at Muscle Shoals, beginning, perhaps, with the act of 1907 and continuing through the last legislation upon this project. The Committee on Rivers and Harbors has continuously had charge of legislation regarding water-power development at Muscle Shoals. A special act approved April 26, 1904, gave the city of Chattanooga or a private corporation or individuals the right to construct a water-power dam at Hales Bar in the Tennessee River, which dam has been constructed, and this legislation was reported from the Committee on Rivers and Harbors.

There is no Government dam in existence in which power is developed, the legislation for which was reported from the Committee on Interstate and Foreign Commerce. On the contrary, every navigation dam in existence from which power is used has been reported from the Committee on Rivers and Harbors. The great contests in the House over the bills for water-power development on the Coosa, Tennessee, and Black Warrior Rivers, in Alabama, and the Long Sault development in the St. Lawrence River, N. Y., which involved dams of great cost and importance, were concerning bills which had been reported from the Committee on Rivers and Harbors and none of same from the Committee on Interstate and Foreign Commerce.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. DUPRÉ. Mr. Chairman, I ask unanimous consent that the gentleman have five minutes more.

The CHAIRMAN (Mr. SAUNDERS of Virginia). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. SMALL. Mr. Chairman, I am going to ask to revise and extend my remarks by including the citations which I was about to read.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. SMALL. There are only two committees of the House which, under the rules, have jurisdiction over the construction of dams, and those are primarily the Committee on Rivers and Harbors and, secondarily, the Committee on Interstate and Foreign Commerce. The Committee on Rivers and Harbors, as before stated, have exclusive original jurisdiction of all bills for the construction of Government dams on navigable rivers where the primary purpose is for the improvement of navigation and water power is incidental thereto. The Committee on Interstate and Foreign Commerce appear to have assumed jurisdiction of bills authorizing the construction of private dams. As to the Committee on the Public Lands, its only source of jurisdiction must arise, if at all, where private dams are to be constructed on streams which intersect the public domain. In such cases the United States is simply the proprietor of the lands contiguous to the stream, and as such owner is subject to the laws of the States, which is expressly recognized in the bill reported by the Special Water Power Committee.

The United States, as the proprietor of lands contiguous to streams, does not occupy the attitude of the sovereign, as it does in legislation affecting interstate commerce and navigation. The Committee on Agriculture has never attempted to exercise any jurisdiction over bills affecting dams or water-power development.

Mr. Chairman, the question has often been asked since this Special Water Power Committee was created as to the reasons for excluding members of the Committee on Rivers and Harbors from membership on this special committee. I had never intended to refer to that question publicly in the House, although it is fair to state that a flagrant injustice was done to the Committee on Rivers and Harbors. If it was the purpose to include on the special committee members of the standing committees having jurisdiction of the authorization of Government dams for navigation purposes, then necessarily the Committee on Rivers and Harbors should have been included. When the special water-power resolution was first presented to the House it was stated, and so far as I know conceded, that its membership was to be made up from representatives of the Committees on Rivers and Harbors, Interstate and Foreign Commerce, Agriculture, and Public Lands, and, some one said, perhaps one or two members from the Committee on Rules. The honorable Speaker of this House, who appointed the committee, sent for me during the consideration of the matter and informed me that he had been requested not to appoint on the special committee any members from the Committee on Rivers and Harbors because that committee had no concern or jurisdiction over dams and water-power legislation. The Speaker did not give me the name of his informant, but I learned from other sources that such statement emanated from a Member of this House who is a conspicuous member of the Special Water Power Committee.

It can be judged from the foregoing remarks whether such statement made to the Speaker was correct.

I took the trouble to go through the laws and their origin, and I submitted to the Speaker a communication in writing setting forth a large number of laws authorizing Government dams and the development of water power which had been presented by the Committee on Rivers and Harbors.

I do not wish to be understood as criticizing in the slightest the action of the Speaker in the appointment of the Special Water Power Committee, who stated in announcing the personnel of the committee that he had been informed that only members from the three Committees on Interstate and Foreign Commerce, Public Lands, and Agriculture were consulted by the President regarding the initial stages of the pending bill. It is rather a naive proposition that the Members consulted by the President on any pending legislation should control the rules of the House regarding the jurisdiction of the several committees.

Without intending to display the slightest personal resentment by any member of the Committee on Rivers and Harbors, it can be stated in all frankness that a flagrant injustice has been done to the Committee on Rivers and Harbors. I would hesitate to state that any deliberate misrepresentation in this respect was made, and, in charity, it must have been made through ignorance.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. SMALL. Mr. Chairman, I ask unanimous consent to proceed for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SMALL. Mr. Chairman, the gentleman from Tennessee [Mr. SIMS] inadvertently, as I believe, made an erroneous statement as to the jurisdiction of the Committee on Rivers and Harbors. I desire to give notice that the Committee on Rivers and Harbors will do everything that is appropriate and within its power to preserve its rightful jurisdiction. The committee feel no resentment about their noninclusion on this Special Water Power Committee; and if that had been the only motive, I would not have consumed the time of the House.

Following are the letter and statement referred to:

WAR DEPARTMENT,
Washington, March 11, 1916.

Hon. WILLIAM C. ADAMSON,
Chairman Committee on Interstate and Foreign Commerce,
House of Representatives.

SIR: In further reply to your letter of January 30, 1916, requesting information for the use of the Committee on Interstate and Foreign Commerce in considering some of the details of water-power legislation, I have the honor to advise you as follows:

1. The total amount appropriated by Congress for the improvement of the Mississippi River between St. Paul and Minneapolis to date is $2,391,600. The total amount expended to January 31, 1916, was $1,544,583.44 for Lock and Dam No. 1 and $739,644.14 for other work. The estimated cost of completion of Lock and Dam No. 1 is $170,000.

2. The actual construction of Lock and Dam No. 2 began in the spring of 1898. This is a low dam built for navigation purposes only, has no effect on the water-power project, and will be drowned out by the high dam authorized in 1910 and now under construction. The appropriations and expenditures given in the preceding paragraph include work on this lock and dam.

3. The estimated time of completion of the contract: Some time during the navigation season of 1917.

4. As to the amounts paid for real estate, flowage rights, etc.—The total cost of land and flowage rights, including the cost of the sites of the two locks and dams, has been $24,970 to date. The State of Minnesota and the city of Minneapolis have deeded land and flowage rights without consideration, but no stipulation has been made that either they or the city of St. Paul should acquire any part of the water power to be developed at Lock and Dam No. 1. It should be stated, however, that the flowage right conveyed by the city of Minneapolis was under the original project and subject to a limitation as to the height of the dam. Under the present project the dam will be above that limit and the conveyance will be void on that account. Both cities have declined to convey the flowage rights now needed without consideration, and agreements have been reached whereby the city of Minneapolis will be paid $15,000 and the city of St. Paul will be given part of the Government land at Lock and Dam No. 2, which is valued at about $6,000.

Very respectfully,

NEWTON D. BAKER,
Secretary of War.

Memorandum of acts of Congress, and the projects constructed in accordance with them, establishing power privileges on dams owned or constructed in whole or in part by appropriations by Congress.

River.	Location.	Part constructed.		Quantity of power.		Project document.	Acts of Congress.	Present status.	Affected by pending amendment to general dam act.
		By United States.	By other agency.	Developed.	To be developed.				
1. Fox	Neenah, Wis.	Rebuilt by United States.	Built originally by private company.	2,433			July 7, 1870 June 10, 1872	Complete	No.
	Appleton, Wis.	do	do	6,000			do	do	No.
	Little Chute, Wis.	do	do	8,000			do	do	No.
	Kaukauna, Wis.	do	do	781			do	do	No.
	do	do	do	2,500			do	do	No.
	do	do	do	725			do	do	No.
	do	do	do	700			do	do	No.
2. Muskingum	Zanesville, Ohio			1,138			Aug. 5, 1886	do	No.
	Duncan Falls, Ohio			540			Aug. 11, 1888	do	No.
	Stockport, Ohio			985			do	do	No.
	Luke Chute, Ohio			1,045			do	do	No.
	Beverly, Ohio			564			do	do	No.
	Lowell, Ohio			1,220			do	do	No.
	Marietta, Ohio							do	No.
3. Green and Barren.	Kentucky						Aug. 11, 1888 Sept. 19, 1890		
4. Cumberland	Dam No. 1, Nashville, Tenn.						June 13, 1902 amended June 28, 1902		
5. White	Dam No. 1, Arkansas	United States					June 28, 1906		
6. St. Marys	Sault Ste. Marie, Mich., Edison Sault Electric Co.	Extension deducted from rentals.	Private company.				Mar. 3, 1909		No.
	Sault Ste. Marie, Mich., Michigan Northern Power Co.	do	do	10,000	30,000		do		No.
7. Mississippi	St. Paul, Minn.	United States			15,000	H. Doc. 741 (61, 2)	June 25, 1910	77 per cent complete.	Yes.
8. Black Warrior	Dam 17, near Kellerman, Ala.	do			10,000	H. Doc. 72 (62, 1)	Aug. 22, 1911	Lock and dam complete. No power developed.	Yes.
9. Coosa	Dam No. 4, Alabama	do					June 4, 1906 Mar. 4, 1911		
10. Coosa	Dam No. 12, Alabama		Private company				Mar. 4, 1907	Completed Mar. 4, 1914.	
11. Hudson	Troy, N. Y.	United States			4,000	H. Doc. 719 (61, 2)	June 25, 1910	Completed	Yes.

MEMORANDUM.

1. Dams on Fox River, Wis.: The Fox River improvement, with a series of locks and dams, was purchased from the Green Bay & Mississippi Canal Co. for the sum of $145,000 appropriated by act of Congress approved June 10, 1872. Under the terms of the transaction the Government simply purchased the line of water communication, the water powers created by the dams being reserved to the company.

2. Dams on Muskingum River, Ohio: By a provision in the river and harbor act of August 5, 1886, Congress accepted from the State of Ohio the Muskingum River improvement, with all the locks, dams, canals, franchises, and property rights of every kind, including all water leases and rights to use water then running and in force between the State and private persons or corporations. In the river and harbor act of August 11, 1888, a provision was incorporated authorizing the Secretary of War to grant leases or licenses for the use of lands and water powers belonging to the United States for such periods of time and at such rates as he might deem just and expedient.

3. Dams on Green and Barren Rivers, Ky.: The Green and Barren Rivers improvement was purchased by the United States in pursuance of authority granted in the river and harbor act of August 11, 1888. The improvement consisted of a number of locks and dams built by a navigation company at which the surplus water was leased, and in the river and harbor act of September 19, 1890, Congress authorized the Secretary of War to continue the practice and to grant leases for periods not exceeding 20 years.

4. Cumberland River, Tenn.: By an act approved June 28, 1902, amendatory of the river and harbor act of June 13, 1902, Congress authorized the Secretary of War to lease the surplus water not required for navigation at Dam No. 1 on this river. No leases have so far been granted.

5. White River, Ark.: By an act approved June 28, 1906, Congress granted to the Batesville Power Co. the right to make construction for the development and use of water power at Lock and Dam No. 1, and for that purpose to withdraw water from the pool formed by said dam, the Secretary of War being authorized to fix from time to time the charges to be paid by said company for the use of said power.

6. St. Marys River, Mich.: In the river and harbor act of March 3, 1909, Congress provided that any excess of water in the St. Marys River at Sault Ste. Marie over and above the amount required for navigation shall be leased for power purposes by the Secretary of War upon such terms and conditions as in his judgment shall be best calculated to insure the development thereof. Under this authorization two leases have been granted—one to the Edison Sault Electric Co. and one to the Michigan Northern Power Co. These two leases cover practically all the surplus water belonging to the United States not needed for navigation at the rapids of St. Marys River, and each runs for a period of 30 years.

7. Mississippi River from St. Paul to Minneapolis: The river and harbor act of June 25, 1910, adopted a project for improvement which contemplated the construction of a high dam, and the leasing of water power created thereby, at rates that will insure a reasonable compensation to the United States. No leases have been made.

8. Dam 17, Black Warrior River, Ala.: By act approved August 22, 1911, Congress authorized the Secretary of War to change the plans for the construction of Dam No. 17 so as to increase its height to 63 feet, the object being: To render unnecessary the building of Locks 18 and 19, to provide for the extension of navigation up the Mulberry and Locust Forks of the river, and for the development of water power.

The lease of water power thus created has not been authorized by Congress.

9. Coosa River, Ala., Dam No. 4: By an act approved June 4, 1906, Congress authorized the Secretary of War to make a contract with any individual or corporation to complete the dam and forebay at Dam No. 4, and in consideration thereof the contracting party was to have the use of the surplus water for manufacturing purposes. No contract was made under this authorization, and in the river and harbor act of March 4, 1911, the Secretary of War was authorized to make a contract with the Ragland Water Power Co. to complete this dam, in consideration of which the company was to have the use of the surplus water for 50 years. A contract was entered into with the said company, but the work was not done, and the time limit for completion fixed by the act has expired.

10. Coosa River, Dam No. 12: By an act approved March 4, 1907, the Alabama Power Co. was authorized to build a dam at the site selected for Lock and Dam No. 12, and to use the water for power purposes, on condition that the Government should have the right to build a lock and control the dam for purposes of navigation. The dam was completed by the company within the time prescribed by the act.

11. Hudson River, near Troy, N. Y.: No provision for developing power has as yet been made nor is there any authority for disposing of it.

Mr. SIMS. Mr. Chairman, I want to make a short statement, not over five minutes, in connection with the personnel of this special Water Power Committee.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. SIMS. Mr. Chairman, I tried to state the facts as I understood them, as to the constitution of the committee. The President sent for members of the Committee on Interstate and Foreign Commerce, the Committee on the Public Lands, the Committee on Agriculture, and asked if a special rule could not be adopted creating a special water power committee, the membership of which was to come exclusively from those three committees. I say "exclusively" simply because the President did not mention any other committee. The rule was brought in in that way and was put through in that way, and afterwards when we were discussing who were to be members of the committee, in the presence of Mr. ESCH and Mr. DOREMUS, I stated to the Speaker that the proposition was made to these three committees, two of which had to surrender jurisdiction of bills then before them if it was created, and that memberships from no other committee was mentioned, and that I for one not only could not consent to have members of other committees go on that committee, but that I would strongly oppose it for the very reason that it had been stated to my committee—as I stated so to them myself—that the special committee was to be composed of an equal number from the three committees, and, after having stated that to my committee and the committee agreeing, I personally representing them could not consent to put anyone else on it, whether Ways and Means, Judiciary, or any other. But I had not the slightest thought of objecting to the members of the Committee on Rivers and Harbors because they were on that committee, because I do think that with the knowledge they necessarily acquire about the navigable streams of the country they are doubly competent to pass on navigation dams or power development from navigation dams, and if they had been considered—I mean had been proposed—at the start no one would have objected to it, I am satisfied; I know I would not.

Mr. SMALL. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. SMALL. I understood the gentleman to disclaim that he had any part in urging that members of the Committee on Rivers and Harbors be excluded from this committee.

Mr. SIMS. I did not specifically name any committee; I simply objected to members of any other committee being added to the committee after the resolution was adopted in which it was provided for them to come exclusively from those committees. The rule itself does not so specify, but discussion was had on that line and all that I submitted to my committee.

Mr. SMALL. I understand the gentleman to say that he did not ask the Speaker to exclude members of the Committee on Rivers and Harbors from this committee?

Mr. SIMS. Of no committee. I do not remember whether the Speaker said anything about the Rivers and Harbors Committee; he may have done so. I do not remember every conversation I had with the Speaker. I may have talked with him when there was no one present but him and me, but I do distinctly remember the time when it was up fully and discussed fully, when I made my statement, that Mr. ESCH and Mr. DOREMUS were both present. If there was any other gentleman present I do not remember it now.

Mr. SMALL. As I have before stated, I would not have addressed the committee upon this matter if the only cause had been the exclusion of members of the Committee on Rivers and Harbors from membership on this special committee. It was the question of jurisdiction particularly I desired to present.

Mr. SIMS. I am very glad the gentleman from North Carolina has made the statement about the jurisdiction, because I did not know it near so well as the gentleman has given it.

Mr. SMALL. May I ask the gentleman who did represent to the Speaker of the House that the Committee on Rivers and Harbors has no jurisdiction as to Government dams or water powers to be developed from them?

Mr. SIMS. So far as dams for navigation purposes, I would not have made such a representation, because I know they have constructed such dams, but dams for the purpose of developing water power on navigable streams I understood to be exclusively within the jurisdiction of the Committee on Interstate and Foreign Commerce, as I have never known such a bill to be referred to any other committee.

Mr. SMALL. The gentleman differentiates between private dams and Government dams.

Mr. SIMS. As to jurisdiction, yes. I think the River and Harbor Committee has jurisdiction over all Government dams for navigation purposes.

Mr. SMALL. Every one of them?

Mr. GILLETT. Mr. Chairman, my interest in this bill is mainly that the House shall pass some bill under which the water power that is lying idle all over this country shall be developed. Now, it seems to me—and I impute no motives at all—that the attitude in the past of the chairman of the committee and of the gentleman from Oklahoma [Mr. FERRIS], and men who sympathize with them, has been such as to prevent any legislation under which this water power could be developed, and I am anxious that we should get some legislation under which it can be.

Mr. FERRIS. Will the gentleman yield right there?

Mr. GILLETT. Certainly.

Mr. FERRIS. The gentleman can not say we are preventing it when the facts are that four times we have passed the bill through the House by unanimous consent.

Mr. GILLETT. But the bills were such that I am afraid under them, even if they had become law, no development would have taken place.

Mr. FERRIS. The House could not have shared the gentleman's fears or it would not have passed these bills by unanimous consent.

Mr. GILLETT. They passed them by unanimous consent not because they agreed to them but because they found by the contests in the committee that the majority of the House so desired.

Mr. FERRIS. Oh, well.

Mr. GILLETT. And it may be so now. I am afraid now this bill may never become the law. You may manage to get it through the House, but I am afraid the same thing may happen now that did in the past and that the bill will appear so useless that the Senate will not pass it. Gentlemen claim that they are endeavoring to protect the Government. I thoroughly agree the Government ought to be fully protected; but, on the other hand, it will not do to hamper the men who want to develop power so closely that there is no inducement for them to go in and make the investment, and I am afraid that is what has happened in the past, and therefore the Senate has not agreed to the bill. Personally I do not see how the Government, simply by its control over navigable streams, has any real practical title for which it is entitled to any returns. It is a mere theoretical right that the Government has over most navigable streams. Take the river in which I am most interested, and it is a good specimen—take the Connecticut River about 50 miles from the sea. There is a ledge of rocks extending for 2 or 3 miles which absolutely stops navigation. Now, there is not any commercial navigation above it. There are some locks and a canal around the ledge, which were built by private parties, which will take pleasure boats around, but there has been hardly any commercial navigation for years, and yet the Government, because the Connecticut River is called a navigable stream, forbids anybody building a dam there. The ledge of rock absolutely prevents navigation, and if a dam was built there it would not prevent it more than the ledge prevents it now, but, on the contrary, it would assist navigation. We have appealed to the Government to build a canal, but the Government will not do it. Then a petition was made for a charter to allow a company to build a dam there in connection with which the Government could have built, at a relatively small expense, locks to give us navigation. That bill aroused a long debate in Congress and at the end of that debate the charter was refused. Now, the Government had not any title to that water at all. If the dam had been built it would have been a great advantage to the whole region industrially, because it would have given them an enormous water-power right in the midst of a great industrial population, and, moreover—and that is the feature in which I am most interested—

there would have been given navigation up to my home city of Springfield. This corporation was ready to invest the necessary millions for the dam, and the Government experts, the Government engineers, investigated and said it was feasible and that the Government should adopt the project and build the locks.

Mr. SMALL. Will the gentleman permit an interruption?

Mr. GILLETT. Certainly.

Mr. SMALL. The Chief of Engineers has submitted an elaborate report——

Mr. GILLETT. Yes.

Mr. SMALL. Combining recommendations both for the improvement of the upper reaches of the Connecticut River for navigation and the development of water power?

Mr. GILLETT. Yes.

Mr. SMALL. And reports that a large volume of water power could be developed?

Mr. GILLETT. Yes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GILLETT. Mr. Chairman, I ask that I may have five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. GILLETT. In a moment. I am very much obliged to the gentleman from North Carolina for his interruption. I, of course, am familiar with the report and with this condition, and it was that report of the engineers that I wanted carried out. But Congress would not pass the legislation permitting it. I hope this bill will accomplish it. I now yield to the gentleman from Vermont.

Mr. GREENE of Vermont. The gentleman, of course, recalls that further up the Connecticut River my own State of Vermont has exactly the same kind of interest. The Government there has exercised a sort of paternal withholding hand to protect property which theoretically it can use but which practically it has no use for whatever.

Mr. GILLETT. I was not aware of that, because I confess it seems rather absurd for the Government to pretend that the Connecticut above the Holyoke Dam is a navigable stream.

Mr. GREENE of Vermont. It is on the basis, of course, that it is the water flowing down which makes the navigation below.

Mr. SIMS. Did not the gentleman support a bill here for the purpose of encouraging the Appalachian rainfall in order to create water for navigable streams?

Mr. GILLETT. Certainly. Why not? That does not help us any until we can get some locks or canals around these natural obstructions. And not only will you not allow the Government to do that, but you will not allow private persons to build a dam there and thus permit locks and canals to be erected.

Mr. SIMS. Probably waiting for the increased rainfall the gentleman is trying to provide for.

Mr. GILLETT. There is plenty of water if we only had this dam, for there is 8 feet of water for miles above this obstruction, but the dam is not allowed on the theory that the Government has a title to that water and therefore ought to have some remuneration for it. Now, I sympathize with the purpose of the gentleman to protect the Government. There is no question that in the past in the matter of railways, for instance, we were careless and prodigal and threw away millions of dollars, which these railroads unnecessarily received. At the same time we ought not to forget that in that way we brought about a speedy development of this country which would not have come in any other way, because unless we offer an inducement to men to embark in enterprises with profit we can not expect them to go into them. And in that way we developed the country and we developed the enterprising, upbuilding spirit which we call American. The danger I fear in this bill even as it stands to-day is that it is not attractive enough for capital to be invested, and that the bill will not accomplish the end desired and that little development will result from it. The reason I oppose the vital amendment is that I am afraid under that, uncertain as it is, there is still less chance that capital would develop these great water powers. Now, in the last 10 years, if capital had been allowed to develop the water power and if the Government had been more liberal, the advantage which the Government would have gained and the profits which this whole country would have received would have far more than compensated for any profits or advantages which the Government will now get under either of these propositions. It would have been much more advantageous for us if we had given a much more liberal bill 10 years ago than it will be for us to give this to-day. And, as I say, I am afraid under this bill to-day the great danger is that it is not attractive enough so that the water powers which ought to be developed in the country will still run unharnessed to the sea, and while we are debating about saving money for the Government opportunities and profits are steadily and rapidly running to waste. I shall vote for whatever provision I think is most likely to cause water power to be developed, believing that every clause is at least sufficiently guarded to thoroughly protect the Government.

Mr. TAYLOR of Colorado. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Colorado offers an amendment which the Clerk will report.

Mr. SIMS. I want to say that this matter will be more interesting to gentlemen in the West, where irrigation exists, and therefore the time will be and ought to be consumed by them, and I want to ask the gentleman from Colorado and others interested in this amendment about how much time they want, and let us close debate at a certain time with the understanding that it be used largely by those gentlemen.

Mr. SMALL. Let the amendment be reported.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of Colorado: Page 35, line 17, after the word "development," strike out the word "irrigation."

Mr. SIMS. Now, I would like to get unanimous consent as to this. I do not intend to participate in the debate myself.

Mr. TAYLOR of Colorado. I would like five minutes on this and five for——

Mr. ESCH. Ten minutes on this side.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto close in 20 minutes.

Mr. RAKER. Mr. Chairman, I am opposed to the amendment, and I want to call the committee's attention to the hearings.

Mr. SIMS. Mr. Chairman, we will never get through with this bill.

Mr. TAYLOR of Colorado. We have put in two hours doing nothing this morning, and now we have gotten to the bill.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that debate on this amendment shall continue for 30 minutes, one-half for the amendment and one-half against it.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the debate on this amendment and all amendments thereto shall terminate in 30 minutes, to be equally divided between the two sides.

Mr. MONDELL. Mr. Chairman, reserving the right to object, I think all the gentlemen who have asked for time on this side are in favor of the amendment. The three gentlemen who have asked for time on this side are in favor of the amendment.

Mr. SIMS. It seems to me it is an unusual demand.

Mr. MONDELL. The gentleman from California [Mr. RAKER] wanted 10 minutes.

Mr. RAKER. I want the time equally divided. The committee have reported the bill with this amendment in here, and it is one of the big important things in the bill.

Mr. SIMS. Let us have the unanimous consent, and I hope the gentleman will not use all the time, although it is a vain hope.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. TAYLOR of Colorado. Mr. Chairman, my object in moving to strike out this word "irrigation" is this: This is a water-power bill. The purpose of this legislation is to regulate the water power of the entire United States, both upon the navigable and nonnavigable streams. It is purely a water-power measure and we have no right in this bill to include and interfere with other subjects that are not necessarily involved in water-power control. Section 27 of the bill, which was inserted upon my motion and after vigorous insistence and discussion, is, as all western Members will readily recognize, a literal copy of section 8 of the irrigation and reclamation law of June 17, 1902, and is put into this bill, the same as it was inserted in the reclamation law, for the purpose of protecting the water rights—that is, the irrigation rights of the people throughout the arid West, and every western man knows how tremendously important that section has always been in guarding the vested property rights of the irrigation of the Western States. Everyone who knows anything about western development or about irrigation or the waters of the streams of the Western States knows that the Congress of the United States in 1866 and 1872 expressly gave the waters of the streams throughout the arid West to the people of those States in order that they might use them for the irrigation and reclamation of the arid land of those regions. The waters were given absolutely, to be diverted from the streams under a right of appropriation for irrigation, domestic, mining, and other beneficial purposes. When those

States were admitted into the Union the enabling acts of Congress admitting them, and the constitutions which they each adopted and which were ratified by Congress and approved by the President, contained provisions expressly dedicating forever the waters of those streams throughout the West to the people of those States to be by them appropriated and used.

And while there is a constant effort being made in Congress off and on all the time to either directly or indirectly undermine or encroach upon the vested water rights of the West, especially for irrigation purposes, every western Senator and Representative has diligently and constantly watched and jealously guarded as a sacred heritage the vested water rights of the arid West. Every time an effort has been made like this is to inject into a bill some provision that will allow some Federal bureau or commission or outside or Federal control to exercise authority over our water rights there has always been a concerted, and, thank fortune, a successful fight made by the western Members against it. I know my good friend from California [Mr. RAKER], who secured the insertion of this word "irrigation" in this bill at this place, has the best possible intentions. I know he does not intend by this provision to surrender our western vested rights. But I am equally positive that this provision would do that very thing. It would give this water-power commission, sitting here in Washington City, authority and jurisdiction over the use of the water of our western streams under the guise of water power, and with this clause regarding irrigation development in the bill this commission could and would not only complicate, supersede, and override our irrigation laws of the Western States but would determine the quantity and character of every western irrigation development and the amount of water every irrigation ditch might carry.

The doctrine of priority of appropriation is the foundation upon which the agricultural development of the West has been built. And no words could describe the amount of damage that could be inflicted upon the vested property rights of the West—the titles of our farms, our canals, our reservoirs, and fertile fields and orchards—if any provision should now be allowed to creep in that would unsettle or in any way jeopardize those vast vested rights.

We inserted this reservation clause—section 8 of the reclamation act—in the Hetch Hetchy law for the protection of the water rights for San Francisco at my instance and I have put it in several other bills. And I earnestly hope this committee will strike out this reference to irrigation in this section and will retain section 27 in this bill and prevent untold complications, conflicts of jurisdiction, litigation, and loss of property rights, which will certainly ensue if you do specifically and expressly confine this bill to water-power legislation and not interfere with or complicate the irrigation laws and rights of our Western States.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. RAKER. Mr. Chairman, my distinguished friend from Colorado [Mr. TAYLOR] is mistaken as to the effect of the amendment. I want to call the attention of the committee to the fact that when those who had experience in this matter appeared before the committee they agreed that this ought to be in the bill. I refer to the statement of Mr. Merrill, as found on page 20, and then again on pages 89, 90, 94, and 123. I again find the statement of Mr. BRITTEN, on pages 238, 239, and 240, saying that this ought to go in as a conservation measure. I find the statement of Mr. Chadwick, of New York, on page 279 of the hearings. He believed that this ought to go into the bill because it is one of the great objects of the legislation.

Mr. MONDELL. Is Mr. Chadwick an authority on irrigation?

Mr. RAKER. Yes; he is an authority.

Mr. TAYLOR of Colorado. Is Mr. Merrill?

Mr. RAKER. The statement of Mr. Pierce appears on pages 336 and 337. He has had much experience in the development of hydroelectric energy from water power, and he said, in response to my question:

> By all means and under all conditions the commission should require the project to be so constructed as to conserve the water after it has been used for hydroelectric purposes, so that it can be used for irrigation.

And last but not least the man on whom you are depending for this legislation, and who has had more experience on the subject than practically anybody else, is Secretary Lane, who gave his testimony before the committee, and whose testimony is found on pages 454–457. He says:

> Yes, Judge, by all means ought this provision to be placed in the bill.

Now, by way of illustration, Mr. TAYLOR, to my mind, has not rightly conceived the purposes of the act of 1866, as amended by the act of 1870, and the subsequent acts in regard to the rights of way over the public domain and forest reserves, because, as he reads those rules and regulations, he will find that there is not a single stream to-day in the Western States where you do not have to file an application and obtain permission, if it is over the public lands, from the Secretary of the Interior, and if it is over the public forest reserves it must be granted by the Secretary of Agriculture. To-day you can not get the right to appropriate the water and use it as provided in those rules and regulations without getting the consent of these parties. This is to avoid the question of a revocable permit, to the end that we might have a real and proper development.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. RAKER. I can not yield at this time.

The CHAIRMAN. The gentleman declines to yield.

Mr. RAKER. I want to make this matter clear before I get through. Speaking as one familiar with the irrigation laws of the West, familiar with the development of hydroelectric energy, I realize, as everybody must realize and know, that there is not a hydroelectric plant, if built properly and handled, that does not conserve and utilize to the highest degree all the capabilities of the water. All these great projects in the Pacific Electric Coast Co. do that. After they go up into these canyons in the Sierra Nevada Mountains and generate electricity they have so arranged their overflow and so arranged the waters as it leaves the wheels that they can take it up and bring it on these old mining ditches on the sides of the canyon and bring it down for purposes of irrigation to those fertile fields that are now being successfully developed—those splendid orchards and fields and gardens that have been made possible by virtue of the use of the water after it has been used by hydroelectric energy for hydroelectric purposes; so that in the West there is not a place where there is a dam or a stream that can be utilized but what there are thousands, and in many instances hundreds of thousands, of acres of desert lands lying open and unused and ready for the application of this water to them; and all this bill means and says is——

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. I had half of the time. I have five minutes more, and I will use them now. The commission finds that in the granting of licenses, the permitting of this company to utilize the waters and lands—and it gets its right by applying to the State for it—incidentally there is a sufficient amount created for hydroelectric purposes, and below are a hundred thousand acres of land for irrigation. The company can, if it wants to be hoggish, drop the water into the stream so it can not be picked up and the land irrigated. But it is the purpose here to make a thorough investigation of the plans and specifications, practically to the end that the man who gets the license for the hydroelectric plant must so discharge his water from the dam and the take-out that it can be picked up by the next plant and used for irrigating this vast tract of desert land in the West that is lying all over these 16 public-land States, to the end that the land may be irrigated and thereby fully utilized. And in every case if you permit the hydroelectric company to take the water and conduct it and use it by virtue of its dams and reservoirs and ditches so as to place the water in the stream below so that it can not be taken up for irrigation, you not only retard but you prevent development in all these Western States, whereas by a conservative use, by proper intelligence and good business judgment, and by the investigation of the plans and specifications by this commission, they can see to it that in addition to the generating of all the electric power that the stream and the location will permit, the water can be utilized after it runs over the wheel, and used for the purpose of irrigating 100,000 acres or perhaps half a million acres of land. I will ask the committee, Can there be any objection to the utilization of our natural resources? Can there be any possible reason why this commission should not adopt its plans and specifications so that these natural resources may be used instead of going to waste? There can be no possible objection to it.

Mr. DILL. Will the gentleman yield for a question?

Mr. RAKER. I yield to the gentleman from Washington.

Mr. DILL. The gentleman referred to certain men who testified in the hearings as to the necessity of putting in this work.

Mr. RAKER. Yes.

Mr. DILL. Did they say they wanted this for the purpose of controlling irrigation projects at all, or have they anything to do with the great irrigation projects?

Mr. RAKER. Nothing whatever.

Mr. DILL. Was not the purpose of this simply that the dams should take into consideration the possibility of irrigation?

Mr. RAKER. That and that alone; that after the hydroelectric company had used all the energy that could be used from the dam for hydroelectric energy, the hydroelectric company should

not be a dog in the manger, and should not so discharge its water that it should go to waste to the sea when there are 100,000 acres of land below that can be irrigated. But the purpose of the opponents of this amendment is to the end that this water can not be used by gravity, but must be pumped by energy from the hydroelectric company up onto the benches instead of, in the first instance, being placed where it ought to be.

Mr. DILL. If the word "irrigation" could be stretched so as to cover all the ditches and side projects, could not the words "and of other beneficial public uses" also be so stretched?

Mr. RAKER. Absolutely so; and it was so stated by Mr. Merrill in the hearings. And I said to Secretary Lane:

While you have got the power and can use the governmental agencies, it would seem to me—and I believe it would seem so to everyone—that if a dam or reservoir was placed down a stream, say half a mile, it would develop a little more horsepower, whereas if it was placed up the stream a mile farther you could get its full use for irrigation and about 90 per cent of the water power, you ought not to permit the enterprise to be established where you would lose so much benefit which could otherwise be obtained in the way of irrigation.

To which Secretary Lane replied:

I thoroughly agree with you.

That is the whole case. That is the acme of this bill. The idea is not to allow the hydroelectric plants to be built in these valleys and canyons in the Western States in such a way as to prevent irrigation, but to have them built at such locations and in such a way as to permit a reasonable amount of hydroelectric energy, and at the same time permit the thing that we are trying to develop and conserve in the use of the waters of this country for irrigation. The purpose of the amendment is to avoid that.

Mr. MONDELL. Mr. Chairman, there is no difference among those familiar with irrigation development with regard to the importance and the necessity of safeguarding all legislation that may in any way affect irrigation, so as to avoid any unfortunate effect on that class of development. There is no disagreement among western men on that subject. I want to accomplish the same thing that the gentleman from California [Mr. RAKER] wants to have accomplished, and I want to accomplish the same thing that the gentleman from Colorado [Mr. TAYLOR], who offers the amendment, wants to accomplish. The only difference is as to the effect of this amendment, and it is a curious thing that so far as I know the gentleman from California [Mr. RAKER] is the only man familiar with irrigation who thinks the word "irrigation" should be in the bill in this place. I think it might be infinitely harmful to the cause of irrigation development. The gentleman's theory seems to be that because this commission is to pass upon the question of the diversion of water for the development of power it ought to take into consideration irrigation questions. I grant you that there might be cases where irrigation would be involved, where it might be well for the commission to give some attention to the question of the effect on irrigation, which it could do under the language remaining in the bill after this word is stricken out. The danger from having this word in the bill arises out of this situation: Irrigation water rights are granted in perpetuity, and in the nature of things they must be in perpetuity or they are of no value. Under irrigation there is no grant of a property right in water, but there is a right to use under public control, and that is a perpetual right so long as the water is used beneficially for that specific purpose. Now, we have had enough experience in the West to know the necessity of guarding jealously perpetual rights under irrigation, because we know how essential it is, and therefore we all of us realize the danger that lies in even seeming to give a commission, whose business it is to grant only 50-year franchises, any control over the diversion of water for irrigation purposes. It is the getting of the camel's head into the tent, and eventually the whole body of the camel, and some day we would be compelled to come to Congress or to the courts to cure acts which would be done under the color of this reference to irrigation.

Let us guard the right-of-way act. It is the one thing that makes irrigation development possible. We take no authority from the Secretary of the Interior by striking this word out. We leave the jurisdiction in his hands instead of dividing it with the commission.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. GRAHAM of Illinois. You might as well put the word "drainage" in as "irrigation," might you not?

Mr. MONDELL. "Drainage," or the words "domestic use," or half a dozen words descriptive of the various uses of water. It is all right to leave in the bill the general term "other beneficial uses," because that indicates to the commission that they shall serve the general situation, but to leave any impression with them that we are proposing to give them any jurisdiction of the diversion of waters for irrigation would be fatal to irrigation development.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The question was taken; and on a division (demanded by Mr. RAKER) there were—ayes 15, noes 8.

So the amendment was agreed to.

Mr. SIMS. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 37, line 4, after the word "license," strike out the remainder of the paragraph.

The CHAIRMAN. The question is on adopting the amendment.

Mr. ESCH. Mr. Chairman, that was an amendment offered by the gentleman from New Jersey [Mr. PARKER]. He was here a little while ago, but he is not now in the Chamber. I think we ought to defer action until he is present.

Mr. SIMS. I am quite willing that action on this amendment be deferred for a reasonable time.

The CHAIRMAN. Without objection, action on the amendment will be passed over for the present.

Mr. SIMS. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Page 37, subsection E, amend as follows: Strike out all of lines 10 and 11, and the word "commission," in line 12, and insert the following:

"That a charge of not less than 50 cents per horsepower per annum for the first 10-year period after the date of issuance of said license, and $1 for the second 10-year period, and $1.50 for the third 10-year period, and $2 for the fourth 10-year period shall be levied and collected by the United States on all electric power produced by the licensee for and during said periods or for any and all further time after the expiration of said fourth 10-year period that said project property remains in the possession, use, and control of said licensee or his assignee: *Provided*, That all sums so collected from the licensee by the United States shall be considered and treated as an amortization sinking fund, upon which interest shall be credited to the licensee at the rate of 4 per cent, compounded annually on all sums so paid from date of payment until the sums so paid in, with accumulated compound interest, shall equal the value of all the project property of the licensee except transmission lines and distribution plants. The value of said project property to be determined as provided in this act: *Provided further*, That upon the payment of said sum to the licensee or paid in discharge of any outstanding bonds or other liabilities of said licensee which at such time constitutes a valid, subsisting lien on said property, that all right, title, claim, and interest, which the licensee has in and to all said project property, except transmission lines and distribution plants, shall be divested out of said licensee and vested in the United States."

Mr. SIMS. Mr. Chairman, the lines I have proposed striking out, on page 37, lines 10 and 11, and one word in line 12, read:

That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission.

So the amendment that I am offering is not antagonistic to the purpose of the bill.

Mr. MONDELL. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. MONDELL. Have the Secretaries who are to constitute the commission been consulted in regard to this amendment, and has the President viséed it?

Mr. SIMS. They have not been consulted only in this way, not as to this identical language: I did ask, not all of them, because Secretary Baker was not here, along the line as to making provision for automatic or compulsory amortization. The policy of the bill as prepared and brought to us by Mr. Merrill, and as stated by himself, provided for a minimum charge of 10 cents per horsepower. Mr. Merrill, in explaining it, said that this was not for revenue purposes, but simply to defray the expenses of administration, and the policy of the bill was not to secure revenue by that charge. So that the rates would be unaffected by any charge for revenue purposes. Therefore, I assumed when I read the letter sent by and signed by the Secretaries that Mr. Merrill represented the purposes of the bill both in the original form and the amended form, and therefore the policy of making the charge seems to appear in the bill simply to cover expenses of administration, and nothing more. No charge was proposed for purposes of amortization.

That is not a charge at all in the sense that the contention had been so sharply had heretofore. As I understand, the Senate, by a majority vote, has held and contends that under the law as to navigation dams, or so far as the power of Congress is concerned regarding navigable streams, it is simply to maintain and protect navigation, and that Congress has no right to make any charge for electricity produced in this way where it was done by a private company or corporation and not by the Government with its money. There has been and is now quite a contention about the power of Congress to make a charge at all for these developments made by private corporations or individuals under license by the Government. Of course, the charge of 10 cents, while a minimum charge in this bill, might have been placed at $10, so far as the power of Congress is concerned, but the policy as expressed was not for the purpose of revenue, or for the purpose of re-

capture or amortization, or for any purpose except for administrative expenses. The policy of the bill as amended clearly excludes the intention and purpose of using the sum collected for anything except expenses of administration. The charge must not be less than 10 cents per horsepower, but the maximum charge is limited by the purpose of the bill. That is, that no additional amount will be charged except for the purpose of defraying the expenses of administration.

Mr. MONDELL. If this amendment were adopted, there would be no longer any reason or purpose for a recapture clause in the bill, I assume.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. SIMS. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection.

There was no objection.

Mr. SIMS. This bill provides for a fund which when it equals the value of the project property less transmission lines and distribution plants is automatically recaptured. The title the property is divested out of the licensee and is vested in the United States, the licensee being entitled immediately to the amount of the amortization fund. Both bills provide for the payment of the project property taken plus any severance damages that might arise by disconnecting or severing the property taken over from that not taken over, and this amendment does not affect that provision in the bill.

Mr. SINNOTT. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. SINNOTT. I was wondering if the gentleman would accept a slight amendment, to strike out the last two words of his amendment, "United States," and insert in lieu thereof the words "State where the same is located," and then that would vest in the State instead of the United States the property, because the people of some particular State are going to pay this amortization, and it should go to that State.

Mr. SIMS. I think that the beneficial uses of this property after it is fully developed and goes to the United States, as the gentleman says, would, of course, be largely localized. That is, the State in which it is located should receive the benefits growing out of this complete amortization, as far as possible; but the gentleman will remember that it has appeared all through the hearings, and it is not at all controverted, that to get the highest and most beneficial use out of hydroelectric development we should have interconnecting lines from one to another of these projects, so that one development at a time when it does not need the peak of its load can be used by some other power project connected with it. I do not think there is any question about that. As long as this property is in the hands of the Government of the United States it can control interstate transmission, which will have to take place if the best results follow. But if owned by a State, while the Government would have the right on any question involving interstate and foreign commerce to control or regulate rates, it would not have such complete control and authority as absolute proprietorship would give it.

Mr. DILL. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. DILL. If this amendment be adopted, it means that users of the power of the project must pay eventually for the project being turned over to the Government.

Mr. SIMS. The gentleman means the consumers?

Mr. DILL. Yes.

Mr. SIMS. I want to answer that question in this way: My greatest trouble in trying to get up a compulsory amortization provision was to keep it from being made the excuse for charging the consumer an increased price. So I tried to provide for amortization so that with the interest added it would be so low in amount that while the project remained in the hands of the licensee that it could not possibly give any excuse or furnish any reason why the commission should permit it to make any substantial additional charge to the consumer. So I had this proposition in the amendment gone over by an expert for the purpose of working out and ascertaining what the charges in this amendment would add to the consumer per kilowatt hour, and at 50 cents it adds two one-hundredths of 1 cent per kilowatt hour; at $1 for the second period, four one-hundredths of 1 cent per kilowatt hour; and for the third 10-year period, six one-hundredths of 1 cent; for the fourth 10-year period, eight one-hundredths of 1 cent; and then, at $2.50, it adds 1 mill per kilowatt hour.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that I may proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SIMS. To-day in Washington the domestic consumers are paying 10 cents per kilowatt hour. This analysis and calculation has been made by an expert who is absolutely disinterested in any project, and it shows that it costs so little to completely amortize the property at these minimum charges that it can not be passed on to the consumer nor be any reasonable excuse for selling the current at any higher rate to domestic consumers, or any excuse for any other development within the region putting its prices up on account of this charge.

Mr. WALSH. Will the gentleman yield?

Mr. SIMS. Yes, sir.

Mr. WALSH. These are rather important changes in the provisions of the bill.

Mr. SIMS. I want to say further it has not been submitted to the committee, it is not a committee amendment, and I am not offering it as chairman of the committee, but only as a member of the committee and as a Member of the House.

Mr. WALSH. Has it been considered by the committee?

Mr. SIMS. It has not.

Mr. WALSH. It is a rather important change.

Mr. SIMS. I think it is.

Mr. WALSH. It takes away the discretion of these commissioners.

Mr. SIMS. No; they must collect the money. This is a minimum charge only.

Mr. WALSH. The provisions of the bill give them the right to fix rates.

Mr. SIMS. I have stricken that out; lines 10 and 11 and part of line 12.

Mr. WALSH. The gentleman misunderstands my question. As I understand the effect of the amendment, it takes away the discretion from this commission to fix rates.

Mr. SIMS. No; not at all.

Mr. WALSH. Does not the amendment fix rates?

Mr. SIMS. No; it says the charge shall not be less than these amounts. They may still fix rates, and, as I said, this charge will not furnish any excuse for fixing a rate in such a way as appreciably to affect the consumer.

Mr. WALSH. Well, it lessens their discretion, then, in some way.

Mr. SIMS. It takes away the idea that they are to collect only administration expenses undoubtedly, and that was, I think, a very unwise policy to adopt. Now, I want to say this: If we are in good faith, and I think every man is in good faith about this bill, and want this property eventually to come back to the United States, I must say that the recapture provisions provided in all these bills, whether they are the recapture provisions or the net-investment plan or the fair-value provisions in the bill, it will be practically impossible to ever get Congress to make an appropriation to take the property over at the end of the license period, because Congress will not appropriate unless made mandatory, and here we have an automatic amortization without any suit at the end of the time to secure the title or fix the value of the property, because the commission will have all that in its hands from the beginning and can require and will require these amortization charges, and can refuse extensions or anything else that will prevent this charge from completely amortizing. And it can increase the charge when necessary to amortize, so that it will not be a burdensome hardship upon the consumer.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. SIMS. I will.

Mr. GRAHAM of Illinois. What I want to know is, How does the gentleman arrive at these arbitrary figures named in his amendment?

Mr. SIMS. I will tell the gentleman. I was trying in some way to find what would amortize without compound interest. I took the 10,000 horsepower and took the average of $75 per horsepower as capital cost of the property, not including transmission lines and distribution plants, and found that at 50 cents for the first 10 years, $1 the second, $1.50 the third, $2 for the fourth, and $2.50 for the fifth it exactly amortizes without interest. I found it will be $750,000 at the end of the license period, just what the plant cost at $75 per horsepower.

Mr. GRAHAM of Illinois. Will the gentleman yield for another question? What leads the chairman to believe this is a reasonable charge?

Mr. SIMS. From the fact it is so small that it can not affect the price to the consumer. If it was $100 or $150 a horsepower, the charge of one-fifth of 1 mill the first 10 years, two-fifths of 1 mill for the next, and three-fifths for the next, and four-fifths for the next, and 1 mill for the last is so small it can not be reflected in the charge to the consumer, and this commission or the

State commissions will never permit an increased charge to the consumer to cover so small an additional expense.

Mr. Chairman, I will now read as part of my remarks my statement in explanation of this amendment that I had printed for use of the committee when we reached this part of this bill:

Page 37, subsection E, amend as follows: Strike out all of lines 10 and 11, and the word "commission," in line 12, and insert the following:

"That a charge of not less than 50 cents per horsepower per annum for the first 10-year period after the date of issuance of said license, and $1 for the second 10-year period, and $1.50 for the third 10-year period, and $2 for the fourth 10-year period shall be levied and collected by the United States on all electric power produced by the licensee for and during said periods or for any and all further time after the expiration of said fourth 10-year period that said project property remains in the possession, use, and control of said licensee or his assignee: *Provided*, That all sums so collected from the licensee by the United States shall be considered and treated as an amortization sinking fund upon which interest shall be credited to the licensee at the rate of 4 per cent, compounded annually on all sums so paid from date of payment until the sums so paid in, with accumulated compound interest, shall equal the value of all the project property of the licensee except transmission lines and distribution plants. The value of said project property to be determined as provided in this act: *Provided further*, That upon the payment of said sum to the licensee or paid in discharge of any outstanding bonds or other liabilities of said licensee which at such time constitutes a valid, subsisting lien on said property, that all right, title, claim, and interest, which the licensee has in and to all said project property, except transmission lines and distribution plants, shall be divested out of said licensee and vested in the United States."

A project costing $75 per horsepower for all its property excepting transmission lines and distributing plant can be completely amortized, if the amendment I have offered is adopted, in 36 years 4 months and 10 days.

Let us apply the amendment as offered to a project for developing and producing 10,000 hydroelectric horsepower and costing by way of capital investment $750,000 for all property except transmission lines and distributing plants. A charge of 50 cents per horsepower per annum would bring in a sum of $50,000 for the first 10-year period without interest, but with 4 per cent interest per annum compounded the total to the credit of the licensee at the expiration of the first 10-year period would be $59,510.

Then during the second 10-year period, under my amendment, the charge would be at the rate of $1 per horsepower, or at the rate of $10,000 per annum, which, without interest for the second 10-year period, would be in round numbers $100,000, but with interest on the amount of $59,510 to credit of the licensee at the expiration of first 10-year period and interest on amount paid in for the second 10-year period, the total amount would be $207,904.

Then during the third 10-year period under my amendment at a charge of $1.50 per horsepower, as provided under the amendment, with compound interest, the amount due the licensee in the Treasury to his credit would be $472,000.

Then beginning the fourth 10-year period, with a charge of $2 per horsepower, the sum due the licensee at the expiration of 6 years 4 months and 15 days would exactly equal $750,000, being the full capitalization for the whole project except transmission lines and distribution plants, thus completely amortizing the project in 36 years 4 months and 15 days.

These calculations are my own and without the aid of amortization tables. In making my calculations I have discarded the odd cents in the amounts due at the end of each 10-year period. I believe that $75 per horsepower is a fair average of capital cost of projects, exclusive of transmission lines and distribution plants.

In this period of 36 years 4 months and 15 days the licensee would have paid to the United States $408,334 and would receive from the United States $750,000, the United States paying to the licensee as interest, at 4 per cent compounded, the sum of $341,666.

My amendment provides that at such time as the amortization sinking fund thus provided equals the value of the project property, less transmission lines and distribution plants, that all right, title, claim, and interest that the then licensee has in and to the property so amortized shall be divested out of the licensee and be vested in the United States and that the amortization fund shall be paid to the then licensee, less outstanding bonds with interest and all other valid, subsisting lien charges against the property, and which amounts shall be paid by the United States when due.

In order to ascertain just what the charges, under my amendment, would amount to as to costs of operation per kilowatt hours delivered to the consumer, I, through the kindness of Mr. M. L. Cooke, of the United States Shipping Board, submitted my proposed amendment to Mr. G. H. Morse, a very competent electrical engineer, also of the Shipping Board, to work out the problem and furnish it to me, which was done, and I now submit the correspondence giving me the information I desired, as follows:

UNITED STATES SHIPPING BOARD,
Washington, August 28, 1918.

Hon. T. W. SIMS,
House of Representatives, Washington, D. C.

MY DEAR JUDGE SIMS: The inclosed memorandum answers your request for data about the effect of your amortization assessment. It certainly seems to make a very favorable showing. In case we can supplement this in any way so as to make it more nearly answer your purposes, I certainly trust you will let me know by telephone or otherwise.

Yours, very sincerely,

M. L. COOKE.

PROBLEM PROPOSED BY MR. MORRIS L. COOKE FOR MR. SIMS AUGUST 27, 1918, TO MR. G. H. MORSE.

An amendment is to be proposed for the water-power bill as follows:

First 10 years of operation, 50 cents per horsepower year produced (based on continuous operation) is to be added to regular production costs.

Second 10 years, $1 per horsepower year is to be added.

Third 10 years, $1.50 per horsepower year is to be added.

Fourth 10 years, $2 per horsepower year is to be added.

Fifth 10 years, $2.50 per horsepower year is to be added.

The sum of all these increments for the 50 years is to be employed as an amortization fund.

It is desired to know what amount, expressed as cents, must be added per kilowatt-hour delivered to consumers to meet above extra charges on production. We are to assume a suitable efficiency of distribution.

Following is based on 85 per cent of electric energy produced being delivered to the customers and a load factor of 50 per cent:

Of every 0.746 (factor by which kilowatts are transformed into horsepower) kilowatt-hour produced, $0.85 \times 0.50 \times 0.746 = 0.317$ kilowatt-hour reaches the customer.

$\frac{0.50}{365 \times 24}$ = extra cost per 0.317 kilowatt-hour which reaches the customer during the first 10 years.

Therefore the extra cost per 1 kilowatt-hour reaching the consumer during first 10 years will be:

$$\frac{0.50}{365 \times 24 \times 0.317} = \$0.00018.$$

This is about 0.02 cent per kilowatt-hour.

Therefore the amounts to be added per kilowatt-hour delivered to the consumer should be as follows:

	Cents.
First 10 years	0.02
Second 10 years	.04
Third 10 years	.06
Fourth 10 years	.08
Fifth 10 years	[1].10

Mr. FERRIS. Mr. Chairman, I hesitate to differ with the chairman of the committee on the proposed amendment, but I can not believe it would be wise or right for us to lay a hard and fast price, even a hard and fast minimum price. There will be instances where we can not develop these projects in the West at a charge of anything like 50 cents per horsepower the first year, $1 the second, and $1.50 the third, and so on. They only charge $1 per horsepower at Niagara Falls on the Canadian side, where it is the most feasible water power ever developed. This is what Secretary Lane says on the question of charge:

(12) Among the reasons for charging royalties are: The right of the people to secure a fair return for the use of public lands which if owned by private individuals would be purchased or leased for power use at high prices, and would be capitalized at large sums by the power companies. This is not a controlling reason, however; the principal reason being that the right to exact a charge gives to the Federal Government a large measure of control over the public power development and sale in the interest of the general public. While State and Federal commissions may regulate rates, there are instances where this will not prevent abuses.

Dr. Otis Smith, of the Geological Survey, who has a good deal to do with the development of water power, and they have developed some, has this to say on what royalty should be charged:

12. Royalties should be charged: So that a more equitable division of benefits of the enterprise between private and public interests can be made than through mere rate regulation.

So that administrative expenses of the lands involved may be offset by revenue therefrom.

The use of sliding-scale royalty, properly constructed, may induce more efficient management of the plant by providing for a bonus in the form of a reduction in charge for more efficient management, as expressed in lower cost of operation and lower rates to consumers.

Such a sliding-scale charge as was contained in the Pend Oreille permit by Secretary Lane is similar in spirit to the Boston Gas plan and places a premium upon lowering prices, and so encourages best management.

Now, the representative of the Secretary of Agriculture has this to say:

The chief reason for requiring rentals or royalties for the use of power sites is in order to return to the Treasury a proper proportion of the actual costs incurred in the administration, maintenance, and protection of the Nation's water-power resources which has been paid for out of the general revenues of the Government. This would seem a justifiable fiscal policy whether or not rentals sufficient for the purpose resulted in an increase of rates to consumers, for that part of the public which had received the benefits derived from the utilization of this class of public resources would be merely reimbursing the other part which had received no benefits but had shared in the cost of administration, maintenance, and protection.

Mr. SMALL. Will the gentleman state who signed that?

Mr. FERRIS. That was the testimony of Mr. Merrill of the Agricultural Department. He was appearing for the Agricultural Department. Again, he said:

No charge should be made for power in small plants because the cost of supervision and collection would be an unreasonably high proportion of the charge. In the case of municipalities the public interest of the lessee is so great and so direct that it may well have the benefit of a remitted charge.

16. The Secretary should fix rates where there is no public utility board, because this provision—

They also say—this was, of course, what they said in reference to the public-lands bill—the Secretary should fix rates where there is no public-utility board, because this provision—

A. Makes it increasingly difficult for water-power corporations to escape regulation by either State or Federal authority.

B. Makes it possible for a consumer who has a grievance to have a hearing in any case which may arise, either by State or Federal authority.

[1] One-tenth cent equals 1 mill.

Now, personally I have no objection to the chairman's plan to amortize the plant if it is possible to so do it. I would like to see that done. They are doing that in some cases.

Mr. BANKHEAD. In that connection, how would that be of any benefit to the consumer or to the Government itself?

Mr. FERRIS. Of course, it would take over the property, and to that extent it would be to the benefit of the Government. They will get the plant returned to it at the end of the term without appropriating for it. Of course, there would be an increase in the charge to the consumer, although, as the chairman has disclosed, a very small charge.

Mr. SIMS. What I had in mind was, and I may be wrong about it, I understood in my amendment that of course this charge should not apply to any horsepower under a hundred.

Mr. FERRIS. I was going to add, Mr. Chairman——

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent for one minute more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FERRIS. I was going to add that to work out a full scheme of amortization it rather seems to me it ought to have committee action. This is without any such approval as suggested by the chairman of the committee. An amendment was not even offered there, as I recall. I think it doubtful whether the House should adopt an amendment of that kind which would change the bill and would provide for amortization, which may or may not be worked out on scientific lines. I do not know how much time the chairman has given to that. He may have gone into it thoroughly. It may be a scientific conclusion, but it is so far-reaching, I think we should move very cautiously. I would dislike to adopt a scheme that has not had committee action. I do not know whose plan it is or what Government agency is behind it, and even though it may be something that might be worked out, I would be afraid to vote for it now. I would prefer to give a long time to a change so far-reaching.

Mr. HAUGEN. The gentleman has asked a question as to amortization. The Secretary of Agriculture suggested it, and his suggestion is written in the bill, and the proposition for the committee to determine now is, Shall we turn over these resources without compensation or shall we provide amortization pure and simple, as suggested by the gentleman from Tennessee [Mr. SIMS]? As the gentlemen know, the department bill, or the bill supposed to be drawn by the three Secretaries, provided for a minimum charge of 10 cents per horsepower. In order for the committee not to appear ridiculous before the country, they struck it out. If it is to be left for the commission, the charge will undoubtedly be 10 or 15 per cent per horsepower only.

The gentleman from Tennessee [Mr. SIMS] has labored here for two days, and has proven, I believe, conclusively that the administration of this bill is not to be by any three Secretaries or any commission. The administration will be by some department clerk. If the Secretaries or the President did not have knowledge of the amendments that were proposed to this bill, how can we expect that the Secretaries or this commission will have any knowledge of the future operations or the administration of this bill?

The charge suggested by the gentleman from Tennessee [Mr. SIMS] is, I believe, 50 cents to $2. The hearings show that Sir Adam Beck testified that in Canada they have the amortization plan and amortize a plant in 25 years, and that the charges in Canada are only one-half the charges in the United States—the charges fixed by the State service commissions as proposed in this bill. Now, this question is a simple one. Will Congress retain control over these valuable resources, or shall some clerk in the department have it, and at a time when, I believe, we need revenue—resources that will yield the Government revenue of at least a billion dollars a year and that can be made to yield more than $2,000,000,000 a year? It is unbusinesslike, unstatesmanlike, and I can not conceive that any 400 Members of the Congress would ever have any such idea. It is the most valuable resource the Federal Government has, and are we today to turn it over without a cent of compensation?

Mr. DILL. Will the gentleman yield?

Mr. HAUGEN. I will.

Mr. DILL. Is not this amortization, in a word, to make the consumers of the power of a certain plant pay for that plant and turn it back to the Government?

Mr. HAUGEN. Nothing of the kind.

Mr. DILL. There is nothing but what comes out of the pockets of the consumer.

Mr. HAUGEN. The proposition is to turn over the valuable resources for the exploitation of a few financiers, and all the Government is likely to get out of it is 10 cents per horsepower.

Mr. SIMS. The gentleman from Washington says this is a plan where the consumers pay. The plan in this bill is at the end of the time the unamortized part is to be paid out of the Treasury, which is paid for by the taxpayers all over the country.

Mr. HAUGEN. The plan suggested by the gentleman from Tennessee is this: That the consumer may have the power for half the price he will under this bill, and in less than 25 years the Government will own the plant without costing the Government one cent.

Mr. DILL. But the money that puts up the plant comes out of the consumers.

Mr. HAUGEN. The investor has his money coming to him, and he should have liberal profit and interest on his investment, and be paid every legitimate claim he may have.

Mr. DILL. Where is this money to come from, this 50 cents to $2, if not from the consumer?

Mr. HAUGEN. The money is to amortize the plant. Otherwise, it is to go into the pockets of the exploiters. That is the difference. All there is to the whole proposition is, Shall the rent for the use of the water be applied as part payment of the improvement or shall it go into the pockets of licensees?

Mr. MONDELL. Mr. Chairman, I get into the debate at this point simply for the purpose of congratulating the country on the discovery of a real financial genius in the person of the gentleman from Tennessee [Mr. SIMS].

Garabed promised us to pluck power unlimited from the surrounding air without its costing us a cent. We all wished him well; if he could get it, so much to the good. But the gentleman from Tennessee has backed Garabed entirely off the boards and put him into the deep shadows of obscurity. He has brought forth a plan under which we may accumulate millions and billions—and that is what appeals to us these days—billions—accumulate them in the Public Treasury for distribution to the general public without its costing anybody an appreciable penny; at any rate the gentleman has assured us that these amortization charges he proposes are to be of such a character that no human being—he did not put it just that way, but that is what it amounted to—would ever realize that he was contributing to this wonderful consummation under which the Government is to be the owner of all water power in the United States without anyone appreciating he has contributed to that ownership.

Those of us who can not see the gentleman's scheme in the rosy light in which he views it fail to discover the virtue of the scheme of paternalism and socialism under which he proposes, or thinks he proposes, to benefit all the people at the expense of a few. Most ordinary mortals will incline to the opinion that the money for amortization would be contributed by the users of the power, my good friend from Tennessee to the contrary notwithstanding. They would pay the bill, the general public would be supposed to have the benefit, assuming that we should develop into a paternalistic state under which the Government is to run all the water power of the country.

I imagine that the House is not ready to enter upon that sort of a plan. But again I congratulate the committee upon the discovery of this wizard of finance in my honored and genial friend from Tennessee, who would make us all rich and raise us all by our boot straps to the highest point of perfect bliss in the ownership of countless water powers of enormous value without costing us a cent and without our having appreciated the fact that we had contributed to that beautiful result. [Laughter.]

Mr. FERRIS. Mr. Chairman, I ask unanimous consent to close debate on this amendment.

Mr. ESCH rose.

The CHAIRMAN. Does the gentleman from Wisconsin desire to address the House?

Mr. ESCH. There are several on this side who desire time.

Mr. FERRIS. I ask unanimous consent, Mr. Chairman, that at the expiration of 25 minutes all debate close on this amendment and all amendments thereto.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that at the expiration of 25 minutes all debate close on this section and all amendments thereto.

Mr. GRAHAM of Illinois. The gentleman did not say "section." He said "amendment."

Mr. FERRIS. Make it on the amendment.

Mr. GRAHAM of Illinois. I have an amendment which I wish to offer to this section.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent that at the expiration of 25 minutes all debate close on this amendment. Is there objection?

There was no objection.

Mr. THOMAS rose.

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. THOMAS. If it is in order, I move that the enacting clause and all following thereafter be stricken out, and on that I ask for the yeas and nays. [Laughter and cries of "Vote!"]

The CHAIRMAN. The Chair will say to the gentleman from Kentucky that we have just had a unanimous-consent agreement that the debate on this particular amendment should close in 25 minutes. At the end of that time it might be in order for the gentleman to make his motion.

Mr. THOMAS. Then, Mr. Chairman, I make the point of no quorum. I guess that is in order.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that the vote be had, even out of order, to satisfy the gentleman.

Mr. THOMAS. No; I make the point of order that there is no quorum present.

Mr. SIMS. Let us find out.

The CHAIRMAN. The gentleman from Kentucky makes the point of order that there is no quorum present. The Chair will count. [After counting.] Sixty-eight gentlemen are present—not a quorum. A quorum is lacking, and the Clerk will call the roll.

Mr. THOMAS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. THOMAS. Is not a motion to strike out the enacting clause in order at any time?

The CHAIRMAN. Ordinarily, I would say to the gentleman, yes; but at this particular moment——

Mr. THOMAS. Is there anything here out of the ordinary?

The CHAIRMAN. There has just been completed a unanimous-consent agreement by which it was agreed that the debate on this amendment would close in 25 minutes.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. Pending the motion of the gentleman from Tennessee, that the committee rise, the Clerk will call the roll.

Mr. THOMAS. Mr. Chairman, I move that the House do now adjourn.

The CHAIRMAN. We are not in the House. We are in the Committee of the Whole. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Fess	Lonergan	Russell
Aswell	Flood	Longworth	Sanders, La.
Bacharach	Flynn	Lufkin	Sanders, N. Y.
Barkley	Focht	Lundeen	Sanford
Bell	Francis	Lunn	Saunders, Va.
Black	Frear	McCormick	Schall
Bland, Ind.	Fuller, Mass.	McKenzie	Scott, Pa.
Bland, Va.	Gallivan	McKinley	Scully
Brand	Glynn	McLaughlin, Pa.	Shackleford
Britten	Goodall	McLemore	Sherley
Brodbeck	Goodwin, Ark.	Magee	Shouse
Browne	Gould	Maher	Siegel
Browning	Graham, Pa.	Mann	Slemp
Brumbaugh	Gray, N. J.	Mason	Sloan
Butler	Greene, Mass.	Mays	Smith, Idaho
Byrnes, S. C.	Gregg	Meeker	Smith, C. B.
Caldwell	Griest	Mondell	Smith, T. F.
Campbell, Kans.	Griffin	Montague	Snell
Campbell, Pa.	Hamill	Moore, Pa.	Snyder
Candler, Miss.	Hamilton, N. Y.	Morin	Stafford
Cannon	Harrison, Va.	Mott	Steele
Cantrill	Haskell	Mudd	Stephens, Nebr.
Carew	Hayes	Nelson	Sullivan
Carlin	Heaton	Nicholls, S. C.	Sumners
Carter, Mass.	Heintz	Nichols, Mich.	Swift
Chandler, N. Y.	Helm	Oldfield	Switzer
Church	Hensley	Oliver, Ala.	Tague
Cleary	Hicks	Oliver, N. Y.	Talbott
Connelly, Kans.	Hilliard	Olney	Templeton
Cooper, Ohio	Hood	O'Shaunessy	Tinkham
Copley	Houston	Padgett	Towner
Costello	Howard	Paige	Treadway
Crago	Husted	Parker, N. Y.	Van Dyke
Cramton	Hutchinson	Peters	Vare
Crosser	Igoe	Phelan	Venable
Dale, N. Y.	Johnson, Ky.	Platt	Vinson
Dale, Vt.	Johnson, S. Dak.	Polk	Voigt
Darrow	Johnson, Wash.	Porter	Walker
Delaney	Jones	Powers	Ward
Dent	Juul	Pratt	Wason
Dewalt	Kahn	Price	Watkins
Dies	Kearns	Ragsdale	Watson, Pa.
Dillon	Keating	Rainey, H. T.	Welling
Dominick	Kelley, Mich.	Ramsey	Wheeler
Donovan	Kennedy, R. I.	Ramseyer	White, Me.
Dooling	Key, Ohio	Randall	White, Ohio
Doughton	Kiess, Pa.	Rankin	Williams
Drukker	Kincheloe	Riordan	Wilson, Ill.
Dunn	King	Robbins	Wilson, Tex.
Eagan	Kitchin	Roberts	Wingo
Edmonds	Kreider	Robinson	Winslow
Emerson	LaGuardia	Rose	Wise
Estopinal	Langley	Rouse	Woods, Iowa
Fairchild, G. W.	Larsen	Rowe	Woodyard
Fairfield	Lehlbach	Rowland	Wright
Farr	Linthicum	Rubey	Zihlman

The committee rose; and the Speaker having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the water-power bill (S. 1419), found itself without a quorum; whereupon he caused the roll to be called, when 206 Members, a quorum of the Committee of the Whole, answered to their names; and he reported the names of the absentees to be printed in the Journal and RECORD.

The SPEAKER. A quorum is present. The committee will resume its sitting.

Accordingly the committee resumed its session, with Mr. WEBB in the chair.

The CHAIRMAN. The gentleman from Kentucky [Mr. THOMAS] a few minutes ago asked if he could make a motion to strike out the enacting clause. After investigating the precedents the Chair is of the opinion that any member of the committee may move to strike out the enacting clause of a bill at any time after the first section has been read and before the last section is read. Therefore, if the gentleman desires to make his motion, the Chair will entertain it.

Mr. THOMAS. Do I understand that I have five minutes now?

The CHAIRMAN. The gentleman has five minutes upon his motion to strike out the enacting clause.

Mr. THOMAS. Mr. Chairman, I make the motion to strike out the enacting clause of this bill.

I am for the development of the water power of this country. I may be wrong, as I frequently am, but I do not believe that this is a bill which will reach that result. I believe this bill will put the water power of this country in the hands of the monopolies of this country. I believe that this bill will take away from the various States of this Union any control over the water power, if perchance the Supreme Court of the United States should decide that this bill is constitutional, which it will not do if it follows the constitutional law of this country.

Unfortunately I have not been here for the last several days. I went to Kentucky with the funeral train of Senator Ollie James, one of the grandest men and grandest Democrats this Union has ever seen. [Applause.] But my understanding is that the proponent of this bill, Mr. SIMS, of Tennessee, a most eloquent gentleman [applause], and a man for whom I have the highest personal regard, has said that the President is in favor of this bill, and he has produced some letters from the President which he said tended in that direction. I was not here and did not hear the letters read, but other Members says that the President's letters tend rather in the other direction.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMAS. I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. THOMAS. So I do not know. I am going to leave that proposition to Mr. SIMS and to the Members of this House who heard the persistent and eloquent gentleman make his remarks upon the subject. But I do know that Mr. THOMAS is not today, he never has been, and he never will be a rubber stamp in any vote that he casts. [Applause.]

Gentlemen, I am for this war. [Applause.] My ancestors fought in the Revolutionary War, my ancestors fought in the War of 1812; my father was a Federal soldier and upheld the flag of this Union. [Applause.] I am for my country always, first and last, and I am for my country against any foreign foe, even though I knew that my country might be wrong and that foreign foe might be right. But why should we turn over the water power of this country to a lot of monopolies? That is what I want to know. [Applause.] I am not in favor of that. There is no man, I do not care who he is, who can take up this bill and read it and say that it will help us to win this war. It authorizes a commission with $100,000 to start with, and that is just the ante that is put up, like going into a jackpot, you know. [Laughter.] The $100,000 is the ante, but when the United States gets in it will be millions of dollars, and I do not believe that this Congress has the right to deprive the States of this Union of their water power. That is what this bill does. Anybody knows who can read it. You do not have to read more than a line or two until you see what it means. It simply takes from the States all control over their own streams and their own water power and vests it in a commission of the United States, which means—you know what it means—a commission of monopoly, that is all. The question is, Are you going to do it, gentlemen? I am not.

Now, Mr. Chairman, I end my few remarks by moving to strike out the enacting clause of this bill.

The CHAIRMAN. The gentleman from Kentucky moves to strike out the enacting clause of the bill. The question is on his motion.

The question being taken, on a division (demanded by Mr. ANDERSON) there were—ayes 1, noes 65.

Accordingly the motion was rejected.

Mr. THOMAS. FRANK CLARK said he was going to vote with me, and he has gone back on me. [Laughter.]

The CHAIRMAN. Under the special agreement there are 25 minutes debate on the pending amendment offered by the gentleman from Tennessee [Mr. SIMS].

Mr. WALSH. Mr. Chairman, let the amendment be reported again.

The CHAIRMAN. Without objection, the amendment will be again reported.

The amendment was again read.

Mr. ESCH. Mr. Chairman, I am opposed to the amendment offered by the gentleman from Tennessee [Mr. SIMS]. I sincerely regret that as chairman of the Joint Water Power Committee he did not present the views contained in this amendment to the committee when we had it under consideration in executive session. Had he done so, an opportunity would have been afforded to examine more carefully into the merits of the proposition and to have determined our course thereon. Instead of that, the amendment is presented to the House only a few moments before its consideration. In view of the urgency on the part of the chairman of the Water Power Committee to secure indorsement of the original water-power draft presented by the gentleman from North Carolina [Mr. POU], I am astonished that the gentleman from Tennessee should present before this House for its consideration an amendment that so radically changes one of the fundamental principles of the bill. I do not believe that the premises upon which he bases his argument for the support of this amendment are well founded. He goes on the assumption that water power can be developed at $75 per horsepower for construction cost. If I recollect aright the testimony, the cost in California has averaged $150 per horsepower, and in other sections of the country, in the mountain region, the cost ran up to $250 or $260 per horsepower. The chairman takes the average of only $75 for the basis of his calculation. That makes an error in his whole calculation, and therefore we can not take the figures he has given us as the basis for the determination of whether or not his amendment is meritorious.

Mr. MADDEN. Will the gentleman yield?

Mr. ESCH. I will.

Mr. MADDEN. Does the gentleman mean to say that the gentleman from Tennessee indicated that $75 will be the investment for each horsepower created, or does he mean that the cost is $75 a horsepower for generating?

Mr. ESCH. The cost of the construction of the power plant.

Mr. MADDEN. Of course $75 is absurd; it could not be done.

Mr. ESCH. I am calling attention to the fact.

Mr. MADDEN. I understand; but I wanted to know what the gentleman meant.

Mr. ESCH. The gentleman from Tennessee begins with a minimum of 50 cents per horsepower per annum for the first 10-year period and ends with $2.50 at the end of 50 years. There is a project on the Columbia River that will develop 250,000 horsepower. That would mean a charge in a single year of $625,000. The plant will cost $20,000,000. There would be a charge of $625,000 per annum for a plant supposed to cost $20,000,000. You can readily see what a tremendous percentage on the cost this company would have to pay merely as a compulsory amortization fund. In addition the company would have to maintain the depreciation and provide for renewals, maintenance, and so forth. It seems to me, when you look at it in that light, the proposition of the gentleman from Tennessee is impracticable and will result in absolute discouragement of water-power development.

I wish to state in this connection that the main objection to bringing the two Houses together in the last two Congresses on the Adamson bill was the matter of a charge. I feel a reasonable assurance that if the language is retained in the bill to the effect that the commission shall have the right to fix the charge, without fixing any minimum or maximum, that it will be acceptable to the Senate. It was because of the provision we had in the last Adamson bill that the committee of conference between the two Houses was kept at a deadlock for seven long weeks and was finally compelled to desist and report a disagreement. I trust, in view of these facts and in view of the fact that the amendment offered by the gentleman from Tennessee may jeopardize the fate of the bill in conference, that the amendment will not be adopted. [Applause.]

Mr. SIMS. Mr. Chairman, I want to make a statement, but not to repeat any argument. The gentleman from Wisconsin has stated the facts—I did not offer the amendment in the committee, and I will state the reason: The fact is, although I had thought along this line, I had nothing that I could offer definitely, and did not do it because I had arrived at no conclusion when the bill was reported. I stated when I offered it that only within the last few days had I got the calculation made as to the effect such a charge would have on the development of water power. What I said about the average cost of the development of water power being $75—I may not be accurate in that—but it would not make a particle of difference whether I was or not, because this is a minimum charge and the commission will be permitted to increase it. This amendment would amortize completely in 36 years 4 months and 15 days at capitalization. That includes only the power-plant property—all except distribution lines and transmission lines. The cost of electric installation in California on the average is shown by Mr. BRITTEN, as I now recall, and as I understand it includes for the property of his company transmission lines and distributing plants, as also irrigation plants, and then they built a large number of storage dams and the cost was way above the average of what it would be in the United States as a whole. I got at the cost of the installation in Canada and as far as I could in the United States east of the Mississippi River, and it was $75 per horsepower on an average.

Mr. ANDERSON. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. ANDERSON. I have some curiosity to know why the gentleman in his amendment excepted transmission lines and distribution lines.

Mr. SIMS. The bill itself practically excepts them. Both the bill handed to us by the President and the bill brought to us by Mr. Merrill excepts them—one not to exceed the actual cost and the other the net investment, and both provide in addition severance damages. I can not think that they would want to sever it from any other project property except from transmission lines and distribution plants, because in the transmission one line may be 10 miles and another 100 miles, and one a high-tension line and another a low-tension line, and the distributing plants may be much larger in some places than in smaller places. The object is to bring the power plant itself into control of the United States rather than the distributive facilities or the transportation lines.

Mr. ANDERSON. What would be the value of a water power severed from the transmission line?

Mr. SIMS. What would be the value of a transmission line severed from the water power? That would be left to negotiation; the Government certainly would not destroy, dismantle, and stop the transmission of electricity.

Mr. PARKER of New Jersey. Mr. Chairman, as a member of the committee I desire very respectfully to protest against this amendment, which is a change of the whole scheme of the bill, of the scheme that was submitted, and the scheme that was considered. We are trying to introduce a bill to encourage capital to take care of water power—and it has been told to you over and over again that we have had water-power acts inviting capital for the last 25 years, and that capital will not touch them because of the various restrictions. This amendment now proposes that capital must pay for the project twice over. This would say to them, "Come in and build this dam, but if you do it we will charge enough every year to make you pay for it over again before your term is up," under what we are pleased to call compulsory amortization. That is to be done whether they are prosperous or not; whether they have profits or not they must go into their pockets and pay twice over by the end of the term. At the end of the term the United States shall get the whole dam and improvements for nothing. That was not the object of this legislation as stated. Two years ago Secretary Garrison was before us, and he saw that what we wanted to do was to encourage the giving of power to the country, and if the licensees do well we expect to renew the lease to them, if they are honest and fair in their rates. If they make profits, there is a provision that surplus profits over a fair return—or, at least, a part of them—shall be applied to paying for the original investment; but Secretary Houston said when he was asked the question by Mr. SIMS in regard to compulsory amortization whether he intended to have it, he answered (p. 652) only "to the extent that there may be surplus earnings arising from the rates fixed by the State or Federal Commission beyond what would be adjudged to be a fair rate of return upon the investment." He continues (p. 652): "The amendment does not require that amortization reserves sufficient to

extinguish the entire investment be accumulated during the period of license; but it does require if incomes arise from the rates in excess of what would be adjudged to be a fair return such excesses should go into an amortization reserve and should be deducted from the amount adjudged to be a 'fair value' under the original bill or from the 'net investment.'" That is fair. The clause of the bill (sec. 10d) goes a little further. If by the terms of the license—8 per cent, we will say, upon the original investment or 5 per cent or any rate of per cent was adjudged to be a fair return which the licensee may make—he may not make unfair profits, four or five times that. One per cent upon the original investment would in 50 years pay all off and 2 per cent without interest would also pay all off. If there is 10 or 20 per cent above a fair return, what is to be done with the balance? The bill answers this. It provides that the commission may reduce the rates so as to give the advantage to the consumer and prevent such excessive profits and it also has in it a provision which I think is a fair one, by which the license, after fixing what is a fair return, may provide that anything above that shall not only be liable to a proper amount for amortization, but also may provide by contract what proportion of any such surplus earnings of any particular year or years shall be returned to those who have paid the rates and, therefore, be a deduction of rates. It does not require that, but leaves it as a possible thing in the license.

The license is very carefully provided for in a fair way, so as to provide for a fair return. It does not force the licensee to take less than a fair return or to pay capital from out of his own pocket, but it does provide that if there be more than a fair return the license may provide for paying back the investment, leaving it free to the United States to deal with it at the end of the term. It likewise provides that the commission may reduce the rates or may agree on a reduction of rates by the licenses. All this is fair. Let us not change this bill.

Mr. MADDEN. Mr. Chairman, listening to the reading of the amendment, I have been wondering whether it is the intention of those in charge of the legislation to develop the water power of the United States, and I have reached the conclusion that they are not in favor of the development of that water power.

Mr. SIMS. The gentleman should not charge anyone but myself.

Mr. MADDEN. The gentleman is in charge of the bill.

Mr. SIMS. There are three of us in charge of the bill.

Mr. MADDEN. My own thought is that if we expect to develop the water power we must encourage investment. To encourage investment we must be fair, and you can not convince people that you are fair if you fix an arbitrary price that the investor must pay to the Government of the United States, which arbitrary price may be a very unjust price, and would undoubtedly prevent him from investing his money in your enterprise. I apprehend that the purpose of the legislation is to encourage investment, but if you enact the amendment proposed by the gentleman from Tennessee [Mr. SIMS] you discourage it. There is a commission proposed in this bill, and what could be more fair than to leave to that commission and the investor the right to negotiate as to proper terms? If you do that, you enter upon the consideration of the proposition with a full knowledge of the fact that the negotiations are going to be conducted in the interest of the Government and not unfairly to the investor. We are in no position here to say arbitrarily what the charge should be. We have made no scientific study of this question, and is it fair for us who have made no scientific study of a question to impose a burden upon this legislation that will prevent the investment of capital and the development of the water power? What is the purpose of consuming all the time that this House has consumed, if at the end of all that time we kill the bill? It would be infinitely better to kill the bill than to pass it with any such provision in it as that proposed by the gentleman from Tennessee, who has charge of the bill. What we want to do, what we ought to do, is to exercise ordinary vision, ordinary horse sense. We ought to act as ordinary men, determined to do the thing that should be done, and when as ordinary men we have reached a conclusion after prayerful and careful and fair consideration the chances are that we have reached a conclusion that will meet the approval of every other ordinary man in the United States.

That is what we ought to try to do. We are not supposed to be versed in all the intricate problems involved in the development of hydroelectric energy, and I apprehend that the chairman of the committee in charge of the bill who introduces this amendment has no more knowledge of the cost of the development of water power than the man in the moon. He has no scientific knowledge of the construction of water-power plants. He is not an engineer. He has not the technological training that would permit him to give scientific study to the question and without that and even with that as a Member of Congress he would not have the time to give the study to it that its importance demands. The time has come for those of us who have been sitting around here waiting for a word of wisdom to be dropped from high places, from the great minds of the men who have been considering the questions involved in this intricate problem, to say something about the absurdity of the questions that are proposed for consideration in this body, and this is one of them.

The CHAIRMAN. The time of the gentleman has expired.

The Chair desires to state in reference to the time that there are only six minutes left.

Mr. DEMPSEY. I had three of those reserved under the agreement.

Mr. HAUGEN. I had five. I am perfectly willing to divide the time.

Mr. SIMS. I will ask that the time be extended to 15 minutes to give myself two minutes to deny anything that might come up.

The CHAIRMAN. The Chair desires to understand who is to be recognized.

Mr. SIMS. Mr. HAUGEN and Mr. SINNOTT are both on the committee and Mr. DEMPSEY is almost a member of the committee, because he has given us a great deal of assistance.

Mr. SINNOTT. Mr. Chairman, I arise to oppose the amendment offered by the gentleman from Tennessee, principally for the reason that the burnt child dreads the fire. On the 20th of August I delivered a speech in the House in support of the net-investment amendment which was proposed to the committee by the Secretary of the Interior, the Secretary of War, and the Secretary of Agriculture. That amendment was submitted to the committee on February 27. The bill was reported out, I think, on June 28. I supposed I had a perfect right to support that amendment in a speech on the floor of the House, but two days after that speech was delivered and over six or seven months after the amendment was presented to the committee we received a letter from the President of the United States, and in that letter, directed to the gentleman from Tennessee [Mr. SIMS], written on August 26, in reply to a letter from the gentleman from Tennessee dated August 22, in which the President says:

> I did not see the draft of amendments to the water-power bill which were introduced by Mr. Merrill and his associates after the bill was put in the hands of your special committee. I do not approve of them, and it is my earnest hope that the Congress will see fit to pass the bill as it was originally drafted and provisionally agreed upon in our informal conference.

Now, the gentleman from Tennessee has admitted that the amendment which he has offered to-day has not been submitted to the President. I do not propose to have my fingers burned the second time. We learn from the gentleman from Tennessee the proper modus operandi of getting a bill or an amendment properly dry kilned for submission to the House. On page 9797 the RECORD shows the proper method, which he has not followed in the present instance. He has not submitted this amendment for presidential approval. For that reason, if for no other, I feel justified in opposing it.

Mr. RAKER. Will the gentleman yield?

Mr. SINNOTT. My time is too limited to yield. On August 31, page 9797, the RECORD shows the proper modus operandi and genesis of an administration bill. An interview is had with the President. The gentleman from Oklahoma [Mr. FERRIS] is permitted to utter 10 words in behalf of the bill they were considering. The gentleman from South Carolina [Mr. LEVER] is permitted to utter 28 words, according to the testimony of the gentleman from Tennessee, and a part of those were uttered facetiously, according to the same testimony. The chairman of the great Committee on Rules [Mr. POU] is accorded 23 words in the drafting and in the consideration of this important bill, and the gentleman from Tennessee [Mr. SIMS] is accorded enough words to fill a half column of the RECORD. And that is the way an amendment or a bill should be considered. That is the way it should be properly dry kilned before being presented to the House, and the amendment which has been presented to-day by the gentleman from Tennessee [Mr. SIMS] has not gone through that procedure.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEMPSEY. Mr. Chairman and gentlemen, this amendment brings up the question whether or not we are to have a water-power bill. It was criminal folly in this Nation to allow 200,000,000 horsepower to run to waste as we have up to this time. That folly became intensified when by war the need for fuel and power was vastly increased. The President saw the situation, came before Congress in a special message, and asked for it, and as a result this committee was appointed, and it has now under consideration this bill. There has been one obstacle

to the passage of all water-power bills in the past and that is this: The two Houses, the Senate and the House, have been utterly unable to agree upon principles governing the passage of such an act, the underlying principles and the chief item of dispute has been the question of whether or not a charge should be imposed on licenses. Now, if we introduce any amendment to this bill, in the name of common sense let us make it as easy as we can for the conference committee to agree. Our final object is to get a bill. Why should we, when we introduce amendments, seek to get further away, seek to make it so that it will be difficult if not impossible for the conference committees of the two Houses to agree? Why, you ask the chairman of the committee in the Senate to-day, "Are you going to get a water-power bill?" He says, "Yes." "Why?" "Because the necessity is so great that the House conferees will surely recede."

You ask those who will constitute the conferees of the committee of this House, "Are you going to be able to pass the water-power bill in the face of the great necessity of the country and the insistence of the President?" And the members will say, "Yes; we are going to pass it." "Why?" "Because the Senate will recede under those circumstances," and here with that great obstacle in our way, in the face of the fact that the bill has been held up again and again, in Congress after Congress, we are unwise enough to introduce amendments which put them farther apart, which makes it more difficult for us to agree. Gentlemen, in the name of common sense, wherever an amendment is introduced let it be one which will facilitate and not make more difficult the securing of the passage of the bill.

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. What is the status of the time?

The CHAIRMAN. The status of the time is that there is five minutes remaining, and it has been accorded to the gentleman from Iowa [Mr. HAUGEN], a member of the committee.

Mr. HAUGEN. Mr. Chairman, the gentleman from Illinois [Mr. MADDEN] has assumed that the bill has been reported by the committee and members of the committee without knowledge of the facts. I do not claim to be an expert on water-power development, but fortunately we have the evidence of a gentleman who is an expert on that subject, one who has probably had more experience than any man in this country, Sir Adam Beck. And, for the gentleman's information, I read from his testimony as to the cost. On page 714 he says:

The average price of power or cost of power delivered to 225 municipalities in the Province of Ontario is under $18 a horsepower. We have made reductions annually. We were obliged to make reductions because the excess surplus earnings of the municipalities were such that if we had continued the rates that were originally established, based on one-half the cost that they were buying or securing power for previous to our coming into the field, we would have had such a large surplus that the whole debt of the municipality would have been wiped out in 10 or 15 years.

As the gentleman knows, in Canada they have municipal ownership, amortizing the plant in 25 years. The gentleman states the charge at which it was fixed originally it would have amortized the plant in 10 or 15 years. The cost in Canada is $18, it being half the price charged on this side as fixed by the State service commissions.

Mr. MADDEN. Did the gentleman hear me say anything about the cost?

Mr. HAUGEN. The gentleman asked a question.

Mr. MADDEN. Not a word.

Mr. HAUGEN. I refer to the colloquy between the gentleman from Illinois [Mr. MADDEN] and the gentleman from Wisconsin.

On page 715, Sir Adam Beck had this to say:

The average domestic and commercial rate in 225 municipalities is 2½ cents per kilowatt-hour; $18 per horsepower is the average price that we charge the municipality for electricity delivered, stepped down, ready for distribution.

On page 716, Sir Adam Beck has this to say:

We are able to sell power to the citizens of Windsor, which is only 25,000 population, immediately opposite Detroit, where they have over half a million population, at 40 per cent lower rates than they are receiving in the city of Detroit. And are meeting all our obligations.

And then he goes on to state that over in Buffalo the price fixed by the public-service commission is twice the price fixed on the Canadian side.

In my opinion the amount fixed by the gentleman from Tennessee would amortize the plant in the time stated.

Mr. LITTLE. What authority has the commission to refuse a contract it would make with any individual for a length of time? When can it get authority to make a new one?

Mr. HAUGEN. It has no authority whatever. It is specifically stated in this bill it shall not be changed without mutual consent of the commission and licensee.

Mr. LITTLE. If they let a man have water at a nominal rate, do you mean that he will perpetually retain it at that rate?

Mr. HAUGEN. For the term of 50 years.

Mr. LITTLE. Do you think that would be right?

Mr. HAUGEN. I do not think it is right.

Mr. LITTLE. Neither do I.

Mr. HAUGEN. Neither do I agree with the contention that we should turn over the resources without compensation. The contention is that Congress has not the power to fix the price; if it has not, it has not the power to fix the price suggested in this bill. So that argument falls to the ground. The question is, Are we going to part with these valuable resources without compensation? The bill provides that the compensation shall be fixed by this commission, and the price fixed by the commission will most likely be 10 cents per horsepower.

Mr. LITTLE. I do not think you should part with these values without proper compensation.

Mr. HAUGEN. I hope there will be enough gentlemen who think so, in order that the Government interests shall be taken care of and safeguarded in that respect.

The CHAIRMAN. Does the gentleman from Tennessee desire to use his two minutes?

Mr. SIMS. I believe not.

The CHAIRMAN. Then the question is on the amendment offered by the gentleman from Tennessee [Mr. SIMS].

The question was taken, and the amendment was rejected.

Mr. SIMS. Now, Mr. Chairman, I offer another amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SIMS: Page 37, lines 4 to 9, inclusive, strike out the following: "And the license may provide as to any balance of said surplus earnings that the same in whole or part shall be used in reduction of rates and annually divided and repaid to and among the persons who have paid such rates according to the amount paid by each such person during the year."

Mr. HUMPHREYS. Mr. Chairman, this paragraph has been passed over by agreement.

Mr. SIMS. I know; but I waited for the gentleman from New Jersey to return to the Hall, and he is present now.

Mr. HUMPHREYS. I understood this was to be passed over until we took up——

Mr. SIMS. This has nothing to do with the net investment.

Mr. HUMPHREYS. This has all to do with it.

Mr. SIMS. Oh, well, if it has I was entirely in error. I am not objecting to it on account of net investment at all. My objection would be just as strong to it if any other measure or standard was adopted. I am glad you called my attention to it. We will pass this over until we reach section 14. But I want to state this to the gentleman from Mississippi, if I may, and the gentleman from Wisconsin, that if the net investment is retained, or if it is rejected, I am still just as much opposed to this portion of the bill, and therefore I want to return to it, regardless of the action that may be taken on the question of net investment.

Mr. HUMPHREYS. But it is not to be considered until that time?

Mr. SIMS. No.

The CHAIRMAN. Without objection, the amendment will be temporarily passed over.

There was no objection.

Mr. TAYLOR of Colorado. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Colorado offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. TAYLOR of Colorado: Page 37, line 23, after the word "or," strike out "irrigation" and insert in lieu thereof the following: "other beneficial."

Mr. TAYLOR of Colorado. Mr. Chairman, my idea is to make this provision conform to the language on page 35 by specifically eliminating the word "irrigation." I doubt the propriety of leaving that language in there, but at the same time I do not move to strike out the words "other beneficial uses." I leave the word "use" stand, so as not to cut out the "other beneficial uses." But I do not want to specifically mention "irrigation," for the reason I stated in my other motion to strike out that word; and I think this word "irrigation" ought to come out, and if in lieu thereof we insert the words "other beneficial uses," similar to the words in line 18, page 35, I do not think the gentleman from California [Mr. RAKER] can seriously object.

Mr. HUMPHREYS. Mr. Chairman, will the gentleman yield for a question?

Mr. TAYLOR of Colorado. Yes.

Mr. HUMPHREYS. Is it the purpose to exclude irrigation?

Mr. TAYLOR of Colorado. Yes, sir.

Mr. HUMPHREYS. Does it do that under the amendment? Would not that be included in "other beneficial uses"?

Mr. TAYLOR of Colorado. It may possibly be. But it is not a direct authority to supersede western irrigation laws.

Mr. HUMPHREYS. Why not say, "other beneficial uses, not including irrigation"?

Mr. TAYLOR of Colorado. Out of deference to my friend from California [Mr. RAKER], if section 27 stays in the bill, I am willing to leave that in there. I think the Senate will undoubtedly strike it out. I have no doubt whatever but they will have a clause in there to the effect that no beneficial use in this bill shall be construed to in any manner interfere with irrigation or the exclusive right of the Western States to have the exclusive control over the waters within the streams of those States; that is, the nonnavigable streams. But in so far as the amendment is concerned, I have no objection to having it comport with line 17, page 35, I am moving to substitute for the word "irrigation" the words "other beneficial," which make it broader than it is now. I think the amendment ought to be, and I hope will be, adopted.

Mr. RAKER. Mr. Chairman, I am disappointed to think that my friend from Colorado takes the view on this subject that he does. Now, he does not see anything wrong in regard to using this power for mining. Think of it! In his mining State you can develop the power for mining, which was not in the prior amendment. But to give the farmer the use of the water to develop power for irrigation should not be permitted, according to his theory. Clearly there is a misapprehension on this matter. From a reading of the prior acts and the rules and regulations under it the gentleman must know that those who obtain a right of way can only get a revocable permit from the department, even for irrigation purposes. Under the rules and regulations provided for in the act as regards power purposes, under the act of February 15, 1901, they get only a revocable permit, and in that provision the department requires them to show what power could be developed for irrigation purposes; and here, where there is to be a development of power for irrigation in connection with the water-power development, it is proposed to cut it out. It is to say that here, where there is a stream whereby you can develop, say, 100 horsepower and at the same time irrigate a thousand acres of land, you should prohibit irrigation of that 1,000 acres of land and let the water run to waste. That is the position taken by my distinguished friend from Colorado. It can be nothing more and nothing less. I read:

Provided, That licenses for the development, transmission, or distribution of power by States or municipalities shall be issued and enjoyed without charge to the extent that such power is used by such State or municipality for State or municipal purposes, and that licenses for the development, transmission, or distribution of power for domestic, mining, or irrigation use in projects of not more than 50-horsepower capacity may be issued without charge.

Now you give him the right to use it for domestic purposes without charge. You give him the right to use it for mining purposes without charge, when all of us who come from the mining country know that the old mining ditches that were made in 1849, 1850, and on to 1861 and 1870 are now the irrigation ditches of that country which have so improved the country. But it is now contended by the gentleman from Colorado that even if you can develop a project whereby 50-horsepower capacity can be had, you are prohibited from using the water for irrigation.

Now, I can not conceive of any piece of legislation with more folly in it than that proposition in a country where we need the water for irrigation, where one of the things in addition to domestic use and for mining is the use of the water for irrigation; when at the same time with the development of say not exceeding 50-horsepower capacity you can get it without charge, but you are not entitled to use it for the irrigation of small projects, when what the West is built up upon is this irrigation of small projects. But here we have reversed the policy with the intention to say that no man shall hereafter develop these small projects where there are 160 acres, or 500 acres, or a thousand acres, where the water shall not be used for irrigation or development, where if by chance there shall be any hydroelectric power developed the water can not be used for irrigation.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. WALSH. Does the gentleman contend that the use of this power for irrigation would not be included in the term of "beneficial use"?

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. SIMS. Mr. Chairman, I ask that the debate be closed.

Mr. TAYLOR of Colorado. I did not use five minutes. I ask five minutes in reply.

Mr. SIMS. But we thrashed it out thoroughly before.

Mr. TAYLOR of Colorado. I thought we had settled it before.

Mr. RAKER. We have not settled it, and we will not settle it until we settle it right. I ask five minutes in which to proceed.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes, 5 minutes to be used by the gentleman from California [Mr. RAKER] and 5 minutes to accommodate the gentleman from Colorado [Mr. TAYLOR].

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this amendment close in 10 minutes. It is understood that the gentleman from California shall occupy five minutes.

Mr. SIMS. Yes.

Mr. RAKER. Awhile ago the gentleman happened to get a vote striking this word out of the bill, when it was put in the bill after months of consideration and hearing by the committee. The committee placed it in the bill and reported it to the House. The fact that the gentleman got it stricken out is no sign that it is going to be defeated. It is no sign that the Senate is going to strike it out. We are not legislating for what the Senate is going to do. We are legislating here for those things that are right. We are trying to place in this bill provisions that will develop the country instead of retarding it.

Mr. WALSH. Will the gentleman yield?

Mr. RAKER. I yield to the gentleman.

Mr. WALSH. Does not the amendment of the gentleman from Colorado broaden the use of this rather than restrict it, and might not irrigation be included within the term "beneficial use"?

Mr. RAKER. Surely, that might be. Now, here is another thing to show the inconsistency of the amendment in moving to strike out the word "irrigation." Mining was all right. It was not provided for. It was not included by specific words and designations, but in this provision we now see that a man may use the water for the purpose of mining, designating that mining is one of the important things, which it is; but when you desire to use the same water, the same land, and the same conditions for irrigation after you have developed your hydroelectric power and the water has gone over the wheel, the gentleman desires to have it stated in specific terms that it shall not be used for irrigation. I want to assert as an absolute fact, and I am satisfied it can not be contradicted by any engineer who has assisted in developing water and made surveys in the western country, that of every project that has ever grown up over half of the cost goes for the benefit of irrigation, and there is no doubt of it in the world. I know in my own State they are trying to put in a plant for hydroelectric energy. If you prevented the use of the water for irrigation you would make a desert out of a tract of possibly 5,000,000 acres of the finest land on earth. The plant which was established to give water to Los Angeles it turns out now could have been constructed solely and entirely for hydroelectric energy, but they are using it for the benefit of the irrigation of the lands adjoining the town and along the conduit; and the same is true of every other project and every other place, because if you stop to think, you use the land anyhow by the reservoirs, you take up the water and dam it for the purpose of confining it, so that an equal amount of water each day, each hour, and each minute will flow over your wheel to generate electricity, but that same water can be picked up and used for irrigation.

Very often the construction of the entire system would have been justifiable for irrigation alone, and if you say that you shall not make the plans and specifications so as to use the water for its highest beneficial purposes, namely, for hydroelectric energy and for irrigation, you are depriving the country of its most important use, namely, for irrigation, simply because you call this a water-power bill; in other words, a hydroelectric bill.

Mr. WALSH. Will the gentleman yield?

Mr. RAKER. Just for one question.

Mr. WALSH. It says this license for this purpose may be issued without charge.

Mr. RAKER. Yes.

Mr. WALSH. As I understand, that would not prohibit them from issuing a license with a charge.

Mr. RAKER. Possibly not; but with the mining and domestic and municipal purposes right side by side with the irrigation plant of the man who has his land under irrigation, why should he be charged while the man engaged in the mining enterprise is not charged? Why should we not use the water for all it is worth, and why should you make a distinction?

Mr. WALSH. There is no reason whatever.

Mr. RAKER. I simply make again this assertion, that there is not a project constructed in the West, and there never will be one as long as the earth revolves as it does and the climate continues as it is, so that irrigation is necessary, when you build

a dam for a reservoir, where from 50 to 90 per cent of the construction will not be justified for irrigation alone.

Mr. TAYLOR of Colorado. Mr. Chairman, apparently the gentleman from California and I do not understand each other. I could admit practically everything that the gentleman has said. I am just as much in favor of irrigation development as he or anybody can possibly be. I have been interested in irrigation nearly all my life. I am called "The Father of the Water Rights on the western slope of Colorado." As the first referee of the district court of that entire country I adjudicated, determined, and established all the priorities and water rights, including over a thousand decrees, covering that vast, new northwestern part of our State, and settling the water rights of thousands of people. I have practiced irrigation law for over 30 years, and if there is anybody in the West who is interested in irrigation development I certainly am, and I would be the last one to ever knowingly interfere with any western development. I have always jealously guarded on this floor the rights of our Western States, and whenever I see the camel's nose of Federal bureaucratic control getting in under our tent of State irrigation rights I am fearful as to what it will lead to. I confess I am exceedingly incredulous about it. If you will read this language of this subsection here, the provision that we are now referring to, it provides that for a limited amount of use of water, including irrigation, no charge may be imposed.

Let me ask the gentleman from California, has the Federal Government or anyone else ever in the history of the West had any right to charge for the use of unappropriated water for irrigation? Never on earth. They have no authority to charge us a royalty for our water for irrigation, and I do not propose to consent to it.

Mr. RAKER. Will the gentleman yield for a question?

Mr. TAYLOR of Colorado. Not just now.

Mr. RAKER. May I answer the gentleman's question?

Mr. TAYLOR of Colorado. Not now. The gentleman can do so in his own time. I do not propose to permit any law to give the Government or anybody a right to impose a royalty charge upon or regulate any water for irrigation. If the law provides that the people may use 50 horsepower without charge it directly implies a charge for all above that amount. I do not care whether it is 50 horsepower or whether it is only a thimbleful of water, Congress has no right to charge us for it. It belongs to us. It is our heritage. Free water for irrigation has built up the West, and nobody can rightfully put any charge on it and nobody can lawfully put any 50-year limitation or any other limitation upon our constitutional right to the free and unimpeded and perpetual use of the waters of our streams for any beneficial use we see fit to make of it.

The only condition or limitation that the law or anybody can put on the use of its water in the West is that if a man does not use it beneficially and continuously it goes back to the State government. As long as he uses it it belongs to the person who appropriates and beneficially uses it, and the use is free and without charge. I want to prevent anything getting into this bill that will allow some Federal commission in Washington to regulate or limit or control or put a charge on the use of water for irrigation in the West. That is our individual business. That is all there is to it, and all I am trying to prevent. I do not want every westerner to be compelled to consult some Federal agent every time he wants to irrigate his potato patch.

Cutting irrigation out of this bill does not prevent people from irrigation development. They can and will, as they always have, develop under the State laws. They will develop under the doctrine of priority of appropriation. That is the way development will be made, and not by Congress or some Federal commission here in Washington, 3,000 miles away, and under such conditions and limitations and upon such charges as they see fit to impose. That is the provision that the gentleman from California would have in, and I am trying to prevent it. I am bitterly opposed to the principle itself of submitting and subjecting and surrendering our vested constitutional right to the use of our own water for irrigation in the arid States to any commission on earth.

It belongs to us by the constitution of every Western State and by every enabling act which permitted them to come into the Union. I do not want to permit a law to be made taking away or jeopardizing that right and giving it to some commission. That is all there is to it, and I ask to have the word "irrigation" struck out in every place except in section 27, where it uses this specific language. What is the use of trying to fudge in, circumvent, and undermine or destroy this section by any subterfuge. Here is the language the committee put in the bill on my motion and after exhaustive consideration. It reads like this:

SEC. 27. That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein.

That section not only recognizes and protects our plain constitutional vested water rights, but it is fair and honest, and no friend of the West can ever vote to destroy its effect or thwart or nullify its purpose.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado.

The question was taken, and the amendment was agreed to.

Mr. LITTLE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 37, line 14, after the word "States" insert "or any other licenses."

Mr. LITTLE. Mr. Chairman, that will then read:

When licenses are issued that contemplate the use of navigation dams or other structures owned by the United States or other licensees, in the discretion of the commission the charges to be paid by the licensee may be readjusted at periods of not less than 10 years, in a manner to be described in each license.

This provision they have in the bill is so just and wise that it occurred to me that it ought to be extended to cover everything in contemplation in the bill. If it is good for navigation dams, it is good for all other licensees. If it is necessary for the navigation licensees, it must be necessary for others. The time of 10 years gives everybody a time to get started, and it is a good time to readjust. Take the second 10 years, and the licensee might have a license authorizing him to pay a small rate, and by that time he might be making an immense fortune, and yet there would be no way to readjust it because his license runs for 50 years. I do not think it would be fair, because the licensee of a navigation dam might be called on after the first 10 years to raise and raise his payments, and there might possibly be a rivalry between them, and therefore the other licenses ought to be adjusted every 10 years; and that is the purpose of this amendment. This Government years ago gave away to the railroads enough land to have built every railroad that was built, and a great many scandals and robberies would have been done away with if the Government had built the roads and sold the lands. In that event the Government would have made millions. Here you give away untold values, and what do you get? This Government should not let all this get away from Federal control. This plan will be as decisive and far-reaching as the Dartmouth College case. Every 10 years there should be a readjustment of the charges, and now is the time to arrange it. You have had the lesson of the railroad land grants.

I am afraid that you are going to do the same thing now. You are giving away the last great gift in your control, and you are getting nothing for it. I do not see how any man dare vote for such a proposition. This simple three-word amendment will put a stop to the whole business. It will put all the licenses upon the same basis as this navigation-dam license that the bill provides for. It will put all of the licensees on an equality. If you do not insert this amendment one man, 50 years from now, may be rolling in millions while another fellow in the same business a few miles away may be making only a reasonable amount of money.

Mr. LA FOLLETTE. Mr. Chairman, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. LA FOLLETTE. Under this bill all these projects are put under the State utilities commissions, and if they permit anyone to get wealthy out of it, it is the fault of the State in which it is located and not the fault of the commission or of this committee.

Mr. LITTLE. Then why put this provision in that those who have navigation dams shall be readjusted every 10 years? If it is fair for one it is fair for the other.

Mr. LA FOLLETTE. One is a project that belongs to the Government, and the other is a project that the Government does not own, where it does not own the water and does not own the site or any part of it.

Mr. LITTLE. Nor does it own any of the licensees, and they should be treated alike. One licensee should pay the same as another. There is no reason why you should give one set of men contracts that nobody else can get. It is not fair or sensible. You are going to be subjected in ensuing years to an immense amount of criticism for the thing that you are inserting in this bill.

If it should turn out that men shall grow rich at the expense of the last great gift of the Nation, and you have not provided that they shall make proper remuneration, every man here will be criticized, and no one likes to vote against a bill that has

such splendid opportunities for good in it; but for heaven's sake, make the same provision for every licensee. This is a simple thing. It can be done in three words. It will not disarrange anything in the bill. It will just say to these gentlemen that will get a license to use water anywhere they want to that they shall be subject to the same readjustment every 10 years which the man who gets the license under a navigation dam is subject to, and if it is not right that they should be subjected to that readjustment, you should not ask the other man to be readjusted. The theory that the States can alter any contract made by the Nation in a license is, of course, without any foundation whatever. When this license issues from the Federal Government no State board can interfere. No court will hold otherwise. The commission issuing the licenses will consider the fact that one has the advantage of a Government project and make the charge accordingly. They will take the same fact into consideration every 10 years at the readjustment. But they can not do that if they do not pass my amendment.

Mr. SMALL. Mr. Chairman, it is astonishing how one with the usual precision of the gentleman from Kansas [Mr. LITTLE] should make such a mistake. The difference between navigation dams and a private dam is this: A navigation dam has already been constructed by the United States, so that the licensee of a Government dam is not subjected to the large expense involved in the construction of a private dam. The dam is intended primarily for navigation purposes and incidentally for water power. The gentleman will understand that one of the difficulties in the development of water power by the issuing of licenses for the construction of private dams lies in the difficulty of inducing capital to make investment in these water-power plants. If the price to be paid is to be adjusted every 10 years, would the gentleman invest his money, stock, or bonds in a water-power plant?

Mr. LITTLE. An investor has to be adjusted under the other provisions, does he not?

Mr. GORDON. In the other case the Government paid all of the expense.

Mr. LITTLE. No; it did not.

Mr. GORDON. Yes; it did.

Mr. SMALL. There are sufficient restrictions in this bill already to protect the public, but if an investor is confronted with the contingency that every 10 years there is to be a readjustment of the license terms and the prices which he is to pay, it would be a sufficient deterrent to prevent the investment of any capital and would make the bill absolutely nugatory.

Mr. LITTLE. If there were sufficient provisions, of course, I would not have offered the amendment, at least if they appealed to me. What are the provisions that require a man who takes a license for 50 years to be readjusted or rearranged in conditions according to the development of the business that he is running? Where is there any such provision?

Mr. SMALL. The purpose of the gentleman's amendment is to place dams constructed by private capital in the same relation as the licensee occupies with reference to Government dams.

Mr. LITTLE. Sure. That is, on that point, as far as a readjustment of payments every 10 years to meet conditions.

Mr. SMALL. The present law, which was reported by the Committee on Rivers and Harbors, requires that all Government dams which in this bill are called navigation dams shall be constructed with sloughs and all the other particular appliances of a dam useful for water power, so that when the licensee takes possession of it he has a complete dam fitted for navigation, and also fitted to be immediately applied to the development of water power. That great expense has been borne already.

Mr. LITTLE. The commission will take all those things into consideration when they readjust, will they not, if it is a fair commission? If they will not, we should not have such a commission.

Mr. SMALL. But the gentleman loses sight of the fact we are inviting capital to invest in these water-power plants.

Mr. LITTLE. I do not lose sight of it.

But will not the commission take all those facts into consideration when they readjust? Why, surely.

Mr. SMALL. The weakness of the gentleman's amendment lies in the uncertainty which it involves, and capital will not invest.

Mr. LITTLE. It is not more unfair for one than for another. Each knows just what to expect—a readjustment every 10 years. Why should any Government grant be untrammeled for 50 years?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

The question was taken, and the amendment was rejected.

Mr. GRAHAM of Illinois. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Page 36, line 18, after the word "works" strike out the semicolon, insert a comma, and add the following language: "that such license shall be upon the express condition that said licensee shall make settlement or compensation for all damages to be caused by the construction of such project according to the laws of the State where such damages are to be caused before the construction of such project."

Mr. GRAHAM of Illinois. Mr. Chairman, I hope that this amendment will meet with the approval of the committee. I think there is nothing in the amendment but what any man on the committee will see is wise and ought to be the law. The bill as drawn by the committee, it will be noticed, is drawn in an awkward way. For instance, it is stated in the bill:

No license hereunder shall have the effect of relieving the licensee from liability for any injury or damage occasioned by the construction, maintenance, or operation of said project work.

But the statement is not made that the licensee shall as a prerequisit before construction pay those damages or cause them to be settled or paid before the work is started. In my mind and due to my experience that sort of a provision is very essential in these projects. I have in my mind, Mr. Chairman, the Mississippi River in particular and some experiences which I have had on that river in watching some improvement work which has been made there. In 1905 the Congress passed an act permitting the Keokuk & Hamilton Water Power Co. to build across the Mississippi River from Keokuk, Iowa, to Hamilton, Ill., a dam for the purpose of generating hydroelectric power. A few years after that act was passed work on this great project was started, and to-day there is stretching across the Mississippi River at Keokuk, Iowa, and extending over and touching the Illinois shore in the district which I represent a great dam, the second greatest water-power project in the United States. That original act did not provide in any way for any compensation to the Government, and to-day thousands of hydroelectric horsepower are being manufactured at that dam and sold to consumers at high rates and absolutely without compensation to the United States Government at all. I want to say, further, that the original act as it was passed by this House and by the Senate had a provision in it as to damages which reads as follows, and I would like to have the chairman of the committee and the rest of the gentlemen notice this, because it is a provision that is entirely different from the provisions of this act and seems to be a provision that ought to cover the case, but, as I shall state in a minute, does not:

That compensation shall be made by the said Keokuk & Hamilton Water Power Co. to all persons, firms, or corporations whose land or other property may be taken, overflowed, or otherwise damaged by the construction, maintenance, and operation of the said work in accordance with the laws of the State where such land or other property may be situated.

Now, that act provided, if you gentlemen will notice, that compensation must be paid by the Keokuk & Hamilton Water Power Co., according to the laws of the State in which the damage was committed. This act does not so provide. This act has no provision that damage shall be paid as a prerequisite to doing the work. The only difference between the language of the act of 1905 and the amendment I have offered is this, gentlemen, that I have provided in my amendment that the license shall state as a prerequisite that before beginning work the person starting the project shall make settlement for or pay all damages to be caused by the erection of the proposed work. Does any man here in this committee know of any eminent-domain act of any State in the Union that permits the erection of a railroad or any other public utility that does not provide as a prerequisite the payment or settlement of all damages to be caused by the erection of that improvement?

Mr. DEMPSEY. Or the giving of a bond.

Mr. GRAHAM of Illinois. The giving of a bond or the payment of compensation.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAHAM of Illinois. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes. I think this is important.

Mr. SIMS. Will the gentleman ask for five minutes?

Mr. GRAHAM of Illinois. Then, I ask for five minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. SIMS. Does the gentleman propose that this shall be a part of the license and a condition on which the license is issued?

Mr. GRAHAM of Illinois. Yes.

Mr. SIMS. It does not require them to pay whatever this damage may be in advance?

Mr. GRAHAM of Illinois. No. I think the license ought to be taken on the condition that the licensee before starting construc-

tion will make settlement for this damage under the laws of the State in which the damage is to be caused.

Now, let me tell you what has happened on the Mississippi River. That project has been completed for over 10 years. The Mississippi River has been dammed there, and they have been making this hydroelectric energy, which they have been selling, as I say, at very high rates. There are damage suits pending there now, gentlemen, that have been started in the last year or two, in which hundreds of thousands of dollars in damages are involved. Those claims are pending there yet, where the people can not get their damages, and I do not know when they will do so, although the work has been finished for almost 10 years. The trouble in damming a river like the Mississippi is that nobody knows what damage there is going to be, except the engineers who have charge of the work. With that project the water was dammed for over 50 miles—from Keokuk, Iowa, to 10 miles above Burlington, Iowa—and it took the best engineering skill to figure the back-water curve. The gentlemen from Iowa here in Congress know that these things that I am talking about are true. Perhaps 100,000 acres of land have been flooded by that project, some of the best lands in the United States, and to-day some of the farmers who own those lands are trying to get into court and collect damages from this company, and suits are pending.

Mr. SIMS. The provision was not in the act? It was in the bill but was stricken out somehow?

Mr. GRAHAM of Illinois. It ought to have been in the act.

Mr. SISSON. Will the gentleman yield for one moment?

Mr. GRAHAM of Illinois. Yes.

Mr. SISSON. Did the act originally have the language in it that the gentleman wants to put in it, and was it stricken out somewhere in one body or the other?

Mr. GRAHAM of Illinois. I do not know about the act of 1905 in its original form, but as it was passed it did not carry it as a prerequisite. It said in that act that they should pay the damage, but did not say when. That is the trouble about it. We ought to say that these licenses are taken on condition that the damages be adjusted before they start work, so that there will be no trouble about the thing, and so that they would have to do what a railroad company has to do, or any other public-service corporation. The licenses should be taken on the condition that they will pay.

Mr. SIMS. And given grounds for revocation of the license in case they do not?

Mr. GRAHAM of Illinois. Yes. I do not think they ought to pay anything before they start their work.

Mr. SISSON. They might make it a lien on the property when a judgment is obtained.

Mr. GRAHAM of Illinois. I think it can be handled under the laws of the various States. Take the State of Illinois; there, before any railway or any other public-utility company starts its actual work it must settle for the damages.

Mr. SISSON. On that piece of property?

Mr. GRAHAM of Illinois. On that particular work. And so should these companies. Before they start their work they ought to settle.

Mr. SISSON. But the gentleman will understand that this difficulty that did occur with the railroads will not occur here. You can not tell just exactly what damage will occur to a piece of land by building a dam below the land, and it is only after the damage has occurred that you can determine with accuracy how much the damage has been. Therefore, unless the gentleman has some suggestion to make as to a lien upon the property of the company building the dam he will have a good deal of difficulty in the enforcement of it prior to the time the dam is built. I am in sympathy with the position taken by the gentleman.

Mr. GRAHAM of Illinois. It is manifest that each licensee ought to comply with the laws of the State in that respect before he starts.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GRAHAM of Illinois. Let me have just one minute.

Mr. SIMS. I think well of the gentleman's amendment. I have no objection to his having one minute.

Mr. DEMPSEY. I would like to have two minutes.

Mr. SIMS. I ask unanimous consent, Mr. Chairman, that the debate close in four minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that the debate close in four minutes. Is there objection?

There was no objection.

Mr. GRAHAM of Illinois. I think this matter is of sufficient importance to warrant us in letting the chairman of the committee take up this amendment during the night and look it over and decide for himself about it. My only hope is that if the language does not meet with his approval he can draft something along that line which will cover that point.

Mr. SIMS. If it is the purpose to pay damages according to the laws of the State in which the damage occurs, that might be thrashed out in conference. I want to get this bill into conference sometime.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The gentleman from New York [Mr. DEMPSEY] is recognized for two minutes.

Mr. DEMPSEY. Mr. Chairman, I am in hearty sympathy with the purpose of the gentleman from Illinois [Mr. GRAHAM], but I see objections to it. In New York we have no such process by which they must settle for all damages before they can begin work on a project. It seems to me that would indefinitely hold up the commencement of the work. I do not know of any way in which you can settle for these claims except by suit.

Now, if you are going to have condemnation cases, you have to have a trial, and you may have an appeal; and the utmost you can provide for, it seems to me, is certainty of recovery. In the State of New York the way we do these things is this: When a railroad, for instance, wants to take a piece of land, if it wants to take it immediately, the statute gives it the right to enter upon the land upon the giving of a bond to satisfactorily settle damages. That enables the public utility to enter upon the construction work for the benefit of the public at once. If you provide that all these projects must be compensated for and the damages paid in advance, you will put it in an impracticable position. The gentleman from Illinois [Mr. GRAHAM] says the Keokuk dam has not been paid for in 10 years. You may put off the beginning of the work for 10 years. That could not be done.

Mr. SIMS. I do not see how the damages could arise until after the work had begun.

Mr. SISSON. Perhaps the parties suffering damage could begin suits under the laws of Illinois.

Mr. DEMPSEY. But to make them settle in advance before they can know the amount of the settlement seems to me to be impracticable.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that a vote be deferred on the gentleman's amendment so that he and the gentleman from New York [Mr. DEMPSEY] and others may have time in which to prepare an amendment and return to it later. There is no opposition to it. I ask unanimous consent that action on this amendment be deferred until some time in the future. The debate, of course, is closed.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that at a later time the committee return to the amendment.

Mr. DILL. Mr. Chairman, I want to call attention to the last part of this paragraph (e), following the paragraph providing that the licenses may be issued for not more than 50 horsepower free of charge. The bill reads:

> But in no case shall a license be issued free of charge for the development and utilization of power created by any navigation dam and that the amount charged therefor in any license shall be as nearly as possible that ascertained by the commission to be the value of such power.

I do not understand whether those sentences refer to the 50-horsepower licenses or not.

Mr. SIMS. There would not be any navigation dam that would develop any horsepower at all that would not develop more than 50 horsepower.

Mr. DILL. Then the provision that there shall be licenses free of charge does not refer to the 50 horsepower?

Mr. SIMS. No.

Mr. DILL. How do you expect to get any development by saying that your charge for the license shall be as nearly as possible that ascertained by the commission to be the value of such power?

Mr. SIMS. As I understand it, that refers only to navigation dams where the Government has incurred the expense.

Mr. DILL. If the licensee must pay the value of the power, how can he afford to put any money into a power plant or plant to develop that power?

Mr. SIMS. You mean to pay the value of the power delivered to the consumer?

Mr. DILL. That is what this says.

Mr. SIMS. Undoubtedly it does not mean that.

Mr. DILL. It is the last part of this paragraph, from line 3 to line 5. It says "the amount charged therefor in any license shall be as nearly as possible that ascertained by the commission to be the value of such power."

If you are going to charge a man the full value of the power which he is given a license to use, how can you expect him to go ahead and develop that power?

Mr. SIMS. I myself never inferred that the man would be charged the value of the power if he has put in his own generating plant or anything of that sort.

Mr. DILL. I think it would be a very short-sighted policy, but, as I read the language, that is what this provides.

Mr. SIMS. We can pass it over and look into it and return to it later.

Mr. DEMPSEY. I intended to ask the same question that has been asked by the gentleman from Washington.

Mr. DILL. I do not know that I want to move to strike it out entirely, but I did want to call the attention of the committee to it in order that it might be remedied, so that the power could be used. In fixing the charge, the commission should take the value of the power into consideration, but if they charged the full value of it there would be nothing which would induce anyone to want to develop it.

Mr. SIMS. This was drawn by a scientific engineer, Mr. Merrill, and I would not like to agree to change language that he had put in after long study without giving him notice.

Mr. DILL. I wanted to call it to the attention of the committee. I think it would be all right for them to take into consideration the value of the power, but if you charge the value of it that leaves no inducement to any man to take the power.

Mr. SIMS. That is a timely suggestion.

Mr. DEMPSEY. This applies only to navigation dams which have been constructed by the Government.

Mr. SIMS. Without any contribution from any other source.

Mr. HUMPHREYS. Oh, no.

Mr. DILL. It does not say that.

Mr. HUMPHREYS. On page 26 we have the definition—

"Navigation dam" means a dam or other work constructed or owned by the United States for the improvement of navigation, with or without contribution from others, from which flows surplus water not needed for navigation that may be disposed of under the provisions of this act.

Mr. SIMS. Yes.

Mr. HUMPHREYS. So if you have a dam constructed by the aid of contributions from the power companies, if they help to construct a dam to develop water power, why should you charge them the full value of the power?

Mr. SIMS. I want to say to the gentleman from Mississippi that this portion of the bill is intended to apply only to navigation dams that have already been constructed either with or without contributions. It does not have any reference to dams to be constructed in the future, as I understand it.

Mr. DILL. It does not so state.

Mr. HUMPHREYS. Let us refer to page 26 and see if it does:

"Navigation dam" means a dam or other work constructed or owned by the United States for the improvement of navigation, with or without contribution from others, from which flows surplus water not needed for navigation that may be disposed of under the provisions of this act.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the last word. Take the dam in the Black Warrior River, No. 17, as I remember, a 63-foot dam. When we constructed that dam we so laid the foundation that it would be possible in the future to convert it into a water-power dam. Now, suppose some man wants to go there and develop the power at that dam in accordance with the limitations of this bill and under the supervision of the commission. That is a navigation dam. That is what it is put there for, and the commission has no discretion in the matter. If a company wanted to develop that great power there from that 63-foot dam the commission would have to charge them whatever the power was worth, which, of course, means that nobody would go there, because nobody could make anything out of it.

Mr. SIMS. As this was drawn by a scientific engineer, I do not want to make any agreement about it until it is looked into. I do not want this language to mean what the gentleman from Washington [Mr. DILL] and the gentleman from Mississippi think it may mean, or maybe construed to mean. I do not want it to mean that.

Mr. DEMPSEY. Why would not this amendment cure the objection raised by the gentleman from Washington and by the gentleman from Mississippi: To strike out the period after the word "power," in line 5, on page 38, and insert:

Such a fair return on any amount contributed by licensee.

Mr. SIMS. I would rather we would not amend this now. If I had drawn this bill or if some member of the committee had drawn it I would have no objection, but this is the work of Mr. Merrill in both the original and amended bill.

Mr. HUMPHREYS. What is the suggestion of the gentleman from Tennessee?

Mr. SIMS. Let us pass it over with a view of getting up an amendment to prevent the possibility of this language being construed as both the gentleman from Washington and the gentleman from Mississippi construe it.

Mr. HUMPHREYS. With unanimous consent to return to it.

Mr. SIMS. There will be no trouble about that; there will be no objection to returning to it.

Mr. DEMPSEY. I will offer an amendment with no idea of its being adopted at this time, so that it may be considered to-morrow.

Mr. SIMS. I do not know about to-morrow, but to be considered when we return to it. Mr. Chairman, I ask that all debate on this section and all amendments thereto be now closed.

Mr. RAKER. I shall reserve an objection to that.

Mr. SIMS. Amendments can be offered, but without debate.

Mr. RAKER. I have another amendment that I want to offer.

Mr. SIMS. Well, Mr. Chairman, I will withdraw the request.

Mr. ESCH. Mr. Chairman, I offer the following amendment, which I send to the Clerk's desk:

The Clerk read as follows:

Add new paragraph after line 5, page 38, designated "f":

"(f) That whenever any licensee hereunder is directly benefited by the construction by another licensee of a storage reservoir or other headwater improvement, the commission may, in its discretion, require as a condition of the license that the licensee so benefited shall reimburse the owner of such reservoir or other improvements for such part of the annual charges for interest, maintenance, and depreciation thereon as the commission may deem equitable. The proportion of such charges to be paid by any licensee shall be set forth in the license, and all amounts so received by any licensee shall be paid into a special amortization reserve for the retirement of the cost of such reservoir or other improvement.

"Whenever such reservoir or other improvement is constructed by the United States the commission shall assess similar charges against any licensee directly benefited thereby, and any amount so assessed shall be paid into the Treasury of the United States to be reserved and appropriated as a part of the special fund for headwater improvements as provided in section 17 hereof."

Mr. ESCH. Mr. Chairman, just after the Committee on Water Power had closed the consideration of the bill in executive session a communication was received by the chairman from the Secretary of the Interior, Mr. Lane, forwarding a letter of recommendation from Col. Hugh Cooper, then in France, connected with Government work. In the letter Col. Cooper recommended that there should be some legislation encouraging the construction of storage dams for equalization of the flow of streams.

The matter was submitted by the chairman of the committee to four members, consisting of the gentleman from Georgia [Mr. LEE], the gentleman from California [Mr. RAKER], the gentleman from Minnesota [Mr. ANDERSON], and myself. In the absence of Mr. LEE I submit the proposed amendment. I think we all agree in the principle therein contained, but there may be possibly some difference of opinion as to verbiage. The principle of the amendment is simply this: To encourage the construction of storage reservoirs by licensees upon the stream, to the end that if another licensee builds a power plant on same stream, whether above or below the original licensee's plant, that licensee shall annually pay into an amortization reserve fund a proportion of the cost of operation and maintenance and of interest charges represented by the construction of the reservoir by the first licensee.

In that way we seek to equalize competitive conditions, for if a licensee who builds the reservior stands all the costs of the reservoir and maintenance charges, and another licensee builds another dam on the same stream and gets the advantage of the equalization of the flow of that stream by reason of the construction of the reservoir by the first licensee he has an advantage. If, for instance, they are both engaged in the production of pulp or paper, the one who builds last gets the benefit of the equalized flow and has a very strong advantage over the first licensee who was at the expense of building the reservoir.

The amendment I have offered requires that the money paid by the first licensee toward interest charges and maintenance and operation for the reservoir shall be segregated and put into an amortization reserve, in order, in the course of years, to wipe out the net-investment cost of the reservoir. So that when that shall have been wiped out there will be nothing that will be chargeable to the second or other licensees except purely maintenance and operation charges.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. ESCH. Yes.

Mr. WALSH. The gentleman stated that this charge should be imposed whether the second dam is built above or below.

Mr. ESCH. Yes.

Mr. WALSH. If the second dam is built above the reservoir——

Mr. ESCH. Oh, no; above the plant of the first licensee, but between that plant and the reservoir.

Mr. WALSH. Oh, I understand.

Mr. ESCH. Then the last paragraph of the amendment relates to payments where the Government builds the project, and that is all practically taken care of in section 17 of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

Mr. DILL. Mr. Chairman, I desire recognition upon this amendment.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that all debate upon this amendment close in five minutes.

Mr. SMALL. Mr. Chairman, I desire to be heard upon this.

Mr. SIMS. Three minutes to the gentleman from Washington and two minutes to the gentleman from North Carolina.

Mr. GILLETT. Mr. Chairman, may I ask the gentleman from Tennessee how long he intends to sit this evening?

Mr. SIMS. Just as long as gentlemen will stay here with me.

Mr. GILLETT. Well, that is not very long.

Mr. SIMS. Oh, I hope the gentleman will wait for a moment or two. I have been practically notified that if we do not get this bill through before Friday then the Committee on Ways and Means is going to take charge, and we will have no chance. We have not had any smooth sailing at all. Something is breaking in all the time. I do not think it is the fault of any member of the committee. I think we should go on to-night certainly until 5.30 o'clock.

Mr. GILLETT. If the gentleman will say that he will rise at 5.30 o'clock I will have nothing more to say.

Mr. DOREMUS. Mr. Chairman, the real fight on this bill is going to come when we reach section 14, and I suggest that we get down to section 14 before we quit to-night.

Mr. WALSH. Oh, no; I shall make a point of no quorum if an attempt is made to do that.

Mr. DOREMUS. There is only one more section before we reach that.

Mr. WALSH. Oh, no; we are now on section 10.

The CHAIRMAN. The gentleman from Washington is recognized.

Mr. SIMS. Then the debate is to close in five minutes?

Mr. RAKER. Mr. Chairman, I want five minutes.

Mr. SIMS. Oh——

Mr. RAKER. Mr. Chairman, I am a member of this committee, and I think that I am entitled to have at least five minutes once in a while, whether it amounts to anything or not. I have given years of study to the subject.

Mr. SIMS. If members of the committee want to defeat this bill they know how to do it.

Mr. RAKER. That is not fair.

Mr. SIMS. Oh, I know the gentleman from California does not want to defeat it.

Mr. RAKER. This amendment is the result of the deliberations of a subcommittee appointed after we got through with this particular thing.

Mr. ESCH. Mr. Chairman, I think the gentleman from California ought to have five minutes.

Mr. SIMS. Then I ask that debate close in 10 minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate upon this amendment close in 10 minutes. Is there objection?

There was no objection.

Mr. DILL. Mr. Chairman, I am very much interested in the adoption of this amendment. Many of the streams that flow down from the mountains have lakes and natural reservoirs on the way above any suitable place for a dam, and if such an amendment as this is not adopted the first man who builds a dam on the streams may be put to the tremendous expense of building a great storage reservoir from which those who will build later will profit. The remarks of the gentleman from Wisconsin [Mr. ESCH] apply particularly to the mountain streams upon the western side of the Rocky Mountains, and it is there that most of the development under this bill will result.

I have the honor to represent in this House a district that has a tremendous amount of undeveloped water power. The power sites are there and in most cases are already in private ownership. In some instances considerable amounts of money have been spent looking to the development of these sites; but, of course, without legislation they are all at a standstill. Take the Columbia River power sites and the power sites on the streams that flow into it. If a dam is built to establish a reservoir for water to furnish power on one of these streams, it furnishes water for all dams below it, and whoever may happen to build a dam on a power site below should contribute to the cost of the reservoir dam in proportion to the benefits received. This amendment provides that very thing, and I most earnestly hope it will be adopted.

If I may add just a word, I desire to say that I think it is exceedingly important to the country and particularly to the people of the Northwest that this water-power legislation be passed and passed soon. With only 6,000,000 horsepower out of all the water power in the United States developed, the need for legislation that will enable capital to develop this power while at the same time protecting the rights and interests of the people becomes more imperative every day.

Mr. SMALL. Mr. Chairman, at the time that I asked for recognition I supposed there would be some objection to the amendment offered by the gentleman from Wisconsin [Mr. ESCH], but it is so eminently proper and equitable that I can not conceive that it will fail of adoption. This certainly must be adopted, because unless such an amendment is incorporated in the bill it will be an injustice to some early builders of water power where it becomes necessary to construct reservoirs, and the amendment is also necessary for the protection of the United States in such reservoirs as the Government shall build. I think it is eminently wise and a necessary amendment to the bill.

Mr. RAKER. As the gentleman from Wisconsin [Mr. ESCH] has well said, there was some little question as to the verbiage, but the main object of this amendment was agreed upon by the subcommittee appointed after the committee concluded its work, as suggested by the gentleman from Wisconsin. A number of us thought this object embodied in the bill, but if it is tentatively it is not specifically designated, and it should be provided as this amendment directs. So that not only the Government but the individual who has constructed a dam or project, municipal or otherwise, if its works are used by a subsequent licensee, no matter who it may be, should contribute to the expense that the subsequent works are benefited by virtue of the original work, and I therefore trust that the amendment will be adopted. It should be from every conceivable standpoint.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was agreed to.

Mr. RAKER. Mr. Chairman, now I ask unanimous consent that I may extend my remarks on the question of the irrigation amendment so as to include the questions propounded by me to the various persons who appeared before the committee when this matter was under consideration.

The CHAIRMAN. Is there objection to the request of the gentleman from California? [After a pause.] The Chair hears none.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out paragraph (f), just for the purpose of asking a question. I want to ask the chairman of the committee what it means. This bill, as I understand it, was drawn by somebody in one of the departments. It is difficult to tell by the bill whether it is for the purpose of enabling or preventing the development of water power, and it puts a great many limitations and conditions in giving the commission power to do, I suppose, everything that the drafter could think of while he was writing it. Now, he adds:

> Such further conditions not inconsistent with the provisions of this act as the commission may require.

What is the purpose of that?

Mr. SIMS. It means just what it says and just what ought to be in the bill. If we are going to put the administration in the hands of the commission they should have some administrative discretion lodged in them. It is certainly unobjectionable in every sense.

Mr. HUMPHREYS. If that is the only answer the gentleman has I will remind him of the fact that about the only discretion given the commission in paragraph (e) the gentleman moved to strike out just now, and now he says they ought to have discretion——

Mr. SIMS. I did not move to strike out.

Mr. HUMPHREYS. The gentleman moved to strike out the first two lines of the paragraph which gave some discretion.

Mr. SIMS. In relation to the charge to be made.

Mr. HUMPHREYS. And to provide they should not have any. Now, it does occur to me——

Mr. SIMS. I left them the discretion as to how much higher they might go.

Mr. HUMPHREYS. It occurs to me that is going quite a ways to authorize this commission to put all the limitations that you have enumerated or evidently this man could think of——

Mr. SIMS. Not inconsistent with the law.

Mr. HUMPHREYS. I understand, but it does not permit them to prescribe any other conditions just so the bill did not forbid it.

Mr. SIMS. Not inconsistent with the law; it will have to be consistent.

Mr. HUMPHREYS. Unless there is something in the bill which is inconsistent, they can add all the conditions you have enumerated, and if they can conjure up anything else that is not forbidden here they can put that on.

Mr. SIMS. My observation has been that when administrative officers are dealing with special interests they need about all the power they can get and even then they do not cope with the special interests very successfully; they will then often get ahead of them.

Mr. HUMPHREYS. In view of the fact that the chairman of the committee stated here on the floor of the House at the beginning of the debate that this was not a bill to enable people to develop water power for the purpose of making money out of it, I suppose this is a thoroughly consistent provision to leave in it. If anybody thought they could possibly make some money with all these limitations, the commission will be authorized to prescribe some further provisions to prevent it. Mr. Chairman, I withdraw the amendment.

The CHAIRMAN. The gentleman withdraws his amendment.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that the next paragraph be numbered (g) and the next one (h), so as to correspond with the amendment already adopted.

The CHAIRMAN. Without objection, the paragraph (f) will be numbered (g) and (g) numbered (h).

There was no objection.

The Clerk read as follows:

SEC. 12. That whenever application is filed for a project hereunder involving navigable waters of the United States and the commission shall find upon investigation that the needs of navigation require the construction of a lock or locks or other navigation structures, and that such structures can not, consistent with a reasonable investment cost to the applicant, be provided in the manner specified in section 11, subsection (a) hereof, the commission may, either before or after taking action upon such application, cause a report upon such project to be prepared, with estimates of cost of the power development and of the navigation structures, and shall submit such report to Congress with such recommendations as it deems appropriate concerning the participation of the United States in the cost of construction of such navigation structures.

Mr. ANDERSON. Mr. Chairman, I move to strike out the word "either" and the words "or after," in line 23, page 39.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ANDERSON: Page 39, line 23, strike out the word "either" and the words "or after."

Mr. ANDERSON. Mr. Chairman, this section relates to dams and navigable waters where locks are required and can not be constructed by the licensee within the limits of a reasonable investment cost on the entire project. It provides that where such a condition exists the commission may, either before or after taking action upon the application, make a report upon the project to Congress, with the estimate of the cost of the contemplated locks. It seems to me quite apparent that if any report is to be made at all and that report is to be considered by Congress it ought to be made before and not after the report is made by the commission. The proposition is so self-evident as to not require argument, it seems to me, or any further discussion.

Mr. RAKER. Mr. Chairman, I call——

Mr. ANDERSON. I know what the gentleman is calling my attention to, and I apologize for striking out any amendment agreed to by the distinguished gentleman who prepared the bill.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WALSH. Mr. Chairman, I move to strike out the last word to ask the chairman of the committee a question. On page 40 it says:

And shall submit such report to Congress with such recommendations as it deems appropriate concerning the participation of the United States in the cost of construction of such navigation structures.

That means the participation of the United States in paying the bill?

Mr. SIMS. That is what I understand it has reference to. It might be an excessive cost that would be too great for the licensee to justly bear. I suppose that is the object and purpose of it.

Mr. WALSH. And are these the locks or structures that are required as conditions of the license as provided in section 11?

Mr. SIMS. I presume they are. I suppose they are included.

Mr. DEMPSEY. Would not the language be clear if we struck out "participation," in line 3, and inserted "contribution," and struck out "in" and inserted "to"?

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 13. That the licensee shall commence the construction of the project works within the time fixed in the license, shall thereafter in good faith and with due diligence prosecute such construction, and shall within the time fixed in the license complete and put into operation such part of the ultimate development as the commission shall deem necessary to supply the reasonable needs of the then available market, and shall from time to time thereafter construct such portion of the balance of such development as the commission may direct, so as to supply adequately the reasonable market demands until such development shall have been completed. The periods for the commencement and completion of construction may be extended by the commission when not incompatible with the public interests. In case the licensee shall not commence actual construction of the project works, or of any specified part thereof, within the time prescribed in the license or as extended by the commission, then, after due notice given, the license shall, as to such project works or part thereof, be terminated upon written order of the commission. In case the construction of the project works, or of any specified part thereof, have been begun but not completed within the time prescribed in the license, or as extended by the commission, then the Attorney General, upon the request of the commission, shall institute proceedings in equity in the district court of the United States for the district in which any part of the project is situated for the revocation of said license, the sale of the works constructed, and such other equitable relief as the case may demand, as provided for in section 26 hereof.

Mr. DEMPSEY and Mr. WALSH rose.

The CHAIRMAN. The gentleman from Massachusetts [Mr. WALSH] is recognized.

Mr. WALSH. Mr. Chairman, we have just finished reading section 13. I move to strike out the last word.

Mr. SIMS. I mean to rise, if the gentleman has no amendment to offer.

Mr. DEMPSEY. I was going to suggest purely a clerical error on page 41, in line 3. The word "licensee" should be "license." It is the first word in line 3.

Mr. SIMS. I was going to say this, that if the gentleman does not object we will read section 14 and not offer any amendments.

The CHAIRMAN. Was there a unanimous-consent request to change the word "licensee" to "license"?

Mr. SIMS. Yes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The Clerk read as follows:

SEC. 14. That upon not less than two years' notice in writing from the commission the United States shall have the right, upon or after the expiration of any license, to take over and thereafter to maintain and operate any project or projects, as defined in section 3 hereof, and covered in whole or in part by the license, or the right to take over upon mutual agreement with the licensee all property owned and held by the licensee then valuable and serviceable in the development, transmission, or distribution of power and which is then dependent for its usefulness upon the continuance of the license, together with any lock or locks or other aids to navigation constructed at the expense of the licensee, upon the condition that before taking possession it shall pay the net investment of the licensee in the project or projects taken, plus such reasonable damages, if any, to property of the licensee valuable, serviceable, and dependent as above set forth but not taken, as may be caused by the severance therefrom of property taken, and shall assume all contracts entered into by the licensee with the approval of the commission. The net investment of the licensee in the project or projects so taken and the amount of such severance damages, if any, shall be determined by agreement between the commission and the licensee, and in case they can not agree, by proceedings in equity instituted by the United States in the district court of the United States in the district within which any such property may be located: *Provided*, That such net investment shall not include or be affected by the value of any lands, rights of way, or other property of the United States licensed by the commission under this act, by the license, or by good will, going value, or prospective revenues: *Provided further*, That the values allowed for water rights, rights of way, lands, or interest in lands, shall not be in excess of the actual reasonable cost thereof at the time of acquisition by the licensee.

Mr. SIMS. Mr. Chairman, I want to see if we can agree on time for debate. In advance of that I want to ask unanimous consent to extend my remarks on the amendment which I offered as to amortization, for the purpose of including in it this statement which I had printed and a calculation to show what it would be at different capitalization values.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SIMS. In the morning we will take up this net-investment amendment wherever it appears in the bill and debate it, and I want to ask the gentleman from Wisconsin [Mr. ESCH] if we could agree on the time for debate to-night, he to have one half of the time, to yield to whomsoever he desires, and myself the other half?

Mr. ESCH. I will say, Mr. Chairman, it would be probably more advisable to make arrangement as to time in the morning, because I see that most of the Members on this side of the committee are not present, and I do not know how much time they will require. I think we could come to a rapid agreement in the morning.

Mr. SIMS. Very well.

Mr. ESCH. But I would suggest that the chairman of the committee offer such amendments as he has, so that they can be printed in the RECORD and the House may have the benefit of them to-morrow.

Mr. SIMS. I want to offer one amendment, to strike out the definition.

Mr. ESCH. What amendments are to be offered to section 14?

Mr. FERRIS. I have an amendment, Mr. Chairman. I move to strike out the section and insert the original paragraph.

Mr. SIMS. And the gentleman from Michigan [Mr. DOREMUS] proposes to offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Oklahoma.

Mr. FERRIS. I do not ask that it be read, but merely to have it printed in the RECORD.

The CHAIRMAN. Without objection, the amendment will be printed in the RECORD for the use of the committee.

There was no objection.

Mr. DOREMUS. I have an amendment to section 14 which I offer for the information of the committee, to be printed in the RECORD. I would like to have it appear in the RECORD at this place.

Mr. FERRIS. I have offered mine, but it was not read.

The CHAIRMAN. Without objection, the amendments offered will be printed in the RECORD.

There was no objection.

Following are the amendments referred to:

Amendment offered by Mr. FERRIS: Page 41, line 10, strike out sections 14 and 15 and insert sections 14 and 15 of original bill, which read as follows:

"SEC. 14. That upon not less than two years' notice in writing from the commission the United States shall have the right, upon or after the expiration of any license, to take over and thereafter maintain and operate any project or projects, as defined in section 3 hereof, and covered in whole or in part by the license, or the right to take over upon mutual agreement with the licensee all property owned and held by the licensee then valuable and serviceable in the development, transmission, or distribution of power and which is then dependent for its usefulness upon the continuance of the license, together with any lock or locks or other aids to navigation constructed at the expense of the licensee, upon the condition that before taking possession it shall pay the fair value not to exceed actual cost of property taken, plus such reasonable severance damages, if any, as may be caused by the separation of said property from property valuable, serviceable, and dependent as above set forth, but not taken, and shall assume all contracts entered into by the licensee with the approval of the commission.

"The value of such property so taken shall be determined by agreement between the commission and the licensee, and in case they can not agree, by proceedings in equity instituted by the United States in the district court of the United States in the district within which any of such property may be located: *Provided*, That such fair value shall not include or be affected by the value of any lands, rights of way, or other property of the United States licensed by the commission under this act, by the license, or by good will, going value, or prospective revenues: *Provided further*, That the values allowed for water rights, rights of way, land, or interest in lands shall not be in excess of the actual reasonable cost thereof at the time of acquisition by the lessee.

"SEC. 15. That if the United States does not exercise its right to take over, maintain, and operate the property of the licensee, or any part thereof, as provided in section 14 hereof, the commission is authorized to issue a new license to the original licensee upon such terms and conditions as may be authorized and required under the then existing laws and regulations, or to issue a new license under said terms and conditions to a new licensee, which licensee may cover any project or projects covered by the original license, and shall be issued on the condition that the new licensee shall, before taking possession of such project or projects, pay such amount for the property taken and assume such contracts as the United States is required to do in the matter specified in section 14 hereof."

Amendment offered by Mr. DOREMUS: Page 41, line 12, after the word "right," strike out "upon or after" and insert in lieu thereof the following: "during the continuance or upon."

Mr. SIMS. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. MASON, for two days, on account of important business.

To Mr. JOHN W. RAINEY, indefinitely, on account of illness in his family.

STOCK-RAISING HOMESTEADS.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate bill S. 2493. It is a bill to amend section 3 of an act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916.

The SPEAKER. The Clerk will report it.

Mr. TAYLOR of Colorado. The report is No. 263. I will state when the bill is read the reason for the urgency of this measure.

Mr. WALSH. Well, Mr. Speaker, reserving the right to object, I have no objection to the bill itself, but it hardly seems fair for the gentleman to ask that we pass a measure of this importance with just a mere handful of Members here.

The SPEAKER. If the gentleman is going to object, the Chair will recognize the gentleman from Colorado the first thing in the morning.

Mr. WALSH. That is all right. I will object with that understanding.

Mr. TAYLOR of Colorado. Very well.

ADJOURNMENT.

Mr. SIMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 26 minutes p. m.) the House adjourned until to-morrow, Wednesday, September 4, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. CLARK of Florida, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 12835) to provide further for the national security and defense by authorizing the President to control rental charges in certain areas and to amend subsection (b) of section 1 of the act approved May 16, 1918, entitled "An act to authorize the President to provide housing for war needs," and for other purposes, reported the same without amendment, accompanied by a report (No. 768), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII,

Mr. KITCHEN introduced a bill (H. R. 12863) to provide revenue, and for other purposes; to the Committee on Ways and Means.

Mr. BORLAND introduced a bill (H. R. 12864) to promote the safety of employees and travelers upon railroads by requiring the use of an automatic electric cab signal and train-stopping device by common carriers engaged in interstate commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 12865) granting an increase of pension to Mattie Hawk; to the Committee on Pensions.

By Mr. CARAWAY: A bill (H. R. 12866) granting an increase of pension to Samuel P. Beck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12867) granting a pension to Ruth Davis; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 12868) granting a pension to William B. Kimbrel; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 12869) granting an increase of pension to Richard S. Moore; to the Committee on Invalid Pensions.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

By the SPEAKER (by request): Petition of the Federal Guards' Relief Association, urging the passage of a bill providing increased pay for the Federal guards; to the Committee on Military Affairs.

Also (by request), petition of citizens of Lockwood, Mo., asking for prohibition during the period of the war and demobilization; to the Committee on the Judiciary.

Also (by request), petition of citizens of Greene County, Ohio, for a bill to provide for the substitution of the oath required of enlisted men for the oath required of officers, in order to relieve those who object on conscientious grounds to the oath prescribed by law for officers; to the Committee on Military Affairs.

Also (by request), memorial of the National Investors' Protective League, urging opposition to the Gore amendment to the food-stimulation bill; to the Committee on Agriculture.

Also (by request), resolution passed by the joint annual conventions of the Young People's Alliance, the Sunday School Board, and the Woman's Missionary Society of the Illinois Conference of the Evangelical Association, urging complete prohibition as a war measure; to the Committee on the Judiciary.

By Mr. BRODBECK: Petition of 61 members of the Kreutz Creek Reformed Church of Hellam, Pa., favoring war-time prohibition; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, *September 4, 1918.*

Rev. Hugh T. Stevenson, of the city of Washington, offered the following prayer:

Almighty and eternal God, Thou in whom we live, move, and have our being, we draw near unto Thee at this hour to thank Thee for the manifold mercies of the past and to ask that Thou wouldst give unto us of Thy Holy Spirit, so that the meditations of our hearts and the deliberations of the Senate and the performance of every duty might be for Thy honor and for Thy glory. Wilt Thou watch over all associated with this body and in authority and in carrying on the work of the Government. Be with our forces on land and sea and air. Continue to direct and lead, and grant, indeed, that we might have that spirit of righteousness that exalteth a nation, that we might not only make the world safe for democracy but by the spirituality of our life make democracy safe for the world. We ask it in the name of the great Master, teacher of us all. Amen.

The Journal of yesterday's proceedings was read and approved.

PETITIONS.

Mr. HALE presented a petition of sundry citizens of Penobscot, Me., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. SHEPPARD presented a petition of the American Baptist Publication Society, of Philadelphia, Pa., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. SMITH of Maryland presented petitions of sundry citizens of Baltimore, Kensington, and Chevy Chase, all in the State of Maryland, praying for national prohibition as a war measure, which were ordered to lie on the table.

PRINTING OF REVENUE BILL (H. DOC. NO. 1267).

Mr. SMITH of Arizona. From the Committee on Printing I report back favorably with amendments House concurrent resolution No. 51, and I ask unanimous consent for its present consideration. The resolution refers to the question of printing the pending tariff bill for the use of the Senate and of the House. The House is extremely anxious that the concurrent resolution be passed to-day.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

The first amendment was, in line 2, to strike out the words "twenty-five" and insert "twenty-seven"; in lines 11 and 12, to strike out the words "as a Senate document"; and in line 12, at the end of the line, to strike out the period and insert a comma and the words "2,000 for the Committee on Finance."

The amendments were agreed to.

The resolution as amended was agreed to, as follows:

Resolved by the House of Representatives (the Senate concurring), That there be printed 27,000 copies of H. R. 12863, entitled "A bill to provide revenue, and for other purposes," together with the report numbered 767 upon the same, as a House document, 2,000 copies to go to the document room of the House of Representatives, 21,750 copies to the folding room of the House of Representatives, and 1,250 copies to the Committee on Ways and Means, and that there be printed 10,000 copies for use of the Senate and 2,000 copies for the Committee on Finance.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PHELAN:

A bill (S. 4910) authorizing the Secretary of the Treasury to refuse to permit the exportation of any work of art purporting to be a gift made by an individual or organization to a foreign nation or municipality, unless by consent of the Secretary of State; to the Committee on the Library.

A bill (S. 4911) granting a pension to William Farley; and

A bill (S. 4912) granting an increase of pension to John McMahon; to the Committee on Pensions.

STIMULATION OF AGRICULTURE.

The VICE PRESIDENT. The morning business is closed and the Chair lays before the Senate the unfinished business, which is House bill 11945.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

The VICE PRESIDENT. The pending amendment is the amendment offered by the Senator from Oklahoma [Mr. GORE].

Mr. JONES of Washington. Mr. President, the Senator from Oklahoma [Mr. GORE] is not here and I do not want to take any advantage of his absence, so I feel that I ought to suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	New	Smith, Md.
Bankhead	Johnson, Cal.	Norris	Smoot
Brandegee	Jones, N. Mex.	Nugent	Sterling
Calder	Jones, Wash.	Overman	Sutherland
Chamberlain	Kellogg	Penrose	Thomas
Culberson	Kendrick	Phelan	Trammell
Cummins	Kenyon	Pittman	Vardaman
Curtis	Knox	Poindexter	Walsh
Dillingham	Lenroot	Pomerene	Warren
Fall	Lodge	Robinson	Watson
France	McCumber	Shafroth	Wilfley
Gore	McKellar	Sheppard	
Guion	McNary	Sherman	
Hale	Martin	Smith, Ariz.	

Mr. BANKHEAD. My colleague [Mr. UNDERWOOD] is unavoidably absent. He is paired with the junior Senator from Ohio [Mr. HARDING].

Mr. SUTHERLAND. My colleague [Mr. GOFF] is absent owing to illness.

Mr. McKELLAR. My colleague [Mr. SHIELDS] is detained on important business.

Mr. MARTIN. I wish to announce that my colleague [Mr. SWANSON] is detained by illness in his family.

Mr. SHEPPARD. I desire to announce that the Senator from Rhode Island [Mr. GERRY], the Senator from Arkansas [Mr. KIRBY], the Senator from Mississippi [Mr. WILLIAMS], and the Senator from Utah [Mr. KING] are detained on official business.

The VICE PRESIDENT. Fifty-three Senators have answered to the roll call. There is a quorum present. The pending amendment is the amendment offered by the Senator from Oklahoma [Mr. GORE].

Mr. GORE. Mr. President, I desire to perfect the amendment by having inserted in it a sentence which I send to the desk. It will be the third sentence in the amendment. I should like to have the entire amendment read with the sentence inserted.

The VICE PRESIDENT. The Secretary will read the amendment as modified.

The SECRETARY. It is proposed to add a new section, as follows:

SEC. —. That the sum of $150,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be used for the temporary relief of farmers in the drought-stricken section of the country engaged in the production of staple agricultural products, including live stock suitable for human food.

The Secretary of the Treasury is authorized to advance out of said sum to banks situated in the drought-stricken section of the country, and which have loaned to farmers engaged in the production of staple agricultural products money at a rate of interest not in excess of the prevailing legal rate and take as security therefor United States bonds, commonly known as liberty bonds, or other securities which may be approved by the Secretary of the Treasury, an amount not exceeding the amount of such bonds or securities at a rate of interest to be fixed by said Secretary, taking the obligation of the bank for the payment of such advances in addition to the securities held by such bank.

The Secretary of the Treasury may, in his discretion, make advances out of said fund to any State or county government for the relief of farmers engaged in the production of staple agricultural products whenever the authorities of such State and county governments are authorized to enter into a valid legal contract for the repayment of such advances.

All such advances shall be made payable on or before November 1, 1919, and when collected shall be covered into the Treasury and become a part of the general fund.

The Secretary of the Treasury is authorized to make all necessary and proper rules and regulations to carry into effect the provisions of this section and shall report to Congress at its regular annual session in December, 1919, as to his action in pursuance hereof.

Mr. GORE. Mr. President, it is not my purpose to detain the Senate more than a few minutes on this amendment. I am perfectly aware that it is an exceptional sort of an amend-

ment. It is a sort of an amendment that I have never been able to persuade myself to offer in other years, although frequently importuned to do so. It is exceptional because it is intended to meet an exceptional situation, and only an exceptional situation could justify the offering of a proposition of this kind. Everybody realizes that we are doing a good many exceptional and extraordinary things in these extraordinary times. Of course, we did in other times make an appropriation to meet the distressing situation resulting from the Mount Pelee disaster, and from the eruption of Mount Vesuvius I believe we appropriated money for the relief of Italian sufferers.

This is to meet a distressing situation existing in our own country; and while inspired by sympathy to help others in other lands we ought perhaps to be equally generous toward our own people when the occasion and the circumstances justify and demand it.

Now, we are also making advances and rendering assistance to a great many industrial, commercial, and transportation enterprises in this country. I believe that one great system of railroad has received from the War Finance Corporation assistance amounting to $40,000,000. Other enterprises and other plants are being constructed, the money or capital being, I think, entirely advanced by the Government, security being taken for its repayment. These are all exceptional occasions on the part of the Government. They could only be justified by exceptional circumstances, but these exceptional circumstances, I assume, render them not only advisable but render them necessary. Of course, it is not very easy to temporize or to palter with a necessity.

The first point I will make is that a distressing situation actually exists. I do not think it is necessary to prove that fact; it is known to so many Senators from so many independent sources.

I have here a document to which I called the attention of the Senate a few days ago. It is the bulletin of the Federal Reserve Board issued in December last. It contains a report by Dr. Thompson, of the Bureau of Markets in the Department of Agriculture. It is a study made about one year ago as to the financial resources and financial needs of the drought-stricken section in the West. Even at that time—and this relates to the planting season in the fall of 1917 and the spring of 1918—even at that time the financial resources of the banks were insufficient to meet the financial requirements of the farmers in that section.

This report shows that in southwestern Kansas—I take the most extreme case—the banks were able to supply only 44 per cent of the financial requirements of the farmers. In my own State, the northwestern section, adjoining the section of Kansas just referred to, the local banks were able to supply only 49 per cent of the local requirements on the part of the farmers. In other localities it varied from 55 per cent up to, perhaps, 80 per cent, depending, of course, on the vicissitudes of the season and the severity of the drought. This report was made a year ago. The situation has been greatly aggravated since then. A third drought has been added to two preceding droughts. Nothing like it has ever occurred in that section of the country in the memory of men now living.

I send to the desk a telegram which I have just received from the president of the bankers' association of my State. I may say that two or three weeks ago the President set aside out of the $100,000,000 emergency fund $5,000,000 to relieve certain extreme and aggravated cases, I presume with a view to tiding over the situation until Congress could meet and could enact legislation that would afford substantial relief.

Mr. POMERENE. May I ask the Senator from Oklahoma a question? He has just stated that the President set aside $5,000,000 for relief?

Mr. GORE. Yes, sir.

Mr. POMERENE. For relief in what respect, may I ask?

Mr. GORE. That particular fund was set aside to enable farmers to purchase seed wheat for the seeding of their lands this current seeding time, and it is limited to the sections where they have experienced two droughts in succession. I may say the rules and regulations, according to my advices from the banks, render it almost impossible for the farmers to really qualify and obtain the benefit of the fund.

Mr. CURTIS. Mr. President——

Mr. GORE. I yield to the Senator.

Mr. CURTIS. I wish to say that that fund also applied to rye—to wheat and rye.

Mr. GORE. I am much obliged to the Senator.

Mr. BRANDEGEE. Mr. President——

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Connecticut?

Mr. GORE. Yes, sir.

Mr. BRANDEGEE. Is this a committee amendment?

Mr. GORE. Yes, sir; it is reported and recommended by a majority of the committee.

Mr. BRANDEGEE. The committee was polled?

Mr. GORE. Yes, sir.

Mr. BRANDEGEE. The matter was not considered by the committee in committee session?

Mr. GORE. No, sir; it was not. As the Senator knows, this bill was reported before the recess.

Mr. BRANDEGEE. It purports to enable the Secretary of Agriculture, and so forth, to do certain things. Has the Secretary of Agriculture recommended it?

Mr. GORE. No, sir; he has not.

Mr. BRANDEGEE. Has it been estimated for by any department?

Mr. GORE. It has not.

Mr. BRANDEGEE. I make a point of order against the amendment that it has not been estimated for. This is a general appropriation bill, and it is a violation of the rule of the Senate which provides that no amendment shall be proposed to a general appropriation bill that has not been estimated for by some department of the Government.

Mr. GORE. I should like to say on that point of order that in the absence of the Vice President, while this bill was under consideration the so-called prohibition amendment was offered to the bill, and the Chair held the amendment out of order. The Senate voted that the amendment was in order. Of course, the discussion on that point of order took a wide range. One of the special points relied upon by the advocates of the amendment was that the pending bill was not a "general appropriation bill," which is the language of the rule. They made the point that there are 14 regular supply bills, 14 general appropriation bills, and that this bill did not come within that category, and upon an appeal the Chair was overruled.

I assume that the Senate by that vote determined that the pending bill was not a general appropriation bill. Their decision must have rested upon one of two facts: Either that the pending bill was not a general appropriation bill within the contemplation of the rule, or else that the prohibition amendment was not general legislation. I can not think it possible that the decision rested upon the latter point; I can not think that the Senate voted that the prohibition amendment was not general legislation, for it answers every point in the definition of general legislation. Not only that but it did not provide for the appropriation of one single dollar. It certainly was not an appropriation; it was not an item of an appropriation bill; it did not undertake to take out of the Treasury one single dollar. Therefore the action of the Senate, it seems to me, can only be reconciled with reason—and I am not sure that there is any obligation requiring such a reconciliation—upon the theory that the Senate voted that this, not being one of the regular 14 supply bills, was not a general appropriation bill within the contemplation of the rule. If that be the Chair's interpretation of the Senate's vote on the subject, of course, this bill is eligible to amendment.

Mr. BRANDEGEE. Mr. President, I had not hitherto heard the claim made that the general appropriation bills were limited to 14 or to any other mystic or magic number. I had always supposed that the Agricultural appropriation bill, being the regular annual appropriation supply bill for a regular standing department of the Government, and an extremely important and large one, was a general appropriation bill, if there was any such thing as a general appropriation bill.

Mr. GORE. Mr. President——

Mr. BRANDEGEE. Just a moment.

Mr. GORE. But the Senator from Connecticut is in error. This is not the regular Agricultural appropriation bill.

Mr. BRANDEGEE. But it is in aid of the regular Agricultural appropriation bill.

Mr. GORE. Yes, sir; but it makes provision for special activities.

Mr. BRANDEGEE. It supplements the general Agricultural appropriation bill and is in aid of it just as much as an urgent deficiency bill is in aid of a general deficiency bill.

However that may be, Mr. President, whatever the Senate may have voted as to the character of this bill when it was considering the so-called prohibition amendment, I do not think will lie very heavily upon the consciences of Senators in construing the point of order as to this amendment. When the Senate considers prohibition it does some queer things; and I sometimes think certain Senators are suffering under temporary aberration, stimulated by the forces outside of this Chamber, whatever they may be. But, Mr. President, when it comes to a $150,000,000 amendment which has not been estimated for

nor recommended by the department of which it purports to be in aid, if there is any doubt about the character of the bill, I hope it will be resolved in favor of economy and in favor of the claim that this is a general appropriation bill.

The VICE PRESIDENT. What has the Senator from Connecticut to say about the statement of the Senator from Oklahoma that a majority of the committee reported this amendment? That is an exception to the rule, which in part reads:

Or unless the same be moved by direction of a standing or select committee of the Senate.

The Senator from Oklahoma has announced that this amendment has been so reported.

Mr. BRANDEGEE. Mr. President, I am not prepared definitely and finally to express an opinion upon the question whether the signing by an individual Senator of his name on the back of a bill or an amendment and obtaining in that way enough signatures to make a majority of the committee comes within the rule of the Senate that a bill must be approved by a committee. There was no committee consideration whatever of this amendment. Some Senator says that he has a proposed amendment and he takes it around from one individual Senator to another and those who desire to do so sign their names to it. I do not think that that is what is intended by the Senate rule that there shall be a recommendation by a committee as such, for the committee has never met to consider the subject. I know, however, that that has been done by sufferance.

The VICE PRESIDENT. This is exactly the situation: If this were a matter of first impression with the Chair the Chair would decide that the pending bill was a general appropriation bill, as the President pro tempore of the Senate decided it to be. There was, however, an appeal taken from the opinion of the President pro tempore that it was a general appropriation bill, and the President pro tempore was overruled.

Not pretending to be a great lawyer, but pretending to know something about legal principles, the Chair will state that the Senate, unless it will reverse itself now on appeal from the present occupant of the Chair, has held that this is not a general appropriation bill. The amendment, therefore, is in order.

Mr. GORE. Mr. President, I believe I sent to the desk a telegram with the request that it be read to the Senate.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary reads as follows:

KANSAS CITY, MO., *September 3, 1918.*

Senator GORE,
United States Senate, Washington, D. C.:

Few days ago Gov. Williams called conference at Oklahoma City and appointed committee of five to confer with Federal reserve bank, Kansas City, concerning Federal deposits for drought-stricken section of Oklahoma. Gov. Miller, Federal reserve bank, has sent strong telegram to Secretary McAdoo urging deposit $5,000,000 in banks in 27 counties western Oklahoma. Gov. Williams will wire President and Secretary McAdoo. Banks have loaned farmers to the limit of their resources and have, in addition, borrowed and rediscounted through all available sources trying aid farmers. Farmers must have money to buy feed or will be compelled to sell work horses and milch cows and leave farms. Government deposited $5,000,000 with Texas banks. Urge Secretary McAdoo to make deposit of $5,000,000 in banks of 27 Oklahoma drought-stricken counties under same conditions and regulations. Situation serious and acute. Immediate action necessary for relief, in order to keep farmers on farm and raise crop next year.

GUY C. ROBERTSON,
President Oklahoma Bankers' Association.

Mr. GORE. Mr. President——

Mr. THOMAS. Mr. President, may I ask the Senator from Oklahoma, in charge of the bill, whether a bill was not recently passed carrying an appropriation of many millions of dollars for the purchase of seed wheat and other seed grains for farmers?

Mr. GORE. There is an item carrying $6,000,000 altogether in the pending bill, but no such item has been passed.

Mr. THOMAS. My impression was that we had acted upon it in some other bill.

Mr. GORE. No, sir; the item is in the pending bill.

Mr. THOMAS. Then the Agricultural Department has recommended and made estimates with regard to that subject, and has recommended the appropriation of $6,000,000 therefor?

Mr. GORE. Yes, sir; but I may say that that estimate was made before last October.

Mr. THOMAS. Now the Senator from Oklahoma proposes to add to that $150,000,000?

Mr. GORE. Yes, sir; I do. But I will say to the Senator from Colorado that I intend to reduce the amount, for some Senators seem to level their objections rather to the amount than to the policy, and I want to obviate that objection so far as I can.

Mr. THOMAS. I shall object to the policy, for I think it is a very bad one.

Mr. McCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from North Dakota?

Mr. GORE. I do.

Mr. McCUMBER. May I ask the Senator if an additional $5,000,000 for seed wheat has not been set aside out of the $100,000,000 appropriation which was made last year giving, with the appropriation already in this bill, something like $11,000,000?

Mr. GORE. About $11,000,000; yes, sir; $5,000,000 being set aside by the President, but I do not imagine that anybody concludes that that was intended or was supposed to be a sufficient amount. It was made three or four weeks ago during the recess of Congress, and I suppose was intended to be made use of pending the reassembling of Congress. So far as its adequacy is concerned, of course, it does not begin to meet the situation. I suppose that Congress would not be justified, perhaps, in meeting all exactions resulting from this drought. The State council of defense of Texas, however, a few days since adopted resolutions requesting Congress to appropriate $50,000,000 to be used in Texas alone, and it was upon that request that I based the amount contained in this amendment, assuming that Texas would probably represent a third of the drought-stricken area, although I think that is rather a conservative estimate.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Minnesota?

Mr. GORE. I yield.

Mr. KELLOGG. Did I understand the Senator to say that the Secretary of Agriculture had not recommended this appropriation?

Mr. GORE. I will say to the Senator that the estimates for the regular Agricultural appropriation bill were submitted, of course, under the law, prior to October 15 of last year. The estimates upon which the pending bill is based were submitted early this spring, and of course this item was not included in the estimates, for this amendment arose out of the drought which began about the middle of July.

Mr. KELLOGG. Mr. President, my information may not be correct, but I am informed that the Secretary of Agriculture, as well as the Food Administration and other departments of the Government, including perhaps the Federal Reserve Board, have been considering the subject of relief to the farmers in the drought-stricken districts, and I should like to know from the Senator if it would not be wise for the Agricultural Committee to get information from the Food Administration, the Secretary of Agriculture, the Federal reserve banks, and the Finance Corporation, which is authorized to come to the relief of banks in local communities, as to the conditions, as to how much aid is going to be needed, what can be furnished by the banks, and what can be furnished by the Government, so that we may know just how much the Government ought to appropriate. I am not making any suggestion against relief being afforded.

Mr. GORE. I took this matter up with the authorities in the Department of Agriculture and requested them to submit to me an estimate as to the aggregate amount that would be desirable. They were not in a situation to do so. The only figures they could furnish are embodied in this bulletin [exhibiting], which I have already submitted to the Senate. I made the point in conference with them that these figures were all given in percentages, and that, while they indicated that in a certain section of Kansas the banks could supply only 44 per cent of the capital required by the farmers, they made no indication as to the aggregate amount; but they were not at that time able to furnish any information as to the aggregate amount, and they have submitted no estimate since that time. I was obliged, therefore, to rely upon some other method of arriving at a conclusion. Familiar to some extent with the widespread character of the drought and with its severity and being aware of the fact that the Texas Council of Defense requested $50,000,000, I was obliged to make what will seem to Senators, of course, as a crude sort of a guess, but I was not able to obtain any official data on the subject, although I exhausted, so far as I know the possibility of doing so.

Mr. KELLOGG. Mr. President, does the Senator know whether the Finance Corporation is considering the subject of relief to the banks?

Mr. GORE. The Finance Corporation is lending and extending relief, I know certainly, to live-stock producers and is handling the fund set aside by the President through the local land banks. In my State, for instance, the bank is situated at Wichita, Kans., and in the Senator's State, I assume, at St. Paul. They are handling the fund set aside by the President, the $5,000,000 to which I have already referred, through those instrumentalities.

Mr. KELLOGG. But Congress appropriated $500,000,000 for the Federal Finance Corporation and authorized it to sell its bonds. Could not the Federal Finance Corporation extend relief to the farmers of Texas and the Southwest?

Mr. GORE. I assume that it could extend it to certain classes of farmers, particularly to the cattlemen and those who can furnish security measuring up to the standard set by that organization. If the Senator heard the remarks of the Senator from New Mexico [Mr. FALL] on yesterday he will see the infirmity and inadequacy of the existing plan to meet the situation.

Mr. KELLOGG. But the present amendment requires as security United States bonds or other obligations.

Mr. GORE. Yes, sir.

Mr. KELLOGG. And we can authorize the Finance Corporation to extend this relief if any additional appropriation is necessary.

Mr. GORE. I assume that that could be done; that is a matter of method; but I do not know anything in the nature of things that recommends that as a superior plan to this, although it may be. However, the telegram from the president of the Bankers' Association of my State, which I have just had read, is in line with the provisions of this amendment.

As suggested yesterday by the Senator from New Mexico, a cattleman who wants to borrow twenty-five or fifty or a hundred thousand dollars can afford to make a trip to Dallas, Tex., or to Kansas City, Mo., in order to finance his enterprise. That is not possible for men who are unable to buy feed to feed the three or four head of stock that they must carry over for next year's crop; they can not afford to make a trip to Dallas or to Kansas City.

I do not know any reason why the farmers in the drought section should not be assisted if we are to assist other enterprises in this country. According to my information, the New York, New Haven & Hartford Railroad has received assistance to the amount of $40,000,000. I assume it needed it; I assume that the advance was well justified, and I do not complain. I will feel obliged to complain, however, if governmental assistance is to be limited to enterprises of that character. The production of live stock, the production of wheat, the production of grain are quite as essential as is the maintenance of the facilities for the transportation of those products when they have once been produced.

I ask that the letter from the Commissioner of Agriculture from Oklahoma be read. I am trying to demonstrate to Senators the gravity of this situation; I believe that many of them do not appreciate it. I am very willing to change or to abandon this plan and to adopt any other plan that promises results. I ought to say, in this connection, that I have always been very conservative about extending aid on the part of the Government to any class of our people. There is objection to that policy.

Mr. SIMMONS. Mr. President——

Mr. GORE. I yield to the Senator from North Carolina.

Mr. SIMMONS. I do not understand the Senator's amendment—which I have very hurriedly read just this moment—as proposing anything except a loan to banks for the benefit of farmers.

Mr. GORE. That is all.

Mr. SIMMONS. The Senator's amendment appropriates this money and puts it in the hands of the Secretary of Agriculture.

Mr. GORE. No, sir; the Secretary of the Treasury.

Mr. SIMMONS. I did not so read it.

Mr. GORE. I have modified the amendment in that way.

Mr. SIMMONS. I probably have the original amendment, then.

Mr. GORE. I felt the force of the objection that was urged.

Mr. SIMMONS. The Senator puts the money in the hands of the Secretary of the Treasury?

Mr. GORE. Yes, sir.

Mr. SIMMONS. And authorizes him to loan it from the Treasury Department?

Mr. GORE. Yes, sir.

Mr. SIMMONS. I wish to inquire of the Senator why he does not simply content himself with authorizing the Finance Corporation's board to loan to banks that have made allowaces to farmers upon collaterals upon certain specific conditions, making those conditions slightly different from the conditions which obtain in regard to other characters of loans?

Mr. GORE. Mr. President, I will say to the Senator that that may be the way out. That may be a wiser amendment than the one I have proposed; and I certainly shall not insist upon this and hazard any other proposition which might promise relief.

Mr. SIMMONS. Let me suggest to the Senator that the Finance Corporation act provides very elaborate and very efficient machinery to enable that board to investigate and ascertain the sufficiency of security.

Mr. GORE. Yes, sir.

Mr. SIMMONS. It supplies that board with an abundance of money to meet this purpose and also the other purposes which are contemplated in the act. Now, I can not see any reason why we should establish another loaning agency of the Government and put that burden upon the Treasury Department. The Treasury Department is not engaged in loaning money. That is not one of its functions. It has no machinery for the purpose of ascertaining the sufficiency of security offered, and I wish to throw out that suggestion to the Senator.

Mr. GORE. Mr. President, I appreciate the force of the Senator's comment, and it may be the best method of procedure. I may say that the very elaborateness of the machinery of the War Finance Corporation was perhaps the controlling reason which constrained me to vest this authority in the Secretary of the Treasury. I was afraid that that machinery would not be adapted to this particular sort of work. This is a very simple procedure. The amendment is not compulsory. The Secretary of the Treasury would not have to advance one single cent to a single bank in the drought-stricken region.

Mr. SIMMONS. But does not the Senator, if he will permit me, realize that we are going to have a very great demand upon all the money that we have in the Treasury?

Mr. GORE. Yes, sir.

Mr. SIMMONS. And does he not realize the fact that we have provided a method by which the Finance Corporation can secure money without putting its hands into the Treasury?

Mr. GORE. Yes, sir.

Mr. SIMMONS. And ought not that to be considered in connection with this loan if it is to be made at all?

Mr. GORE. Mr. President, the observations of the Senator from Utah a few days ago in regard to introducing a confusion into the existing system constrained me to strike out "the Secretary of Agriculture" in the present amendment and to substitute "the Secretary of the Treasury." The Secretary of the Treasury, being at the head of our entire fiscal arrangement and financial administration, ought to have a sort of supervision over all governmental activities in regard to finance. I thought this would make a system, and not destroy a system. The Secretary of the Treasury is authorized to deposit that money in various banking institutions throughout the country. This is all the pending amendment proposes to do. Substantially all it undertakes to do is to select as depositories banks which have made advances to farmers in the drought-stricken region, and to make further advances to them, because the banks have exhausted their resources; their loanable funds have been exhausted; and even where the farmers have security many of them can not make these advances. It was to provide them with funds that this amendment was introduced. I shall not object, and I shall ask before I conclude to substitute "the War Finance Corporation" for "the Secretary of the Treasury." I feel the force of those comments that we ought not to introduce confusion into our system; that it ought to be a system and not a mere medley.

I now ask to have the marked portion of the letter of the commissioner of agriculture of Oklahoma read to the Senate; and I am not going to tax the patience of the Senate more than a few minutes.

The VICE PRESIDENT. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

The people of this State are in a worse condition than I have ever known them to be. Cattle are going to market on account of the drought, but I can see no way to prevent this with prairie hay selling at $18 wholesale, alfalfa $28 wholesale, and cottonseed meal at $50 per ton. There is absolutely no pasture worth anything; little forage feeds anywhere in the State, and what there is scattered around in spots. The only solution that I can figure out is to market everything that is marketable.

Mr. GORE. Now I ask that the marked section of the letter from Mr. Young be read. He is a prominent citizen of southwestern Oklahoma.

The VICE PRESIDENT. In the absence of objection, the Secretary will read the letter.

The Secretary read as follows:

We had no wheat or oats, and now it develops that we will have no feed and no cotton. This is something that never happened before in Oklahoma. The farmers will either have to have public aid or will have to leave the country. It is almost a public calamity. I traveled through 10 counties in Texas last week in an automobile and find the same conditions existing there. A party in Eastman County told me there were a hundred counties in Texas in this condition. You could see prairie schooners all along the way. People are simply having to leave the country.

Mr. GORE. Now, there is a short letter from a banker in that section which I will ask to have read.

The VICE PRESIDENT. The letter will be read.

The Secretary read as follows:

FIRST BANK OF ROOSEVELT,
Roosevelt, Okla., August 15, 1918.

Senator GORE,
Washington, D. C.

DEAR SENATOR: Beg to submit you the following information:
1. Our customers owe us $75,000 more than they have deposits.
2. They owe us $27,000 on the third liberty loan.
3. On account of the drought we have no feed, and the cotton is the poorest in 17 years.

Mr. GORE. The country has been open to settlement only 17 years, I will say.

The Secretary resumed and concluded the reading of the letter, as follows:

With these conditions we asked to be relieved from participating in the fourth liberty loan.

Yours, very truly,

HARVEY EDMUNDSON, *Cashier.*

Mr. GORE. I ought to say, in justification of this bank and other banks in that vicinity—I have had a great many letters of the same sort—that while the Government divided into three the installments on the last liberty loan, the banks in that section divided them into four and carried the fourth installment for the purchasers; and that has occasioned the embarrassment referred to.

I shall not multiply letters upon this subject. My mail is crowded with them.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER (Mr. BANKHEAD in the chair). Does the Senator from Oklahoma yield to the Senator from Ohio?

Mr. GORE. I yield.

Mr. POMERENE. I have not been able to follow the discussion all of the morning, and perhaps the Senator has dwelt upon it; but this suggestion has occurred to me: As I understand the plan proposed by the Senator from Oklahoma in his amendment, it is that these funds may be loaned to the banks, the Government taking as collateral therefor these bonds?

Mr. GORE. Yes, sir.

Mr. POMERENE. Then the bank will make its own loans to its customers?

Mr. GORE. Yes, sir. The Government takes the obligation of the bank as well.

Mr. POMERENE. The Government takes the obligation of the bank, so I understood. Would not these banks, by exercising the rediscount privileges which are given to them by the Federal reserve bank, be able to get the money necessary to accommodate these several communities?

Mr. GORE. Mr. President, I will say, in answer to the Senator, that that suggested itself to me; but this is an emergency, and it occurred to me that to vest a larger discretion in the Secretary for making these advances to the banks and passing judgment on the security would be justified under the circumstances. Of course, the rules and regulations of the Federal reserve bank are pretty well standardized.

Mr. POMERENE. Mr. President, I can understand why our duty should be one thing if there were only one way open to us. I confess that the Senator's statement has appealed to me a good deal; but if we have now the necessary machinery by which these banks can get the funds to loan to their several communities, I do not quite understand why we should adopt some other plan. If it were demonstrated that the banks can not rediscount their paper, and can not in that way get the necessary funds through the Federal Reserve System, then I should look with more favor upon the proposition of the Senator.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from New Mexico?

Mr. GORE. Just one moment. Mr. President, I will say frankly that my assumption was that the Secretary of the Treasury under the pending amendment could be more liberal and could adopt more liberal rules and regulations in respect to making these advances to the banks than the standardized rules and regulations of the Federal Reserve Board. But for that assumption, the Senator's argument would, of course, be unanswerable. But we are throwing out a sort of life line, a life preserver; and the situation justifies a little more generosity and liberality, I may say, than a system like the Federal reserve bank, where the securities are the basis of circulation, and where every possible precaution, and even more than that, ought to be taken, and is justified.

Mr. JONES of New Mexico. Mr. President——

Mr. GORE. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I think it may be of some assistance to the Senators, and has been suggested by the remarks of the Senator from Ohio, to have me state at this time the purpose of the amendment which I intend to offer.

Mr. GORE. Yes, sir.

Mr. JONES of New Mexico. Several days ago I introduced a bill which would deal with this matter in very much the way, if not directly the way, that the Senator from Ohio has in mind. Under the existing War Finance Corporation act the banks have a right to take their paper which comes from farmers and stockmen and secure advances upon that paper from the War Finance Corporation; but in order to do that, if the bank seeks to obtain 100 per cent from the War Finance Corporation, it must put up additional collateral to the extent of 33 per cent. The bill which I introduced, and which I purpose to offer here as an amendment to this bill, is really an amendment to the War Finance Corporation act. The amendment simply says:

Except in the case of an advance secured by a loan for agricultural purposes or a loan based on live stock, having in either case a maturity of not exceeding 12 months.

The amendment provides that in the case of such paper, where it is used by the bank to obtain loans from the War Finance Corporation, the bank may obtain 100 per cent advance upon such paper without putting up the additional 33 per cent collateral. This suggestion has had very mature consideration by members of the War Finance Corporation Board and various people who are connected with the live-stock and farming industries of the country. At the present time, under section 9 of the War Finance Corporation act, the War Finance Corporation is making loans directly to farmers and cattlemen. It has established places of business at Kansas City and Dallas, as suggested by the Senator from Oklahoma, and under section 9 of the bill is making loans directly to the farmers and the stockmen, but the machinery is exceedingly cumbersome. The present situation results in an absolute discrimination against the banks that are carrying these loans. In other words, if a farmer goes to the War Finance Corporation directly, he can secure 100 per cent loan upon his paper. Of course, there is security behind the face value of his paper; but if he takes the same paper to a bank and the bank indorses the paper and then takes it to the War Finance Corporation, the bank must, in addition, put up 33 per cent of other collateral. The amendment which I intend to propose later is simply to meet that very extraordinary and unusual situation. If this is done, then the banks of the country that are carrying large amounts of such paper can go with it to the War Finance Corporation and get relief. Of course, the War Finance Corporation has a perfect right to investigate the security and require other security, but this amendment simply gives to the War Finance Corporation the power to make these advances.

Mr. GORE. Mr. President, I am obliged to the Senator for his suggestion on that point, and I wish to say that I am very heartily in favor of the adoption of his bill as an amendment to the pending bill. It will undoubtedly bring a large measure of relief and will do a great deal to ease up the situation in the drought-stricken country. My belief is that the pending amendment would meet a situation which his, perhaps, will not meet upon that point.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from North Carolina?

Mr. GORE. I do.

Mr. SIMMONS. I wish to ask the Senator whether he does not think that the amendment proposed by the Senator from New Mexico would be much more favorable to the farmers than the amendment originally proposed by himself? I understand that the Senator has abandoned his original amendment and offered another, but the original amendment shows what was in the Senator's mind as the best method of relieving the present situation. I think the amendment offered by the Senator from New Mexico would be more beneficial to the farmers than the original amendment offered by the Senator from Oklahoma. The Senator's original amendment was to authorize the Secretary of the Treasury, or the Secretary of Agriculture—I believe he changed it to the Secretary of the Treasury——

Mr. GORE. Yes, sir.

Mr. SIMMONS. To loan to banks that had loaned to farmers upon certain security to the extent of two-thirds of the security or collaterals that they had taken from the farmers.

Mr. GORE. Yes, sir; where the security was other than liberty bonds.

Mr. SIMMONS. Other than liberty bonds. Under the amendment proposed by the Senator from New Mexico—which I understand has been thought out very carefully by the War Finance Corporation and approved by it—they would be permitted to loan to banks up to the full amount, 100 per cent, of what the banks had loaned to the farmers.

Mr. CURTIS. Mr. President, right there may I interrupt? As I understand, the amendment offered by the Senator from New Mexico applies only to cattle paper. Is that true?

Mr. JONES of New Mexico. No.

Mr. SIMMONS. I thought it applied to everything.
Mr. GORE. It applies to agriculture.
Mr. JONES of New Mexico. It applies to agriculture.
Mr. CURTIS. I did not hear the reading of it.
Mr. JONES of New Mexico. It applies to agricultural purposes or loans based on live stock.
Mr. CURTIS. It says "farm loans based on live stock," does it not?
Mr. SIMMONS. No, no.
Mr. JONES of New Mexico. Agricultural purposes or farm loans.
Mr. CURTIS. I see.
Mr. SIMMONS. He is distinguishing farm live stock from agriculture. I do not see much distinction myself, but that is the general proposition of this amendment, and it has the approval of the War Finance Corporation. It applies to all farmers.
Mr. GORE. Mr. President——
Mr. SIMMONS. If the Senator will pardon me just a minute, if he should insist upon his amendment providing for loans to be made in drought-stricken districts he will find all over the United States this year in nearly every State of the Union there are certain sections where they have suffered from prolonged drought, probably not general as in Oklahoma and Texas but in that particular section just as disastrous in many respects. If it is to pass at all, I suggest to the Senator that it ought to apply generally, so that every farmer who can bring himself within the intent of the act may get the benefit of it.
Mr. GORE. There is no doubt of the truth of the Senator's suggestion that droughts have been more prevalent this year than perhaps in any year of our history. The southeastern part of the country is also drought stricken in localities.
I omitted to say that I have a letter from the commissioner of agriculture in Kansas stating that the farmers in that State have suffered a loss of 5,000,000 bushels of wheat, 74,000,000 bushels of corn, and 16,000,000 of oats, as I remember the figures. The secretary of the board of agriculture for Missouri, a State usually exempt from drought, reports to me that the State has suffered a loss of $250,000,000.
My special point at this time has been to impress upon Senators the great extent of the drought and the unprecedented severity of the drought. It justifies a departure from established methods and from established principles. I think I depart from them with as much reluctance as any Member of the body.
The Senator's suggestion is correct as to the extent of the drought, and there can be no reason for extending assistance to the sufferers in one locality which would not justify it in another locality.
I ought to say to the Senate also that the drought began the latter part of July in a great area of the country. In my immediate section of the country it began before that time, and we suffered a loss of oats and wheat and even maize, and drought-resisting plants have dried up and have fallen down in the fields, and the reapers did not go into the fields. Trees in my own town 40 feet high are dying from this drought. I emphasize the situation in order to justify some sort of assistance.
Now, the proposition of the Senator from North Carolina [Mr. SIMMONS] that the bill introduced by the Senator from New Mexico is more favorable to the farmers than the original draft of this amendment is undoubtedly correct. The limitation of advancing two-thirds of the security was inserted by me on account of the established precedent in the Senate and in Congress. We always require a larger security than the amount of the advance, and it was out of deference to that custom, usually a wise custom, that I inserted that limitation when other securities than liberty bonds were provided for. I had a conference with the Secretary of the Treasury, however, and he was not only willing but rather insistent that the limitation should be removed, and, of course, with that authority I felt justified in making the alteration. That is the reason why the latter draft does not contain that limitation.
I appreciate the fact that we ought to confer with the departments with respect to the legislation, but, Mr. President, the Congress is a legislative body. A drought of unparalleled extent and severity is prevalent in this country. Distress and suffering to individuals will ensue if relief is not extended, and there will be a serious economic loss to the whole country in the paralysis of agricultural activities. It seemed to me that the Congress might upon its own initiative venture upon the experiment of legislating upon its own responsibility, animated by a sense of duty and justified by conditions and circumstances prevailing throughout the country. I do not feel that we ought always and on every occasion to receive inspiration from some other source before we venture to do our legislative duty.
Mr. President, I have in a desultory way undertaken to impress upon the Senate the need for legislation of this sort, and I think I sense the humor and temper of the Senate at this moment. If the Senator from New Mexico will offer his amendment I will withdraw the present amendment for that purpose. I am not dogmatic in insisting upon this proposition. It is the end and not the means that concerns me.
Mr. POMERENE. Mr. President——
Mr. GORE. I yield to the Senator.
Mr. POMERENE. I ask now for information. I am trying in a modest way to solve the situation if I can.
Mr. GORE. I appreciate the Senator's position.
Mr. POMERENE. Has the Senator had in mind the provision of the farm-loan act bearing upon the subject of loans to farmers? The Senator will bear in mind that these banks may make loans to farmers to provide for the purchase of land for agricultural uses, to provide for the purchase of equipment, fertilizers, and live stock necessary for the proper and reasonable operation of the mortgaged farm, the term "equipment" to be defined by the Federal Farm Loan Board. I am having an investigation made now. My understanding is that perhaps the Farm Loan Board has not as yet defined the word "equipment," but the Federal Farm Loan Board is given almost plenary power when it comes to the definition of this term, and if it should so define it as to embrace within the word "equipment" the purchase of seed, it seems to me that that would relieve the situation.
Mr. GORE. If I remember that act correctly, no loan is made for a less period than five years. I think that would disqualify it from meeting the present emergency.
Mr. POMERENE. However, at a very low rate of interest.
Mr. GORE. Yes; but I think it is not operating that way now. I had a letter yesterday indicating that the rates are being advanced to 7 per cent, and a letter this morning quoting a bulletin issued by one of the leading New York banks that money was worth 8 per cent to farmers. So the credit situation and the interest situation is not what it has been in other times. Of course, the rate of interest is necessarily advanced.
Mr. BRANDEGEE. Has the Senator from Oklahoma yielded the floor?
Mr. GORE. Yes, sir.
Mr. BRANDEGEE. Mr. President, I wanted to ask the Senator how this is going to help relieve the farmer whose crop has been drought stricken? The farmer has borrowed some money of the local bank and put up a liberty bond as security for the loan. This amendment authorizes the War Finance Board to loan to that bank the money and take as security for the loan the liberty bond which the farmer put in the bank. The farmer is the man we want to help, I assume. The farmer can not get any more money out of the bank without putting up more collateral security.
Mr. GORE. Mr. President——
Mr. BRANDEGEE. I yield to the Senator.
Mr. GORE. This is the situation: The banks have exhausted their loanable funds. Let us say A, B, and C have borrowed from the bank, and they have put up the security that they have, they have been accommodated; but D, E, and F have not been accommodated, because the bank is not in a situation to make the advance, even though they have the security. The object of this amendment was to supply the banks with additional funds, so as to accommodate the farmers, and they could proceed to make loans to other farmers who could furnish satisfactory security, and make it a sort of endless chain and keep the process going.
Mr. BRANDEGEE. Of course, if the farmer has the collateral, if he has more liberty bonds or other security which the bank would accept for the loan, he can get it at any bank. If his local bank has not any funds to loan, he can go to some other bank. I assume that most banks in the country will take liberty bonds as collateral security, and if certain banks have exhausted their loanable funds other banks have them.
Mr. GORE. I want to remind the Senator of a telegram which I have just received from a State bank in Oklahoma, suggesting that money be deposited in the banks in the drought-stricken region for this purpose.
Mr. BRANDEGEE. I have no doubt the banks would like to get the money.
Mr. JONES of New Mexico. Mr. President——
Mr. BRANDEGEE. I yield to the Senator from New Mexico.
Mr. JONES of New Mexico. I think the Senator from Connecticut does not quite fully appreciate the situation in the western section of the country. His statement that if they can not get the money from one bank they can go to another

will hardly meet the situation. That is true in ordinary eastern commercial paper, but in the West it is quite generally understood that only a bank with a full knowledge of local conditions and which is able to estimate local securities will make loans upon live stock.

Mr. BRANDEGEE. I was not at all discussing loans upon live stock. I was talking of loans upon collateral security to farmers.

Mr. CURTIS. I wish to make this statement——

Mr. BRANDEGEE. I yield to the Senator.

Mr. CURTIS. The other day I had a letter signed by the bankers' association in one county in western Kansas where they have had a complete crop failure, in which they say it would be impossible for the banks in that county, no matter how much security was put up, to supply more than 50 per cent of the money needed, and the agricultural department of the State has made an estimate, and made the statement to the Committee on Agriculture, that in some 33 counties in Kansas the banks were unable to supply over 50 per cent of the money needed at this time.

Mr. BRANDEGEE. I wanted to call the attention of the Senate to one of the modifications which the Senator from Oklahoma has proposed to his amendment. I will not do it if the Senator has withdrawn his amendment.

Mr. GORE. As I suggested a minute ago, it is the end and not the means that I am urgent about now, and with the authority of the chairman of the Finance Committee, who is in favor of the amendment to be offered by the Senator from New Mexico, and other expressions in favor of that sort of a policy, I feel not only justified but I feel obligated to withdraw this amendment and give that amendment an opportunity to be offered and adopted.

Mr. BRANDEGEE. I am no sort of a man to discuss something that is not going to be before the Senate. Does the Senator withdraw his amendment now?

Mr. GORE. Yes, sir. I gave notice that I would do so in case the Senator from New Mexico offered his amendment.

Mr. BRANDEGEE. Then there is no amendment before the Senate at present on the subject?

Mr. GORE. No, sir; not until the Senator from New Mexico offers his amendment. If he does not, I will reoffer this amendment.

Mr. WALSH obtained the floor.

Mr. SIMMONS. Will the Senator yield to me for a minute before he begins?

Mr. WALSH. Yes, sir.

Mr. SIMMONS. The Senator from Oklahoma has just stated to the Senate that I had expressed myself in favor of the amendment of the Senator from New Mexico. That is true; I am inclined to favor that amendment; but I want to say that I do not think the amendment in its present form would accomplish all that the Senator from Oklahoma desires. I think that amendment can be amended, however, so as to accomplish his purpose.

What I mean to say is this: The amendment simply authorizes loans to be made up to 100 per cent of the amount loaned by the bank. So far that would be a great advantage to the farmers and the banks would loan to the farmers, but it seems to me in this situation it would be well to give these agricultural loans a little better terms as to time than is given under the present law or than would be given if the amendment proposed by the Senator from New Mexico were passed. As I understand it, farm loans on farm paper could not probably be safely made for the short time that the War Finance Corporation Commission might be disposed to loan, and by extending the time of these loans, making a different base of credit than that now provided in the bill, probably every phase of this question would be met. I just throw out that suggestion to the Senator from New Mexico.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield?

Mr. WALSH. Yes, sir.

Mr. JONES of New Mexico. I will state to the Senator from North Carolina that that very question was the one which suggested the only difficulty in regard to this amendment of mine. I hesitated about limiting it to 12-months paper, but it was thought by some that if we extended the time there might be some difficulty in passing the amendment in Congress. I agree with the Senator from North Carolina that this limitation ought to be in it, and that we should leave it to the discretion of the bank and the War Finance Corporation.

Mr. SIMMONS. For that reason, if the Senator from Montana will pardon me a little longer, it seems to me that instead of attaching this amendment to the pending bill, it would be better to send the amendment offered by the Senator from New Mexico to the appropriate committee and let them report it out. I understand it purports to be an amendment—that was its original form—to the War Finance Corporation act.

Mr. JONES of New Mexico. I did introduce a bill two or three weeks ago, while the Senate was in semirecess, for the purpose of getting the matter expedited, believing it to be a matter which needed urgent and prompt attention, and that bill was referred to the Finance Committee. But the Finance Committee has had no meeting thus far, and the matter is of such an urgent nature I had thought it would not be unwise to put it upon this bill, so that it may give early relief to the situation.

Mr. GORE. Mr. President, if the Senator from Montana will pardon me, I hope the chairman of the Finance Committee will not insist upon this bill taking its regular course. On account of the prospective recess or adjournment of Congress, I doubt if it will be possible to secure the passage of a measure of this sort through both branches prior to such adjournment, and undoubtedly this relief measure ought to be vouchsafed now if it is to be given at all.

I will say to the chairman of the Finance Committee that I hope the amendment will be perfected when it is presented here in the Senate, and if not those in charge of it in conference will undoubtedly take counsel with the chairman of the Finance Committee and others in order to make it meet the situation and found it upon just principles.

Mr. SIMMONS. I shall not make any motion to that effect. I was simply throwing it out as a suggestion that it is possible the Senator from New Mexico can now modify the amendment so as to meet the situation and let it be considered in connection with this bill.

The PRESIDING OFFICER. The Chair understands that the Senator from Oklahoma has withdrawn his amendment for the purpose of allowing the Senator from New Mexico to offer his amendment. Will the Senator from New Mexico send his amendment to the desk?

Mr. JONES of New Mexico. I am perfectly willing to offer the amendment at this time, but the Senator from Montana [Mr. WALSH] has an amendment, and I think it advisable that the Senate should have before it his proposition, so that they may all be considered together. I would be glad to have the Senator from Montana recognized at this time.

The PRESIDING OFFICER. The Senator from Montana is entitled to the floor.

Mr. WALSH. It is quite agreeable to me that the amendment proposed by the Senator from New Mexico should now be presented to the Senate and read for information.

I desire, however, Mr. President, to show the Senate that, while it is a perfectly wise provision to make to meet the situation in part, it does not take care of it at all. Some further provision is imperatively necessary. To meet the situation, I have an amendment to propose myself, which I desire to submit for the consideration of the Senate.

The PRESIDING OFFICER. Does the Senator from Montana desire to offer his amendment now?

Mr. WALSH. I will offer it in connection with what I have to say.

Mr. LODGE. Has the amendment which is proposed to be offered by the Senator from Montana been printed?

Mr. WALSH. It has not. I may say to the Senator from Massachusetts, in explanation of that condition of affairs, that I have been in consultation with the Department of Agriculture, with the Farm Loan Board, with the War Finance Corporation, as well as with the Food Administration on this subject. All of these various branches of the Government have had the matter under consideration, appreciating the gravity of the situation and the imperative necessity of legislation to meet it. Officials are now at work, in the Agricultural Department particularly, assembling the facts in the case for the information of the Senate; but the matter was precipitated here, and consequently I was obliged to express in my amendment only my own views—and, I must confess, rather crude views—as to what ought to be done in the present situation of affairs.

Mr. LODGE. I only asked my question because this is not only very important, but it is a very complicated subject. It is desired to give additional powers, in substance, as I understand, to the Finance Corporation, in order to reach this difficulty, but it is very hard to pass upon it if we do not have the amendment before us.

Mr. WALSH. I made that explanation in order that the Senator should understand why my amendment is not in print.

Mr. LODGE. The amendment could be printed and go over until to-morrow.

Mr. WALSH. I shall be very glad to send my copy of the amendment to the Senator from Massachusetts for his information.

Mr. LODGE. Let the amendment be read, Mr. President.

Mr. POMERENE. I ask that the amendment be read for the information of Senators, Mr. President.

Mr. WALSH. I was going to ask that a little later on, but it might be done just as well now.

The PRESIDING OFFICER. The amendment proposed to be submitted by the Senator from Montana will be read.

The SECRETARY. At the proper place in the bill it is proposed to insert:

The sum of $20,000,000 or so much thereof as may be necessary is hereby appropriated for the relief of farmers in the drought-stricken regions of the United States (west of the one hundredth meridian). The Secretary of Agriculture and the Secretary of the Treasury are hereby authorized, under rules and regulations to be prescribed by them, to loan from the fund by this section created, to farmers within such region to enable them to provide themselves with seed, fodder for animals, and supplies necessary to their subsistence, amounts not to exceed $500 to any one person. No advance shall be made under this act except to owners of lands or to a tenant, with the approval of his landlord, or to bona fide homestead claimants who propose to cultivate the lands occupied by them, nor in any amount in excess of $5 per acre of the lands to be seeded. Any advance so made shall be a lien upon the land to be seeded (prior and paramount to all other claims, secured or unsecured). In the case of advances to homestead claimants failure to repay the same when due or within such period thereafter as may be by the said Secretaries prescribed, shall make subject the entry of the delinquent to contest and cancellation and the land to entry by any applicant who shall tender the amount due.

Mr. BRANDEGEE. Mr. President, will the Senator from Montana state where the one hundredth meridian comes upon the map?

Mr. WALSH. It cuts the State of Nebraska about in two and the State of South Dakota, also, would be cut nearly in the middle.

Mr. BRANDEGEE. Nobody east of that meridian would get any benefit from this money?

Mr. WALSH. He would not.

Mr. BRANDEGEE. As I recall the reading of the amendment, it seems to me there is no limit to the time for which the loan may run.

Mr. WALSH. There is none. The rules in reference to such matters are to be prescribed by the Secretary of Agriculture and the Secretary of the Treasury.

Mr. BRANDEGEE. Yes.

Mr. WALSH. I may say, Mr. President, before I proceed, in answer to the inquiry addressed to me by the Senator from Connecticut [Mr. BRANDEGEE], that it had not occurred to me, and no one had suggested it, that there were any sections of the country east of the one hundredth meridian that were in the predicament that required Federal assistance. In view of the statement made by the Senator from North Carolina [Mr. SIMMONS], however, a few minutes ago, I should be disposed to take out that limitation from the amendment so that there should be nothing invidious in the provision.

Mr. McCUMBER. In order that some of us who were not present when the Senator from Montana introduced his amendment may understand his discussion of it, I ask that the amendment be again read.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary again read the amendment proposed by Mr. WALSH.

Mr. WALSH. Mr. President, the essential difference between the amendment proposed by myself and the one offered by the Senator from Oklahoma [Mr. GORE] lies in this: That under his amendment the loans are to be made to the banks in the drought-stricken regions, while under the amendment proposed by me the loans are to be made directly to the farmers in the drought-stricken regions.

Mr. President, of the gravity of the situation and of the imperative necessity of legislating with reference to it, I am entirely satisfied that the Senate is convinced. So serious was it that upon the representation of various Senators, and Representatives as well, from the western sections of the country, the President of the United States, in order to grant relief so that fall seeding might go forward, set apart $5,000,000 from his $100,000,000 war fund, not for the purpose of relieving the situation generally, but simply for the purpose of granting relief to the farmers that they might procure seed for fall planting. In a large section of the western country the soil is prepared for the fall seeding of winter wheat and winter rye during the summer months, and the seeding must go forward during the month of August and not later than the 15th of September. In view of the recess of Congress, which was then running, it was found to be impossible, or at least impracticable, to get the necessary legislation and the essential appropriation from Congress to meet the situation. The President, persuaded of the gravity of the situation, set apart for the purpose the amount which has been referred to. That fund is now being distributed among those who desire to provide themselves with seed for fall planting, and it is being distributed through the Department of Agriculture and the Treasury Department.

Those departments have issued jointly a circular reciting the conditions and prescribing forms for applications and the terms upon which the loans shall be made. For the information of the Senate I send to the desk a copy of the circular showing the method of the distribution of the fund. I read from that circular, to indicate the necessity for the relief, the following brief paragraphs:

This circular is issued jointly by the Treasury Department and the Department of Agriculture, and will define the procedure relative to granting seed-grain loans to farmers in drought-stricken areas out of the appropriation for the national security and defense provided for under the act of Congress approved July 1, 1918, and placed at the disposal of said departments by the President of the United States under date of July 26, 1918, and from such other funds as may be appropriated or made available to said departments from time to time for the same purpose.

* * * * * * *

3. Seed-grain loans may be made to farmers in areas determined by the Department of Agriculture to have suffered two successive crop failures from severe drought or winter killing, and may be made to such individuals as may be found by the Department of Agriculture to have acreage fit for planting, and who, by reason of such crop failures, have exhausted their resources and are without commercial basis of credit. No loan will be made to any farmer who has unencumbered real or personal property sufficient to secure a loan of $300.

* * * * * * *

8. The primary object of farmers' seed-grain loans is not to stimulate the planting of an increased acreage of grain in the drought areas, or even necessarily to secure the planting of a normal acreage, but rather to assist in tiding the farmers over the period of the stress, to enable them to remain on their farms to plant such an acreage as may be determined to be wise under all the conditions, with a view to increase the food supply of the Nation and to add to the national security and defense. It is distinctly not intended to be used to stimulate the planting of wheat or any other grain where such planting is not wise from an agricultural point of view and where other activities are safer.

I send the circular to the desk and ask that it be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The circular referred to is as follows:

REGULATIONS RELATIVE TO FARMERS' SEED-GRAIN LOANS IN DROUGHT-STRICKEN AREAS.

WASHINGTON, D. C., *August 2, 1918.*

This circular is issued jointly by the Treasury Department and the Department of Agriculture, and will define the procedure relative to granting seed-grain loans to farmers in drought-stricken areas out of the appropriation for the national security and defense provided for under the act of Congress approved July 1, 1918, and placed at the disposal of said departments by the President of the United States under date of July 26, 1918, and from such other funds as may be appropriated or made available to said departments from time to time for the same purpose:

1. The Federal land banks, upon being designated as financial agents of the United States for that purpose, are authorized to make and collect when due seed-grain loans out of the funds above described, pursuant to these regulations. Their proceedings will be under the supervision of the Federal Farm Loan Board, and said board is authorized to instruct said banks in all matters in connection with said loans, subject to these regulations.

2. The Federal land banks, designated as stated above, may in turn designate local banks, or other agencies, to represent them in the taking of applications, the delivery of the certificates of approval, and the receipt, transmission, and recordation of documents. Neither the Federal land banks nor any agency acting under them shall be entitled to compensation for services rendered under these regulations.

3. Seed-grain loans may be made to farmers in areas determined by the Department of Agriculture to have suffered two successive crop failures from severe drought or winter killing, and may be made to such individuals as may be found by the Department of Agriculture to have acreage fit for planting, and who by reason of such crop failures have exhausted their resources and are without commercial basis of credit. No loan will be made to any farmer who has unencumbered real or personal property sufficient to secure a loan of $300.

4. No seed-grain loan will be made to any applicant in excess of $300, nor in an amount greater than $3 per acre. Applicants must agree to use seed and methods approved by the Department of Agriculture.

5. Applications for seed-grain loans shall be made on the official form of application, of which a copy is hereto attached, and shall be verified by the applicant under oath. The application shall describe the particular acreage to be planted, not in excess of 100 acres. Such applications will be investigated by the Department of Agriculture through such agencies as it may determine, and the approval or disapproval of the application will be certified by its authorized representatives to the Federal land bank of the district upon the forms provided for that purpose on the official application blank. Approval may be for a less acreage than that applied for. The Federal land bank of the district will then certify its approval or disapproval upon the form contained on the application blank and, if it approve, it will issue to the applicant its certificate of approval in the form attached to these regulations.

6. The amount approved for loan pursuant to these regulations will be paid by the proper Federal land bank to the applicant, or on his written order, upon receipt by such Federal land bank of the following documents:

(a) Certificate of planting, signed by an authorized representative of the Department of Agriculture, that a number of acres sufficient under these regulations to warrant a loan in the approved amount have been properly planted with proper seed. Such certificate shall be in the form attached to these regulations. The names and signatures of such authorized representatives will be filed with the several Federal land banks by the Department of Agriculture.

(b) Promissory note, duly executed by the applicant, for the amount of the loan, payable to the proper Federal land bank as financial agent of the United States on October 1, 1919, in the Wichita and Houston districts, and on November 1, 1919, in the St. Paul and Spokane districts, as the case may be, with interest at the rate of 6 per cent per annum, and in the form attached to these regulations.

(c) Guaranty fund agreement, duly executed and acknowledged by the applicant, providing, among other things, that if the crop mortgaged as hereinafter provided, amounts to an average yield of 7 bushels per acre or more, the applicant will contribute to a guaranty fund, at maturity of the above-mentioned note, 15 cents per acre morigaged (not exceeding 100 acres) for each bushel per acre by which the average yield exceeds 6 bushels per acre, provided that the total of such contribution shall not exceed 75 cents per acre. Such guaranty fund agreement shall be in the form attached to these regulations.

(d) Chattel mortgage upon the crop planted on the land described in the certificate of planting, in favor of the proper Federal land bank as financial agent of the United States, duly executed by the applicant in such manner as to entitle it to recordation, and securing payment of the above-mentioned note and the due performance of the obligations of the applicant under such guaranty fund agreement, according to the terms thereof, and containing a provision authorizing such Federal land bank, in the event that the applicant fails at the proper time to harvest or thrash the crop mortgaged, to enter upon the premises and harvest or thrash the same, as the case may be, and to sell the crop and to satisfy the lien of said mortgage and expenses incurred thereunder from the proceeds of the crop. Such chattel mortgage will be prepared under the direction of the law department of the Federal land bank of the district, and shall be recorded in the proper office under the State laws applicable. In case such laws require that the original mortgage shall remain in the office in which the same shall be filed, the Federal land bank may make the loan without requiring that the original be lodged with it, provided that it shall receive in lieu thereof such certificate of the recording officer as shall be sufficient in the opinion of its law department to assure the bank that the original has been duly executed, delivered, and recorded in proper form.

7. Actual expenses of the several Federal land banks when shown by sworn vouchers to have been necessarily incurred for stationery, telegraphing, printing, or postage will be allowed and paid, upon approval of the Federal Farm Loan Board, out of the fund for farmers' seed-grain loans hereinabove referred to. Agencies of the Federal land banks appointed under these regulations shall not be entitled to incur any expense chargeable against the United States or its financial agents.

8. The primary object of farmers' seed-grain loans is not to stimulate the planting of an increased acreage of grain in the drought areas, or even necessarily to secure the planting of a normal acreage, but rather to assist in tiding the farmers over the period of the stress, to enable them to remain on their farms to plant such an acreage as may be determined to be wise under all the conditions, with a view to increase the food supply of the Nation and to add to the national security and defense. It is distinctly not intended to be used to stimulate the planting of wheat or any other grain where such planting is not wise from an agricultural point of view and where other activities are safer.

9. The right is reserved to make further supplemental or amendatory regulations relative to farmers' seed-grain loans from time to time, or withdraw these regulations at any time.

L. S. ROWE,
Acting Secretary of the Treasury.
CLARENCE OUSLEY,
Acting Secretary of Agriculture.

United States of America—Treasury Department.

APPLICATION FOR SEED GRAIN LOAN.

Dated ——— ——, 1918.

I hereby make application to the Federal land bank of ——— as financial agent of the United States for a loan of ——— ($——) upon ——— acres to be planted to ——— (kind of grain) upon the following-described land, situated in ——— County, State of ———.

(Here insert description of land.)

Such loan is to be made from the fund set apart for the aid of farmers in drought-stricken areas by the President of the United States, out of the appropriation for the national security and defense provided for under the act of Congress approved July 1, 1918, or from such other funds as may be appropriated or made available from time to time for the same purpose.

If this application should be granted, the above-mentioned amount is to be advanced upon delivery to the above-named Federal land bank of ———.

(1) Certificate of planting in the form prescribed in the circular mentioned below, duly executed by an authorized representative of the Department of Agriculture;

(2) Promissory note in the form prescribed in the circular mentioned below, duly executed by the undersigned, for the amount of such advance, payable to the above-named Federal land bank, as financial agent of the United States, on ———, 1919, and bearing interest at the rate of 6 per cent per annum;

(3) Guaranty-fund agreement, duly executed and acknowledged by the undersigned, in form and in the terms prescribed in a circular issued jointly by the Secretary of the Treasury and Secretary of Agriculture; such agreement shall provide, among other things, that if the crop mortgaged, as stated below, amounts to an average yield of 7 bushels per acre or more, the undersigned will contribute to a guaranty fund 15 cents per acre mortgaged for each bushel per acre by which the average yield exceeds 6 bushels per acre, provided that the total of such contribution shall not exceed 75 cents per acre; and

(4) Chattel mortgage, duly executed by the undersigned in such manner as to entitle it to recordation, upon the crops planted on the land described above, to secure the payment of the above-mentioned note and the due performance of the obligations of the undersigned under such guaranty-fund agreement. Such chattel mortgage shall be in form approved by counsel for the above-named Federal land bank.

I am ——— years old. —— married, and have ——— children.

I own ——— acres of land, which are mortgaged for $——— to ——— ———.

I own ——— horses and mules, valued at $———, which are mortgaged for $——— to ——— ———.

I own ——— cattle, valued at $———, which are mortgaged for $——— to ——— ———.

I own ——— hogs, valued at $———, which are mortgaged for $——— to ——— ———.

I own ——— sheep, valued at $———, which are mortgaged for $——— to ——— ———.

I own ——— farming equipment, valued at $———, which is mortgaged for $——— to ——— ———.

I own ———, which is mortgaged for $——— to ——— ———.

I planted ——— acres of ——— in 1916, from which I harvested ——— bushels in 1917.

I planted ——— acres of ——— in 1917, from which I harvested ——— bushels in 1918.

I hereby certify that I have ——— acres under cultivation which I desire to plant to fall ——— in 1918, but that by reason of crop failures in 1916 and 1917 and encumbrances on my real and personal property, I am unable to procure seed for planting the same, and that I have not borrowed and can not borrow money from any bank for the purpose of procuring seed for 1918 planting.

If this application should be granted, I agree to use such seed and methods of agriculture as may be approved by the Department of Agriculture, through its local representatives.

——— ———
(Signature of applicant.)

State of ———, county of ———, ss:

——— ———, being duly sworn, deposes and says that he has read the foregoing application and that the same is true.

——— ———
(Signature of applicant.)

Sworn to before me this ——— day of ———, 1918.

[SEAL.] ——— ———,
——— ———
(Official title.)

My commission expires ——— ———, 191—.

NOTE.—This application may be sworn to before any officer authorized to administer oaths and having a seal, which must be affixed.

Department of Agriculture.

I hereby certify that I have investigated the foregoing application; that the applicant has ——— the stated acreage fit for planting; that he has the reputation of being a ——— farmer and has ——— the necessary equipment.

I further certify that I have investigated the applicant's statement of his financial condition and find the same correct and that he has no commercial basis of credit. I find that his general reputation is ———.

I therefore recommend that the application be ——— granted.

Dated this ——— day of ———, 1918.

——— ———, *Agent.*

Department of Agriculture.

The above application is hereby approved this ——— day of ———, 1918.

——— ———

Treasury Department.

The above application is hereby approved this ——— day of ———, 1918.

THE FEDERAL LAND BANK OF ———,
Financial Agent.

By ——— ———

United States of America—Treasury Department.

CERTIFICATES OF APPROVAL.

The Federal land bank of ———, as financial agent of the United States, does hereby certify that the application of ——— ———, farmer of ———, dated ——— ——, 1918, for a seed grain loan, has been duly approved for the sum of $———, and that said sum will be advanced to him, or on his written order, by this bank upon receipt of a certificate of the Department of Agriculture that ——— acres of land specifically described therein and included in said application have been properly planted, with proper seed, and upon the execution and delivery by him to this bank of a note securing the sum loaned, a chattel mortgage upon the crop planted on the lands described in said certificate, and a guaranty fund agreement, as required by Joint Circular No. 1, issued by the Treasury Department and the Department of Agriculture, embodying the regulations relative to farmers' seed grain loans in drought-stricken areas.

Dated at ——— this —— day of ———, 1918.

THE FEDERAL LAND BANK OF ———,
As Financial Agent of the United States.

By ——— ———.

Department of Agriculture.

CERTIFICATE OF PLANTING.

I hereby certify that on the —— day of ———, 1918, I investigated the field of ——— ———, farmer of ———, and that he has properly planted, and with proper seed, the following described land situated in the county of ———, State of ———, to wit: ——— ———, comprising ——— acres.

Witness my hand this —— day of ———, 1918.

——— ———,
——— ———.
(Official title.)

NOTE.—This certificate must describe specifically and with accuracy for use in the chattel mortgage to be given the particular lands on which the approved planting has been made. It must not include any land belonging to the farmer which has not been properly planted or the crops upon which are not intended to be mortgaged.

NOTE.

Treasury Department.
Farmers' Seed Grain Loan.

The Federal Land Bank of———

——— ——— ———, 1918.
(Place.) (State.) (Date.)

On ——— 1, 1919, after date, I promise to pay to The Federal Land Bank of ———, as financial agent of the United States ———00/100 dollars, with interest at the rate of 6 per cent per annum, value received.

This note is secured by a chattel mortgage on growing crops, executed by the undersigned, and bearing even date herewith.

——— ———.
(Signature.)

GUARANTY FUND AGREEMENT.

This agreement, made this —— day of ———, 1918, between ———, of ———, county of ———, State of ———, hereinafter called the borrower, party of the first part, and The Federal Land Bank of ———, as financial agent of the United States, hereinafter called the land bank, party of the second part,

Witnesseth:

Whereas the borrower has made application to the land bank under date of ———, 1918, pursuant to circular No. 1, dated August 2, 1918, issued jointly by the Treasury Department and the Department of Agriculture, for an advance from the fund set apart for the aid of farmers in drought-stricken areas by the President of the United States out of the appropriation for the national security and defense provided for under the act of Congress approved July 1, 1918, or from such other funds as may be appropriated or made available from time to time for the same purpose; and

Whereas pursuant to said application and simultaneously with the execution and delivery of this agreement the borrower has received an advance of $———, and has executed and delivered to the land bank his promissory note payable ——— 1, 1919, for the amount of such advance, bearing interest at the rate of 6 per cent per annum, and a chattel mortgage as required by said circular, to secure the payment of said promissory note and the due performance of the obligations of the borrower under this agreement; and

Whereas the advance by the land bank to the borrower is made pursuant to a general plan outlined in said circular adopted for a public purpose by the United States in order to maintain food production by means of assistance to farmers in drought-stricken areas, and losses are likely to accrue to the United States and to the borrowers in the operation of said general plan by reason of local crop failures; and

Whereas it is to the public interest and to the interest of the borrowers who receive advances pursuant to said general plan that the risk of crop failures shall be distributed among such borrowers by establishing a guaranty fund to which every borrower whose crop mortgaged amounts to an average yield of 7 bushels per acre or more shall contribute:

Now, therefore, in consideration of the premises and of the mutual agreements herein contained, the borrower and the land bank do agree as follows:

First. The borrower agrees to pay to the land bank, if the crop mortgaged by the borrower amounts to an average yield of 7 bushels per acre or more, as a contribution to said guaranty fund, fifteen (15) cents per acre mortgaged (not in excess of one hundred (100) acres) for each bushel per acre by which the average yield exceeds 6 bushels per acre: *Provided, however*, That the total of such payments shall not exceed seventy-five (75) cents per acre mortgaged. The sworn statement of the thrasherman who thrashes the borrower's crop shall be conclusive evidence of such average yield per acre mortgaged in the absence of fraud. The borrower agrees to make such payment to the land bank at the maturity of the note hereinbefore described.

Second. The land bank agrees that all payments made by the borrower under article first part of this agreement, and all similar payments made by borrowers receiving advances pursuant to said general plan, into said guaranty fund shall be administered by the Federal Farm Loan Board, as provided in this agreement. Said guaranty fund shall be applied by the Federal Farm Loan Board at such time or times after the maturity of the notes given by borrowers receiving advances under said general plan as it shall deem feasible, to the payment pro rata of all notes given by borrowers receiving advances under said general plan whose crops mortgaged prove failures, as defined below, with the interest thereon, and in case by reason of payments made by any such borrower against his note the pro rata share applicable thereto shall be more than sufficient to discharge the same and the interest thereon, the excess amount of such pro rata share shall be paid to such borrower; and any balance of such guaranty fund shall be applied pro rata to borrowers who shall have paid in full their respective contributions to said guaranty fund as provided in article 1 of this agreement, to the extent of their respective contributions. The crop mortgaged of any borrower under said general plan shall be deemed a failure within the meaning of this agreement if the average yield per acre does not amount to more than 5 bushels. The average yield per acre shall be determined, in the absence of fraud, by the sworn statement of the thrasherman thrashing the crop, or by the certificate of a representative of the Department of Agriculture who has examined the crop in question, or, in the absence of such evidence, by such other evidence as shall be deemed sufficient by the Federal Farm Loan Board or representative designated by it for that purpose.

Third. The obligations of the borrower under this agreement are several and independent and may be enforced by the land bank as financial agent of the United States without regard to the performance or nonperformance by any other borrower receiving advances pursuant to said general plan of his obligation under any similar agreement.

Fourth. Neither this agreement nor any interest therein, nor in the guaranty fund hereby established, is assignable.

In witness whereof, the borrower has executed this agreement under his hand and seal, and the land bank has caused this agreement to be duly executed the day and year first above written.

——— ——— [SEAL.]

THE FEDERAL LAND BANK OF ———,
As Financial Agent of the United States.
By ——— ———.

———

STATE OF ———, *County of* ———, *ss:*

Acknowledged before me this —— day of ———, 1918, and I certify that the said ——— ——— is personally well known to me to be the identical person named in said agreement as to the borrower and who signed the same.

——— ———,
———.
(Official title.)

NOTE.—This acknowledgment may be taken before any officer authorized to take acknowledgments under the laws of the State where executed, or an officer of a national bank, or of a bank designated by the Federal land bank of the district to represent it in taking applications for farmers' seed-grain loans.

Mr. McCUMBER. Mr. President, may I ask the Senator two or three questions in order that I may understand his amendment?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Dakota?

Mr. WALSH. I yield.

Mr. McCUMBER. This amendment applies on its face only to those farmers in the drought-stricken regions of the United States west of the one hundredth meridian. The one hundredth meridian runs through about the center of my State and the center of South Dakota. Many of the failures and losses, so far as those two States are concerned, would lie east of that line, and I understand that a considerable portion of Oklahoma would also be east of the one hundredth meridian.

Mr. WALSH. If the Senator will pardon me, that matter was spoken of by me a few moments ago in answer to a suggestion made by the Senator from North Carolina. It did not occur to me at the time the amendment was drafted that there were any regions east of the one hundredth meridian that required relief.

Mr. McCUMBER. What is the necessity of specifying any meridian at all? Would it not be sufficient to say "in the drought-stricken districts"? Why would it not be better to leave out any reference to a divisional line?

Mr. WALSH. In view of the situation disclosed, I shall myself ask that that limitation be eliminated, and I shall tender an appropriate amendment to accompany that suggestion.

Mr. McCUMBER. Mr. President, there are one or two other questions that I should like to ask the Senator.

Mr. OWEN. Mr. President, if I may be allowed, I merely wish to confirm what the Senator from North Dakota has stated with regard to Oklahoma. I had already called privately to the attention of the Senator from Montana the fact that the drought-stricken region came east of the one hundredth meridian in Oklahoma, and he had expressed a willingness to make that change; so that that need not excite further discussion.

Mr. McCUMBER. The next question refers to the persons to whom this relief is to be afforded. The amendment says:

> To loan from the fund by this section created to farmers within such region to enable them to provide themselves with feed, fodder for animals, and supplies necessary to their subsistence.

Does that mean necessary for the subsistence of the animals or supplies necessary for the subsistence of the cattlemen or farmers?

Mr. WALSH. It scarcely refers to animals because provision is made for "fodder for animals," so that would cover subsistence for animals, and the words "their subsistence" would accordingly necessarily refer to the farmers.

Mr. McCUMBER. Then, the amendment goes further than merely furnishing them seed grain or means to sow and is to provide loans to help them out during the next year until they can get a crop.

Mr. WALSH. Yes, sir; but it is not a general loan; the money can be loaned only for the specified purposes.

Mr. McCUMBER. Yes; but one of the specified purposes is the subsistence of the individual and, of course, of his family.

Mr. WALSH. Exactly.

Mr. McCUMBER. That seems to me to be so broad that it is almost dangerous. I think that there is probably no State which has not produced a crop somewhere within its borders, and the State itself should be left to determine whether subsistence should be given to the individuals in a drought-stricken section. The Senator and I might differ upon that.

Mr. WALSH. I should be very glad to have any suggestions by way of amendment that may occur to the Senator.

Mr. McCUMBER. There is another point in relation to which I wish to ask the Senator a question. The amendment provides:

> Any advance so made shall be a lien upon the land to be seeded prior and paramount to all other claims, secured or unsecured.

In the newly settled sections of the country—and those are the sections that are affected by the drought—there are very few farms which have not a mortgage on them and some of the mortgages may be three-fourths of the value of the land. A great deal of the land also is sold under crop contracts, and sold for all it is worth, nothing having been paid. As the amendment provides that the advance shall be a lien upon the land itself and prior and paramount to all other claims secured or unsecured, it would rather seem to me to indicate that that would mean farms which had mortgages and other liens upon them already secured, and not those that might be mortgaged in the future. Certainly it would impair the obligation of contracts if where a person has sold land under a crop contract for all it is worth the purchaser should be allowed to encumber the land to a greater extent than it was before, or if where the land is mortgaged the mortgagor should be compelled to pay

off probably a prior lien which, added to the lien which is held by the mortgagee, would be in excess of the value of the land itself. May I have the Senator's opinion as to whether the amendment is intended to make the proposed loan prior to any loans, mortgages, or other liens upon the land?

Mr. WALSH. Yes, Mr. President; in the due course of my argument I was going to discuss the amendment and going to discuss that feature of it. It was intended to make the lien of the Government superior to any existing mortgage.

Mr. McCUMBER. Did I understand the Senator to say it was intended?

Mr. WALSH. It was intended—that is the plain meaning of the language of the amendment—that the lien of the Government for the repayment of the money loaned by it shall be superior to any existing mortgage.

Mr. McCUMBER. That certainly would be impairing the obligations of a contract, and, while we might have the power to do so, it would seem to me that the conditions hardly justify it.

Mr. WALSH. Well, of course, that is a matter for argument. I suppose perhaps I had better divert from the course of my discussion to speak of the matter now adverted to by the Senator from North Dakota.

It was intended, as I say, that this obligation to repay the Government should be a lien upon the land superior and paramount to any other obligation, no matter when contracted. Of course, I was not unmindful of every suggestion in opposition to this plan implied in the inquiry addressed to me by the Senator from North Dakota. We are confronted, however, with a necessity, and the question presents itself as to what to do in order to meet it.

Mr. President, we all recognize the inadvisability of displacing these prior liens. Under all ordinary circumstances it would be entirely unjustifiable to do so. The question is, Are we justified in doing so at the present time?

I want to present to the Senate, in the first place, the situation with reference to the distribution of the $5,000,000 fund and how it was met with respect to that. That presented a comparatively simple problem. Under the rules and regulations, a copy of which has been introduced and will be made a part of the RECORD, no loan from this $5,000,000 fund is made to any farmer until he actually has the seed in the ground, and then the loan is made to him. Meanwhile, however, representatives of the two departments make an examination of the situation, and, if they believe that a loan would be warranted, they issue a certificate to the effect that after that man has his seed in the ground a loan will be made to him. With that certificate he is able to go to a local bank or some other money-loaning agency and secure the funds necessary to provide the seed that will go into the ground, and he has it in the ground within 30 days.

Thereupon he takes up, with the money loaned to him by the Government, the temporary loan that he was able to make at the bank and the situation is taken care of in that way. But, Mr. President, when you come to the spring seeding—and that is the important matter; that is the great big proposition; that is where the greatest losses have occurred—the spring seeding will not occur for a matter of six or eight months, possibly, in the future. That brings us to the consideration of the merits of the proposition embodied in my amendment as compared with that offered by the Senator from Oklahoma.

He proposes to loan the money to the banks. That is impracticable for two reasons: In a large portion of the drought-stricken region along the Canadian border—and it is particularly acute there—it has occurred two years in succession. The banks of that region have been carrying the farmers for a period of two years. My State, throughout the greater portion of its area, has been blessed with reasonably good crops, and in some sections with especially bountiful crops; but along the whole northern third of the State the result has been so disastrous that I do not care to speak about it in detail. It is worse this year than it was last year; but it is no worse, for instance, than it is across the line in the Canadian Provinces. They have had two successive droughts in those sections, and the Dominion Government has come to their aid in a way that ought to be emulated by this great Government of ours with respect to its citizens who have gone out on these great plains for the purpose of providing the necessary food for the people of our country and of our allies and our brave soldiers abroad. The same conditions have occurred in the Republic of Argentina. That country has appropriated $13,000,000 in order to relieve the necessities of farmers in that country in a situation quite similar to that which confronts the farmers in the western portion of this country. So let me say that the banks have already loaned to the farmers as much as they care to loan. They have gone to the limit of their resources. They do not want to come to the Government nor to the Finance Corporation and borrow more money for the purpose of loaning out to farmers again. They are obliged to proceed with some degree of conservatism as well. Therefore the banks will not avail themselves of the provisions of an amendment such as that tendered by the Senator from Oklahoma, and to a limited extent only of provisions such as are embraced in the amendment proposed by the Senator from New Mexico.

I hope the amendment offered by the Senator from New Mexico will be adopted; but, as I have indicated to you, it does not touch one side of the problem and affords very little substantial relief, at least to the section of the country that I represent.

In the second place, not only is it true that the banks do not want to avail themselves of this, but the farmers have exhausted their credit with the banks and the banks will not loan the farmers any more money.

We are therefore confronted with this situation: What are we going to do in order that the great productive capacity of that country may be made use of in this emergency?

I should not like to come before the Congress of the United States and ask that $20,000,000 be appropriated and loaned to farmers without any kind of security that would assure the Government that the loans were to be returned. I think it would be eminently unwise from every point of view even to suggest an idea of that kind. Now, what are you going to do about it? I shall be very glad, indeed, to have any suggestion which the Senator from North Dakota can make looking toward securing the Government for the loans made, as a substitute for that proposed by the amendment offered by me.

Mr. OWEN rose.

Mr. WALSH. If the Senator will pardon me for just a moment, there is just one other means that has suggested itself to me, and that is the organization of credit associations, under which the Government would take the obligation of a credit association, by which each member of the association would either be bound absolutely for the entire amount or bound for a limited amount. Upon consideration of that plan with the Department of Agriculture, however, we have reached the conclusion that the time is too brief to work out that system, so that we are obliged to come back to the proposition of either loaning this money out to the farmers without any security whatever or making the lien a prior and paramount lien, displacing everything already existing against the property.

Mr. OWEN. Mr. President——

Mr. WALSH. I yield.

Mr. OWEN. The proposition offered by the Senator from Montana is a simple, direct, plain method of dealing with this matter. While in normal times we would not be justified, perhaps, in dealing with the farmer and lending him money merely because he had suffered from a drought or a series of droughts, in this time when the whole world is most seriously in need of food, I regard this as a justified war measure, and will support the proposal offered by the Senator from Montana for that reason.

I should like to say, though, that the farmer himself who receives the seed from the Government does give bond for his good faith in his own labor, which he puts in jeopardy. There may be another drought, the seed may be lost, and the farmer's labor may be lost. That is true; but I think when you make this loan a paramount lien you go as far as you can in the way of giving security, and if there be a jeopardy in raising food necessary to feed our own armies and to feed our allies who are fighting in the cause of liberty, the Government had better take it, in so far as the Government would take it, than not to have the effort made to raise the food necessary for the success of this war. For that reason I think the proposal made by the Senator is altogether justified, and I agree with him about the difficulty of administration in the case of the other proposals made.

Mr. McCUMBER. Mr. President, I think this matter ought to be discussed with a few more Senators present, especially if we are going to vote on it to-day. Therefore I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). The Senator from North Dakota suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Fall	Kellogg	McCumber
Benet	France	Kendrick	McKellar
Borah	Guion	Kenyon	McNary
Brandegee	Hale	King	Nelson
Chamberlain	Henderson	Kirby	New
Culberson	Johnson, Cal.	Knox	Norris
Cummins	Jones, N. Mex.	Lenroot	Nugent
Curtis	Jones, Wash.	Lodge	Overman

Penrose	Shafroth	Sterling	Walsh
Phelan	Sheppard	Sutherland	Warren
Poindexter	Sherman	Thomas	Wilfley
Pomerene	Simmons	Townsend	Wolcott
Ransdell	Smith, Ariz.	Trammell	
Robinson	Smith, Md.	Vardaman	

Mr. TOWNSEND. My colleague [Mr. SMITH of Michigan], who is absent, is paired with the senior Senator from Missouri [Mr. REED]. I wish this announcement to stand for the day.

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. A quorum is present. The Senator from Montana will proceed.

Mr. WALSH. In view of the discussion had I ask leave to amend the amendment by striking out the words "west of the one-hundredth meridian," so that it will read:

The sum of $20,000,000, or so much thereof as may be necessary, is hereby appropriated for the relief of farmers in the drought-stricken regions of the United States.

The PRESIDING OFFICER. The Senator has a right to modify his amendment, and it will be so modified.

Mr. WALSH. Mr. President, in view of that amendment, I dare say that the appropriation ought to be increased somewhat in order to meet the situation. I will give the Senate the information that I have concerning the necessity for an appropriation of this size. In connection with the effort to secure the appropriation from the President's fund, Mr. Barnes, the president of the Grain Corporation, estimated on what I must confess was perhaps inadequate information, that it would require $30,000,000 to meet the situation. The Secretary of Agriculture was of the opinion that it would not require that amount. Five million dollars have already been appropriated from the President's fund, and I considered that $25,000,000 would meet the situation. I am inclined to think, however, after learning of the rather widespread area that is affected and particularly in view of the amendment that is now made, that perhaps it ought to be increased somewhat.

Mr. CURTIS. Mr. President, I should like to state that when this matter was being considered by the Food Administration and by Mr. Barnes, I think that but a few of the States had been heard from. I know I attended several of the conferences and we spoke for about half a dozen States. There were a number of States that were not represented and the condition in which was not stated.

Mr. JONES of Washington. Mr. President——

Mr. WALSH. I yield to the Senator.

Mr. JONES of Washington. As I understand the Senator from Montana, he limits the loan to be made to any individual to $500, and as I remember the reading, it is to cover seed wheat and other crops. Does the Senator think that is really enough? As I understand it, the seed wheat, for instance, would cost at least $2.20 a bushel, probably $2.50 a bushel, and it takes about a bushel and a quarter of wheat to sow an acre. Allowing for the seed wheat alone, if the farmer would sow only about 180 acres, and I think the wheat farms generally in this country are larger than that, it would not furnish even enough seed to sow the land, and taking other things, it seems to me it would cut the amount down for seed so that it would be very small.

I received a resolution adopted by a convention of farmers in Spokane who were considering the situation in several counties there, and they recommended a minimum of $800, and they stated that they have had special reference to the provisions in the bill providing for $300. They stated that that limit would not furnish any material relief, and I wondered whether the Senator had considered that feature of it in fixing the amount at $500.

Mr. WALSH. I will say to the Senator that I have given very careful consideration to that subject. The rules and regulations for the distribution of the fund already provided limit the amount to $300 and to $3 per acre. There is very general complaint about the inadequacy of the total amount as well as of the amount per acre; but the figure of $5 is arrived at substantially in this way: It is contemplated that the seed itself will cost $2.50 a bushel. That leaves $2.50 more to provide for fodder for animals and subsistence. Of course that would make only $250, the acreage being limited to 100 acres. The purpose, of course, was to assist the small farmer, not the man who is carrying on farming operation on a very large scale and who would ordinarily be able to finance his own operations even in a stressful time. Accordingly, this limit of 100 acres was fixed.

Mr. JONES of Washington. But is it not a fact that practically all the wheat farms comprise 160 acres anyway?

Mr. WALSH. As a rule, as a matter of course, the homestead is 160 acres, but the Senator knows that scarcely more than 100 acres of a 160-acre homestead would ever be cultivated.

Mr. JONES of Washington. I think that is probably true. The reason why I asked the question was because I knew the situation in the Senator's State to be probably even worse than in my State, covering a larger territory at any rate, and taking into account the conditions there it would, I think meet the conditions in my State.

Mr. WALSH. I think 100 acres at $5 per acre would measurably meet the conditions in my State, and, as the Senator suggests, I think that is perhaps representative.

Mr. NELSON. Mr. President, if the Senator will yield to me, I think the estimate of the Senator from Montana is about right. The ordinary farmer will not be apt to have more than 100 acres in wheat. He will have some land in oats, some in barley, some in rye, some in tobacco, and some in corn and other crops. I think there are few farmers, even those who have half a section of land, who are likely to have more than 100 acres, or at the outside 150 acres, in wheat. So I think the estimate of the Senator from Montana is decidedly correct. I agree with him, too, in the further point that the aim of this bill in this matter would be to help the small-size farmers. The big farmers who have thousands of acres, of course, ought to be able to help themselves, and we ought not to attempt to cover them by the pending bill. I think if you allow one of these small farmers aid to the extent of $500 he will have enough for seed wheat and to buy the other necessary things. It is in the interest of the farmer that we do not extend and encourage the loans to a greater extent than is absolutely necessary, because there must come a pay day for the farmer, and it is a good plan to teach him economy by not making too liberal an appropriation.

Mr. WALSH. Mr. President, I have only a word or two to say in addition. I regret very much that the Senator from Colorado [Mr. THOMAS], the watchdog of the Treasury, is not here. He inquired of the Senator from Oklahoma if provision had not already been made for seed for farmers by this bill or by some act already passed, and he was answered by the Senator from Oklahoma that provision was already made in another section of the bill. I regret very much the Senator from Colorado is not here, as I want to call attention to that. It reads as follows:

That of said sum $2,500,000——

Mr. THOMAS entered the Chamber.

Mr. SHAFROTH. I wish to state to the Senator that my colleague is now present.

Mr. WALSH. Thank you. I will say for the information of the Senator from Colorado [Mr. THOMAS] that the food provision in the pending bill is as follows:

That of said sum—

That is, the $4,000,000—

$2,500,000 is hereby made available to be used by the Secretary of Agriculture, if in his judgment the public interest requires it, to purchase seed wheat and to supply the same on credit to farmers in the Great Plains area west of the ninety-eighth meridian. In no case shall any such advance to any one farmer exceed $300, and in all cases the repayment of such advances shall be guaranteed by a State or national bank or secured by bonds of the United States commonly known as liberty bonds, or other obligations of the United States, or in part by both such guaranty and security.

Does not the Senator from Colorado think that that holds the word of promise to the ear and breaks it to the hope?

Let me ask the Senator if he thinks that Congress ought to be buying seed wheat for a farmer who has so much credit that he can go to a State or National bank and guarantee the obligation, and if he can he can borrow the money from the banks. Another farmer who is protected by this is the farmer who can put up liberty bonds as collateral. If he has the liberty bonds as collateral, he can go to any bank in the country and borrow money. So this provision, it seems to me, does an absurd thing.

Mr. THOMAS. If the Senator wants my opinion about the proposed legislation, I will be glad to give it. I am opposed to it in toto. If we have a class of farmers so destitute as to need the support of the Government or relief from the Government, I think the primary duty to supply them lies with the State. If in an emergency of this sort that is practically impossible and the difficulty lies in the fact that the farmer is destitute of seed grain for his crops, then I think instead of loaning money to that man the Government should supply him with the needed grain for seed purposes without asking him for his note, without limiting the amount of the loan in any way, and the Government should procure it and give it to him and see that he plants it. That is a benefaction in a way. It is desirable, of course, from other standpoints at this time when the need for food increase is so essential and so obvious.

But this amendment, Mr. President, is one designed to give to the farmers $25,000,000. That is what we are going to do if it passes. It is true provision is made that $500 shall be loaned and that certain securities shall be taken. I was rather surprised that the Senator from Montana should make the lien to

be secured paramount to the other liens independent of the obligation of existing contracts.

Mr. WALSH. Mr. President——

Mr. THOMAS. Just a moment. But when these liens mature the farmers are going to petition Congress, the author of this legislation, for extensions. If they do not, then extensions will be offered by legislators in one House or the other, and after there have been several extensions of these claims the matter will be forgotten, they will lapse, and that will be the end of it. I do not think there is any doubt about that. If we begin this legislation, which now is applied to farmers, there is no reason why hereafter we shall not apply the same legislation and the same relief to all the other pursuits of man, and lend to the lawyers and the engineers and the mechanics and all other classes and conditions of men money upon security to tide them over their immediate difficulties, and then the political powers which they wield will take care of the balance.

Mr. WALSH. Mr. President, I merely called the attention of the Senator from Colorado to the provision made in the bill already to which the Senator from Oklahoma referred. I understand perfectly well that the Senator is opposed to legislation of this kind. I was merely calling his attention to the fact that provision has not been made——

Mr. THOMAS. I understood the Senator to ask me whether the provision as it existed was fair.

Mr. WALSH. No.

Mr. THOMAS. I was trying to answer the Senator's question.

Mr. WALSH. I asked the Senator if he thought the provision made was adequate.

Mr. THOMAS. I do not want to tresspass upon the Senator's time, but I will address myself to the amendment hereafter.

Mr. WALSH. Mr. President, before I close I want to say a word with reference to the suggestion made by the Senator as to a gift. The Senator is mistaken about that. The farmers are asking for no gift and will not take any gift. I speak advisedly when I say that the Dominion of Canada made provision for just exactly such a condition four years ago, and the entire amount save about 10 per cent has already been returned to that government. The Senator's prediction, in the light of the experience of our neighboring country, will hardly be realized.

Now, I just want to say a word more, and that is in respect to the displacement of liens. Whether we have a right to displace the earlier liens or not is a question of more or less doubt. I am inclined to think that we have that right. The right to make the lien of taxes, either upon specific land or taxes generally, superior and paramount to existing liens and mortgages against real estate is thoroughly well settled. That depends upon the principle that the claims of the Crown must be paid in preference to all other obligations, and I am unable to distinguish in principle the claim of the Crown for taxes, its ordinary sources of revenue, and claims to be repaid for money loaned by the Government.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from North Dakota?

Mr. WALSH. I yield.

Mr. McCUMBER. Does not the Senator recognize in that right of the sovereignty of the State the necessity for its support, that it should make its tax liens superior to all other claims? Is there not a clear distinction between the claim of the State itself for a tax upon the particular land which is to support the State and which is made paramount, and which when the citizen takes a mortgage or a deed or anything else will be paramount to any claim of his, and a case in which the State or the Federal Government by statute creates a lien subsequent and declares that that lien shall be superior? Let us take the State law, for instance, of Montana or the State law of North Dakota. Those laws declare under the recording provisions that when a mortgage or other lien is duly recorded it shall be superior to any unrecorded lien or any lien that may be created in the future. Now, can the Government of the United States step in and vitiate that agreement between the State and its citizens relative to the filing of liens and say that the State law shall be set aside?

Go a step farther. Here is a case where the State has its tax lien upon the land, the law regarding tax sales provides for that, and the tax is for the support of the State itself. The law provides that that shall be superior to any other lien. When a person has bought the tax title and has paid to the State what the State claims, and has back of it the guaranty of the State that his claim shall be a first lien upon the land and will give him title, can the Federal Government step in and set that aside?

Let me call the Senator's attention to one or two other things.

Mr. WALSH. Mr. President——

Mr. McCUMBER. And the Senator can answer them all at once if he will allow me.

Mr. WALSH. I find it difficult to follow the Senator. I would rather answer his questions as he goes along. I dislike to try to answer an argument. I shall be very glad to give my views about the matter to the Senator and then he can make his argument in his own time.

Mr. McCUMBER. I merely wish to add two more instances. Most of the land in my State in the last few years has been sold and resold. It has been sold for the most part on crop contracts. It has been sold without $1 of payment in advance. It has been sold for all the land was worth. There is a clear breach of the obligation of that contract if we say that the Government can step in now and loan $500 more upon land that perhaps has been sold for $1,000 or $1,500, for all its value, and we will have a first lien upon it and immediately compel the man who sold to the purchaser to look after this extra $500.

Then, again, a great deal of it is sold and a mortgage taken for the full value of the land. Under this provision, as the Senator now has it, the mortgagee can create another indebtedness against the land which will make the total indebtedness so great that it vitiates the obligation of the contract.

Now, I am going to make a suggestion to the Senator, because I am in hearty sympathy with his amendment, and think it is superior to that which is offered by the Senator from Oklahoma. Ought the Government to take advantage of the private citizen in that way? It is a great government and it can stand a little loss even far better than the individual could stand it.

If the Senator will just amend that provision in which he would declare it to be a lien upon the land, and let it go at that, then it would stand according to its priority; and if you want double protection for the Government let us declare that it shall be a first lien upon any crop to be raised or upon which the loan was made. I think that would be no breach of an obligation, because if there is no crop raised the seller would get no benefit from it, and if it is necessary to furnish funds to raise the crop the seller will be benefited by it, allowing the lien to apply to the crop entirely and not compel lawsuits to be litigated between those who happen to have a first mortgage or a first deed or who have sold by virtue of a contract as to whether the purchaser could add a sum which would destroy the value of their crops.

Mr. WALSH. Mr. President, it is quite obvious, of course, to those who have followed the Senator from North Dakota that his question or questions addressed to me involve both the question of the legality of the thing and the wisdom or policy of it.

Mr. McCUMBER. Both.

Mr. WALSH. Both. Mr. President, so far as the legality of the matter is concerned, I say to the Senator from North Dakota that I think he is in error in two particulars. In the first place, the prior lien of the Government in the case of revenues does not extend only to those revenues necessary to the existence of the Government, but extends as well to any activities that the Government may undertake. For instance, it need not conduct educational institutions. It can exist as a matter of course without conducting educational institutions. It can exist without conducting works of internal improvement. It can exist without incurring the many expenditures that the Government undertakes. Yet the lien of the Government for the revenue, whatever purpose it is to be devoted to, can be made superior and paramount to everything else.

But, Mr. President, if we were confined only to those things that are essential to the existence of the Government, what objection is there to this provision? Our only power in the premises at all is the war power. We are doing this as a war measure; we are doing it because the food that we are endeavoring to have produced is essential to the successful prosecution of the war; in other words, to the very existence of our Government itself. This, then, becomes an investment that is made for the existence of the Government and the return is made for the existence of the Government. It stands upon at least as solid a footing as a tax to pay the salaries of the usual officers of the Government.

But, Mr. President, I do not desire to take issue with the Senator from North Dakota concerning the wisdom of it. I would not be at all averse to making the lien simply a lien upon the land and not upon the crops to be grown. The difficulty about that is that a very much larger measure of risk is undertaken by the Government than under the provision which I have proposed. I am very willing, however, to take the judgment of the Senate in respect to that. The urgency is great,

the necessity for immediate relief is imperative, and I trust that the Senate will give its assent to the provision in substance at least.

Mr. McCUMBER. Mr. President, the need of the Government is never so great with its immense power of taxation that it is compelled to void the obligation of contracts between private citizens or to destroy the law of a State itself. The exigency is not such that when the State of Montana has declared that an instrument filed, which you may call a mortgage or a trust deed, upon land shall be a first lien and a notice to all subsequent purchasers, the Government can come in and loan to the owner of the land a sum of money for seed or for any other purpose—for this is a matter of subsistence, as well—and make the second lien, the lien in favor of the Government, superior to the lien in favor of the individual. As between the two, the Government can afford the loss, if there is going to be a loss, far better than the individual, because the Government can recoup itself by a system of taxation. The individual has no such right.

While I believe we should protect the rights and interests of the Government and give it a lien, if necessary, I do say that to do so as proposed in this case would be a great injustice, even if it were legal, and I deny its legality. I deny that Congress has power to enact a law that will void the legislative enactments of a State with reference to the liens which it allows to be put upon land within that State; and I think, if I had time, I could find sufficient authority to sustain that contention. For instance, our own State long ago even held that a State law which made a personal-property tax a lien superior to a first mortgage was void, and that the State had no right, after a mortgage was once put on a piece of property, to declare that a personal-property tax which was levied upon the cattle of a farmer could be made a first lien upon the land, superior to a prior mortgage that had been recorded under the laws of the State. I would, therefore, suggest, both upon the legal ground and upon the ground of fairness, that the Senator from Montana modify his amendment in such a way as to provide for the loan being a lien upon the land—there is no objection to that—in the order of the filing, and a first lien upon the crop that is to be raised from the funds which are loaned.

Mr. NELSON. Mr. President, I am not inclined to take the narrow legal view of the question which the Senator from North Dakota [Mr. McCUMBER] takes. I think the fundamental principle that should be applied in this case is the principle that is applied in Admiralty cases. While a ship about to depart on a foreign voyage may be mortgaged, yet the supplies which are necessary for that ship in order to enable her to prosecute her voyage and the wages of the crew constitute a lien paramount to that of an existing mortgage. That priority of claim is based upon the theory that it is of the utmost importance, in order to protect the property, to save it, that the wages of the seamen and the claims of material men for supplies furnished in order that the ship may prosecute her voyage be first paid.

The farmers within the arid belt are poor; they are unable to buy seed. If the farm remains unseeded and uncultivated, it deteriorates in value. Take the case of crop contracts which are to be settled yearly by the payment of a certain proportion of the crops raised on the farm. If there is no crop raised, what benefit does the owner who has sold the farm on a crop contract derive? If no crop is raised, he gets nothing at all. Under these circumstances the furnishing of seed accomplishes this: It enables the farmer who has bought a farm to meet a crop contract, and to raise the grain from the proceeds of which he is to pay for the farm. Anyone knows that it is far better that a farm shall be cultivated and cropped than that it be left idle and abandoned, to grow up in weeds and thistles. So, it seems to me, furnishing seed in cases of such dire necessity within the arid belt is in principle similar to furnishing materal and supplies to a ship about to proceed on its voyage; and that to secure the payment for the furnishing of such seed there ought to be a prior lien to that of a mortgage. It is practically preserving and taking care of the property for the benefit of the mortgagee. I put the justification for such a lien upon that broad principle, the same principle, I repeat, that applies in Admiralty law, which is only another form of equity. Furnishing seed to enable the farms to be cultivated and carried on, as they could not be unless that were done, would really be preserving the property for the benefit of the mortgagee; and certainly the mortagee should be satisfied that for doing so the Government should have a lien prior to his mortgage.

Mr. THOMAS obtained the floor.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER (Mr. SHEPPARD in the Chair). The Senator from Colorado has the floor. Does he yield to the Senator from North Dakota?

Mr. THOMAS. I yield.

Mr. McCUMBER. I simply want to suggest to the Senator from Minnesota [Mr. NELSON] that the lien for labor upon a ship is in the interest of the protection of the property itself. There is a vast difference between that and loaning a man for subsistence. This is not limited to crops. Under this proposed legislation, if a man has had hard luck, the Government can step in and loan him money to provide subsistence for himself and has family for the year, and that loan is made a superior lien to any indebtedness that he may owe to the man who sold him his farm and who may not have received one cent for it.

Now I submit that, as the great Government of the United States can protect itself by taxation from any possible loss, it ought not to take advantage of the individual and vitiate private contracts by declaring that the Government of the United States, because it sees fit to loan a man money outside of cropping—for this is not limited to cropping but is loaning it for any purpose of living—it shall have a superior lien upon the land.

Mr. NELSON. Let me ask the Senator from North Dakota a question: If a man can not get supplies with which to feed himself and supplies with which to feed his horses and mules, he can not cultivate his land. Supplies, therefore, are as much a necessity as is the seed for the land. If a farm is mortgaged, is it better for the mortgagee to have the land abandoned—to have a country of abandoned farms—to have on the land a farmer who can not support his family, who can not feed his horses and his mules than to have a lien placed upon it in order to furnish the seed, preserve the land, and enable the farmer to continue his operations?

Mr. McCUMBER. No; but it would be a great deal better for the Government of the United States to take that chance, if there is a chance to be taken, than for the great Government of the United States to force upon the private individual any loss that might be sustained.

Mr. NELSON. I am not shedding any tears for the mortgagees in North Dakota.

Mr. McCUMBER. I know the Senator is not shedding any tears for anyone. However, if the Senator himself were going to frame the law, I do not believe for a single moment that, as a lawyer and as a humanitarian, he would provide that the Government of the United States should vitiate a contract which an individual has made with some one else and compel him to stand the loss if there is any loss involved. The Government can go ahead and loan the money; it can loan with security or it can loan without security; but if the Government loans, let it at least take the chance that an individual would take. It ought to be willing to take a greater chance, because it can recoup itself by taxation, which the individual can not do.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. FALL. Will the Senator from Colorado yield to me for a moment?

Mr. THOMAS. I yield to the Senator from New Mexico.

Mr. FALL. As I understand the Senator from Colorado is likely to speak in opposition to the pending amendment, I have asked his indulgence that I might offer an amendment to the amendment.

The PRESIDING OFFICER. The Senator from Montana [Mr. WALSH] has hitherto suggested he would propose his amendment to the bill; it has been read for information, but has not yet been formally proposed.

Mr. WALSH. I understood it had been proposed.

The PRESIDING OFFICER. The Senator from Montana now offers his amendment, which will be read.

Mr. WALSH. If the Senator from New Mexico will pardon me, after conferring with one or two Senators I ask further to modify my amendment, in order to abbreviate the discussion, by striking out the words "prior and paramount to all other claims, secured or unsecured," and to insert in lieu thereof "and on the crop grown."

The PRESIDING OFFICER. The Senator from Montana has a right to modify his amendment.

Mr. WALSH. As proposed to be modified, the amendment would read:

any advance so made shall be a lien upon the land to be seeded and on the crop grown.

The PRESIDING OFFICER. Will the Senator from Montana now send his amendment to the desk?

Mr. WALSH. I send the amendment to the desk.

The PRESIDING OFFICER. The Senator from Montana offers an amendment, which will be stated.

Mr. FALL. The amendment has been read. Mr. President, with the indulgence of the Senator from Colorado [Mr. THOMAS], I ask that the proviso to the amendment which I have just offered may also be read.

The PRESIDING OFFICER. The Senator from New Mexico offers an amendment to the amendment of the Senator from Montana, which the Secretary will read.

Mr. NELSON. Before that is read, I should like to have the amendment of the Senator from Montana read as he has modified it.

The PRESIDING OFFICER. The Secretary will read the amendment of the Senator from Montana as he now presents it.

The SECRETARY. In the proper place in the bill, Mr. WALSH proposes to insert the following amendment:

The sum of $20,000,000, or so much thereof as may be necessary, is hereby appropriated for the relief of farmers in the drought-stricken regions of the United States. The Secretary of Agriculture and the Secretary of the Treasury are hereby authorized, under rules and regulations to be prescribed by them, to loan from the fund by this section created to farmers within such region, to enable them to provide themselves with seed, fodder for animals, and supplies necessary to their subsistence, amounts not to exceed $500 to any one person. No advance shall be made under this act except to owners of lands or to a tenant, with the approval of his landlord, or to bona fide homestead claimants, who propose to cultivate the lands occupied by them, nor in any amount in excess of $5 per acre of the lands to be seeded. Any advance so made shall be a lien upon the land to be seeded and on the crop to be grown. In the case of advances to homestead claimants, failure to repay the same when due or within such period thereafter as may be by the said Secretaries prescribed, shall make subject the entry of the delinquent to contest and cancellation and the land to entry by any applicant who shall tender the amount due.

To which Mr. FALL offers the following as a proviso:

Provided, That $2,000,000 of the amount hereby appropriated, or so much thereof as may be necessary, shall be deposited in the banks in the State of New Mexico, which may be designated by the Secretaries, to be loaned to the live-stock breeders of that State who are the possessors and actual users of permanent range and water ordinarily sufficient for the maintenance of the full number of live stock thereon; $5,000,000, or so much thereof as may be necessary, to assist said breeders in the present emergency caused by drought and scarcity of feed and pasture and high price of cottonseed cake and like feeds. Loans shall be made by such banks, upon approval by the Secretaries, in sums not to exceed in any case the net market value of the stock animals owned by the applicant, and the loan to run in no case for the period of more than one year and to bear 6 per cent per annum interest. The loan shall be secured by a mortgage or trust deed upon the live stock of the applicant, and such mortgage or trust deed shall contain the power-of-sale clause authorizing the Secretaries or the bank, under their direction, to sell such stock for the repayment of the loan. The Secretaries are hereby authorized to require that the proceeds of such loan shall be applied as they may direct: First, the discharging of prior incumbrances upon such live stock incurred during the year last preceding the date of the loan; second, to purchase necessary food for same; third, to provide additional pasture, care, and protection for same and for all or either of such purposes and for such other purposes as will in his judgment best serve to preserve breeding cattle, sheep, and goats in such State.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from New Mexico?

Mr. THOMAS. I yield.

Mr. FALL. The amendment was drawn originally for another portion of another amendment and where the word "his" is used it should be "their," as it is intended to apply now to both of the Secretaries, and where the Secretary read "$5,000,000" it should be "$2,000,000," that being the amount intended to be deposited.

Mr. THOMAS. Mr. President, in response to a question asked by the Senator from Montana [Mr. WALSH] I attempted to give my reasons for opposing this measure. The Senator seemed to think that the answer which I made was out of proportion to the scope of the question which he asked, and I therefore yielded the floor.

Mr. President, this character of legislation, in my opinion, can not be defended as a war measure or for any other reason. It proposes to convert the United States into an eleemosynary institution and make its Treasury the source of remedy and benefit for all famines, whether they occur by reason of natural conditions or because of the indifference of the individual. I do not mean to say that this amendment as drawn goes so far, but it points the way that necessarily will lead to that result.

I think that this amendment ought to be entitled "An act to encourage the spread of drought over the United States," because, having attempted to limit the amendment to the western half of the United States, its author very readily strikes out the limitation when it is contended that there is equal need for its application east of that line.

Mr. Hoover has informed the people of the United States that the food situation is practically solved for the present; that, owing to the abundance of our crops and to the conservation of foodstuffs by the voluntary action of the people of the United States, no crisis in foodstuffs need be expected. I can not very well contrast the gloomy account of widespread drought, failure of crops, and the practical destruction of the well-being of large sections of the United States with this optimistic and most assuring statement of Mr. Hoover. Perhaps they may be reconciled; I do not pretend to say.

Mr. President, I am aware of the fact that locally drought conditions have occurred this year that are very serious in the immediate vicinity where they prevail. It may be that their effects have been so complete as to make it necessary that the people in those afflicted regions shall be assisted by such an amount of grains for seed purposes as may be necessary to enable them to cultivate their fields for the ensuing season. If that be so, I quite agree that in the present exigency it is the duty of the United States to come to their relief, provided their respective States fail or refuse to do so.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. PHELAN in the chair). Does the Senator from Colorado yield to the Senator from Utah?

Mr. THOMAS. I yield.

Mr. KING. As I recall, the Agricultural appropriation bill passed a few weeks ago provided a large sum of money for the purpose of purchasing seed for farmers in those districts where drought or other causes had left them without resources to procure it.

Mr. THOMAS. My attention was called to the fact a few moments ago that the provision to which the Senator refers can be found in the pending bill, the objection of the Senator from Montana to it being that it requires first-class security, which will defeat its purpose, since those who ought to be benefited by it could easily secure everything for their needs by the use of such security elsewhere.

Mr. President, I have said that under existing conditions it might be, and probably is, the duty of the Government to come to the rescue of these people by furnishing them with such seed wheat and other seed grain as may be necessary, due to the drought. If this amendment were designed for that purpose I would be perfectly willing to support it, but solely because of the fact that we are at war, because the States are perhaps unable to grant this relief, and because a large crop is one of the essentials for the successful prosecution of the war. This amendment, however, proposes no such thing. It proposes to appropriate some $20,000,000 to be loaned in sums not to exceed $500 to people in the drought-stricken regions and to be used by them to secure sufficient seed grain for their purposes, the loan to become a lien upon the land and upon the crop.

The Senator from Washington [Mr. JONES] made, I think, the very sensible suggestion that, at present wheat prices, $500 would not secure sufficient seed to go very far. I believe that is right. I do not know what the seed wheat will cost the Government. Generally speaking, the Government pays more for these things than individuals, notwithstanding it is a quantity purchaser; but at $2 a bushel $500 would secure 250 bushels. I do not know very much about farming, but I imagine that 250 bushels of seed wheat would hardly be sufficient for more than 200 acres of land—something in that neighborhood. The farmers in the West, as a general thing, have holdings much in excess of 200 acres. A great many, of course, have farms of smaller dimensions; but, generally speaking, 250 bushels of wheat to the individual is, in my judgment, insufficient. How much better it would be for the Government to purchase the wheat, give it to these people, and let them sow it and raise crops accordingly.

It may be, Mr. President, that another drought will succeed the one that has just prevailed and which may still be prevailing. That will lead to the necessity for another loan, and for the same reasons, provided that we are still at war with Germany.

Mr. President, I said in answer to the Senator from Montana—and I wish to repeat the statement—that, in my judgment, not a dollar of this money will ever be paid back into the Treasury. We are simply going through the form of a loan. I do not question the statement of the Senator from Montana that a similar experiment has proven successful in Canada; but the laws of Canada are very different from those prevailing here, and I do not think the political influence of the voter extends quite so far. If we loan $20,000,000—and this will only be the first step—we will have a deficiency bill very shortly, one item of which, in all probability, will cover quite as much more if not a sum in excess of 100 per cent of the amount carried by this

amendment, and which will be found necessary because of the exigency presented by the purposes for which this amendment is designed.

There is one great difficulty about a promissory note; it will mature at some time; it draws interest, and the time passes very quickly to the debtor who is obliged to meet the maturing paper with the accruing interest. Now, if that is at all difficult, since the Government has assumed the task of helping people out of their misfortune, how easy it will be, how natural it will be to apply to Congress for relief and how certainly will that relief be extended if it is asked for. We know by experience how these things go. The farmers all vote; they have what is called political influence; they can—as they are now organized quite extensively—get up a Nation-wide or a State-wide campaign and send identical telegrams to Members of Congress just as well as the labor unions can do so, or the American Bankers' Association, or the National Tariff Association, or the National Sugar Manufacturers' Association, or the Woman Suffrage Association, or the Cotton Association, or the other various combinations, all of which resort to that method of influencing Congress. We know by experience, Mr. President, what that means; but Uncle Sam is the creditor, so what is the difference?

That, however, to my mind, is not the most sinister feature of this proposed legislation. It establishes a precedent which other pursuits will necessarily take advantage of; and why should they not? It is true that the farmer is indispensable to our civilization; I grant you that he is more indispensable to it than any other class of people; but we have some other indispensable classes. They are engaged in manufacturing, in engineering, in the practice of the law, and I might mention a great many other occupations, for they are extremely numerous, which, with the exception of manufacturing, are languishing now, because of war conditions, and those who depend upon them for a livelihood find themselves in a drought of lack of opportunity. Now, why should not the Government of the United States, in an agricultural bill or in some other sort of a bill, provide for the making of loans to these people and for the taking of liens upon their holdings or their business, and by that means become a universal Father Bountiful, with the Treasury of the United States bearing the burden?

I see no difference—possibly because I am too obtuse to see it—between a farmer suffering from the necessities of life and needing governmental sustenance and a mechanic or an engineer. The difference is not in kind; it is only in degree. If the Goverment has become an eleemosynary institution, created for the purpose of filling its Treasury with taxes in order that it may relieve from suffering and from want and from embarrassment all of its citizens, why discriminate between the farmer and the rest of our population?

Mr. President, here is a bill, just introduced in the House of Representatives, consisting of 190 pages. It is entitled:

A bill to provide revenue, and for other purposes.

I have not had time to read it, but as far as I have gone it seems to me to be well designed to squeeze out all of the blood that can be found in individuals and corporations in this country, and by that process secure an annual revenue of eight thousand millions of dollars for the Government of the United States.

Unfortunately, I am a member of the Finance Committee. To-morrow we begin to hear from those who are going to be affected by this document—the taxpayers, the men who have to support the manifold activities of the Government of the United States and pay the expenses of this war. This bill is demanded by the inexorable financial conditions consequent upon this supreme crisis. It is not presented willingly. Those who have spent three months in its preparation have performed a most grudging and unwelcome task, knowing that whatever they may do they must encounter not only the opposition but the resentment of taxpayers. They have the right, I think, to insist that the money which we propose to take from them, if we can get it, shall be expended economically and properly in the prosecution of this war, something which we have not done and something which, if the past be any guide for the future, we will not do so long as individuals at home want a part of this money and can present sufficiently attractive schemes to secure it.

Mr. President, I do not mention this for the purpose of reflecting at all upon the author of this amendment, who, I know, believes in his heart of hearts that the money which his amendment carries is not only a war appropriation, but is one which is absolutely essential for the purpose mentioned therein, and I concede that the purpose is a laudable one, but do not let us hug to our souls the delusion that we are lending money to the farmers that we are going to get back. If the Senator will amend his amendment so as to provide for the outright purchase and delivery of seed wheat to the suffering farmers in the drought-stricken region I will support it. I know it will cost more than this twenty millions, but it will have subserved a purpose that I do not think can be subserved by the amendment itself, and in addition to that it will be absolutely free from the danger of becoming a precedent for the appropriation of money to other classes of our citizens suffering or claiming to be suffering similar misfortunes and needing, therefore, governmental interference.

Mr. President, the Senator from New Mexico has offered an amendment which has nothing to do with crops in drought-stricken regions, which is designed to be applicable to the stock breeder and the stock raiser. Now, the stock breeder and the stock raiser in that section of the State of New Mexico which has suffered from this dry season have precisely the same right to ask the Government of the United States to come in and make up their deficiency, provide them with some new cows and some new calves and some new forage and some more land for them to graze upon, that the farmer has to ask the Government to let him have the rest of this money as a loan for the purpose of helping him out of his unfortunate situation. And, Mr. President, the people in the towns of New Mexico whose foodstuffs have been diminished by this drought, whose dependence upon the stock-raising interests of the immediate vicinity has been largely increased, whose cost of living has been magnified in consequence of this visitation of nature, have the same right to come to the Congress of the United States and ask for appropriations out of the National Treasury to tide them over until prices can be stabilized, until the money which we have loaned to the farmer to get his wheat may find its fruition in next year's crops, and until the new herd of calves that are to spring into existence from the beneficent use of these $2,000,000 may get old enough and fat enough to be crucified as beef steers.

I might go still further and be entirely within the range of perfect consistency in indicating the logical extent to which legislation of this kind can and will go as time shall pass.

Mr. VARDAMAN. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Mississippi?

Mr. THOMAS. Yes; I yield.

Mr. VARDAMAN. I have listened with a great deal of interest, as I always do, to the Senator from Colorado. The Senator stated that if this amendment should be amended so as to make this a donation rather than a loan, he would support it.

Mr. THOMAS. Yes.

Mr. VARDAMAN. In order to avoid a dangerous experiment?

Mr. THOMAS. Among other things.

Mr. VARDAMAN. Does the Senator think that there is less danger in setting a precedent of giving than there would be in loaning? Does not the Senator think that the people would be more inclined to come and ask for a straight-out gift than they would for a loan?

Mr. THOMAS. The Senator, I think, misunderstands me. I contend that this is a gift anyhow, and with all due respect to the Senator I believe in making a gift directly, instead of making it under false pretenses.

Mr. VARDAMAN. I thought the Senator did not mean that, because he said that if we would make it a gift he would vote for it, but that if we made it a loan he would vote against it.

Mr. THOMAS. I will vote for it if you make it a gift, because that is square from the shoulder, and everybody understands it. I will do it also because of the statements here made that in view of war conditions this seed wheat is absolutely necessary at present; and I am quite willing to recognize that exigency and provide that the Government shall itself provide the wheat for the purpose, whatever it may cost.

Mr. VARDAMAN. I agree with the Senator that seed wheat is absolutely necessary; but while it does not apply at all to my section of the country and my constituents will not share in the benefactions, I do not think it would be exactly fair to the farmers who are asking for the loan to propose to give it to them, because they are not asking for a gift, and in my judgment they do not want a gift. I think it is a perfectly proper function of the Government in times of stress like the present to go to the assistance of a large element of the people whose labor and production is so vital to the salvation of the world at this particular time.

Mr. THOMAS. Mr. President, I am not so sure that the people of Mississippi will not get part of this loan. The hundredth meridian has been obliterated, and I think the drought

is going to spread over a great part of the East before all of the money shall have disappeared from the Treasury. As I said, I quite agree that there is an emergency in some places. I am not at all afraid of offending the farmers of my section by offering to give them seed wheat instead of loaning them money to buy it themselves, especially as I think I can explain to them that there is a distinction without a difference. In other words, let us do what the immediate emergency requires and do nothing else. That I am perfectly willing to do; that, I think, should be done; but let us do away with the ceremony of advancing money of this kind under the guise of a loan, and with the expectation that any part of it is to come back to the Treasury of the United States.

Mr. KING. Mr. President, I was about to ask the Senator from New Mexico, but I see that he is not in the Chamber, the reason why his amendment is limited to the State of New Mexico. As I understand, the claim is made that similar conditions prevail in other States. If that be so, it would seem that if this legislation is wise or proper it ought to be broad enough to afford adequate relief to all sections instead of being restricted to but one State.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Dakota?

Mr. KING. I yield.

Mr. McCUMBER. Is it not a fact that the State of New Mexico has raised something like $750,000 to assist its ranchmen and stockmen, without any assistance from the Government?

Mr. FALL entered the Chamber.

Mr. McCUMBER. The Senator from New Mexico is here now, and he can explain that better than I can.

Mr. KING. Mr. President, perhaps the Senator from New Mexico, who has just entered the Chamber, will answer the question I just propounded. I was just inquiring why it was that the Senator from New Mexico, in the preparation of his amendment, limited its operations to his own State.

Mr. FALL. The amendment, as, of course, the Senator understands, is an amendment to the amendment of the Senator from Montana, which is general in its operations. I explained at some length yesterday the conditions affecting the southwestern part of this country—that is, the western part of Texas, New Mexico, and particularly the southern portion of that State which we call the breeding range, and all or a portion of Arizona—those three States, or a portion of those three States. I limited the operation of my amendment to New Mexico simply because I thought I was peculiarly cognizant of the conditions existing there and of the relief necessary, and the other States are represented by their Senators here; and unless they think that the conditions are the same, or that the proposed relief which I ask by my amendment is the proper relief, of course I have no desire to force any such measure upon them.

In my State, however, in so far as furnishing seed and necessaries of this character to the farmers is concerned, we have, as the Senator knows, a very small farming area, comparatively speaking. We have a very large area of public domain. The Legislature of New Mexico immediately upon the declaration of war appropriated $750,000 for war work. Included in the program was the purchase of seed, and the assistance of the farmers needing the seed and needing other assistance, and propaganda, offering the farmer all inducements to raise additional crops of wheat, and particularly beans, food articles of this kind. The provisions of this bill would afford relief to any extent that further relief was needed; but the use of the money provided in these general appropriations being restricted to feedstuffs or to the production of feed and of fodder, it would be entirely inapplicable in reaching the conditions under which the stockmen of New Mexico are now suffering. For that reason I have offered this amendment, phrased as it is.

Mr. KING. Mr. President, the Senator from Colorado has just submitted a number of arguments against the amendment offered by the Senator from Montana, as well as the amendment thereto submitted by the Senator from New Mexico [Mr. FALL]. Sufficient facts have not been presented, as I view the case, to enable the Senate to act intelligently upon the questions involved in these amendments. It may be that the situation is so extreme as to require Federal legislation, but I have not been sufficiently advised to enable me to act affirmatively upon this matter. I concede that it is necessary that the agricultural interests of our country be considered. I agree with the Senator from Colorado that those who till the soil and produce the things essential to life are perhaps the most important element in our community and in our national life. The farmers always have been and always will be vital to the maintenance and progress of a State. I have sometimes felt that the manufacturer and the capitalist have been the special favorites of Congress and that the agriculturist has been the victim of unjust and discriminatory legislation.

In this great struggle, in which our Nation is required to perform an important part, the prosperity of the agriculturist is more than ever necessary. We must have food not only for the people of this Nation but we must in part supply the requirements of our allies. Whatever, therefore, can legitimately be done to aid the cause of agriculture should be done. But, as I have stated, there is not sufficient data presented to enable the Senate—or, at any rate, it is not sufficient to enable me—to determine what legislation is necessary. If there are sections in the United States suffering from drought, and if there are farmers who are in want, certainly this bill is not sufficiently comprehensive to meet the situation. A measure already has been passed under which the Agricultural Department may make certain advances to the farmers to enable them to secure seed wheat. As I have understood the statement made by a number of the Senators, there are farmers who have lost their crops and are abandoning their entries and moving to other sections of the same or to adjoining States. This bill, as I understand, is designed primarily to afford relief to these persons. It is manifest that this measure will utterly fail to accomplish any satisfactory result. The small amount provided in the amendment offered by the Senator from Montana would be of but little benefit in most instances. It would not permit a return to the abandoned farm and enable the farmer to rehabilitate his place, to maintain himself and his family and to procure the necessary seed for the coming year.

Mr. President, if there is any widespread disaster threatening the agriculturist, or if the farmers are confronted with ruin, then a broad and comprehensive plan should be provided that will reach the situation and afford suitable and adequate relief. The amendment under consideration utterly fails to accomplish that result.

The amendment offered by the Senator from New Mexico [Mr. FALL] is limited to the State of New Mexico. It provides for Federal relief for certain stock growers within that State. Such legislation is certainly local and in that sense discriminatory. If the stock growers of the United States need Federal help, then a suitable and comprehensive measure should be reported instead of a narrow and sectional one. It might be said in passing that, with the price of steers ranging around the $200 mark per head, there does not seem to be much need of giving bounties and bonuses to the producers of cattle. The high prices which other products command in the market will stimulate production more than appropriations, to be filtered out through departments, bureaus, and the hands of a horde of Federal employees.

Mr. President, war seems to breed the spirit of paternalism. Everywhere is found the cry for governmental support. Initiative is being destroyed, private capital in many parts of the country is being driven from legitimate fields of endeavor. Appeals are constantly made to the Federal Treasury for the support of almost every conceivable enterprise. Under the pretense that some enterprises contribute to the successful prosecution of the war, efforts are made to secure large appropriations. Much of the attention of Congress is devoted to appropriating money, and the aggregate of the amounts carried in the appropriation bills is so stupendous as to stagger the imagination of most of us. I have had occasion heretofore to challenge attention to the reckless and prodigal manner in which appropriations are made, but my experience is that it is easier to secure an appropriation than to pass almost any other form of legislation.

The Senator from Colorado [Mr. THOMAS] has just called attention to the revenue bill reported to the House, which provides for the levy of more than $8,000,000,000 of taxes for the fiscal year of 1919. No revenue bill was ever introduced in any legislative body in the history of the world providing for an amount so enormous but that will perhaps prove to be less than one-third of the expenses of the Government for the fiscal year just mentioned. From the information conveyed to us from the various departments of the Government the expenses for the coming year will amount to approximately $25,000,000,000. It means that in addition to the enormous sum taken from the people by taxation double the amount will be demanded of the people in the form of loans. Where this vast sum is to come from many do not pause to inquire. It will be no easy task to obtain $8,000,000,000 in the form of taxes. The raising of this amount will bear oppressively not only upon business but upon all classes of people. The capacity of the people to pay taxes and subscribe for Government bonds is limited by the savings of the people. When we remember that immediately before the war the entire amount annually avail-

able for investment and for savings by all of the people of our country was approximately $5,000,000,000, and that from this sum all savings were yielded and all investments, improvements, and so forth, were met, the difficulty of raising $25,000,000,000 within a single year will then become apparent. This vast amount can only be produced from the earnings and savings of the people. Already there are evidences of financial disturbances in many sections of our country.

The war activities have brought prosperity, at least apparent prosperity, to a few sections of our country. In those sections in which shipyards have been established, munition plants have been built, and manufacturing plants are engaged in producing articles required by the Government in its war work there is an abundance of money. Business has been congested into a limited and narrow circle, and that has resulted in draining those sections of our land in which there are no war activities. The result is that in many States business is stagnant, money is difficult to obtain, and industrial conditions are far from satisfactory.

It is contended that farmers in some sections and stock raisers in New Mexico are in need of financial aid because their business has been unprofitable. Other sections and people in other industries and employments could with perhaps equal merit claim governmental support in their behalf. In many sections of our country industries have been destroyed by the war. Many industries which are alleged to be nonessential have been ruthlessly crushed by the great war machine. I am not complaining because war has disturbed our industrial conditions and has led to a curtailment of activity in many business circles. It is folly to insist that business shall continue as usual. The nonessential industries must yield. Many of them will perish. The resources of our land must be devoted to the winning of the war. It is impossible for many enterprises that were profitable before the war to continue during the progress of the war. There are, however, thousands and tens of thousands of individuals who have had their business greatly impaired or destroyed since our country entered into the war.

In every section there are thousands of individuals who are compelled to turn their attention to new channels and to engage in employment with which they were unfamiliar. The building trade is practically destroyed, and thousands of men who have given their lives to construction work and the erection of buildings, and so forth, are now confronted with ruin. There are many enterprises, the continuance of which is necessary, that have felt the effects of war and are threatened with destruction. It is impossible for the Government to supply the money to revive and maintain all of the enterprises and plants and business undertakings of the country. We shall have to bear with fortitude the vicissitudes resulting from the war. The Treasury of the United States can not meet all the demands which will be made upon it. Doubtless there have been and will be meritorious schemes proposed calling for Federal aid which have been and will be denied. Unquestionably there have been appropriations made which were not only not necessary but wholly devoid of merit, and I have no doubt but what others of like character will be made in the future. For myself, I shall attempt to conserve the financial strength of the Nation to enable it to prosecute this war and shall oppose appropriations which I do not regard as essential if not vital in this great crisis. As stated, the amendments under consideration are not supported by sufficient data to justify their adoption, and they are not comprehensive enough to give relief if relief is required. Therefore I shall feel constrained to vote against both the amendment and the amendment to the amendment.

Mr. FALL. Mr. President, the Senator from New Mexico has not offered an amendment to make up anybody's losses or to give anybody a cent out of the Treasury of the United States, or otherwise, nor has the Senator from Montana offered any such amendment, as I understand. We are not here as beggars; those of us from New Mexico are not. New Mexico has appropriated and expended as much money in war work as the State of Utah, or more. So much for that. The proposition is simply to do what we have done time and time again in one form or another. We are not even making donations to assist flood sufferers in this bill. We are simply providing money for the States the treasuries of which have been depleted by their contributions to the necessary war work and the treasuries of which have not received any relief by having war prosperity within their boundaries.

Something like three or four years ago, as I remember, a proposition was advanced here for the creation of a fund of $150,000,000 to assist the cotton farmers of the South. Finally, before congressional action was secured, I think, the agitation resulted in the deposit by the Treasury of the United States in the banks of the South of the full sum of $150,000,000, through which the people of that section of the country were able to tide over the hard times due to conditions over which they had no control, which were oppressing them, possibly, as the conditions over which the people of the drought-stricken country have no control now are oppressing them.

The products of these States are absolutely necessary. They are necessary for the winning of the war. The importance of preserving the basis for the rehabilitation of the cattle business, the stock business in this country, everyone should recognize. The whole world must be restocked with cattle and with other stock after this war is over. It is not necessary for me to dwell upon these necessities. The great breeding ranges are being absolutely depleted. What are you going to do about it? The States are unable to meet the conditions. The Senator, not denying that the conditions exist, not denying that some relief should be offered or received from some source, simply standing upon the theory that it is not the business of the United States to do it because it might set a precedent, would allow the cattle to die. Where he would secure the necessary breeding stock for furnishing the farms of the East and the great Middle West I have no idea. Possibly he has; but with what funds would they be secured finally? Shall they be allowed to die, and shall the people be compelled to walk out, as they are walking out of some portions of my State now, with all that they possess upon their backs, after they have expended three or four years of time and every dollar of money they had or were able to secure in the attempt to make a homestead to settle the great West? They are walking out of the State, and yet it is said that no relief should be granted. The rural banking system has failed them, for this reason: The Wichita Bank, for instance, has refused to loan money to the men who need it, because they need it. That is what it amounts to. In New Mexico they have established the rule that because of the drought they will not loan money upon patented lands. If it were not for the drought the owners of the patented lands would not need any money. This is our great benevolent Government and this is the operation in my State of the very thoughtfully considered and well-worked-out rural-credits banking system!

Is any relief to be extended to these people, or not? If so, what other proposition has the Senator to offer, in lieu of that submitted by the Senator from Montana?

The PRESIDING OFFICER. The question is on the adoption of the amendment of the Senator from New Mexico [Mr. FALL] to the amendment of the Senator from Montana [Mr. WALSH]. [Putting the question.] By the sound, the "noes" seem to have it.

Mr. FALL. I make the point of no quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Brandegee	Jones, Wash.	New	Smith, S. C.
Calder	Kellogg	Norris	Smoot
Chamberlain	Kendrick	Nugent	Sutherland
Curtis	Kenyon	Overman	Thomas
Fall	King	Phelan	Townsend
France	Kirby	Poindexter	Trammell
Gerry	Knox	Pomerene	Vardaman
Gore	Lenroot	Ransdell	Walsh
Gulon	Lodge	Shafroth	Watson
Hale	McCumber	Sheppard	Wilfley
Henderson	McKellar	Sherman	Wolcott
Johnson, Cal.	Martin	Smith, Ariz.	
Jones, N. Mex.	Nelson	Smith, Md.	

The PRESIDING OFFICER. Fifty Senators have answered to their names, and there is a quorum present. The question is on the adoption of the amendment of the Senator from New Mexico [Mr. FALL] to the amendment proposed by the Senator from Montana. On the amendment to the amendment a viva voce vote was taken, and the Chair was in doubt. The Chair will again put the question.

On a division the amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on the amendment as amended.

Mr. SMOOT. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SHAFROTH. May we have the amendment read as it is now presented to the Senate?

The PRESIDING OFFICER. The amendment as amended will be read.

The Secretary read as follows:

SEC. —. The sum of $20,000,000, or so much thereof as may be necessary, is hereby appropriated for the relief of farmers in the drought-stricken regions of the United States. The Secretary of Agriculture and the Secretary of the Treasury are hereby authorized, under rules and regulations to be prescribed by them, to loan from the fund by this section created to farmers within such region, to enable them to provide themselves with seed, fodder for animals, and supplies necessary

to their subsistence, amounts not to exceed $500 to any one person. No advance shall be made under this act except to owners of lands or to a tenant, with the approval of his landlord, or to bona fide homestead claimants who propose to cultivate the lands occupied by them, nor in any amount in excess of $5 per acre of the lands to be seeded. Any advance so made shall be a lien upon the land to be seeded and on the crop to be grown thereon. In the case of advances to homestead claimants failure to repay the same when due, or within such period thereafter as may be by the said Secretaries prescribed, shall make subject the entry of the delinquent to contest and cancellation and the land to entry by any applicant who shall tender the amount due: *Provided*, That $2,000,000 of the amount hereby appropriated, or so much thereof as may be necessary, shall be deposited in the banks in the State of New Mexico, which may be designated by the Secretaries, to be loaned to the live-stock breeders of that State who are the possessors and actual users of permanent range and water ordinarily sufficient for the maintenance of the full number of live stock thereupon, to assist said breeders in the present emergency caused by drought and scarcity of feed and pasture and high price of cottonseed cake and like feeds. Loans shall be made by such banks, upon approval by the Secretaries, in sums not to exceed in any case the net market value of the stock animals owned by the applicant, and the loan to run in no case for the period of more than one year and to bear 6 per cent per annum interest. The loan shall be secured by a mortgage or trust deed upon the live stock of the applicant, and such mortgage or trust deed shall contain the power-of-sale clause authorizing the Secretaries, or the bank under their direction, to sell such stock for the repayment of the loan. The Secretaries are hereby authorized to require that the proceeds of such loan shall be applied as they may direct. First, the discharging of prior incumbrances upon such live stock incurred during the year last preceding the date of the loan. Second, to purchase necessary food for same. Third, to provide additional pasture, care, and protection for same, and for all or either of such purposes and for such other purposes as will in their judgment best serve to preserve breeding cattle, sheep, and goats in such State.

The PRESIDING OFFICER. The Secretary will call the roll on agreeing to the amendment as amended.

The Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). I have a pair with the junior Senator from Georgia [Mr. HARDWICK] which I transfer to the junior Senator from Oregon [Mr. MCNARY] and vote "yea."

Mr. FLETCHER (when his name was called). I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. Not knowing how he would vote on this question, I withhold my vote.

Mr. GORE (when his name was called). I desire to announce that I am paired with the junior Senator from New Jersey [Mr. BAIRD].

Mr. JONES of Washington (when his name was called). The junior Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. I am paired with him during his absence and therefore withhold my vote, not knowing how he would vote on this question.

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Georgia [Mr. SMITH] which I transfer to the Senator from Vermont [Mr. PAGE], and will allow that announcement to stand for the day. I vote "nay."

Mr. PENROSE (when his name was called). I have a general pair with the senior Senator from Mississippi [Mr. WILLIAMS] which I will transfer to the senior Senator from New York [Mr. WADSWORTH], and let this announcement stand for the day. I vote "nay."

Mr. SHERMAN (when his name was called). I am paired with the senior Senator from Kansas [Mr. THOMPSON]. Not knowing how he would vote I withhold my vote.

Mr. SMITH of Maryland (when his name was called). In the absence of the Senator from Vermont [Mr. DILLINGHAM], with whom I am paired, I withhold my vote.

Mr. SUTHERLAND (when his name was called). I have a pair with the Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to my colleague [Mr. GOFF] and vote "nay."

Mr. WALSH (when his name was called). I am paired with the Senator from New Jersey [Mr. FRELINGHUYSEN]. I transfer that pair to the Senator from Illinois [Mr. LEWIS] and vote "yea."

The roll call was concluded.

Mr. SIMMONS. I desire to announce that my colleague [Mr. OVERMAN] is absent from the Senate on official business. He is paired with the Senator from Wyoming [Mr. WARREN].

Mr. MCKELLAR. I wish to announce the unavoidable absence of my colleague [Mr. SHIELDS] on important business. I will let this announcement stand for the day.

Mr. KIRBY. I wish to announce that the Senator from Arkansas [Mr. ROBINSON] and the Senator from Mississippi [Mr. WILLIAMS] are detained on official business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS];

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON]; and

The Senator from Michigan [Mr. SMITH] with the Senator from Missouri [Mr. REED].

The result was announced—yeas 22, nays 31, as follows:

YEAS—22.

Chamberlain	Kendrick	Pomerene	Vardaman
Curtis	Kirby	Ransdell	Walsh
Fall	McCumber	Shafroth	Wilfley
France	Norris	Sheppard	Wolcott
Henderson	Nugent	Sterling	
Jones, N. Mex.	Poindexter	Trammell	

NAYS—31.

Ashurst	Johnson, Cal.	Martin	Smith, Ariz.
Benet	Kellogg	Nelson	Smith, S. C.
Borah	Kenyon	New	Smoot
Brandegee	King	Owen	Sutherland
Calder	Knox	Penrose	Thomas
Gerry	Lenroot	Phelan	Townsend
Guion	Lodge	Pittman	Watson
Hale	McKellar	Simmons	

NOT VOTING—41.

Baird	Gore	McNary	Smith, Mich.
Bankhead	Gronna	Myers	Swanson
Beckham	Harding	Overman	Thompson
Colt	Hardwick	Page	Underwood
Culberson	Hitchcock	Reed	Wadsworth
Cummins	Hollis	Robinson	Warren
Dillingham	Johnson, S. Dak.	Saulsbury	Weeks
Fernald	Jones, Wash.	Sherman	Williams
Fletcher	La Follette	Shields	
Frelinghuysen	Lewis	Smith, Ga.	
Goff	McLean	Smith, Md.	

So the amendment as amended was rejected.

Mr. JONES of New Mexico. Mr. President, I desire to offer the following amendment:

The PRESIDING OFFICER. It will be read.

The SECRETARY. At the end of page 13 add the following:

SEC. 5. That the proviso to paragraph 2, section 7, of the act approved April 5, 1918, entitled "An act to provide further for the national security and defense, and for the purpose of assisting in the prosecution of the war to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes," be, and is hereby, amended to read as follows:

"*Provided*, That every such advance shall be secured in the manner described in the preceding part of this section and (except in the case of an advance secured by a loan for agricultural purposes or a loan based on live stock) in addition thereto by collateral security, to be furnished by the bank, banker, or trust company of such character as shall be prescribed by the board of directors of a value at the time of such advance (as estimated and determined by the board of directors of the corporation) equal to at least 33 per cent of the amount advanced by the corporation. The corporation shall retain power to require additional security at any time."

Mr. JONES of New Mexico. Mr. President, the purpose of this amendment can be very easily explained. Under section 7 of the War Finance Corporation act it is provided that banks which have made loans to farmers and stockmen or those engaged in industries of the prosecution of the war may obtain advances from the War Finance Corporation to the extent of 75 per cent of the collateral which the borrower from the bank may put up. Then the proviso to section 7 is that the bank may obtain 100 per cent provided the bank puts up other collateral equal to 33 per cent of the loan which the bank has made to its customer. The purpose of this amendment is to enable the bank to obtain 100 per cent from the War Finance Corporation without putting up 33 per cent additional collateral; that is, upon loans made to farmers and live-stock men for agricultural purposes and live-stock purposes.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from North Carolina?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. SIMMONS. I wish to understand the Senator. My understanding is that he proposes to make no changes in the present law with respect to any loan that may be made by the War Finance Corporation except those that are made in the interests of agriculture and live stock.

Mr. JONES of New Mexico. That is entirely accurate.

Mr. SIMMONS. The only change is that they may loan to the bank 100 per cent of the amount which the banks have loaned to the farmers without the bank having to put up this extra 33 per cent collateral.

Mr. JONES of New Mexico. That is the sole purpose of the amendment which I offer.

Mr. SMOOT. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Utah.

Mr. SMOOT. This is the bill that the Senator introduced and referred to the Finance Committee?

Mr. JONES of New Mexico. It is changed in the form of an amendment, except I will say to the Senator that before offering it as an amendment to this bill I modified it in one particular. At the suggestion of some Senators who have given the matter a good deal of thought, I eliminated the production in the bill which I formerly introduced so as to make no reference to the time of the loan, and to leave that in the discretion of the War Finance Corporation. The War Finance Corporation under existing legislation may make the loan for from one year to five years.

Mr. SMOOT. As I read the bill when the Senator introduced it, I was rather impressed with the wisdom of the proposed legislation, but I have not gone into the details of it, I will say to the Senator, and I thought perhaps the Finance Committee ought to pass upon such legislation rather than the Committee on Agriculture and Forestry.

Mr. JONES of New Mexico. Of course, I was of the same mind when I introduced the bill, because I directed its reference to the Finance Committee, and it was referred during the semirecess of the Senate with the idea that it would be ready for action as soon as a majority of the Senate returned to Washington. But the Finance Committee has not met to consider the bill, and the situation is of such an urgent character that I have put it in as an amendment to the pending bill if the Senate feels that it should be adopted.

Mr. SMOOT. The bill provides for loans for agricultural purposes. I understood a member of the War Finance Corporation to say that this legislation was wanted in order that the corporation might loan to live-stock men direct. Would not the Senator be satisfied if it applied only to loans made upon live stock and not include agricultural purposes? I do not want to go into a discussion of the reasons why, but I do know that that was the main reason why the legislation was asked for, and I think it ought to be confined to that, and not for agricultural purposes. If the Senator will modify his amendment, I shall have no objection to it. Agricultural purposes could be construed to cover most anything.

Mr. JONES of New Mexico. I sought to get sufficient recommendation from the Treasury Department upon the measure, but for some reason it has not come to the Finance Committee. However, I saw in an evening paper a couple of days ago a statement that this measure had received the approval of the Treasury Department, and I have been privately informed that it does meet the approval of the Treasury Department. I can state from my personal knowledge that it meets with the appropal of some—I may say all—of the members of the War Finance Corporation Board.

Mr. SMOOT. Does the Senator say that it meets with their approval as far as loans based upon agricultural purposes are concerned?

Mr. JONES of New Mexico. Yes, sir.

Mr. SMOOT. How far will that go, I ask the Senator; and what does it mean? I ask that question because of the fact that the Farm Loan Board is to-day loaning money upon agricultural land, for buildings upon the land, the purchase of machinery, and for many other purposes.

Mr. JONES of New Mexico. The difficulty is that the Farm Loan Board can not make a loan for less than five years, and this is to cover loans where they do not want to encumber their property for a period of five years or more, and it is to enable the War Finance Corporation to take care of the banks.

Mr. POMERENE. Will the Senator permit me?

Mr. JONES of New Mexico. I yield to the Senator from Ohio.

Mr. POMERENE. I realize that that is the five years' provision in the farm-loan act to which the Senator refers, but would it not simplify matters very greatly and would it not benefit the farmers if that provision in the law were modified so as to permit the loan for one year or longer? If the Senator will permit me further, since this discussion came up I called attention to that provision of the farm-loan act which defines the purposes for which the board may make loans, and among them the purchase of the land, the payment of existing debt, the making of improvements, and so forth, and the purchase of implements. Then, Congress provided also that the Federal Farm Loan Board would have full power to determine what was to be included in the term "implements." I have since the noon hour made inquiry at the Farm Loan Board. I find that while they have defined implements in a general way as including farming implements, tools, and so forth, yet, as matter of practice, when an application is made for a loan the applicant is obliged to state the purposes for which he wants the money, and if, as a matter of fact, included among the items is the item of seed it is allowed and the loan is made, and it is only a question when the amount of seed would seem to be out of all proportion to the quantity of land. It seems to me that if we were to amend that law, so as to permit a loan to be made by the Farm Loan Board for one year or longer, it would relieve very many of the farmers who are now in distress.

Mr. JONES of New Mexico. Mr. President, in reply to the statement of the Senator from Ohio I should like to make this suggestion: The farm-loan act contemplates a long-term loan upon real estate, and we organized farm-loan associations, where people come together and enter into a joint responsibility. It is intended to cover a very much more permanent class of credit than that contemplated by this amendment. The farm-loan act requires a man to put a mortgage upon his farm in order to obtain a little money to seed the land, even though he might have a large number of live stock on which he could give a chattel mortgage, or might have other kinds of collateral security. He may have Liberty bonds or other collateral which he puts up to the bank. It seems to me that the agricultural provision should be retained, because the banks are carrying such paper now. They have been advancing money to the farmers, and the farmers have used a good deal of it in buying Liberty bonds. The banks are carrying these loans.

I should like to make this further statement in order that Senators may understand the importance of this amendment. Under section 9 of the War Finance Corporation act, which enables the War Finance Corporation to make loans direct under exceptional circumstances, it has established agencies at Kansas City, Mo., and at Dallas, Tex., for the purpose of making loans directly to the stockmen and, I think, to the farmers as well. In making such loans the War Finance Corporation advances 100 per cent of the paper. Of course the property, the margin of security, is still behind the paper, but the corporation loans 100 per cent of the paper. If the same farmer or the same stockman takes that paper to a bank and the bank indorses it, and goes to the War Finance Corporation with it, it can only get 75 per cent, unless it is willing to put up 33 per cent additional collateral. In that case it may get 100 per cent.

Mr. SMOOT. Mr. President, the object of this amendment is this: If there is a farmer, we will say in Utah or in any other State, owning 10 head of steers, and their value is $100 apiece, or the value of the 10 is $1,000, under this amendment the farmer could borrow $1,000 on those steers.

Mr. JONES of New Mexico. No, Mr. President.

Mr. SMOOT. Well, I know that is not what the Senator stated, but it is exactly what could be done.

Mr. JONES of New Mexico. No, Mr. President, I think not.

Mr. SMOOT. Well, I will explain it to the Senator, and I think he will then understand that that is exactly what this amendment means, and what it was intended for.

Mr. JONES of New Mexico. No; not at all.

Mr. SMOOT. Well, then, let me explain it. Under section 7 of the War Finance Corporation act the man who owns 10 steers worth $100 apiece may go to a bank and, if he could borrow from the bank $1,000 on the 10 steers, the bank could only borrow $750 from the War Finance Corporation, or 75 per cent of the face value of the note. Under this amendment, if a bank holds a note for $1,000, secured by those 10 steers, the bank can apply to the War Finance Corporation and can secure $1,000, or the full face value. I am quite sure that the Senator from New Mexico will agree that that can be done under the amendment.

Mr. JONES of New Mexico. Such a thing can be done, but it is not the intention that it shall be done, and the chances are ninety-nine and nine-tenths per cent that it never will be done.

Mr. SMOOT. Then there is no need of the amendment.

Mr. JONES of New Mexico. Oh, yes; there is.

Mr. SMOOT. The Senator says, then that the corporation may require 5 per cent or 10 per cent or 15 per cent security above the face value of the note instead of 25 per cent, as is required under existing law. I wish to say to the Senator that I know that the object of this legislation is to allow the banks to receive from the War Finance Corporation every dollar that they loan to the cattleman, for the banks in the western part of the country have not the capital or security to put up 33⅓ per cent more than they receive from the War Finance Corporattion on the amounts required by their customers. Their whole capital stock would be consumed in a little while, as well as their security.

I am not objecting to this, but I want the Senate to know what it means. Of course, I do not believe that the War Finance Corporation will advance money to a bank whose credit they

think is not sufficient, over and above the security they hold, to make the loan a good one; I think they will take good care to see as to that; but I want the Senate to know just what the amendment means; and the amendment is exactly as I have stated it to be.

Mr. JONES of New Mexico. I am inclined to believe that if Senators desire to ascertain what the amendment means, I shall have to explain it to them, for I do not see the meaning of it at all as does the Senator from Utah. The case stated by the Senator from Utah is possible under this amendment, but it is not the purpose of the amendment, and such will not be its result.

Mr. VARDAMAN. May I ask the Senator a question?

Mr. JONES of New Mexico. Yes.

Mr. VARDAMAN. I desire to ask whether or not his amendment provides for agricultural products other than live stock?

Mr. JONES of New Mexico. The legislation applies to all agricultural purposes, including the live-stock industry.

Mr. VARDAMAN. That is what I desired to know.

Mr. JONES of New Mexico. If the Senator from Mississippi will permit me—and I should particularly like the attention of the Senator from Utah [Mr. SMOOT]—this amendment does not specify the amount that shall be loaned in any case. The War Finance Corporation is not required to loan 100 per cent in any case.

Mr. SMOOT. I am aware of that.

Mr. JONES of New Mexico. It is not required to take any class of security in any case. Under the provisions of the amendment, if it shall be adopted, the War Finance Corporation can require additional security any time it desires to do so.

Mr. SIMMONS. From the banks?

Mr. JONES of New Mexico. From the banks; in advance of making the loan or at any time afterwards.

The case stated by the Senator from Utah is not founded upon any business experience in the West or anywhere else. Not a bank in the West loans 100 per cent upon the value of the property which is taken as security. If a man owned 10 steers worth $1,000, and he wanted to get a loan from a bank, he would not expect that bank to loan him $1,000; and I do not know of any bank in the West or anywhere else that would do so. The banks all require a reasonable and safe margin, or, at any rate, a margin which they think is reasonable or safe, or they would not make the loan. So under this provision the bank would make the loan on the 10 steers, but the probabilities are that it would not loan over $600 or $700 on the steers. There would be plenty of margin there.

When the bank gets the paper which is secured in that way, it indorses the paper, becomes security for the payment of the money, and then goes to the War Finance Corporation and gets 100 per cent, or the face value of the paper; but back of that paper is not only the security which the farmer or the stockman has but the indorsement of the bank as well.

Moreover, Mr. President, there is nothing in this amendment or in this act, if the amendment be adopted, which will require the War Finance Corporation to make any of these loans. It simply proposes to confer the power to loan the 100 per cent without requiring 33 per cent additional security.

Mr. VARDAMAN. As I understand, Mr. President, it proposes to give the banks the opportunity to extend a favor to the farmer if they so desire; that is all.

Mr. JONES of New Mexico. And if the bank is willing to indorse the paper which it has, and if the War Finance Corporation is satisfied with the safety or with the business solvency of the bank and the physical property behind the paper, then the War Finance Corporation is authorized, under the bill as it will be amended, to advance 100 per cent to that bank.

Mr. VARDAMAN. Whereas now it could not advance more than 75 per cent.

Mr. JONES of New Mexico. At the present time it could not advance over 75 per cent.

The urgency of the situation has been made perfectly clear to the Senate. It seems to me that this renders the business of the War Finance Corporation perfectly safe; that it leaves it upon a safe foundation. I sincerely hope that the amendment may be adopted.

Mr. SMOOT. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, the statement of the Senator from New Mexico and mine do not in any way conflict, with this single exception: The Senator from New Mexico thinks that the War Finance Corporation will not lend 100 per cent on such notes, while I think they will. I think that is the object of the legislation.

Mr. JONES of New Mexico. If the Senator from Utah will excuse me——

Mr. SMOOT. I know there is nothing in the amendment which compels it to do so.

Mr. JONES of New Mexico. If the Senator will allow me, I expect the War Finance Corporation to loan 100 per cent of the face value of the farmer's note.

Mr. SMOOT. Yes.

Mr. JONES of New Mexico. But I expect the bank to have enough business talent in it to require that behind the note there shall be more than 100 per cent of value.

Mr. SMOOT. That question I have not discussed, Mr. President, for I am quite sure that no bank would loan to a farmer or to anybody else unless it thought at least that it had ample security to insure the payment of the note. What I said was that under the present law the War Finance Corporation can only advance 75 per cent of the face value of a note indorsed by a bank. That is the present law, but when this proposed law passes it will authorize the War Finance Corporation to advance 100 per cent on the face value of the note when indorsed by a bank.

Mr. JONES of New Mexico. That is true.

Mr. SMOOT. That is all there is to this amendment, and I wanted Senators to understand just exactly what it meant. That is, as I am quite sure, what it means; and that is the intention of the amendment and the intention of those who are asking for the legislation. Their object is that the War Finance Corporation shall advance 100 per cent to the bank, so as not to take the bank's security which they are holding for other purposes, but taking, it may be said, the credit of the bank to help the local bank to loan the money to the stock grower or to the farmer. That is what this proposed legislation means.

Mr. JONES of New Mexico. Mr. President, the Senator from Utah is quite right in his recent statement, and I am thankful to him for referring to the good which will result from this proposed legislation; but I do not want any Senator to get the impression that loans will be made upon the full value of the assets behind them, for that is not the intention, and it is not the belief of those of us who have been interested in preparing this amendment that that should be done. We expect the banks to go on in the usual way in making their loans, with the usual margin of security behind them; that then the bank shall put its indorsement upon the paper, and that we shall give to the War Finance Corporation permission to advance 100 per cent on the paper if upon its investigation it deems that the security behind it is ample. That is all there is to it. The banks of the country need this relief; and I, therefore, sincerely trust that the amendment will be adopted.

The PRESIDING OFFICER. The question is on the adoption of the amendment prposed by the Senator from New Mexico [Mr. JONES.]

The amendment was agreed to.

Mr. POMERENE. Mr. President, I desire to offer an amendment to come in at the end of the pending bill.

Mr. BANKHEAD. Will the Senator yield to me to present a proposed amendment?

Mr. POMERENE. I yield to the Senator.

Mr. BANKHEAD. I present an amendment to the pending bill on which I will ask for a separate vote when the bill reaches the Senate. In the meantime I should like to have the amendment printed.

The PRESIDING OFFICER. If there is no objection, the amendment will be printed and lie on the table.

Mr. POMERENE. Mr. President, I am about to offer as an amendment to the pending bill a bill which was passed by the Senate almost unanimously some weeks ago, known as House bill 9248, and entitled "An act to prevent extortions and to impose taxes upon certain incomes in the District of Columbia, and for other purposes;" in other words, it is the rent-profiteering bill.

Senators are familiar with the very unpleasant situation that exists with respect to that bill as between the two Houses. I do not care to discuss the merits of the measure; I would not even presume to offer it now as an amendment to the pending bill if it were not for the fact that when it was before the Senate it received the almost unanimous approval of the Senate. It represents the work of the Senate District Committee, and with very slight exceptions it represents the unanimous approval of that committee. The amendment as presented is the bill as it passed the Senate some weeks ago, beginning on page 8, at line 9, and ending on page 21, line 8, inclusive. There are 19 sections in it. I do not ask to have it read, unless the Senate so desires.

The amendment offered by Mr. POMERENE is as follows:

Add at the end of the bill the following:

"That by reason of the existence of a state of war, it is essential to the national security and defense, and for the successful prosecution of the war, to establish governmental control and assure adequate regulation of real estate in the District of Columbia for and during the period hereinafter set forth, and the President, through the Rent Administration, is authorized to make and promulgate such rules, regulations, and orders, not inconsistent herewith, as are essential effectively to carry out the provisions of this act: *Provided*, That nothing herein contained shall be construed to affect or bring within the scope of this act properties wherein, during the period of its limitations, the character of the same has been changed or converted from dwelling to business use.

"SEC. 2. That the rent for real estate within the District of Columbia shall not be in excess of the following rates herein provided for:

"(a) The rent, whether by the day, week, month, or year, at which real estate was let on October 1, 1917, or (b) if not rented on that date, the rent, whether by the day, week, month, or year, at which it was thus last let before that date, or (c) if real estate was not rented on or prior to October 1, 1917, then it may be rented for an amount equal to 7 per cent net on a valuation equal to the assessed valuation of said property for taxation plus 50 per cent thereof. Said rents above prescribed shall be the standard rents for said several classes of property, and prima facie shall be reasonable rents therefor. Elevator and other service as furnished on said date shall continue.

"SEC. 3. (a) That where the landlord or lessor incurs expenditures on the improvement or structural alteration of such real estate (not including expenditures for decoration or repairs), an increase of rent at the rate of not exceeding 7 per cent per annum on the amount so expended shall not be deemed to be an increase of rent for the purposes of this act.

"(b) Any transfer to a tenant of any burden or liability previously borne by the landlord or lessor shall be treated as an alteration of rent, and where, as a result of such transfer, the terms on which such real estate is held are, on the whole, less favorable to the tenant than the previous terms, the rent shall be deemed to be increased, whether or not the sum periodically payable by way of rent charge is increased; and any increase of rent as a result of any transfer to a landlord or lessor of any burden or liability previously borne by the tenant, where, as the result of such transfer, the terms on which such real estate is held are, on the whole, more favorable to the tenant than the previous terms, shall be deemed not to be an increase of rent for the purposes of this act.

"(c) Wherever any increase of rent is by this act permitted, no such increase shall be due or recoverable until 30 days after the landlord or lessor has served upon the tenant a notice in writing of his intention to make said increase, accompanied by (1) a statement of the improvements or alterations effected and their cost, where the increase is on account of such expenditures; or by (2) a statement showing particulars of the increased amount charged, where the increase of rent is on account of such increase in rates.

"The landlord or lessor and lessee may make contracts or leases for daily, weekly, monthly, or yearly rental of real estate so as to net the landloard or lessor not exceeding 7 per cent per annum for the use or occupancy thereof on the value of the property as fixed by its assessment for taxation. Such value for the purposes of this act shall be one and one-half times said assessment so long as the present basis for taxation continues, but if such basis is changed the value for the purposes of this act shall be changed accordingly, so that the rent shall in such case not exceed 7 per cent per annum on the actual value of the property.

"SEC. 4. That no person shall in consideration of a grant, renewal, or continuance of any contract or lease require or receive the payment of any fee, fine, premium, bonus, or other consideration in addition to the rental stipulated in said grant, renewal, or continuance.

"SEC. 5. That no judicial order for the recovery of possession of any real estate, now or hereafter held or acquired by oral agreement or written lease, or for the ejectment or dispossession of a tenant therefrom, shall be made, and all leases thereof shall continue so long as the tenant continues to pay rent at the agreed rate, or as it may be modified under the provisions of this act, and performs the other conditions of the tenancy, except on the ground that the tenant has failed to take reasonable care of the premises, or has committed waste, or has been guilty of conduct which is a nuisance or amounts to a disturbance of the peace of adjoining or neighboring occupiers or a violation of law, or, the lease having expired, that the premises are reasonably required by a landlord for the occupation either by himself or his wife, children, or dependents while in the employ of or officially connected with any branch of the Government, or has been disposed of to a bona fide purchaser for his own occupancy: and where such order has been made, but not executed before the passage of this act, the court by which the order was made may, if it is of the opinion that the order would not have been made if this act had been in operation at the date of the making of the order, rescind or modify the order in such manner as the court may deem proper for the purpose of giving effect to this act; and all remedies, at law or in equity, of the lessor based on any provision in any oral or written agreement or written lease that the same shall be determined or forfeited if the premises shall be sold are hereby suspended while this act shall be in force, and every purchaser shall take the conveyance of any premises subject to the rights of all tenants in possession thereof under the provisions of this act: *Provided*, That any tenant who, in the opinion of the rent administrator, is charging exorbitant rents in subletting the premises, or any part thereof occupied by him, either furnished or unfurnished, shall be deemed an undesirable tenant within the meaning of this section, and shall be liable to forfeiture of his lease.

"SEC. 6. That if the rent of real estate as herein permitted shall not equal 7 per cent per annum net on the valuation thereof as herein determined, then upon application by the landlord it may be increased by the rent administrator so as not to exceed said amount.

"In fixing rents of real estate there shall be taken into account the taxes and assessments thereon, the cost of reasonable repairs and maintenance actually incurred, and of insurance, and of light, heat, water, and elevator and other service where furnished, as well as a proper allowance for depreciation and nonoccupancy. Rents in excess of the rates herein provided are hereby declared to be against public policy and void, and if accrued or paid after the passage of this act such excess may be recovered by the lessee, his assigns or legal representatives, if action shall be begun therefor within six months after the expiration of his tenure.

"In the case of hotels or apartment houses, or of rooms or apartments in hotels or apartment houses, which have not been rented to tenants or guests on or before October 1, 1917, the rates shall be fixed by the rent administrator at the same prices, as nearly as may be, as are permitted to be charged for similar accommodations by hotels or apartment houses of the same character similarly situated in the District of Columbia. Apartment houses which have been or may be converted into single rooms or suites, furnished by or for the owner or lessee, and rented for transient occupation, shall be classed as hotels and be subject to all the ordinances, rules, regulations, and laws of the District of Columbia relating to hotels.

"SEC. 7. That when the real estate is rented furnished, the rent administrator shall authorize a fair and reasonable rental for the furniture in addition to the rental for the real estate, not exceeding 30 per cent of the value of such furniture, and shall be subject to the approval of the rent administrator.

"In cases where a joint charge is made for the use of real estate, furnished or unfurnished, and for food, meals, or board, the rent administrator shall ascertain what part of said joint charge should properly be made for the use of said real estate, and it shall not be in excess of the rates herein authorized. In no case shall the furnishing of food to lessee or lessees be included in the lease, but such agreements shall be separate and apart from any agreement for the rent of real estate.

"SEC. 8. That landlords and managers of hotels, apartment houses, and boarding houses, and others letting rooms or apartments, furnished or unfurnished, shall keep conspicuously posted in said hotels, apartment houses and boarding houses, rooms or apartments, cards to be furnished by the rent administrator showing the rates authorized or approved by the rent administrator for the said rooms or apartments, and said cards shall recite that said rates are so authorized or approved by the rent administrator.

"SEC. 9. That the President is hereby authorized to appoint a rent administrator to be confirmed by the Senate, who shall be a resident of the District of Columbia and a citizen of the United States, and who is not engaged, directly or indirectly, in the business of buying, selling, leasing, or renting real estate in the District of Columbia. He shall have full power and authority, and it shall be his duty, under the direction of the President, and subject to the provisions of this act, and the rules and regulations herein authorized, to fix, revise, and change, upon his own motion, or upon the application of any person or party in interest, including mortgagees, the amount of rent which can be lawfully charged and received for the use and occupancy of any real estate in the District of Columbia now or hereafter to be rented, leased, sublet, transferred by assignment of lease or contract, or with respect to which a tendency may be created or extended, or by any new lease or contract. Any and all orders or findings of the rent administrator fixing or revising and changing rents shall be final and shall take effect as of the date of the application filed with the rent administrator: *Provided*, That any person or party in interest, including mortgagees, may, within five days, prosecute an appeal from any such orders or findings of the administrator to the real estate board of equalization and review of the District of Columbia, which, for the purposes of this act, is hereby created the board of rent appeals, under and in accordance with such rules and regulations as may be made by the President governing such appeals, and said board is hereby authorized to confirm or modify the said orders and findings of the rent administrator in any way the facts may justify not inconsistent with the provisions of this act and the rules and regulations governing appeals herein provided for. The orders and findings of the rent administrator shall continue in full force and effect until such appeal shall be decided by the board of rent appeals, which decision shall be final: *Provided further*, That if the landlord or lessor be not satisfied with the orders, findings, or decisions of the board of rent appeals, he shall have the right to begin suit in the Supreme Court of the District of Columbia against the tenant for such modification of said orders, findings, or decisions, or for such further sum as he may deem himself entitled to, and if said tenant be not satisfied with said orders, findings, or decisions, or if he shall claim that the rent paid by him has been excessive, he shall have the right to begin suit in said court against the landlord or lessor for such modification of said orders, findings, or decisions, or for such excess rent, and jurisdiction is hereby conferred upon the said Supreme Court of the District of Columbia to hear and determine all such controversies, and said orders, findings, and decisions shall be prima facie evidence of the correctness and reasonableness thereof and of the rent charges so fixed and of the facts therein contained.

"Before fixing, revising, or changing the amount of rent which can be lawfully charged and received for the use and occupancy of any real estate, five days' notice of the motion or application made for that purpose shall be served personally upon the parties in interest, or by leaving copies of said notice at their usual place of residence within the District, and if residing out of the District, by mailing a copy of said notice by registered letter to the person receiving the rent at his last known place of business, and if his place of business be not known, then by posting a copy of said notice in the office of the rent administrator.

"SEC. 10. That all persons letting real estate shall be required to keep books of account, open at all times to the inspection of the rent administrator or his authorized agents, showing the rents charged and paid, including the names of the tenants or renters, and also an itemized statement of the taxes and assessments thereon, the cost of reasonable repairs and maintenance, insurance, light, heat, water, and elevator or other service, where furnished, as well as a proper allowance for depreciation or nonoccupancy. No item shall be considered by the rent administrator in fixing the rent of property which does not appear in such account.

"SEC. 11. That the said rent administrator and the board of rent appeals are hereby empowered to summon witness and require the production of books, papers, and accounts, and to administer oaths and affirmations to witnesses so summoned, and take testimony respecting the matters covered by this act.

"SEC. 12. That any person who shall knowingly receive rents on real estate in excess of those permitted by the terms of this act or who shall knowingly by any sale or transfer or by any act or subterfuge evade or attempt to evade its provisions shall be guilty of a misdemeanor and be subject to a fine not exceeding $1,000 or to imprisonment not exceeding six months, or both.

"SEC. 13. That any vacant house or building not occupied by the owner or a tenant, or the representative of the owner or tenant, for a period of three months immediately preceding the passage of this act, or for a period of five months after the passage of this act, may be commandeered by the President of the United States for the period of the war and six months thereafter, and used for war or Government purposes, the rentals and conditions of tenancy to be fixed by the rent administrator in his discretion, subject to appeal to the board of rent appeals and to the Supreme Court of the District of Columbia, as provided in section 9 of this act.

"SEC. 14. That the rent administrator shall receive a salary of $4,000 per year, and he is authorized to employ one assistant at a salary not to exceed $2,500 per year; two field men at salaries not to exceed $1,800 per year each; and two clerks or stenographers at salaries not to exceed $1,200 per year each, provided said assistants and clerks shall be necessary for the proper administration of his office.

"SEC. 15. That if any clause, sentence, paragraph, or part of this act for any reason shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

"SEC. 16. (a) That the term 'real estate' as herein used shall be construed to include lands, buildings, parts of buildings, houses, dwellings, apartments, rooms or suites of rooms, and every improvement and structure whatsoever, and every person and part thereof situated and being in the District of Columbia, and any and all estates or rights therein or thereto.

"(b) The expressions 'landlord,' 'lessor,' or 'tenant' include any person from time to time deriving title under the original landlord, lessor, or tenant.

"(c) The words 'person' or 'party' when used in this act shall be construed to include individuals, partnerships, joint-stock companies, associations, corporations, societies, or bodies corporate.

"(d) The words importing the masculine gender shall be held to include other genders, and the words importing the singular number shall include the plural number, or vice versa.

"SEC. 17. That this act shall remain in force for one year after a proclamation of peace shall have been made by the President of the United States.

"SEC. 18. That to relieve, as far as possible, the congestion in the District of Columbia because of war activities, any commission, bureau, or any subordinate parts thereof, or other governmental agencies, not reasonably necessary to be located or continued within the District of Columbia shall be removed and transferred by order of the President to such convenient place as he may designate.

"SEC. 19. That in order to carry out the provisions of this act there is hereby appropriated the sum of $50,000, or so much thereof as may be necessary, one half of said sum to be paid out of any money in the Treasury not otherwise appropriated, and the other half out of the revenues of the District of Columbia."

Mr. LENROOT. Will the Senator from Ohio yield for a question?

Mr. POMERENE. Certainly.

Mr. LENROOT. I should like to ask the Senator if he does not think that if this amendment should be adopted it will necessitate this bill going to conference and involve a very great delay in its final enactment?

Mr. POMERENE. I do not think so; if I did I would not offer it for that reason.

Mr. THOMAS. Mr. President, I think the Senator from Wisconsin is mistaken for the reason that this proposed legislation to be effective must go into operation before the 1st day of October, and the rent-paying public, which constitute some 80 per cent of the people of the city of Washington, are interested in having it go into effect if at all by that time. I feel very sure that the conference committee, certainly the members of the committee on the part of the Senate, will recognize that fact in their actions in the committee.

The PRESIDING OFFICER. The question is on the adoption of the amendment proposed by the Senator from Ohio.

Mr. JONES of Washington. Mr. President, I agree that we are justly entitled under the circumstances in adding to this bill the amendment which the Senator from Ohio [Mr. POMERENE] proposes. Ordinarily I would oppose it as strongly as possible, but conditions in the District are getting simply deplorable, and, unless Congress takes some action before the 1st day of October to meet the rent situation, they are going to be more deplorable.

I know that this amendment is offered in perfect good faith and that it is not intended to embarrass the ultimate passage of the pending bill in the least. I think probably the bill will have to go to conference, whether this amendment is added to it or not. The Senate has added quite a number of amendments to it which will very likely necessitate a conference. The important amendment we have put on in the Senate I am satisfied will be concurred in by the other body before the bill goes to conference, and will not be in conference to delay its passage.

The situation between the two Houses seems to be such that there is not any hope of legislation along the line of the amendment of the Senator from Ohio unless we can do something of this kind. I believe it is well to have this proposition submitted to a committee of conference of both Houses who can not be charged with bias for or against the Senate bill, except that the conferees of the Senate, of course, might feel bound by the action of the Senate in the adoption of this amendment. So, I am hopeful, Mr. President, if this amendment is put on the bill, that long before the 1st of October we will have legislation, not only along the line of the amendments which have already been put on the bill by the Senate, but along the line of the amendment proposed by the Senator from Ohio. Feeling this way, I consider that I am justified in giving my support to the proposal to add this amendment to the bill.

I am satisfied that if it should develop in conference that there would be an indefinite delay of the pending bill by reason of this amendment, the Senate conferees would then feel justified in receding from the amendment and bringing in an agreement; but that any other body of the Congress, under the conditions that are confronting the people of the District of Columbia and the employees who must be brought in here in order to carry on the war business of the Government, would prolong the consideration of this measure unnecessarily I can hardly conceive. I believe that we will get legislation of a reasonably satisfactory character along the line of this amendment.

Mr. LENROOT. Mr. President——

Mr. JONES of Washington. I yield to the Senator from Wisconsin.

Mr. LENROOT. Of course, I do not think for a moment that the amendment was offered with any idea of delaying the final passage of the pending measure, but has the Senator considered the probability that the House upon the conclusion of the revenue bill will not have a quorum here until well into October?

Mr. JONES of Washington. If the House, having pending before it important legislation of this kind affecting the District, which is confronted with an intolerable condition, can not maintain a quorum in order to pass it, it is a sorry reflection upon Congress.

Mr. LENROOT. I only had in mind the current report in the papers of their taking a recess.

Mr. JONES of Washington. I know that Members are very anxious to get away, but I can not believe that anybody there will consent to a recess on the lines of a gentleman's agreement such as we have had heretofore until this legislation is disposed of.

Mr. ASHURST obtained the floor.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. I yield to the Senator from Colorado.

Mr. THOMAS. I thank the Senator. Mr. President, as bearing upon the conditions in the District, which I think require immediate legislation, I send to the desk and ask the Secretary to read a letter which I received last night.

The PRESIDING OFFICER. If there is no objection, the Secretary will read as requested.

The Secretary read as follows:

UNITED STATES FOOD ADMINISTRATION,
Washington, D. C., September 3, 1918.

Hon. CHARLES S. THOMAS,
United States Senate, Washington, D. C.

DEAR SENATOR THOMAS: By to-night's paper I see that you are urging the passing of the bill to prevent profiteering. My mother, Mrs. Emma Dent Casey (a sister of the late Mrs. U. S. Grant), who is 83 years old and in a wheeling chair, and I have been notified to leave the Cairo, where we have lived two years, by September 12, in order that they make our rooms into hotel rooms and get transient rates for them.

I am employed at the United States Food Administration all day, and therefore have no time to look for another place, even if there were one to be found.

Mr. Schneider, the owner of the Cairo, is raising the rent on almost everyone in the building, except, of course, those whom he is evicting.

I do hope something can be done in time to prevent my mother being evicted, and me from being forced to give up my position and move away from Washington, as it is impossible for me to find a place within my means at this time.

Very sincerely, EMMA DENT CASEY.

Mr. McCUMBER. Mr. President——

Mr. ASHURST. I merely wish to offer an amendment. I yield to the Senator from North Dakota.

Mr. McCUMBER. I simply wish to add to what the Senator from Colorado [Mr. THOMAS] has just had read into the RECORD, that yesterday I received a telephone message from a lady, the wife of a soldier who is now serving his country, asking me if there was any truth in the statement which had been made by her landlord that the present law protecting lessees would be repealed by October 1 and that she would have to sign another contract for a very much increased rental or else would be evicted. This lady also informed me that in order to force tenants to sign the leases the landlord had taken away from them certain privileges. For instance, he had refused to allow them to fill their ice boxes in some cases, and in others had threatened to charge extra for giving them the benefit of the service of a telephone. I informed this lady that she need have no fear; that Congress would not modify the so-called Saulsbury resolution; that we hoped to get another law through that would be an improvement over it by October 1, and I advised her to sign no new lease. I am glad the Senator from Ohio has offered the amendment. I certainly think it is very apt and that it ought to be passed, and will be passed, by the House without any division.

Mr. ASHURST. Mr. President, I rise to offer an amendment; but if there be a Senator here who will arise in his place and say that he fears it may impede the progress of the pending bill, I will withdraw it.

Mr. POMERENE. Mr. President, is it an amendment to the pending amendment?

Mr. ASHURST. No.

Mr. POMERENE. The pending amendment has not been acted upon.

Mr. ASHURST. I beg the Senator's pardon; I am very heartily in favor of the Senator's amendment.

Mr. POMERENE. Before the vote is taken I suggest that the Secretary be authorized to change the numbers of the sections.

The PRESIDING OFFICER. That order will be made. The question is on agreeing to the amendment offered by the Senator from Ohio.

The amendment was agreed to.

Mr. ASHURST. Mr. President, as I was about to say, there is no Senator who is more anxious to see the pending bill enacted into law, and enacted speedily, than I. I am going to propose an amendment in a moment, but if any Senator believes that the amendment I shall propose might have a tendency to retard for a day the passage of the pending bill, I shall withdraw it. Mr. President, we are faced with a practical situation. I am not permitted and I have no disposition to refer to any situation with reference to any other body of Congress, but an impassé is about to be reached, I fear, where it will be practically impossible to secure legislation except on bills of commanding importance, such as war legislation.

The Senate about three months ago passed a bill proposing to permit metalliferous mining on Indian reservations. I ask the patience of Senators in regard to this matter because it relates to the war. I pointed out in the broken speeches I made when that bill was pending that there are on Indian reservations metalliferous minerals such as manganese, chromite, and other substances which the Government needs, and needs immediately. The bill was very thoroughly argued, and its opponents were apparently reconciled to it. It has been reported favorably by the House Committee on Indian Affairs, and I can not see how if as it passed the Senate it were to be attached to the pending bill it could in any sense impede the progress of that measure. Therefore, Mr. President, as an amendment to this bill I offer in the exact form in which it was passed by this body on June 18 what is known as Senate bill No. 385, being to authorize mining and prospecting for metalliferous minerals on Indian reservations. It has no relation to oil; it has no relation to coal; but to metalliferous minerals only. It is quite lengthy, and has been printed in the RECORD nearly a dozen times. I will ask that it be stated.

The amendment offered by Mr. ASHURST is as follows:

After the amendment last adopted insert the following:

"That the Secretary of the Interior be, and hereby is, authorized and empowered, under general regulations to be fixed by him and under such terms and conditions as he may prescribe, not inconsistent with the terms of this act, to lease to citizens of the United States or to any association of such persons or to any corporation organized under the laws of the United States or of any State or Territory thereof, any part of the unallotted lands within any Indian reservation within the States of Arizona, California, Montana, Nevada, New Mexico, Washington, or Wyoming heretofore withdrawn from entry under the mining laws for the purpose of mining for deposits of gold, silver, copper, and other valuable metalliferous minerals, which leases shall be irrevocable, except as herein provided, but which may be declared null and void upon breach of any of their terms.

"SEC. —. That after the passage and approval of this act unallotted lands, or such portion thereof as the Secretary of the Interior shall determine, within Indian reservations heretofore withheld from disposition under the mining laws may be declared by the Secretary of the Interior to be subject to exploration for the discovery of deposits of gold, silver, copper, and other valuable metalliferous minerals by citizens of the United States, and after such declaration mining claims may be located by such citizens in the same manner as mining claims are located under the mining laws of the United States: *Provided*, That the locators of all such mining claims, or their heirs, successors, or assigns, shall have a preference right to apply to the Secretary of the Interior for a lease, under the terms and conditions of this act, within one year after the date of the location of any mining claim, and any such locator who shall fail to apply for a lease within one year from the date of location shall forfeit all rights to such mining claim: *Provided further*, That duplicate copies of the location notice shall be filed within 60 days with the superintendent in charge of the reservation on which the mining claim is located, and that application for a lease under this act may be filed with such superintendent for transmission through official channels to the Secretary of the Interior: *And provided further*, That lands containing springs, water holes, or other bodies of water needed or used by the Indians for watering live stock, irrigation, or water-power purposes shall not be designated by the Secretary of the Interior as subject to entry under this act.

"SEC. —. That leases under this act shall be for a period of 30 years, with the preferential right in the lessee to renew the same for successive periods of 10 years upon such reasonable terms and conditions as may be prescribed by the Secretary of the Interior, unless otherwise provided by law at the time of the expiration of such periods: *Provided*, That the lessee may, in the discretion of the Secretary of the Interior, be permitted at any time to make written relinquishment of all rights under such a lease and upon acceptance thereof be thereby relieved of all future obligations under said lease.

"SEC. —. That in addition to areas of mineral land to be included in leases under this act the Secretary of the Interior, in his discretion, may grant to the lessee the right to use during the life of the lease a tract of unoccupied land, not exceeding 80 acres in area, for camp sites, milling, smelting, and refining works, and for other purposes connected with and necessary to the proper development and use of the deposits covered by the lease.

SEC. —. That the Secretary of the Interior, in his discretion, in making any lease under this act, may reserve to the United States the right to lease, sell, or otherwise dispose of the surface of the lands embraced within such lease under existing law or laws hereafter enacted, in so far as said surface is not necessary for use of the lessee in extracting and removing the deposits therein: *Provided*, That the said Secretary, during the life of the lease, is hereby authorized to issue such permits for easements herein provided to be reserved.

SEC. —. That any successor in interest or assignee of any lease granted under this act, whether by voluntary transfer, judicial sale, foreclosure sale, or otherwise, shall be subject to all the conditions of the approval under which such rights are held and also subject to all the provisions and conditions of this act to the same extent as though such successor or assign were the original lessee hereunder.

SEC. —. That any lease granted under this act may be forfeited and canceled by appropriate proceedings in the United States district court for the district in which said property or some part thereof is situated whenever the lessee, after reasonable notice in writing, as prescribed in the lease, shall fail to comply with the terms of this act or with such conditions not inconsistent herewith as may be specifically recited in the lease.

SEC. —. That for the privilege of mining or extracting the mineral deposits in the ground covered by the lease the lessee shall pay to the United States, for the benefit of the Indians, a royalty which shall not be less than 5 per cent of the net value of the output of the minerals at the mine, due and payable at the end of each month succeeding that of the extraction of the minerals from the mine, and an annual rental, payable at the date of such lease and annually thereafter on the area covered by such lease, at the rate of 25 cents per acre for the first calendar year thereafter; 50 cents per acre for the second, third, fourth, and fifth years, respectively: and $1 per acre for each and every year thereafter during the continuance of the lease, except that such rental for any year shall be credited against the royalties as they accrue for that year.

SEC. —. That in addition to the payment of the royalties and rentals as herein provided the lessee shall expend annually not less than $100 in development work for each mining claim located or leased in the same manner as an annual expenditure for labor or improvements is required to be made under the mining laws of the United States: *Provided*, That the lessee shall also agree to pay all damages occasioned by reason of his mining operations to the land or allotment of any Indian or to the crops or improvements thereon: *And provided further*, That no timber shall be cut upon the reservation by the lessee except after first obtaining a permit from the superintendent of the reservation and upon payment of the fair value thereof.

SEC. —. That the Secretary of the Interior is hereby authorized to examine the books and accounts of lessees, and to require them to submit statements, representations, or reports, including information as to cost of mining, all of which statements, representations, or reports so required shall be upon oath, unless otherwise specified, and in such form and upon such blanks as the Secretary of the Interior may require; and any person making any false statement, representation, or report under oath shall be subject to punishment as for perjury.

SEC. —. That all moneys received from royalties and rentals under the provisions of this act shall be deposited in the Treasury of the United States to the credit of the Indians belonging and having tribal rights on the reservation where the leased land is located, which moneys shall be at all times subject to appropriation by Congress for their education, support, and civilization.

SEC. —. That the Secretary of the Interior is hereby authorized to perform any and all acts and to make such rules and regulations not inconsistent with this act as may be necessary and proper for the protection of the interests of the Indians and for the purpose of carrying the provisions of this act into full force and effect: *Provided*, That nothing in this act shall be construed or held to affect the right of the State or other local authority to exercise any rights which they may have to levy and collect taxes upon improvements, output of mines, or other rights, property, or assets of any lessee.

SEC. —. That mining locations, under the terms of this act, may be made on unallotted lands within Indian reservations by Indians who have heretofore or may hereafter be declared by the Secretary of the Interior to be competent to manage their own affairs; and the said Secretary is hereby authorized and empowered to lease such lands to such Indians in accordance with the provisions of this act: *Provided*, That the Secretary of the Interior be, and he is hereby, authorized to permit other Indians to make locations and obtain leases under the provisions of this act, under such rules and regulations as he may prescribe in regard to the working, developing, disposition, and selling of the products, and the disposition of the proceeds thereof of any such mine by such Indians.

SEC. —. That the provisions of this act shall not apply to the Five Civilized Tribes and Osage Nation of Indians in Oklahoma.

SEC. —. That hereafter no public lands of the United States shall be withdrawn by Executive order, proclamation, or otherwise, for or as an Indian reservation except by act of Congress.

Mr. THOMAS. Mr. President, I will inquire of the Senator if my colleague [Mr. SHAFROTH] did not oppose the bill?

Mr. ASHURST. Let me say that the Senator's colleague [Mr. SHAFROTH] was very much opposed to the bill, as was the Senator from Utah [Mr. SMOOT]. They both ably argued the question, and I am sure that no additional argument could be made against the bill. I regret that they are both absent, and I will not ask, therefore, for final action on the amendment this evening.

Mr. THOMAS. I suggest that that be done.

Mr. ASHURST. In view of the absence of the two Senators, the only two who, so far as I know, are opposed to the bill, I shall not ask final action this evening.

Mr. JONES of Washington. We hope to get the bill through this evening.

Mr. ASHURST. Then I will ask that the Senators referred to be sent for.

I just wish to say, further, that if any Senator feels that an unfair advantage is being taken or feels that it might impede the progress of this bill one day I will withdraw the amendment right now. Yet let me tell you—and it is no secret; we all know it—that these minerals which I have named over and over again are needed by the Government, and that after this provision goes into effect prospectors' leases must be taken out, the prospecting must be done, the mines must be opened, and at the earliest not much could be done before the 1st of January. Hence the necessity for no delay. If we wait until December or January to have this bill passed in the other body of Congress, we will be delayed until March, April, or May; and some of these metals are needed now, such as manganese and others that I have mentioned.

I hope most earnestly, therefore, that there will be no objection.

Mr. LENROOT. Mr. President, I should like to ask the Senator what the difficulty is in the other body in getting action upon the bill?

Mr. ASHURST. The Senator asks what the difficulty is. If I desired to do so, or if I were familiar with the parliamentary situation, I would not be permitted to make any statements as to what might transpire in any other body of Congress; but I simply say this——

Mr. LENROOT. No; what I meant was, Is it a parliamentary difficulty or a difficulty in coming to an agreement between those having different views? Is it a parliamentary difficulty in getting the bill up?

Mr. ASHURST. Oh, no.

Mr. LENROOT. Or is it a matter of disagreement between those holding different views in regard to the merits of the measure?

Mr. ASHURST. The bill which passed the Senate has been reported favorably by the House committee. I apprehend that there will be some difficulty in getting the bill up for passage. I do not apprehend that there will be any objection to its passage, however, because it passed the House two years ago.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Arizona yield to the Senator from Washington?

Mr. ASHURST. I yield.

Mr. JONES of Washington. Does the Senator know whether the House committee was unanimous or whether there was any opposition in the committee?

Mr. ASHURST. Of course, I want to give the Senator all the information I have. I never have been advised that there was any opposition. I talked with four or five members of the committee, leading members of both political parties, and they did not state to me that there was any opposition. Of course, they did not state that there was none.

Mr. JONES of Washington. The Senator does not know whether the bill has been called up in the House under what they know as the unanimous-consent rule?

Mr. ASHURST. No; it never has been called up; but let me repeat that it has been reported favorably by the House committee, and the bill passed the House about a year and a half ago; so I think I am within the bounds of reason in assuming that there is no serious opposition to it in the House. Let me say, also, that it has been changed a little in some particulars as against the way in which it passed the House, and changed to meet the views of those who were opposed to it in committee before.

I tender the amendment, Mr. President.

The PRESIDING OFFICER. The question is upon the adoption of the amendment proposed by the Senator from Arizona.

Mr. ASHURST. The junior Senator from Colorado [Mr. SHAFROTH] is desirous of having an opportunity to consult with other Senators. Therefore I will withdraw the amendment temporarily. I ask that it lie on the desk, and I will call it up at a later hour.

The PRESIDING OFFICER. Are there further amendments? The bill is still before the Senate as in Committee of the Whole and subject to amendment.

Mr. THOMAS. Mr. President, I wish to inquire whether a vote has been taken upon the amendment beginning on line 22 of page 3?

The PRESIDING OFFICER. The Secretary informs the Chair that it has been agreed to.

Mr. THOMAS. Then I will reserve an amendment that I want to offer until the bill comes into the Senate.

Mr. JONES of Washington. Mr. President, I see that the chairman of the committee is present, and I should like to ask him a question about the amendment to which the Senator from Colorado has just referred. I want to ask the Senator from Oklahoma whether he would have any objection to changing the amount of $300 to $500? That was the amount that the Senator from Montana suggested in his amendment. The amount that was suggested to me by the convention to which I referred in my colloquy with him was a minimum of $800. I see that the amount here is a maximum of $300. It seems to me that that is really too small if we are going to enact any legislation along this line, and I just wanted to know whether the Senator would have any objection to making it $500 instead of $300?

Mr. GORE. I have no objection to that change being made at this time, and considering it further in conference.

Mr. JONES of Washington. I ask that the action on the amendment may be reconsidered, in order that I may offer that amendment to it.

The PRESIDING OFFICER. If there is no objection, the vote whereby the amendment was agreed to will be reconsidered. It appears that there is no objection, and it is now subject to amendment.

Mr. JONES of Washington. I move to strike out "$300," in line 3, page 4, and insert "$500."

The PRESIDING OFFICER. The question is on the amendment of the Senator from Washington to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. THOMAS. Mr. President, I move to further amend the proviso by striking out the words "on credit," at the end of line 25, on page 3, and all on page 4, beginning after the word "meridian," on line 2, down to the word "*Provided*," on line 17, so that the amendment as amended would read:

> That of said sum $2,500,000 is hereby made available to be used by the Secretary of Agriculture, if in his judgment the public interest requires it, to purchase seed wheat and to supply the same to farmers in the Great Plains area west of the ninety-eighth meridian.

The purpose of my amendment is to enable the Government to supply this seed to the farmers directly, and without going through the formula of a loan.

Mr. McCUMBER. Mr. President, before that amendment is acted upon—and I think I shall vote for it—I should like a little explanation from the chairman of the committee. I do not know but that my inquiry will be directed more to the Secretary of Agriculture than to the chairman of the Committee on Agriculture and Forestry, but I hope it will pass at least from him to the Secretary.

I observe that the amendment on pages 3 and 4, which is now under discussion again, provides:

> And the Secretary is further empowered to prescribe proper rules and regulations for carrying into effect the provisions hereof.

I also notice that a portion of the bill is exactly, word for word, the same as a portion of the rules and regulations that have been adopted by the Secretary of Agriculture in carrying out the provision for the use of $5,000,000 of a certain fund for the purpose of purchasing seed wheat; and I want to point out some of the weaknesses of the provision in the rules that have been adopted.

First, I wish to note that in an extract from the Official Bulletin of August 3, 1918, page 9, relating to these advances, we have this:

> Each borrower will be required, as a part of his contract, to agree that if his yield is 7 bushels per acre or more he will pay into a guaranty fund a sum equal to 25 per cent of the amount loaned him, to cover any losses that may occur. If the amount so contributed exceeds the actual loss by the Government, the excess will be returned pro rata to the contributors.

This seed grain, then, will be furnished to the farmer only on condition that if he raises grain amounting to about half a crop, he shall take 25 per cent of his entire crop and put it into a guaranty fund. Now, as this is for the benefit of those who have no credit at the bank and can not purchase the seed wheat themselves, I submit that if a farmer raises only half of a crop, which is about 7 bushels per acre, with the present cost of raising that crop, there will be no part of it that he can possibly turn over into a guaranty fund, because it will certainly take one-half of the crop to pay the expense of raising it. If we are really to benefit the farmer we ought not to impose any such exaction upon him; and I hope that if this bill goes through in any form, appropriating money for the purpose of purchasing seed wheat, the Department of Agriculture will not impose this onerous condition upon everyone who is to receive a benefit under it.

Nor is this the only thing to which I object. Here again we find, under the regulations that are sent out by the Agricultural Department, known as Joint Circular No. 1, and entitled "Regulations as to Farmers' Seed-Grain Loans in Drought-Stricken Districts," the following:

> Seed-grain loans may be made to farmers in areas determined by the Department of Agriculture to have suffered two successive crop failures from severe drought or winter killing.

Mr. President, if the farmer suffered only one crop failure he will not come under the provisions of these regulations, although he may have no means whatever for purchasing seed wheat. I know certain sections of my State where the farmers lost last year, not by drought but by hail, all of their grain. This year they have lost their entire acreage of grain by reason of drought. Now, there have been two successive losses; but inasmuch as one is a hail loss and the other is a drought loss, under the provisions of these regulations the farmer so suffering could receive no relief whatever; and even if there has been only one loss by drought, and the farmer is without credit, I should like to have the Senator in charge of this bill, or the Secretary of Agriculture, inform me upon what theory he would refuse to grant this farmer the relief that he proposes to grant to those who have lost two successive crops. The purpose is to enable the farmer to crop again next year, and it makes little difference to the Government whether his poverty comes through a loss of one year or whether it comes through a loss of two years. He may only have had a half crop one year. That would not be a total loss, and then he might have had a complete failure the second year.

I hope that the Secretary of Agriculture will modify that provision. I am going to refer to a third one, and then the Senator can answer for the Secretary or answer as chairman of the Committee on Agriculture and Forestry. It is this: The same provision, section 6, reads:

The amount approved for loan pursuant to these regulations will be paid by the proper Federal land bank to the applicant, or on his written order, upon receipt by such Federal land bank of the following documents—

Now, these are the documents that he must preserve:

(a) Certificate of planting, signed by an authorized representative of the Department of Agriculture, that a number of acres sufficient under these regulations to warrant a loan in the amount approved have been properly planted with proper seed. Such certificate shall be in the form attached to these regulations. The names and signatures of such authorized representatives will be filed with the several Federal land banks by the Department of Agriculture.

Thus you will see that by that provision it is intended that only those farmers who can not secure credit at the local bank shall receive the benefits of the provisions relating to the distribution of seed grain. Now, inasmuch as those who have no credit at the bank must first purchase their seed wheat and plant it before they can make a loan from the Government or through the governmental banks, I should like to ask the Senator and the Secretary of Agriculture how such a farmer will secure the credit to buy the grain to plant. If he can get credit at the bank to purchase the grain, it certainly seems to me that he does not need the assistance of the Department of Agriculture; and if he can not borrow the money at the bank, it certainly seems to me that the Secretary of Agriculture ought not to require him to seed the land before there will be loaned him a sufficient amount to purchase the seed itself.

I hope, Mr. President, that those two provisions will be stricken out of the rules; and I wish that we could so modify the bill itself that it would be impossible to make a rule of that kind.

Right here I want to call attention to another matter, a suggestion by the present coal administrator of the State of North Dakota, and that is that it would be far better if a portion of this five-million or six-million dollar fund should be diverted for the purpose of insuring the crop. If the farmer could have his crop insured against hail and against drought, he undoubtedly could secure from the local banks a sufficient amount of money to purchase the seed wheat, and that would relieve the Government from the necessity of investing at all in the seed grain.

I suggest that not only to the Secretary of Agriculture but to the chairman of the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. The question is on the adoption of the amendment proposed by the Senator from Colorado to the amendment of the committee.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on the amendment as amended.

Mr. KING. Mr. President, I was unavoidably called from the Chamber. May I inquire as to the amendment which is now pending?

Mr. McKELLAR. I was about to ask to have the amendment stated.

The PRESIDING OFFICER. The amendment, as amended, will be stated.

The Secretary read as follows:

Provided, That of said sum $2,500,000 is hereby made available to be used by the Secretary of Agriculture, if in his judgment the public interest requires it, to purchase seed wheat and to supply the same to farmers in the Great Plains area west of the ninety-eighth meridian: *Provided further*, That when the Secretary purchases such seed from any one other than the producer thereof, he shall not pay such dealer or intermediary a net profit of more than 10 cents per bushel above cost of such seed to such dealer or intermediary.

The PRESIDING OFFICER. That is the amendment as amended, the other portion of it having been stricken out. The question is upon the adoption of the amendment as amended. [Puting the question.] By the sound the "noes" seem to have it. The "noes" have it, and the amendment is lost. It therefore necessarily goes out of the bill.

Mr. ASHURST. Mr. President, I now offer the amendment which I sent to the desk some time ago. I will not ask that the amendment regarding metalliferous mining be read, although I think it ought to go into the RECORD, but that would be the sixth or seventh time it has gone into the RECORD. I wish to say to Senators that I am tendering it exactly in the same form that it passed the Senate. Senators will remember that there was considerable discussion as to the various terms, but the way in which I have sent it to the desk is the exact form in which it passed the Senate.

I now ask for a vote upon it.

Mr. SHAFROTH. Mr. President, this amendment is the same as a bill which has been before the Senate several times and has been reported out of the Committee on Indian Affairs a number of times. It was finally passed by the Senate after full debate and is now pending in the House. It relates to the leasing of metalliferous mines in the State of Arizona that are contained in Indian reservations. The measure was fought by several of the Senators, among whom were both the Senators from Utah and myself. At last there was eliminated from the bill at that time all reference to any State except the State of Arizona. Is that correct?

Mr. ASHURST. No; permit me to say to the Senator——

Mr. SHAFROTH. At least there was eliminated from the bill the leasing of any metalliferous mines in Indian reservations in the State of Colorado and in the State of Utah.

Mr. ASHURST. Let me name to the Senator the States to which the bill applies as it passed the Senate.

Mr. SHAFROTH. I shall be glad if the Senator will do so.

Mr. ASHURST. Arizona, California, Montana, Nevada, New Mexico, Washington, and Wyoming, excluding, of course, the State which the Senator in part represents, Colorado, and Utah.

Mr. SHAFROTH. Mr. President, I want to make the prediction as to the result of the passage of this amendment, that it will be a failure, as has been the coal-leasing bill for coal lands in Alaska. I am thoroughly convinced that it is not to the interest of the people of any State in the Union to permit metalliferous mines to be leased. It has not been the policy of the Government at any time to do so. The precious metals have always been regarded as of a sacred nature by all governments, because of the fact that those metals constitute the measure of value of everything else in the world. It has, therefore, been to the interest of all governments to encourage in every way possible the production of the precious metals. To such an extent is this true that nearly every government has the free coinage of gold in order to encourage the production of gold, and there was a time when the free coinage of silver prevailed in almost every country.

Mr. President, if there ever was a time in the history of the world when precious metals were needed it is now, and I feel confident that a leasing system will not permit the production of the metals to the extent that the present laws do. When the prospector finds he will have to pay a royalty on the mineral he discovers and produces, and that he must be under the control of a bureau two or three thousand miles away, he will conclude he can do better in some other business. When he realizes that he can not borrow money on a mine for the purpose of development, upon a title which can be forfeited the next day, he will conclude that he will not prospect for mines. For that reason it seems to me that we are passing a law now that is going to discourage instead of encourage the production of that which measures everything else on earth. Inasmuch as there is now in existence in the world billions and billions of credit money that ought to be redeemed in precious-metal money, the need of the governments of the world for the production of these precious metals becomes greater every day.

Mr. President, Russia has issued twenty-nine times as much uncovered paper money as existed at the beginning of the war; and there has been issued by all of the allied nations in uncovered paper money, I think, about fourteen times as much as existed prior to the beginning of the war in 1914. When the superstructure is fourteen times greater than it was four years ago the base upon which it rests must be increased enormously in order to maintain specie payments. It is absurd to adopt any policy that will have a tendency to discourage the production of gold, instead of that which has been tried and has produced

such wonderful results in the United States. Inasmuch as the Senator from Arizona feels otherwise, however, I propose not to filibuster against the amendment and not to discuss it at length. I propose to content myself with voting against it and making the prediction that the day will come when every State to which this law will be applicable will regret its passage, because of the fact that there will be no development compared to that which will exist in the States where the present system of entry and location exists.

The PRESIDING OFFICER. The question is upon the adoption of the amendment proposed by the Senator from Arizona.

On a division the amendment was agreed to.

Mr. GORE. Mr. President, I send to the desk an amendment, which I move be adopted.

The PRESIDING OFFICER. The Secretary will read the amendment.

The SECRETARY. On page 10, insert after line 17 the following:

Such part, not exceeding 20 per cent of the amount appropriated for any of the foregoing items embraced in any particular group numbered first to sixth, inclusive, as the Secretary of Agriculture may find not to be required for carrying out the purposes of such item may, by his order, from time to time, be transferred to and used for the purposes of any other such items in the same group as the Secretary of Agriculture may deem necessary.

Mr. McKELLAR. Mr. President, I want to call the attention of the Senate to the very great danger in voting to place an item of this kind in the bill. A lump-sum appropriation is bad enough, but when we vote an appropriation and provide that any officer of the Government can just pass it around from one purpose to another, it is a kind of legislation that we ought not to agree to. It is not fair and just to the American people to use their money in any such slipshod way. This may pass. I do not know. I am not saying anything about it, except that I am going to vote against it, and I deplore any such legislation. I think it is unworthy of this body.

Mr. GORE. Mr. President, I want to say there is a great deal of weight in the objection which the Senator from Tennessee has urged against this amendment, generally speaking, but its justification depends upon the circumstance that this is an exceptional bill. It is not a regular appropriation bill. It will undoubtedly disappear from legislation within the next year or two. The organization——

Mr. McKELLAR. Will the Senator yield?

Mr. GORE. Yes.

Mr. McKELLAR. The Senator says it will pass away. There has been an effort in every bill since I have been a Member of this body, if my recollection is correct, to put such a provision not only in this bill but in other bills of a similar kind. It seems to be a very popular provision in the departments. It is all wrong. It is no answer to say that this is an unusual bill. I grant it. I believe we all grant it. Nevertheless we should be vigilant about this kind of appropriations. It is very dangerous to give this discretion to an officer; and that does not mean the Secretary of Agriculture. It means to give to some man in the department who is not described, whom we do not know, the right to change these appropriations from one purpose to another. It may be that this money would be expended in a way that was never intended by this body and the coordinate body of Congress. We ought not to permit it. If the department wants money to carry on certain functions, I am always willing to give it, if it is wise and proper. But it is not wise and proper that they should ask for a revolving fund to pass from one purpose to another, to create a migratory fund like the one proposed.

I hope the Senator from Oklahoma will withdraw the amendment and not ask us to vote down an amendment of this kind.

Mr. GORE. Mr. President, I may say that this amendment was prepared by the Department of Agriculture and transmitted to me with a request that it be offered. There is no doubt the Senator's objections would be unanswerable if this were a regular appropriation bill. This, however, is a special appropriation bill. The Senate has voted that it is no appropriation bill at all. It will soon pass from our calendar and will not be a recurring appropriation bill to be passed every year. The organization based upon the antecedent of this bill, which was the measure approved August 10 of last year, was improvised in a few months. It has not been thoroughly standardized. It has not been possible to make an accurate estimate as to what the various services require. It may happen that a sufficient fund has not been estimated for some particular activity and that the activity will be crippled. These are all war activities, I may remark, and the activities may be crippled and embarrassed for lack of funds. On the other hand, due to the fact that work has not been standardized, there may be an excessive appropriation for some particular activity. This amendment is designed——

Mr. WOLCOTT. Mr. President——

Mr. GORE. In one moment. This amendment is designed to enable the Secretary of Agriculture to keep these various activities going forward and obviate the necessity of a deficiency appropriation. I repeat that, generally speaking, I am as much opposed to legislation of this sort as the Senator from Tennessee.

I yield to the Senator from Delaware.

Mr. WOLCOTT. The various items in the bill have been fixed, I understand, upon the recommendations of the department, which named various sums as necessary.

Mr. GORE. That is true.

Mr. WOLCOTT. Can the amendment the Senator just offered be justified on any theory other than that the Department of Agriculture in making estimates was not sure of itself, and they therefore want some leeway to manipulate the funds to cover deficiencies in the estimates?

Mr. GORE. I think that is true. I think the department is not sure of its own estimates, and it is due to the fact——

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Tennessee?

Mr. GORE. In just one moment. That is due to the fact that the entire organization for this war service is a new organization. It has had less than one year's experience and it has not been possible in the nature of things to forecast all the requirements of the various activities. It is a difficulty originating from the very nature of the situation. I yield to the Senator from Tennessee.

Mr. McKELLAR. If that be true, is it not all the more reason, when dealing with large sums like the sums appropriated in this bill for various purposes, if they do not know themselves what they want this money for, that we should exercise not extraordinary care but just plain, everyday, ordinary care? Ought we not to hold some rein over them?

Mr. GORE. I think we ought to hold a very stringent rein over all the departments with respect to items that can be estimated for within an assured degree of foresight and certainty.

Mr. McKELLAR. Congress is in session all the time, I will say to the Senator, and if they have other demands made on them and other projects and other plans, it is easy enough for them to make recommendations to Congress. It certainly can not be said that this Congress has been niggardly with this department or any other department during the war. It seems to me they ought to be satisfied with the sums we have given them without having this revolving fund.

Mr. GORE. Of course, while this is objectionable legislation, I think the creation of deficiencies is also an objectionable policy. We are forced to do one or the other if this work is to be carried forward. We must either force the department to create a deficiency or discontinue the service or else insert the proviso which I have sent to the desk.

There is no sort of human foresight, I take it, that can look into the future and estimate with perfect precision as to the requirements of these different services. Of course, if we have reached the conclusion that the service is not necessary or required, or that the Secretary ought not to be vested with this discretion, there is only one course left for the Senate to pursue.

I have nothing further to say.

Mr. BRANDEGEE. Mr. President, may I ask the chairman of the committee, as the bill stands at present with such amendments as the Senate has put on, what is the total amount that it carries?

Mr. GORE. The direct appropriations amount to about $12,000,000. There is a proviso, however, bringing over $6,000,000 that was appropriated last year. Making that a part of the total it would aggregate about $18,000,000 or $19,000,000.

Mr. BRANDEGEE. That is all the bill carries at present?

Mr. GORE. Yes, sir.

Mr. BRANDEGEE. In its entirety?

Mr. GORE. Yes, sir.

Mr. BRANDEGEE. It is less than I had supposed it was, I will say, but I regard the amendment just offered, in spite of the fact that it is was drawn and approved by the department, as constituting an exceedingly unfortunate, not to say improper, legislative procedure. It provides as follows:

Such part, not exceeding 20 per cent of the amount appropriated for any of the foregoing items, embraced in any particular group numbered first to sixth, inclusive, as the Secretary of Agriculture may find not to be required for carrying out the purposes of such item, may, by his order, from time to time be transferred to and used for the purposes of any other such items in the same group as the Secretary of Agriculture may deem necessary.

Mr. President, the vice of that sort of legislation, in my opinion, is this: The Committee on Agriculture, after such hearings and consideration as it has been able to afford to this subject matter, decides that a certain amount of money is required for a certain specific purpose and reports in favor of appropriating it, and we vote it after their explanation. This amendment will leave it to the discretion of the Secretary of Agriculture to say, "Why, this money is not required, 20 per cent, one fifth of the whole amount, for a certain group of specific objects that Congress in its wisdom has enumerated, and, in my judgment, certain other things that Congress limited to a certain fixed amount require more money, and therefore this money that Congress appropriated to one subject I will appropriate it to another."

The Senator from Oklahoma says if that is not done some work must cease. That may be so, but when Congress appropriates a certain sum of money for a particular purpose and decrees in advance that that work shall cease when it comes to that limit, if the department wants to exceed its authority and go further it takes its chance upon whether Congress will approve the specified object in a deficiency bill making up a deficit.

Mr. McKELLAR. Mr. President——

Mr. BRANDEGEE. I yield to the Senator.

Mr. McKELLAR. If it is good policy that we expend 20 per cent of the twelve or eighteen million dollars, whichever it may be, does the Senator see any reason why it would not be equally as good policy for the whole amount to be turned over as a lump sum to the Secretary of Agriculture? Would that not be better than to hamper him by confining his use of it to a 20 per cent proposition?

Mr. BRANDEGEE. I think so, Mr. President. Of course, the 20 per cent necessarily must be arrived at in a purely arbitrary manner. It is a matter of guesswork, and it differs only in degree from allowing the discretion to the Secretary to divert 100 per cent of the appropriation to an entirely different purpose; in other words, the Secretary is to be allowed the discretion to hamstring certain propositions by cutting off one part of the money that Congress appropriated for objects because in his opinion it is not required. We know what the word "required" means, how elastically it can be construed in the mind of a Secretary. If he does not like the work or the object, he will state it is not required for this purpose, and some other fad that he may have—not to use offensive language, but some project that he is partial to—can easily, when he is not required to account for his discretion or give any reason for it whatever except his whim, be diverted to the things that he thinks are more important than Congress thought they were.

I have no particular interest in this matter except, in my judgment, it is a piece of unwise legislation, and it is in line with what we are doing every day, abandoning the functions of Congress, debasing the legislative branch of the Government, and exalting the executive branch of the Government, and then complaining about it afterwards.

I am especially opposed to this amendment for the reason announced by the Senator from Tennessee [Mr. McKELLAR]. If it were possible that Congress was going to adjourn for a long period and leave these war demands in the nature of possible emergencies without proper attention there would be some justification for giving this discretion to some one of the executive departments, but we are going to be in almost continuous session here. We are lucky if we get three-day recesses from now until November, and then another session of Congress meets the first of December. I for one do not like abandoning the control of one-fifth of all these appropriations to the discretion of the Secretary of Agriculture during that brief time, when Congress can keep control of them without embarrassing the service at all.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Oklahoma [Mr. GORE].

The amendment was rejected.

Mr. KING. Mr. President, I invite attention to pages 4 and 5 and move to strike out all of lines 23, 24, and 25 on page 4, and all of page 5 down to and including line 23.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Utah. [Putting the question.] The noes appear to have it.

Mr. KING. I ask for a division.

Mr. OVERMAN. Let us know what the amendment is.

Mr. SHAFROTH. We do not understand the amendment. I wish the Secretary would read it.

The PRESIDING OFFICER. The Secretary will read the words proposed to be stricken out.

The Secretary read as follows:

Third, for the prevention, control, and eradication of insects and plant diseases injurious to agriculture, and the conservation and utilization of plant products, for the following stated purposes and in amounts as follows: Cereal-smut eradication, $50,000; peanut conservation and utilization, $15,000; control of cotton, truck, and forage-crop diseases, $117,550; farm storage of sweet potatoes, $30,000; location of Irish-potato seed stock, $7,500; plant-disease survey, $23,000; castor-bean production and utilization, $20,000; maintenance of field-bean seed supply, $10,000; production of cereals and grain sorghums, $53,250; sugar-beet nematode work, $10,000; pathological inspection of fruits during processes of marketing, $18,000; control of a new sugar-cane disease, $20,000; production of rice, $5,000; control of cereal and forage insects, $55,000; control of stored-product insects, $22,000; control of vegetable and truck-crop insects, $35,000; control of sweet-potato weevil, $30,000; control of deciduous-fruit insects, $45,000; control of citrus-fruit insects, $10,000; control of insects injurious to live stock, $20,000; control of rice insects, $3,000; control of sugar-cane insects, $9,000; general supervision of emergency insect-control work, $3,000; prevention of plant-dust explosions and fires, $75,000; fruit and vegetable utilization, $35,000; in all, $721,300.

Mr. KING. Mr. President, I hoped it would not be necessary to submit any observations in support of this motion to strike out. As I view the matter, the motion should commend itself to the Senate. I concede that many of the items embraced within the section just read are meritorious and that appropriations may be necessary for investigating the subjects therein referred to, and if this were the regular Agricultural bill I would support each item which my motion attacks. But it must be remembered that only a few weeks since we passed an appropriation bill carrying more than $27,000,000, the greater portion of which amount was to meet the compensation of the experts, employees, and subordinates connected with the Agricultural Department, and who are required to perform substantially the same duties provided for in the pending measure.

The section to which my motion relates calls for more than $700,000. As I read the section, substantially the entire amount is to meet the expenses and salaries of persons now in the employ of the Government or persons who will be employed in the future. There is but little if any benefit to the farmers from this appropriation, unless the benefit flows from the employment by the Government of numerous other individuals.

The provision simply calls for the hiring of additional persons to do the same character of work provided for in the general Agricultural appropriation bill.

To properly expend the $27,000,000 carried by the bill just mentioned will require a multitude of employees. Already there are thousands of persons upon the pay rolls of the Agricultural Department.

This department has expanded in a most extraordinary manner, and it seeks further expansion, at least to the extent of adding many more names to the already enormous list of those for whom the Government must provide employment.

Mr. President, this appropriation bill is a monstrosity; it would not, in my opinion, receive half a dozen votes in this body were it not for the prohibition provision which has been added in the Senate by way of an amendment. It carries millions of dollars, covering the same subjects and providing for the same conditions as are dealt with in the $27,000,000 bill the ink upon which is scarcely dry. Both were drawn by the same bureaus and employees and each seeks to extend the power and authority of those who prepared the bills and to make provisions for a cloud of additional agents, servants, experts, employees, and supernumeraries for whom the patient taxpayers will be compelled to provide. What the farmers need most now is man power on the farm. There are sufficient alleged experts and scientists now in the service of the Agricultural Department. Let those in authority in the various branches and bureaus of the department wisely and economically expend the great sum already appropriated, and they will have performed all that they properly and efficiently can do. To withdraw thousands of additional persons from other activities at this time, when there is a shortage of labor, would be an act of folly and would deserve the sternest condemnation.

As I have indicated, this bill duplicates, in part, provisions of the general Agricultural bill and is therefore unnecessary. I will briefly invite attention to some of the provisions of the general bill recently passed.

Senators will perceive the duplication which we find in the present bill.

Mr. THOMAS. Mr. President——

Mr. KING. I yield to the Senator.

Mr. THOMAS. May I ask the Senator whether the appropriations to which he now refers have already been exhausted?

Mr. KING. Certainly not; indeed, as I understand, this huge appropriation has scarcely been touched. As I stated a moment ago, most of this $27,000,000 is to be consumed in paying salaries and expenses of thousands of employees. Now, if we pass the

bill under consideration, it means more clerks, more agents, more salaries—the spending of 15 or 20 more millions of dollars in the same fields and along the same lines for which we have made ample provisions.

In passing, the question might be asked where are the thousands of additional employees to come from, if this bill is enacted into law?

Common sense and common honesty would suggest that we employ the $27,000,000 in the most efficient manner, and not seek to exploit the Treasury, as this bill undertakes to do.

It will be a stupendous work, and greatly to the credit of the Agricultural Department, if it will in a proper and scientific way expend the $27,000,000 carried in the regular appropriation bill. Now, let me call attention to some of the items of the appropriation bill which we passed a few days ago:

For the investigation of diseases of orchard and other fruits, $75,935.

The section which I have moved to strike out contains items relating to the same matter.

For conducting such investigations of the nature and means of communication of the disease of citrus trees—

And that is one of the items referred to in this section—

$250,000.

For the investigation of diseases of forest and ornamental trees and shrubs, including a study of the nature and habits of the parasitic fungi causing the chestnut-tree bark disease, the white-pine blister rust, and other epidemic tree diseases, for the purpose of discovering new methods of control and applying methods of eradication or control already discovered, $83,635.

For applying such methods of eradication or control of the white-pine blister rust as in the judgment of the Secretary of Agriculture may be necessary, including the payment of such expenses and the employment of such persons and means in the city of Washington and elsewhere, in cooperation with such authorities of the States concerned, organizations, or individuals as he may deem necessary to accomplish such purposes, $230,448.

* * * * * * *

For the investigation of diseases of cotton, potatoes, truck crops, forage crops, drug and related plants, $87,800.

One of the items covered by the section to which I have just referred——

Mr. KELLOGG. Mr. President——

Mr. KING. I yield to the Senator from Minnesota.

Mr. KELLOGG. Speaking of white-pine blister, was that taken care of by the regular appropriation bill?

Mr. KING. Yes, sir; a large appropriation was made for that purpose.

Mr. KELLOGG. I should like to ask the Senator does he know whether these items are presented by the Agricultural Department as being necessary for the administration of that department and for the eradication of the diseases of plants, and so forth, or are they presented by some member of the committee who thinks it wise to appropriate for them?

Mr. KING. As I understand, every item here has been presented by some clerk or by some chief or some man who wants to extend his authority in the Agricultural Department. None of them, as I understand, has emanated from any member of the committee. I feel sure that not one dollar carried by this bill was suggested by the committee. This bill is not the handiwork of Senators, but the product of those who would have the spending of the money.

Mr. KELLOGG. Does the committee simply take the word of a clerk in the Department of Agriculture as to what appropriations are necessary or does it require the Secretary of Agriculture to make his request?

Mr. KING. Mr. President, I regret to say that, from my knowledge of the proceedings in the Senate and, perhaps, in the other House, we have fallen into the habit of accepting the statement of some subordinate official. No bill, certainly no appropriation bill, can be gotten through this body that does not have the O. K. of the chief of some bureau or of some department or some clerk or employee therein. We care more for the recommendation of some clerk who wants to extend his authority, who wants to blossom out into a bureau chief, or that of some bureau chief who wants to blossom out into the head of a department, than we care for our own judgment or as the result of an independent investigation. A distinguished Senator said a few days since that we were a "rubber stamp."

Mr. KELLOGG. Well, is it not evident that the head of the department, the Secretary of Agriculture, ought to be held responsible at least for recommending all appropriations for his department rather than that the matter should be left to the chiefs of bureaus or to the clerks in the department?

Mr. KING. I agree entirely with the remarks of the distinguished Senator from Minnesota; but the Senator knows that human nature is human nature wherever you find it. Experience has demonstrated that some thousand-dollar clerk is given a position in one of the departments, and he immediately becomes obsessed with the idea that he is indispensable to the Government. He has a fad or projects some new idea into the service and straightway desires to become a bureau chief, or he makes some recommendation which upon its face seems to be meritorious and points out some line of investigation or some particular activity in which he contends he can render immense service to the Government and to the public. Thereupon, perhaps without proper investigation, but relying upon the recommendation thus made, the chief of the bureau or the head of the department O. K.'s it, and it forms a part of the recommendation made to the committee, or is the basis of the committee's action. Too often bills, and particularly appropriation bills, are the result of the views of men who want to increase their authority; who want to extend their power and aggrandize the positions they occupy.

Mr. KELLOGG. Did the Committee on Agriculture and Forestry take testimony to find out whether or not these items were necessary?

Mr. KING. No; I do not think that any testimony was taken, but I understand the department submitted a statement in support of the items found in this bill. I want to say, however, to my distinguished friend that this bill was drawn, as I remember, before the general Agricultural appropriation bill was passed, so that unquestionably there is a paralleling of subjects in the two appropriation bills.

Let me proceed just a little further with the general appropriation bill, from which I was reading a moment ago. I find an item in the pending measure "for truck and forage crop diseases," and in the general Agricultural appropriation bill there is an appropriation of $87,800 for that purpose. There is also in that bill an appropriation—

For investigating the physiology of crop plants and for testing and breeding varieties thereof, $48,460.

The same subject matter, in general terms, is covered by the bill under consideration. Then there is an appropriation:

For soil-bacteriology and plant-nutrition investigation, * * * $39,300.

Some of the items of this bill under consideration would be construed as authorizing the same investigations as are provided for in the item to which I have just called attention. Then there is another provision in the general appropriation bill:

For soil-fertility investigations, * * * $36,260.

And another appropriation of $107,510—

For acclimatization and adaptation investigations of cotton, corn, and other crops. * * * breeding, and selection.

And so forth.

Then there is another appropriation of $58,820:

For the investigation, testing, and improvement of plants yielding drugs, spices, poisons, oils, and related products and by-products, and for general physiological and fermentation investigations.

The bill under consideration is sufficiently broad to authorize a portion of the appropriation for use in the same direction.

I also find this provision:

For crop technological investigations, including the study of plant-infesting nematodes, $24,940.

Which is obviously covered by provisions in the pending bill. Then:

For biophysical investigations in connection with the various lines of work herein authorized, $32,500.

Mr. PHELAN. Mr. President——

The PRESIDING OFFICER (Mr. POMERENE in the chair). Does the Senator from Utah yield to the Senator from California?

Mr. KING. I yield to the Senator.

Mr. PHELAN. There seems to be no immediate prospect of settling this question to-night, and, therefore, I move that the Senate adjourn.

Mr. GORE. As I understand, there is a desire for an executive session. Is that true?

Mr. KING. It will take me some time to discuss this matter.

Mr. PHELAN. Mr. President, I understand there is no necessity for an executive session.

RECESS.

Mr. GORE. Then I hope the Senator from California will modify his motion and move that the Senate take a recess until noon to-morrow.

Mr. PHELAN. I modify my motion in that way.

The PRESIDING OFFICER. The Senator from California moves that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate took a recess until to-morrow, Thursday, September 5, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *September 4, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, lend us Thine aid and help us to conform our thoughts and ways to the highest conceptions of right and duty, as they have been revealed to us in the precepts and example of all the truest and holiest men of the past; that we may be in consonance with Thy will and purposes, and as individuals and a Nation we may, with our allies, straighten out the tangles in which the world finds itself by wicked and designing men.

Continue to uphold and sustain us, with our allies, in the splendid progress toward the end desired; for Thine is the kingdom, and the power, and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

Mr. ESCH. I ask unanimous consent for indefinite leave of absence for my colleague [Mr. BROWNE], on account of illness in his family.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent for indefinite leave of absence for his colleague [Mr. BROWNE], on account of illness in his family. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 325. A joint resolution amending section 8 of the amendment to the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

ENROLLED BILL AND JOINT RESOLUTION SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 325. Joint resolution amending section 8 of the amendment to the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

The Speaker announced his signature to enrolled bill of the following title:

S. 4597. An act extending the time for the construction of a bridge across the Monongahela River at or near the city of Fairmont, W. Va.

PVTS. HENRY JOHNSON AND NEEDHAM ROBERTS.

Mr. GOULD. Mr. Speaker, I ask unanimous consent to proceed for five minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. GOULD. I ask to have read the letter of Col. William Hayward, Three hundred and sixty-ninth United States Infantry.

The SPEAKER. The Clerk will read the letter.

The Clerk read as follows:

THREE HUNDRED AND SIXTY-NINTH U. S. INFANTRY,
FORMERLY FIFTEENTH NEW YORK INFANTRY,
SECTEUR POSTAL, No. 54, A. E. F.,
France, May 18, 1918.

Mrs. EDNA JOHNSON,
23 Monroe Street, Albany, N. Y.

MY DEAR MRS. JOHNSON: Your husband, Pvt. Henry Johnson, is in my regiment, the Three hundred and sixty-ninth United States Infantry, formerly Fifteenth New York Infantry. He has been at all times a good soldier and is a good boy, of fine morals and upright character. To these admirable traits he has lately added the most convincing proof of fine courage and splendid fighting ability.

I regret to say that he is at the moment in a hospital, seriously, but not dangerously, wounded, the wounds having been received under such circumstances that everyone of us in the regiment would be pleased and proud to trade places with him. It was as follows:

He and Pvt. Needham Roberts were on guard together at a small outpost of a front-line trench near to the German lines, and during the night a strong raiding party of Germans, numbering from 12 to 20 (judging by the weapons, clothing, and paraphernalia they left behind and by their footprints) stole across No Man's Land and made a surprise attack in the dead of night on our two brave soldiers.

We had learned some time ago from captured German prisoners that the Germans had heard of a regiment of black Americans in this sector, and the German officers had told their men how easy to combat and capture them it would be; so this raiding party came looking for the black Americans. They did not find them asleep, however, but, on the contrary, both Henry Johnson and Needham Roberts were very much awake and alert and attending strictly to their duties. At the beginning of the attack the Germans fired a volley of bullets and grenades, and both the boys were wounded, your husband three times and Roberts twice. Then the Germans rushed the post, expecting to make an easy capture. In spite of their wounds the two boys waited coolly and courageously, and when the Germans were within striking distance opened fire your husband with his rifle and Pvt. Roberts, from his helpless position on the ground, with hand grenades. The German raiding party came on in spite of their wounded, and in a few seconds our boys were at grips with the terrible foe in a desperate hand-to-hand encounter, in which the enemy outnumbered them ten to one.

The boys inflicted great loss on the enemy, but Roberts was overpowered and about to be carried away, when your husband, who had used up all the cartridges in the magazine of his rifle and had knocked one German down with the butt end of it, drew his bolo from his belt. The bolo is a short, heavy weapon carried by the American soldier, with the edge of a razor, the weight of a cleaver, and the point of a butcher knife. He rushed to the rescue of his fallen comrade, and, fighting desperately, split open, with his bolo, the head of the German who was throttling Pvt. Roberts, and turning to the boche who had Roberts by the feet, plunged the bolo into the German's bowels. This one was the leader of the German party, and on receiving what must have been his mortal wound, exclaimed in American English, without any trace of accent, "Oh, the son of a ——— got me"; thus proving that he was undoubtedly one of the so-called German-Americans who came to our country not to become a good citizen of it but to partake of its plenty and bounty and then return to fight for the Kaiser and help enslave the world. He was doubtless selected as the leader of the party to speak English and perhaps fool my soldiers by calling to them in the darkness in English not to fire, that it was a friend.

Henry laid about him right and left with his heavy knife, and Roberts, released from the grasp of the scoundrels, began again throwing hand grenades and exploding them in their midst, and the Germans, doubtless thinking it was a host instead of two brave colored boys fighting like tigers at bay, picked up their dead and wounded and slunk away, leaving many weapons and parts of their torn, cut, and shot-riddled clothing, and leaving a trail of blood which we followed at dawn clear to their lines.

We feel certain that one of the enemy was killed by rifle fire, two by your husband's bolo, one by grenades thrown by Pvt. Roberts, and several other grievously wounded.

So it was in this way the Germans found the black Americans!

Both boys have received the citation of the French general commanding the splendid French division in which my regiment is now serving, and will receive the Croix de Guerre (Cross of War). The citation, translated, is as follows:

——— Division. MAY 16, 1918.

Order No. ———.

The general ——— commanding ——— D. I., mentions in orders of the division the soldiers of the Three hundred and sixty-ninth Regiment d'Infanterie, United States.

1. Johnson, Henry (No. 103348), private in Company C.

Being on double sentry duty during the night, and having been assailed by a group composed of at least a dozen Germans, shot and disabled one of them and grievously wounded two others with his bolo. In spite of three wounds with pistol bullets and grenades at the beginning of the fighting, this man ran to the assistance of his wounded comrade, who was about to be carried away prisoner by the enemy, and continued to fight up to the retreat of the Germans.

He has given a beautiful example of courage and activity.

2. Roberts, Needham (No. 103369), private in Company C.

Being on double sentry duty during the night, having been assailed and grievously wounded in his leg by a group of Germans, continued fighting by throwing grenades, although he was prone on the ground, up to the retreat of the enemy. Good and brave soldier.

The general requested that the citation of the division commander of the soldier, Johnson, be changed to a citation in the orders of the army.

Some time ago the great French general, Gouraud, placed in my hands the sum of 100 francs, to be sent to the family of the first one of my soldiers wounded in a fight with the enemy under heroic circumstances. Inasmuch as these boys were wounded simultaneously and both displayed great heroism, I think it but fair to send to each one half of this sum. Accordingly I am inclosing New York exchange for the equivalent of 50 francs.

I am sure that you have made a splendid contribution to the cause of liberty by giving your husband to your country, and it is my hope and prayer to bring him back to you safe and sound, together with as many of his comrades as it is humanly possible by care and caution to conserve and bring back to America. But it must be borne in mind that we can not all come back; that none of us can come back until this job is done.

My cordial respects go with this letter to the wife of Henry Johnson.

Very truly, yours,

WILLIAM HAYWARD, *Colonel.*

[Applause.]

Mr. GARRETT of Tennessee. Mr. Speaker, of course it is too late now, I suppose. It is a very delicate matter at best, but I am very sorry that the gentleman from New York saw fit to insert that letter in the RECORD. Not that the exploits there related do not excite our admiration, but, of course, it will be a matter of absolute impossibility to put into the RECORD all of the accounts of these individual acts of heroism. All of us have these letters, and I wish now, at a time when it can not be misunderstood in the future, to say that I shall feel constrained, if I am present in the Hall, to object to the insertion of letters of this character in the RECORD, not because of any lack of appreciation of the heroic qualities displayed by our soldiers but because of the realization that we can not put them all in and that many will not receive that publicity which would be their due.

LIEUT. FRANK BARBER.

Mr. ROGERS. Mr. Speaker, I ask unanimous consent to proceed for three minutes.

The SPEAKER. The gentleman from Massachusetts asks for three minutes. Is there objection?

There was no objection.

Mr. ROGERS. Mr. Speaker, I want to tell the House the story of Frank Barber, a lieutenant in the British Army. Barber is a Yorkshireman, and in August, 1914, like hundreds of thousands of others, he joined the colors of the British Army and fought in France for three years.

In the autumn a year ago our soldiers needed training in all directions, and we sent over to Great Britain for trained officers who could instruct our men. Barber was a first lieutenant in charge of machine guns. He had won great praise for his gallantry and for his skill in machine-gun work. He was assigned by the British Government to come to the United States to train our men. When he came here he was sent to Macon, Ga. That was about a year ago. In February of this year he was instructing the American troops in camp at Macon, and without negligence on his part, as the official court of inquiry disclosed, he was blinded by the explosion of a machine gun. His blindness is total and permanent. Since that time he has been lying at the Walter Reed Hospital, just outside of Washington, and he is now there. There is no hope that he may recover his sight. He is absolutely without private means. His wife and his sister, who happens to be a trained nurse, have come from England and are caring for him at this moment. The Secretary of War, the Surgeon General, and the Judge Advocate General have all recommended that this man be put by the American Congress on the same basis as if he were an American officer, namely, that he be brought under the provisions of the war-risk insurance act. The Senate has passed a bill giving him that status. The House Committee on Military Affairs has unanimously recommended such a bill, which is on the calendar. The chairman of the Military Affairs Committee [Mr. DENT] and the gentleman from South Carolina [Mr. NICHOLLS], who reported the bill, have authorized me to bring up this bill in the House and ask unanimous consent for its immediate consideration. It is on the Private Calendar, pretty far down. It may be months before it will otherwise be reached. This man is lying blind and in dire need of the assistance which we can give him. Mr. Speaker, I ask unanimous consent——

The SPEAKER. The Chair will recognize the gentleman after he recognizes the gentleman from Colorado [Mr. TAYLOR].

STOCK-RAISING HOMESTEADS.

Mr. TAYLOR of Colorado. Mr. Speaker, I renew the application which I made last evening, and made once before, for the immediate consideration of the bill (S. 2493) to amend section 3 of an act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916. This is a bill that has been pending here in the House for quite a long while. It is up near the head of the Unanimous Consent Calendar. It is Senator KENDRICK's bill. But all Western Senators and Representatives are very much interested in the matter. There are many homestead settlers and people who would be settlers out there affected by it. It is necessary because of a pure oversight, a mere inadvertence in the language of this section of the stock-raising homestead law, whereby an unwarranted hardship is put upon anybody who attempts to avail himself of the provisions of the law by taking an additional homestead not contiguous to his own, and it is to make the law similar in exact terms to the enlarged-homestead law. I may say that not only the department favored it, but I have a letter this morning from the Commissioner of the General Land Office, in which he says they have tentative regulations prepared to be sent out concerning this general law, and that they have apparently been holding them up some time in the hope that the House will approve of this measure so that the public-land settlers, or many of them that are away, can be relieved from this unwarranted hardship, and I hope that there may be no objection to its immediate consideration. The letter referred to is as follows:

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, September 4, 1918.

Hon. EDWARD T. TAYLOR,
House of Representatives.

MY DEAR MR. TAYLOR: Referring to your inquiry by phone this morning as to Senate 2493, will say that this bill is to extend the 20-mile residence feature now in the enlarged-homestead act, to the grazing-homestead act. Under the existing provisions of the enlarged-homestead act, one who makes an additional entry under the enlarged-homestead act, of noncontiguous land, but within 20 miles of his original entry, may complete the residence requirements as to both entries by continued residence on the original. This bill was reported favorably by the Secretary, and I understand has passed the Senate and is now pending on the House calendar. The department has seen no objection to the legislation. A number of cases are pending where it would seem to be desirable and just, and we have tentative regulations prepared to carry it into effect immediately it becomes a law.

Yours, very truly,

CLAY TALLMAN.

The report upon the bill gives a concise statement of its justice, fairness, and importance, as follows:

Under the stock-raising homestead law, as interperted by the Department of the Interior, it is impossible for a person who has made former entry of lands under the homestead laws to obtain an additional entry of noncontiguous lands of the character described in this measure without establishing a residence thereon, regardless of the fact as to whether or not he has completed proof upon the former entry. The law provides, however, that a person who has made such former entry may file upon additional contiguous lands and complete proof thereon without actual residence upon the additional entry. That is to say, the law draws a distinction as to the method of completing proof on additional entry of contiguous lands as against entry on noncontiguous lands. In the former case residence upon the original entry is accepted in lieu of residence upon the additional land, while in the latter case, though the entryman may have spent years and great effort in establishing his home upon his original filing, he is compelled, if he desires to take advantage of the stock-raising law and is able to secure only noncontiguous lands, to make the same struggle and at the same cost establish a new residence. He is, in other words, obliged to abandon his first residence and set up a new one in order that he may obtain enough additional land to constitute a 640-acre tract, although the theory of the law is specifically that the land is of such a character as to make it necessary for the homesteader to have 640 acres in order to make a living.

This provision seems to be in strict contravention of the plain purpose of the law. Furthermore, it seems to be in conflict with the intention of Congress when it passed the bill. This is indicated by the fact that the law expressly provides that a homestead entryman may take up an additional holding within a radius of 20 miles of his original homestead. If it had been contemplated by Congress to compel the entryman to establish residence upon the additional entry in the same manner as upon original, there would have been no necessity for establishing the 20-mile limitation upon his additional entry, for, under the interpretation of the law, as it now reads, it is of no benefit whatever to the entryman to obtain lands within such limits, and if he is required to establish residence anew, he could as well do it within 100 miles from the original as 20. The 20-mile limitation implies some sort of a compensatory arrangement. This compensation naturally would have been the waiver of residence required upon the additional entry in order to make it possible for entrymen to obtain a 640-acre tract within a 200-mile radius by establishing one residence.

This effect is provided by the first provision of section 3 of the law, which reads as follows:

"*Provided*, That a former homestead entry of land of the character described in section 2 hereof shall not be a bar to the entry of a tract within a radius of 20 miles from such former entry under the provisions of this act, subject to the requirements of the law as to residence and improvements, which, together with the former entry, shall not exceed 640 acres."

The clause, "subject to the requirements of law as to residence and improvements," is the one which the Interior Department has interpreted as making necessary the establishment of a residence upon the additional entry. The suggested amendment, which is in all respects similar to a provision of the enlarged-homestead act contained in section 7, has the effect of making unnecessary such additional residence in cases where the entryman is still residing upon his original entry. The amendment therefore clearly requires good faith upon the part of the entryman, for if he be not residing upon his original entry he can not, under this provision, secure the additional entry without establishing such residence thereon.

The recommendation of the Secretary of the Interior for the passage of this legislation, as made to Senator H. L. MYERS, is as follows:

DEPARTMENT OF THE INTERIOR,
Washington, October 22, 1917.

Hon. H. L. MYERS,
Chairman Committee on Public Lands, United States Senate.

MY DEAR SENATOR: I have the honor to acknowledge receipt of your request for a report on S. 2493, to amend section 3 of the stock-raising homestead act (39 Stat., 862).

Said section of the act permits an additional entry to be made for a tract within 20 miles of the applicant's "former entry." However, it is stipulated that he shall meet the requirements of law as to residence and improvements. Hence, it is apparent that such additional entry can not be made unless the party has completed the period of residence on his original claim or has done so with the exception of not more than six months, so that he may complete the period before it becomes necessary to begin residence on the additional land. The proposed amendment would relieve such a claimant of the necessity of residence on the additional land, provided he continues to live upon the tract originally entered. It follows that there would be removed the limitation mentioned, as to the conditions on which an additional entry may be made. In the matter of residence, the amended provision would be precisely the same as that found in section 7 of the enlarged-homestead act, added thereto by the act of July 3, 1916 (39 Stat., 344), as applicable in cases where the two tracts in question lie within 20 miles of each other.

The proposed legislation would, as indicated, tend to establish uniformity of law as to these two classes of additional entries. I therefore approve of the measure and recommend that the bill be enacted into law.

Cordially, yours,

ALEXANDER T. VOGELSANG,
Acting Secretary.

Mr. GILLETT. Mr. Speaker, reserving the right to object, I made up my mind on Monday that I should for the present object to any unanimous consents, and for this reason: It has been many weeks since we have had a unanimous-consent day, and there is a long calendar of bills in which a great many Members of the House are interested. We were progressing satisfactorily on Monday with that calendar when one of the leading

members of the Democratic organization of the House, the chairman of the Committee on the Post Office and Post Roads, came in and made the point of no quorum, as far as I could see without any particular reason, and when we all knew that there was not a quorum in the city, so that, of course, that point of no quorum compelled an adjournment and killed the balance of unanimous-consent day. I think we ought to have a unanimous-consent day, and I think on last Monday it ought not to have been cut short. I think all the Members of the House ought to have their bills considered and not occasionally have a favored one come up. Such a case as the gentleman from Massachusetts presents just now I should not have the heart to object to, but there is no such appealing reason for this bill. The trouble is if we take up these occasional bills which gentlemen bring up there will be no pressure on the House or the House organization to allow a unanimous-consent day, which we ought to have. I hope we will have one very soon. For the present I object to the consideration of the bill (S. 2493) to amend section 3 of an act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916.

Mr. ROGERS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4790) for the relief of Frank Barber.

Mr. GARNER. Had not the gentleman from Massachusetts better make the same objection to this, so that it will serve to force a unanimous-consent day?

The SPEAKER. The Clerk will read the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he hereby is, authorized and directed, out of any moneys not otherwise appropriated, to pay to Frank Barber, a first lieutenant of the Dorset Regiment of Infantry of the British Army, who lost the sight of both eyes and became totally blind by reason of a premature explosion on February 14, 1918, while acting as an instructor of United States troops at Camp Wheeler, Ga., as compensation for disability resulting therefrom, such sums of money as by the act of Congress approved October 6, 1917, entitled "An act to amend an act entitled 'An act to authorize the establishment of a Bureau of War-Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes," is provided to be paid as compensation for disability to an injured person who has lost both eyes or become totally blind from causes occurring in the line of duty in the service of the United States; and such compensation shall be payable and be paid as of and from the 14th day of February, 1918, and under and according to the terms, conditions, and basis of computation in said act provided, and such sum shall be in full of all claims, legal or equitable, of the said Frank Barber, his heirs, representatives, or assigns.

The SPEAKER. Is there objection?

Mr. BURNETT. Reserving the right to object, and I shall not object, I would like to know whether there will not be an early opportunity to consider bills on the Private Calendar unobjected to, and I would like to suggest Friday night of this week. That would not interfere, and if it would be more convenient we could take some other night when we may consider unobjected to Private Calendar bills.

The SPEAKER. The gentleman from Alabama asks unanimous consent that next Friday night there be a session, beginning at 8 o'clock extending not later than half-past 10, for the purpose of considering bills on the Private Calendar unobjected to. Is there objection?

Mr. HASTINGS. Reserving the right to object, why not consider all the bills on the Private Calendar. Of course that allows any Member to make an objection to a bill, and I think it is unfair. I think there ought to be some days or some nights set apart so that all the bills may be considered. I am in favor of considering the Private Calendar, but to say that it may be called and any man in the House who does not know anything about a certain bill can object to it, I do not think it is fair to the membership of the House. I think we ought to have a consideration of all the private bills. We have plenty of time, and I see no reason why certain days should not be set aside for the consideration of bills on the Private Calendar and let them all be considered.

The SPEAKER. Is there objection?

Mr. WALSH. Reserving the right to object——

Mr. ROGERS. Would the gentleman from Alabama reserve his request until after this matter is disposed of?

Mr. GARNER. Let me say to the gentleman from Massachusetts that this may be one means of getting a concurrence in the request of the gentleman from Alabama. If you could have Friday night from 8 o'clock until half-past 10 to consider bills on the Private Calendar not objected to, undoubtedly the gentleman's bill would pass that night and a great many other bills like it. That is one reason why his request ought to be acted on, so that it might restrain some one else from objecting.

Mr. WALSH. Reserving the right to object, Mr. Speaker, it seems to me that it is hardly wise to inject the consideration of the Private Calendar in here while the revenue bill is under consideration. After that is completed there will be time galore to consider the Private Calendar or any other matters. I should like to ask the gentleman from Alabama if he would not prefer the date for considering private bills a week from next Friday, at which time the revenue bill will be nearer its completion as far as consideration in the House goes?

Mr. BURNETT. In reply to the gentleman, I see by the statement in the newspaper that there will be some kind of arrangement by which there will be an adjournment, or an adjournment of three days at a time, and when that is done there will be an exodus from the city and we will not be able to get a quorum.

Mr. WALSH. If there are enough Members who think a recess is more important than to stay here and attend to the calendars, it will not be by unanimous consent when important matters are pending before the House.

Mr. BURNETT. Mr. Speaker, I hope the gentleman will not object.

Mr. WALSH. I shall be inclined to object unless the gentleman will put it a week from Friday.

Mr. MOORE of Pennsylvania. Mr. Speaker, reserving the right to object, I want to ask the gentleman from Massachusetts [Mr. ROGERS] a question about this bill, because I am inclined for the present to object. Will this British soldier who came to the United States to perform service here be pensioned by the British Government?

Mr. ROGERS. He will be pensioned at the rate of about 50 pounds a year, and the amount which he will get in the British Government coupled with the amount that he will get if this bill becomes a law will be just a little less than the retirement pay of an officer of his grade in the United States Army.

Mr. MOORE of Pennsylvania. The fact is, then, that this British soldier who came here assigned by his Government will continue upon the pay roll of the British Government, and would also be placed upon our pension roll.

Mr. ROGERS. He will get about $1,700 a year from both sources, as I understand.

Mr. MOORE of Pennsylvania. Does the gentleman know whether the British Government——

Mr. FERRIS. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is, Is there objection to the request of the gentleman from Alabama [Mr. BURNETT]?

Mr. MOORE of Pennsylvania. Mr. Speaker, if the gentleman will not consent to further discussion, I shall be forced to object.

Mr. FERRIS. I will not. I demand the regular order.

Mr. MOORE of Pennsylvania. Mr. Speaker, for the present I object to the consideration of this bill.

The SPEAKER. Objection is made. The gentleman from Tennessee is recognized.

WATER-POWER LEGISLATION.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill (S. 1419).

The question was taken.

Mr. WALSH. Mr. Speaker, I demand a division.

The House divided; and there were—ayes 84, noes 0.

Mr. WALSH. Mr. Speaker, we have reached now the most important section in this bill, and the one about which most of the contest will circle. I therefore make the point of order that there is no quorum present.

Mr. SIMS. Mr. Speaker, I ask the gentleman to withhold that for a moment. More than 100 Members are present, a quorum of the committee. A number of them did not stand up to be counted.

The SPEAKER. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and eighteen Members present, not a quorum. The Doorkeeper will lock the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from Tennessee that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The question was taken; and there were—yeas 250, nays 0, not voting 180, as follows:

YEAS—250.

Alexander	Bankhead	Bland, Va.	Butler
Almon	Barnhart	Blanton	Byrnes, S. C.
Anderson	Beakes	Booher	Byrns, Tenn.
Ashbrook	Bell	Bowers	Caldwell
Austin	Beshlin	Brodbeck	Campbell, Kans.
Ayres	Black	Buchanan	Campbell, Pa.
Bacharach	Blackmon	Burnett	Candler, Miss.
Baer	Bland, Ind.	Burroughs	Cannon

Cantrill	Garner	London	Sears
Caraway	Garrett, Tenn.	Lonergan	Sells
Carter, Mass.	Garrett, Tex.	Longworth	Shallenberger
Carter, Okla.	Gillett	Lufkin	Sherwood
Cary	Glynn	McAndrews	Sims
Chandler, Okla.	Godwin, N. C.	McArthur	Sisson
Church	Good	McClintic	Slayden
Clark, Pa.	Gordon	McCulloch	Sloan
Classon	Gould	McFadden	Small
Claypool	Graham, Ill.	McKenzie	Smith, Idaho
Coady	Gray, Ala.	McKeown	Smith, Mich.
Collier	Green, Iowa	McLemore	Smith, C. B.
Connally, Tex.	Greene, Vt.	Mansfield	Snook
Cooper, W. Va.	Hadley	Mapes	Steagall
Cooper, Wis.	Hamilton, Mich.	Martin	Stedman
Cox	Hamlin	Merritt	Steele
Crago	Hardy	Miller, Minn.	Steenerson
Crisp	Harrison, Miss.	Miller, Wash.	Stephens, Miss.
Crosser	Haskell	Mondell	Sterling, Ill.
Currie, Mich.	Hastings	Montague	Sterling, Pa.
Curry, Cal.	Haugen	Moon	Stevenson
Dallinger	Hawley	Moore, Pa.	Stiness
Darrow	Hayden	Moores, Ind.	Strong
Decker	Heflin	Morgan	Sweet
Delaney	Helm	Morin	Taylor, Ark.
Dempsey	Helvering	Neely	Taylor, Colo.
Denison	Hersey	Norton	Temple
Dent	Hilliard	Oldfield	Thomas
Denton	Holland	Osborne	Thompson
Dickinson	Hollingsworth	Overmyer	Tillman
Dill	Huddleston	Overstreet	Tilson
Dixon	Hull, Iowa	Park	Timberlake
Doremus	Hull, Tenn.	Parker, N. J.	Treadway
Dowell	Humphreys	Porter	Vare
Drane	Igoe	Purnell	Vestal
Dupré	Ireland	Quin	Voigt
Dyer	Jacoway	Raker	Volstead
Eagle	James	Ramseyer	Waldow
Elliott	Johnson, Wash.	Rayburn	Walsh
Ellsworth	Kehoe	Reavis	Walton
Elston	Kelly, Pa.	Reed	Watson, Pa.
Esch	Kennedy, Iowa	Robbins	Watson, Va.
Evans	Kettner	Rodenberg	Weaver
Fairchild, B. L.	Key, Ohio	Rogers	Webb
Fairfield	Kinkaid	Romjue	Welty
Ferris	Knutson	Rose	Whaley
Fisher	Kraus	Rouse	Wheeler
Focht	La Follette	Rowe	Wilson, La.
Fordney	Larsen	Rubey	Wingo
Foster	Lee, Ga.	Rucker	Wood, Ind.
Freeman	Lesher	Sabath	Young, N. Dak.
French	Lever	Sanders, Ind.	Young, Tex.
Fuller, Ill.	Little	Saunders, Va.	Zihlman
Gallagher	Littlepage	Scott, Iowa	
Gard	Lobeck	Scott, Mich.	

NOT VOTING—180.

Anthony	Fuller, Mass.	Linthicum	Russell
Aswell	Gallivan	Lundeen	Sanders, La.
Barkley	Gandy	Lunn	Sanders, N. Y.
Borland	Garland	McCormick	Sanford
Brand	Glass	McKinley	Schall
Britten	Goodall	McLaughlin, Mich.	Scott, Pa.
Browne	Goodwin, Ark.	McLaughlin, Pa.	Scully
Browning	Graham, Pa.	Madden	Shackleford
Brumbaugh	Gray, N. J.	Magee	Sherley
Carew	Greene, Mass.	Maher	Shouse
Carlin	Gregg	Mann	Siegel
Chandler, N. Y.	Griest	Mason	Sinnott
Clark, Fla.	Griffin	Mays	Slemp
Cleary	Hamill	Meeker	Smith, T. F.
Connelly, Kans.	Hamilton, N. Y.	Mott	Snell
Cooper, Ohio	Harrison, Va.	Mudd	Snyder
Copley	Hayes	Nelson	Stafford
Costello	Heaton	Nicholls, S. C.	Stephens, Nebr.
Cramton	Heintz	Nichols, Mich.	Sullivan
Dale, N. Y.	Hensley	Nolan	Sumners
Dale, Vt.	Hicks	Oliver, Ala.	Swift
Davis	Hood	Oliver, N. Y.	Switzer
Dewalt	Houston	Olney	Tague
Dies	Howard	O'Shaunessy	Talbott
Dillon	Husted	Padgett	Templeton
Dominick	Hutchinson	Paige	Tinkham
Donovan	Johnson, Ky.	Parker, N. Y.	Towner
Dooling	Johnson, S. Dak.	Peters	Van Dyke
Doolittle	Jones	Phelan	Venable
Doughton	Juul	Platt	Vinson
Drukker	Kahn	Polk	Walker
Dunn	Kearns	Pou	Ward
Eagan	Keating	Powers	Wason
Edmonds	Kelley, Mich.	Pratt	Watkins
Emerson	Kennedy, R. I.	Price	Welling
Estopinal	Kiess, Pa.	Ragsdale	White, Me.
Fairchild, G. W.	Kincheloe	Rainey, H. T.	White, Ohio
Farr	King	Rainey, J. W.	Williams
Fess	Kitchin	Ramsey	Wilson, Ill.
Fields	Kreider	Randall	Wilson, Tex.
Flood	LaGuardia	Rankin	Winslow
Flynn	Langley	Riordan	Wise
Foss	Lazaro	Roberts	Woods, Iowa
Francis	Lea, Cal.	Robinson	Woodyard
Frear	Lehlbach	Rowland	Wright

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. RIORDAN with Mr. DALE of Vermont.

Mr. OLNEY with Mr. GREENE of Massachusetts.

Mr. O'SHAUNESSY with Mr. SWITZER.

Mr. J. W. RAINEY with Miss RANKIN.

Mr. ROBINSON with Mr. DUNN.

Mr. SCULLY with Mr. WARD.

Mr. EAGAN with Mr. PARKER of New York.

Mr. GALLIVAN with Mr. KIESS of Pennsylvania.

Mr. NICHOLLS of South Carolina with Mr. BRITTEN.

Mr. WILSON of Texas with Mr. FARR.

Mr. STEELE with Mr. BUTLER.

Mr. OLIVER of Alabama with Mr. PETERS.

Mr. TALBOTT with Mr. BROWNING.

Mr. HENSLEY with Mr. MUDD.

Mr. PADGETT with Mr. HICKS.

Mr. DALE of New York with Mr. MCKINLEY.

Mr. RANDALL with Mr. FOSS.

Mr. VINSON with Mr. MOTT.

Mr. LUNN with Mr. FULLER of Massachusetts.

Mr. DOUGHTON with Mr. WILSON of Illinois.

Mr. MAHER with Mr. SLOAN.

Mr. LAZARO with Mr. WINSLOW.

Mr. HOWARD with Mr. MAGEE.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present; the Doorkeeper will unlock the doors.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, with Mr. WEBB in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, which the Clerk will report by title.

The Clerk read as follows:

An act (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce.

Mr. SIMS. Mr. Chairman, while there is a large number more than a quorum present, I want to appeal to every Member of the House to stay here during the sittings of the Committee of the Whole House and keep a quorum present. This is a very important bill, no one can question that, and remember that this bill is equal in its importance to any two bills that have ever yet been before the House because it embraces all jurisdictions, whereas bills heretofore have been confined either to navigable streams or to the public lands. Therefore it takes a longer time for its consideration. Now, if this bill is not passed by next Friday, it will not be passed at all in all probability, and I do not blame the gentleman from Massachusetts [Mr. WALSH] on insisting that a quorum should remain here, and if gentlemen will not stay here and this bill fails we will know who are responsible for it.

Now, Mr. Chairman, I want to consult the gentleman from Wisconsin [Mr. ESCH]. I propose, in pursuance to the agreement already made, to consider the amendment which I offered to strike out the net-investment definition, and further amendments following that provided it is stricken out to the tenth section, and the amendment offered to the fourteenth section by the gentleman from Michigan [Mr. DOREMUS], or any other that may be offered as far as that section is concerned, and then the consideration of the substitute, notice of which has been given as an amendment to be offered by the gentleman from Oklahoma [Mr. FERRIS]. Now, I want to ask the gentleman from Wisconsin if we can not come to some agreement concerning the matter of time that will be consumed in the discussion of this subject in considering the three amendments, the gentleman from Wisconsin to control one half and myself the other half so as far as possible to expedite the consideration of the bill, for I believe that when the amendments touching this question, which now seems to be so vital, whether it is to be net investment or fair value not exceeding actual cost, are over I think we can have reasonably expeditious consideration of the rest of the bill. Therefore I think we ought as far as possible to thrash out everything bearing on these propositions and not rediscuss them after we pass section 14. What does the gentleman think will be a reasonable time?

Mr. ESCH. Mr. Chairman, as I understand it, the net-investment item was passed over with a motion pending by the gentleman from Tennessee to strike out.

Mr. SIMS. To strike out the definition.

Mr. ESCH. And subsections (c) and (d) of section 10 were passed over, and there is now pending a motion to substitute for sections 14 and 15, with an amendment offered by the gentleman from Michigan to amend section 14?

Mr. SIMS. And also the amendment offered by the gentleman from Michigan to section 14.

Mr. ESCH. I just stated that.

Mr. SIMS. That, of course, would have to be acted upon before the motion to substitute.

Mr. ESCH. And the gentleman's amendment to strike out the so-called Parker amendment or the——

Mr. SIMS. That is correct.

Mr. ESCH. I understand when the time for general debate on this subject matter is over we will take up these several sections and subsections for amendment.

Mr. SIMS. And consider all amendments which have been offered and vote on them in the order in which they have been offered.

Mr. ESCH. They would have to be discussed during the period of general debate?

Mr. SIMS. Any amendment proposed to be offered to any of them which has not already been offered shall also be discussed.

Mr. ESCH. No new amendment would be offered at the expiration of general debate?

Mr. SIMS. They may be offered but not debated if the amendment is not offered during debate; that is, a gentleman during this general debate can give notice of an amendment he expects to offer and discuss during general debate, and then when the time comes to vote on it after the time, there is to be no further discussion on that or any other amendment that might at that time be offered.

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. SIMS. I will.

Mr. BANKHEAD. What does the gentleman mean by general debate? I understood that we had concluded general debate on this bill.

Mr. SIMS. We have, and this general debate is to be devoted entirely to these amendments.

Mr. BANKHEAD. Does not the gentleman think we can make better progress by taking up this bill in the regular way as bills are always considered, and take one section at a time and dispose of it instead of having a general agreement——

Mr. SIMS. I have conferred with members of the committee on both sides, and it is the concensus of opinion that we will get along better in this way——

Mr. BANKHEAD. I am simply seeking to facilitate its passage.

Mr. SIMS. I know the gentleman has no other purpose.

Mr. ESCH. I think we would like to have an hour and a half on this side.

Mr. SIMS. Can not the gentleman get along with one hour—one hour on that side and one hour on this?

Mr. ESCH. I have more requests than one hour and a half, and I am curbing those who seek time.

Mr. SIMS. Mr. Chairman, I have every reason to believe the gentleman from Wisconsin is very anxious to get through——

Mr. ESCH. I certainly am. I did not use a minute's time in general debate.

Mr. SIMS. And I believe that will really be the best plan to adopt, and I agree to it and therefore——

Mr. DOREMUS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DOREMUS. If the amendment which I have offered reserving the power in the Government to retake the property at any time during the license period upon paying the net investment therein should fail, I desire to offer an amendment at some time during the proceedings providing for the development of all this water power by the Federal Government, the States, and the municipalities.

I wish to ask the Chair whether it would be in order for me to offer that amendment while we are considering section 14 or whether I should wait until after the balance of the bill has been disposed of?

Mr. FERRIS. Will the gentleman yield for a suggestion at that point?

Mr. DOREMUS. Yes.

Mr. FERRIS. Whether the fair-value plan or the net-investment plan prevails, that does not involve your question. In other words, your amendment would be just as pertinent to one as to the other, would it not?

Mr. DOREMUS. I think so.

Mr. FERRIS. Your thought is that the Federal Government ought to reserve to itself the right to take over the property at any time even before the expiration of the term, and that amendment would be just as pertinent whatever view prevails on the others.

Mr. ANDERSON. Will the gentleman yield? I have an amendment designed to accomplish the same purpose as the amendment offered by the gentleman from Michigan——

Mr. FERRIS. Why not set apart a little time to debate that? It is an important matter.

Mr. DOREMUS. The amendment I may desire to offer is not directly connected with the proposition at issue now. I would like to have 10 or 15 minutes on that.

Mr. SIMS. There would be no objection to that.

Mr. DOREMUS. I have not an answer to my question. All I am interested in knowing, Mr. Chairman, is if I can offer this amendment, in case I decide to do so, providing for the development of water power through the Federal Government, the States, and municipalities, at the conclusion of the consideration of the bill by the committee? I would like to know whether that would be a proper place to introduce it.

The CHAIRMAN. That depends very largely on the nature of the unanimous-consent request that is made and agreed to.

Mr. ANDERSON. Before the Chair passes on that proposition, I want to reserve the right to make a point of order against that amendment.

Mr. ESCH. I understand the amendment offered by the gentleman from Michigan would be either to section 14 as we have it in the bill or to section 14 as proposed by the gentleman from Oklahoma [Mr. FERRIS].

Mr. DOREMUS. The amendment I have prepared and which I desire to offer in the event the amendment now pending shall be voted down strikes out all of the bill after section 2 and substitutes.

Mr. HUMPHREYS. That would not be included in this agreement.

Mr. DOREMUS. I would not want my right to present that particular proposition shut off by any arrangement that may be made now.

Mr. WALSH. The gentleman could offer that amendment after the first section is read.

Mr. DOREMUS. I may not offer it at all.

Mr. WALSH. It would not be in order unless unanimous consent was given to offer it. It would be considered as an original bill.

Mr. SIMS. So far as amendments are concerned only. We can take that up after we get through with this. There is no disposition on my part to make points of order.

Mr. ANDERSON. Would not the gentleman be willing to make his unanimous-consent request that there be three hours' general debate upon the substitute offered by the gentleman from Oklahoma [Mr. FERRIS] and his amendment striking out the net investment?

Mr. SIMS. And the others?

Mr. ANDERSON. The others are dependent upon that, of course.

Mr. FERRIS. The chairman has an amendment to strike out the definition.

Mr. ANDERSON. That is what I refer to. These amendments could be considered in the usual course. We will not save any time by putting these things all in together anyway.

Mr. SIMS. We will know more about it after the vote on the real question.

Mr. Chairman, I ask unanimous consent that we have three hours of discussion in general debate on the amendments set out and mentioned, the amendment I offered to strike out the definition of net investment, the amendment which has been offered to section 10. In other words, amendments that may be offered to section 10 regarding the net investment, and also the amendment which the gentleman from Wisconsin [Mr. ESCH] and I understand as the Judge Parker amendment, which was reserved, and also the amendment offered to section 14 by Mr. DOREMUS and the motion of the gentleman from Oklahoma [Mr. FERRIS] to strike out sections 14 and 15.

Mr FERRIS. Mr. Chairman, reserving the right to object, I do not intend to object, but only to make a suggestion to the chairman. Why does not the chairman ask unanimous consent to devote three hours of debate to the net-investment question and all questions bearing on that particular point, and then set apart a time to debate the question of the gentleman from Michigan [Mr. DOREMUS], and the gentleman from Minnesota [Mr. ANDERSON], who is interested in whether or not the Government should step in?

Mr. SIMS. I am trying to confine it to these other amendments, and then, as the gentleman from Minnesota suggested, we will make an agreement as to the others.

Mr. ANDERSON. I want to make a suggestion here which, I think, is pertinent. I do not desire to take much time. If the amendment of the gentleman from Oklahoma [Mr. FERRIS] striking out section 14 and substituting his amendment is adopted, and also if the amendment of the gentleman from Tennessee [Mr. SIMS] striking out the net investment is adopted, there will have to be some readjustment of section 10 and perhaps of other portions of the bill. And I think it would not be wise to limit the debate in such a way that there could be no discussion whatever on the readjustment which ought to be made in section 11. I would like very much if the request now could be limited to the two amendments, that offered by the gentleman from Tennessee [Mr. SIMS] and the amendment offered by the gentleman from Oklahoma [Mr. FERRIS], leaving the rest of the matter open for such readjustment as will be necessary touching the adoption of those amendments, if they

are adopted. Those two amendments will stand or fall together.

Mr. SIMS. That is, that we should vote on amendments to section 10 after we have voted on the amendment and substitute?

Mr. ANDERSON. Yes.

Mr. SIMS. I have no objection.

Mr. HUMPHREYS. I reserve the right to object, just for the purpose of asking the gentleman from Tennessee if he has disposed of all his hour and a half?

Mr. SIMS. I expect, as a matter of course, the members of the committee to use it if they ask for it.

Mr. FOSTER. You can not do that.

Mr. HUMPHREYS. I expect the members of the committee have some observations that they would like to give the House the benefit of.

Mr. SIMS. How much time does the gentleman want?

Mr. HUMPHREYS. I do not know.

Mr. DOREMUS. Be as reasonable as possible.

Mr. HUMPHREYS. I do not want more than 10 or 15 minutes.

Mr. FOSTER. The time ought not to be confined entirely to the committee.

Mr. SIMS. I did not intend to confine it to the committee. I said that I expected to give preference to members of the committee.

Mr. HUMPHREYS. That is confining it to the committee.

Mr. FOSTER. That is not fair. It should not be confined to the committee.

Mr. SIMS. I do not think there is any question but that the gentleman will have his time.

Mr. WALSH. Mr. Chairman, reserving the right to object——

Mr. HUMPHREYS. I believe that three hours is too short a time to debate this subject, in view of the debate that occurred on the other side. This is the matter, as I understand, concerning which there is the greatest conflict among the members of the committee and among the men who have written to us, whose letters appear in the RECORD.

Mr. SIMS. Tell us what you want done, without commenting on it.

Mr. HUMPHREYS. My idea is that the committee is going to want more than one hour and a half and the rest of us are likely to be left out. I would like to have a little time.

Mr. SIMS. I am very anxious for you to have it.

The CHAIRMAN. The gentleman from Tennessee will please restate his request.

Mr. HUMPHREYS. Why not make it 5 o'clock, then?

Mr. SIMS. Oh, then you might just as well throw the day away. There will not be anybody here. There will not be a quorum.

Mr. HUMPHREYS. There will be only the speakers here if you limit it to three hours.

Mr. WALSH. The general debate on this measure, during which time the net-investment matter was discussed in a general way, occurred several weeks ago. Now, the debate on the sections as they have been read—the debate touching on net investment and recapture—has only been casual, and I suggest to the gentleman, in view of the fact that this is the more important part of the bill, that an hour and a half is rather a short time to devote to it. I have no desire to prolong or delay the proceedings, but it seems to me if each side took two hours and then discussed all these amendments that are pending and at that time the committee should vote on them and have no more debate on any amendments that might subsequently be offered, you would make better progress.

Mr. FERRIS. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. FERRIS. The gentleman from Mississippi [Mr. HUMPHREYS] hit the nail on the head when he said that if we were to have a long-drawn debate the only way would be to have a larger attendance here than the speakers. For my part, I would rather have a few gingery minutes and have a corporal's guard here to hear me than to drag along for an hour with empty benches.

Mr. WALSH. Yes; but this is a matter of great importance, and the debate is going to settle which scheme will be kept in the bill or inserted in the bill.

Mr. FERRIS. The debate will be full even if there is nobody here to hear it.

Mr. WALSH. I will be glad to give the gentleman from Tennessee any assistance I can. I will be glad to.

Mr. SIMS. Will not the gentleman let this agreement go through, and then at the end of the time, if gentlemen who have really some interest in the bill wish to speak and not merely kill time, if there is any genuine demand for further debate on these particular amendments, I would not object to continuing it to cover the time the gentleman has mentioned? But let us not have over three hours to start with.

Mr. WALSH. Very well.

Mr. SMALL. Mr. Chairman, reserving the right to object, I have witnessed agreements of this kind when all the time was taken up by members of the committee, and when Members not on the committee had no opportunity to express themselves. I do not know whether that will be true in this case or not. Possibly it might be obviated by ascertaining in advance who wished to speak. Another gentleman, the gentleman from Wisconsin [Mr. ESCH], stated a moment ago that perhaps an hour and a half would be sufficient for that side. I do not know what the gentleman means by "that side." This is not a partisan question. I expect to vote on the investment clause as it stands in the bill.

Mr. SIMS. I call attention to the fact that the committee is equally divided as to parties so far as its membership goes.

Mr. SMALL. I would like to have some opportunity to give my reasons for my vote.

Mr. SIMS. The gentleman knows I want to be fair. I have no idea of keeping the gentleman out, but I can not say now to what extent I will yield.

Mr. ESCH. I will be willing to promise the gentleman five minutes of my time, and I have no doubt the gentleman from Tennessee will give the gentleman some of his.

Mr. SIMS. The time I am reserving here is to be used in behalf of the amendments that may be offered, and the time on the other side is to be consumed by those who are opposed to those amendments. This committee, as I said, is equally divided between the parties. There is no partisanship about this. If we do not agree on time soon we have lost half an hour already.

Mr. SMALL. I would like to have some understanding. I have had experience in being cut out from time by a little modesty in yielding to these requests, and I do not want the debate to be closed until I have opportunity to address the committee.

Mr. SIMS. The gentleman from Wisconsin has guaranteed the gentleman a little opportunity.

Mr. SMALL. The gentleman from Tennessee was silent.

Mr. SIMS. If the gentleman is going to oppose these amendments he ought not to ask me to yield him time. There is no politics in it. The committee, as I said, is equally divided.

Mr. SMALL. Suspecting that, I suggested to the committee that this was not a partisan question, and I wanted to know where I stood. The unanimous-consent request of the gentleman does not say whether the time is to be controlled equally by the gentleman from Wisconsin [Mr. ESCH] and the gentleman from Tennessee, or whether it depends on the recognition of the Chair.

Mr. SIMS. That has been stated as part of the agreement. He is to have one-half and I the other.

Mr. SMALL. I should like to have some understanding that I can have at least 15 minutes.

Mr. SIMS. I can not guarantee to any particular man the time he is to have, even members of the committee.

Mr. ESCH. I will yield to the gentleman 10 minutes.

The CHAIRMAN. Will the gentleman from Tennessee submit his request?

Mr. SMALL. Mr. Chairman, I desired 15 minutes, but the gentleman from Wisconsin has kindly suggested that he will yield me 10 minutes. Hoping that 5 minutes more will be yielded graciously by the gentleman from Tennessee, I shall not object.

Mr. RAKER. Mr. Chairman, I have an amendment that I would like to have presented and read now, so that I may discuss it.

Mr. SIMS. You can have it read later.

Mr. RAKER. I want to have it read before the debate starts.

Mr. SIMS. Well, let it be read. Anything on earth, if it is reasonable, to get started.

The CHAIRMAN. What is the gentleman's request?

Mr. SIMS. I ask unanimous consent, Mr. Chairman, that we have general debate for three hours, one half of the time to be controlled by the gentleman from Wisconsin [Mr. ESCH], he to yield time to whomsoever he desires, and I to control the other half and yield it in behalf of those who are in favor of the amendment, and the debate, while general, will be confined to the subject matter of the sections that are being amended.

Mr. CANNON. Does the gentleman exclude from the three hours the time that will be taken in getting a quorum?

Mr. SIMS. No; three hours' debate means debate. It does not mean time taken in getting a quorum. I am not asking for a vote at a particular hour by the clock.

Mr. CANNON. All right.

The CHAIRMAN. Is there objection to the request for unanimous consent preferred by the gentleman from Tennessee [Mr. SIMS]?

There was no objection.

Mr. RAKER. Now, with the consent of the gentleman from Tenenssee, I ask that my amendment be read for information.

Mr. WALSH. Is it to be considered as pending?

Mr. RAKER. As pending; that is all.

Mr. WALSH. Then the gentleman offers this?

Mr. RAKER. I offer it to be considered as pending.

The CHAIRMAN. The Clerk will report the amendment proposed by the gentleman from California.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Strike out the words "net investment" and insert in lieu thereof the words "fair value not to exceed actual cost," in line 3, page 41. Strike out the words "net investment" and insert in lieu thereof "value of such property," in line 4, page 42. Strike out the words "net investment" and insert in lieu thereof the words "fair value," in line 11, page 42, all of section 14. Strike out sub (d), section 10, being all of lines 20 to 25 of page 36, and all of lines 1 to 9, page 37. Strike out all of lines 1 to 18, both inclusive, page 27, of section 3.

The CHAIRMAN. The amendment offered by the gentleman from California has been read for the information of the committee, and the gentleman from Tennessee [Mr. SIMS] is recognized.

Mr. SIMS. Mr. Chairman, I yield 15 minutes to the gentleman from Oklahoma [Mr. FERRIS].

Mr. COOPER of Wisconsin. Will the gentleman yield for a question before he begins?

Mr. FERRIS. Certainly.

Mr. COOPER of Wisconsin. How does the gentleman's amendment correspond with the suggestion of the President in his letter?

Mr. FERRIS. The amendments are in absolute conformity with the suggestion of the President. He asks us to put the bill in that shape.

Mr. Chairman, on December 24 last the Senate passed the Shields bill, and it came to this body for attention. It was referred to the special Water Power Committee, and a complete substitute was reported by them on June 28, 1918. Every line of the Shields bill was stricken out, and this substitute now before you was reported into this House.

Section 14 of this bill is what is known as the recapture clause. In a word, it lays down the measurement of damages that the Government is to pay in order to recover its property at the end of the license period.

The Committee on Water Power struck out the original section 14 as it came over in the original bill and incorporated in its stead a new provision known as the net-investment recapture plan. It is to that section and to that substitute that I desire to direct your attention.

There are four main, salient, outstanding principles in any water-power bill. There are other minor ones, of course, but the ones that stand out above the rest are these:

First, what shall be the life of the license? Shall it be for a term or shall it be in perpetuity?

We have succeeded in keeping this bill down where it provides for a term and keeps the ultimate ownership in the Federal Government, and that is as it ought to be, a complete victory for the people, and a complete overthrow of the desires of the water-power developers on that proposition.

The second proposition is, Shall the Federal Government give away the water power, deriving nothing in return for it, or shall we charge a reasonable rental or royalty? The people have prevailed in that instance, and we provide for the payment of a royalty, eliminating the maximum royalty, so that the department can secure all that the water power is really worth.

Mr. LITTLE. Will the gentleman yield for a question?

Mr. FERRIS. I can not now. I want to go ahead.

The next proposition that is outstanding more prominent than the rest is, I think, Shall the Federal Government reserve the right to protect, to regulate, and control water power? In that, I believe, the public interest has been served, because the Federal Government has absolute power to regulate and control water power under this bill; so I think we have succeeded fairly well in that regard.

The fourth outstanding provision is the recapture clause, the ability to get it back, to recoup and recover our own property after the license has expired. And let me pause long enough to say that the one thing that determines whether or not it is a license or a grant is our ability to get it back. If we write across the head of the bill that this is a license for a term, but make it impossible to recover it, we have just as effectually granted it away as though we made a grant in absolute fee simple, and it is on that point that I think the Committee on Water Power have signally failed. Now, I will go right at that proposition.

The outstanding, prominent, salient features of a water-power policy are not new in this House. They are old. We have had the subject up here so often that it is scarcely necessary to refer to it. Each time, without a single exception, the public-interest side has prevailed, and the selfishness of the water-power interests has been swept aside.

Let me recall for a moment just what has been done on that proposition.

On August 24, 1914, we passed through the House here the first water-power bill, and it contained a provision to pay the fair value of the property when the license had ended, and no more. And it went further. It provides that the property that is not subject to deterioration, such as land, water rights, rights of way, shall come back to the people at the end of the term at exactly what the water-power people paid for it. There was no serious controversy about that. Amendments were offered, sought to be adopted, and were swept away in defeat, and the House by an almost unanimous vote voted to preserve the correct principle, and they did preserve it. There was no division along this center line of the House. The gentleman from Illinois, Mr. MANN, the gentleman from Wisconsin, Mr. LENROOT, and other prominent Republicans, helped get the bill into proper shape and helped to keep it in proper shape. The gentleman from Illinois, Mr. RAINEY, the gentleman from Illinois, Mr. FOSTER, the gentleman from California, Mr. KENT, the gentleman from Mississippi, Mr. HUMPHREYS all stood square for the public interests, so that 50 years of growth might not be set up against the people and cause them to bear the brunt of it at the end of the term.

That same thing happened January 8, 1916, when another bill passed carrying the same provision. That same thing happened again August 4, 1914, in a bill that came from the Committee on Interstate and Foreign Commerce. They brought in a bill with another principle in it. They came in and advocated it strenuously that there should be no charge for water power. They advocated that water power ought to be granted in perpetuity, and that there was nothing to this license plan. The House will not be troubled very much in recollecting as to what happened to that contention; it was voted down almost unanimously. It was snowed under. It was defeated. The House would not stand for it.

The same thing happened again July 14, 1916, when another bill came down from the Committee on Interstate and Foreign Commerce, and this House again said you shall not write into the law any proposal to give away the water power in perpetuity; you shall not write into the water-power bill a proposal to let it go without a royalty; you shall not write into a water-power bill that it shall go without full Government regulation; you shall not write a water-power bill that does not contain a proper recapture clause so that we can get the water power back again after the license has expired.

Now, let us see what has happened on this occasion. Let us see what this committee is seeking to do. This Committee on Water Power, made up of the remnants of three committees, put this in the bill. It is the condition precedent to a retaking in section 14, and I will not read the entire section, but only the part that is pertinent:

Upon the condition that before taking possession it shall pay the net investment of the licensee in the project or projects taken, plus such reasonable damages, if any, to property of the licensee valuable, serviceable, and dependent as above set forth but not taken as may be caused by the severance therefrom of property taken, and shall assume all contracts entered into by the licensee with the approval of the commission.

Now, gentlemen of the House, that provision and that language in section 14 is brought into the House by the Water Power Committee, and it says this and nothing more: That the Federal Government shall first let these water-power people have the water-power sites, which are natural monopolies, for a term of 50 years, and that as a condition precedent to their taking them back at the end of 50 years they must pay what? They must pay the net investment, which means to pay back every penny the water-power people put into it. All previous provisions that we have heretofore had, and which the House has always agreed to, have been that we would pay back the fair value of the property, which in no instance should exceed the actual cost. This is the correct principle if we are to preserve the public interest. This is what should be done to-day.

Why change? Why pay at the end of 50 years for something that we do not get? Why pay at the end of 50 years to the water-power companies that have made a profit and dividends untold, why pay back to them for antiquated and obsolete machinery what they paid at the start? What appropriation committee would be willing to do any such thing? What State,

what county, what municipality would pay for something that they did not get? It is all wrong. It should not prevail. I only hope I can make it clear.

I undertake to say that this Congress is going very far afield when they make the Federal Government an absolute insurer that the water-power people will get back every cent they invest in any water-power project or any other project. The New York bankers and bond brokers came before us and told us that this was a better bill than the Shields bill. I do not know about that. The Shields bill has nothing in it to make the Federal Government an insurer of every dollar invested in the property. So I suppose from a water-power developer's standpoint it is a better bill and correspondingly a worse one for the public.

I never have heard of such a proposition as this one. Let me follow the practical side of this and see if I can not give the House an example of what they are about to do. Fifty years is a long time to grant a water power, anyway, but we have agreed on that term——

Mr. DOREMUS. Some of us.

Mr. SIMS. Not exceeding 50 years.

Mr. FERRIS. Yes; that is the maximum; and they can make it any number of years less. The present law as it now stands is revocable, a permit law. The Interior Department can revoke and has revoked, the Agricultural Department can revoke and has revoked, without payment, certain water-power franchises that they have heretofore issued.

So we have now what? Nothing but a revocable-permit law. It is now a 1-day-permit law, and by this bill we are changing that from a 1-day law to a 50-year law, if we agree to the 50-year provision, and we have already done so in this bill. And on top of that they want us to agree to buy back the property at the end of the term, not at its fair value, but to pay them back what they paid for it! This bill is a substitute for the Shields bill, and we ought to pass a better bill than the Shields bill, not a worse one. We ought to pass a bill through this House that is even leaning backward as a rigid proposition in order to get a good bill out of conference, and those who have served on conference committees of this House know the necessity for what I say. The investment bankers are anxious to have this put through. One bond broker was invited down here to testify. He insists this is a better bill for the investor or for the developer than the Shields bill, and all the water-power people are busy and anxious to get this bill through. Why? Because it makes the Government an insurer and enables a man without a cent of money of his own to get a franchise from this commission and then can go down to New York and borrow the full amount for the development, because he can point out that section 14 makes the Government an absolute insurer of every cent that is put into the property. If we are going to do this we ought to adopt the plan of the gentleman from Michigan [Mr. DOREMUS], and I would infinitely rather do that, and let the Government absolutely put up the money and develop these natural monopolies itself, although I do not advocate that, because I doubt if we could get the money to build or the power to get it through.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. FERRIS. Yes.

Mr. HASTINGS. Is there any provision in this bill whereby the Government might get any water site back before the end of the license?

Mr. FERRIS. We have forfeiture provisions for breaches of the contract, but otherwise not. The gentleman from Michigan [Mr. DOREMUS] is going to offer an amendment to do that thing. He and the gentleman from Minnesota [Mr. ANDERSON] are both going to advocate the writing into the bill of a provision to let the Government take it over for a term, even though there be no breach.

Mr. GOOD. I did not understand this bill had a provision that required the Government to buy back these properties, but that it only gave the Government permission to buy them back.

Mr. FERRIS. I am very glad the gentleman has asked that. True, that is so, but the other alternative is exactly what the water-power people want—to let the license go on forever. [Applause.] That is the whole trouble here. They want it fixed so we can never get it back.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. FERRIS. Mr. Chairman, will not the gentleman from Tennessee indulge me for a few minutes longer?

Mr. SIMS. How much time does the gentleman want?

Mr. FERRIS. Ten minutes.

Mr. SIMS. I yield the gentleman 10 minutes more.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. FERRIS. Yes.

Mr. LONDON. What is the relation of the emergency water-power bill, which I understand the President has recently recommended, to this bill?

Mr. FERRIS. That will cause me to digress for a word or two, but I shall be glad to do so. The emergency is this: The estimate of the Government engineers in the United States is that we have from 60,000,000 to 200,000,000 potential horsepower of hydroelectric energy, and the Congress has fought and quarreled over provisions and the water-power people have been trying to get more than they were entitled to, as I believe, all these years, to such an extent that we have not developed the water power beyond 6,000,000 of horsepower, and 6,000,000 out of 60,000,000 is a very small percentage to be developed. There ought to be more developed, so that we could save our coal.

Mr. LONDON. So that this legislation will not meet the emergency.

Mr. FERRIS. It will be a great conservator of coal and fuel, for water power, unlike anything else, does not consume anything in the using.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. FERRIS. Yes.

Mr. THOMAS. Does the gentleman not think, to be plain about this matter, that this bill is purely a socialistic bill?

Mr. FERRIS. Mr. Chairman, of course I think this is a good bill.

Mr. THOMAS. But the gentleman does not answer my question. Does he not think that it is a socialistic bill?

Mr. FERRIS. I trust that my friend from Kentucky will not lead me off, as I have only a few minutes. I am not able to pass on what is socialistic and what is not. My own opinion is that this is a great constructive measure, and if we do not write a provision into the bill that destroys it we will get good legislation.

Mr. THOMAS. Does the gentleman not think that the best thing to do is to defeat it?

Mr. FERRIS. I do not. I have tried here for years, and I want to try a little longer to help get this bill through. We ought to develop the water power, and it seems to me almost criminal to let fifty or sixty million horsepower hydroelectric energy run idly to the sea, doing no one any good, while we are burning up our coal and fuel. [Applause.] Water power, unlike anything else, uses nothing in the using.

Mr. SMALL. Mr. Chairman, will the gentleman yield?

Mr. FERRIS. I wish the gentleman would not interrupt me now and will permit me to proceed.

Mr. SMALL. Before the gentleman concludes may I ask him a brief question?

Mr. FERRIS. Yes, indeed. Four times the House has passed upon this, with the correct principle each time. If there ever was a case of res adjudicata, this is one of them. Let me read what the different people have said upon the subject. Secretary Lane said, in answer to a question by Mr. Cantor, of New York:

> The 50-year period and the fact that we must have the right of way and other realty that is bought by the projectors themselves at the price that was paid for it, at its cost to them—those seemed to me to be the two fundamental elements of the measure. And the latter proposition I have taken as an offset to the first proposition which I had in mind, namely, that the dam itself should come to the Government. We set that aside and accept in lieu thereof the proposition that we shall pay these people the cost to them of the property that they are compelled to buy.

Let me read what Mr. Walter L. Fisher, ex-Secretary of the Interior, said in response to a question upon the recapture clause. He says:

> You have taken care of that matter if you provide for the payment on appraisal of the property or payment of a fair value if the lease is not renewed.

Here is what Mr. Pinchot says. There are many people who dislike Mr. Pinchot, who say that he tips over backward on the proposition. Perhaps he does, and perhaps he does not. To my own mind he does not. He is speaking of section 5 of the recapture clause:

> There is a provision in section 5 which, it seems to me, is of the utmost value and importance, and that is that which requires the taking over of the property at actual cost of rights of way, water rights, lands and interests. That is, it prevents the company from charging unearned increment in property of that sort against the public.

Nothing in that that says the Government must pay back every cent they put in. On the contrary, this says he believes that we ought to save something for the consumer. Who uses this water power? Men, women, and children. What for? To light their homes, their streets; to run their automobiles; to run their tractors, their fans; and to cook by. The water-

power people want too much when they want to jump from a 1-day license to a 50-year license and, on top of that, ask the Federal Government to become the insurer that will pay back every cent they put in. Let me give the House an example, if I may. Suppose the water-power people get a license, and they will, for 50 years. Suppose they use it for 50 years, as they will. Suppose they make enormous profits out of it, as many of them will. Suppose at the expiration of the 50-year period it would only cost one-half of the original cost to build a new plant—at the end of the term. What Congress or what constituency would say it was honest or fair to pay back to them the total amount they paid for it 50 years previous? The answer would be, the Appropriations Committee would say, "The Congress that wrote into the law any such a provision as that was not absolutely square with their own conscience or with the people who are to use the water power." [Applause.] Let us see again what happened. Suppose the water-power plant has a speculative scheme and never became a going concern at all. Then, in that event, to get rid of it, and get them out of the stream, you would have to pay back every cent of this net investment. To me such a proposal is absolutely preposterous. Let us see who appeared for this. We had some hearings up there and I make no castigation of anybody who appeared. I have not the list, but it appears in the hearings. We had 50 or 60 people who appeared, who sat there through the hearing, water-power developers, bond brokers, men who knew exactly what they wanted. Now, I cast no reflection upon them. They had the right to appear there as other citizens; it was perfectly proper, and I am not scolding or complaining about them. What I do say is they knew what they wanted, and in this net-investment plan they got what they wanted. If it can not be shown here to-day, it will be shown and known later—this thing is not square.

Mr. SMALL. Will the gentleman permit a question now?

Mr. FERRIS. I was not quite through with some other statements, if the gentleman will wait a minute or two more. Dr. George Otis Smith, Director of the Geological Survey, who has been director for a good many years—let us have his opinion on this proposition of recapture. He does not think it is necessary to write into the law that the Federal Government should pay back what they paid in. [Applause.]

> I believe with you on the question of whether fair values should be substituted for actual cost; I believe the question comes right down, as the chairman suggested, to whether the stockholders of a power development company who have been running for 50 years shall secure the benefit of that increase in land value, or whether the community at large should secure it.

To my mind I just a little bit prefer the community ought to secure some of the benefits created by 50 years in a nondeteriorating property; that the property should be paid for at what it is worth and no more. [Applause.] There can not be anything unfair about that. He goes on to say:

> I believe that the tendency, the tendency of public opinion at the present time, is toward the latter, to let the community reap the benefits in that in the creation of which they have been so large a factor. I think in any legislation at this time we should face forward and not backward.

Why, we used to give water-power sites away at $1.25 an acre. The water-power interests got hold of them and practiced extortion on the people. The gentleman from Mississippi and the gentleman from Illinois were watchdogs who sat around here; with the gentleman from Wisconsin [Mr. COOPER], they used to sit around here and object to these bills before any of the rest of us knew what was going on. Now that we know it, shall we write into the law something that will absolutely, under the guise of fairness, give away that which we can never get back, the water power of this country? He further states:

> So that it means simply that we will give an opportunity for the citizens of 50 years hence to decide whether they will take over the plant at what I believe will be a fair value if they pay simply the actual cost on the lands; and it will not be only equitable, but it will not be prohibitive, as I suggested a while ago; it might be if it were put on the basis of what its fair value was at that particular time.

But we do not do that. Now, I have here also the report of the Agricultural Department of what they thought on the proposition two or three years ago, and this is what they say. Mr. Merrill appeared for the Agricultural Department. Now, he has appeared later, and those gentlemen who will present his views, and they will be out of accord with this, but I present his views when this proposition was up a couple of years ago:

> My remedy for that situation is exactly the remedy proposed here in the bill, that they shall be forbidden, as far as any public land is concerned, to capitalize its value for rate making, or for any other purposes; that the time of the recapture, when it comes at the termination of the lease or under other conditions and earlier, that such property shall go in at its actual cost and not at its inflated valuation.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SMALL. Will the gentleman yield now for a question?

Mr. FERRIS. I have not the time. If I had——

Mr. SMALL. Will not the gentleman ask for a minute or a half a minute?

Mr. FERRIS. I ask for a half a minute to answer, if I can, the gentleman.

Mr. SIMS. I yield the gentleman one minute.

Mr. FERRIS. Mr. Chairman, may I ask unanimous consent to extend my remarks?

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma? [After a pause.] The Chair hears none.

Mr. SMALL. The gentleman has spoken with pride about two bills known as the Ferris water-power bills, one of which passed in 1914 and the other passed the House on January 8, 1916; both were reported from the committee of which the gentleman was chairman.

Mr. FERRIS. That is correct.

Mr. SMALL. I wish to ask the gentleman if he approves the recapture clause in the 1916 bill?

Mr. FERRIS. I do. I approve of both of them. I approve of the recapture clause. Although they are different in verbiage, in actuality they are not different. They both passed without a roll call. Everybody was for them. There was no controversy about them. There are many other things I would like to present, but I have spoken before on the subject. My views are well known. I have no interest only to do the right thing.

Mr. MCARTHUR. Will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MCARTHUR. I ask unanimous consent for one minute.

Mr. FERRIS. The time is fixed.

The CHAIRMAN. The gentleman from Wisconsin [Mr. ESCH] is recognized for 15 minutes.

Mr. ESCH. Mr. Chairman, I would like to proceed uninterrupted by interrogatories, in the first part, at least.

The whole controversy here arises because of the change of basis of recapture from the basis that has been used heretofore in various bills reported to the House. In this bill the committee has recommended net investment as against fair value, not to exceed actual cost. I want to use a few minutes to show the parentage of this new basis of recapture.

There was created in the Departments of Agriculture, War, and Interior an interdepartmental committee, consisting of Mr. Merrill, of the Treasury Department; Mr. Finney and Mr. Brown, of the Interior Department; and Gen. Black, Chief Engineer of the Army. Those officials were asked to make a draft of a water-power bill along lines suggested by the Secretaries of War, Interior, and Agriculture. They made such draft. It was submitted to the three Secretaries just before the holiday recess, and by them it was submitted to the President. They adopted the draft of the interdepartmental committee, but the interdepartmental committee realized that it had not fully completed certain phases of the bill, and so even after the draft was sent to the President this committee continued its studies, and submitted amendments to the three Secretaries, who indorsed them, and on the 27th day of February sent to Chairman SIMS a letter asking consideration for these amendments. Among these was the amendment as to the net investment. That amendment if adopted necessitated other modifications in sections 14 and 15 of the bill. The fact is that the net investment definition did not originate with Mr. Merrill. It originated with the Interdepartmental Committee and after conference with the three Secretaries. It was taken up by Secretary Lane. He suggested to the Interdepartmental Committee that they confer with Mr. Aitchison, of the Interstate Commission, he being an expert on valuation matters. This they did, and it was Commissioner Aitchison, of the Interstate Commerce Commission, who suggested that for purposes of defining "cost" they make reference to the classification for investment in road and equipment as used by the Interstate Commerce Commission in its valuation work. This was done. It received the approval of the three Secretaries, and I wish to say that those three Secretaries did not grant their approval without due consideration. Mr. Merrill conferred with Mr. Houston in every phase and feature of these amendments, including net investment.

Messrs. Merrill, Finney, and Brown, of the Department of the Interior, conferred with Secretary Lane, and Gen. Black conferred with the War Department. This proposed amendment was one whole week in the Department of War before it received the signature of the Secretary of War. It had repeated

consideration on the part of the three Secretaries, and they finally recommended it to this committee and we adopted it.

The gentleman from Oklahoma [Mr. FERRIS] in his speech the other day said that the water-power people, the syndicates, the bond brokers, have been repeatedly asking Congress certain things. They were defeated as to the length of tenure, they were defeated as to the imposition of a charge or royalty, but, he said, when it came to the recapture clause these people got what they wanted. If they got what they wanted then he accuses such men as Secretary Houston, Secretary Lane, and the Secretary of War of giving to these water-power syndicates what they wanted. I have such high regard for these three Secretaries and such respect for their intelligence and knowledge of the subject matter that I take their word and I accept their recommendations. Will any man here impugn the honesty and the courage and the wisdom of Secretary Lane when it comes to a proposition of net investment or valuation? Why, Secretary Lane was for years chairman of the Interstate Commerce Commission. It was Secretary Lane who wrote that famous decision in the intermountain cases. It was Secretary Lane who said to the Burlington road, "You shall not have your valuation for rate making except it be reduced by $150,000,000 below the amount you claim." Lane is the man that supports this proposition. [Applause.] I am tired of these imputations made by gentlemen on this floor against these capable and efficient officers of the Government and members of the President's Cabinet. And Aitchison, who suggested this proposition of net investment, who is he? He is one of the best experts in the United States on the question of valuation. He made his reputation before President Wilson appointed him on the Interstate Commerce Commission. He was the one that suggested this proposition of using the classification of investment in road and equipment to define and determine original cost.

Have you read Secretary Houston's testimony of the hearings? If you have, you can not help but see that he had a full, comprehensive grasp of the subject of valuation and the subject of net investment. In his testimony he says that net investment as a basis for recapture is the best yet devised in any measure that has been presented to Congress. [Applause.] I put up the deliberate judgment of these three Secretaries and Mr. Aitchison, all men who are expert in the matter of valuation, against some of the arguments that have been presented on the floor of this House. Gentlemen, these men would not be guilty of putting a joker in a bill, for they have their reputations to maintain. And some of this newspaper propaganda that has been sent around during the last week is not anything else than an imputation on the honesty and integrity and wisdom of these Cabinet officers.

And now comes the President, who sends a letter to us and says we should accept the principle of recapture that has four times met the ratification of the House. The President no doubt had only an ex parte hearing on the proposition. He is too busy a man to have studied the complicated question of net investment. He heard only one side, and we know the gentlemen who sought to present their viewpoints to the President. I do not question the President's attitude. He has the right to assume the position he has taken. But this bill, gentlemen, is not a war measure. It is a measure of peace. I concede to the President all his prestige and power as Commander in Chief when it comes to a question of war, but this is one not of war but of peace. And I trust there is sufficient individuality left in the membership of this House so that it can discern the merits of a proposition when fairly and fully presented.

What does this net investment do? What does it mean? In the first place, in order to determine what we mean by "the actual, original, legitimate cost," we refer to the classification of investment for road and equipment adopted by the Interstate Commerce Commission in 1914. Now, we have a basis. We have something that is already in force, something that is already being applied in the valuation of our railroads at this very day. Did you see the decision of the Interstate Commerce Commission the other day in the Texas Midland case? That decision discussed various phases of valuation based upon the classification we have made a part of this bill.

Now, if we have got the classification, if we have got the unit of measurement as already fixed by law, as already administered by the Interstate Commerce Commission, the greatest body of valuation experts we have, why can we not apply that same definition in the matter of valuation of water powers for recapture purposes? [Applause.] And we do that. We say:

"Net investment" in a project means the actual legitimate original cost thereof as defined and interpreted in the "Classification of investment in road and equipment of steam roads," issue of 1914, Interstate Commerce Commission.

Notice how carefully we have used the words "the actual legitimate original cost." No cost is allowed here for joy rides or for expenses of getting out prospectuses and things of that kind. It is the actual legitimate original cost that binds this commission in determining the value at recapture. And then we say that it shall be according to this classification. Have you read that classification? If you have not, permit me to say that it carefully defines the elements of cost that shall be considered; the charges or deductions that shall be made. It gives the accounts for investment in the minutest detail. If I had time I would be glad to go over them. It even covers the matter of water powers, because water powers are now being developed in connection with transportation by rail. It shows how the cost can be allocated to the various parts of the water-power project, as to dams, as to power houses, as to generators, as to transmission lines, as to turbines, as to all the elements that we have to deal with in this bill. They are all covered in the minutest detail under this classification of "net investment," and we import that into this bill because it is already the law.

Mr. FERRIS. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I regret I can not; I have not the time. Net investment, moreover, embraces the original cost for the additions and betterments, the idea being that any honest additions and betterments should be charged to the capital account. But when all this is done we must make certain deductions or subtractions from the net investment when it comes to recapture.

What are they? We must deduct any "unappropriated surplus" that you may have in your treasury at the time of recapture.

I admit that there may be not much of such funds in the treasury of a water-power company at the end of 50 years, but whatever there is must be deducted from the "net investment," and by so much lessen the amount the Government would have to pay on recapture.

We deduct what else? We deduct the "aggregate credit balance of current depreciation accounts." In any well-regulated plant there are depreciation reserves held for all the various units of the plant that wear out. The experts know the life of the different units. They know the life of a turbine wheel. They know the life of a generator, the life of a transformer, the life of a transmission line. They say, "You must allow such a percentage of the cost price for depreciation purposes so that the given unit may be replaced when its useful life has ended." But sometimes these units may far outlive their ordinary life or period of usefulness. Those credit balances, therefore, to the credit of those particular depreciation accounts shall be deducted from the net investment upon recapture.

But that is not all of the deductions we make. We say, further, that "aggregate appropriations of surplus of income held in amortization, sinking fund, or similar reserves, or expended for additions or betterments" shall be deducted from net investment. As business is now conducted amortization, sinking fund, or similar reserves are now created out of surplus or income. Such funds are created as a matter of safety and good business. If there is any money in these funds or reserves at the date of recapture, it, too, must be deducted from the "net investment," thereby lessening the amount that the Government is to pay on recapture.

We do not even allow the investor, the lessee, to add the cost of additions and betterments that have been paid for out of the excess surplus. Even that is deducted. But that is not all. We say to the licensee, "You shall not add to your net investment anything that comes to you in the way of gifts or donations from individuals, a corporation, municipality, or State." All that is deducted. When all these things are deducted, the balance will represent the "net investment" which is payable on recapture.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. HAMILTON of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to continue—how long?

Mr. ESCH. I have promised time to other Members, and I shall not take their time.

Mr. PARKER of New Jersey. Take my time. Go ahead. Take it out of my time.

Mr. ESCH. I will take five minutes.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes more.

Mr. ESCH. I wish to say further, Mr. Chairman, that under the "fair-value" plan will anyone tell me what is meant by "fair value"? Does anyone know? Nobody knows what "fair value" means. The courts for 40 years have been trying to define what you mean by "fair value." And they use different terms—"fair value," "reasonable value," "market value,"

and the gentleman from Oklahoma [Mr. FERRIS] uses two or three different terms in the bill that he has fathered in previous Congresses. The Supreme Court tried to define it in the famous case of Smythe against Ames, decided by Justice Harlan 20 years ago, known as the Nebraska case, where the question came up as to what was the proper basis of valuation for fixing railroad rates, and the justice held that eight or nine different elements of valuation must be taken into consideration to determine the fair return on the fair value of the property, and the Supreme Court has repeatedly sought to define it ever since. It tried to do it in the San Diego water-power cases. It tried to do it in the famous Wilcox against the Consolidated Gas Co. case, and in the Minnesota rate cases. It has not been defined yet. We want to substitute for it "net investment," as determined by the rules of the Interstate Commerce Commission. Determine it according to the elements of cost therein described.

Ah, that brings definiteness, gentlemen; and definiteness is one of the inducements to investment. If you have uncertainty or doubt as to your terms of recapture because of an indefinite basis or standard, there will be difficulty and trouble encountered in raising the money; and if you have trouble in raising the money you will have to pay a higher rate of interest. We put in "net investment" because it is definite, certain, and known, and we are already acting upon it and using it under existing law. So, then, by using "net investment" these licensees can borrow their money at cheaper rates than they could under this vague standard of "fair value." Do you know that 1 per cent difference in the rate of interest on the bonds of any of these water-power plants would in the course of 50 years pay over half of the plant's cost? And if it were amortized for 50 years, with interest compounded, it would practically pay the net investment?

If we can give a definition here so certain that capital will know its terms we will get the money at a lower rate of interest, otherwise the extra charge for interest must be borne by the consumer. For, do not forget, the consumer has got some interest in this proposition. The gentleman from Oklahoma [Mr. FERRIS] said, "This bill is a guaranty to the investor that he will get back every cent he put into it." I deny it. All the replacements and renewals put into the plant are not to be paid back to the investor. We create depreciation reserves in this bill, and the money paid out of those reserves and put into the plant is not added to net investment, and therefore no part of it comes back to the investor.

Gentlemen, a main reason why I favor this net-investment plan is because of the certainty and the definiteness of it. We will have at any time a standard for the adjustment and fixing of rates which such licensee shall charge. We have not yet a standard of measurement for the fixing of the railroad rates of the United States. It was because of that reason that in 1913 we passed the physical valuation act. When that physical valuation is completed the commission will have a standard upon which it can fix the railroad rates of the country. By the net-investment principle here we, following the example of the Interstate Commerce Commission, will have a basis for rate making, so that at any time, any day or month or year, the books of the company will show the actual net investment and also the basis upon which the rates can be made. That is one of the greatest advantages in favor of the net-investment plan, and that alone would justify its adoption in this bill, because of the certainty of our standard. So for these reasons, gentlemen, because this amendment comes to you in an honorable way, comes with the prestige of such great men as Secretary Lane, Secretary Houston, the Secretary of War, and Commissioner Aitchison, of the Interstate Commerce Commission, I urge you to adopt it. [Applause.]

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. SISSON having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed, with amendments, the following concurrent resolution:

House concurrent resolution 51.

Resolved by the House of Representatives (the Senate concurring), That there be printed 25,000 copies of H. R. 12863, entitled "A bill to provide revenue, and for other purposes," together with the report No. 767 upon the same, as a House document, 2,000 copies to go to the document room of the House of Representatives, 21,750 copies to the folding room of the House of Representatives, and 1,250 copies to the Committee on Ways and Means, and that there be printed 10,000 as a Senate document for the use of the Senate.

in which the concurrence of the House of Representatives was requested.

THE WATER-POWER BILL.

The committee resumed its session.

Mr. SIMS. I yield 15 minutes to the gentleman from Michigan [Mr. DOREMUS].

Mr. DOREMUS. Mr. Chairman, if the amendment which I have offered should be approved, the Government would reserve the right to take back these properties at any time during the license period upon giving two years' notice to the licensee and paying the owners of the property their net investment.

I consider the character of the license to be granted under this bill of far greater importance than the rule for ascertaining the recapture price. If the Government can not retake the property until the end of 50 years, the purchase price should be the fair value at the time of recapture, not exceeding cost. If, however, the Government reserves the right to retake the property at any time, the net investment of the licensee should be the rule, in my judgment, for ascertaining the price. As between a 50-year irrevocable permit, with fair value of the property as the purchase price at the end of the license period and a grant which reserves the right of recapture at any time by paying the net investment of the licensee, the latter plan best protects the public interest and adequately safeguards the investors in the project.

While this bill provides for a license not exceeding a period of 50 years to water-power companies, it is intended by those who framed it and anticipated by those who will avail themselves of its provisions that the license will be issued for a full term of 50 years. It does not provide for competition among bidders for a license and an award to the one who offers to take the license for the lowest term of years, and the testimony before the committee indicates that 50 years is the term agreed upon by those who to a large extent are sponsors for the proposed legislation.

Under the recapture clause the Government is privileged to purchase the property of the water-power company at the end of the license period by paying the net investment in the plant. This is the first time net investment has been introduced into any water-power bill. Those that have previously passed the House have provided for a 50-year license, and the extraordinary length of the term has been urged on the ground that without it capital would not be invested in water-power projects, with the hazards and uncertainties incident to the business. These previous bills, however, have provided that in the event of recapture the Government would pay the fair value of the property at the time of taking, not exceeding cost.

The reasons heretofore urged for an irrevocable 50-year grant disappeared with the introduction of the net-investment plan for reimbursement in the event of recapture by the Government. Bondholders and stockholders may freely invest in these enterprises with full assurance that if the Government exercises its recapture option before the license expires the money they have put into the business will be repaid to them. It will be conceded that the net-investment recapture price is much more attractive to investors than a recapture price based upon the fair value of the property taken. Fair value is problematical, depending upon a multitude of circumstances and conditions at the time of recapture. Net investment is certain and easily computed at any time. Fair value may or may not bear a reasonable relation to the money invested, but net investment, as defined in this bill, represents the money that has been put into the enterprise, less accumulations from earnings above a fair return.

As between an irrevocable 50-year grant, with fair value of the property as the recapture price, and a revocable 50-year grant with a guaranty of the net investment if the grant should be revoked, the latter plan would best protect the public interest and make the law sufficiently attractive to the investor to assure the much needed development of our water power.

I introduce this amendment because I am opposed to an irrevocable 50-year grant. Whether the people wish to have the water power of the country developed and operated by the Federal Government or by the States I do not know, but I am quite certain that their right to have it done should not be cut off by an irrevocable half-century lease to private corporations. This bill is not a square deal to those who will come after us. If it should be enacted into law it would be an act of injustice that future generations may not easily condone. Much as I desire to develop our water power, I am unwilling that the freedom of action of those who are to come after us shall be contracted away in the manner proposed by this bill.

The water-power promoters want 50 years because it would be more valuable to them than a shorter term. If they could get 100 years, they would take it for the same reason, or better still, from their viewpoint, they would prefer a grant in perpetuity. But you and I are not here to carry out the wishes of the water-power companies or their promoters; we are here to

serve the public interest, and we can do that best by providing for the development of our water power and, at the same time, leave the control of this great potentiality in the hands of the Government.

To grant these promoters an irrevocable 50-year license when our wasting water power can be developed without it is a legislative crime against the public of the first magnitude.

If my amendment is adopted the investment will be protected if the Government exercises its right of purchase. The public will buy the bonds of the water-power company, knowing that the word of the Government is good. Stockholders would have their investment returned to them.

The only safe thing to do is to put these companies on their good behavior, and take their license away from them if they fail in their obligations to the public.

We are told that regulation by State public-service commissions will protect the public from oppression and insure adequate service. Who among us, in the light of experience, is prepared to take regulation to his bosom and give it a 50-year vote of confidence?

We are enjoying the benefits of regulation in the Nation's Capital to-day. We have a street railway service that is unfit for the transportation of hogs and cattle. What is regulation doing for us?

Our experience with public-service corporations should warn us against giving them the right for 50 years to furnish power for our shops and light for our homes. Under this bill there will be no escape until the contract expires, and 50 years harks back almost to the Civil War.

If there is any water-power project that can not be developed within 50 years, the promoters had better leave it alone; it is too big a job for them to undertake.

No plea of urgency should persuade us to perpetrate a wrong against those who are not here to speak for themselves.

It has been our experience that public-service corporations, when clothed with long-term franchises, subordinate the public welfare to the interest of their stockholders. Using that experience as a lamp to guide us now, let us safeguard the public interest while we have the opportunity. Fifty years is a long time in which to extricate ourselves from the difficulties in which this legislation may involve us.

An irrevocable 50-year grant by the Federal Government would be an intolerable limitation upon the rights of the States. It would destroy their freedom of action should they become dissatisfied with the results of regulation and desire to change their policy. What champion of regulation is willing to predict for it a safe and successful journey until 1968?

If regulation failed to secure for consumers of light and power adequate service at a reasonable price, they would undoubtedly appeal to the State or Federal Government for relief, but these agencies would be powerless. If they desired to adopt a policy similar to that in force in the Province of Ontario, their hands would be tied by the irrevocable contracts contemplated by this bill. In this connection it might be interesting to note the success of Government ownership and operation of this utility in Ontario.

In 1900 the city of Toronto, with a population of 500,000, applied to the Legislature of Ontario for authority to generate power. The application was refused and a lease granted to a private company. Two years later the municipalities, boards of trade, and industrial associations met in convention and appointed a committee to confer with the Government with a view to securing authority that would enable municipalities to develop, distribute, and transmit electricity for light and power. Out of this movement grew the present law in the Province of Ontario, creating the hydroelectric commission, which is now operating 12 systems, furnishing electricity to 225 municipalitites in Canada.

Before a municipality can enter into a contract with the hydroelectric commission the question must first be submitted to a vote of the people. In every municipality in which the question has been submitted it has carried by overwhelming majorities ranging as large as 10 to 1.

The commission has invested $53,000,000 in transmission, distributing, and generating systems, and the municipalities $17,000,000. They are now distributing 310,000 horsepower, and in 1921 will have an available distribution of 750,000 horsepower and an investment of over $100,000,000. The commission is now developing two immense power plants—one at Niagara Falls and the other at Nipigon, on Lake Superior. The system is popular, and Sir Adam Beck, chairman of the commission, testified before our committee that the commission had difficulty in keeping pace with the applications of municipalities.

The rates to consumers, which are regulated by the commission, are sufficient to pay all operating costs, fixed charges, and depreciation, and amortize the debt in 30 years. A word now as to practical results to the consumers.

The average price of power to the 225 municipalities in Canada is $18 per horsepower, and the commission has made reductions annually. Sir Adam Beck testified that they were obliged to make reductions because the excess surplus earnings of the municipalities were such that if they had continued the rates originally established, based on one-half the cost the people were paying for power before the hydroelectric commission came into the field, the surplus would have been so large as to wipe out the whole debt of the municipality in 10 or 15 years.

The average domestic and commercial rate in the 225 municipalities is 2½ cents per kilowatt hour. Take the case of Toronto. When the commission began to deliver power to Toronto in 1912 it charged $18.50 per horsepower. They reduced the rate to $15 in 1913 and to $14.50 in 1916. When the hydroelectric commission entered the field, the domestic rate charged by the private company was 8 cents per kilowatt hour. That was for hydraulic, not steam, power. Last year the domestic rate was 2¾ cents per kilowatt hour. Before the government entered the field the commercial rate was 12 cents per kilowatt hour, plus 25 cents per month for meter rental. Last year the commercial rate for light averaged 2 cents per kilowatt hour.

In the city of Hamilton the commercial rate under private ownership was 8 cents per kilowatt hour. Last year the hydro rates averaged less than 1½ cents for the same service. In Kitchener, a city of 15,000 inhabitants, the average rate per kilowatt hour is 3½ cents. In the city of Galt the rate paid to a private company was 11 cents per kilowatt hour, water and steam combined. To-day the average rate is 2$\frac{5}{16}$ cents per kilowatt hour.

And these rates will retire the debt of these municipalities in 30 years.

Thirty or forty years ago legislative bodies in every large city in the United States were freely giving away valuable franchise rights to promoters of all public utilities, but legislators of to-day ought to realize that those conditions have passed away and that a new era has dawned. The constitutions of many States now prevent the granting of franchises on any terms unless the grant is approved by a vote of the people, and in elections already held the people have seldom ratified the grant.

Do the men who boldly advocate giving away the great water-power resources of this country to private corporations for 50 years realize what is going on around them? Do they realize that millions of people in America are now bearing the scars of many battles to loose the shackles with which private control of our public utilities has weighted them down, and that this bill in its present form is merely a challenge to fresh encounters?

Water-power promoters will pass away and be forgotten. The record we make here will live on as long as water flows. [Applause.]

Mr. ESCH. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. PARKER].

Mr. PARKER of New Jersey. Mr. Chairman, as I have yielded a part of my time to the gentleman from Wisconsin [Mr. ESCH], who opened so well, I had rather not be interrupted.

Mr. Chairman, this House can be proud of the work done in this bill. It proposes to put those who take and manage the great water powers of this country under the strictest regulation and control, adopting plans already approved in the management of railroads by the Interstate Commerce Commission.

No Congress could ever afford in managing great affairs to get rid of the teachings of experience that we have in the working of that commission. We are dealing with many of the same subjects. We shall have to give the public the use of the water as we now give them transportation. The rates will have to be regulated, as in railroads, by the State, or by the United States in case of interstate rates. The foundation of all this will be first in the license and second in the system of accounts.

It is surprising that anyone should wish to get rid of the system of accounts which are called net investment. These accounts are governed in railroads by regulations printed in the volumes I hold in my hand. Here is an index of the whole. The rules as to investment is shown in this pamphlet, from which an extract is made in the hearings, but it refers also to these other volumes as to operating revenues, operating expenses of the railroad, classification of income, profit and loss, and the general balance of the accounts. Another gives rules as to who shall be regarded as employees and what sums can be fairly allowed, in what direction for employees. All these matters, which are of vital importance, are all connected together. Those accounts, if we are to regulate rates and see that business is fairly conducted, must be at hand and made up from year to year. Without them nothing can be done in the

way of securing continual good management, not to speak of recapture. Recaptures are at the end of 50 years. Meanwhile the way these companies are to run depends on how they keep their accounts, subject to the approval of this commission composed of three Secretaries, and the work done by the commission in going over the accounts and in fixing the rates and seeing how the companies do their business. Yet it is proposed here by the first amendment to throw away that whole system of accounts by striking out the provisions for ascertaining the net investment. It is proposed by a second amendment to get rid of the very valuable provision in the license that surplus earnings over a fair return and over what is needed for amortization or paying off the capital account may, under the terms of the license, be apportioned between the men who run the property for profit and in reduction of rates for the benefit of the public.

It is thus proposed at the end of 50 years to leave the courts, in the adjustment of what shall be paid to the men who have been running that business, to a mere guess. Let us expand that thought for a moment. Give a licensee a water power and let him go ahead in his own way. It will be to his advantage to call everything investment, because when he puts money in a renewal, perhaps a dam that has broken out, he puts in a new dam and will be tempted to charge the cost of both dams to capital account and thereby increase the apparent income to distribute to the stockholders in the way of profits. He enlarges his profits and enlarges his investment account at the same time, so that it will look as though those profits were only fair; and at the end of the time he will say, "I have invested so many hundred millions of dollars, if you please, and have paid such a large rate of dividends that I am entitled to pay for the fair value of my property upon that basis." That could easily be done. The system of net investment will act differently. It says, if the licensee put in a betterment, that the cost of the old thing that was taken out at present prices, if it were new, shall be deducted from the cost of what is put in its place. It says if the value of the property is running down from year to year that the licensee must keep a depreciation account. It says that items of expenditure which are intended for maintenance shall be charged to current expenses and not to investment of capital. It therefore states truly in those accounts, so that he that runs may read, exactly what has been expended for capital accounts and what has been expended for income accounts, and the real net balance, so that there will be a real foundation to ascertain actual cost even if the provision be substituted that is offered and desired by way of amendment for section 14, that on recapture there shall be paid only the fair value, not to exceed the actual cost. These accounts will tell what the actual, real, legitimate cost was, yet it is proposed to strike it out. It is unheard of that the provision for accounts shall be struck out.

It is objected that the licensee will hold for 50 years. Why not? If the licensee behave propertly, why should it not hold? Is a man to go in and build up a business and be told that at any time on two years' notice and without cause his business shall be brought to an end? If he is serving the public and giving them good rates, must he be treated so? That is the proposition made by the gentleman from Michigan [Mr. DOREMUS]. That is not the proposition made by this bill, but it is not true, as suggested by the gentleman from Michigan [Mr. DOREMUS], that the bill provides no way of ending that term, because by section 26 in case of violation of the terms of the license or of the regulations of the commission the United States can at any time bring suit in equity for the revocation of that license or for the enforcement of its terms for fair rates and fair service to the public. The only difference is that instead of giving to any administration the power of its own will to revoke the charter of the licensee who is doing a public work exactly as the charter of the United States bank was once revoked—and we have had to get back a very large United States bank at this time in spite of that precedent—instead of giving that right to the particular party that is in, this right is given to the courts upon the representation of the commission to decide what shall be done with that license. Nothing could be fairer than this proposition contained in this bill. It is possible that even the wisest men may not always invest with actual skill, but if they do it in good faith the legitimate cost of what they do ought to be returned to them. If they have made mistakes in the valuation, there is power enough to find that out in the yearly valuations.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. PARKER of New Jersey. The scheme of this bill in the end will do right by the public and by the licensee who is carrying on this enterprise. [Applause.]

Mr. SIMS. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Chairman and gentlemen of the committee, the main thing before the committee is the question between the definition in section 10 and what follows it in section 14 of "net investment," and that which is in the original bill of the "fair value not exceeding the original cost." I am surprised at the gentlemen who have spoken in regard to the question of "net investment," in that it is a definite point at which you can fix the amount of money to be repaid to the licensee upon the recapture of the property. If there is anything unsound in the whole bill, it is that question of "net investment," as attempted to be defined in the bill.

I want, particularly, to call the attention of the committee again to the classification of the investment in the equipment of steam railroads prepared by the Interstate Commerce Commission in accordance with section 20 of the act to regulate commerce, issue of 1914. It commences on page 15 and runs to page 29. It is the kind and character of items in the running of a railroad that should be charged upon the book accounts and nothing more. Nine-tenths of those items never would relate to the hydroelectric investment. Just look over what it is—bridges, trestles, tunnels, subways, gradings, rails, ties, and other track material, ballast, track laying, crossing and signs, snow and sand fences, and snow sheds. That is what this is, and it simply states what they shall put in their books, nothing more and nothing less—the most indefinite thing that has ever been attempted to be presented to the Congress, and the secretary of the commission wrote me not over three days ago that they have had to change this specification even to get the proper book value for railroads.

Now, for the purpose of getting some results out of this classification, Congress has appropriated in the neighborhood of—listen—I want to call this particularly to the attention of the committee—Congress has appropriated $16,300,000 for the purpose of getting the physical valuation of the railroads, and they are not completed yet, and here you have got your book account in reference to the net investment, and you are going to insert it in this bill when the Government itself is trying to get the physical value of these railroads, and up to date has expended the enormous sum of $16,300,000 and not one step has been made so far as the Government is concerned as to fixing the rates and fares——

Mr. SINNOTT. Will not the gentleman yield?

Mr. RAKER. I can not now; I beg the gentleman's pardon.

Mr. SINNOTT. That was under the law of 1913.

Mr. RAKER. I can not yield; I want to proceed a little further on this question. When we recapture this property by fixing the fair value, not exceeding cost, a party will get what he is entitled to and what ought to be his. As was stated by the gentleman from Oklahoma [Mr. FERRIS], Mr. Merrill, who came before the committee and presented this matter, was of the opinion, and you will find it on page 78 of the hearings—he wants to get back 100 per cent of all the money that the man has invested in the original enterprise, including actual depreciation for the physical structure. If what he has put in has been a failure, has not been workable, and he puts in another one, and then another at a large expenditure, he simply keeps it in a book account, and at the end of the 50 years we pay him back, either at that time or during the going of the concern, 100 per cent of all he has put in the property, although it may be entirely less valuable than that. Now, referring again to the Secretary of the Interior, I want particularly to call the attention of the committee to what the Secretary says on pages 452 and 453, and in response to a question of the gentleman from Oklahoma the Secretary admits that this question of net investment was not sponsored by him, and that it should be gone into further if it meant what it claimed in this bill. You will find it on those pages. It clearly shows the Secretary wanted time, and he did not stand for that net investment as it comes up in this report. The question of certainty is in the bill by making it the fair value not exceeding the cost of the project. Now, the man will get his actual cost, the amount that he paid for it, but he will not get any more by virtue of enhanced value because of the location of the property and the building up of the concern by the expenditure of other people's money and the donations of the Government. He would not get, as one gentleman suggested here who has just left the floor, the gentleman from New Jersey, a million dollars if the property is worth that much, because he is not entitled to it. If he invested a million dollars, and upon recapture that property is worth a million dollars, he ought to be repaid a million dollars, but if the entire concern is worth $3,000,000, and it has been enhanced by virtue of the unearned increment in the land and water right and the fact that a great community is built around it, he should not be

given that extra $2,000,000 in which he did not invest. That is what the proponents of the net investment want in this bill. It does not say anything, it does not determine anything, it just simply gives that time, without relieving them of the charges that can be entered on a book account, and nothing else and nothing more. Then you have got to have experts galore, and how many millions of dollars you will have to pay no man can tell. This Government has already paid $16,000,000 and more to find out something of what the railroads have done and have not been able as yet to do it. But when you give him fair value for his property at the time you take it over, which shall not exceed the original cost, you are giving him all that to which he is entitled.

Now, I want to call attention to a fact. It may be old and sound unfamiliar to some, but I believe some have forgotten from what has been said on the other side of the House.

> The executive power shall be vested in a President of the United States of America.

That is from section 1, Article II, of the Constitution of the United States. It sounds good to some of you, possibly, from the criticisms and speeches that have been made on the other side in the last three or four days by reason or certain letters that have been compiled and presented here. Article II, section 3, of the Constitution of the United States provides:

> He shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient.

Now, following the imperative mandate of the Constitution, the President of the United States, in his annual message to Congress on December 4, 1917, recommended to the Congress in words as follows:

> It is imperatively necessary that the consideration of the full use of the water power of the country and also the consideration of the systematic and yet economical development of such of the natural resources of the country as are still under the control of the Federal Government should be immediately resumed and affirmatively and constructively dealt with at the earliest possible moment. The pressing need of such legislation is daily becoming more obvious.

Now, when the President called these several committees before him, in response to the message given and presented to Congress under the mandate of the Constitution, he presented to them a tentative bill in response to what he had submitted to the whole Congress, and the Committee on Rules believed that it should be done. The House unanimously appointed a special committee on water power. That committee proceeded to work, and after it had proceeded to work they placed in that bill a provision which the President, whose duty it was to recommend to Congress proper legislation, a provision which he believed under his duty to send a message to Congress, general or special, that the public interests of these great resources yet remaining to the public and had not yet been disposed of, was being placed in the bill in such a way that the Government's hands would be tied; that instead of treating the corporation and individual fairly it compelled the Government to guarantee, upon recapture of this property, what?

The original cost, all upkeep and betterments at full value, whether it was a working concern or not.

The gentleman says we might not take it over. Of course not if it is not a working concern. It ought to be a credit to Members on both sides of the House, and they ought to feel interested in a matter of this kind, when the President, under his constitutional duty to protect the people's property and their interests, sees that legislation is being presented in such a manner that a great property of the country may be forever legislated away, should call their attention to the fact, to the end that they might, in their mad rush to deliver this property to the corporations, pause for a moment and think about it, that in the end proper provisions might be put in here to protect the public and the consumer.

That is the reason the message was sent. It was sent properly and legitimately. And as I view it, under the constitutional provision any President would be derelict in duty, having taken the active part he has in recommending such legislation to Congress, having taken it as his duty to call the different committees together, having presented a bill, agreed upon in a way, or the general provisions of it, and then seeing that bill emasculated to the detriment of the public and seeing this property tied up to such an extent that it never could be recaptured—I say, any man holding a position of that kind would be recreant to his duty and faithless to the trust reposed in him by the people of this country if he sat idly by and permitted that to be done which he knows to be wrong after investigation, and not call their attention to the provisions, as he has done in this instance. And both sides ought to feel proud, the House ought to feel grateful, and I know it will feel grateful before it is through, for the assistance that has been extended to it not only in this piece of legislation, but in all other legislation that has been passed for the last six years in behalf and in the interest of the American people.

Mr. HARDY. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. HARDY. Is the gentleman in favor of the Doremus proposition allowing the taking back at any time on proper notice during the 50 years?

Mr. RAKER. That matter is not before the committee now. I want to stand on this one question. I do not want it to be confused with the Doremus matter. The question is whether or not we are going to adopt a "net-investment" provision, an uncertain, indefinite book proposition, as the gentleman has advocated it, or whether you are going to adopt a suitable one, giving the Government an opportunity to recapture it at fair value not exceeding the cost of the project.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina.

Mr. SMALL. Mr. Chairman, I have before me an inventory of the volume of water-power possibilities in the United States and the percentage of development in various States. There is a maximum potential horsepower of 60,713,200, of which there has only been developed 5,321,699 horsepower, or 8.8 per cent. It is divided by States, and it will be interesting to refer to one or two of them.

In the State of Oregon, for instance, there is 7,505,000 horsepower; in the State of Washington there is 9,990,000 horsepower; in the State of North Carolina there is 1,000,000 potential horsepower; while in the State of Oklahoma there is only 235,500 horsepower, of which only seven-tenths of 1 per cent has been developed. I will ask leave to append this table to my remarks.

The purpose of this bill is to develop this unused water power and dedicate it to the service of the country, and the method by which it is proposed to do so is to induce private capital to enter upon its development. It is not a question under this bill of the United States or the States developing the power, but private capital. What is our duty in this respect? Evidently to frame such legislation as will primarily protect the public and at the same time induce the investment of capital in the development of this energy. If it is impossible to so frame a bill as to accomplish both of these purposes, we ought to have the frankness and the courage to acknowledge it and advocate Government development of hydroelectric energy.

But the committee, and, I take it, the country, feels that it is possible to frame such legislation. We have made abortive attempts to do so in the past. The gentleman from Oklahoma [Mr. FERRIS], the chairman of the Committee on Public Lands, has reported at least two bills, which have passed the House, but did not become laws. We must frame a bill which will accomplish this joint purpose or else its enactment into law will be futile, and this great hydroelectric energy, the development of which is so essential for the progress of the country, will still remain inert.

As best I could, and with what ability I could command, I studied the provision as reported by the majority of the committee, known as the "net-investment" recapture clause. I read much of the evidence in the hearings. I read with particular interest all that was said by the Secretaries of Agriculture, Interior, and War advocating the net-investment plan. I became convinced that for reasons which I shall attempt directly in a brief manner to summarize that it does serve to protect the public and at the same time would in all probability invite investment of private capital.

This bill was reported to the House by the select committee on June 28, 1918, and since the bill was under consideration in the House the chairman of the committee read a letter from the President advocating what is known as the "fair-value" clause, which is set forth in the minority report by Mr. FERRIS, of Oklahoma. Not only as a Democrat, but as a citizen, I can say with entire candor that the President has no more ardent admirer and generally no more devoted follower than myself. But I can not surrender my conscience and my judgment to any man, because when I cease my efforts to be master of myself I lose my self-respect and do not deserve the respect of my fellows, even of the President of the United States. [Applause.]

Fair value? I was surprised to hear the distinguished gentleman from California [Mr. RAKER] say that fair value was certain and definite. I ran through the decisions of the courts which have defined fair value, and while I am not going to attempt to read them all to-day I will give to you one or two

citations. One is from the final court of appeals of Oklahoma, and uses this language:

"Fair valuation," within bankruptcy act, section 1, when applied to real property, is such sum as the property will reasonably sell for to a purchaser desiring to buy, the owner wishing to sell, and when applied to merchandise, implements, and other personal property, such sum that may fairly be realized from the sale in bulk or in parcels in the usual and ordinary way of selling such classes of property for cash in the market, and when applied to notes and accounts is the net sum that may be with reasonable diligence realized from the collection thereof and not the amount as shown by their face, unless their face value is the "fair value." (Plymouth Cordage Co. *v.* Smith, 90 Pac., 418; 18 Okla., 249; 11 Ann. Cas., 445.)

Does that sound certain and definite? I will read you another citation:

The term "fair valuation," as used in bankruptcy act, July 1, 1898, (ch. 541, 30 Stat., 544), means the present market value and the value that the debtor might realize thereon if permitted to continue in business.

Does that apply? Would that be applicable in all fairness in ascertaining the value of the property? That is from the Eighty-fourth Southeastern Reporter, page 895. Here is another:

This suit involved the construction of the words "to pay the fair and equitable value," as used in "An act empowering a city to grant by ordinance the right to erect and operate water works for the use of the city for a period of 20 years, and to renew the grant for another such term, reserving the right to acquire the works (Act Mo., Mar. 24, 1873), provided that at the expiration of the 20 years, if the grant should not be renewed, the city should purchase the works, and, if the price could not be fixed by agreement, pay therefor the 'fair and equitable value.'"

The "fair and equitable value" of the works, to be paid therefor by the city under such act, should not be determined by the capitalization of the earnings—thereby in effect valuing the franchise, which no longer existed—nor should such a value be limited to the cost of the reproduction of the plant, but allowance should be made for additional value created by the fact of connections with and supply of buildings, although the company did not own the connections. (National Waterworks Co. *v.* Kansas City, 62 Fed. Rep., p. 853.)

This last definition of fair value appears to have been adopted in the last edition of Bouvier's Law Dictionary. These decisions which I have read from the courts of the country will show how difficult it is to apply the decisions of the courts in enabling the jury of award to ascertain the fair value of any property. "Fair value" is indefinite. "Fair value" will attract no capital, because the investor knows that his investment is hazardous and that upon the plant being taken over by the Government the amount to be returned to him will be subject to the varying opinions of the judge laying down the law and to the caprices of the jury of award which will be called upon to pass upon the fair value of his property.

By the way, the gentleman from Oklahoma [Mr. FERRIS] says that four times the House has passed bills setting up this criterion. I asked him if he favored the language used in the bill reported by his committee and passed by this House on January 8, 1916, and he said he did. That bill uses the words simply "fair value." It does not use the limiting words, that it "shall not exceed the cost of the property."

Mr. FERRIS. Will the gentleman read it?

Mr. SMALL. Yes; I will leave it for the gentleman to read. He will find it cited in his minority report at the bottom of page 42. It is contained in section 5 of that bill. The gentleman will not arise and state that I am in error. The bill to which I am referring states that the United States shall pay "before taking possession the fair value of such property," and there are no words limiting fair value so that it shall not exceed the cost of the property.

Mr. FERRIS. The gentleman ought to go on and state that the limitation is placed on the growth of all nonappreciable stock.

Mr. SMALL. I can not understand what the gentleman means by the expression of a limitation "on the growth of all nonappreciable stock." I repeat my former statement that the gentleman from Oklahoma [Mr. FERRIS] advocated a water-power bill which passed the House on January 8, 1916, which established simply the "fair value" as the criterion for ascertaining the amount to be repaid for the water-power plant in the event of recapture.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. SMALL. Could the gentleman from Wisconsin yield me five minutes more?

Mr. ESCH. I can yield two.

The CHAIRMAN. The gentleman from North Carolina is recognized for two minutes more.

Mr. SMALL. Mr. Chairman, in that time I can only say that "fair value" as interpreted by the courts may well exceed the actual cost of the property.

Mr. FERRIS. Mr. Chairman, will the gentleman yield?

Mr. SMALL. I will yield to you. I will be more generous than you were to me. If fair value is given, then they ought to give at least the cost of the property. The gentleman knows that the courts have frequently decided that the fair value and just compensation may greatly exceed the original cost of the property. If the House should decide to strike out the "net investment" provision in this bill and insert a provision substituting the "fair value" of the plant or the amount to be repaid, it will not be in the interest of the Government. Yet this is what the gentleman advocated in the bill which passed the House in January, 1916.

Mr. FERRIS. If the gentleman merely wants to preserve that as an accounting provision, why not add to that "not to exceed the cost"? Then he would at the same time preserve the interest of the public.

Mr. SMALL. I ask the gentleman to say whether or not I was right in the statement I made, that in his bill of 1916 it contained "fair value" without limitation? I can not yield further.

Mr. FERRIS. The gentleman has just asked me a question. I want to read the language.

Mr. SMALL. I have not the time to permit you to read it. Gentlemen here can read it for themselves. I have not time in two minutes. I decline to yield.

The CHAIRMAN. The gentleman from North Carolina declines to yield.

Mr. FERRIS. The gentleman is not fair.

Mr. SMALL. Gentlemen can read the minority report and read the language that the gentleman from Oklahoma set up in the minority report of that bill that passed the House in 1916, and then they will be convinced that I am correct.

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. SMALL. Can the gentleman give me one minute more?

Mr. ESCH. Yes.

The CHAIRMAN. The gentleman is recognized for one minute more.

Mr. SMALL. This provision of "net investment," limited as it is, first, by deducting from the actual cost the accumulated surplus; second, depreciation of property during the period of the license; and, third, amortization of reserves, may well, at the end of the 50-year period, not only reduce greatly the amount that the United States is to pay for the property in recapturing it, but it is entirely possible, if it is a profitable venture, that the United States will have nothing whatever to pay in recapturing the property. It is within the power of this commission to fix the amount of the net profits which the investors are to receive. It is within their power to fix the manner of expenditure in the construction of the property and to lay down the method in which depreciation accounts shall be kept, and to say what shall be the accumulation of profits which shall be amortized and shall become amortization reserves; and altogether, it seems to me, in the language of the Secretary of Agriculture, that it abundantly protects the public and will invite investment for the development of hydroelectric energy. [Applause.]

By leave of the House, I append a table containing a statement estimating the potential water horsepower, the quantity developed in horsepower, and the percentage of development in the United States and in the several States:

Water horsepower possibilities of the country and the percentage of development in various States.

Place.	Maximum potential water horsepower.	Water horsepower development.	Per cent of development.
United States	60,713,200	5,321,699	8.8
Maine	916,000	277,589	3.0
New Hampshire Vermont Massachusetts Rhode Island Connecticut	901,000	424,384	47.1
New York	4,242,000	799,530	18.8
Pennsylvania	849,700	168,583	19.9
New Jersey	117,600	9,947	8.5
Maryland	210,500	3,289	1.6
Virginia	976,000	94,229	9.7
West Virginia	892,000	23,787	2.7
North Carolina	1,000,000	99,105	9.1
South Carolina	766,000	227,012	29.6
Georgia	699,900	217,355	31.2
Florida	23,100	7,080	30.4
Alabama	1,070,000	82,466	7.7
Mississippi	71,000		
Tennessee	862,000	97,835	11.3
Kentucky	210,400		
Ohio	201,000	19,948	9.9
Indiana	133,000	8,091	6.1
Illinois	441,000	54,401	12.3
Michigan	332,000	213,111	64.2

Water horsepower possibilities of the country and the percentage of development in various States—Continued.

Place.	Maximum potential water horsepower.	Water horsepower development.	Per cent of development.
Wisconsin	758,000	233,569	30.8
Minnesota	560,000	229,258	40.9
Iowa	433,000	159,431	36.8
Missouri	184,000	20,670	11.3
Arkansas	69,000	2,200	3.2
Texas	625,000	6,777	1.1
Oklahoma	235,500	1,758	.7
Kansas	317,500	11,688	3.7
Nebraska	414,000	10,799	2.6
North Dakota	234,000	80	.....
South Dakota	95,000	13,053	13.7
Montana	4,890,000	202,895	4.1
Delaware	.....	54	.....
Louisiana	.....	100	.....
Wyoming	1,470,000	2,544	.2
Colorado	1,925,000	92,303	4.8
New Mexico	497,000	552	.1
Arizona	1,930,000	33,630	1.7
Utah	1,490,000	96,734	6.5
Idaho	2,910,000	152,360	5.2
Nevada	312,000	13,320	4.3
California	8,865,000	722,125	8.2
Oregon	7,505,000	156,763	2.1
Washington	9,990,000	331,134	3.8

The CHAIRMAN. The time of the gentleman from North Carolina has again expired.

Mr. ESCH. Mr. Chairman, I yield 15 minutes to the gentleman from Oregon [Mr. SINNOTT].

The CHAIRMAN. The gentleman from Oregon is recognized for 15 minutes.

Mr. SINNOTT. Mr. Chairman, in the consideration of this bill a very singular spectacle is presented to the House and country. Early last winter three great committees were disorganized for the purpose of forming a committee to consider water-power legislation. Four months were devoted by that newly formed committee to the legislation, to the consideration of a bill called "the administration bill." This bill was reported to the House on June 28, with certain amendments suggested by the Secretary of the Interior, the Secretary of War, and the Secretary of Agriculture. On August 20, several months after the committee was formed and more than two months after the bill was reported to the House, the general debate was concluded. Two days after the general debate was concluded, and also on August 27, seven days after the conclusion of general debate, the chairman of the committee, the gentleman from Tennessee [Mr. SIMS] received letters, dated August 22 and August 27, from the President of the United States requesting that the bill in its original form be passed.

I can not think, Mr. Chairman, that the President has been fully and wisely advised, for without assigning any reason to this House except an erroneous one, he asks us to abandon the work of the committee and return to the original so-called "administration bill." Now, my time is limited. I can only give you a very brief sketch. The chief point in issue is over the recapture price—whether it should be fair value or net investment—a highly abstruse, technical, and intricate subject, a subject about which the President could not have full information unless he had devoted months to the matter; and I doubt if the President, with his many cares and burdens, has had time to look carefully into this matter.

We have those letters from the President. Mr. Chairman, this is not war legislation. In all war legislation I have followed and voted for the President's requests. In other matters I give careful and respectful consideration to whatever he has to say to the House. When those utterances bear evidence of his mature and thoughtful consideration, they are persuasive and should not be disregarded except for the most cogent reasons. But when those utterances bear upon their face positive evidence that they are not the result of mature and deliberate consideration, but that they spring from misinformation, from ill advice, or from any other cause that may disconcert or disturb his mind, they should be weighed accordingly.

As illustrations of inconsiderate utterances we have "too proud to fight," "peace without victory," "the Republican Party has not had a new idea in 30 years," and that "Senator CHAMBERLAIN was guilty of an unjustifiable distortion of the truth." These utterances do not show the President at his best; nor do I think these letters sent to the gentleman from Tennessee [Mr. SIMS] show the President at his best.

EXCERPTS FROM CONGRESSIONAL GOVERNMENT BY WOODROW WILSON.

From the calm and cloister of Princeton he tells us what I read last Thursday, on page 273 of his book on Congressional Government. I have not the time to repeat it, but he says there that the representatives of the people are the proper ultimate authority in all matters of government, that administration is merely the clerical part, that this principle is inseparably of a piece with all Anglo-Saxon usage.

Again, on page 303 of his work on Congressional Government, he tells us:

> It is the proper duty of a representative body to look diligently into every affair of government and to talk much about what it sees. It is meant to be the eyes and the voice, and to embody the wisdom and will, of its constituents. Unless Congress have and use every means of acquainting itself with the acts and the disposition of the administrative agents of the Government, the country must be helpless to learn how it is being served; and unless Congress both scrutinize these things and sift them by every form of discussion, the country must remain in embarrassing, crippling ignorance of the very affairs which it is most important that it should understand and direct. The informing function of Congress should be preferred even to its legislative function. The argument is not only that discussed and interrogated administration is the only pure and efficient administration, but, more than that, that the only really self-governing people is that people which discusses and interrogates its administration.

Having in mind these peerless precepts from Princeton, I feel free and invited to discuss these remarkable and belated letters, six months overdue, letters that could have been sent to this great committee at any time within the past six months, if those who inveigled and cajoled the President into writing these letters were disposed to give fair treatment to this great committee or even to the Secretaries of War, Interior, and Agriculture. The gentleman from Tennessee in his letter to the President on August 22 writes of the part that Mr. Merrill and the three Secretaries of War, Interior, and Agriculture had in presenting the net-investment amendment to the committee. No one is mentioned in this connection in this letter except Mr. Merrill, the Secretary of the Interior, the Secretary of War, and the Secretary of Agriculture. They are mentioned 13 or 14 times in connection with Mr. Merrill, and that letter does not give to the President a true narration of what took place in the committee or of the committee amendments. No wonder the President felt outraged and angered, and expressed his resentment as he did. From the viewpoint of Mr. SIMS's letter the President's resentment was justified. This letter of August 22 of Mr. SIMS brings a rejoinder from the President saying that he did not see the draft of the amendments "introduced by Mr. Merrill and his associates," and that he did not approve them. "Mr. Merrill and his associates," the three great Cabinet officers—Secretaries of War, Interior, and Agriculture—referred to as "Mr. Merrill and his associates"! Is this the fruit of that consolidation, cooperation, and coordination that we were promised under the Overman consolidation bill? "Mr. Merrill and his associates"! Oh, a cruel thrust! That letter, gentlemen, was not the result of mature thought. The President was not in possession of the exact facts or he would not have uttered that slur, "Mr. Merrill and his associates." If that is not so, is that a reecho from page 269 of Congressional Government, by Woodrow Wilson?

> So low, indeed, has the reputation of some of our later Cabinets fallen, even in the eyes of men of their own political connections, that writers in the best of our public prints feel at liberty to speak of their members with open contempt.

Is this a reecho of that? If so, I will say—

> In noble minds some dross remain,
> Not yet purged out of spleen and sour disdain.

But before I get through I propose to defend the President and to show that from his viewpoint, biased by some one, he was justified. I would not have you think it a case of—

> Willing to wound, and yet afraid to strike,
> Just hint a fault, and hesitate dislike!

No; it is not; for the President was beguiled, deceived, and decoyed into writing that letter, and also the letter of August 22.

The gentleman from Tennessee [Mr. SIMS] tells us that about June 15 the President told him these amendments were not submitted to him and that he disapproved of them. Is that the cause and front of some one's offending, that the amendments were not submitted by the Secretaries of War, Interior, and Agriculture? Is that the cause of this false and misleading newspaper propaganda spread broadcast since the filing of the report on the bill, imputing to this Water Power Committee an unholy alliance with the alleged water-power grabbers? The amendments not submitted to the President! Would you have the President in that class—

> Bless'd with each talent and each art to please,
> And born to write, converse, and live with ease?
> Should such a man, too fond to rule alone,
> Bear, like the Turk, no brother near the throne?

No! I propose before I get through to exonerate and exculpate the President from any such insinuations or aspersions.

Why, from Princeton we learned that the representatives of the people are the proper ultimate authority in all matters of government, and that "the power of making laws is in its very nature and essence the power of directing, and that power is given to Congress, and that that principle is inseparably of a piece with all Anglo-Saxon usage."

That is what he told us from Princeton, and now would you have "the teacher's chair become a throne" when water-power legislation is considered, so that a President may—

Like Cato, give his little [Congress] laws
And sit attentive to his own applause?

From such aspersions I propose to exonerate and exculpate the President.

What is at the bottom of all this, Mr. Chairman? How was the President misled? Early in August the press began to teem with inspired articles instigated by some one about water-power rights being grabbed in perpetuity. I have the articles here. Here is an article from the Washington Times early in August, which says:

PRESIDENT FIGHTS UNJUST DAM LEASE.

President Wilson to-day let it be known through Congressman SCOTT FERRIS, of Oklahoma, that he is opposed to the clause in the present water-power bill that would force the public to pay an exorbitant price to regain control of water-power sites leased to private corporations by the Government.

The bill as now written provides for 50-year leases, with a provision that these leases could be repurchased at the end of that time by paying the original investment of the private corporation.

"The President feels, as I do, that the public should be forced to pay only actual value and not the original investment," said FERRIS. "He will also fight to force corporations with water-power leases to show why their leases should be continued at the end of the 50-year period instead of forcing the Federal Government to show why the lease should not be continued."

And then the other day another newspaper had headlines:

Chairman SIMS warns the President of stealthy changes in the bill.

What rot and nonsense; changes that were considered publicly in the committee for over six months.

And then again here is another piece of propaganda:

Water-power rights in perpetuity to be stopped. Elimination of dangerous clause in the bill urged by the President.

Just think of the duplicity in that Times article! Corporations will be made to show why their leases should be continued at the end of the 50-year period. Why, the lease term is in section 6 of the bill, and there was not the slightest amendment offered to that, although the gentleman from Oklahoma was present when it was read, and yet early in August Mr. FERRIS says "the President feels as I do." Why, the original administration bill provided for a continuance of the lease. The committee struck that out and put in an absolute limit of 50 years, and yet this propaganda has gone forth across the country. I have seen it in the Pacific coast papers, in the Washington papers, and I saw it in New York papers. Why should not the President be distracted and disturbed at all this deception? What is the history of this? We find from the first that the chairman of the committee, even before his own report—the majority report—was printed, which does not contain a word of defense of the "net-investment" amendment—we find him "hotfooting" it to the White House and presenting to the President the proposed minority report opposing the net-investment provision. No wonder the President is distracted. The minority report does not give to the President or to anyone else a correct statement of what the committee did. It begins with a barrage fire of explosive expletives such as "water-power interests," "bondholders," "electrical promoters," "bond brokers," "investment bankers," and all that, and it also charges that the committee itself had changed the administration bill; that it had departed from the bill agreed upon by the Secretaries; but there is not a word in that minority report, which reached the President early in June, informing him that the net-investment provision was the provision agreed upon by the Secretary of the Interior, the Secretary of War, and the Secretary of Agriculture—not a word that these three Secretaries wrote letters and testified before the committee in favor of "net investment."

The CHAIRMAN. The time of the gentleman has expired.

Mr. ESCH. I yield to the gentleman eight minutes more.

Mr. SINNOTT. Mr. Chairman——

Mr. RAKER. Will the gentleman yield?

Mr. SINNOTT. No; I can not; the gentleman would not yield to me. The time is too short to go into this matter. I can not yield. You can not discuss this in an hour, and you could not fully discuss in an hour the way in which the President was beguiled and decoyed and deceived into sending these letters. He must have thought, from reading that minority report, that we were a band of highwaymen and looters. But here, gentlemen, is the piece de resistance from the New York Globe of August 17. If the President ever read that, I marvel at the moderation of the language in his two letters. It is two columns long. I can read only a part of it. Listen to the headlines:

ONE MAN BEATS POWER COMBINE—THREE CABINET MEMBERS AND ALL BUT ONE COMMITTEEMAN FAVORED WATER-GRAB BILL—FERRIS WINS WILSON'S HELP—INSISTS ON "ACTUAL COST" RECAPTURE CLAUSE AND WINS "DAVID-GOLIATH" FIGHT.

Our worthy chairman does not even escape misrepresentation.

But the pressure for the views of the three Secretaries was strong, and the committee finally accepted the "net-investment" plan and voted the bill out. Everybody, even Chairman SIMS, concurred, except FERRIS. With the other 14 committeemen and 3 Cabinet officers against him he won.

Now, listen to this from the New York Globe:

"DAVID" WINS HIS FIGHT.

Going out into the arena to fight 3 members of the Cabinet and the other 14 members of his committee, FERRIS presented a fine spectacle of a modern David with Goliaths all around him. But we guessed he knew a trick as good as David's with the pebble. He started for the White House, showed the President through the whole thing from start to finish, and, coming away, announced that he was promised the support of the President to rip out the "net-investment" project and restore the "fair-value" plan.

The other members of the committee, who had, of course, supposed they were doing exactly what the President wanted, were shocked on hearing that they had him against them.

I used to know something about the Bible. I have forgotten a good deal of it, but that beautiful story of David and Goliath recurs to us and you all remember it. David the stalwart, Goliath the Philistine, and Saul the leader.

An evil spirit troubled Saul.

And Saul said unto his servants, Provide me now a man that can play well, and bring him to.

Then answered one of the servants, and said, Behold, I have seen the son of Jesse the Bethlehemite, that is cunning in playing and a mighty valiant man, and a man of war, and prudent in matters, and a comely person, and the Lord is with him.

Now, he was ruddy, and withal of a beautiful countenance and goodly to look to.

And David came to Saul and stood before him, and he loved him greatly, and he became his armor-bearer.

I might explain in biblical times an armor-bearer approached the dignity in position in modern times of the chairman of a national congressional committee. [Laughter and applause.]

And it came to pass that the Philistines gathered together with armies to battle.

And the Philistines stood on a mountain on the one side, and Israel stood on a mountain on the other side, and there was a valley between them.

Goliath the Philistine came forth and boasted for 40 days about what he would do. Goliath, not David, did this. David accepted the challenge with Saul's permission.

And Saul armed David with his armor and sword, but cautious David said unto Saul:

I can not go with these, for I have not proved them.

Our modern David, not so cautious, accepts the weapons proffered, the two letters, without proving them. But to recur to biblical times. David prevailed over Goliath with his own sling and good right arm.

But there was no sword in the hand of David.

He had neither Saul's sword nor pen.

Had our modern David examined the weapons presented to him by modern Saul, what weakness would he have found in them had he proven the weapons as David the Israelite would do? First, this assertion that Congress has passed four times a water-power bill with the identical recapture clause is a mistake. The President must have gotten that misleading statement from the minority report. Congress has not passed it four times, or three times, or two times. Perhaps once it has passed a somewhat similar clause. The Ferris bill of 1914 recapture clause is not at all identical with the one in this bill—is not limited to the actual cost. It allows appreciation to be considered. The Ferris bill of 1916 is not so limited. It permits appreciation, also the going value, to be estimated, which was held in the Denver water case at $800,000. Surely the President, in his letter of August 22, did not mean knowingly to approve of appreciation and intangible values.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. ESCH. Mr. Chairman, I yield two minutes more to the gentleman.

Mr. SINNOTT. Mr. Chairman, the gentleman from Oklahoma [Mr. FERRIS] himself would not support that recapture clause in his prize bill of 1916. Neither would the President if he knew what it contained. I supported that once before because I did not know its danger. I knew nothing then about fair value or the net investment, but I have since made some study of it. It is futile in such a short time to try to explain these matters. Let me call your attention to what the gentleman from California [Mr. RAKER] spoke of in respect to the

valuation of railroads. He mentioned the valuation act. That does not follow the Interstate Commerce Commission classification of 1914 at all, because the act providing for that valuation was passed in 1913 and they had a different classification at that time. He told us the other day that they had changed it a number of times. The gentleman is mistaken. There has been no change except one slight change. He did not have the classification before him. All he had was their statistical abstract, and the CONGRESSIONAL RECORD shows it. You might as well try to interpret the Christian religion by reading an extract from the Koran, and that is as close as the gentleman from California ever got to a correct interpretation of the cost classification of the Interstate Commerce Commission.

The CHAIRMAN. The time of the gentleman from Oregon has again expired. [Applause.]

Mr. ESCH. Mr. Chairman, I yield five minutes to the gentleman from Oregon [Mr. MCARTHUR].

Mr. MCARTHUR. Mr. Chairman and gentlemen of the committee, in my experience of two terms as a Member of this body the water-power question has been nothing more nor less than a political football. It has been kicked around between the House and Senate in season and out of season, and all the while our undeveloped water power has been wasting—tumbling over the rocks to the sea level. It is high time to get busy and enact a water-power bill that will attract capital and bring about the development which is sure to come where water powers are now harnessed. The Special Water Power Committee of the House has gone into every phase of the question now before us, has labored for months, and has brought a good bill into the House. It is now proposed to scuttle this bill by substituting the so-called "fair-value" recapture clause for the "net-investment" recapture provision, as recommended by the committee. If the bill should be scuttled in this manner, it will not be worth the paper that it is written on. This proposal to substitute was made because of presidential recommendation—the result of an "S. O. S." call sent to the other end of the Avenue. The substitute recapture clause strikes at the very vitals of the measure——

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. MCARTHUR. No. I will not. The gentleman would not yield to me awhile ago. As I was saying, this proposed substitute of the gentleman from Oklahoma [Mr. FERRIS] strikes at the very vitals of the bill and if adopted will render the bill useless as a piece of constructive legislation. We must not forget that those who propose to develop water power under congressional authority must go into the open market and compete with other industries, and possibly with other countries, for the necessary money to make the initial improvements and put the properties on a paying basis. The development of water power means much to the people, and they are the ones who will suffer because of lack of development. The people are now suffering by reason of the delay in this legislation, and yet gentlemen come into the House with their time-honored bugaboo about the Water Power Trust and the Money Trust and a lot more demagogy and buncombe which sounds good during a political campaign. They tell us that the rights of the people are about to be frittered away.

Let us face this question in a businesslike and courageous manner. Let us give to the country a piece of constructive legislation that will attract capital and develop our resources and at the same time protect the public interests. We can not do this by clinging to antiquated ideas about the recapture clause. We hear much of the word "recapture." I regard it as a misnomer. It may be recapture as applied to water rights, but in so far as the physical properties are concerned they will be put there by the water-power developers at their own expense, and if the Government should take the properties at the end of the lease it would be a case of "capture" and not "recapture," as the Government would be getting something that it never owned before—something put there by other people's money. Let us be fair about this; let us enact legislation which will really attract capital and stop this great national waste that is now going on. Let us give to the country a bill which will command respect and confidence—one for which we need make no apology.

I feel that there are elements in this House that do not want private capital to develop our water-power resources. They want to make this bill as onerous and odious as possible, to the end that there will be no development and that the Government will eventually have to step in and develop the country's water power. I regret that such a feeling exists among even a small minority of the membership of this House, for we have too much of this Government ownership idea and too much of socialism in the air at the present time. Let us give the business of the country a chance to expand under proper regulations. Let us build up our resources, rather than scuttle them for the purpose of playing cheap politics. [Applause.]

Mr. ESCH. Mr. Chairman, I think I have still 20 minutes remaining.

The CHAIRMAN. The gentleman is correct.

Mr. ESCH. Mr. Chairman, I yield the remainder of my time to the gentleman from Minnesota [Mr. ANDERSON].

Mr. ANDERSON. Mr. Chairman and gentlemen of the committee, the issue presented by the amendments offered by the chairman of the committee [Mr. SIMS] and the gentleman from Oklahoma [Mr. FERRIS] may be stated in this way: Do the amendments offered by those gentlemen offer a greater protection to the substantial rights of the Government and therefore to the substantial rights of the people, on the one hand and primarily, and, secondarily, do they offer to private capital—for this bill operates upon the idea of the development of water power by private capital—such inducements as will invite them to invest their money in water-power development? I would be quite content, so far as I am concerned, to let the question be determined entirely upon the basis of the intrinsic and substantial merits of the two propositions were it not for the fact that there has been injected into it a matter incidental and extraneous but yet designed to influence—I will not say prejudice—the minds of Members of this House upon the real question involved. I think I can best demonstrate what I have in mind by reading just a few lines from the letter written by the gentleman from Tennessee [Mr. SIMS] to the President of the United States that appears in the RECORD on page 10505. After recounting the steps in the origin and consideration of this bill and the amendments which were suggested to it by the three Secretaries, the gentleman from Tennessee says:

> For instance, the bill you gave us provided for a license period of not exceeding 50 years. This had been changed to a specific, arbitrary 50-year period with no power to provide for a less period without the consent of the licensee.

Now, listen:

> A second license period was provided for the holder of the original license, and the tender of this second license was made mandatory upon the part of the commission.

At the time the gentleman from Tennessee wrote that letter to the President of the United States he had reported this bill. He knew that the amendment to which he referred in this letter relating to the extension of the license period had been voted out of the bill in the committee. What purpose did the gentleman from Tennessee have in writing to the President of the United States that the amendment rejected by the committee was still in the bill?

Mr. SIMS. I beg the gentleman's pardon——

Mr. ANDERSON. Unless it was the purpose of the gentleman from Tennessee to furnish to the President an argument to accomplish his purpose of defeating the net-investment amendment, which was both false in fact and fallacious in theory.

Mr. SIMS. Will the gentleman yield?

Mr. ANDERSON. I will yield.

Mr. SIMS. My letter does not bear any such construction, that the tender of the second terms is in the reported or amended bill. It was an amendment that was in the second bill which I referred to. That is the fact, and that is what the letter meant, and any other construction is not warranted.

Mr. ANDERSON. The gentleman very clearly led the President of the United States to believe that this provision was in the bill, and correspondence between the gentleman and the President bears intrinsic evidence of the fact.

Mr. SIMS. In the reported bill.

Mr. ANDERSON. For in the President's letter to the chairman of the committee he says:

> I am free to reply to it that I did not see the draft of amendments to the water-power bill which were introduced by Mr. Merrill and his associates—

Not the amendment, not the net-investment amendment, but "the amendments." I quote again:

> I do not approve of them.

Does the President refer there only to the net-investment amendment, or does he refer to the amendment stricken out of the bill in the committee which extended the license period? The gentleman from Tennessee can answer that, if he can. But, Mr. Chairman, the President goes further in his letter, and I refer now to the letter of August 22:

> I am very much concerned about this feature of the bill and have had the privilege of being so intimately associated with those who have from time to time conferred about it that I am venturing to make this earnest suggestion.

This record bears the intrinsic evidence of the fact that before this bill was reported, and after it had been voted out by the committee, somebody took to the President of the United States the minority report of this bill, which carried the identical implication carried in the letter of the gentleman from Tennessee, to the effect that there remained in the bill

a provision which, the gentleman from Oklahoma says, practically granted to the licensee a license in perpetuity. If I believed, as the President was evidently led to believe, that this bill provided a license in perpetuity, I would have taken exactly the same position that he did, and I regret that the President has been misled into a position from which I think he might be very glad to withdraw. I refer once again to the President's letter of the 22d:

I am going to venture to say to you as chairman of the Special Water Power Committee what I hope that you will not think that I am taking too great a liberty in saying, namely, that inasmuch as the House of Representatives has four times passed a water-power bill, each time with a recapture clause, practically identical with the pending water-power bill as it was originally proposed by the administration and agreed upon in informal conference—

And so forth.

Now, it is true that there is a similarity in language between the amendment proposed by the gentleman from Oklahoma and the recapture clauses which have heretofore passed the House of Representatives, but that is a similarity and not an identity of language or an identity of effect. The first bill referred to by the gentleman from Oklahoma, and all of them for that matter, divided the property to be taken into two classes, and so taken, and establishes a different basis of payment as to each class. One of those classes included land, rights of way, and interests in lands. The other class included structures, dams, locks, and transmission lines.

In the first case one of the bills provides that the actual cost shall be paid, another one says that the fair value shall be paid, the third one says the actual cost to the grantee shall be paid, and the fourth one says reasonable value not exceeding actual cost shall be paid. Will a fair interpretation of the language justify the claims that they are identical in effect although they may be similar in language?

Again, as to structures, transmission lines, and property of that character, these four recapture clauses provide, in one, that fair value shall be paid; second, fair value shall be paid; third, reasonable value shall be paid; and, fourth, that fair value shall be paid. They are not identical in terms.

But the thing I want to point out in particular is that in making the distinction that was made in these recapture clauses it was intended that appreciation should be allowed in determining the price to be paid on recapture, and as the gentleman from Oregon [Mr. SINNOTT] has said, in one instance, good will and going concern were also included. There is no identity between the four recapture clauses heretofore passed and the one which the gentleman from Oklahoma [Mr. FERRIS] now proposes. So the President was misled in this as in the other feature to which I have referred.

Now, I want to refer just for a few moments to the intrinsic merits or demerits of the two propositions. The fundamental, and, I think, the most important, advantage of the net-investment basis is that of certainty, and that certainty means a certainty not only at the end of the 50-year period but a certainty of the amount invested every day, every month, and every year during the entire period of the lease. It means more than that. It means a certainty to the investor when he puts his money into the plant. As the gentleman from Wisconsin [Mr. ESCH] has said, that certainty means a reduction in the interest rate to be charged upon the amount invested in the plant, and that reduction in the interest rate is itself again reflected in a reduction in the rates which will be charged to consumers. Every element of uncertainty injected into the basis of recapture will eventually be reflected in increased rates to the man who pays the bill.

As I have suggested, the fair-value plan proposed by the gentleman from Oklahoma carries appreciation in structures and transmission lines. In other words, his basis would provide for the payment in the case of recapture of cost plus appreciation but less the deterioration. Figured out, that might mean, and probably would mean, a sum far in excess of the amount which would be paid under the net-investment plan. A net-investment plan, on the contrary, provides for the payment of actual, legitimate cost less depreciation and less amounts which have accumulated in amortization. For instance, suppose you have structures on a dam site costing $50,000. Immediately upon beginning the construction of those structures a depreciation fund is set up to take care of the annual depreciation of the property. The depreciation is calculated upon a basis sufficient at the end of the life of the structure to replace it. But suppose at the end of the period a sufficient amount has not been accumulated? In that event the difference is made up from operating revenue, not from capital. So that in that event even the capital would not be increased by the difference between the amount which you had in the depreciation funds and the value of the property at the end of its life. Sometimes the other situation occurs, and you have accumulated an amount more than sufficient to pay at the end of the license period for the depreciation upon the property. In that event the Government would get the benefit of the balance.

Mr. SEARS. Will the gentleman yield?

Mr. ANDERSON. I will.

Mr. SEARS. I understood the gentleman to state that under the present plan the Government would take over this project at the net investment less the depreciation. I find nothing in the bill that so states.

Mr. ANDERSON. Less the credit balance in the depreciation account.

Mr. SEARS. There is nothing in the bill to that effect.

Mr. ANDERSON. Oh, yes. If the gentleman will refer to the net investment definition he will get the information.

Mr. SEARS. In that case the railroad owns the land. In this case the Government owns the land.

Mr. ANDERSON. That would not have any effect on the situation at all. The gentleman from Wisconsin [Mr. ESCH] has suggested that another advantage in this provision of net investment is in rate making. It provides an absolute and determinable basis upon which rates may be based. We have had enough experience with railroad-rate making, undertaken without any basis at all, to appreciate the necessity of beginning now, when we can enter upon the books every element of cost, to require the keeping of the accounts of these licensees in such a way that the Government may know at any moment just what amount the licensee has invested in the plant. That can not be possible under any other plan than the one proposed in this bill.

I voted for the fair-value clause in the four water-power bills to which the gentleman from Oklahoma [Mr. FERRIS] refers. In my feeble way I supported them so far as I could, but when I did so I did not marry them for the rest of my natural life. I reserved the right then and I reserve it now to vote for some other plan which I believe is better and which better protects the interests and the rights of the people, and which I believe gives such greater certainty to the whole proposition as to invite the development of water power. It seems to me that where three Cabinet officers and a member of the Interstate Commerce Commission and a committee especially created and authorized for the purpose have considered a piece of legislation such as this, have given to it months of consideration, and have brought out a proposition as scientific, as comprehensive, as certain as this, that their conclusions ought to have some weight with the Members of this House. And I trust that the amendment offered by the gentleman from Oklahoma [Mr. FERRIS] and the amendment offered by the gentleman from Tennessee [Mr. SIMS] will not prevail.

Mr. Chairman, in my remaining time I desire to have read at the desk an amendment which I intend to propose at the end of the pending section.

The CHAIRMAN. The Clerk will read the amendment for the information of the committee.

The Clerk read as follows:

Add at the end of section 14 the following: "*Provided*, That the right of the United States or any State or municipality to take over, maintain, and operate any project licensed under this act at any time by condemnation proceedings upon the payment of just compensation is hereby expressly reserved."

Mr. MCARTHUR. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. SIMS. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. All the time of the gentleman from Wisconsin is exhausted, except half a minute. The gentleman from Tennessee has 21 minutes remaining.

Mr. MONDELL. Mr. Chairman, the gentleman from Wisconsin reserved 10 minutes for me, but I was unavoidably absent from the Chamber. I do not want to delay a vote, and yet I am anxious to make a few remarks on these amendments. I would like to get about 10 minutes, if possible.

Mr. SIMS. I am willing, Mr. Chairman, that the gentleman shall have five minutes of my time.

Mr. MONDELL. I am afraid I can not say all I desire in that time. I might in eight minutes.

Mr. SIMS. I am sorry that the gentleman did not stay here to keep a quorum.

Mr. MONDELL. I ask unanimous consent, Mr. Chairman, that I may proceed.

Mr. CANNON. I understood we were going to be fair about this matter.

Mr. MONDELL. I was called out of the Chamber and could not get back.

Mr. SIMS. I yield to the gentleman five minutes, and lose it myself.

Mr. MONDELL. Well, now, Mr. Chairman, I ask unanimous consent that I may have five minutes in addition.

Mr. FERRIS. I object, Mr. Chairman.

Mr. LA FOLLETTE. Mr. Chairman, I submit to the committee—and the record kept by the clerks will show—that Mr. SIMS, the chairman, said that at the end of this time, if they would agree to his request, if the occasion arose and it seemed necessary, he would be willing to agree to additional time.

Mr. FERRIS. Did the chairman say that?

The CHAIRMAN. The Chair will state that all this discussion is out of order.

Mr. SIMS. I said that rather than extend it another hour I would be willing, if it seemed necessary, to agree to additional time. I recall that statement. I am willing to stand by it. The gentleman from Massachusetts [Mr. WALSH] was asking for four hours. I think that the gentleman from Wyoming ought to have some time under the circumstances.

Mr. FERRIS. Mr. Chairman, I will withdraw my objection.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent to proceed for five minutes, in addition to the five minutes granted to him by the gentleman from Tennessee.

Mr. SIMS. No; I will retain my time. Let the gentleman ask for 10 minutes.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Wyoming is recognized for 10 minutes.

Mr. MONDELL. Mr. Chairman, I do not care to enter into the very interesting little family misunderstanding that seems to have arisen in the administration relative to the recapture provision of this bill, although I was just a little surprised that the President, in his correspondence with the chairman of the committee, should have referred to his honorable Secretary of War, his honorable Secretary of the Interior, and his honorable Secretary of Agriculture, three of the ablest and strongest men in the Cabinet, as the "associates" of a minor employee of the Department of Agriculture. It did not seem to me to be quite a seemly reference by the President to those honorable gentlemen who occupy such exalted positions.

The President predicates his objection to the recapture provision, which has the indorsement of these three members of his Cabinet, on the ground that at four different times the House adopted the provision which is now offered by the gentleman from Oklahoma [Mr. FERRIS]. I am rather of the opinion that neither the President nor the gentleman from Oklahoma is in just the best possible position in the world to take that particular position with regard to legislation. It is not so long ago—in fact, it is very recent—that the gentleman from Oklahoma brought into the House, contrary to the wishes of his committee, and insisted on a certain provision in the oil bill as a substitute for a provision that the House had unanimously approved three different and distinct times. And the gentleman from Oklahoma assured us that his insistence on the change was based upon the wish and desire of the President. While not a member of the committee approved the change, as I understand it, the gentleman insisted on it, drastic and revolutionary as it was, superseding a provision that the House had three times accepted.

Mr. FERRIS. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. FERRIS. The committee did agree to it, and the House did agree to it, and the House passed it and, I think, would do so again.

Mr. MONDELL. Perhaps I should not say the committee did it under coercion. The committee did it under the persuasive power of the gentleman from Oklahoma, fortified by the compelling argument I have mentioned.

Mr. FERRIS. I am sorry I have not the power that the gentleman says I have.

Mr. MONDELL. The gentleman is very persuasive. Now, the fact that the House four times adopted a certain provision without getting anywhere, without accomplishing anything, without securing the acceptance or approval of another body, instead of being an argument in favor of the thing, affords the strongest sort of presumptive evidence that there is something faulty about the proposition. It did not appeal to the gentlemen of another body any one of the four times, and it did not especially appeal to the Members of this House, although it seemed to be the best thing we had before us at that time.

Now, what are the facts in regard to these two propositions? There is no difference, I assume, between the gentleman from Tennessee and the gentleman from Oklahoma and myself as to what we desire to accomplish. What is that? The largest possible power development in the best possible way and the lowest possible rates and the best possible service. The question is how we are to accomplish these desired and desirable results. The gentleman from Oklahoma thinks that we can best accomplish them through the proposition he favors. I believe he is mistaken, and for these reasons: We can only secure complete development under conditions that tend to stability and that present no artificial legislative elements of uncertainty. His recapture clause is a gem of uncertainty. It presents a situation under which no man can tell what the return of investment might be at the end of the 50-year period in the event of recapture. Therefore, in addition to all of the necessary chances that men take, they would be confronted at the end of the period with the chance of partial confiscation.

But I should not so tremendously worry about that from the viewpoint of development, because I think we would get a good deal of development even under that plan. But my interest is principally in behalf of the users of power. What about them under a plan of recapture that is uncertain and that may be confiscatory? How are the rates to be fixed under these projects? By local and State boards and commissions. On what are they to base rates and charges? First, on cost of construction, added to that the cost of operation. Are there any other elements? Aye, under the improperly called fair-value recapture clause there would be another tremendously important element. Under it the operator would say to such a commission, "In addition to the cost of construction, maintenance, and operation there is at the end of the period of 50 years the possibility and the probability of very great loss of capital invested, and we have the right to have that loss considered and provided for in the rates and charges during the 50 years. We are entitled to compensation for those losses." There is not an honest rate-fixing board in the country that would not be persuaded by that argument.

And, if they were not, the courts of the country would remind them of the fact that men facing a loss on their investment at a given date are entitled, during the running of the years, to have a rate high enough to cover not only the original cost and the cost of operation and maintenance, together with a fair return on the investment, but also high enough to compensate for the probable loss at the end of the period. And so this uncertain clause, liable to entail loss at the end of the period—nobody knows how much—would be used as a reason and excuse for raising rates. How much? Enough to cover the probable loss. Oh, we know that the case on the part of the investor would be presented with great ingenuity and force, fortified with facts and figures, and on the part of the public all too frequently in an ex parte and indifferent way, and the result would be that, in the majority of cases, the public would pay the owners many times over for the possible loss at the end of the period. I am not so much worried about the investor, though he is entitled to consideration. I am interested for and on behalf of the people who must pay the tolls, and on their behalf I think we ought to have a recapture clause certain and definite, so certain and so definite that it does not afford opportunity for a claim or an excuse for an increase or an advance of rates on the ground that the recapture clause is likely to result in partial confiscation. For these reasons and many more the recapture clause in the bill is much better than the one the gentleman proposes. It is better because it will bring larger development. It is better for the man who pays the bills because it is reasonably certain and definite. There will, of course, be losses to the investor, losses incident to the business. We are not trying to save him from those. But let there be no loss by recapture, furnishing the basis of high rates on account of claim of such loss. [Applause.]

Mr. SIMS. Mr. Chairman, I believe I have 31 minutes.

Mr. RAKER. I am wondering whether there ought not to be more Members here.

Mr. SIMS. I do not want them to come here just to listen to me. I want to finish what I have to say, and then a call for a quorum can be made, so that Members may come in and vote. I am willing to talk to these good Republicans, who seem to be largely interested in this subject—interested in a proper way. They are sitting here listening to what is being said, while others are not staying here quite so well. We will give them an opportunity at least to get back to vote.

The CHAIRMAN. The gentleman from Tennessee is recognized for 31 minutes.

Mr. SIMS. Mr. Chairman and gentlemen of the committee, I am going into this matter a little backward in order to meet some criticisms, or attempted criticisms, for that is about all they amount to.

The gentleman from Wyoming [Mr. MONDELL], who is always interesting and always intelligent and always able, talks about recapture provisions. The gentleman knows, I suppose—I at least am so informed—that in France and Norway and, as far as I know, in all European countries a specific license date is given to power companies, at the end of which time the property reverts to the Crown or to the Government, without any compensation whatever for the property.

Mr. MONDELL. Will the gentleman yield?

Mr. SIMS. For a question.

Mr. MONDELL. That provision has the virtue of certainty. The purchaser of the power in the meantime pays for the improvement, and he knows he is paying for it. The trouble with the gentleman's proposition is that it is uncertain. If the gentleman would propose something of that kind it would at least have the virtue of logic and certainty.

Mr. SIMS. Would the gentleman vote according to his logic?

Mr. MONDELL. I said before the gentleman's committee——

Mr. SIMS. Oh, the bill is before a greater committee than mine now—the Committee of the Whole House on the state of the Union.

Mr. MONDELL. I would prefer that kind of a plan to the uncertainties of the plan here proposed.

Mr. SIMS. I am asking the gentleman a direct question: Will the gentleman vote for such an amendment if offered in the Committee of the Whole?

Mr. MONDELL. No; because——

Mr. SIMS. Ah, well, then, away with your advocacy of that which you will not even vote for.

Mr. MONDELL. No; but it is better than the other, because it is certain.

Mr. SIMS. But you do not want either. You do not want recapture. That is the whole truth of it. We might just as well be plain about it. You are unwilling to vote for anything that will bring about recapture.

Now, one gentleman harps a good deal upon the expression "Mr. Merrill and his associates." He said that the President had called three distinguished members of his Cabinet "Mr. Merrill's associates." Why, the gentleman from Wisconsin [Mr. ESCH] this morning explained that matter in his own time; that Mr. Merrill and certain representatives from the Department of the Interior, Mr. Finney and Mr. Brown, I believe, and Gen. Black from the War Department, had prepared the original bill, and that some phases of it they had not fully considered, and that this interdepartmental committee afterwards prepared the suggested amendments that were brought in by Mr. Merrill, accompanied by a letter signed by the three Secretaries suggesting these amendments, and they undoubtedly must have been what the President referred to when he said "associates." But the fact seems to be that there had been a kind of general association among all of them in trying to bring about the best results. That is a chinquapin criticism anyway. Then another one——

Mr. MONDELL. Will the gentleman yield?

Mr. SIMS. I must get through.

Mr. MONDELL. The gentleman will admit that I have never referred to the three Secretaries as associates of Mr. Merrill.

Mr. SIMS. I admit more than that—that the President did not have them in mind and did not refer to them.

My brother ANDERSON spoke about the President being misled as to these amendments. I suppose the President is the hardest man who has been in the White House for many years to be misled about anything. He is very fully informed and knows all about these things. The only trouble was that the proposed amendments gotten up by Mr. Merrill and his associates were not submitted to him. If they had been, many of them, no doubt, would never have reached us.

But the gentleman said that I hotfooted to the White House with Mr. FERRIS's minority report. Now, the gentleman heard what I said. Could he with dignity and fairness claim that I hotfooted down there to carry that minority report? Nothing I said or that anybody else said would warrant any such statement. It shows a little sting, a little something that is not as angelic as we usually read about in books dealing with the disposition and temperament of angels. The gentleman knows——

Mr. SINNOTT. Will the gentleman yield?

Mr. SIMS. Let me finish this part of it.

I stated emphatically, after the recess agitation came up and I saw in the papers that two Senators and Mr. KITCHIN had visited the President and consulted with him as to the recess, and that he did not object to a recess, I knew the President had been urgent in trying to have water-power legislation. I made an appointment for that purpose, and no other, after the bill had been reported. I could not get an appointment short of four days after the time I asked for it. It was made for Thursday, if I recollect. Afterwards I learned that Mr. FERRIS had an appointment two days earlier, and then I asked if the two appointments could not be consolidated, so that we could both be there at the same time. I had no motive in being there when he was there except I hoped that it would be possible that we might agree upon what was the best thing to do in order to get the water-power bill acted on by the House before we had any recess.

On the morning we were to go to the White House a messenger from Mr. FERRIS came over and brought a letter to the President, which I did not read, with the statement that the package which was given to me was a copy of his minority views which he expected to file. I have not read them to this very hour. He asked me if I would not take them and leave them with the President, as Mr. FERRIS was ill. I did so after I got through with what I had to say about the recess. I said, "Here is a letter from Mr. FERRIS, and here is what he says is a copy of his minority views." Then he made his statement to me which I have before related. I had not said one word to him touching the minority views of Mr. FERRIS.

Now, when the gentleman from Minnesota says that I "hotfooted it" to the President to carry the minority views, seeking to make the impression that I was attempting to mislead or misinform the President or to influence him to do what he has since done, he is doing that which is both unjust and untrue.

Mr. STEENERSON. Will the gentleman yield?

Mr. SIMS. Yes.

Mr. STEENERSON. Why did not the gentleman indicate when he offered the report that he dissented from the majority report?

Mr. SIMS. Because I was representing the views of the majority. We are not allowed to talk about what occurred in committee, but there is no member of the committee but that knows what my position was. Every member of the committee knew that I was bitterly opposed to the net-investment proposition.

Mr. STEENERSON. I read the report and thought it was the gentleman's report, and did not know anything different.

Mr. SIMS. It is my report as chairman, and it represents the views of the committee as expressed by a majority of its members.

Mr. JOHNSON of Washington. Did not the President have the minority report in his hand before the majority report was printed? That is a fair question.

Mr. SIMS. It is a fair question. I gave the report to him, but I do not know whether he has ever read it to this day or not.

Mr. MONDELL. Will the gentleman yield?

Mr. SIMS. No; I can not. There is, of course, no attempt to keep me from making my speech, but that will be the effect of it if I yield. I do not yield any further at present. Now, I want to reply to what I think ought to be given real consideration. The gentleman from Wisconsin [Mr. ESCH] has been on the Committee on Interstate and Foreign Commerce longer than any Member who is now a member of that committee. He has been a very useful, a very intelligent, a very able, and a very fair member of that committee. Now, what kind of a dam law was passed while Mr. ESCH was a leading member of that committee and to which he made no dissent that I know anything about? What does it provide as to the disposition of property of the licensee? I refer to the act of 1910. Who was chairman of the committee at that time? The Hon. JAMES R. MANN, than whom this House has never had a more attentive, painstaking, or able man, not only as to that which passed through his own committee, but as to all legislation. What kind of a bill did they pass in 1910? What was in that bill? Let me read it to you. It was the general dam act of 1910, approved June 23, 1910.

Section 4 reads, in part, as follows:

And provided also, That the authority granted under or in pursuance of the provisions of this act shall terminate at the end of a period not to exceed 50 years from the date of the original approval of the project under this act, unless sooner revoked as herein provided or Congress shall otherwise direct.

Pray tell me what does the licensee get then? The property absolutely reverts to the United States under the Mann act.

Under the act passed when Mr. MANN was chairman of the committee and when Mr. ESCH, my distinguished colleague from Wisconsin, was one of the ablest members of the committee,

he was in favor of a 50-year term, with actual loss of property to the licensee at the end of the term. Why did not this beautiful term of "net investment" occur to them at that time as a proper provision of that bill? There was no fair-value payment, no recapture compensation whatever. That is the law to-day. That is a Republican law, reported by a committee of a Republican House and signed by a Republican President.

Mr. LA FOLLETTE. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. LA FOLLETTE. That was only for building dams, not to create water power, as I understand it.

Mr. SIMS. See how it reads. The gentleman has not read the act.

Mr. LA FOLLETTE. If I have it is a good while ago.

Mr. SIMS. It includes both.

Mr. LA FOLLETTE. I would ask, also, how many dams or water-power projects were constructed under it?

Mr. SIMS. That is just what I am coming to. Gentlemen throughout the whole country who did not want any kind of recapture, who did not want any of the property to ever revert, who wanted the leases to run on forever, began a campaign immediately saying that Congress had made it impossible to develop water power. Pray tell me what Congess did? They have been lambasting Congress ever since and talking about the great amount of water power that was not developed on account of the acts of Congress of 1906 and 1910. Why did not Mr. ESCH at that time fight that bill as being unfair to the investor, and as being calculated to prevent any kind of investment? Did he think it would prevent investment? If he did, he ought to have fought it, not favored it. But he did not know that it would prevent it.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. SIMS. In a moment. He did not know it would prevent it. He thought then, as he thinks now, that we ought to do what is best for the public interest in general, but who is responsible for the irrevocable permit touching development of public lands? This general dam act was in charge of Mr. MANN and ably seconded by Mr. STEVENS and my friend Mr. ESCH, and nobody then thought it was not in the public interest. I yield to the gentleman.

Mr. BLACK. Knowing that the chairman has given a great deal of study to this particular section, I want to ask for information, and information only, this question: I understand that under this recapture clause as I read it—and I desire to know whether I interpret it correctly—the Government may or may not take over the property of the licensee and it may take over all of it or it may take over part of it. In other words, it may take over that which is valuable and serviceable to the Government.

Mr. SIMS. It can take all of it or any part of it.

Mr. BLACK. I have heard it stated during the debate that the Government would have to take over worthless, dilapidated property and pay the net investment.

Mr. SIMS. If it takes it over at all, it will have to pay the net investment.

Mr. BLACK. It would not necessarily have to take over worthless, dilapidated property?

Mr. SIMS. It does not have to take it over at all. That is one of the objections to the bill urged by water-power men.

Mr. BLACK. Let me ask——

Mr. SIMS. Oh, I know the gentleman from Texas can ask many questions, and I might answer them, but if I yield to him I shall have to yield to everyone else.

Mr. BLACK. Can they take over the project without taking over the property of the concern that it has put there?

Mr. SIMS. Of course, it can take all of the project proper, as provided, and it will have to pay only for the part so taken over. Away back in 1914, when Mr. Merrill was before the Senate committee on a bill then pending for the development of water power, here is what he said—and I am reading it especially for the benefit of my friend from Washington, Mr. JOHNSON, who the other day criticized my letter, my statement, for having used the words "three secretaries," and I want him to know where I got it. This is the same Mr. Merrill, who said:

Just in closing, to answer again the question that was just presented, I think if the Federal Government has to assume such powers as are provided for in this bill, or approximately those powers, that administration can not be effected except by a commission appointed by the Federal Government, not even such a commission as has been proposed in one bill already introduced before the Senate, namely, a commission of three secretaries, because it is absolutely a physical impossibility for the Secretaries themselves to handle such matters. These are matters of technical engineering and financial and economic details which can not be satisfactorily handled, as we have had evidence times without number, except by a technical commission.

Now, that is where I got the words "three secretaries," and while he does not call them by name I must suppose he refers to the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture. My friend Mr. ESCH delivers a eulogy on Secretary Lane, and I want to join with Mr. ESCH in that eulogy. I do not think there is an abler, a more useful, or a better man in public life than Secretary Lane. Shortly after he was appointed on the Interstate Commerce Commission I personally congratulated him and the country that he had been so appointed. From the day he began that service he has been worthy of the honor that was conferred upon him. Finally he was called by the President to become a member of the Cabinet, and I then told Secretary Lane that I regretted that his services on the Interstate Commerce Commission should terminate, as his services had been so valuable to the country. Once after that I said in a letter to Secretary Lane that I regretted that he was not born in the United States, so that he might some day or other occupy the highest place in the gift of the people because I thought he was entirely worthy of it. Now, I want to say no man has any higher opinion of Secretary Lane than myself. I would yield to his judgment as soon as I would to any man on any matter to which he has given attention. Now, Secretary Lane has been a member of the Interstate Commerce Commission for a number of years. He was a member of the commission when the physical-valuation law was passed. I had the honor to have charge of that bill on the floor of the House. Did Secretary Lane not know about the rules established by the Interstate Commerce Commission with reference to ascertaining the physical valuation of railroads for accounting and rate-making purposes? Of course he did. Well, now, the evidence shows that when this interdepartmental committee drew up a bill it was submitted to the three Secretaries and they gave it full consideration.

That is what the hearings show. They turned it over to the President of the United States in answer, in reply, in compliance with his request to get up a bill that would result in development and at the same time protect the public interests. That bill was gotten up and delivered to the President, and after he had thoroughly considered it he then invited the members of the three committees which I have heretofore discussed, and the Rules Committee, which I have already gone over, and presented this as the finished product so far as basic principles were concerned. Now, then, the departmental committee, as told by Mr. ESCH—and I think every word is a fact; I know Mr. ESCH never states anything unless he thinks it is true, and he has a good opportunity to know so—then when they afterwards brought in a bill with some 30 proposed amendments—some of them basic and fundamental; this one of net investment was another superimposed upon it—did the Secretaries give it that thought and study after it was so amended that they did in the first bill that was gotten up and intended to be the foundation of legislation and upon which we were asked to practically scrap three committees in order to comply with request of the President? Now, I do not say what attention Secretary Houston gave it. He may have given very close attention. Mr. Merrill was an employee in his department. I am not saying this does not represent Mr. Houston's views; I do not know to the contrary, but I want to read, after Mr. ESCH, the gentleman from Wisconsin, has asked the House to consider this net-investment proposition as the mature and well-considered proposition of the three Secretaries, including Mr. Secretary Lane. Now, Mr. ANDERSON said my letter to the President left the impression that all of these proposed amendments were in the reported bill. Well, Mr. ANDERSON is very technical and very narrow in that respect. The President was not deceived, he was not misinformed, he was not misled by me as to these Merrill amendments, and he is not going to be misled by any camouflaged argument that can be made as to this matter. On the sixth page of my carbon-copy letter I said, "the committee has acted on all the amendments." That is, those proposed in the bill brought to us and as the reconsidered amended bill by Mr. Merrill.

The committee has acted on all the amendments, but the net-investment amendment is the bone of contention, and I ask you, if you are willing to do so, to let me know whether or not these proposed amendments were submitted to you and whether or not they were approved by you, especially the net-investment amendment as written in the reported bill.

Why, there is no question about it and my letter describes exactly what was done, and there is no possibility of anybody being deceived and of anybody not seeing the facts if they only have the desire to see them.

Now, let us see what Secretary Lane said about this matter. He appeared before the Water Power Committee on March 27, one month—30 days—after the letter which he had signed or

which had his name signed to it. Now, on page 450 of the hearings, part 1, Mr. FERRIS asked Mr. Lane the following question:

Mr. Secretary, have you read the amendments printed in italics proposed in this last print of the bill?
Secretary LANE. Mr. Brown just called my attention to them. I had never seen the last print until I came into the committee room here.

Now, who can get up here and say that Secretary Lane had thoroughly considered and approved and indorsed these amendments?

Mr. LA FOLLETTE. Will the gentleman yield?

Mr. SIMS. Wait until I finish.

Mr. LA FOLLETTE. I want to correct you right there.

Mr. SIMS. I am reading from the record.

Mr. LA FOLLETTE. What he said was he had never seen the bill, not the amendments.

Mr. SIMS. The bill with the amendments in it, which we had right before us. That was the thing about which the letter was written. It was a transmittal letter.

Mr. LA FOLLETTE. That had reference to the bill after it was amended.

Mr. SIMS. That is the letter that is being relied on as showing the amended bill, including the net-investment provision, was the product and perfection of reasoning of the three Secretaries after making a second effort.

What else? Right in that connection:

Mr. FERRIS. Then you have not had a chance to examine this print of the bill which shows many amendments in italics?
Secretary LANE. No; I have never seen it before.

Now, have we such faith in the mind-reading powers of the Secretary of the Interior, who said until the time he came into the committee room to be heard by the committee March 27, 1918, that he had never seen it before, and never considered a single one of the amendments? At the time Secretary Baker's name was signed to that letter Secretary Baker was in Europe.

Mr. SINNOTT. Will the gentleman yield?

Mr. SIMS. Yes, sir.

Mr. SINNOTT. Secretary Baker was not in Europe when he appeared before the committee in favor of this net-investment amendment.

Mr. SIMS. Secretary Baker, in the same hearings, said if the committee saw proper to adopt the original provision that he had no objection.

Mr. SINNOTT. He indorsed it emphatically; and the gentleman should tell the House about the letter which Secretary Lane read to the committee after that cross-examination to which you called the attention of the House.

Mr. SIMS. I have not got the letter by me, and I do not remember its exact wording, but not one question was asked Secretary Baker by way of cross-examination.

Mr. SINNOTT. It is in that same hearing. You are reading from it.

Mr. SIMS. If he wrote it, it was afterwards, of course. At this time he said he never had seen the letter to which his name was signed.

Mr. LA FOLLETTE. That does not say that. He said he never saw the bill as amended, but he did not say at any time he never saw the amendments.

Mr. SIMS. The bill as amended.

Now, Mr. Chairman, how much time have I left?

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIMS. Now, that is the trouble. The very part of the bill I wanted to discuss I have been kept away from by other discussions caused by questions.

Mr. WALSH. The gentleman can get some more time. I ask unanimous consent that the chairman of the committee have 10 additional minutes.

Mr. SIMS. I will be glad to have it.

Mr. ALEXANDER. If the gentleman will promise to discuss these two propositions I will not object.

Mr. SIMS. That and nothing else.

The CHAIRMAN. The gentleman from Massachusetts [Mr. WALSH] asks unanimous consent that the gentleman from Tennessee may be permitted to proceed for 10 minutes longer. Is there objection?

Mr. HELVERING. Mr. Chairman, I object.

Mr. ESCH. Mr. Chairman, the first vote is on the amendment of the gentleman from Tennessee, to strike out the net investment?

The CHAIRMAN. The gentleman from Tennessee was the first to offer an amendment to the section, and therefore it seems to the Chair the amendment ought to be voted on first.

Mr. TAYLOR of Colorado. Mr. Chairman, can we have the amendment reported?

The CHAIRMAN. The Chair will state that there were three or four or five amendments offered here and that they were not reported in any particular order. Does the gentleman from Tennessee wish to have his amendment voted on first?

Mr. SIMS. I do not care which one is voted on first. They have all been treated as one.

The CHAIRMAN. The Clerk will report the first one.

Mr. WALSH. Mr. Chairman, the understanding was that the amendment on page 27, striking out the definition of "net investment," would be deferred until section 14 was reached, and it would then be voted upon.

The CHAIRMAN. That is the amendment that the Chair was about to order the Clerk to report to be voted upon.

Mr. RAKER. I understood the Sims amendment concerning the net investment, on page 27, was continued and passed over until we had disposed of section 14. Now, we have not disposed of section 14, and will not until we have disposed of the Ferris amendment. I ask unanimous consent that the three amendments by myself to section 14 be passed over and that the Ferris amendment be voted on in preference to my amendment.

Mr. PARKER of New Jersey. Mr. Chairman, I object. I ask that the amendments be taken up in the order in which they appear in the bill.

The CHAIRMAN. The Clerk will report the amendments in the order of their consideration by the House.

The Clerk read as follows:

Amendment by Mr. SIMS: Page 27, line 1, strike out all of lines 1 to 18, inclusive.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Tennessee.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will report the next one.

The Clerk read as follows:

Amendment offered by Mr. SIMS: Page 37, line 4, after the word "license," strike out the remainder of the paragraph.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Tennessee.

The question was taken, and the Chairman announced that the "noes" seemed to have it.

Mr. HUMPHREYS. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Mississippi asks for a division.

The committee divided; and there were—ayes 59, noes 73.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the next one.

The Clerk read as follows:

Amendment offered by Mr. DOREMUS—

Mr. FERRIS. Mr. Chairman, by unanimous consent it was agreed that that amendment would be deferred. The gentleman from Minnesota [Mr. ANDERSON] and the gentleman from Michigan [Mr. DOREMUS] asked it.

Mr. DOREMUS. The gentleman from Oklahoma is mistaken. The amendment I offer perfects the text. The amendment offered by the gentleman from Oklahoma is a substitute in all its essential particulars, and anyway the vote would first come on the amendment which I offer perfecting the text.

Mr. FERRIS. Let me remind the gentleman from Michigan that it was suggested that his amendment be deferred by unanimous consent.

Mr. DOREMUS. The gentleman from Oklahoma is mistaken. He will bear in mind that there is another amendment I intended to offer in the event this pending amendment was defeated.

Mr. FERRIS. Perhaps it was another amendment I had in mind.

The CHAIRMAN. The amendment of the gentleman from Michigan was to perfect the text, and the gentleman from Oklahoma moves to strike out.

Mr. FERRIS. Let the amendment be reported.

Mr. ALEXANDER. Let us have it reported.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. DOREMUS: Page 41, line 12, after the word "right," strike out the words "upon or after" and insert the words "during the continuance or upon," so that the lines as amended will read:

"SEC. 14. That upon not less than two years' notice in writing from the commission the United States shall have the right, during the continuance or upon the expiration of any license, to take over and thereafter to maintain," and so forth.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was rejected.

Mr. SIMS. Mr. Chairman, I want to make this suggestion to the Chair

Mr. MADDEN. I object.

Mr. SIMS. I want to ask the gentleman from Wisconsin [Mr. ESCH] a question.

Mr. MADDEN. We are voting.
Mr. ROWE. Regular order!
Mr. SIMS. As to the motion by Mr. FERRIS, to substitute 14 for 15, my recollection was that 15 was not read.
Mr. ESCH. It was only offered for information.
Mr. FERRIS. I ask unanimous consent to strike out section 15. The amendment inadvertently says "14 and 15." My amendment is to strike out only section 14.
Mr. ESCH. It will not change it, anyway.
Mr. FERRIS. No.
The CHAIRMAN. The gentleman from Oklahoma asks to modify his amendment so as to confine his motion to strike out to section 14 alone. Is there objection?
There was no objection.
The CHAIRMAN. The question now is upon the motion of the gentleman from Oklahoma to strike out and insert.
Mr. WALSH. I think that amendment ought to be read.
Mr. SIMS. Of course, it ought.
Mr. FERRIS. The amendment was offered last night and printed for information, but was not read. It ought to be read now.
The CHAIRMAN. The amendment will be reported by the Clerk.
The Clerk read as follows:

Amendment offered by Mr. FERRIS: Page 41, line 10, strike out section 14 and insert section 14 of original bill, which reads as follows:
"SEC. 14. That upon not less than two years' notice in writing from the commission the United States shall have the right, upon or after the expiration of any license, to take over and thereafter maintain and operate any project or projects, as defined in section 3 hereof, and covered in whole or in part by the license, or the right to take over upon mutual agreement with the licensee all property owned and held by the licensee then valuable and serviceable in the development, transmission, or distribution of power and which is then dependent for its usefulness upon the continuance of the license, together with any lock or locks or other aids to navigation constructed at the expense of the licensee, upon the condition that before taking possession it shall pay the fair value not to exceed actual cost of property taken, plus such reasonable severance damages, if any, as may be caused by the separation of said property from property valuable, serviceable, and dependent as above set forth, but not taken, and shall assume all contracts entered into by the licensee with the approval of the commission.
"The value of such property so taken shall be determined by agreement between the commission and the licensee, and in case they can not agree, by proceedings in equity instituted by the United States in the district court of the United States in the district within which any of such property may be located: *Provided*, That such fair value shall not include or be affected by the value of any lands, rights of way, or other property of the United States licensed by the commission under this act, by the license, or by good will, going value, or prospective revenues: *Provided further*, That the values allowed for water rights, rights of way, land, or interest in lands shall not be in excess of the actual reasonable cost thereof at the time of acquisition by the lessee."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma, which has just been read by the Clerk.
The question was taken, and on a division, demanded by Mr. ESCH, there were—ayes 71, noes 83.
Mr. FERRIS. Tellers, Mr. Chairman.
Tellers were ordered, and the Chairman appointed Mr. FERRIS and Mr. ESCH.
The committee again divided, and the tellers reported ayes 71, noes 96.
Accordingly the amendment was rejected.
The CHAIRMAN. The gentleman from California [Mr. RAKER] offers an amendment.
Mr. RAKER. My amendment has been disposed of by the action of the committee, except as to subsection (d).
The CHAIRMAN. Does the gentleman from California ask unanimous consent to withdraw his amendment?
Mr. RAKER. The House has disposed of it. There is no need of voting on it again.
Mr. FERRIS. Mr. Chairman, I offer the following amendment.
The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.
The Clerk read as follows:

Amendment offered by Mr. FERRIS: On page 41, section 14, line 23, after the word "the," where it occurs the first time, insert the following: "fair value, which in no instance shall exceed the."

Mr. ANDERSON. I make the point of order that that amendment is not in order. The House has already voted upon an amendment in the nature of a substitute covering identically the same proposition.
Mr. FERRIS. Mr. Chairman, I want to be heard on that.
The CHAIRMAN. The Chair will hear the gentleman.
Mr. FERRIS. Mr. Chairman, the Committee of the Whole has just decided by a clear majority that it wants to retain the net investment proposition. A good deal of the argument has been that they wanted to retain it in order to retain the accounting feature. Now, if that be the purpose—and I have no doubt it is in the minds of many—this preserves the net investment as an accounting proposition, but likewise preserves the feature that the Government at the time of the taking shall not pay in excess of the fair value, which in no instance shall exceed the net investment. So that if this amendment be agreed to, the thought of the net investment, so far as it is an accounting proposition is concerned, is preserved, but the public interest is and will be likewise preserved by providing that in no instance shall the Government, the State, the city, or the town pay more than the property is actually and fairly worth, and it does not involve the same proposition. It is really much more far-reaching than the original proposition.
Mr. ANDERSON. This is an argument on the point of order, and the gentleman is discussing the merits of it.
Mr. FERRIS. I understand that the gentleman has raised a point of order, and in fairness to myself I must discuss the facts, as that is the issue, and that is what I am doing. I am explaining that this involves an issue which is much more far-reaching than the substitute which I originally offered. If the amendment that I offered had been agreed to, the net investment feature would not have been preserved either as an accounting proposition or as a recapture proposition. In this instance the net investment is preserved as an accounting proposition, but as a recapture proposition it is modified to the extent that in no instance shall the public pay more than the property is actually worth at the time of retaking, and I ask for a vote upon my amendment. The amendment ought to be adopted. It is in the public interest. There should be no objection to it.
Mr. WALSH. The gentleman had better find out whether it is in order first.
Mr. ANDERSON. Mr. Chairman, of course, the intention of the gentleman from Oklahoma has nothing to do with the determination of whether this amendment is in order or not. The situation is this: The House has voted on a substitute for the entire section and voted that substitute down. If the gentleman's amendment was in order at all, it was in order in the first place, before the vote on the substitute, as an amendment perfecting the text. The amendment is in the exact language of a part of the substitute. A vote upon it would be a vote on substantially the same proposition as the House has voted in voting on the substitute. If the gentleman's contention is correct, after we have voted the substitute down, which contains the same substantive proposition, and he can afterwards offer it as an amendment, there would never be an end to it.
The CHAIRMAN. Was the accounting provision in the substitute offered by the gentleman from Oklahoma the same as in section 14 of the bill?
Mr. FERRIS. There was no accounting provision in it at all.
The CHAIRMAN. The Chair is ready to rule. It seems to the Chair that these two amendments are sufficiently distinct to hold the amendment in order and give the committee a chance to vote upon it. The Chair overrules the point of order, and the question is on the amendment offered by the gentleman from Oklahoma.
The question was taken; and on a division (demanded by Mr. FERRIS) there were—55 ayes and 87 noes.
So the amendment was rejected.
The CHAIRMAN. The gentleman from Minnesota [Mr. ANDERSON] has an amendment pending to section 14, which the Clerk will report.
The Clerk read as follows:

Add at the end of section 14 the following:
"*Provided*, That the right of the United States or any State or municipality to take over, maintain, and operate any project licensed under this act at any time by condemnation proceedings, upon payment of just compensation, is hereby expressly reserved."

The CHAIRMAN. The question is on the amendment.
The question was taken, and the amendment was agreed to.
Mr. SEARS. Mr. Chairman, I offer the following amendment.
The Clerk read as follows:

Page 41, line 24, after the word "payment," insert the words "less depreciation and."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida.
The question was taken; and on a division (demanded by Mr. SEARS] there were—37 ayes and 70 noes.
So the amendment was rejected.
Mr. RAKER. Now, Mr. Chairman, I ask that my amendment be again reported.
The Clerk read as follows:

Strike out subdivision (d), section 10, being all of lines 20 to 25, page 36, and all of lines 1 to 9, page 37.
Strike out all of lines 1 to 18, both inclusive, page 27, of section 3.

Mr. RAKER. The last part of that is withdrawn.
Mr. WALSH. The gentleman will have to modify his amendment before it is offered.

Mr. RAKER. I ask unanimous consent to modify it by striking out the last part, relating to the net investment.

The CHAIRMAN. The Clerk will report the modified amendment.

The Clerk read as follows:

Strike out subdivision d, section 10, being all of lines 20 to 25, page 36, and all of lines 1 to 9, page 37.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

Mr. ESCH. Mr. Chairman, I call attention to the fact that subsection c, page 36, was passed over and not read and not acted upon, in view of the fact that it contains the net investment, and I ask that it be now read.

The CHAIRMAN. The gentleman from Illinois [Mr. GRAHAM] has an amendment pending.

Mr. ESCH. Yes; we agreed to return to that.

The CHAIRMAN. The Clerk will read the amendment.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Illinois: Page 36, line 18, after the word "works," strike out the semicolon, insert a comma and the following language: "but such license shall be upon the express condition that said licensee shall make settlement or compensation for all damages to be caused by the construction of such project according to the laws of the State where such damages are to be caused before construction of such project."

Mr. GRAHAM of Illinois. Mr. Chairman, after consulting with the chairman of the committee and several Members I have changed the phraseology of the amendment, and I ask to modify my amendment accordingly.

The CHAIRMAN. Without objection, it will be so ordered, and the Clerk will read the modified amendment.

There was no objection, and the Clerk read as follows:

Modified amendment by Mr. GRAHAM of Illinois: Page 36, line 15, after the word "property" and the period, strike out the balance of line 15 and lines 16, 17, 18, 19 and insert in lieu thereof the following: "Each license issued hereunder shall contain an express condition that the licensee shall, before the commencement of the construction of said project works, comply with all laws of the State or States in which said project works or any part thereof are to be situated relative to damages that may be caused, directly or indirectly, by said proposed project works, but the United States shall not be liable for any part of said damages."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. HUMPHREYS. Mr. Chairman, is there no debate upon this? I desire to ask the gentleman from Illinois a question, if I may, as to his amendment, which I am in favor of. It occurred to me that he ought to strike out the words "or States." He provides that the licensee shall comply with the laws of the State or States in which the project works or any part thereof may be located. It occurs to me that he ought to strike out the words "or States," so that it would provide that the licensee shall comply with the laws of the State in which the project or any part thereof may be located. Then you would know exactly what you want there, and there might be some conflict in the laws of the States. That would require the condemnation proceedings, and so forth—damages—to proceed according to the law of the State in which the project or any part thereof might happen to be.

Mr. GRAHAM of Illinois. Mr. Chairman, if the chairman of the committee agrees with me, I think perhaps the suggestion is a good one, and that the words "or States" ought to be stricken out.

Mr. SIMS. All I want to do is to effect what the gentleman desires. I think the suggestion is a proper one.

Mr. GRAHAM of Illinois. Mr. Chairman, I ask unanimous consent to further modify the amendment by striking out the words "or States" where they occur.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. DOREMUS. Mr. Chairman, I ask unanimous consent to offer at this time an amendment that may be pending and printed in the RECORD for the information of the committee. I do not desire to have it read at this time.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to offer an amendment, to be printed in the RECORD, to be considered pending, for the information of the committee. Is there objection?

Mr. WALSH. The same is to be considered pending?

Mr. DOREMUS. Yes; I so stated.

Mr. ANDERSON. Mr. Chairman, I desire to reserve all points of order upon the amendment.

The CHAIRMAN. The gentleman from Minnesota reserves points of order. The Chair does not understand that the gentleman from Michigan desires to have the amendment read now.

Mr. DOREMUS. No.

The CHAIRMAN. Without objection, it will be printed in the RECORD for the information of the committee.

There was no objection.

The amendment referred to is as follows:

Mr. DOREMUS moves to amend by striking out everything in the bill after section 2, on page 24, and inserting in lieu thereof the following:

"SEC. 3. That the words defined in this section shall have the following meanings when found in this act, to wit:

"'Public lands' means such lands and interest in lands owned by the United States as are subject to private appropriation and disposal under public-land laws. It shall not include 'reservations,' as hereafter defined.

"'Reservations' means lands and interest in lands owned by the United States and withdrawn, reserved, or withheld from private appropriation and disposal under the public-land laws, and lands and interest in lands acquired and held for any public purpose.

"'State' means a State admitted to the Union, the District of Columbia, and any organized Territory of the United States.

"'Municipality' means a city, county, irrigation district, drainage district, or other political subdivision of a State, competent under the laws thereof to carry on the business of developing, transmitting, utilizing, or distributing power.

"'Municipal purposes' means and includes all purposes within municipal powers as defined by the constitution or laws of the State or by the charter of the municipality.

"'Navigation dam' means a dam or other work, constructed or owned by the United States for the improvement of navigation, with or without contribution from others, from which flows surplus water not needed for navigation that may be disposed of under the provisions of this act.

"'Project' means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights of way, ditches, dams, reservoirs, lands, or interest in lands, the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit.

"'Project work' means the physical structures of a project.

"SEC. 4. That the commission is hereby authorized and empowered—

"(a) To make investigations and to collect and record data concerning the power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites, and whether the power from navigation dams can be advantageously used by the United States for its public purposes, and what is a fair value of such power, to the extent it may deem necessary or useful for the purposes of this act.

"(b) To cooperate with the executive departments and other agencies of the Government in such investigations; and for such purpose the several departments and agencies are authorized and directed, upon the request of the commission, to furnish such records, papers, and information in their possession as may be requested by the commission, and temporarily to detail to the commission such officers or experts as may be necessary in such investigations.

"(c) To make public from time to time such portions of the information secured hereunder as it shall deem expedient in the public interest, and to provide for the publication of its reports and investigations in such form and manner as may be best adapted for public information and use.

"(d) To prepare a comprehensive plan for the construction, operation, and maintenance by the Government of the United States, in accordance with appropriations to be made and authority to be conferred by Congress, of dams, powerhouses, and other project works necessary or proper for the development and improvement of navigation upon, along, across, or in any of the navigable waters of the United States, or upon any part of the public lands and reservations of the United States (including Territories) and for the purpose of utilizing in the public interest the surplus water or water power from any navigation dam now or hereafter constructed.

"(e) To issue licenses to any State or municipality for the purpose of constructing, operating, and maintaining dams, water conduits, reservoirs, power houses, transmission lines, or other project works necessary or convenient for the development and improvement of navigation, and for the development, transmission, and utilization of power across, along, or in any of the navigable waters of the United States, or upon any part of the public lands and reservations of the United States (including the Territories), or for the purpose of utilizing the surplus water or water power from any navigation dam, except as herein provided: *Provided*, That licenses shall be issued within any reservation only after a finding by the commission that the license will not interfere or be inconsistent with the purpose for which such reservation was created or acquired, and shall be subject to and contain such conditions as the Secretary of the department under whose supervision such reservation falls shall deem necessary for the adequate protection and utilization of such reservation: *Provided further*, That no license affecting the navigable capacity of any navigable waters of the United States shall be issued until the plans of the dam and other navigation structures have been approved by the Chief of Engineers and the Secretary of War. Whenever the contemplated improvement is, in the judgment of the commission, desirable and justified in the public interest for the purpose of improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, a finding to that effect shall be made by the commission and shall become a part of the records of the commission: *Provided further*, That in case the commission shall find that any navigation dam may be advantageously used by the United States for its public purposes, no license therefor shall be issued until two years after it shall have reported to Congress the facts and conditions relating thereto.

"(f) To issue preliminary permits for the purpose of enabling applicants for a license hereunder to secure the data and to perform the acts required by section 9 hereof.

"(g) To prescribe rules and regulations for the establishment of a system of accounts and for the maintenance thereof by licensees hereunder, and by the Government of the United States; to examine all books and accounts of such licensees at any time; to require them to submit at such time or times as the commission may require statements

and reports, including full information as to assets and liabilities, capitalization, cost of project, cost of operation, and the production, transmission, use, and sale of power; and to make adequate provision for currently determining said costs. All such statements and report shall be made upon oath, unless otherwise specified, and in such form and on such blanks as the commission may require.

"(h) To hold hearings and to order testimony to be taken by deposition at any designated place in connection with the issuance of any permit or license, or the regulation of rates, service, or securities, or the making of any investigation, as provided in this act; and to require by subpœna, signed by any member of the commission, the attendance and testimony of witnesses and the production of documentary evidence from any place in the United States, and in case of disobedience to a subpœna the commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence. Any member, expert, or examiner of the commission may, when duly designated by the commission for such purposes, administer oaths and affirmations, examine witnesses, and receive evidence. Depositions may be taken before any person designated by the commission and empowered to administer oaths, shall be reduced to writing by such person or under his direction, and subscribed by the deponent. Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

"(i) To perform any and all acts, to make such rules and regulations, and to issue such orders not inconsistent with this act as may be necessary and proper for the purpose of carrying out the provisions of this act.

"SEC. 5. That each preliminary permit issued under this act shall be for the sole purpose of maintaining priority of application for a license under the terms of this act for such period or periods, not exceeding a total of three years, as in the discretion of the commission may be necessary for making examinations and surveys, for preparing maps, plans, specifications, and estimates, and for making financial arrangements. Each such permit shall set forth the conditions under which priority shall be maintained and a license issued. Such permits shall not be transferable, and may be canceled by order of the commission upon failure of permittees to comply with the conditions thereof.

"SEC. 6. That licenses under this act shall be issued for a period not exceeding 50 years. Each such license shall be conditioned upon acceptance by the licensee of all the terms and conditions of this act and such further conditions, if any, as the commission shall prescribe in conformity with this act, which said terms and conditions and the acceptance thereof shall be expressed in said license. Licenses may be revoked only for the reasons and in the manner prescribed under the provisions of this act, and may be altered only upon mutual agreement between the licensee and the commission after public notice given for 90 days.

"SEC. 7. That whenever, in the judgment of the commission, the development of any project should be undertaken by the United States itself, the commission shall not approve any application for such project by any State or municipality, but shall cause to be made such examinations, surveys, reports, plans, and estimates of cost of the project as it may deem necessary, and shall submit its findings to Congress with such recommendations as it may deem appropriate concerning the construction of such project by the United States.

"SEC. 8. That each applicant for a license hereunder shall submit to the commission—

"(a) Such maps, plans, specifications, and estimates of cost as may be required for a full understanding thereof. Such maps, plans, and specifications when approved by the commission shall be made a part of the license; and thereafter no change shall be made in said maps, plans, or specifications until such changes shall have been approved and made a part of such license by the commission.

"(b) Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located with respect to the appropriation, diversion, and use of water for power purposes and with respect to the right to engage in the business of developing, transmitting, and distributing power, and in any other business necessary to effect the purposes of a license under this act.

"(c) Such additional information as the commission may require.

"SEC. 9. That all licenses issued under this act shall be on the following conditions:

"(a) That the project adopted, including the maps, plans, and specifications, shall be such as in the judgment of the commission will be best adapted to a comprehensive scheme of improvement and utilization for the purposes of navigation, of water-power development, irrigation, and of other beneficial public uses; and if necessary in order to secure such scheme, the commission shall have authority to require the modification of any project and of the plans and specifications of the project works before approval.

"(b) That except when emergency shall require for the protection of navigation, life, health, or property, no substantial alteration or addition not in conformity with the approved plans shall be made to any dam or other project works constructed hereunder of a capacity in excess of 100 horsepower without the prior approval of the commission; and any emergency alteration or addition so made shall thereafter be subject to such modification and change as the commission may direct.

"(c) That the licensee shall maintain the project works in a condition of repair adequate for the purposes of navigation and for the efficient operation of said works in the development and transmission of power, shall make all necessary renewals and replacements, shall maintain adequate depreciation reserves for such purposes, shall so maintain and operate said works as not to impair navigation, and shall conform to such rules and regulations as the commission may from time to time prescribe for the protection of life, health, and property. No license hereunder shall have the effect of relieving the licensee from liability for any injury or damage occasioned by the construction, maintenance, or operation of said project works; and the United States shall in no event be liable therefor.

"(d) That out of surplus earnings the licensee shall establish and maintain amortization reserves sufficient to retire any bonds or other securities issued for the construction of any project not later than 50 years from the date of issue.

"(e) That licenses for the development, transmission, or distribution of power shall be issued and enjoyed without charge: *Provided*, That when licenses are issued that contemplate the use of navigation dams or other structures owned by the United States, the licensee shall pay an annual charge, to be fixed by the commission, which shall not exceed in any case the fair value of the use, as nearly as the same may be ascertained.

"(f) Such further conditions not inconsistent with the provisions of this act as the commission may require.

"SEC. 10. That if the dam or other project works are to be constructed across, along, or in any of the navigable waters of the United States, the commission may, in so far as it deems the same reasonably necessary to promote the present and future needs of navigation and consistent with a reasonable investment cost to the licensee, include in the license any one or more of the following provisions or requirements:

"(a) That such licensee shall, to the extent necessary to preserve and improve navigation facilities, construct in whole or in part, without expense to the United States, in connection with such dam, a lock or locks, booms, sluices, or other structures for navigation purposes, in accordance with plans and specifications approved by the Chief of Engineers and the Secretary of War and made part of such license.

"(b) That in case such structures for navigation purposes are not made a part of the original construction at the expense of the licensee, then, whenever the United States shall desire to complete such navigation facilities the licensee shall convey to the United States, free of cost, such of its land and its rights of way and such right of passage through its dams or other structures, and permit such control of pools as may be required to complete such navigation facilities.

"(c) That such licensee shall furnish free of cost to the United States power for the operation of such navigation facilities, whether constructed by the licensee or by the United States.

"SEC. 11. That whenever application is filed for a project hereunder involving navigable waters of the United States, and the commission shall find upon investigation that the needs of navigation require the construction of a lock or locks or other navigation structures, and that such structures can not, consistent with a reasonable investment cost to the applicant, be provided in the manner specified in section 10, subsection (a) hereof, the commission may, either before or after taking action upon such application, cause a report upon such project to be prepared, with estimates of cost of the power development and of the navigation structures, and shall submit such report to Congress with such recommendations as it deems appropriate concerning the participation of the United States in the cost of construction of such navigation structures.

"SEC. 12. That the licensee shall commence the construction of the project works within the time fixed in the license, shall thereafter in good faith and with due diligence prosecute such construction, and shall within the time fixed in the license complete and put into operation such part of the ultimate development as the commission shall deem necessary to supply the reasonable needs of the then available market, and shall from time to time thereafter construct such portion of the balance of such development as the commission may direct, so as to supply adequately the reasonable market demands until such development shall have been completed. The periods for the commencement and completion of construction may be extended by the commission when not incompatible with the public interests. In case the licensee shall not commence actual construction of the project works, or of any specified part thereof, within the time prescribed in the license or as extended by the commission, then, after due notice given, the license shall, as to such project works or part thereof, be terminated upon written order of the commission. In case the construction of the project works, or of any specified part thereof, have been begun but not completed within the time prescribed in the license, or as extended by the commission, then the Attorney General, upon the request of the commission, shall institute proceedings in equity in the district court of the United States for the district in which any part of the project is situated for the revocation of said license, the sale of the works constructed, and such other equitable relief as the case may demand, as provided for in section 26 hereof.

"SEC. 13. That when in the opinion of the President of the United States, evidenced by a written order addressed to the holder of any license hereunder, the safety of the United States demands it, the United States shall have the right to enter upon and take possession of any project, or part thereof, constructed, maintained, or operated under said license, for the purpose of manufacturing nitrates, explosives, or munitions of war, or for any other purpose involving the safety of the United States, to retain possession, management, and control thereof for such length of time as may appear to the President to be necessary to accomplish said purposes, and then to restore possession and control to the party or parties entitled thereto; and in the event that the United States shall exercise such right, it shall pay to the party or parties entitled thereto just and fair compensation for the use of said property as may be fixed by the commission upon the basis of a reasonable profit in time of peace, and the cost of restoring said property to as good condition as existed at the time of the taking over thereof, less the reasonable value of any improvements that may be made thereto by the United States and which are valuable and serviceable to the licensee.

"SEC. 14. That the operation of any navigation facilities which may be constructed as a part of, or in connection with any dam or diversion structure built under the provisions of this act, whether at the expense of a licensee hereunder or of the United States, shall at all times be controlled by such reasonable rules and regulations in the interest of navigation, including the control of the level of the pool caused by such dam or diversion structure, may be made from time to time by the Secretary of War. Such rules and regulations may include the maintenance and operation by such licensee at its own expense of such lights and signals as may be directed by the Secretary of War, and such fishways as may be prescribed by the Secretary of Commerce.

"SEC. 15. That as a condition of the license, every licensee hereunder owning or operating any project and developing, transmitting, or distributing power for sale or use in public service shall abide by such reasonable regulation of the services to be rendered to customers or consumers of power, and of rates and charges of payment therefor, as may from time to time be prescribed by any duly constituted agency of the State in which the service is rendered or the rate charged. That in case of the development, transmission, or distribution, or use in public service of power by any licensee hereunder or by its consumer engaged in public service within a State which has not provided a commission or other authority with power to regulate and control the services to be rendered by such licensee or by its consumer engaged in public service, or the rates and charges of payment therefor, or the amount or character of securities to be issued by any of said parties, it is agreed as a condition of such license that jurisdiction is hereby conferred upon the commission, upon complaint of any person aggrieved or upon its own initiative, to exercise such regulation and control until such time as the State shall have provided a commission or other authority for such regulation and control: *Provided*,

That the jurisdiction of the commission shall cease and determine as to each specific matter of regulation and control prescribed in this section as soon as the State shall have provided a commission or other authority for the regulation and control of that specific matter.

"SEC. 16. That when said power or any part thereof shall enter into interstate or foreign commerce the rates charged and the service rendered by any such licensee or by any municipality purchasing power from such licensee for sale and distribution or use in public service shall be reasonable, nondiscriminatory, and just to the consumer, and all unreasonable, discriminatory, and unjust rates or services are hereby prohibited and declared to be unlawful; and whenever any of the States directly concerned has not provided a commission or other authority to enforce the requirements of this section within such State, or to regulate and control the amount and character of securities to be issued by any of such parties or such States are unable to agree through their properly constituted authorities on the services to be rendered or on the rates or charges of payment therefor, or on the amount or character of securities to be issued by any of said parties, jurisdiction is hereby conferred upon the commission, upon complaint of any person aggrieved, upon the request of any State concerned, or upon its own initiative to enforce the provisions of this section, to regulate and control so much of the services rendered, and of the rates and charges of payment therefor as constitute interstate or foreign commerce and to regulate the issuance of securities by the parties included within this section.

"The administration of the provisions of this section, so far as applicable, shall be according to the procedure and practice in fixing and regulating the rates, charges, and practices of railroad companies as provided in the act to regulate commerce, approved February 4, 1887, as amended, and that the parties subject to such regulation shall have the same rights of hearing, defense, and review as said companies in such cases.

"SEC. 17. That when the grantee can not acquire by contract or pledges the right to use or damage the lands or property of others necessary to the construction, maintenance, or operation of any dam, reservoir, diversion structure, or the works appurtenant or accessory thereto, it may acquire the same by the exercise of the right of eminent domain in the district court of the United States for the district in which such land or other property may be located, or in the State courts.

"SEC. 18. That whenever the public interests requires or justifies the execution by the licensee of contracts for the sale and delivery of power for periods extending beyond the date of termination of the license, such contracts may be entered into upon the joint approval of the commission and of the public-service commission or other similar authority in the State in which the sale or delivery of power is made, or if sold or delivered in a State which has no such public-service commission, then upon the approval of the commission, and thereafter in the event of failure to issue a new license to the original licensee at the termination of the license, the United States shall assume and fulfill all such contracts.

"SEC. 19. That the provisions of this act shall not be construed as revoking any permit or valid existing right of way heretofore granted, or as revoking any authority heretofore given pursuant to law, but any person, association, corporation, State, or municipality holding or possessing such permit, right of way, or authority may retain the same, subject to the conditions set forth in the grant thereof and subject to any and all rules and regulations applicable thereto and existing at the date of the approval of this act.

"SEC. 20. That any lands of the United States included in any proposed project under the provisions of this act shall from the date of filing of application therefor be reserved from entry, location, or other disposal under the laws of the United States until otherwise directed by the commission or by Congress. Notice that such application has been made, together with the date of filing thereof and a description of the lands of the United States affected thereby, shall be filed in the local land office for the district in which such lands are located. Whenever the commission shall determine that the value of any lands of the United States so applied for, or heretofore or hereafter reserved or classified as power sites, will not be injured or destroyed for the purposes of power development by location, entry, or selection under the public-land laws, the Secretary of the Interior, upon notice of such determination, shall declare such lands open to location, entry, or selection, subject to and with a reservation of the right of the United States or its permittees or licensees to enter upon, occupy, and use any part or all of said lands necessary, in the judgment of the commission, for the purposes of this act, which right shall be expressly reserved in every patent issued for such lands; and no claim or right to compensation shall accrue from the occupation or use of any of said lands for said purposes. The United States or any licensee for any such lands hereunder may enter thereupon for the purposes of this act upon payment of any damages to crops, buildings, or other improvements caused thereby to the owner thereof, or upon giving a good and sufficient bond to the United States for the use and benefit of the owner to secure the payment of such damages as may be determined and fixed in an action brought upon the bond in a court of competent jurisdiction, said bond to be in the form prescribed by the commission: *Provided*, That locations, entries, selections, or filings heretofore made for lands reserved as water-power sites or in connection with water-power development or electrical transmission may proceed to approval or patent under and subject to the limitations and conditions in this section contained.

"SEC. 21. That the Attorney General may, on request of the commission or of the Secretary of War, institute proceedings in equity in the district court of the United States in the district in which any project or part thereof is situated for the purpose of revoking for violation of its terms any license issued hereunder, or for the purpose of remedying or correcting by injunction, mandamus, or other process any act of commission or omission in violation of the provisions of this act or of any lawful regulation or order promulgated hereunder. The district courts shall have jurisdiction over all of the above-mentioned proceedings and shall have power to issue and execute all necessary process and to make and enforce all writs, orders, and decrees to compel compliance with the lawful orders and regulations of the commission and of the Secretary of War, and to compel the performance of any condition imposed under the provisions of this act.

"SEC. 22. That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein, or with the police regulations of the respective States.

"SEC. 23. That the right to alter, amend, or repeal this act is hereby expressly reserved; but no such alteration, amendment, or repeal shall affect any license theretofore issued under the provisions of this act, or the rights of any licensee thereunder.

"SEC. 24 That all acts or parts of acts inconsistent with this act are hereby repealed: *Provided*, That nothing herein contained shall be held or construed to modify or repeal any of the provisions of the act of Congress approved December 19, 1913, granting certain rights of way to the city and county of San Francisco."

Mr. ESCH. Mr. Chairman, I suggest to the gentleman from Tennessee that we now read section 15.

Mr. SIMS. I was just about to ask that identical thing.

Mr. HUMPHREYS. Mr. Chairman, before that is done I desire to ask the chairman of the committee a question. Last night just before adjournment there was an amendment offered striking out, on page 37, line 24, the rest of that paragraph, beginning with the words "but in no case," and so forth, and the chairman asked that that be passed over until he could consider it.

Mr. SIMS. It has not yet been disposed of, and I have not had time to look into the matter.

Mr. HUMPHREYS. Very well; I just wanted to have it understood that it was still in order to revert to that at any time before the bill is finally disposed of.

Mr. SIMS. Yes.

The Clerk read as follows:

SEC. 16. That when in the opinion of the President of the United States, evidenced by a written order addressed to the holder of any license hereunder, the safety of the United States demands it, the United States shall have the right to enter upon and take possession of any project, or part thereof, constructed, maintained, or operated under said license, for the purpose of manufacturing nitrates, explosives, or munitions of war, or for any other purpose involving the safety of the United States, to retain possession, management, and control thereof for such length of time as may appear to the President to be necessary to accomplish said purposes, and then to restore possession and control to the party or parties entitled thereto; and in the event that the United States shall exercise such right, it shall pay to the party or parties entitled thereto just and fair compensation for the use of said property as may be fixed by the commission upon the basis of a reasonable profit in time of peace, and the cost of restoring said property to as good condition as existed at the time of the taking over thereof, less the reasonable value of any improvements that may be made thereto by the United States and which are valuable and serviceable to the licensee.

Mr. SIMS. Mr. Chairman, I move that the committee do now rise.

Mr. ANDERSON. If the gentleman will permit, Mr. Chairman, I desire to ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The motion was agreed to.

Accordingly the committee rose, and the Speaker having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 1419, the water-power bill, and had come to no conclusion thereon.

PRINTING REVENUE BILL (H. DOC. NO. 1267).

Mr. CRISP. Mr. Speaker, there is a House resolution on the Speaker's table with Senate amendments, and I ask the Speaker to lay it before the House.

The SPEAKER. The Chair lays before the House the following House resolution with Senate amendments, which the Clerk will report.

The Clerk read as follows:

House concurrent resolution 51.

Resolved by the House of Representatives (the Senate concurring), That there be printed 25,000 copies of H. R. 12863, entitled "A bill to provide revenue, and for other purposes," together with the report No. 767 upon the same, as a House document, 2,000 copies to go to the document room of the House of Representatives, 21,750 copies to the folding room of the House of Representatives, and 1,250 copies to the Committee on Ways and Means, and that there be printed 10,000 as a Senate document for the use of the Senate.

The SPEAKER. The Clerk will report the Senate amendments.

The Clerk read as follows:

Line 2, strike out "twenty-five" and insert "twenty-seven"; line 9, strike out the words "as a Senate document"; line 10, after the word "Senate," insert "and 2,000 copies for the Committee on Finance."

Mr. CRISP. Mr. Speaker, the effect of the amendment of the Senate is to increase the number of the bills to be printed by 2,000, those 2,000 to be given to the Finance Committee of the Senate. As the resolution originally passed the House it provided for 10,000 copies of the revenue bill to be printed as a Senate document for the use of the Senate. Of course it was an error to have that in the resolution, and the Senate amended it by striking out "as a Senate document," which allows the bill to be printed as a House bill, as it should be printed, with 10,000 for the use of the Senate. So the only effect of these amendments is to increase the number by 2,000 for the use

of the Finance Committee of the Senate and to strike out the provision in the resolution providing that 10,000 copies of the House bill be printed as a Senate document. I move to concur in the Senate amendments.

Mr. CANNON. Will the gentleman allow me?

Mr. CRISP. Yes.

Mr. CANNON. I do not know how many people are as blind as I am, but the printing that is done in the report and, I think, in the bill is jammed up so you can not see it without a magnifying glass—and I see fairly well; can read without glasses—and it makes it almost impossible to follow the report. Could it not be printed in larger type? How much more money will it cost?

Mr. GILLETT. It is as good type as the newspapers which we all read.

Mr. CANNON. Oh, well, we do not all read them. It is poor paper, and in a bill that is to raise $10,000,000,000 the country at large, and especially the Members of the House, ought to be able to read it without magnifying glasses.

Mr. NORTON. Will the gentleman yield? The 25,000 copies are to be put in the folding room and distributed among the Members proportionately, about 50 to each Member?

Mr. CRISP. Yes; the distribution is in no wise changed from the original resolution passed by the House. The only changes are those I mentioned, and the only reason I asked the Speaker to lay it before the House and move to concur in these amendments now is that there are no copies in the document room, and Members trying to obtain copies of the bill can not get them. The bill is to come up on Friday, and many Members of the House are extremely anxious to obtain a copy of the bill and report. The secretary of the chairman of the committee came to me and said that Mr. KITCHIN was at home and asked me to call up the resolution and move to concur in the Senate amendments.

Mr. NORTON. The bill should be printed.

Mr. GARNER. The gentleman ought to suggest in connection with the request of the gentleman that only 15,000 are to be distributed in the folding room. Of the 37,000 in all, 2,000 are for the Senate Finance Committee, 1,250 for the Committee on Ways and Means, 10,000 for distribution by the Senate, and 15,000 through the folding room of the House.

Mr. CRISP. I think the gentleman is in error. My recollection of it is that 21,750 are to go through the folding room.

Mr. GARNER. That may be correct.

Mr. CRISP. One thousand and fifty through the document room, and then there are 10,000 in addition to this 25,000 for the use of the Senate. The Senate adds another 2,000 for the Senate to go to the Finance Committee.

Mr. WALSH. Will not the bill be printed in the usual bill form for consideration in the House?

Mr. CRISP. Absolutely. This simply provides that this number of the bill and report shall be printed.

Mr. CANNON. I want to know, before that happens, if we can not have this report and the bill printed upon good paper, in type that somebody can read without a magnifying glass?

Mr. CARTER of Oklahoma. If the gentleman will yield, what is the difference between the copies we are providing now and the regular copies?

Mr. CRISP. I do not think there is any difference.

Mr. CANNON. There is the report. Look at the tables.

Mr. CRISP. Answering the gentleman from Illinois [Mr. CANNON], I would like to state that my understanding is that this bill and report are to be printed on the usual paper and in the usual type in which all bills and reports are printed.

Mr. FORDNEY. Mr. Speaker, I believe it was understood yesterday between the gentleman from North Carolina [Mr. KITCHIN] and the gentleman from Indiana [Mr. BARNHART] that if printed in a different type it would cost less money and take less paper, and that it was agreed it should be printed in that different type. That is my understanding.

Mr. CRISP. I knew nothing of that agreement. The resolution as now before the House contains no such provision. It simply provides for the printing of 37,000 copies of this bill and report.

The SPEAKER. The question is on agreeing to the Senate amendments.

The amendments were agreed to.

SENATE ENROLLED BILLS SIGNED.

The Speaker announced his signature to enrolled bills of the following titles:

S. 936. An act to authorize the Secretary of the Treasury to convey to the city of Bozeman, Mont., certain land for alley purposes; and

S. 934. An act authorizing the State of Montana to select other lands in lieu of lands in section 16, township 2 north, range 30 east, within the limits of the Huntley irrigation project and the ceded portion of Crow Indian Reservation in said State.

LEAVE OF ABSENCE.

Mr. DOOLITTLE, by unanimous consent, was granted leave of absence indefinitely, on account of death in his family.

EXTENSION OF REMARKS.

Mr. DOOLITTLE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the war and partisanship. I make this request at this time because it was my intention to make this speech next week, during the consideration of the tax bill under general debate, but by reason of the leave of absence which is granted me by reason of a death in my family, I shall not be here.

The SPEAKER. Is there objection? (After a pause.) The Chair hears none.

Mr. McCULLOCH. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing my own speech on the subject of the war.

The SPEAKER. The gentleman from Ohio asks unanimous consent to extend his remarks in the RECORD on the subject of the war. Is there objection? (After a pause.) The Chair hears none.

ADJOURNMENT.

Mr. SIMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p. m.) the House adjourned until Thursday, September 5, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the chairman of the Interstate Commerce Commission, transmitting copy of the report of the commission in valuation docket No. 5, Winston-Salem Southbound Railway Co. (H. Doc. No. 1268); to the Committee on Interstate and Foreign Commerce and ordered to be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting communication from the Acting Secretary of Commerce, submitting supplemental estimate of appropriation required by the Steamboat-Inspection Service for the fiscal year 1919 (H. Doc. No. 1269); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HULL of Iowa, from the Committee on Military Affairs, to which was referred the bill (H. R. 12844) for the relief of John Minahan, alias John Bagley, reported the same without amendment, accompanied by a report (No. 769), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CARY: A bill (H. R. 12870) providing for the substitution of the single-rail system as applied by the Boynton railway patents to the standard roads; to the Committee on Interstate and Foreign Commerce.

By Mr. LAZARO: A bill (H. R. 12871) to prevent the injury, damage, destruction, or impairment of use of locks or locks and dam constructed in a navigable stream or canal by the United States Government or constructed by a private person, company, or corporation, by and with the consent of Congress, and to punish and prevent such offenses; to the Committee on the Judiciary.

By Mr. DENT: A bill (H. R. 12872) making certain officers of the Army eligible for appointment as Chief of Staff Corps and departments; to the Committee on Military Affairs.

By Mr. WALTON: A bill (H. R. 12873) granting the public lands within the State of New Mexico to said State; to the Committee on the Public Lands.

By Mr. BANKHEAD: A bill (H. R. 12880) to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment; to the Committee on Education.

By Mr. BURNETT: Joint resolution (H. J. Res. 326) authorizing the readmission to the United States of lawfully resident aliens applying therefor after having been enlisted or conscripted for military service of the United States or of one of the nations cobelligerents of the United States; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARTER of Massachusetts: A bill (H. R. 12874) granting a pension to Lebbeus H. Brockway; to the Committee on Pensions.

Also, a bill (H. R. 12875) granting a pension to Adoniram J. Edwards; to the Committee on Pensions.

Also, a bill (H. R. 12876) granting a pension to Thomas Casey; to the Committee on Pensions.

By Mr. SANDERS of New York: A bill (H. R. 12877) granting a pension to Edgar Shadbolt; to the Committee on Pensions.

By Mr. WALTON: A bill (H. R. 12878) fixing the term of service of Welton W. Pratt during the Civil War; to the Committee on Military Affairs.

Also, a bill (H. R. 12879) fixing the term of service of Elijah C. Putman during the Civil War; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ESCH: Petition of A. J. Johnson, president Iowa State Equity Society; H. A. Fuller, vice president American Society of Equity; J. Weller Long, secretary-treasurer American Society of Equity; and S. W. Ricords, president South Dakota Farmers' Union, asking for the suspension of immigration laws that sufficient farm labor may be secured during the war; to the Committee on Immigration and Naturalization.

By Mr. HERSEY (by request): Petition of Waterville Motor Co. and other citizens of Waterville, Me., urging change in taxation of automobiles; to the Committee on Ways and Means.

By Mr. OSBORNE: Petition of William W. Castleberry, Los Angeles, Cal., urging war-time prohibition for conservation of grains, etc.; to the Committee on the Judiciary.

Also, resolution of Rev. Marcus P. McClure and others of First Presbyterian Church, Los Angeles, Cal., urging prohibition; to the Committee on the Judiciary.

SENATE.

THURSDAY, *September 5, 1918.*

(Legislative day of Wednesday, September 4, 1918.)

The Senate met at 12 o'clock noon.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Johnson, Cal.	Martin	Sterling
Benet	Jones, N. Mex.	Nelson	Sutherland
Brandegee	Jones, Wash.	New	Thomas
Calder	Kellogg	Overman	Townsend
Chamberlain	Kendrick	Penrose	Trammell
Culberson	Kenyon	Phelan	Vardaman
Curtis	King	Poindexter	Warren
Fletcher	Kirby	Shafroth	Watson
France	Knox	Sheppard	Wilfley
Gore	Lenroot	Simmons	
Hale	McCumber	Smith, Ariz.	
Henderson	McNary	Smoot	

Mr. BANKHEAD. I desire to state that my colleague [Mr. UNDERWOOD] is necessarily absent temporarily. I make this announcement for the day.

Mr. GORE. I desire to announce that the junior Senator from Nebraska [Mr. NORRIS] is absent on official business.

Mr. SUTHERLAND. My colleague the senior Senator from West Virginia [Mr. GOFF] is absent on account of illness.

Mr. PHELAN. I wish to announce that the Senator from Montana [Mr. WALSH] and the Senator from Rhode Island [Mr. GERRY] are detained on official business.

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Forty-five Senators having answered to their names, a quorum is not present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. NORRIS and Mr. FALL answered to their names when called.

Mr. POMERENE, Mr. GUION, Mr. NUGENT, Mr. SHERMAN, Mr. ROBINSON, Mr. LODGE, and Mr. MCKELLAR entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-four Senators having answered to their names, there is a quorum present.

TRANSFER OF GOVERNMENT BUREAUS FROM WASHINGTON.

Mr. THOMAS. Mr. President, I ask unanimous consent to submit a resolution which I ask the Secretary to read, and that it may lie over until the unfinished business is disposed of.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The resolution (S. Res. 296) was read, as follows:

Resolved, That the President be requested, under the powers conferred upon him by the provisions of the so-called Overman Act, and for the purpose of relieving the congestion of population in the District of Columbia, to order the transfer from Washington to other cities in the country for the duration of the war, all bureaus, commissions, and subdivisions of the several departments which can discharge their functions and perform their duties as well outside of said district as within its boundaries, such order to be effective not later than the 1st day of October, A. D. 1918.

The PRESIDING OFFICER. The resolution will lie on the table subject to call.

DRY ZONE AROUND MUNITION PLANTS.

Mr. KELLOGG. Mr. President, I ask unanimous consent to introduce a joint resolution and have the same immediately considered. In the agricultural bill there has been adopted a clause or paragraph authorizing the President to establish what is called a dry zone around munition plants, shipbuilding yards, and so forth. As that bill may not become a law for a month or two months I would like to have the Senate pass this joint resolution, as it is very important that the President shall have that power now. I ask that the joint resolution be read.

The joint resolution (S. J. Res. 172) authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That the President of the United States be, and hereby is, authorized and empowered, at any time after the passage of this joint resolution, to establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants, and such other plants for war material as may seem to him to require such action, whenever in his opinion the creation of such zones is necessary to, or advisable in, the proper prosecution of the war, and that he is hereby authorized and empowered to prohibit the sale, manufacture, or distribution of intoxicating liquors in such zones, and that any violation of the President's regulations in this regard shall be punished by imprisonment for not more than one year or by fine of not more than $1,000, or by both such fine and imprisonment.

Mr. JONES of Washington. I shall have to object to the joint resolution at this time. It emphasizes the necessity of the passage of the pending agricultural bill.

The PRESIDING OFFICER. Objection is made.

ARREST OF ALLEGED SLACKERS.

Mr. CHAMBERLAIN. Mr. President, I know it is hardly in order at this time to address the Senate on any subject except the pending unfinished business, but I ask to have read into the RECORD an editorial from the New York World of this morning, entitled "New York's Dragonade." It is very short, and after it is read I desire to make just a few observations.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the article will be read by the Secretary.

The Secretary read as follows:

NEW YORK'S DRAGONADE.

Whoever was responsible for the wholesale round-up of so-called draft slackers in this vicinity on Tuesday operated absolutely in defiance of the spirit of American law. He was armed with no warrants. His orders were carried out chiefly by men destitute of *official standing*. There is no record in all the history of New York of such another lawless proceeding.

To seize tens of thousands of young men by force in this fashion and make them prisoners on the mere suspicion that they were military delinquents was an outrage. There had been no adequate warning of the raid, which might easily have been given. No provision had been made for the care of the captives. The guilty and the innocent, the strong and the weak, the law-abiding and the law-defying, were herded together promiscuously in armories and police stations, and private citizens, usurping judicial functions, passed judgment upon droves of free-born Americans, kidnapped and insulted.

In this monstrous invasion of human rights it is noticeable that agents of the Department of Justice, deputy United States marshals, officers of the police, regular soldiers from Forts Jay and Hancock, naval bluejackets, and members of the National Guard, to say nothing of volunteer organizations, participated. By whose orders were all these forces turned loose, and by what authority did such a mob assume to act when it took captive thousands of men who, as Mr. De Woody, chief of the New York division of the Department of Justice, now admits, were not properly subject to suspicion?

In war or in peace, the arrest and incarceration of 50,000 men in order to apprehend 500 offenders is a shameful abuse of power.

Mr. CHAMBERLAIN. Mr. President, if the World were not just as I am, the friend and supporter of the administration generally, I assume I would be very severely criticized for

having that matter read into the RECORD. I know nothing about what is being done except what the World states, and I want to unite with the editor in denouncing any such proceedings as are now being indulged in, if the statements are true, in reference to so-called slackers, no matter from whence the authority for such proceedings comes.

Mr. President, there is no man in the Senate and there is no man in the country who despises a man who undertakes to evade his military duty any more than I do. But, notwithstanding that, Mr. President, the men who are slacking, and that there are some there can be no question, ought to be reached by due process of law. The whole Department of Justice, the Military Bureau of the War Department, the Military Bureau of the Navy Department, all the American defense societies, United States marshals, and all the officers of the law have some means and some instrumentalities for reaching the slackers. Here it is charged that thousands and tens of thousands of perfectly innocent men are being arrested without authority and haled before the courts and some of them placed in prison, possibly kept overnight there, who were perfectly innocent of undertaking to evade military duty.

I am just informed this morning by a Member of the Senate that over in Maryland in a plant where shells are being manufactured the young men who are engaged in that industry and who have been exempted because they are engaged in an essential industry when they dare go on the street are arrested by some fellow without authority and imprisoned, and immediately placed in the category of discredited slackers. That is not right; it ought not to be that young men who, against their own wishes and against their protest, are being held from active military service abroad because engaged in essential industry are looked upon as slackers, and they will not remain in their places unless compelled to do so by some military source. The result of this kind of proceeding is that young men who are innocent, who are not undertaking to slack, who are trying to do their duty by the country, are in many instances rounded up and put in prison.

I do not know by whose authority it is done, and I want to take this first opportunity to say the country will not stand it to have innocent young men rounded up and imprisoned where they have undertaken to do their whole duty to the country.

Mr. CALDER. Mr. President, I am very glad the chairman of the Committee on Military Affairs has brought this matter to the attention of the Senate. I was an observer of some of these raids myself on Tuesday in New York City. I protested to the officers in command of some of these squads against the manner in which the raids were being done. When I arrived in Washington yesterday morning I protested at the Department of Justice, the newspapers having indicated that they were responsible for it. The Assistant Attorney General, with whom I talked yesterday, said the matter was without his knowledge and would have his immediate attention.

But, Mr. President, I know thousands of men in New York City, many of them over the draft ages, who could have no card of classification, were taken by the authorities and sent to police stations and herded together in school yards and armories, and were compelled to have responsible people come and identify them. In fact, at least a dozen of these cases were called to my attention for identification.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from New York yield to the Senator from Connecticut?

Mr. CALDER. I yield.

Mr. BRANDEGEE. Will the Senator be kind enough to state when he protested to the officers in command of the squads, who were thus violating the law, what reply the officers gave and whether they stated their authority for the action taken?

Mr. CALDER. They said under the authority of the Department of Justice.

Mr. VARDAMAN. Will the Senator repeat under what authority?

Mr. CALDER. Of the Department of Justice. In one place I saw a street car stopped and an armed sailor go into the car and take men out of it, in some cases where they were escorting ladies. Men were stopped in the street. They were taken out of their places of business and crowded into vans, perhaps 50 or 60 packed in like sardines, and sent to the police station houses.

Mr. McCUMBER. Does the Senator say, of his own knowledge, that any great number of persons were arrested who had registered as they ought to have registered?

Mr. CALDER. All of the men who had their registration cards with them were immediately released; but many of them, not having previous notice, did not have their cards with them; some men who were over the draft age and some under were apprehended, and not having identification cards were compelled to furnish evidence that they were not liable for service.

Mr. McCUMBER. Of course, the Senator would naturally look for errors in the matter of age; but, on the whole, did they not round up an enormous number of real slackers who ought to have been rounded up?

Mr. CALDER. The newspapers indicate that out of some 40,000 men who were arrested in the several boroughs of the city perhaps two or three hundred at the most were unable finally to submit satisfactory evidence that they were not liable to arrest. Many of these men, however, were not residents of New York City, but were passing through the city. One man called me up on the telephone who was a resident of Baltimore and asked me if I could identify him because of his business acquaintance in New York. I was unable to identify him, but suggested how he might be released.

Mr. THOMAS. If I understand the Senator from New York, then, the number of slackers actually apprehended was less than 1 per cent of the number arrested?

Mr. CALDER. From the newspaper stories I should judge that to be the case.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Connecticut?

Mr. CALDER. I do.

Mr. BRANDEGEE. In view of the remark of the Senator from North Dakota [Mr. McCUMBER] as to whether or not in point of fact the men arrested were slackers, I desire to say that in my opinion that is entirely irrelevant to the question that we are discussing. The question is not whether or not a man is a slacker; the question is whether the man who presumes to arrest him has any authority to arrest anybody.

Mr. CALDER. I have no further knowledge of the subject except what I was informed by a number of men who were arrested and what I read in the newspapers.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Washington?

Mr. JONES of Washington. I thought the Senator was through.

Mr. CALDER. I yield the floor.

Mr. JONES of Washington. I desire to say that I will withdraw my objection to the request to temporarily lay aside the unfinished business for the consideration of the joint resolution which the Senator from Minnesota [Mr. KELLOGG] desires to present.

Mr. KELLOGG and Mr. JOHNSON of California addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. GORE. Will the Senator from Minnesota yield to me for just a moment?

Mr. KELLOGG. I yield.

Mr. JOHNSON of California. I wanted to address myself to the matter which has just been adverted to rather than to the pending measure.

Mr. GORE. Mr. President, I merely wish to observe that I am glad the Senator from Oregon [Mr. CHAMBERLAIN] has had this editorial read into the RECORD. I wish to say that such an editorial coming from the New York World, the unrivaled and undoubted champion of this administration, ought to be a source of gratification to every American citizen who loves the liberties which have been transmitted to us by our forefathers and who desires to see them preserved and transmitted to posterity. This editorial has in it the clarion tone of seventy-six; it is a rift in the clouds. I doubt not now that behind the clouds which have been lowering and threatening the sun is still shining. I doubt not that it is shining with undiminished splendor. I have no doubt that the rights and liberties of the American people will be vindicated and will not be destroyed. I have some slight hope also that those of us who have been subjected or who have subjected ourselves to a floodtide of abuse for no other offense than that committed by the editor of the New York World may yet find our vindication.

Mr. JOHNSON of California. I wish, first, Mr. President, to congratulate the chairman of the Military Affairs Committee [Mr. CHAMBERLAIN] upon bringing this matter, most important in the preservation of the liberty of our citizens and in the preservation of our home democracy, to the attention of the Senate. I came here this morning with the description of what transpired in New York, clipped from the same paper, the editorial from which has been read at the desk. I intended to read this description without saying whence it came nor to what

particular part of the world it related. As I read it I wanted to ask the Senate of the United States where it was that such a thing occurred. No Senator, without the earmarks of identification, would for an instant have said that it was in the United States of America, in the foremost democracy of the world.

Mr. President, that the Senate may know just what this particular proceeding portends, that it may understand that finally into our life has come the law of "suspects," translated from the law, indeed, of the little lawyer of Arras, promulgated 125 years ago, during the French Revolution; the law by which every man suspected by an extrajudicial organization or by some voluntary aggregation of individuals was forthwith thrown into prison then, and under its application in our country to-day into what the New York newspapers designate as the "bull pen." That we may understand fully the situation let me read you the account published in the New York World of yesterday. I am sorry that I had to disclose the identity of the article and the particular place of this occurrence, for unless it had been disclosed no man would have said it was possible in our country.

The headlines read:

Seize 30,000 in round-up after Uncle Sam spreads draft net about city.

And then this subheadline follows:

But of these only about 1,000 turn out to be probable slackers, and careless but innocent ones are freed. Exciting day at railway stations.

And I may supplement what was said by the junior Senator from New York [Mr. CALDER] by adding that the official under whom these peculiar proceedings were had stated publicly in interviews that a very small percentage of the number of men confined in the "bull pen" were indeed guilty of the offense of which they were "suspected." Now follows the article:

More than 30,000 men were taken into custody yesterday at the inception of the draft round-up—the most gigantic affair of the kind the United States ever has known.

No figures were available which would show the number of actual slackers who were in this big group, but Charles De Woody, chief of the New York division of the Department of Justice and director of the round-up, said last night that the number would be comparatively small and that the first day of the raids had demonstrated that New York is, on the whole, a patriotic city.

12,000 IN ONE ARMORY.

Late last night Mr. De Woody estimated that 12,000 men had been brought to the Sixty-ninth Regiment Armory and passed through the receiving pen. These were men from Manhattan and the Bronx. Of this number 200 were taken to Camp Upton or Governor's Island to be inducted immediately into the Army; 200 more were locked up, with the certainty that they will go to court the first thing this morning; and 400 were sent to the Tombs as United States prisoners, on the assumption that they probably would turn out to be slackers. It was estimated that about 1,000 men will be turned into the Army as a result of yesterday's round-up in Manhattan alone.

The 12,000 who passed through the armory does not include those who were merely taken to police stations, questioned there, and released. Just how many were handled in this way no one knows. One official estimated the number at two-thirds the total arrested. But the general opinion was that this estimate was far too high.

Then follows—

SWEEP IN JERSEY, TOO.

Five thousand were taken into custody in Brooklyn, 1,500 in Queens, 1,500 in Passaic, about 8,000 in Jersey City and Hoboken, 1,500 in Paterson, and scattering hundreds in other New Jersey towns and Westchester County. Except for Manhattan no figures on the approximate number of slackers were available.

Enough was learned, however, to show that in the vast majority of cases the man arrested had merely been careless in leaving home without his draft card—

Follow, Senators, please, the remainder of this sentence—

or unfortunate in appearing of draft age when in reality he was older or younger.

Picture to yourself what this raid was. The young-looking old man is taken in instanter, although he can not possibly have a card; the young man who might be within the particular ages is taken in as well; but just think of it, it was "unfortunate" that men who, from their facial expression or perhaps their garb, appeared to be within the draft age, when in reality they were not within the draft age, were rounded up and imprisoned.

Now, what happened to these men who were taken into custody?

Late last night the weeding-out process was still continuing in the five armories to which the arrested men have been taken. Cots were being set up for large numbers of them.

Oh, ye beardless boys who look to be within the ages of 21 to 31, ye men well preserved who may appear to be within the draft age, grow ye your gray whiskers and put on the habiliments of superannuated age, or an extrajudicial authority in the city of New York or elsewhere will take you to the "bull pen" until you can demonstrate by a birth certificate, a thousand miles away perhaps, your real age!

I read again:

So greatly did the number of arrests exceed expectations that the facilities were vastly overtaxed. In the Sixty-ninth Armory the commissary supplies were exhausted and hundreds of men went for many hours without food.

Where was it that this occurred? Would you say, if you had not been advised to-day, that this thing were even possible in free America? In terrorized Germany perhaps it might happen; and the very purpose, according to my idea of this sort of proceeding, is the purpose that has ever attended this kind of thing the world over—terrorism, the same sort of terrorism that makes it impossible to-day for any newspaper in this land to print what it desires, the same sort of terrorism that makes it to-day a crime for any man in this Nation loyally, legitimately, and honestly to speak his sentiments upon the rostrum or to his neighbors. Terrorism! That is the design of this kind of proceeding. Terrorism! The terrorism that takes for granted that a great people fighting a righteous and just war are not loyal and are not patriotic. Infinitely better would it be that our Government proceed upon the theory, now demonstrated, that our people are loyal and patriotic and determined to win this war.

Reading further from this article:

An attempt was made to remedy this last night by taking groups of them out to different restaurants under guard.

Men in groups of fifty or a hundred, prodded by bayonets to restaurants—men who committed no crime, were guilty of no sin, but simply because they looked as if they might be of a certain age they were "suspected" by unknown individuals and treated as if they were criminals.

Finally it was necessary to abandon the round-up temporarily in order to give the weary crusaders—

Weary crusaders—

an opportunity to catch up with their work.

HAD TO USE SCHOOL YARD.

So large was the number of men rounded up on the upper west side early in the evening that the police stations could not accommodate them and prisoners were taken to the yard of Public School No. 17 in West Forty-seventh Street and to the First Field Artillery Armory. Another armory in Manhattan probably will be opened for such use to-day. In the West Sixty-eighth Street police station 305 of the 2,000 men admitted they had failed to register.

A great haul—

A great haul—

was made along Broadway shortly before the opening of the theaters. Fifty men were picked up in front of the Knickerbocker Hotel at Forty-second Street and Broadway. In Harlem 500 negroes were taken. In the receiving stations were represented men of widely varying degree of social standing and wealth.

I read now Mr. De Woody's statement. Please listen, my brethren, to this:

"Because of the tremendous influx of men at the armory," Mr. De Woody said finally, "all examiners must begin to make a more careful check of all men taken to police stations and must take to the armories only those who appear to be slackers. The American Protective League operatives must cull their men more thoroughly.

Was ever such a presentation made in any government under the sun that made a pretense of freedom, that a body, unofficial in character, unknown as to its personnel, wholly extrajudicial, could gather up 30,000 or 40,000 citizens, and then after putting them in jail and confining them in various "bull pens," should be naively told by the official in charge that they ought to "cull their men more thoroughly."

"Too many cases which should obviously have been thrown out have been brought to the already overcrowded armory for us to pass on."

Then follow the various headlines of this article:

Business to suffer.
An unfamiliar sight.

Next—

Began early at railways.

Next—

Got taste of discipline.

And under that heading I read:

As fast as groups of 50 or 100 had been collected in rooms set aside in the two stations they were told by a sergeant to fall in. Here they got their first taste of discipline.

Innocent citizens of the Republic, with a bayonet behind them, for no crime, for no wrong, "got their first taste of discipline."

If they had suit cases a porter did not carry them; the prisoners did that work. And they marched with military briskness from the stations to the Sixty-ninth Regiment Armory.

Behind each group was a sergeant, and if one of the captives showed signs of faltering or letting down his bags he heard a sharp "Hold up there! Hold up there! Hip, hip, hip!"

Where is it that forced along with a sergeant behind him the innocent citizen marches and gets his "first taste of discipline," the citizen not arrested upon a writ, not indeed taken into custody because of aught he has done? Why, it is in the most populous city of the great democracy of the world that behind this citizen strides a sergeant with a bayonet and says, "Hold up there! Hip, hip, hip!"

What a spectacle, Senators, is this presented to our view!

Then the headlines proceed:

Drive strolls interrupted.

Again—

Hundreds sent for cards.

Again—

Amazed clothing workers.

And the irony of this paragraph I beg you to observe:

One of the most spectacular raids was made by hundreds of men who were sent into the clothing factory district just at the noon hour. As the workers poured out of the lofts about Twenty-third Street they found questioners waiting for them, and soon there was a long line of prisoners.

Many workers, however, got by and went to Madison and Union Square parks for their usual noon outings. The command went out to surround both parks and then everybody therein was questioned. Even a gray-bearded man who must have been at least 70 was not permitted to leave.

Why, the irony of the pretense that we make, and then of the act that we do!

In the noon hour soldiers and sailors also went through Battery Park. At another period a company of guards took positions in Wall Street and everybody was stopped and questioned. This also produced results. That the guards meant business was evident from a reply that a soldier gave to a reporter when asked what he would do if a prisoner should attempt to run away.

"Shoot him" was the laconic reply.

Then follow these headlines:

Got them at "movies" too.

Then—

Played no favorites.

And then there is the headline:

"Bull pen" grew jammed.

Every slacker or violator of the law should be punished. None subject to military service should be permitted to escape. But to humiliate 40,000 citizens, to shove them along with bayonets, to subject them to prison and summary military force, merely because they are "suspects," is a spectacle never before presented in the Republic. And this has been done when admittedly only 1 per cent might be "slackers."

I speak upon this subject, Mr. President, because, as I said once before in this body some two or three months ago, there is only one place in all this land where there can be now even a measure of free expression. There is just one place in all this Nation where men, perhaps cloaked in the privilege of their office, are given the power to raise their voices in protest or in denunciation. The only place left in all this land where liberty finally may have its fight made for it, and where freedom may be protected, is right here in this body; and our democracy depends not alone upon our sitting here and doing as we ought to do in respect to this war. Our democracy depends not alone upon doing all that may be asked of us for the winning of this war, but our democracy depends, too, upon the courage, the moral courage, of the men who sit here, 96 in number, in this one body. Our democracy, its preservation and its perpetuity, depend upon these men and upon their courage.

It is my purpose, Mr. President, in the future—I care not what may be the consequences; I care not what epithets may be cast, or what may be asserted when any protest is made against any illegal act—I intend hereafter, in the future, to voice at least the protest of one man upon this floor whenever terrorism is attempted or militarism runs rampant.

Mr. SHERMAN. Mr. President, I wish to inquire of the Senator from California if he knows whether or not the writ of habeas corpus has been suspended?

Mr. JOHNSON of California. Mr. President, the writ of habeas corpus and every other writ, when this thing is possible, has been in fact suspended. I want to say further that if the junior Senator from New York would relate what he saw and what he knows, he would tell you a tale of terrorism of good men and good women, patriotic men and patriotic women, that beggars description, and, indeed, is a tale that exceeds in its ugliness any tale that ever was related since we became a Republic.

Mr. SHERMAN. May I inquire further whether the Senator thinks this is one of the ways of making democracy safe for the world or for the United States of America?

Mr. JOHNSON of California. Mr. President, many of my colleagues, and among them the distinguished and very able and cultured Senator from Illinois, have been very much concerned because of our socialistic ventures, and because we have taken various sorts of property under the urge of war or for war purposes or permanently. I am not so much concerned with these material things; but I am concerned—concerned so deeply that I can hardly adequately express myself—for the humanity of this land, and for the preservation of those things that up to this time we have deemed inalienable; the right of every man to pursue his course legitimately, patriotically in response to the law, and thus living to have his freedom and his liberty.

Mr. SHERMAN. Mr. President, I do not care to take any time. I wish simply to state that some years before this war broke out a Prussian officer on the streets of Berlin ran a shoemaker through the body and killed him. I refer to what was known as the Zabern affair. It was in time of peace. He did this because the shoemaker would not get off the street in accordance with the order of the Prussian officer. The officer was not tried by the laws that relate to criminal offenses. I want to ask the Senate if it thinks there is any material difference between militarism in Berlin, when in time of peace an officer runs a man through the body and is simply tried by a court-martial and reprimanded and given an inconsequential sentence, and bayoneting innocent men around over the streets of New York City when there is no martial law proclaimed, when civil law is in full effect; whether there is any difference between democracy in the United States and militarism and Kaiserism in Berlin?

DRY ZONE AROUND MUNITION PLANTS.

Mr. KELLOGG. Mr. President, as the Senator from Washington has withdrawn his objection to the immediate consideration of the joint resolution (S. J. Res. 172) which I introduced a short time ago. I ask to have it read, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER (Mr. KENDRICK in the chair). The Senator from Minnesota asks unanimous consent for the present consideration of the joint resolution referred to by him. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which was read, as follows:

Senate joint resolution 172.

Be it enacted, etc., That the President of the United States be, and hereby is, authorized and empowered, at any time after the passage of this joint resolution, to establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants, and such other plants for war material as may seem to him to require such action, whenever in his opinion the creation of such zones is necessary to, or advisable in, the proper prosecution of the war, and that he is hereby authorized and empowered to prohibit the sale, manufacture, or distribution of intoxicating liquors in such zones, and that any violation of the President's regulations in this regard shall be punished by imprisonment for not more than one year or by fine of not more than $1,000, or by both such fine and imprisonment.

Mr. KELLOGG. Mr. President, this joint resolution is in the exact form of a provision in the pending Agricultural bill, and which the Senate has adopted. The object in introducing it and urging its passage at this time is this:

There are shipbuilding yards and factories in the United States situated in dry territory, and near those yards there have been temporarily established townships and villages for the purpose of selling liquor. I have one in mind. The northern part of the State is Minnesota is dry, the city of Duluth, and all the mining district. Situated in Duluth is a large steel plant manufacturing for the Government and two shipbuilding yards. Across the bay in the State of Wisconsin the city of Superior is dry, but under the laws of Wisconsin a village may be organized, and 15 or 20 men have organized a village a few miles out of Superior, a mile and a quarter from the big steel plant, and are running special wagons loaded with liquor into the steel plant, into Duluth, into the mining district, and into the shipyards. The President ought to have power to establish a zone around those plants, and it ought not to await the slow progress of the Agricultural bill. From the discussion within the last few days, I should say it may be 30 days before the bill is finally agreed upon in conference.

I therefore ask that the Senate pass this joint resolution at once, as it is very important.

Mr. POINDEXTER. Mr. President, I might ask the Senator—although now that he has taken his seat I will not do so—in view of his interest in the efficiency of the war industries, as manifested by this joint resolution, to explain to the Senate the somewhat inconsistent proposition of stopping these truck loads of beer that are going into the steel works. A short time ago a member of the Shipping Board appeared before one of the committees of the Senate and testified at considerable length, and his testimony was given a great deal of publicity in the newspapers, that it was absolutely necessary for the efficiency of workers in the shipyards that they should have intoxicating liquors to drink. It seems to me that if the administration is right about that, the carrying of truck loads of intoxicants into the shipyards and into the steel plants ought to be encouraged.

Mr. LENROOT. Mr. President, will the Senator yield to me?

Mr. POINDEXTER. Just a moment, and then I will yield to the Senator from Wisconsin. I want to call attention to a

letter, which is somewhat in conflict, however, with the testimony which I refer to, that was given by Mr. Colby, I think, a member of the Shipping Board, to the effect that the drinking of intoxicants increased the efficiency of workers. I have always understood that men advocated the right and privilege of drinking intoxicating liquors as a matter of personal liberty or pleasure or health, but it is the first time that I ever heard it argued from a high and responsible quarter that the drinking of intoxicating liquors increased the efficiency of workingmen 25 per cent.

Mr. President, the American Federation of Labor has joined with the Shipping Board in the contention that it is necessary for the efficiency of these employees of shipyards to have all that they want to drink, but I notice that there is some difference of opinion in the ranks of union labor itself on that subject. One of the most intelligent organizations of union labor, in my opinion, is the carpenters' union, and I want to read to the Senate a very brief letter which I have here from one of the local unions of that organization at Hoquiam, Wash. It says:

I am inclosing herewith sheets of a kind of literature that makes me warm, then hot, then boiling, then fighting mad—hence this channel of relief. Perhaps you are as well aware as we are here on the harbor that the absence of intoxicating liquors is of vast benefit in the shipbuilding industry, just now so important to our country. A man who pretends the opposite is as truly playing the German game as though he openly served under the German flag. The inclosed circular—

Referring to a circular attached to the letter, issued by the union label trades department of the American Federation of Labor, signed by John J. Manning, secretary-treasurer of that organization, resolving that the executive board of the union label trades department of the American Federation of Labor declares "its opposition to further prohibitory action, to the President of the United States, the Fuel Administrator, and to the Congress, setting forth the board's reasons therefor," with the reasons attached. Referring to that circular, this carpenters' union of Hoquiam, Wash., says, as I was proceeding to read:

The inclosed circular speaks "bunk" and libels the good name of 3,000 workers in the Aberdeen and Hoquiam yards. Mr. Schwab, who was recently here, should be able to absolutely blast the false statements of this inclosed circular. I know of no worker who claims or intimates he could work better with a beer supply, and most any of the 3,000 would feel like punching the fellow who tried to picture the rank and file of our union men as having a loyalty to country that rests on a taste for beer rather than a loyalty that springs from mind and heart. Senator, you can not do too much against the whole beer push to suit us here. If some of our labor officials wear a "wet collar" with the chain in the brewers' hands, so much the worse for them. Some of our "leaders"—

Referring to leaders of organized labor—

tried the same stunt in our State in 1914 and got a sharp calling down for it. Not everybody appreciates that, in this district at least, enough drinking men voted "dry" in 1914 to more than furnish the majorities won by the prohibition law. The proper title for some of these so-called "labor leaders" is "beer servers."

The mass of laboring men believe in, appreciate, and want national prohibition, with Uncle Sam's efficient fist behind it.

Respectfully, yours,

FRANKLIN H. BASSETT,
Secretary Hoquiam Carpenters and Aberdeen-Hoquiam Building Trades Council.

Mr. President, we have a resolution that was introduced by the Senator from Colorado [Mr. THOMAS] this morning, and I want to make just a few brief comments upon it.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Wisconsin?

Mr. POINDEXTER. I yield.

Mr. LENROOT. Before the Senator refers to that resolution, he intimated that he thought there was something inconsistent with this resolution and the position taken by the chairman of the Shipping Board. I want to call his attention to the fact that the resolution prohibits nothing. It is identical with the amendment adopted in the Senate in the pending Agricultural bill. It merely authorizes the President to establish zones, and in cases where he feels that it is necessary he will exercise the authority given.

Mr. POINDEXTER. The joint resolution introduced by the Senator from Minnesota [Mr. KELLOGG], taken in connection with his remarks in presenting it, undoubtedly indicates that it is the purpose of the Senator from Minnesota that this shipment of beer from a neighboring town into the steel works should be stopped.

Mr. LENROOT. If in the President's judgment the sale of liquor interferes with efficiency in war-working plants, the President will establish these zones, or, if there be cases where he feels it does not interfere, presumably he will not.

Mr. POINDEXTER. Mr. President, the resolution that was introduced by the Senator from Colorado, if I heard correctly the terms of it, inquired of the administration whether or not there was not some way whereby the President could direct the officers of the various bureaus employing large numbers of people in the District of Columbia to remove their offices and employees to some place outside of the District of Columbia, and the President take this action under the Overman law, that was recently passed by Congress. There was nothing in the Overman law that has anything to do with that; and I only mention it because of the misunderstanding that seemed to exist at the time the Overman law was before Congress and was adopted as to the need of that law as a great war measure. I do not recollect that anything has been done under the Overman law effecting any very radical change in the conduct of the business of the Government, although it was urged at the time as a matter of the utmost immediate importance and great pressing emergency of the Nation.

There is nothing in the law, regardless of the Overman Act, which would require any of these bureaus referred to to keep their employees in the District of Columbia. These are agencies of various kinds. It was not necessary that the Overman law should be passed to enable the President, according to the purport of the resolution of the Senator from Colorado, to direct offices employing large numbers of people to be established at some other place in the United States. The President had that authority before the Overman law was passed. The Overman law has not anything to do with it. There was not any such emergency for the passage of the Overman law as it was claimed to have, and it has had no effect whatever upon the conduct of the war. Nothing has been done since it passed that could not have been done before it was passed.

There is just one other matter, Mr. President, that I want to refer to very briefly, and that is the question that has been discussed with a good deal of heat as to the action of the Government in enforcing the draft law by arresting slackers in the city of New York. The claim is made that a great injustice was done and outrage perpetrated because in the enforcement of the act innocent men were also apprehended.

A short time ago the Senator from Oregon [Mr. CHAMBERLAIN] introduced a bill in Congress for the trial of the violators of the so-called espionage act by court-martial. Under the circumstances existing at that time and the difficulties that there had been in punishing disloyalty and pro-Germanism and treason in the country, I was inclined to favor the bill which was introduced by the Senator from Oregon. But it was opposed by the President, and the Senator from Oregon, although I assume he has not changed his opinion in regard to the merits of the principle represented by his bill, dropped the bill and publicly announced that he would not press it because it was opposed by the President.

Now and then there crops up in the Senate a reference to the President as the Commander in Chief, and from week to week we see Senators abandoning legislation which they had been advocating in bills which they had introduced because of the opposition of the Commander in Chief. We have a Commander in Chief. The President is Commander in Chief, but what is the President the Commander in Chief of? This doctrine that he is Commander in Chief of all the people of the United States, including Congress, is a new doctrine. The Constitution does not provide anything of that kind. The Constitution designates the President as Commander in Chief of the Army and of the Navy. The men who are enlisted in military services are compelled to obey his orders under the Constitution. But whenever this doctrine that he is the Commander in Chief of the Senate of the United States begins to have credence in the country, then will be time to talk about the failure of democracy.

I was very much surprised this morning, Mr. President, in view of this record of the Senator from Oregon, to hear him say that a slacker, a man who is subject to the draft and who is evading it, a man who is concealing his liability to military service in order that his neighbor might take his place, ought not to be arrested except by due process of law. That is quite a different proposition from the one he advocated a very short time ago. The law against espionage did not specify or define a military offense. It provided by statute a civil offense, and it was a departure from custom and ordinary principle for the Senator from Oregon to say that those guilty of that civil offense should be proceeded against by military court-martial. I believe, however, that there was much justification for the provision even in going to that extent, in view of the difficulties that we were confronted with in the beginning of our military efforts in this great war, which involves our national existence. So I was very much surprised to see the reverse attitude taken by the Senator from Oregon when he says that a purely military offense, opposition to the authority and the enforcement of the military law, the conscript act, which puts men under military

order and military control, should not be punished and restrained except by civil process.

There was a statement made this morning which somewhat surprised me in this connection, that habeas corpus had been suspended in New York. There is nothing in the newspapers to that effect. What is habeas corpus? There is nothing in the instance that has been described here which would indicate that the writ of habeas corpus had been interfered with in the slightest degree. Everybody knows what it is; every lawyer at least. If a citizen of the United States wants to avail himself of that great bulwark of liberty he goes into a civil court, appears before a judge of competent jurisdiction, and makes an allegation that he is restrained of his liberty unlawfully by a certain person. Habeas corpus is the writ which the judge issues commanding the person who is alleged to be unlawfully restraining another person of his liberty to bring the prisoner before the court, that the reason for his imprisonment may be inquired into. I venture to say, notwithstanding the assertions this morning, that the writ of habeas corpus still flourishes in all its vigor in the civil courts of New York, and that there is not a man of the thousands who were apprehended by these officers in the performance, in my opinion, of their duty to put into effect the draft act for military service who could not have had the lawfulness of his imprisonment inquired into and a judicial decision rendered at the earliest possible moment by anyone of a dozen civil courts in the city of New York.

Mr. CALDER. Will the Senator allow me?

Mr. POINDEXTER. I yield to the Senator.

Mr. CALDER. I will say to the Senator that armed soldiers went into business offices and took men from behind their desks, went into places of amusement and took them away from ladies whom they were escorting, and took men who were over the draft age and men who were under the draft age and put them in police stations and school yards and armories, and kept them under observation until they could send for some one who could prove that they were not slackers and were in good faith loyal citizens. Is it right for the Government to arrest men without notice under such circumstances?

Mr. POINDEXTER. Yes; but I want to explain my answer by saying I think it is unfortunate in any case that an innocent man should be apprehended. Yet if it is found necessary in the search for slackers and evaders of the draft in the strictest kind of enforcement of the draft act to make inquiry in this way into the status of men about whom there is any doubt as to whether or not they are eligible to the draft, it is a justifiable military proceeding under military law.

There is some talk here about the outrage of a sergeant standing up behind and ordering men to step. A million and a half of the citizens of this country, as loyal, at least, as any of those referred to in this debate, are keeping step to the orders of sergeants in France and are obeying the military orders of their superior officers. In the enforcement of the law, in the inquiry which is necessary to be made as to whether or not a man is eligible, there is nothing which has been disclosed here of the facts in this proceeding that shows that any great hardship about which any lover of liberty need be unnecessarily excited has been visited upon any of these people. There is talk about terrorism and talk of injustice.

Mr. FLETCHER. Mr. President——

Mr. POINDEXTER. In just a second I will yield to the Senator. Yet there is no showing here, either from the newspaper articles that have been read or from the statements of Senators on the floor, that any great hardship has been imposed upon a single individual. There is nothing to show any serious mistreatment of anybody. On the contrary, the showing is that the inquiry in order to separate the cowards and the slackers among those who were arrested from those who had not violated the draft act was carried out as expeditiously as possible and efficiently, without any very great hardship upon anybody who was affected. I yield to the Senator from Florida.

Mr. FLETCHER. I was going to suggest to the Senator also, and ask his judgment as to this point: Of course, New York is a very important portion of the country and the people of New York ought to have their rights respected and observed, but New York is not the whole country and the people there have not, perhaps, a superior right to people in other parts of the country. If we grant that an officer in New York representing the Department of Justice or some other department has exceeded his authority and has done things he ought not to have done, is it fair to hold out to the world the picture of the whole country being unlawfully invaded or the rights of citizens invaded over the country and a state of terrorism existing, threatening the whole country? Is there any sort of justification for that kind of a view?

Mr. POINDEXTER. I think it is an exaggerated view of the matter and, as I said before, nothing to arouse the indignation of anyone who looks at it, it seems to me, in a judicial attitude and takes time to inquire into what actually occurred there before he proceeds to denounce it. Practically, the fact of the case is, we have very little information as to what actually occurred. There is a good deal of misapprehension, I think, about the number of slackers found; and I think the 300 slackers the Senator from New York referred to were not mentioned as 300 out of the entire 45,000, but 300 out of a certain contingent who were gathered in a certain district. That appeared from something that was later read into the RECORD. But if there were but a hundred slackers, men evading the duties of citizenship, in that city while a million and a half of their fellow citizens have responded to the orders of the country, donned the military uniform, obeyed the orders of their Government, and are fighting its battles amid the horrors of German warfare along the front line in France, the steps which were taken to apprehend these men who refused to do their duty, to live up to the obligations of citizenship at a time when the existence of the country is at stake, were justified if they were necessary in the enforcement of the act. I am not prepared to say that it was not necessary that this means should have been taken to identify them and to segregate them from those whom they were with.

Mr. KIRBY. Mr. President——

The PRESIDING OFFICER (Mr. SMITH of South Carolina in the chair). Does the Senator from Washington yield to the Senator from Arkansas?

Mr. POINDEXTER. I yield to the Senator.

Mr. KIRBY. I thought the Senator had finished.

Mr. POINDEXTER. I have not quite finished.

Mr. FRANCE. Mr. President——

Mr. POINDEXTER. I yield to the Senator from Maryland.

Mr. FRANCE. The Senator from Washington is a very able legislator and a very able lawyer. I desire to ask him if he thinks had this law been perfectly drawn and competently administered that such an abuse could have taken place under it? In other words, is any law perfectly drawn or competently administered which makes it necessary for the authorities to draw into a great net both the innocent and the guilty in order to ascertain who may be innocent and who may be guilty?

Mr. POINDEXTER. Mr. President, that is not the fault of the law. If there is any fault there at all, it is the fault of the administration of the law; it is not a question of legislation. It seems to me that we could not put into this statute detailed instructions as to just how it should be carried out; I think that there must be some latitude left to the administrative officers; and I am very glad to say that that discretion in the case of this law has been exercised by the Provost Marshal General and those acting under him very wisely and very efficiently, and that the latitude that was allowed him in the making of the regulations for the administration and enforcement of the law has been justified and vindicated.

Mr. FRANCE. Will the Senator yield while I explain what I have in mind?

Mr. POINDEXTER. Yes; I will yield briefly, but I should not care to have the Senator go on at much length.

Mr. FRANCE. I wish to say that this whole incident has come about owing to the defects which existed in the first draft law. If under that law the suggestions which were made from this side of the Chamber had been adopted, if in April or in May, 1917, the measures which were urged upon this side had been accepted, all the men from 18 to 45 years of age would have been enrolled; each one would have had his card; each one bearing a card would have been wearing an insignia of the service; and such an abuse could not have occurred. The whole thing has come about through an imperfectly and inadequately drawn law and through a law incompetently administered. That is my judgment, and I desire to have that suggestion go into the RECORD.

Mr. POINDEXTER. Mr. President, I am very glad to have yielded to the Senator from Maryland to allow him to make that statement. I do not, however, agree with him either as to the inadequacy of the law or as to the incompetency of its administration. I think the law is adequate and that its administration has been excellent and most efficient.

Mr. FRANCE. I desire to call the attention of the Senator to the fact, if he will yield for a moment, that we have all admitted that the law was inadequate, inasmuch as we have amended it recently so that men are included who are of the ages from 18 to 45. I am referring to the law which was in operation at the time when this general raid took place. We all realize that the law providing for registration only of those

from 21 to 31 was defective; and for that reason we amended it to include those of lesser and greater ages.

Mr. POINDEXTER. The changing of the ages of the draft is quite a different matter from the registration provided for under the law. That has not been changed in any material respect.

Mr. BENET. Will the Senator from Washington allow me to make a statement?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from South Carolina?

Mr. POINDEXTER. I yield to the Senator.

Mr. BENET. Since this discussion came up, I have talked with Provost Marshal General Crowder, and he has authorized me to say that his department had nothing to do with these arrests and did not authorize them. I simply state that for the benefit of the Senator from Washington [Mr. POINDEXTER], who has the floor, as it bears out the position he has taken. The arrests were not made under the authority or with the knowledge of anyone who is connected with the administration of the selective-draft law.

Mr. LODGE. May I ask a question just there?

Mr. POINDEXTER. Yes.

Mr. LODGE. If the War Department did not authorize these arrests, who did order the soldiers and the sailors of the United States to make them? The soldiers and sailors of the United States obey only their superior officers. They never would have been there for any other reason. Somebody in authority called out the United States troops. Who was it?

Mr. POINDEXTER. Whoever it was, I myself am mighty glad that it was done, and I hope they will do it all over the United States.

Mr. LODGE. That is another question.

Mr. POINDEXTER. I hope that every slacker, every man who is subject to the draft and who is evading it, will be apprehended and not through any court proceedings, because it is a military proceeding. They are subject to orders when they are registered and they ought to be apprehended and put into the military camps for training and made to do their duty in accordance with the law. The administration is worthy of commendation instead of denunciation for doing it.

I have criticized the administration in a mild way at different times because of its negligence in enforcing the draft law, because of its refusal to put men to work or to put them to fight when they had been exempted to go into the war industries of the country and then quit work and loafed upon the streets, with the approval and the tacit consent of the administration. I have criticized the administration in times past because of the delay of the administration in enforcing those statutes which have been placed upon the books in order to compel loyalty to and support of the Government in a foreign war; but when the Government acts, when the Government takes drastic measures to enforce these laws down to the last man who is violating them, I want to speak in approval of such action. I do not want to hold the administration up to obloquy, I do not want to have it go out all over the country that the Senate of the United States is unanimous in its objection to any measures whatever that may be necessary on the part of the Government to enforce these war measures. I trust that we can avoid the demoralizing effect that such an idea would create among those who are already too prone to shirk their responsibility or even to aid the enemy.

Mr. FRANCE. Mr. President——

Mr. POINDEXTER. In just a moment. Something has been said in criticism of the American Protective League. I have not any connection with it at all, but I want to say that the men who belong to that organization have rendered an invaluable service to the country. Instead of being denounced as extraconstitutional and extralegal—as it may be they are—they are entitled to the thanks and to the gratitude of the country for aiding the officials of the Government in searching out disloyalty and treason and for upholding the hands of the people in the conduct of this great struggle. Now I yield to the Senator from Maryland.

Mr. FRANCE. Mr. President, the Senator from Washington has been very kind in yielding and I wish merely to make a brief explanation.

When I referred to incompetence in the enforcement of the law I was referring to such incidents as this incident in New York. I was not referring to any incompetence on the part of the Provost Marshal General, for I think that Provost Marshal General Crowder is one of the great figures which have been developed by this war, and I am sure we all recognize the distinguished service he has performed.

Mr. LODGE. If the Senator from Washington will allow me, I desire to say that he misunderstood my question. The Senator from South Carolina [Mr. BENET] stated by authority that the Provost Marshal General had stated that these arrests were not made by his orders; that he had nothing to do with them. We are all of one opinion about the Provost Marshal General; he has carried out the great and difficult work of the draft most admirably, and he has not ordered the proceeding which has taken place in New York. Now, if we are going to commend that, as the Senator from Washington proposes, who is to be commended? Whether we condemn or commend, we ought at least to know whom we must praise or whom we must condemn. I only wanted to get the information.

Mr. FRANCE. Mr. President, will the Senator yield to me further?

Mr. POINDEXTER. I would rather reply to one Senator at a time; but I will yield to the Senator.

Mr. FRANCE. I simply wish to say to the Senator from Massachusetts that I did not misunderstand his question. I was referring to a statement made somewhat earlier.

Mr. LODGE. I said the Senator from Washington misunderstood my question. I was not discussing the matter of what was done in New York at all.

Mr. POINDEXTER. Mr. President, I did not misunderstand the question of the Senator from Massachusetts. I agree with him in the suggestion implied in his question, that when soldiers and sailors act they act under the authority of the military; they can not act under any other authority; and, regardless of the merits of the question, the military authorities must be responsible for the action of the men under their command. I agree entirely with what the Senator says in that respect.

Mr. LODGE. And yet Gen. Crowder has stated, through the Senator from South Carolina [Mr. BENET], that he had nothing to do with it.

Mr. POINDEXTER. Personally or in his official capacity he may not have had anything to do with it, but that does not make any difference. Because I express a complimentary opinion about Gen. Crowder is no reason why there are not some things which we may discuss even though Gen. Crowder did have nothing to do with them.

Mr. LODGE. I agree with what the Senator has said about Gen. Crowder fully; but he is charged with the enforcement of the draft law, and he has not used the troops for the purpose for which they were used in New York. Who has?

Mr. POINDEXTER. I will let the Senator inquire further into that—undoubtedly their superior officers. The President, of course, is responsible, he being the Commander in Chief of the Army, although he is supposed to act through the Secretary of War.

Mr. NELSON. Mr. President, I might suggest that possibly it was done at the instance of the district boards in New York. They may be anxious to round up these men in order to make easier the next registration, on the same theory as the board in this city has sent with their pay checks circulars to all the department clerks suggesting that they register here, no matter where they come from. This incident may have occurred because of the extraordinary zeal of the district boards.

Mr. POINDEXTER. I am very glad that they have some extraordinary zeal if that be the case.

Some reference has been made here to jabbing citizens around with bayonets. That would be a very serious thing if they were jabbed around with bayonets; but there is nothing whatever in the report of this proceeding to disclose that anybody was jabbed around with a bayonet. I think it would not hurt a slacker very much if he were jabbed around a little with a bayonet, but there is no indication here that that was done.

Mr. FALL. Mr. President, will the Senator from Washington yield to me for a moment?

Mr. POINDEXTER. Yes; I yield to the Senator.

Mr. FALL. Is it the Senator's idea that if a man fails to register or is a slacker in that respect and does not comply with the proclamation of the President and present himself for registration that he is subject to being rounded up by soldiers or sailors or under the military laws to be arrested and taken before the board and registered?

Mr. POINDEXTER. If he is subject to registration under the law, he is subject to military orders.

Mr. FALL. Mr. President, the law does not say so. The law that we enacted provided just exactly what shall be done. The civil courts must be appealed to.

Mr. POINDEXTER. Well, whatever may be provided as a supplementary proceeding in that respect, under the entire act a man subject to the draft who refuses or fails to register, or if registered absents himself from the places where the conscripts are ordered to assemble, is subject to military arrest. By express provision all departments of the Government are subject to the orders of the President for the enforcement of the law,

and the President is required to make any order, rule, or regulation necessary for the enforcement of the act.

There is just one further thing I wish to refer to, Mr. President, and that is the reference which has been made to and the denunciation of an alleged state of terrorism which the country is now in. The Senator from California [Mr. JOHNSON] referred to it. I have the very greatest respect for the opinions of the Senator from California, but we are all expected to act upon our individual judgment about these matters. I myself do not feel, either as a citizen or as a Senator, that there is any state of terrorism in this country. I do not believe that any loyal newspaper really has any fear of publishing what it chooses to publish within the law and the truth. If it has, it is a craven coward and unworthy of the consideration of the Senate. Any man who is really a man, who obeys the law and supports the Government, is perfectly immune and, in my judgment, knows that he will have the protection of the law in exercising his rights as a citizen. I think that we are very far from having a state of terrorism. The very editorial from the New York World read to the Senate by the Senator from Oregon, denouncing in the most unmeasured terms this act of the Government, shows that that paper at least is not terrorized and is not afraid to express its opinion.

There are things for which I would criticize the Government in regard to newspapers, not so much as to present conditions as those which existed for a long time after we went into the war and up to a quite recent date. Newspapers which fawned upon the administration and which yet opposed the Nation in this war, certain disloyal papers—pro-German papers—flattering the administration were published. But that is very largely overcome, and I do not believe that a loyal paper in the United States which supports our cause in this great war is in any state of terrorism or has any reason to be afraid of printing the truth in criticism of public officials. If it is afraid, it mistakes the temper of the American people.

Mr. BRANDEGEE. Mr. President, I can not agree with some of the views expressed by the Senator from Washington [Mr. POINDEXTER]. Of course, I agree with everything that he says so far as he expresses the opinion that everybody should be 100 per cent loyal to the country and to the war in which we have engaged. Of course, I agree with him that the legislation that Congress has passed should be thoroughly and effectively enforced; but, Mr. President, we had better not get excited on either side of this question until we know the facts relating to the whole transaction. We have seen newspaper accounts of what is alleged to have happened in New York yesterday; we have heard the statement of the junior Senator from New York [Mr. CALDER] about what he saw and what he has heard; we have had various denials from several bureaus or departments of the Government as to their connection with the original transaction; but the question in my mind is whether or not what was done in New York was done according to law. If it was done in the legal enforcement of the draft act, I have no criticism to make of it; but I have yet to learn—and I shall be surprised to learn—that the draft act authorized the proceedings which are alleged to have taken place in New York on yesterday.

Mr. President, there is no man in Congress who has a greater contempt for a slacker than I have; there is no man here or elsewhere who will do more to bring to book and to round up, always by legal authority and by due process of law, the civilian who has not yet entered upon the military service of the United States though compelled to register as eligible for that service when called; but, Mr. President, it is not wise, in my opinion, in the naturally inflammable state of public opinion and hostility to slackers, directly or indirectly, to say a word which shall put in jeopardy the rights of peaceful citizens who are not liable to military service.

I do not know that I thoroughly understand all that the Senator from Washington said; but if he means that by the violation of the rights of 39,000 people who are not subject to military service and were not eligible to the draft and were not of draft age and were not compelled by law to register as such, if 100 slackers or 10 slackers were caught, he is satisfied with the proceedings, I entirely disagree with him. Every man in this country is entitled to a government by law, Mr. President. Even the Army and the Navy and the Department of Justice are subject to laws passed by Congress and to the Constitution of the United States. It is not necessary to assert that the writ of habeas corpus has been suspended. Everybody knows that it has not, and it has not been violated in this case. The Senator from Washington, in my opinion, is quite correct when he says that matter does not concern the subject under consideration. If anybody has been illegally arrested, he should have applied to the court for a writ of habeas corpus to be discharged, unless the State could show good reason for holding him; but that question did not come up in these alleged irregularities that took place in the city of New York yesterday.

Here were 40,000 people, old and young, arrested and herded into armories; arrested, not by a warrant issued by civil authority, but grabbed by people, as the New York World states, under authority assumed and exercised by one De Woody, who is the representative of the Department of Justice, so it is stated, in New York City. Now, either Mr. De Woody and the Department of Justice had authority to conduct this raid and round-up, or they did not. If they had authority, they could only have had authority granted by a United States statute, by an act of Congress. I believe in the enforcement of the draft act radically and thoroughly. Was this raid conducted in accordance with the provisions of the draft act, or of any legislation passed by Congress for its enforcement? I do not know. I have not read the draft act this morning. I do not recall anything in the draft act by which innocent people are subject to restraint of their liberty because the military authority of the United States, acting through its soldiers and sailors, under command of their officers, may suspect that a man is subject to the draft act or is a slacker.

I do not recall that there is anything in the draft act that compels a registrant to continually carry his certificate of registration with him, on his person. Now, there may be such a provision; and if there is, and a duly constituted agent of the Department of Justice, or possibly of the local board, has been authorized by law to accost a stranger and arrest him unless he can show his card of registration, then I am willing to concede that the proceeding may have been legal; but I do not know those facts yet. I have been informed on the floor here this morning that there is no provision in the law which requires a registrant to carry his certificate of registration always with him. But this proceeding, where men who came to New York City and got off of a train are immediately taken into custody upon their personal appearance because they are suspected of being of draft age, and put into an armory and held there, restrained of their liberty, their business appointments canceled, deprived of food, taken out later in the day and given food at a restaurant under the direction of a military sergeant, allowed to eat at his sufferance, is a proceeding for which I should like to have the law shown to me before I approve of it, because I am surprised if that is the law.

As I say, I do not propose to fly into a passion upon this question in either direction. As the Senator from Massachusetts has said, what we ought to do, if we do anything, is to ascertain the facts, for it is a serious question. I am not going to denounce the Department of Justice, who, the junior Senator from New York says, disavow the whole proceeding and say they are utterly ignorant of it, nor the office of the Provost Marshal General, who says that he is equally ignorant of the whole proceeding; nor am I prepared to denounce an organization because it is extraconstitutional or extralegal. It may be a voluntary association, and the American Protective League may have done all the good things and be as patriotic as the Senator from Washington says, and as I say and think. At the same time it is not one of the duly constituted agencies of our Government for the enforcement of justice or of the law. I do not know what part it had in this proceeding; so I hope the Committee on Military Affairs or the Committee on the Judiciary will take pains to request the heads of the various departments of the Government to advise us what instructions were issued.

Of course, if the head of the Department of Justice has a law authorizing the proceeding upon his statement that upon knowledge and belief and information a lot of men subject to the draft who were trying to evade it, known as slackers, would be in New York on a certain day—if he has authority of law to arrest them, I can well understand that upon his request to either the War Department or the Navy Department, the heads of those departments would put at the service of the Department of Justice, if in the opinion of the Department of Justice it was necessary, such military force as, acting under the civilian authority, would arrest these men. But that men can be indiscriminately arrested and deprived of their liberty without a charge being made against them, or a writ or a warrant in the hands of a properly accredited official of this Government, upon suspicion, of course violates every constitutional right in this country as to a man's not being liable to be deprived of his life or of his liberty or of his property without due process of law. Because this country is at war, the Constitution is not suspended, nor are the constitutional guarantees suspended, and we have not yet been turned over to the military authority in this country, Mr. President.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Massachusetts?

Mr. BRANDEGEE. I yield to the Senator.

Mr. LODGE. I just want to ask the Senator a question. I agree with him entirely that we want to know the facts and the law before we either praise or condemn; but it seems to me it is very important that we should know who ordered the troops of the United States and the sailors of the United States to take part in a proceeding of this magnitude, because the control of the Army and the Navy is a very serious matter. Provost Marshal General Crowder denies any association with it. The Department of Justice had nothing to do with it. Who is ordering our soldiers and sailors to do this particular work?

I am not denying the right; I only want to find out who is responsible, and who gave the order. Does it not seem to the Senator that that is a good point to reach?

Mr. BRANDEGEE. Oh, yes, Mr. President. In a matter that may develop as a very grave matter, such as this may, it would be a very uninspiring example to set before the country of the competence of the United States Senate if we should go off half-cocked and take action upon a subject merely on the basis of a newspaper report and the statement of a Senator as to what he saw, without knowing anything about whether it is authorized in the law or not. Therefore the Senator from Massachusetts and I are in entire accord that we should find out who ordered these soldiers and sailors to participate in this transaction that occurred in New York, and who ordered Mr. De Woody to do what he did in connection with the matter. I have no doubt that to-morrow we will be in possession of information from the various departments of the Government which will give us the facts in this matter.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from New Mexico?

Mr. BRANDEGEE. Certainly.

Mr. FALL. The Senator has said that he had not the draft act before him at this time. Section 5 of the draft act provides:

Every such person—

That is, those between 21 and 31—

shall be deemed to have notice of the requirements of this act upon the publication of said proclamation or other notice as aforesaid given by the President or by his direction; and any person who shall wilfully fail or refuse to present himself for registration or to submit thereto as herein provided shall be guilty of a misdemeanor, and shall, upon conviction in the district court of the United States having jurisdiction thereof, be punished by imprisonment for not more than one year, and shall thereupon be duly registered.

Mr. BRANDEGEE. Yes. That, of course, contemplates the registration of these draftees, or eligible draftees, and their punishment for not registering, and that is all conducted under the civil authority.

Mr. FALL. Mr. President, after they are registered they are subject to call, and then become liable to military duty; but they are classified into different classes, so that of the total of something like 9,600,000 who registered under the first draft there were something like 3,000,000 who became subject to military law. The others, unless they were called, classified in class 1, and notified to report at a certain time, were not under military law and subject to military authority. Up to that time, of course, they were subject to the civil authority and civil tribunals.

Mr. BRANDEGEE. Yes; I understand perfectly. Now, I am not criticizing any department of the Government for arresting a man who was subject to the military authority of the Government without any action of the Department of Justice or any participation whatever of the civil authorities. If he is subject to military discipline and is slacking, he should be treated almost like a deserter. He should be arrested by the military arm of the Government, to whose orders he is subject. I am talking about the military arm of the Government or the civil arm of the Government, either, conducting an indiscriminate dragnet and arresting 40,000 people, without knowing whether they are subject to the military authority of the Government or not, on suspicion, and then picking out and releasing those that it could not prove are slackers and retaining those that it can prove are slackers.

Mr. FALL. I am in thorough agreement with the Senator, except that I go further. In my judgment the secret-service officers of any department—the Department of Justice, for example—would have no right to round up 20,000 or 30,000 or 10,000 or 5,000 men upon the supposition that there might be among that number two or three or a dozen or a thousand men who were liable to military service and who were slackers or who were seeking to evade such military service. Of course I am not there making a technical distinction between liability to military service and being within the military service. When a man is in the military service he is subject to arrest by the provost guard; but when a man is liable to military service he is yet protected by the Constitution of the United States and the civil laws and the courts.

Mr. KIRBY obtained the floor.

Mr. KELLOGG. Mr. President, will the Senator permit a vote on the joint resolution before he begins his remarks?

Mr. KIRBY. I yield for that purpose.

Mr. BRANDEGEE. Mr. President, I desire to ask the Senator from Minnesota a question. As I remember, in the previous joint resolution upon a kindred subject, the zones which the President was authorized to establish in the proximity of military posts both of the Army and of the Navy were limited in extent to a distance of 5 miles from the military post.

Mr. KELLOGG. I am not sure about that.

Mr. BRANDEGEE. I am not sure about it, but I say it is my impression. At any rate, whatever the fact may be as to that, I notice that the joint resolution as offered by the Senator authorizes the President to establish such zones around coal mines, shipbuilding plants, and other plants engaged in war-supply activity as in his discretion may be necessary. Now, I simply suggest to the Senator that while, of course, I do not assume that the Executive would do it, under that joint resolution the President of the United States, if he wanted to, could establish zones of such size as to put the whole country, by Executive order, on a bone-dry basis.

Mr. KELLOGG. I will say to the Senator that I have simply followed the exact language which the Senate considered and adopted at a previous time.

Mr. BRANDEGEE. It is not law now, is it?

Mr. KELLOGG. No; it is not law, but it has passed the Senate.

Mr. BRANDEGEE. I am willing and anxious to give the President authority to establish a dry zone in the neighborhood of any industry that is producing war materials or in any way aiding the war—I do not care if it is 10 miles or 15 miles—but to say that the President can make it of such extent as he thinks necessary might include the whole State, and I do not think that is called for. I wondered if the Senator could not modify his joint resolution so as to say that "the boundaries of said zone shall not be more than 10 miles distant from the industry to be protected," or some such clause as that, which would not give the President absolute authority.

Mr. KELLOGG. It is very difficult to say how much of a zone there should be. Take Fort Snelling, which is a little more than 10 miles from some parts of two large cities near it. Take Fort Sheridan, in Chicago. It is more than 10 miles from the south part of the city of Chicago. I do not think the President is liable to abuse this power by placing large zones, like whole States, in the prohibited district; and it is very difficult to draw a line exactly where that zone ought to end. The 5-mile zone has proven to be ineffective, because it is not large enough to prevent the sale of liquor in the camps.

Mr. BRANDEGEE. Of course, I do not know how large such a zone ought to be, Mr. President. I do not know how far a man would travel to get a drink if he was thirsty enough; but it can not be that it is difficult to name some distance in excess of which the President is not authorized to go.

For instance, if there is a city within 20 miles of some place engaged in shipbuilding, and the city is not a prohibition city, or if it is 25 or 30 miles away, does the Senator want the whole city, irrespective of the action of its own people, if it has the local license system, to be subject to the possibility that the President may at any time establish prohibition in that city?

Mr. KELLOGG. No; I do not; and I do not think there is any danger of that being done.

Mr. BRANDEGEE. Ah! There we come again to putting in the executive branch of the Government all authority, on the theory that they will exercise only a part of it. Mr. President, I do not like this kind of legislation that continually turns over to the executive branch of the Government these powers, subject to their unrestricted discretion, while we afterwards say among ourselves that we have given the power to the executive branch of the Government.

Mr. JONES of Washington. Will the Senator permit me?

Mr. BRANDEGEE. I yield.

Mr. JONES of Washington. I have the draft act under which the President has authority to make zones around military camps. It reads:

That the President of the United States, as Commander in Chief of the Army, is authorized to make such regulations governing the prohibition of alcoholic liquors in or near military camps, and to the officers and enlisted men of the Army, as he may from time to time deem necessary or advisable.

We passed, I think, a provision in the Senate for a 5-mile limit, but in conference the language came out, and what I have

just read was agreed upon. Then in section 13, in reference to vice zones, and so forth, we leave it entirely to the discretion of the President. This language follows very much the language of those sections.

Mr. BRANDEGEE. No, if the Senator will pardon me, not in my opinion. The statute the Senator reads succeeded a proposition already passed the Senate to limit the zone to 5 miles. The statute the Senator quotes from still has some words of partial limitation at least, because it says about or near the place; but the language used by the Senator from Minnesota is only such zone as the President may in his discretion establish.

Mr. JONES of Washington. That is true with reference to the liquor proposition, but here is a sentence from section 13:

That the Secretary of War is hereby authorized, empowered, and directed during the present war to do everything by him deemed necessary to suppress and prevent the keeping or setting up of houses of ill fame, etc., * * * within such distance as he may deem needful of any military camp, station, etc.

Mr. BRANDEGEE. I do not doubt the Senator could find an analogy for this sort of legislation, but if it is unwise legislation subject to the criticism I make upon it it is no answer to that criticism to say that we have been unwise in the past.

Mr. JONES of Washington. The Senator suggested that it should be made to conform along the lines of previous legislation, and it does conform to the law we passed.

Mr. BRANDEGEE. Not quite.

Mr. LENROOT. I call attention to the fact that the language of the pending resolution is that zones may be established about these places. The language is the same as the language in the previous act.

Mr. BRANDEGEE. What importance does the Senator attach to the word "about."

Mr. LENROOT. It means that it must be beyond the shipyards or plants. It would be impossible for the President to make a State dry under the authority to establish a zone about a certain place.

Mr. BRANDEGEE. "About" means all around, in my opinion, and does not circumscribe the length of the diameter at all. I may be mistaken, however.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House agrees to the amendments of the Senate to the concurrent resolution of the House (H. Con. Res. 51) providing for the printing of a certain number of copies of H. R. 12863, entitled "A bill to provide revenue, and for other purposes."

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution:

S. 934. An act authorizing the State of Montana to select other lands in lieu of lands in section 16, township 2 north, range 30 east, within the limits of the Huntley irrigation project and the ceded portion of Crow Indian Reservation in said State;

S. 936. An act to authorize the Secretary of the Treasury to convey to the city of Bozeman, Mont., certain land for alley purposes;

S. 4597. An act extending the time for the construction of a bridge across the Monongahela River at or near the city of Fairmont, W. Va.; and

H. J. Res. 325. Joint resolution amending section 8 of the amendment to the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

WOMAN SUFFRAGE.

Mr. BORAH. Mr. President, I ask leave, out of order, to introduce a petition to be referred to the Committee on Woman Suffrage, the petition of a committee signed by Mrs. H. R. Allen, chairman, and Ethel A. Wragg, secretary. It is addressed to the President of the United States, the Vice President, and Senator MARTIN, and Senator GALLINGER—it was adopted before Senator GALLINGER's death—and to the two Senators from Idaho, my colleague and myself, praying for the immediate voting upon and passage of the amendment to the National Constitution providing for woman suffrage. I move that it be referred to the Committee on Woman Suffrage, of which the Senator from New Mexico [Mr. JONES] is chairman.

The motion was agreed to.

MINERALS AND METALS FOR WAR PURPOSES.

Mr. HENDERSON, from the Committee on Mines and Mining, to which was referred the bill (H. R. 11259) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of those ores, metals, and minerals which have formerly been largely imported, or of which there is or may be an inadequate supply, reported it with an amendment and submitted a report (No. 558) thereon.

BILL INTRODUCED.

Mr. HALE introduced a bill (S. 4913) granting an increase of pension to Ellen L. Goodwin, which was read twice by its title and, with accompanying papers, referred to the Committee on Pensions.

ARREST OF ALLEGED SLACKERS.

Mr. KIRBY. Mr. President, I have listened to the discussion this morning about a matter not really before the Senate with great interest. The arbitrary use of power and its abuse is always to be deprecated. But, Mr. President, the enforcement of the draft law and the organization of an army necessarily must be done with dispatch and in a more or less summary way, and the discovery and apprehension of those who would violate the draft law and evade it and escape military duty must be proceeded with in that way, in my opinion.

I do not think there is any need for the United States Senate to become unduly excited because the editor of the New York World has thrown a fit about the particular manner of the enforcement of the draft law for apprehending slackers in New York. The editor of the New York World represents probably the policy of a great paper, but the New York World does not control the destinies of the world, nor of the United States, nor of the State of New York, nor even of the city of New York, and until a Senator comes upon this floor and complains with a resolution introduced for an investigation of the conduct it seems to me that it is beyond our province to consider the matter at all or waste the time of the Senate about it. I did not expect to take any time upon it and would not do so except for the observations that have been made by some other Senators.

The New York World and other newspapers of the country have frequently furnished more flagrant examples of the unwarranted exercise of power and abuse of privilege, in a more harsh and unjust manner in many instances, against public officials in villification and abuse of them because their official conduct did not square with the correspondents' or editors' idea of what their conduct should have been than is shown in the action of the authorities in New York in the apprehension of slackers and violators of the draft law.

So far as I am concerned, we have determined on the military policy of this country. We have determined the method of raising an army, and all the power of the Nation is behind that determination to organize the Army as it ought to be organized, summarily when necessary, and without especial regard to the wishes of those who would violate the law, who are slackers and who have been trying to evade service.

If in the necessary enforcement of this law in a summary way some individuals are inconvenienced or individual rights are infringed or invaded more or less, they must put up with that rather than that the law shall not be enforced.

It must be remembered that we have quite recently changed the law to take two out of three boys of all between 18 and 21 years of age in the draft for Army service, notwithstanding 1,000,000 below the age of 21 had already volunteered, and every time the one man of the hundreds of thousands of slackers in the first draft age escapes it requires one more man from below the first draft age of the boys who were unable to convince Congress of the reason or necessity for their exclusion from the last draft to take his place.

I do not know whether Gen. Crowder's department is responsible for the action complained of or not, and I do not care. I do not care whether the Department of Justice is responsible for it or not; but there must be a procedure to determine this matter, to discover the people who are slackers, and to put them into the Army where they belong. There evidently is authority behind this movement to do it. I do not think it should be exercised in an arbitrary way; I do not think authority ought to be abused; but I say to the Senate there is no need to worry about the condition that is said to exist yonder in the State of New York at this time. Let the slackers be rounded up, and if other people must suffer some slight inconvenience let it be remembered that it is for the general good. Let the Army be organized and the slackers apprehended effectively, with whatever haste and dispatch is necessary to accomplish the desired result.

Mr. SMOOT. Mr. President, there seems to be very little information upon this matter of a definite character. Therefore I offer the following resolution and ask for its immediate consideration, with the hope that we can get information upon which we can rely.

The PRESIDING OFFICER. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 297), as follows:

Whereas the daily papers have reported the seizure for examination or arrest and temporary incarceration of many thousand citizens, particularly in the State of New York; and

Whereas such reports indicate that in the so-called "round-up" sailors and soldiers in the uniform of the United States participated: Therefore be it

Resolved, That the Committee on Military Affairs be directed immediately to investigate and report upon such alleged occurrences and as to who was or is responsible, if anyone, for the presence of such sailors and soldiers, or either, in such so-called "round-up," or arrest, and who, if anyone, issued orders, if any, resulting in the presence of such soldiers and sailors and their participation in the said occurrences, if they were so present and did so participate.

Mr. KIRBY. Mr. President, I suggest that the matter go to the proper committee.

Mr. SMOOT. Does the Senator object to having this information?

Mr. KIRBY. No; but let the resolution go to the committee.

Mr. SMOOT. If the Senator objects to its present consideration, it can go over until the next day, and then let the Senate decide what it wants to do with the resolution under the rule.

The PRESIDING OFFICER. Is there objection?

Mr. KIRBY. I object.

Mr. SMOOT. The Senator has that right.

The PRESIDING OFFICER. The resolution goes over.

STIMULATION OF AGRICULTURE.

The Senate, as in Committee of the Whole, resumed consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Utah [Mr. KING].

Mr. FALL. I should like to have the amendment reported, so that we may know upon what we are to vote.

Mr. KING. It is to strike out paragraph 3.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. It is proposed to strike out beginning at line 4, line 23, paragraph 3, "for the prevention, control, and eradication of insects and plant diseases injurious to agriculture."

Mr. KING. It was read yesterday. It is paragraph 3.

Mr. FALL. One item of that section I know has already been stricken out.

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gulon	McKellar	Sherman
Bankhead	Hale	McNary	Smith, Ariz.
Beuet	Henderson	Martin	Smith, S. C.
Borah	Johnson, Cal.	Nelson	Smoot
Brandegee	Jones, N. Mex.	New	Sterling
Calder	Jones, Wash.	Norris	Sutherland
Chamberlain	Kendrick	Nugent	Thomas
Cummins	Kenyon	Overman	Townsend
Curtis	King	Penrose	Trammell
Dillingham	Kirby	Phelan	Watson
Fall	Knox	Poindexter	Willey
Fletcher	Lenroot	Pomerene	
France	Lodge	Shafroth	
Gore	McCumber	Sheppard	

Mr. McKELLAR. I wish to announce the unavoidable absence of my colleague [Mr. SHIELDS] on important business, and to let this announcement stand for the day.

Mr. TOWNSEND. I announce the absence of my colleague [Mr. SMITH of Michigan]. He is paired with the senior Senator from Missouri [Mr. REED]. I wish this announcement to stand for the day.

Mr. BANKHEAD. My colleague [Mr. UNDERWOOD] is necessarily absent from the Chamber.

Mr. OVERMAN. I desire to state that my colleague [Mr. SIMMONS] is absent on official business.

Mr. KIRBY. I desire to announce that the senior Senator from Louisiana [Mr. RANSDELL], the junior Senator from Louisiana [Mr. GUION], and the Senator from Mississippi [Mr. VARDAMAN] are detained on official business.

The PRESIDING OFFICER. Fifty-three Senators having answered to their names, there is a quorum present. The question is on the adoption of the amendment of the Senator from Utah to strike out a certain portion of the bill, beginning on page 4, line 23.

Mr. POMERENE. I ask that the amendment be stated.

The SECRETARY. Beginning on page 4, line 23, it is proposed to strike out the third paragraph, in the following words:

Third, for the prevention, control, and eradication of insects and plant diseases injurious to agriculture, and the conservation and utilization of plant products, for the following-stated purposes and in amounts as follows: Cereal-smut eradication, $50,000; peanut conservation and utilization, $15,000; control of cotton, truck, and forage-crop diseases, $117,550; farm storage of sweet potatoes, $30,000; location of Irish-potato seed stock, $7,500; plant-disease survey, $23,000; castor-bean production and utilization, $20,000; maintenance of field-bean seed supply, $10,000; production of cereals and grain sorghums, $53,250; sugar-beet nematode work, $10,000; pathological inspection of fruits during processes of marketing, $18,000; control of a new sugar-cane disease, $20,000; production of rice, $5,000; control of cereal and forage insects, $55,000; control of stored-product insects, $22,000; control of vegetable and truck-crop insects, $35,000; control of sweet-potato weevil, $30,000; control of deciduous-fruit insects, $45,000; control of citrus-fruit insects, $10,000; control of insects injurious to live stock, $20,000; control of rice insects, $3,000; control of sugar-cane insects, $9,000; general supervision of emergency insect-control work, $3,000; prevention of plant-dust explosions and fires, $75,000; fruit and vegetable utilization, $35,000; in all, $721,300.

Mr. FLETCHER. Mr. President, I am ready to vote on the amendment and not take up any further time in discussing it. I think if there is anything in the bill that is worth while at all it is this matter that is proposed to be stricken out. It looks to me as though it covers some of the most important subjects that we can deal with in a bill of this kind. The items have been recommended by the Department of Agriculture; they are not merely suggested by chiefs of bureaus or clerks or anything of that sort, as some Senators would seem to think. They come here recommended by the Department of Agriculture in furtherance of this matter of taking care of the whole subject of the production of food. I think they are items that ought to stay in the bill if any are to be retained.

Mr. KING. There are only about $10,000,000 in the bill to cover the same items. I simply ask for a vote.

The PRESIDING OFFICER. The question is on the adoption of the amendment of the Senator from Utah [Mr. KING].

On a division, the amendment was agreed to.

Mr. JONES of Washington. I give notice that I shall ask for a separate vote upon this amendment when the bill reaches the Senate.

Mr. GORE. Mr. President, I send to the desk an amendment which I desire to have read and offer to the pending bill.

The PRESIDING OFFICER. The amendment will be read.

The SECRETARY. Insert a new section in the bill as follows:

SEC. —. That it shall be unlawful, except as herein otherwise provided, for any person, firm, or corporation knowingly to ship, offer for shipment, or transport in commerce among the several States or for commerce with foreign countries any concentrated commercial feeding stuffs containing any damaged feed, mill, elevator, or other sweepings or dust, buckwheat hulls, cottonseed hulls, peanut hulls, peanut shells, rice hulls, oat hulls, corncobs ground, cocoa shells, clipped oat by-product, ground or unground hulls, screenings, chaff, or other cleanings derived from the preparation, cleaning, or milling of any seed or grain when separated from the standard product as an offal or by-product, or such preparation, cleaning, or milling, humus, peat, spagnum moss, ivory-nut turnings, ground cornstalks, flax-plant refuse, sorghum pulp, ground or shredded straw or hay, sawdust, cellulose, or dirt, or any other foreign material.

The Secretary of Agriculture is authorized to issue a written permit for the shipment of concentrated commercial feeding stuffs containing a mixture of foreign material which in his judgment is inseparable from such prepared feeds, or which does not detract materially from its feeding value: *Provided*, That such feeding stuffs in packages be so labeled as to show to purchasers and users thereof specifically the percentage of each ingredient entering into the composition of same; or if such feed stuffs are shipped in bulk in carload lots, then the bill of lading and the bill from manufacturer to purchaser of same shall both show such analysis. The agency distributing to users of such feeds in less than carload lots shall deliver to the purchaser of each lot regardless of quantity sold a bill showing cost and a correct analysis of such feeding stuffs.

Any person or corporation who shall be convicted for violating the provisions of this section shall be liable to pay a fine of not less than $500 and not more than $5,000; or, in case of a natural person, to be imprisoned for a period not exceeding one year, in the discretion of the court, or by both such fine and imprisonment.

The Secretary of Agriculture, with the approval of the Director General of Transportation, is authorized to prescribe suitable rules and regulations for carrying into effect the provisions of this section.

Mr. SMOOT. Mr. President, I am fearful that if this amendment is adopted the requirements will be such that it will enhance the price of all cattle food that may be purchased in the United States. The requirements, if the amendment is enforced, upon the low-grade products that are fed usually by cattlemen will be such that they will almost double the price.

Mr. GORE. Has the Senator a printed copy of the amendment?

Mr. SMOOT. No; I have not seen a printed copy, I will say to the Senator, but I have it merely as the amendment was read from the desk.

Mr. GORE. I was going to suggest that the proviso in the second paragraph is designed to meet the objection which the Senator urges, and I think it does meet it.

Mr. SMOOT. I should like to have that part of the amendment read.

Mr. POMERENE. Before that is done may I ask the Senator in charge of the bill, who has offered the amendment, a question? Does not the Secretary of Agriculture now, under the pure-food law, have full power to adopt these regulations? I have not examined that statute for a long time, but——

Mr. GORE. I think probably the Senator is correct about that; but this abuse is going on in the country. It is unchecked. It has grown greatly in extent and in seriousness during the last year and a half, particularly since the mills have been placed under rules and regulations. I am informed that now the mills do not sell, as a rule, their by-products to farmers for feeding purposes, but that they pass through these concentration processes, which are dominated by a very small interest in the country, dominated by the packing-house people, and the farmers are subjected to great inconvenience. I have here a letter, which I will have read with the consent of the Senator from Utah.

Mr. SMOOT. Certainly.

Mr. GORE. It is a letter from the Bureau of Farms and Markets of the State of New York, and I may say that the enumeration contained in this amendment of these foreign substances was a resolution recommended by that organization.

The PRESIDING OFFICER. Without objection, the Secretary will read.

Mr. POMERENE. Before that is done, so that we may have the full benefit of it, I recognize the fact that this may be referring to a prevalent evil; but it does seem to me that before we frame up a criminal statute we ought to know whether it is going to conflict with any legitimate industry properly conducted.

Mr. GORE. If the Senator will scrutinize the amendment, I do not think that is possible. It makes it unlawful, except as herein otherwise provided, to ship in interstate or foreign commerce concentrated feeding stuffs that contain certain admixtures that have no concentrated feeding value. It then provides that the Secretary of Agriculture may issue a written permit for the interstate shipment of feedstuffs which contain foreign matter that is inseparable, as some of it would be, or which contain foreign matter that does not detract materially from the feeding value of the stuffs.

Mr. POMERENE. But assuming that that is so, if the Agricultural Department have plenary power to deal with this subject, and they have there the benefit of expert knowledge upon the subject, I believe at the present time we ought to leave it to rest where it is.

Mr. McCUMBER. Mr. President, if the Senator will allow me, I think both Senators will agree that the Agricultural Department now has authority to prevent any adulteration in anything that is sent out for food for man or beast; and if there is as a part of the ingredient of any food entering into interstate commerce which has no food value, of course, it is an adulterant and can be dealt with under the present law.

But there is another matter in this amendment, and that is that this must be, I will not say absolutely, but free from dust.

Mr. SMOOT. And dirt.

Mr. McCUMBER. Cattle and hogs eat a great deal of dirt in a year. I do not know to what extent that would be enforced. Then there is a lot of foreign stuff, such as in wild buckwheat, that might not have any great value, and yet it might not be detrimental, and it might be impossible to get it out of this compound.

Mr. GORE. The Senator is evidently looking at the printed copy. There is a proviso in the amendment which I have just offered which meets that situation. Of course, it would not be possible to separate all foreign substances from feeding stuffs.

Mr. SMOOT. Does the Senator mean that in the amendment he has just offered the proviso in the second paragraph obviates the objections raised by the Senator from Ohio [Mr. POMERENE] and the Senator from North Dakota [Mr. McCUMBER]?

Mr. GORE. In the first part of the paragraph down to the proviso.

Mr. SMOOT. I will read it to the Senator.

Mr. GORE. Very well.

Mr. SMOOT. It reads as follows:

> The Secretary of Agriculture is authorized to issue a written permit for the shipment of concentrated commercial feeding stuffs containing a mixture of foreign material which, in his judgment, is inseparable from such prepared feeds, or which does not detract materially from its feeding value.

Then the proviso reads:

> *Provided*, That such feeding stuffs in packages be so labeled as to show to purchasers and users thereof specifically the percentage of each ingredient entering into the composition of same; or if such feedstuffs are shipped in bulk in carload lots, then the bill of lading and the bill from manufacturer to purchaser of same shall both show such analysis.

I desire to call attention to one thing which comes to my mind at this instant. There is an alfalfa mixture compounded with beet molasses, which is not put up in packages, and is mostly sold in less than carload lots. There is no provision in this proviso that takes care of a case like that, though it does provide for packages and for feeds in carload lots.

Mr. GORE. Of course, that omission ought to be remedied.

Mr. POMERENE. Mr. President, it does seem to me that we ought not to pass a measure of this kind unless we find, in the first place, that it is really necessary in order to meet an evil; and, in the second place, we can be assured that it is not going to conflict with regulations which the Agricultural Department, after a very careful study, may have adopted. If the evil prevails that seems to be indicated by these resolutions, I think we should address the matter to the Agricultural Department and let them adopt additional regulations, if any be necessary.

Mr. GORE. Mr. President, I rather agree with the Senator from Ohio that the existing law confers sufficient authority to meet the objects proposed by this amendment. Notwithstanding, however, that authority exists, this evil prevails; the existing law as it is administered has not eradicated the evil. The truth is the evil has been running rampant for the last year and a half, and it is becoming universal. It is becoming a most serious menace to the farmers and a burden upon them.

The proposal of this amendment is to prohibit the interstate shipment of feed containing these various adulterants. I may say that the enumeration of the adulterants which have actually been found by the director of the experiment station in New York in feedstuffs offered for sale and which are sold to the farmers of that State is an amazing one. I have here an analysis of these various ingredients. I shall not cumber the RECORD or tax the Senate's patience with it, because I can not understand it and I assume the Senate could not.

Mr. McCUMBER. I desire to ask the Senator from Oklahoma what would be gained in effectiveness by duplicating the authority to deal with this subject?

Mr. GORE. Mr. President, the existing law seems to require affirmative action upon the part of the Agricultural Department to interdict and to stop this evil. This proposed law takes affirmative action and penalizes the act, and requires affirmative action by the Secretary of Agriculture to except out of the operation of the law the transmission of feed stuffs containing foreign matter that is inseparable or that is not seriously deleterious.

Mr. POMERENE. Is the Senator from Oklahoma prepared to say that the present regulations of the Agricultural Department, which may have been adopted in pursuance of delegated authority, are not sufficient to meet this evil?

Mr. GORE. I do say that complaints have come to me that the evil not only exists but that the evil is growing. I have here an abundance of testimony upon the subject. The famous wheat report of the New York State Legislature goes into the matter in detail. I have here extracts from the testimony, and I should like to have the letter at the desk read at this juncture. This is not a new thing; it not only exists, but is increasing in aggravation and seriousness.

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Without objection, the Secretary will read as requested.

The Secretary read as follows:

ALBANY, *August 31, 1918.*

Hon. THOMAS P. GORE,
United States Senate, Washington, D. C.

DEAR SIR: I understand you offered an amendment to the Agricultural bill, now pending, which is practically the same as the order of the New York State Food Commission, in relation to the adulteration of compounded stock feeds.

I want to thank you for having taken this course, as I believe it is right and just. I thought perhaps it would be possible to have a delegation in Washington at the hearing next Tuesday. However, it being primary day, it will not be possible to get the men I hoped to have appear.

I am sending you herewith the list of samples which were taken by the food commission of this State, showing the ingredients found by the chemist. There were also samples found which had not yet been mixed,

which consisted of fanningmill tailings, composed principally of thistle heads, straw joints, light oats and barley, and chaff. This material was ground into fine state and mixed into feeds.

I certainly hope you will be able to procure the passage of the amendment.

Very truly, yours, C. R. WHITE.
Director Bureau of Cooperative Associations.

Approved:
EUGENE H. PORTER,
Commissioner of Foods and Markets.

Mr. GORE. Mr. President, I ask to have printed in the RECORD, without reading, the resolutions of the New York Food Commission, upon which this amendment was passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions referred to are as follows:

Whereas the field of concentrated commercial feeding stuffs has been invaded with compounded and sugar-coated molasses feeds containing a large percentage of fiber, foreign and inner matter containing no food value, and the disappearance from the market of the United States of straight grain feeds known to the dairymen, we would recommend for your consideration the following rules and regulations concerning the material and ingredients contained in these feeds and would recommend that a copy of this resolution be mailed the Commissioner of Agriculture of the United States, the Hon. Herbert Hoover, Food Administrator of the United States, and the chairmen of the Senate and House Committees on Agriculture of the United States for their earnest consideration.

1. The use of any one or more of the following materials or ingredients in concentrated commercial feeding stuffs is declared to be an adulteration and the following materials or ingredients are declared to be adulterants:

Damaged feed.
Mill, elevator, or other sweepings or dust.
Buckwheat hulls.
Cottonseed hulls.
Peanut hulls.
Peanut shells.
Rice hulls.
Oat hulls.
Corncobs, ground.
Cocoa shells.
Clipped oat by-product.
Ground or unground hulls, screenings, chaff, or other cleanings derived from the preparation, cleaning, or milling of any seed or grain, when separated from the standard product, as an offal or by-product of such preparation, cleaning, or milling.
Humus.
Peat.
Spagnum moss.
Ivory nut turnings.
Ground cornstalks.
Flax-plant refuse.
Sorghum pulp.
Ground or shredded straw or hay.
Sawdust, cellulose, or dirt.

2. Concentrated commercial feeding stuffs adulterated by the addition of one or more of the materials enumerated in Rule 1, or any ingredient other than grain or a grain product, or any other adulterant, shall, when offered for sale in packages or containers in any State, be tagged or labeled, each package or container to have printed on it or attached to it a label or tag on which is plainly printed in addition to and in like form to the statement now required by law, the list of ingredients of such concentrated commercial feeding stuff, the number of pounds of each ingredient per unit; provided that the statement may be in terms of maximum and minimum content of each ingredient, the variation between such maximum and minimum to be not to exceed 15 per cent of the minimum as stated. If one or more of the ingredients of a concentrated commercial feeding stuff is a concentrated commercial feeding stuff, such ingredient or ingredients shall be subject to the same provisions and shall be separately stated.

3. In each and every case of a bulk sale in any State of a concentrated commercial feeding stuff adulterated by the addition of one or more of the ingredients enumerated in rule 1, or by an ingredient other than grain or a grain product, or by any other adulterant, there shall be delivered to the purchaser at the time of the sale a printed paper containing the information relative to the formula of such feed as specified in Rule 2.

4. In each and every case of a sale in any State in a package or container of a concentrated commercial feeding stuff adulterated by the use of any one of the ingredients enumerated in rule 1, or by any ingredient other than a grain or grain product, or by any other adulterant, so that the maximum crude fiber content of such concentrated commercial feeding stuff is 10 per cent or more or the minimum crude protein content of such concentrated commercial feeding stuff is 9 per cent or less, the statement provided for in rule 2 shall be printed on a black tag in white letters; and in each and every case of such a sale in bulk the statement provided for in rule 2 shall be printed on black paper in white letters; in all cases such letters to be in plain readable type of a size not less than 10 point, printer's measure.

5. Any retailer in any State who shall mix a concentrated commercial feeding stuff to a customer's order shall, when selling or offering the same for sale either in packages, containers, or in bulk, furnish the purchaser at the time of delivery of the same with a tag or printed or written statement of the ingredients used and the amount of each.

Mr. GORE. The resolution contains the enumeration referred to, including many foreign materials of which I had never previously heard mention made. I say it is a growing evil, because during the last year and a half, or since the mills have been under governmental control, they are not selling feedstuff, such as brans and shorts, to the farmer, but these commodities go through manufacturing concerns and are then sold to the farmers. The farmer can not buy them and mix his feed as he formerly did. This information has been brought to me; I can not vouch for it otherwise. The farmers can do it as well as can these manufacturing concerns, but they can not get the ingredients and so are obliged to buy this stuff. It is adulterated with various crude fibers and foreign materials that have absolutely no value whatever. The farmers are obliged to pay the freight, and they are obliged to pay the concentrated prices for this worthless trash.

I can see no reason why the interstate shipment of fraudulent feedstuff should not be interdicted by law. I realize that the Secretary of Agriculture must be vested with authority, that somebody must be given discretion to permit of the shipment of stuff containing admixtures that do not measurably detract from the feeding value of the substances; but there is no reason why this process should go forward without arrest and without hindrance. I ask to have printed, without reading, an analysis of various samples by the New York experiment station; I repeat that I can not myself understand it, and I doubt if anybody else can who has no technical knowledge on the subject. It seems to me with the provision that the Secretary of Agriculture can give written authority for the interstate shipment of these materials no injury can result.

The PRESIDING OFFICER. Without objection, the matter referred to by the Senator from Oklahoma will be printed in the RECORD.

The matter referred to is as follows:

INFERIOR INGREDIENTS PRESENT.

P 112. Clipped-oat by-product, ground grain screenings.
P 113. Oat hulls, corn screenings.
P 115. Clipped-oat by-product, ground grain screenings.
P 136. Cottonseed hulls (cottonseed feed).
P 143. Clipped-oat by-product, ground grain screenings, cocoa shells.
P 298. Clipped-oat by-products, grain screenings.
P 299. Palmo meal (principally peanut hulls and palm oil).
P 300. Grain screenings, oat hulls.
P 301. Oat hulls, grain screenings.
P 302. Peanut-shell meal, corn and oat screenings, and blowings.
P 313. Clipped-oat by-product.
P 315. Palmo meal (principally peanut hulls and palm oil).
P 321. Oat hulls, grain screenings.
P 332. Grain screenings.
P 343. Cocoa-shell meal (small amount).
P 345. Ground grain screenings.
P 346. Palmo meal (principally peanut hulls and palm oil).
P 626. Oat hulls.
P 776. Oat hulls.
P 814. Peat or humus (small amount).
P 818. Oat hulls.
P 823. Oat hulls.
P 826. Oat hulls.
P 855. Oat hulls.
P 859. Oat hulls.
P 863. Oat hulls, cottonseed hulls.
P 887. Clipped-oat by-products, cocoa-shell meal, ground grain screenings.
P 888. Clipped-oat by-product, ground grain screenings.
P 895. Cottonseed hulls (cottonseed feed).
P 969. Cottonseed hulls (cottonseed feed).
P 972. Oat hulls.
P 992. Oat hulls.
P 997. Oat hulls, clipped-oat by-products, ground grain screenings.
P 999. Clipped-oat by-product, ground grain screenings.
O 1085. Oat hulls.
O 1089. Corn screenings, oat hulls.
O 1094. Clipped-oat by-product.
O 1095. Oat hulls.
O 1097. Oat hulls.
O 1098. Oat hulls.
O 1100. Oat hulls.
P 1006. Oat hulls.
P 1130. Clipped-oat by-product, ground grain screenings.
P 1137. Barley hulls (barley feed).
P 1149. Cottonseed hulls (cottonseed meal).
P 1354. Oat hulls.
O 1354. Cocoa-shell meal, charcoal, calcium carbonate.
O 1358. Oat hulls.
O 1365. Oat hulls.
O 1366. Oat hulls.
O 1370. Barley hulls and screenings (sold as barley bran).
O 1372. Ground and bolted grain screenings, 23 per cent peat.
O 1373. Clipped-oat by-product, ground grain screenings, cocoa-shell meal.
O 1374. Clipped-oat by-product, ground and bolted grains (cocoa shell not guaranteed).
P 1605. Peat or humus (small amount).
P 1606. Peat or humus (small amount).
P 1611. Cottonseed hulls (cottonseed feed).
P 1619. Peat or humus (small amount).
P 1627. Barley hulls (barley feed).
P 1638. Clipped-oat by-product, ground grain screenings (peanut meal and hulls not guaranteed).
P 1643. Barley hulls (barley by-products from manufacture of pearl barley).
P 1644. Clipped-oat by-product, ground grain screenings (cocoa shells not guaranteed).
P 1645. Clipped-oat by-product, ground grain screenings (cocoa shells not guaranteed).
P 1659. Clipped-oat by-product.
P 1702. Oat hulls.
P 1707. Clipped-oat by-product, ground grain screenings.
P 1723. Clipped-oat by-product, ground and bolted grain screenings (cocoa shells not guaranteed).
O 2054. Buckwheat hulls (buckwheat feed).
O 2057. Oat hulls.
O 2058. Barley hulls, barley feed.
O 2059. Clipped-oat by-product, ground grain screenings.
O 2062. Clipped-oat by-product, ground grain screenings, cocoa-shell meal.

Mr. GORE. Mr. President, upon the suggestion of the Senator from Utah [Mr. SMOOT] I will perfect my amendment by adding the words "or bales" after the word "packages."

The PRESIDING OFFICER. The Senator from Oklahoma has a right to perfect his own amendment, and it will be perfected in the manner he suggests.

Mr. McCUMBER. Mr. President, I desire to say just one word on this matter before voting upon it. I think I shall vote in favor of the amendment, although under the present law an adulteration of any food article entering into interstate commerce is penalized and the Secretary of Agriculture not only has the authority to compel every manufacturer to file with him a statement of the ingredients constituting anything he may manufacture, but he also has authority, acting in conjunction with the Department of Justice, to have any carload lot or any packaged seized, condemned, and confiscated if it is adulterated in any manner.

I am a little afraid that possibly the restrictions proposed in this amendment go so far that it will be dangerous; but I shall not vote against the amendment, hoping and expecting that the Senator will be able to derive some benefit that is not already derivable through the present pure-food act.

Mr. TOWNSEND. Mr. President, I do not know whether or not this amendment will accomplish any good, but I have a great deal of sympathy with the idea which the Senator from Oklahoma [Mr. GORE] has in calling the attention of Congress to the great evil of adulteration which already exists. It is a notorious fact that everything which we buy in the shape of food for man or beast is very expensive. Such articles are expensive largely on the theory that there is a demand for all foodstuffs and that the supply is short. The ingenious dealer or manufacturer makes up the shortage by increasing the bulk through the use of weeds, sawdust, and other rubbish. We know that under the food regulations the by-products of grain which the farmer has been in the habit of receiving from the mill where he has taken his grain are no longer permitted to be obtained by him, because the mill no longer grinds as it did of old, but central manufacturing food-product concerns have been established. The ordinary farmer, therefore, who has heretofore obtained his animal feed stuffs from his own grain is denied that opportunity. He is compelled to buy this concentrated stuff and a large percentage of it is absolutely worthless. He is selling his wheat and at the same time he is buying in the feed stuffs he must purchase weed seeds and dirt at a robber's price.

If the amendment offered by the Senator from Oklahoma does no more good than to call the attention of the Department of Agriculture, having in charge the administration of the pure-food law, to its duty in analyzing and passing upon the fraudulent stuff which is being sold to the people of the United States, it will have been worth while.

I agree with the Senator from Ohio [Mr. POMERENE] and the Senator from North Dakota [Mr. McCUMBER] that the present law is perhaps sufficient if it were enforced. The fact of the matter, however, is that it is not enforced. Possibly enacting another law will not bring relief, but at least this debate and the passage of the amendment will call the attention of the department to the fact that Congress expects action.

In these days, when anything seems to go because of war times, all kinds of frauds are perpetrated upon the people. Foods and feeds are adulterated. Most things are cheapened in quality and increased in price. The very taxes which are placed upon manufacturers become in many cases a source of revenue to those upon whom they are levied and an added burden to the consumer, who not only pays the tax but the additional profit. I wish, sir, that some of the just epithets that are used in condemning alien enemies would be applied to those of our own countrymen who are taking advantage of the situation to rob their fellow men. Indeed, more than epithets should be applied. They should be outlawed by decent society and classed with the Nation's foreign enemies. I know that this adulteration practice is being indulged in. My attention has been called to it by farmers themselves, who have shown me that the stuff they have been obliged to buy to feed their hogs and cattle is practically worthless. Some one is obtaining vast sums of money for these adulterants, which ought to be eliminated from the market. I do not know, I repeat, whether this provision will afford a remedy, but I think it is high time that Congress expresses itself upon this evil. Therefore I shall vote for the amendment.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Oklahoma as modified.

The amendment as modified was agreed to.

The PRESIDING OFFICER. If there be no further amendment, the bill will be reported to the Senate.

Mr. THOMAS. Mr. President, I think the Senator from Alabama [Mr. BANKHEAD] has an amendment which he desires to offer. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	McKellar	Shafroth
Bankhead	Johnson, Cal.	McNary	Sheppard
Brandegee	Jones, N. Mex.	Martin	Smith, Ariz.
Calder	Jones, Wash.	Nelson	Smith, S. C.
Culberson	Kellogg	New	Smoot
Cummins	Kendrick	Nugent	Sterling
Curtis	Kenyon	Overman	Sutherland
Dillingham	King	Penrose	Thomas
Fletcher	Kirby	Phelan	Townsend
France	Knox	Pittman	Trammell
Gore	Lenroot	Poindexter	Watson
Guion	Lodge	Pomerene	Wilfley
Hale	McCumber	Ransdell	

Mr. McNARY. I desire to announce that my colleague, the senior Senator from Oregon [Mr. CHAMBERLAIN], is necessarily detained on official business of the Senate.

The PRESIDING OFFICER. Fifty-one Senators having answered to their names, a quorum is present.

Mr. BANKHEAD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BANKHEAD. On yesterday I offered an amendment which I sent to the desk to be printed and lie on the table. The parliamentary inquiry I wish to make is whether that amendment will be considered as pending when the bill goes into the Senate without reoffering it now?

The PRESIDING OFFICER. The amendment will have to be offered in the Senate.

Mr. BANKHEAD. Then I give notice to that effect.

Mr. KING. Mr. President, on page 6, at the beginning of line 4, I move to strike out the words "General administration of extension work, $35,000."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. KING. On the same page, line 5, I move to strike out the item:

Extension work in the Northern and Western States, $134,200.

I desire to state in this connection that I find the items immediately following include—

County-agent work, $1,893,000; boys' and girls' club work, $382,000; home-demonstration work, $1,327,400.

And then in the general Agricultural appropriation bill which was passed only a few weeks ago there is an appropriation of more than a million dollars for similar work.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Utah.

Mr. POINDEXTER. Mr. President, there does not seem to be anyone looking after the bill; but no reason has been given by the Senator from Utah why his motion should be adopted. These items of appropriation are similar to the ordinary appropriations made for carrying on the normal work of the Department of Agriculture, and for the Senate to vote to strike out an item merely because a Senator rises and says he moves to strike out an item, without giving any reason why it should be stricken out and without anyone appearing to take charge of the bill or to explain why it should not be stricken out, seems to me to be a pretty reckless way of legislating.

Because the Senator is opposed, apparently, to appropriating a million dollars or so for boys' and girls' club work, at least if I can follow his argument, he moves to strike out an item of $134,000 for the extension work of the agricultural colleges. I fail to see the logic of that sort of a proposition. There is an agricultural college in the State of Washington which is doing a splendid service in its extension work. This character of service is a very important feature of the development of the agricultural interests of the State.

I am not called on to defend this bill, but some one ought to be here to explain the items in the bill. I assume that this appropriation has been estimated for and requested by the Department of Agriculture, and I say that the burden is on the Senator from Utah, if he moves to strike out an item, to show to the Senate that that item is not needed in the great work of extending the instruction carried on under the direction of the agricultural colleges of the country. It is an entirely different proposition from the county agents' work and the boys' and girls' clubs; it has nothing whatever to do with those items.

Mr. KING. Mr. President, the rule just announced by the Senator from Washington, if not new, is dangerously unique. Under such rule an appropriation bill, prepared by some clerk or

bureau or interested department, bears the seal of verity if not sanctity, and must be accepted and approved. If a Senator has the audacity to question any item in the bill it is a sufficient reply to say that it has been recommended by some agency of the Government. In other words, the bill or item itself exhibits its own genuineness and validity and constitutes proof that the amount it calls for should be taken from the Treasury of the United States. The burden of proof rests upon the Senator challenging any appropriation to show that it ought not to be passed.

I do not accept the rule so announced. In my opinion, it is safer for the Government and for the taxpayers to proceed upon the theory that no money should be taken from the public Treasury without there is a strong and satisfactory reason therefor, and that the individual or committee seeking an appropriation must make clear the grounds upon which it can be based.

I insist that any Senator has the right to challenge any item in an appropriation bill, and that the duty then rests upon the proponents of the measure to justify the taking of the people's money.

It would seem, in view of the manner in which this bill was prepared, that the course for which I am contending should be adopted. The burden ought to be placed upon the clerks or bureaus who prepared this bill to justify some of the provisions which I think indefensible before it secures the approval of this body.

Mr. POINDEXTER. Mr. President, that is quite a severe characterization of the committee of the Senate which has reported this bill favorably. I think that I am announcing a pretty safe principle of legislation in saying that when the Senate, under an approved system of legislation, refers a bill to one of its great standing committees, and that committee reports out the bill, the Senate can assume, prima facie at least, that the appropriations contained in it are wise appropriations. I repeat—of course, I announce no rule in the matter, for there is no rule—that it is my opinion that the burden is on the Senator who moves to strike out an appropriation which has been favorably reported by a committee to give some reasons why it should be stricken out.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from South Carolina?

Mr. KING. I yield.

Mr. SMITH of South Carolina. I see the chairman of the committee is now present, but I wish to say a word. The various items which are proposed to be stricken out by the Senator from Utah [Mr. KING] were more or less carefully considered by a standing committee of the Senate. We went into their merits and demerits, and I do not think that there is one of these items that has not been recommended by the department and reasons given why it should be incorporated in the bill at this time and become a law.

Mr. KING. Will the Senator from South Carolina permit an inquiry?

Mr. SMITH of South Carolina. I will.

Mr. KING. Is there a single item in this bill that did not emanate from some bureau or clerk or some employee of the Agricultural Department?

Mr. SMITH of South Carolina. I can not answer "yes" to that question, because it is rather too sweeping; but I will say that the major portion of the bill came from those whose intimate association with the matters involved justified them in recommending to us what was essential for the welfare of the country. We as a committee could not go abroad in all the different sections of the country and know what was needed. We have appointed a certain department to do that, to make recommendations to us and to give the reasons for their recommendations that certain legislation should be passed. The committee, in view of the recommendations and investigations by the department to which the bill will go for administration and execution, have left these items in the bill. As the Senator from Washington [Mr. POINDEXTER] has said, for a Senator to rise and object simply because an item carries an appropriation is not sufficient reason in my mind for the Senate to reject it, unless he can show that it involves an absolute waste of money without adequate return for the expenditure.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Dakota?

Mr. KING. I yield.

Mr. McCUMBER. Mr. President, let me suggest to the Senator that every one of the items that are contained in the third subdivision, which the Senator from Utah moves to strike out——

Mr. KING. If the Senator will pardon me, we have passed that, and I am directing attention now to an item on page 6.

Mr. McCUMBER. I thought we were still dealing with the suggestion of the Senator that this would be taken up again in the Senate.

Mr. KING. If the Senator will pardon me, that motion prevailed, and we had passed to the consideration of another section of the bill.

Mr. McCUMBER. All right.

Mr. KING. Mr. President, my friend from South Carolina supports the procedure, which I regard as unsound, and, indeed, dangerous, namely, that any measure taking money from the people, no matter how stupendous the amount, is presumed to be just and proper, and can not be questioned or attacked unless the objector can affirmatively show that the appropriation is improper.

I again insist this view is dangerous. Senators not members of the committee are not always in a position to know the facts regarding an appropriation. There may be a multitude of reasons why it should not be approved, but without opportunity for investigation, no matter how vulnerable the claim urged for the appropriation, it would be difficult to prove a negative and show that the appropriation is a theft or is improper. It would seem that where money is to be taken from the Treasury of the United States the facts justifying the appropriation should be established by those who are demanding the warrant for the money.

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, the department that recommends this appropriation did give to the committee the reasons for it; and after we discussed those reasons it seemed wise to the committee to allow it to remain in the bill at the suggestion of the department. The reasons that they gave seemed to us to be adequate.

Now the Senator from Utah asks that it be stricken out. If he gives the Senate convincing reasons why it should be stricken out, then of course the Senate should take his advice; but I maintain that the burden rests upon him to show why it should be stricken out when the files of the committee room will show the reasons which the department gave for asking that such parts of the bill as the department did ask to be incorporated in the bill should be made a part of it.

Mr. KING. Mr. President, the net result of the defense offered by the Senator from South Carolina is that whenever any executive department or any clerk in a department suggests that an appropriation is proper then, if it is challenged in the Senate, it is a perfect defense to say that some clerk or some bureau recommended it. I deny that that is a correct principle to adopt in legislation.

Mr. SMITH of South Carolina. Oh, Mr. President, the Senator from Utah can not fasten any such position as that on the Senator from South Carolina. When the department suggested the passage of this bill they gave the reasons, and we as a committee discussed the reasons. We went over them. Some we rejected; some we accepted. We rejected quite a good number, in spite of the question mark on the face of my good friend from Colorado [Mr. THOMAS]. Those that we accepted we accepted because it seemed to us that the argument they gave justified their acceptance.

As I say, the reasons they gave are on file in the committee room. It does not make any difference whether the person recommending them is a subordinate or whether he is a chief. If he, in the execution of the duties devolving upon him as an appointee of the Secretary of Agriculture, gives us a good reason why a thing should be done, and it meets our judgment that it is a good reason, then we incorporate the item in the bill; but it should not be rejected simply because it may perchance come from a clerk or a subordinate. I do not know who originated this item, but all of them bore the sanction of the Secretary of Agriculture, so that he must have passed upon them.

Mr. TOWNSEND. Mr. President, may I interrupt the Senator a moment, with the permission of the Senator from Utah?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Michigan?

Mr. KING. I shall be glad to yield to the Senator.

Mr. TOWNSEND. I am interested in the argument of the Senator from South Carolina; but let us suppose that the committee is satisfied that the item ought to go in and reports it to the Senate, and no reason is given to the Senate why it was put in. We understand, of course, that the committee passed upon it; but does that relieve the committee from the burden of responsibility of showing why it is in there, if a Senator challenges it and moves to strike it out?

Mr. SMITH of South Carolina. Oh, no; Mr. President, I made no such claim. I am going upon the assumption that the Sen-

ator having the bill in charge, the chairman of the committee, would, upon the suggestion of anyone, give the reasons; and I think the reasons for nearly every paragraph or every section of this bill have been given. I understand from the chairman of the committee that the Senator from Texas [Mr. SHEPPARD] has the estimates here, and that he can give the reasons for the estimates. I am not arguing that simply because the committee has gone into the matter the chairman or the Senator having charge of the bill should not give the Senate the benefit of every reason that led the committee to adopt the present bill, section by section.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Dakota?

Mr. KING. I yield to the Senator.

Mr. McCUMBER. I should like to ask the Senator from South Carolina a question. This whole fourth subdivision provides for these expenses:

General administration of extension work, $35,000; home-economics work, $25,000—

Then, passing this:

County-agent work, $1,893,000; boys' and girls' club work, $382,900; home-demonstration work, $1,327,400; extension work in the Southern States, $90,000; county-agent work, $1,333,815; boys' club work, $75,300; home-demonstration work, $803,385; in all, $6,100,000.

Now, my question is this: At a period when we are not only engaged in a desperate war, but also will be engaged in producing a bill which will inaugurate desperate measures to raise funds to carry on that war, it seems to me we might well hold these educational matters in abeyance during the continuance of the war. During the time when we are at our wits' ends to find money to finance our operations upon the battle front, it seems to me that many things that would be very valuable during peace periods could be well laid aside; and the Senator must remember that not only in this third subdivision but also in the fourth subdivision nearly all of the items are educational items. We have been appropriating for the last 20 to 25 years for education along that line. Could we not cease our educational work just for a few months, at least, when we are straining in every possible way to secure money to carry on this war, and save millions upon millions of dollars?

Mr. KING. Mr. President, will the Senator permit me to suggest that within a few weeks we appropriated approximately $28,000,000 for the Agricultural Department to meet its expenses for the fiscal year 1919? By far the greater portion of this amount will be utilized in paying employees in the department just mentioned. This bill carries nearly $20,000,000 more for the purpose of doing practically the same character of work that is provided for in the other bill, so that we now propose to give to the Agricultural Department nearly $50,000,000 to be expended principally for "administrative work" and to pay salaries and expenses of thousands of persons now employed and to be employed by the Agricultural Department. In the general appropriation bill this department receives nearly $3,000,000 more than was appropriated for the year 1917. But the department is not satisfied with that; so this bill is thrust before us by the employees of the department, those whose power and authority would be increased if the bill becomes law.

Mr. McCUMBER. Instead of economizing, then, we are doubly as extravagant as we were prior to the war period.

Mr. KING. Absolutely; and the extravagance results in taking from other employment, useful and necessary, thousands of young men, some of whom should be upon the battle fields of France. It is this extravagance that I am protesting against, this multiplication of employees of the Government, until one gets sick at heart when he sees the tens of thousands, a veritable army, thronging Washington and filling the entire land. I am willing to vote for every dollar that is needed to stimulate agricultural production. I am ready to support any measure required by the farmers to enable them to meet the demands which the war places upon their shoulders. But I am not willing, when we need billions and must have billions to save our country and civilization, to vote money by the millions when the benefit is doubtful and when it is principally to enable a department to employ thousands of persons who are needed in various activities and in rendering military and naval service. I feel sanguine that the patriotic farmers of this land would not approve of this bill and are not asking for its passage. As I have said, they want help on the farm; this bill will result in diminishing the number available for work on the farm. It will make clerks and Government employees of thousands; it will keep out of the draft a large number, whose places will be filled by the boys of the farmers, and, indeed, in some cases the farmers themselves.

Mr. GORE. Mr. President——

Mr. KING. I yield to the Senator from Oklahoma, but I do not yield the floor.

Mr. GORE. There is not quite so much weight in the criticisms either of the Senator from Utah or of the Senator from North Dakota, when they are analyzed, as there seems to be at first blush.

Looking at the surface of this bill, it seems to duplicate a great deal of the service provided for in the regular appropriation bill. I think I can make that clear to the Senate. As just observed by the Senator from North Dakota, we have been expending money for a quarter of a century for the purpose of carrying on educational work. It has undoubtedly borne fruit. In the Southern States it originated in an effort to combat the spread and the ravages of the boll weevil. The particular crusade to which I now refer was instituted by former Secretary of Agriculture Wilson. He was a public benefactor—not only a special benefactor to the South, the section immediately concerned, but a benefactor to the United States and to the consumers of cotton everywhere.

During these 15 or 20 years an organization had been builded up in the Department of Agriculture to carry on the work. It was, indeed, a process of slow growth. It was a sort of evolution. When we entered the war we had a peace establishment to carry on this service, as we had a peace Military Establishment. It was suited to the requirements of peace, because it was gradually expanding, with a view ultimately to meeting the entire situation. That organization was all that we had when we entered the war. The battle cry was raised that "Food will win the war." No one can doubt that bread is just as essential as bayonets; and cotton is hardly less essential, both for clothing and for munitions. Munitions are as vital as men.

It was thought advisable to expand this peace establishment to meet the exactions and requirements of war. The regular Agricultural appropriation bill which passed both Houses several months ago carried an appropriation sufficient to meet the needs of the ordinary peace establishment, and to provide for the slow and normal growth. The predecessor of the pending bill was approved only August 10 of last year. It was intended to authorize the creation of a military establishment, the erection of a new organization. An organization has been, if not perfected, at least greatly advanced to carry forward the service provided for in this bill.

It is true that this bill carries an appropriation to expand the ordinary peace establishment where it is already in existence, where it is already in operation. It not only provides for the expansion of this organization where it already exists, it provides for the projection of the same system and the same organization into parts of the country where the peace organization had not yet penetrated. The service in the South bore one name, originating out of a boll-weevil crisis. The same service in the Northern and Western States bore a different name. The clubs in the South bore a different name from those in the North and West. That accounts for what is almost a duplication of names and an apparent duplication of service.

There have been county demonstrators appointed in some 2,100 counties in the United States. There are about 2,860 counties, taking the country as a whole. This bill proposes to expand the work and the activities of the demonstrators already provided for in the regular peace establishment. It intends to increase and expand their work, which calls for an increased appropriation. Not only that; it proposes to carry this work forward in counties where these demonstrators have not previously been appointed, and contains a provision apparently for the same purpose, but really for the projection of the work into new and unimproved fields.

I repeat that a great organization has been established throughout this country, the two principal objects of which are to emphasize the necessity of food conservation and the necessity of food production. Those are the two objects which this measure proposes to promote. The importance of neither one will be denied by any Member of the Senate.

I repeat, the predecessor of this bill was approved only August 10 of last year. It was desirable to keep the extraordinary organization, or the war organization, separate from the peace organization, to keep the war establishment segregated from the peace establishment, so that when the emergency passes we can discontinue this appropriation and can dismantle this extraordinary organization, so far as practicable and so far as desirable, without pulling to pieces the whole machinery or the whole system. That is the reason, that is the justification, for a special appropriation bill to meet the requirements of the Department of Agriculture, as distinguished from the regular appropriation bill. I think every Senator will appreciate the importance of keeping these two organizations, as far as possible, separated, so that in so far as it is purely an emer-

gency organization it can be disestablished when the emergency passes.

The fact that this measure has been in operation and this organization in progress only one year places the committee under this disadvantage—a disadvantage which no Senator will underestimate: You must judge appropriations and policies requiring appropriations by their fruits, as you must judge a tree. This work has not been in progress long enough for it to have borne abundant fruit, either good or evil, or for the committee to place itself in a situation to report in detail as to the exact work carried forward under these different appropriations, and as to how far that work justifies the expenditure of money; but the whole object and the whole purpose of this bill is an effort to equip the country to meet the food crisis precipitated by this war.

The department has estimated for these various items. Not only the whole committee sitting in banc, but a subcommittee, scrutinized the provisions in connection with the estimates. As a rule, the estimates seemed to us to justify the expenditure of the money. There were some exceptions. There were instances where the committee disagreed with the department. We did not hesitate to advise the Senate to eliminate those appropriations. Some of those appropriations have been eliminated by the Senate. As a matter of course, the estimates came to us from the department. From the fact that the service is new, we are obliged to accept a great deal of it upon trust. There is no way for us, having no inspiration, to check and to countercheck the work as against the expenditure, and to reach a conclusion, as we might ordinarily reach a conclusion, as to the justified value of an appropriation.

Mr. SHEPPARD. Mr. President——

Mr. GORE. For my own part, however—and I have no doubt that the same feeling exerted an influence upon the other members of the committee—this being designed to meet an emergency the existence of which no member of the committee doubted and no Member of the Senate will deny, and the lack of experience placing us in a position where we could not verify the appropriations in accordance with the experience and facts, as we can do in many instances, it was my disposition and I think the disposition of other members of the committee to resolve the doubt in favor of meeting the exigency, so that it could not be said hereafter, if we refused the appropriation, that the emergency could have been met had not the committee and the Senate dealt niggardly with this department; that the emergency could have been met, that the conservation and production of food could both have been stimulated, if the department had had the requisite funds for that object. The committee was not willing, lacking experience as it did, to assume the responsibility of resolving the doubt against providing the department with the necessary funds to stimulate conservation. We were not willing to resolve the doubt against equipping the department with funds to stimulate production. We thought it the part of prudence to place the department in a situation to carry forward this work which it had deemed essential, which it had deemed of sufficient importance to recommend to the Congress, and, as we conceived it, in the discharge of our public duty, in order to make assurance doubly sure.

I do not minimize the importance of economy; I do not encourage extravagance; but the committee thought it the part of prudence to make these appropriations, and to equip the department charged with this responsibility with sufficient funds to carry forward the work, not being willing hereafter to be charged with any dereliction of duty upon our own part. Economy which would deny us a sufficient food supply, or which would minimize the assurance of such a supply, is not to be recommended in a time when food is essential to our national existence.

I yield to the Senator from Texas. I think he addressed the Chair a moment ago.

Mr. SHEPPARD. Mr. President, I think perhaps it should also be stated that the House Committee on Agriculture held hearings on this bill and approved the items that came to the Senate from the House after the House had approved them.

Mr. FALL. Mr. President, will the Senator from Texas yield to me for just a moment, because he is peculiarly, I think, in possession of the knowledge which would enable him to answer my question?

Mr. SHEPPARD. I yield, certainly.

Mr. FALL. A few moments ago, if I am correctly informed, the third paragraph of this bill was stricken out. Included in the items specified in the third paragraph there was an item for castor-bean culture which was stricken out without any question at all. Now, my impression is generally that the War Department has found it necessary to secure the cooperation of the Department of Agriculture in inducing the farmers throughout the different States of the Union to engage in the culture of the castor bean, because, as shown by a report of the Military Affairs Committee itself, the oil derived from the castor bean is absolutely necessary for use in all our airplanes; and I think the Senator will bear me out in the statement that in his State of Texas the department was successful in persuading the farmers to plant 100,000 acres in castor beans for the purpose of affording the United States Government a partial supply, at any rate, of the oil necessary for use in airplanes.

Mr. THOMAS. Mr. President—

The PRESIDING OFFICER. Does the Senator yield to the Senator from Colorado?

Mr. FALL. I yield. Of course this is informal. I am trying to ask the Senator a question.

Mr. THOMAS. I was attracted by the statement made by the Senator regarding the indispensable nature of castor oil in aviation. I think that impression was the outgrowth of a very optimistic article published in the Saturday Evening Post some time ago, where the same statement was made. The facts are that of the 20,000,000 gallons of lubricating oil demanded by the existing aviation program, it has been and will be impossible to secure more than 2,000,000 gallons of castor oil, the balance of it being made up of mineral lubricant, tests of which have shown it to be infinitely superior to castor oil. Castor oil is, however, indispensable to the lubrication of certain types of engines, known as rotary motors, of which the Le Rhone and the Gnome are, perhaps, the best illustrations. The Government is, of course, encouraging the cultivattion of the castor-oil bean and the production of castor oil, and can utilize all that can be secured.

Mr. FALL. That is the point I was making.

Mr. THOMAS. My impression is that the Government demand for castor oil is about the only incentive that the farmer needs to produce as much of it as he can; and the Government has used its facilities for the purpose of securing as much of the castor-oil bean as possible, and I think has induced the farmers of Texas, whose soil and climate are propitious for its cultivation, to go into the production of the castor-oil bean and castor oil on a very large scale.

Mr. FALL. Mr. President, I thank the Senator from Colorado very much. He is much more familiar with this matter than I am; but I was not basing the foundation for my question to the Senator from Texas upon the article in the Saturday Evening Post or any other magazine.

Mr. THOMAS. I did not mean to convey that impression. I meant to say, and thought I said, that the popular impression was doubtless derived from articles like that. I have no doubt the Senator's sources of information are more authentic.

Mr. FALL. One of the sources of my information I referred to in the question which the Senator did not catch; that is, that the matter of the necessity for the use of castor oil was referred to in this body through the report of a certain number, at least, of the members of the Committee on Military Affairs.

Pursuing this subject, however, undoubtedly there has been a very large acreage in castor beans planted through the request, the suggestion—I might say the urgent suggestion—of the Government of the United States. The point I am making, and upon which I want to draw out the answer of the Senator from Texas, is that in this third paragraph an item of $20,000, I think, for instruction in castor-bean culture was stricken out without any question, without any discussion, without any hesitation, I might say, by a majority of the Senate, when the department itself gives the facts which I have just narrated—for instance, that it has secured the planting of a large acreage, and that those who planted it insisted that the department itself should furnish them with instructors, and that the amount asked is for the purpose of complying with these requests, and furnishing instructors.

Am I not correct in the statement I have made of the matter?

Mr. SHEPPARD. The Senator is correct; and I shall be glad at this time, if the Senator from Utah will permit me, to read what the Department of Agriculture says upon this subject.

Mr. KING. On the subject of castor beans?

Mr. SHEPPARD. Yes, sir.

Mr. FALL. I simply mention that as one item. I will state later the point I am undertaking to make.

Mr. KING. That is so unimportant, and perhaps it may be defended, that if the Senator from Texas desires to put it in the RECORD I have no objection.

Mr. SHEPPARD. I think the Senate would like to know what the Department of Agriculture has to say on this subject.

Mr. FALL. I think we are entitled to the information, because—if the Senator will allow me again—I have seen this debate go on to this length, the items that have been voted upon have been explained by members of the committee to the Sena-

tors present and the vote of the Senate taken upon them, and then other Senators who were not here, who listened to none of the debate and none of the explanation, come in and renew the debate, and then insist that no information at all has been given them.

Mr. SHEPPARD. That is undoubtedly true. I want to say to the Senator from Michigan [Mr. TOWNSEND] and the Senator from Washington [Mr. POINDEXTER] that it has been stated repeatedly during the pendency of this bill that the Department of Agriculture, through the Secretary, has carefully explained every item in this bill. I have here in the document before me these explanations. I have heretofore presented a number of the explanations, and am ready to give an explanation at any time of any item about which any question is asked. But it seems useless to repeat assurances. As the Senator from New Mexico says, assurances will be given by members of the committee one day that all the estimates have been presented and explained in the regular way and the next day the whole debate is reopened as if no statement of that kind had been made by a member of the committee.

Now, I desire to read to the Senate what the department says:

> The oil of the castor bean has been found to be particularly desirable in the lubrication of airplane motors. It happens to be one of the few oils not soluble in gasoline and is affected but little by changes in temperature. It is therefore particularly useful in these motors. To meet the war needs in this direction the War Department has found it necessary to contract for the growing of about 100,000 acres of castor beans, and the assistance of this department has been requested in supervising the agricultural work incidental to the production of the crop.
>
> While formerly an important crop in certain sections of Oklahoma, Kansas, Missouri, and Illinois, the culture of castor beans has been practically abandoned in this country in recent years. The large planting required will have to be undertaken by growers who have little or no knowledge of the special features of the cultivation and handling of the crop. The work will be distributed over a wide area in the States of Virginia, North Carolina, Georgia, Florida, Tennessee, Alabama, Mississippi, Texas, and California.

The Senate will see that not only in Texas but in a number of other States arrangements have been made for the production of the castor bean. Now, the department proceeds:

> In order to give effective assistance, this large field should be divided into not less than five districts, in each of which the services of a skilled agronomist should be provided to follow up closely the plantings of castor beans which are being made under Government contracts and supply the necessary advice and instructions to farmers and farm demonstrators, contractors, county agents, and others concerned. It is planned (1) to insure, so far as possible, the proper handling of the crop, in order to give the highest degree of certainty of obtaining the needed product, and (2) to acquire practical detailed data regarding the best varieties to plant, the most suitable regions for planting, and the most desirable methods of handling the crop, in order to protect the interests of the Government should it become necessary to produce another crop of castor beans.

Mr. President, this item ought to be reinstated. It bears a vital and significant relation to the national defense.

Let me say right here that this entire bill is intended to provide especially for the national security and defense by stimulating agriculture. It is itself a war measure, and these appropriations are to carry out authorizations that were established by the Senate in August, 1917. These appropriations are not duplicates of others; they are made in addition to those carried in the annual Agriculture appropriation bill.

Mr. KIRBY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Arkansas?

Mr. SHEPPARD. I yield.

Mr. KIRBY. Does this appropriation as proposed look to the future or to the past? As I understand it, the present castor bean crop is already made. I saw about 100 acres of beans in July that were 5 or 6 feet high. The people who had planted the crop seemed to understand how to cultivate it, and it is to be gathered, I understand, this month. All the provision has already been made for the production of the crop that is now produced and is being gathered.

Mr. SHEPPARD. So far as the present crop is concerned, that is true.

Mr. KIRBY. Then why should not the people who have produced the present crop know how to produce the next one? This is a very large expenditure of money.

Mr. SHEPPARD. It is not a large expenditure. It is only $15,000 or $20,000. This work should be continued. I move to reconsider the vote by which that item was stricken out.

The PRESIDING OFFICER. The motion is not in order now.

Mr. KING. Mr. President, I did not yield the floor, but permitted the Senator from Oklahoma and other Senators to propound certain questions.

The PRESIDING OFFICER. The Chair recognizes the Senator from Utah.

Mr. KING. The Senator from Texas [Mr. SHEPPARD] has just stated that the purpose of this bill is to stimulate agriculture. We do not need to stimulate agriculture now. It is being stimulated. What the farmer wants now is man power. He is more interested in getting men to aid him in harvesting his crop than in getting clerks from the departments in Washington to pay periodic visits to his habitat. The farmers are working not 8 hours a day, but 16 and 18 hours each day. They are bearing heavy burdens in this crucial hour. The high prices which they are compelled to pay for clothing, agricultural implements, and labor absorb the amounts received from the sale of their products. They are suffering from a shortage of labor, and when the new draft law is put into effect their distress will be greatly increased. This bill hurts and does not help the farmer.

It will increase their taxes, but will not decrease their burdens. If the farmers of a single State in this Union will say, after they have examined this bill and know its provisions, as well as the provisions of the general appropriation bill, carrying $28,000,000, that this bill is needed and will aid them and the country in winning the war, I will support it.

I might say in passing, Mr. President, that there have been exempted under existing law a large number of men who are employed in the Agricultural Department. I have been informed by some that the number already exempted aggregates several thousand. Other gentlemen have told me that the number is about 2,000.

It is also asserted by some that if this bill should pass approximately 11,000 more young men who ought to be in the Army will be exempted from military service. We take the boys from the farm, and under the new law we will take the fathers from the farm who are under 45 years of age and send them to the trenches, but we propose by this bill to provide that thousands of additional young men, who, it will be claimed, have such superior qualifications along agricultural lines that they should not be drafted, will be put in such a class that they will be exempt from the military duty which they owe to their country at this hour.

Mr. THOMAS and Mr. SHEPPARD addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. KING. I yield to the Senator from Colorado.

Mr. THOMAS. The morning paper announced, I think not only this morning but two or three days ago, the daily arrival in Washington of 500 people to take places in Government employ, and the Senator's criticism reminded me of that circumstance. Assuming that to be true, I should like to ask the Senator if he can imagine what so many extra employees are needed for in the city of Washington at this time?

Mr. KING. The same question has been propounded to me a number of times, and I have been utterly unable to furnish a satisfactory reply.

Mr. THOMAS. I understand they are coming so fast or employed in such numbers that frequently those in a building have to go out in order to make places for those who are coming in. I do not know whether that is true or not.

Mr. KING. I think it is a matter that ought to receive attention at the hands of Congress. I have been told by some in the Government service that they will need 30,000 more clerks and employees in the departments in Washington. I can not understand the necessity of swelling the already mighty tide by adding to it a list of 30,000 more.

Mr. THOMAS. Mr. President——

Mr. KING. I yield to the Senator.

Mr. THOMAS. I was told to-day that it required the services of six clerks for 30 hours to telegraph to relatives and friends the names of the 300 victims of the *San Diego* disaster. That is very rapid work.

Mr. KING. Those of us who visit the departments, I think, are justified in stating that many of those in the employment of the Government utterly fail to give a proper return for the money they are taking from the Treasury of the United States.

The Senator from Texas, I understand from a sotto voce remark which he made, is inclined to controvert the position I have just taken with respect to the number of those who will be exempted from military service under the operation of this bill if it should become a law. If my information is wrong, I should be very glad to be corrected.

Mr. SHEPPARD. This bill does not exempt anyone. It could not exempt anyone. Men are exempted under the draft law, and no employee in the Agricultural Department or any other department of the Government has been exempted except by the application of that law by the local board to his case.

Mr. KING. The Senator from Texas has not answered the statement I made a moment ago.

Mr. SHEPPARD. The bill does not exempt anybody from military service and can not.

Mr. KING. What I said was, if this bill shall become a law it will lead to the exemption of 11,000, who will be withdrawn from military service and sent out under the operation of this bill to perform the work therein provided.

Mr. SHEPPARD. The Senator is mistaken.

Mr. KING. I hope I am mistaken, but I have the authority of the Member of the House who has made a very full investigation respecting this bill, a member of the Agricultural Committee, a man in whose judgment I have very great confidence and upon whose word I would rely.

Mr. SHEPPARD. Will the Senator allow me?

Mr. KING. Yes.

Mr. SHEPPARD. This bill does not change the draft law in any particular.

Mr. KING. Of course it does not change the draft law, but the Senator knows that under the interpretation placed upon the draft law there have been hundreds and thousands of men employed in the Agricultural Department who have been exempted from military service.

Mr. SHEPPARD. If they have been exempted, it has been because the men in charge of the local board exempted them. The Department of Agriculture has not exempted them, and no law that we have enacted outside the draft law has exempted them.

Mr. KING. The claim has been made that their services were indispensable and they have been exempted from military service.

Mr. SHEPPARD. The local board had to find that to be true.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Ohio?

Mr. KING. In just a moment It matters not the modus operandi by which they secure their exemption. The fact is that they have been exempted, and the fact will be that if this bill shall become a law thousands more of employees will be exempted from military service under the same interpretation which is placed on the draft law. I yield to the Senator from Ohio.

Mr. POMERENE. I think I can say that these exemptions depend very largely upon the position which may be taken by the head of the department. In some of the departments they have been rather free in asking for exemptions. In others they absolutely refuse to grant them. Just this morning I was told that one of the collectors in my own State up to date had refused to ask to have any one of his men exempted, because he felt that though they were doing good service, if the country needed them at the front he could get some one else to take their places.

Mr. KING. I assert now upon the information to which I have referred, which was conveyed to me, that there are thousands of young men within the military age who are qualified physically and otherwise to be doing service upon the battlefield who have been exempted from military service because they were employed in the Agricultural Department. This bill calls for the employment not of hundreds but of thousands of young men, and under the general Agricultural bill there are many thousands of persons employed. Where are we to obtain the young men to fill the demands of this bill? Nearly $20,000,000 are called for by the bill. The greater part of that sum is to be expended in paying salaries and compensation of employees and clerks and agencies of the Government. I do not think that 25 per cent, indeed I do not think that 10 per cent, of this vast sum will be devoted to any service other than paying the compensation of those who will be employed under the bill.

Mr. KENYON. Mr. President——

Mr. KING. I yield to the Senator from Iowa.

Mr. KENYON. I wish to suggest to the Senator that there was testimony before us of an expert chemist—and chemists are very much needed by the department—who was in camp peeling potatoes. I think the Senator must realize that under the selective-draft law that chemist instead of peeling potatoes should have been in the Department of Agriculture doing the work of a chemist. I think the Senator will find that all those exemptions are requested first by the Secretary of Agriculture. In fact, he goes over every one of them personally, and the principle we are following is that of exempting from the service men who will do more good making gases to kill Germans than they could possibly do in the trenches. I think the Senator is wrong as to the number of exemptions. The testimony will show that there have been very few exemptions in the Department of Agriculture.

Mr. KING. Mr. President, as I said a moment ago I say to my friend, I hope I am wrong, but I feel persuaded that the figures I stated are well within the realm of accuracy. It has been a matter of surprise to me, if I may be permitted to further say to my friend from Iowa, to see the number of men who feel that they are better fitted for some particular work that does not put them in the trenches at this time.

Mr. KENYON. I wish to say to the Senator further that the testimony was that no man who requested any exemption was granted one. The Secretary refuses to indorse the application of any man in the Department of Agriculture who asks for an exemption. In fact, most of them want to go and it is hard to keep them for the necessary work of the department. I think in fairness that ought to be said at this time.

Mr. KING. I would not do any injustice to any of our splendid young men, but it is a fact that there are some who are very anxious to obtain commissions in the Quartermaster's Department or in some branch of the military service where they will not be required to come into active contact with our foes upon the battle front.

Mr. McCUMBER. Mr. President——

Mr. KING. I yield to the Senator.

Mr. McCUMBER. The fact still remains if we pass a bill which requires the Secretary of Agriculture to employ 10,000 more men, and if those 10,000 are within the draft age, he will necessarily, in order to carry out the law, have to call for the exemption of that number of persons.

Mr. KING. That, of course, is the important point under consideration.

Mr. FALL. Mr. President——

Mr. KING. Let me continue for a moment and then I shall be very glad to yield to my friend from New Mexico.

The bill does call for a large number of additional employees. They must be obtained somewhere. Judging from the character of those in the service of the department it is apparent that they will be young men within the draft age, because as a rule that is the class of men now employed in the Agricultural Department. If the thousands of men required under the provisions of this bill are procured, they must come from other lines of employment and other fields of activity, and to that extent this bill will prove injurious rather than advantageous. It will take them from other needed service or will keep them from the Army, and their places will have to be filled in the Army by farmers' sons or other citizens. I now yield to the Senator from New Mexico.

Mr. FALL. Probably it would be better to wait until the Senator has concluded, but I may call his attention, if he will allow me, to the fact that this bill does not provide for the employment of additional men, and that it is not a bill standing by itself at all. The bill which provides for the employment of these men was a direct authorization by the Congress of the United States which became a law on August 10, 1917, and for which I think the Senator voted along with the balance of us to increase food production. The bill here is a bill following it, providing the appropriation for carrying it out; nothing more nor less, as is shown in the title. The bill that we are now discussing is "to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled 'An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products.'" That act, as I said, became a law August 10, 1917. It authorizes distinctly the employment of a certain number of additional men. It authorizes the employment of two additional Assistant Secretaries of Agriculture, for example, fixing their salaries, and all that. It authorizes certain work to be done, and it is specifically provided what is the law now with reference to exemptions. I will read from page 275 of the Fortieth Statutes from the act to which this is an amendment in the nature of providing appropriations for carrying it out:

Provided, That the employment of any person under the provisions of this act shall not exempt any such person from military service under the provisions of the selective-draft law approved May 18, 1917.

Mr. KING. Mr. President, the Senator from Oklahoma [Mr. GORE], justifying this bill, says that it provides for new machinery, that the general machinery of the Agricultural Department was not adequate to meet the exigencies of the war, and that a new machine had to be set up and manned and lubricated and put into operation. It seems to me that that is a very unwise method of dealing with the situation, assuming that additional machinery is required. It would be better to expand the organization authorized by law rather than create a parasitic organization.

Mr. FALL rose.

Mr. KING. Does the Senator wish to ask me a question?

Mr. FALL. I simply wish to call the attention of the Senator again to the fact that we provided this machinery in addition to the regular machinery of the Agricultural Department in the act to which I referred.

Mr. KING. I understand.

Mr. FALL. We did not make any appropriation in that act to carry it out. These are appropriations for carrying out the act, for which I think the Senator voted, as I did.

Mr. KING. The point I was trying to make was that the Senator from Oklahoma justifies this bill and its predecessor upon the ground that the exigencies of the war required additional machinery. I submit, Mr. President, that if more employees were required by the department growing out of the war it would have been better to have added to the list of employees and to enlarge the authority of the department already in existence, rather than to create a new machine.

But, in reply to the suggestion of the Senator from New Mexico, I want to state that even if under the bill of 1917, of which it is claimed this bill is supplementary, the thousands of employees are already in service, it is manifest that if this bill is not passed they will go back to private life, to the duties and labors for which they are fitted, and many of them will enter the military and naval service of the United States. Whether the Government has the thousands of employees now in the Agricultural Department or will be compelled under this bill to procure others, the principle is the same. It means if this bill becomes a law that thousands of men will be spending the greater part of this appropriation, instead of being in some productive and needed work or in the Army or the Navy.

But the point I rose more particularly to animadvert upon was this: My contention is that the general appropriation bill, and I have adverted to this once or twice before, carries adequate appropriations to deal with all the items that are provided for in the pending bill. For instance, as I have said before, the appropriation carries nearly $28,000,000. I will say in passing that to find sufficient competent men to efficiently administer that bill will be a Herculean task upon the part of the Agricultural Department. If the Agricultural Department can find sufficient competent and skilled men to properly spend this $28,000,000 during the fiscal year of 1919 it will have discharged a very important duty and will deserve the thanks of the people of this country.

I am not criticizing legitimate and proper appropriations for the Agricultural Department. I have sometimes felt that we have neglected the agricultural interests of our country and have been too solicitous for the welfare of the manufacturing and other interests. Agriculture needs the fostering care of the Republic, and it needs fair and proper treatment at the hands of Congress and at the hands of the State governments. But I am protesting in this hour of war, when we are experiencing difficulty in obtaining sufficient revenues to meet the appropriations imperatively demanded by the war, against saddling upon the people unnecessary burdens and appropriating money that is not absolutely necessary.

As I indicated a moment ago, the farmers to-day are chiefly concerned in securing labor to harvest and save their crops. They are not demanding $20,000,000 to pay the salaries of a class of clerks and peripatetic scientists with a Government seal upon them. We provided liberally in the general appropriation bill, and the items there are sufficient to meet all the provisions of the bill which is now under consideration. We have already provided millions of dollars for legitimate and necessary aid to be rendered the farmers by the Department of Agriculture.

For instance, I find on the sixth page of the general Agricultural bill, carrying nearly $25,000,000, $221,660 appropriated "to investigate and encourage the adoption of improved methods of farm management and of farm practice."

For the general administration of the office of the Secretary we appropriated $462,000.

For salaries, office of Farm Management, we appropriated $83,430.

The total for the office of the Secretary of Agriculture was $767,090, and practically every cent of that is for salaries.

Then for the Weather Bureau we appropriated for salaries and traveling expenses $1,912,930.

For the Bureau of Animal Industry, and this amount is substantially, or practically all of it, consumed by the salaries of the employees of the department, we appropriated $4,079,588.

Under the heading of "Bureau of Plant Industry" we find appropriations aggregating $3,137,038. The greater portion of that amount is for the compensation of employees.

For the Bureau of Plant Industry, for investigating fruits, fruit trees, grain, cotton, tobacco, vegetables, and all sorts of agricultural products, $441,000.

For the investigation of plant diseases and pathological collections, $62,020.

For the investigation of diseases of orchards and other fruits we appropriated nearly $76,000, $8,000 of which amount "shall be available for the investigation of diseases of the pecan."

Mr. FALL. Mr. President——

Mr. KING. I yield to the Senator.

Mr. FALL. I simply want to call the attention of the Senator to the fact that for the item of $441,000 we have already appropriated. It has been used largely and the $62,000 is additional.

Mr. KING. If the Senator will pardon me, we have not used it. The testimony upon which the appropriation was predicated was given before we made the appropriation for the item to which I just called the Senator's attention.

Mr. FALL. I will call the Senator's attention to it later.

Mr. KING. Then for investigation of citrus trees, $250,000.

For the investigation of diseases of forest and ornamental trees and shrubs, and so forth, $83,000.

For applying methods of eradication or control of the white-pine blister rust, and so forth, $230,448.

For the investigation of diseases of cotton, potatoes, truck crops, forage crops, drug and related plants, $87,800, and under that heading will be found appropriations for the investigation of plant life, the diseases of plants, trees, grasses, and so forth, for which an enormous appropriation was made. The very items that are covered in the pending bill are provided for in the appropriation bill which we passed a few weeks ago.

Mr. FALL. Will the Senator yield to me?

Mr. KING. I yield.

Mr. FALL. If the Senator will yield one moment I will attempt to make myself clear. The bill as introduced is entitled, designated, and intended to carry out the provisions of the act of August 10, 1917. In the act of August 10, 1917, there were certain appropriations made for certain specific purposes—lump appropriations. Under the provisions of that act those appropriations expire on a certain date, and I will read it to the Senator if he desires me to do so. They have no application to the appropriations made in the regular annual Agricultural appropriation bill. For instance, the item which the Senator just read, in which he undertook to show that I was in error in calling his attention to it, for the prevention, control, and eradication of insects and plant diseases injurious to agriculture, and the conservation and utilization of plant products, $441,000, the following sums are hereby appropriated out of any money in the Treasury not otherwise appropriated to be available immediately and until June 30, 1918. These are supplemental appropriations which are asked for to make good, as I understand it, the $62,000 to prevent a deficiency.

Mr. KING. I do not understand that there is any deficiency. If there is a deficiency, then obviously the Department of Agriculture did something that it ought not to have done under the law.

Mr. FALL. I made an error possibly in using the word; I am not even a member of the committee, but every item in the bill is estimated for, and there is some justification for it. To say there is none is simply to say that is the legal conclusion, I suppose, or else that the Senator making the statement has not read the justifications as they are printed and laid upon the desk of Senators, a copy of which I have, showing the data for this bill.

Mr. President, I am one of those who believed when we passed the original bill, which was passed on the same day as the food-conservation bill, under which Mr. Hoover holds authority, that the first was just as necessary as the latter bill, and that agriculture is just as necessary to carry on this war as are our munition plants and as are our war supply factories or as is any other possible industry, including debates in the United States Senate.

Mr. KING. Oh, Mr. President, there can not be any controversy in respect to the proposition last announced by the Senator from New Mexico. A Senator would convict himself of idiocy if he were to stand here and assert that the interests of agriculture are not important. I have frequently said that the interests of agriculture are paramount. It has been said, and no one has contradicted it, that we can not win the war unless we have an adequate food supply. I stated yesterday that we have not only to provide food for ourselves and for our soldiers, but, in part, that we have to supply food for the allies. The point I am making——

Mr. SHEPPARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Texas?

Mr. KING. If the Senator from Texas will pardon me just a moment, the point I am trying to emphasize is that we have appropriated liberally, we have appropriated nearly $28,000,000, for the coming year for the Agricultural Department, and if it spends that amount economically and efficiently, if it employs the right character of men, and if it does all that it ought to do to carry out the letter and the spirit of the appropriation, it will have performed a gigantic task, and it will have exhausted all of the man power that it ought to take from the various other field of activity for the purpose of utilizing it in its field of operation.

Now I yield to the Senator from Texas.

Mr. SHEPPARD. I wish to ask the Senator from Utah if he did not vote for the act which was approved August 10, 1917?

Mr. KING. I do not recall whether I voted for it or not; probably I did. I remember that there was an insistent demand at that time that we had to do something to stimulate agriculture; the statement was made that the appropriations which had been made for the Agricultural Department did not take into account some of the requirements of the country; and I have no doubt that the appropriation bill which was then pressed through was deemed by Senators to be wise. I am not attacking or defending the appropriation at that time, although I believe that it was wholly unnecessary.

However, let me say in passing that, in addition to the appropriation there made, we gave to the agency of the Government with which Mr. Hoover is identified a very large sum. That agency has spent millions of dollars for the food-conservation propaganda, and it has been very effective in many instances throughout our land. In addition to the millions spent by Mr. Hoover's organization and the millions spent under the general Agricultural appropriation act of last year, we have given $28,000,000 for the fiscal year 1919; and I am protesting against duplicating the appropriation therein contained and withdrawing from the field of endeavor and activity a large number—probably thousands—of persons who ought to be employed in industrial pursuits or they should be serving our country upon the battle field.

I want to call attention briefly to some of these other items carried in the general appropriation bill. We appropriated $2,454,698 for the Bureau of Plant Industry. Senators will remember that neither this sum nor the $28,000,000 has been expended; these amounts are now available and the Department of Agriculture can utilize them for the stimulation of agriculture and for the promotion of the interests of the agriculturists of this country.

For the Forest Service we appropriated $5,731,555. For the Bureau of Chemistry there was appropriated $1,243,391. Let me say that the greater part of that appropriation is for the payment of employees of the Government. I want to call attention to one or two other items.

For collaboration with other departments of the Government desiring chemical investigations and whose heads request the Secretary of Agriculture for such assistance, and for other miscellaneous work, $14,000;

For investigating the character of the chemical and physical tests which are applied to American food products in foreign countries, and for inspecting the same before shipment when desired by the shippers or owners of these products intended for countries where chemical and physical tests are required before the said products are allowed to be sold therein; and for all necessary expenses in connection with such inspection and studies of methods of analysis in foreign countries, $4,280;

For investigating the preparation for market, handling, grading, packing, freezing, drying, storing, transportation, and preservation of poultry and eggs, and for experimental shipments of poultry and eggs within the United States, in cooperation with the Bureau of Markets and the Bureau of Animal Industry, $40,000;

For investigating the handling, grading, packing, canning, freezing, storing, and transportation of fish, and for experimental shipments of fish, for the utilization of waste products, and the development of new sources of food, $14,000;

For investigating the packing, handling, storing, and shipping of oysters and other shellfish in the United States and the waters bordering on the United States, $5,000;

For the biological investigation of food and drug products and substances used in the manufacture thereof, including investigations of the physiological effects of such products on the human organism, $15,000;

For the study and improvement of methods of utilizing by-products of citrus fruits; and the investigation and development of methods for determining maturity in fruits and vegetables, in cooperation with the Bureau of Plant Industry and the Bureau of Markets, $13,000;

For investigation and experiment in the utilization for coloring purposes of raw materials grown or produced in the United States, in cooperation with such persons, associations, or corporations as may be found necessary, including repairs, alterations, improvements, or additions to a building on the Arlington Experimental Farm, $70,720;

For the investigation and development of methods for the manufacture of table sirup, $7,000—

The amount of $589,081 was appropriated—

For enabling the Secretary of Agriculture to carry into effect the provisions of the act of June 30, 1906, entitled "An act for preventing the manufacture, sale, or transportation of adulterated, or misbranded, or poisonous, or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," in the city of Washington and elsewhere.

And so forth.

"For investigating the grading, weighing, handling, transportation," and so forth, of naval stores $10,000 was appropriated.

For the Bureau of Soils we appropriated $491,235; and the greater part of that is for salaries. The appropriation provides for the investigation of soils and their classification.

The bill carries an appropriation for the Bureau of Entomology of $986,680. I might say, in passing, that substantially all of that is devoted to the payment of the salaries of the employees who will spend their time in investigating insects in connection with cereals, forage crops, tobacco, rice, and so forth. For preventing the spread of moths $304,050 was appropriated. For the Bureau of Biological Survey the bill carried an appropriation of $586,350. It also carries large appropriations for the Bureau of Crop Estimates; and I see, by the way, in the bill under consideration a large appropriation for the same purpose.

In the general appropriation bill, under the head of Bureau of Markets, there is an appropriation of $2,023,255, and I find in the bill now under consideration an appropriation for the same purpose.

For the enforcement of the insecticide act in the general appropriation there is provided $121,240.

For demonstrations on reclamation projects there is an appropriation of $48,600. For experiments in dairying and in live stock there is an appropriation of $40,000. For the eradication of pink bollworm there is a large appropriation. To make surveys in regard to the distribution of the pink bollworm $25,000 has been appropriated. To investigate in Mexico and elsewhere the pink bollworm there is an appropriation of $25,000.

To enable the Secretary of Agriculture to cooperate with individuals or corporations with regard to the dehydration of vegetables, and so forth, and disseminating information concerning the same, $250,000 is appropriated.

And so on, Mr. President, until, as I have said, we have an appropriation bill enormous in amount—$3,000,000 more than for the preceding year—which covers all that the agriculturists of the country will require at this time, and more, in my opinion, than the Department of Agriculture will be enabled to spend in a wise and judicious way.

The pending bill, as I said yesterday, in my opinion, contains many provisions that are improper—duplications of appropriations which have already been made. It is time that we should practice economy; that our voices should be raised in defense of the Treasury and the taxpayers. It is an ungracious task to attack appropriations, and defeat is the usual result. But I feel that every effort should be made to protect the Treasury and to provide for the demands—which must be met—made under the military necessities of the hour. Even if misunderstood, I shall oppose appropriations not imperative, but will cheerfully vote whatever is needed for our soldiers and sailors and to enable our country to carry to a successful issue the titanic struggle in which it and the allied nations are engaged.

Mr. President, I ask that the amendment be stated and that a vote be taken.

Mr. FALL. Mr. President, I desire to say just two or three words, and then I shall have nothing more to say upon this bill or upon any provision of it. It is useless to explain one moment what an item is and what the justification for it is, and then have some Senator who has been out of the Chamber and who has not heard the explanation return to the Chamber and renew a motion to strike it out and then say he has had no information as to why he should vote for it. So, as it is not incumbent upon me to defend this bill in any way, as it is not of one cent's interest to the people in New Mexico whom I represent in part, if I took a selfish point of view, I should simply retire to the smoking room and console myself with a cigar while motions to strike out are being made because some other Senator does not give the particular Senator who is then upon his feet certain information that he wants as to why items should not be stricken out.

So far as I am concerned, I have no responsibility in connection with the bill. I am not a member of the committee. I am, however, a Member of the Senate. I assisted in doing what I thought was best for the country in voting for the passage of both the food-production bill and the food-and-fuel bill, which became laws, I think, on the same day exactly—on August 10, 1917, I believe. I believed then, and I now believe, that one was more necessary than the other; that is, that the first bill approved—the food-production bill—was much more necessary than the other, necessary as it was and as well as it has been administered.

Agriculture has been recognized by the President and by the Senate by an overwhelming majority to be a great war necessity. It has been recognized by every one, and, I may say, by the Senator from Utah [Mr. KING], I think, that it is necessary to increase the expenditures of the Department of Agriculture if we desire to increase production, just exactly as it was necessary to increase the expenditures of the War Department over the peace expenditures if we desired properly to equip our men and win this war.

The Senator from Utah has referred upon several occasions to the fact that the great regular agricultural appropriation bill—the peace agricultural bill, the bill providing the necessary funds for carrying along the Agricultural Department and its general development under peace conditions—was $3,000,000 more than it had been before. I defy the Senator to show that any regular appropriation bill for any other department of this Government during the war time has not been many times more than $3,000,000 above the peace appropriation.

Yet the Senator agrees with me in announcing that he firmly believes that agriculture is a war necessity and that the production of agricultural products should be stimulated in every way possible.

That was the purpose of the legislation adopted a year ago. In that legislation, which was of a general character, it not being an appropriation bill but a general bill to stimulate production, there were certain specific appropriations made, one of which I have referred to. There was a specific provision with reference to the specific appropriations that they should expire on June 30, 1918. It is to supplement those appropriations and to carry them out, and also to carry out the other purposes for which the Senate provided and the duties which Congress directed the Secretary to perform, that further appropriations are asked.

I am going to read into the RECORD now, for the purpose of clearing up this muddled condition, the first two sections of the bill, to which I have referred. They are as follows:

That, for the purpose of more effectually providing for the national security and defense and carrying on the war with Germany by gathering authoritative information concerning the food supply, by increasing production, by preventing waste of the food supply, by regulating the distribution thereof, and by such other means and methods as are hereinafter provided, the powers, authorities, duties, obligations, and prohibitions hereinafter set forth are conferred and prescribed.

SEC. 2. That the Secretary of Agriculture, with the approval of the President, is authorized to investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and the basic facts relating to the ownership, production, transportation, manufacture, storage, and distribution of foods, food materials, feeds, seeds, fertilizers, agricultural implements and machinery, and any article required in connection with the production, distribution, or utilization of food. It shall be the duty of any person, when requested by the Secretary of Agriculture, or any agent acting under his instructions, to answer correctly, to the best of his knowledge, under oath or otherwise, all questions touching his knowledge of any matter authorized to be investigated under this section.

Then there are fines provided for the punishment of anyone failing to act under the instructions of the Secretary, failing to answer questions, or failing to give information which he is entitled to demand.

SEC. 3. That whenever the Secretary of Agriculture shall find that there is or may be a special need in any restricted area for seeds suitable for the production of food or feed crops, he is authorized to purchase, or contract with persons to grow such seeds, to store them, and to furnish them to farmers for cash, at cost, including the expense of packing and transportation.

He did contract under the authority vested in him with farmers, for instance, to raise castor beans, yet cheerfully the Senator comes in here and, without investigation of any kind or character and without giving the Senate any reason for the amendment, moves to strike out an item to authorize the Secretary to pay the necessary expenses in carrying out the power vested in him by the Senator's own vote. That is the manner in which this bill has been treated from its very inception. No consideration of any kind or character of a proper nature has been given to the items, but the great Department of Agriculture has been held up to ridicule and to abuse by Senators upon the theory that they, forsooth, are the watchdogs of the Treasury.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Washington?

Mr. FALL. I yield.

Mr. JONES of Washington. I merely desire to bring out the point that in the bill from which the Senator has just read we appropriate several million dollars in lump sums.

Mr. FALL. Exactly.

Mr. JONES of Washington. And there was not any question raised about the appropriations at all.

Mr. FALL. None at all.

Mr. JONES of Washington. This bill is to carry out the purposes of that act, as the Senator has stated, but instead of appropriating lump sums to do the work, we specify what each item shall be used for.

Mr. FALL. Precisely.

Mr. JONES of Washington. Probably if we had put these items in a lump sum they would have gone through without anyone raising objection.

Mr. FALL. Exactly. Millions of dollars, as the Senator has said, were voted in lump sums; $441,000 for a certain purpose was voted by those who voted for that bill in one lump sum, while the Senator from Utah is now objecting to an item of $62,000 for the same purpose.

Mr. JONES of Washington. I will call attention, with the Senator's permission, to one lump-sum item in the act to which he has referred, as follows:

For increasing food production and eliminating waste and promoting conservation of food by educational and demonstrational methods, through county, district, and urban agents and others, $4,348,400.

Mr. FALL. Precisely; and the Senator from Utah is now moving to strike out an item of $134,000 for an exactly similar purpose after having voted last year for over $4,000,000. The estimate and the justification show that the amount of the immediate item under consideration is $33,000 more than the estimate of last year; but it is for another war year and for additional war work and to aid in the production of food for our soldiers.

Mr. President, I shall have nothing more to say upon the subject. I shall simply vote against what I regard as—well, I will not characterize as I had intended, but will vote against the motions to strike out the different items embraced in this bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah to strike out the provision which the Secretary will read.

The SECRETARY. On page 6, line 5, it is proposed to strike out "extension work in the Northern and Western States, $134,200."

The PRESIDING OFFICER. The question is on the motion of the Senator from Utah to strike out.

The amendment was rejected.

The PRESIDING OFFICER. The bill is still before the Senate as in Committee of the Whole and open to amendment.

Mr. GORE. Mr. President, I send to the desk an amendment and ask for its adoption.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the end of the bill it is proposed to add a new section, as follows:

SEC. —. That the Director General of Railroads is authorized and directed to supervise or to take possession and assume control of any stockyards, stock cars, refrigerator cars, or any cold-storage establishment through which packing or other food products are distributed, and to operate the same in such manner as may be needful or desirable for the duration of the war and for a period of 21 months thereafter.

That just compensation shall be made for such supervision, possession, control, or operation, to be determined by said Director General of Railroads with the approval of the President; and if the amount thereof so determined is unsatisfactory to the person entitled to receive the same, such person shall be paid 75 per cent of the amount so determined and shall be entitled to sue the United States to recover such further sum as, added to said 75 per cent, will make up such amount as will be just compensation therefor, in the manner provided for by section 24, paragraph 20, and section 145 of the Judicial Code: *Provided*, That nothing in this act shall be construed to amend, repeal, impair, or affect existing laws or powers of the States in relation to taxation or the lawful police regulations of the several States.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. KENYON and Mr. SHERMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. KENYON. I should like to ask the Senator who offers the amendment if the President does not have all this authority now?

Mr. GORE. I rather think so.

Mr. KENYON. Does this amendment confer any additional power than the power the President now has?

Mr. GORE. It authorizes the Director General of Railroads to take over the utilities.

Mr. KENYON. Does it direct or authorize him to do so?

Mr. GORE. Both.

Mr. KENYON. It authorizes and directs?

Mr. GORE. Yes, sir.

Mr. KENYON. Then it does go further than the power which was conferred on the President in the food bill?

Mr. LODGE. Mr. President, I simply wish to say that this is rather too important an amendment to be run through without some consideration and discussion. I had no idea that such an amendment was to be offered. I have had no opportunity to examine it, and I believe that there ought to be some opportunity afforded us to look at an amendment of this magnitude. It has not been recommended by the committee.

Mr. WATSON. Mr. President, I wish to inquire who moves this amendment?

The PRESIDING OFFICER. The Senator from Oklahoma [Mr. GORE].

Mr. WATSON. I should like to ask the Senator from Oklahoma what reason there is for this proposed amendment at this particular time?

Mr. GORE. Mr. President, I will say that the amendment is based to some extent on the report of the Federal Trade Commission, although it does not go as far as the recommendations of the Federal Trade Commission. That commission, as the Senator is aware, recommended that these utilities be taken over by the Government, title to them acquired, and that they should be operated permanently as a Government monopoly. That raises a question which has not been raised in connection either with the telegraph or telephone lines or the railroads, a question which has been adjourned to the future, but which will undoubtedly come up in a separate bill at an early date.

There are a great many reasons set forth by the Federal Trade Commission, and a great many reasons which will suggest themselves to Senators apart from that report in favor of the Government operation of stockyards, cattle cars, and refrigerator cars, particularly while the railroads are under Government supervision and control.

The primary and paramount object of this amendment is to some extent to bring under effective control the packing-house concerns.

The provision is temporary; it is limited to the period during which the railroads shall be under governmental control. It does not propose to acquire these properties, to take title, or to adopt this policy as a permanent one. Such provision will undoubtedly be made in the bill which is to come up at an early date; but the early adjournment of the present session of Congress will render, I think, the passage of a bill of that sort impossible at this session, and, as this session is to be followed by a short session, it will probably be impossible to pass it at the short session; but a limited measure of this sort, it seemed to me, might secure a considerable measure of relief and still adjourn those other questions to future consideration.

Mr. WATSON. Mr. President, I should like to ask the Senator from Oklahoma what power the President now has in this respect?

Mr. GORE. Mr. President, I rather think that under the Army bill passed in 1916, and also under the food-control bill, the President could probably—I do not wish to express a final opinion on the subject—take over these utilities. He has not done that. There are complaints of a great many grievances resulting from the private ownership of refrigerator cars, from the private ownership of certain cattle cars, although, of course, a great many cattle cars are owned by the railroads now and are under governmental control, and from the private ownership and operation of stockyards. It is claimed that there is a grievance both on the part of the producer of live stock and on the part of the consumers of live-stock products. It was my impression that the limited power conferred by this amendment would enable the Director General to relieve the producers of a great many of these grievances and perhaps relieve the consumers of a great many of the grievances which they are alleged to have, and that that could be done without resorting to so radical a measure as will undoubtedly be forthcoming at an early date.

Mr. SMOOT. Mr. President, I am not going to take the time of the Senate to discuss the merits of this amendment at this time, but I understand that it has not been considered by the committee; that it is offered and is being read from the desk without any consideration at all upon the part of any committee and is based upon a report of the Federal Trade Commission that nearly every paper in the United States has condemned as unjust and a wrong against the five principal packers of this country.

Mr. President, I hold in my hand the report of the Federal trade committee of the Chamber of Commerce of the United States, submitted to the board of directors of the chamber, analyzing the report of the Federal Trade Commission; and if it be true—and I was going to say that I know in many respects it is—we ought to offer an amendment to this bill, if any amendment is offered, abolishing the commission.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. SMOOT. I yield.

Mr. KENYON. I should like to inquire of the Senator who the directors making this report are.

Mr. SMOOT. The Federal trade committee of the board of directors of the Chamber of Commerce of the United States.

Mr. KENYON. Who are they? Are the names there?

Mr. SMOOT. The chairman of the committee is Rush C. Butler.

Mr. KENYON. He is their counsel, is he not?

Mr. SMOOT. He is also the chairman of this particular subcommittee of the chamber, and I understand he is the attorney for the Chamber of Commerce of the United States.

Mr. KENYON. I think it would be interesting to know just who the directors are, what their connections are, and whether they are connected with the packers in any way, in order to know what credence to give to their report.

Mr. LODGE. I do not think the Senator from Iowa will claim that the Chamber of Commerce of the United States is a corrupt body.

Mr. KENYON. I do not think it is, but I do not think the Federal Trade Commission is a corrupt body, either; and if the Senator condemns it, let us have the evidence as to the standing of the men who are condemning it. I am not in favor of this amendment. I do not think it is fair.

Mr. SMOOT. Mr. President, as far as the members or officers of the Chamber of Commerce of the United States are concerned, they are among the very best and most reputable business men in the United States; and as compared with Victor Murdock as a business man, or knowing what the business interests of this country require or are doing, there is as much difference as there is between the darkest night and the lightest day in favor of the former.

I ask, as a part of my remarks, permission to print this report in the RECORD, together with an editorial from the New York Times—no Senator can charge that with being a corporation or Republican paper—also an article from the Baltimore Sun.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah to publish certain articles in the RECORD? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

To the board of directors of the Chamber of Commerce of the United States:

The Federal Trade Commission came into existence under excellent auspices. Taking office in the spring of 1915, the first commissioners had the benefit of much antecedent discussion. The purposes for which the commission was created were well stated by President Wilson when he addressed Congress on the proposal to create it. The keynote of his address was in the following words:

"The business men of the country desire something more than that the menace of legal process in these matters be made explicit and intelligible. They desire the advice, the definite guidance, and information which can be supplied by an administrative body, an interstate trade commission. The opinion of the country would instantly approve of such a commission."

In newspapers, magazines, and legal journals the purposes and functions of the commission were described until the commission, the objects of its creation, and its general place in the governmental organization were known and accepted in all parts of the country.

The commission early began a study of such subjects as unfair methods in competition, adverse conditions affecting our exporters in foreign markets, and the underlying causes of depression in the manufacture of lumber. It established a procedure which contemplated action on its part only after impartial hearings for all parties in interest. It received testimony upon questions of policy as well as regarding issues of fact. The manner of its independent inquiries through its own agents was indicative of a desire to develop the truth of situations. In other words, it gave promise of becoming a constructive body, expert in analysis and in information, able to suggest sound national policies for preventing abuses, and for encouraging proper development in the great field of American business enterprise outside the restricted jurisdictions which had been confided to such bodies as the Interstate Commerce Commission and the Federal Reserve Board.

The expectations that were thus supported are now being disappointed. During the past year or 18 months the commission's attitude and procedure have changed, and its altered position has become well developed. The terms of office of the commissioners are fixed by the law creating the commission to continue for seven years and to expire in rotation, in order that there may be constantly in office a majority with experience and knowledge. In this manner continuity of purpose and method in the commission's work were sought. In the discussion of the bill it was stated in Congress that this continuity of experienced service was one of the essentials, and there can be no doubt that such was the desire of the administration and the public. Instead of being a body with permanency in its personnel the commission, in fact, has in its membership after but three years none of the first appointees. With every change in personnel there has been a substitution of the subjects which interest and occupy the commission. That various exigencies might arise which would justify resignation and retirement, of course, must be expected, but no less than two commissioners and a prominent member of its staff have been simultaneously candidates for political preferment. Conditions such as these inevitably lead to impressions that the commission is no longer a responsible body approaching its duties with a serious purpose to promote the public interest alone; that it seeks aggrandizement for itself and its members; and that it lacks the impartiality essential to any public agency which is to speak with authority and to promote the common cause of the Nation rather than to create discord, confusion, and disorganization.

It becomes our duty, therefore, to call your attention to some of the activities of the commission in which its present attitude is made manifest. If for no other reason, this committee would necessarily be impartial because in the membership of the chamber there are represented both producers and consumers, and most of the important industries. In direct interests many of these members are adverse, but they all join in subscribing to the purposes of the chamber, which include promotion of sound economic conditions in every branch of American industry and commerce and elimination of all business prac-

tices and situations that are incompatible with the public interest. For like reasons, the committee concerns itself with questions of the policy of the commission and its procedure, and not with the merits of particular cases. Finally, in its desire to avoid ex-parte statement, the committee has endeavored to refer only to matters which are of record, either in the commission's own publications or in the sworn testimony of its members and its staff before committees of Congress.

I. The commission has undertaken the exercise of functions beyond its own jurisdiction to the detriment of its proper usefulness.

The commission's interest in the situation regarding news-print paper was undoubtedly proper, but in seeking to have producers and consumers agree to establish it as an "arbiter" of their differences the commission went beyond the law of its creation, and possessing no power to enforce its findings, was placed in the awkward position of having its award ignored. It even went so far eventually as to propose that it undertake the distribution of all news-print paper. That Congress did not intend the commission to assume such duties was apparent from the action of the Senate on January 15, 1918, in voting down a bill containing this proposal. The commission has admitted some of its efforts were without express authority of law.

Before the Fuel Administration was established the commission undertook to influence distribution of anthracite coal, with the acquiescence of the operators. Even if the commission's belief that there were beneficial results is accepted, it remains true that this was not a proper function for the commission to exercise and that it did not have facilities essential for the task. It is common knowledge that distribution was so imperfect that proper supplies were not accumulated for the following winter, and that widespread hardship ensued.

The commission later perceived a similar function for itself in controlling the distribution of bituminous coal. It undertook to advise Congress that all bituminous coal should be sold through a common agency at one price for each quality and that the operators should receive individually their cost with an added profit. The commission itself was to be the agency. This recommendation it made in a report which showed scant data regarding bituminous coal. Legislation under which the Fuel Administration was created authorized the President to utilize the commission as a distribution agency, but this authority was not exercised, and by proclamation of July 3, 1918, most of the remaining activities of the commission with regard to coal were transferred from the commission to the Fuel Administration.

In August, 1917, the commission gave advice to the President which resulted in the prices fixed by him on August 21. The commission's prices were constructed upon a new computation of costs, which excluded, among other things, interest and depletion. The commission stigmatized reserves as coal held out of use and allowed no interest for investment in reserves. Part of the data before the commission was an anonymous estimate of costs in important fields. The correctness of the commission's method of computing costs is not here in question. The objections on the score of public interest are that the method was new, that it was applied at a critical moment when customary and honest bases of costs should not have been questioned; that it was arbitrary in that it had not been subjected to scrutiny at such hearings of the persons affected and the public as any responsible public body should accord, and that it placed below the cost of production the prices of at least 40,000,000 tons of bituminous coal in the annual supply. In other words, the commission was not prepared to undertake the highly important rôle it essayed and dealt recklessly alike with national interests and personal rights.

The commission's attitude toward trade associations furnishes another illustration of its desire to acquire new activities before adequately developing its statutory duties. There is a real and proper task for the commission in examining trade associations and pointing out ways in which they can be improved in the public interest as well as for the advantage of the industries. This constructive task the commission is apparently neglecting, and at the same time it seeks to usurp the functions of trade associations, in effect making itself a trade association for all industries. In support of this desire incorrect statements have been made. For example, on April 1, 1918, the House Committee on Appropriations was told that the fees for membership in the associations that collect statistics for production of newsprint and book paper were so high as to be prohibitive of membership for smaller manufacturers. The fact is that the fees for membership in the newsprint association are $25 a year and 4 cents a ton of paper produced (i. e., 4 cents on a value of $50 or more), and for the book-paper association, which is no longer in existence, they were 6 cents a ton.

II. The commission has begun the study of important situations, but because of vacillating interest or for other reasons, not apparent, has left its work incomplete.

The lumber industry has been studied for upward of 10 years by the commission and its predecessor, the Bureau of Corporations. No final conclusions and recommendations about fundamental economic conditions have been published, although repeatedly promised to congressional committees. Upward of $400,000 have been spent upon these studies and the printing of partial reports.

Since 1913 the commission and its predecessor have been engaged upon a "comprehensive inquiry" into the economic advantage and disadvantage of Federal legislation which might be enacted to permit maintenance of resale prices. This subject has been continuously before the public. Bills have been before committees of Congress. Nevertheless, the commission has failed to complete its study and present analyses of the fundamental economic questions that are involved in making any legislative decision. Last autumn the commission held hearings of a general nature and has instituted formal complaints against business houses which have endeavored to maintain resale prices. These complaints, however, can scarcely lead to more than an application of the law as it now stands in the light of decisions of the courts and can scarcely result in such conclusions of economic principle as obviously are needed.

Two years ago the House of Representatives directed a basic economic study into the bituminous-coal industry. In April, 1918, the chief economist of the commission testified that "the fundamental problem has never been touched yet."

These are a few of the important undertakings upon which the commission has entered but which it has not consistently pursued. The public interest suffers in consequence, not only because authoritative determinations are lacking regarding important matters but because there is a waste of public money, since material which is gathered, but laid aside, has to be reexamined when attention is again turned to the subject.

III. The commission's procedure, originally orderly and appropriate, has been changed without public notice or notice to Congress.

Unfair methods of competition afford a very important field for the commission's activity. The commission's province is to consider practices and when it decides they are unfair to order their termination. Most practices are brought into question before the commission by a business house which alleges unfairness on the part of a competitor. This circumstance indicates a need for perspicacity in the commission, that its action may not result in unfair advantage for the complainant and irreparable detriment to an innocent defendant. Apparently recognizing these possibilities the commission through its annual reports and testimony before congressional committees has given the public and Congress to understand that before it issues a formal complaint it notifies the party complained of regarding the nature of the charges and affords him an opportunity to state his side of the matter, or to desist, if he acknowledges impropriety. Members of the commission have testified to the benefits of this procedure, referring to instances in which unfair acts had been committed by subordinates without knowledge of their higher officials, who promptly made all reparation asked and took precautions for the future. The commission has also testified to its success in having a whole industry, such as the fertilizer industry, revise its methods.

The procedure has now been so changed that the commission itself has become an instrumentality for unfairness. There seem to be indisputable instances in which a defendant has had his first intimation through service of a formal complaint that any of his business methods were in question. The allegations of unfairness on his part, founded upon an ex parte presentation by a competitor or disgruntled customer whom he will not be able to face before the commission (since the commission becomes the formal complainant), supplemented by the commission's investigations to an extent that are unknown to him, are given to the newspapers by the commission with a release date placed as much as five days in advance, in order that widest possible publicity may be obtained for the allegations. In these statements to the newspapers the commission has disclosed concrete information as to the particulars of the alleged offense, whereas it has placed in the formal complaint served upon the defendant only general statements which did not advise the defendant of the charges he had to meet. As a consequence, defendants have had to consult the newspapers to identify the circumstances alleged to constitute the unfair method of competition in question. Accordingly, when the defendant comes before the commission for a hearing, he feels that his case has been prejudged. Such procedure is a form of harassment, is vexatious, and indicates a lack of the spirit of helpful cooperation which it was believed the commission would in abundant degree possess. Furthermore, it inevitably has its influence upon members of the commission's staff, leading them to consider persons against whom complaint is made as guilty until they are proved innocent. From the commission's present course there results an impression that the commission is proceeding in contradiction of the theory that ours is a government of laws and not of men.

IV. The commission has abused its powers of publicity.

The commission has power to make public from time to time such portions of the information it obtains in the exercise of its statutory functions as it deems expedient in the public interest. The value of the exercise of this power lies in the authoritativeness of the information which is placed before the public. The commission has exceeded its power in that it has sought publicity for matters which can not reasonably be designated as information. Its practices in obtaining publicity concerning its filing of formal complaints have already been described. The injustice of its course in this connection becomes apparent when it is observed that the commission has filed in all some 180 formal complaints, whereas it has disposed of only about 30. Some of these 30 complaints have been dismissed. Although the commission gives to the press a statement that a certain complaint has been dismissed, the commission must know that news regarding such action on its part never overtakes or corrects the publicity it causes to appear at the time the complaint is filed. Moreover, numerous complaints have been pending for many months without decision. Under such circumstances the commission's efforts for initial publicity clearly cause injustice.

At the same time there is carelessness, which causes unnecessary injury and confusion. When the commission gave to the press its statement about the first order it issued regarding resale prices, which was entered by "consent" on the part of the defendant, it said a manufacturer could not indicate prices to a retailer. This apparently prohibited the use of price lists and the printing of prices on packages. It was accordingly important. Nevertheless the commission, although letting it be informally understood in answer to individual inquiries that it did not prohibit price lists or prices on packages, gave no official explanation. It waited two months before presenting the true situation, through the medium of another decision. Another example of the carelessness of the commission may be cited. In the early part of this year it announced that for gasoline the margin between refiners' costs and wholesalers' prices had ranged from $5 to $15 a barrel. The commission subsequently issued a correction placing the margin at 50 cents to $1.50, but no correction could repair the damage that had been done through widespread publication of the first announcement.

The commission has used publicity to influence directly the course of legislation. For example, on August 1, 1917, when legislation was pending and a majority of the commission desired to have Congress give it power to fix prices on coal and act as pooling agent, it gave to the press a letter in which a coal operator strongly urged this course.

Although the question of Government operation of the meat-packing industry was in April committed to a special commission, on which the Federal Trade Commission had representation, and in May the special commission decided against Government operation unless it was subsequently found impossible to enforce the regulations of the Food Administration, the Federal Trade Commission on June 28 informed the Senate and the press that the meat packers "are soon to come under further Governmental regulation approved by Executive order."

V. Prominent features of the commission's recent food investigation where subversive of common justice.

On February 7, 1917, the President informed the commission it was "of the highest public concern to ascertain the truth or falsity" of allegations that "the course of trade in important food products is not free but is restricted and controlled by artificial means," and directed the commission to investigate. Hiring a special counsel at a rate of $30,000 a year and expenses, although it had stated to a committee of Congress the salary would be at the rate of $5,000, it proceeded, not in the spirit of the President's letter but with the apparent purpose of creating in advance a public impression that the allegations were true. It selected documents already in its possession and had them presented to it at public sessions by its special counsel, refusing to permit concerns that were mentioned in the documents to offer any testimony or produce other documents. It held public sessions at Boston, Philadelphia, St. Paul, and other cities, examined witnesses of its own choosing, and prevented cross-examination by the concerns at which it was made clear the proceedings were directed.

At each city the special counsel or other members of the staff let it be known that the Government contemplated taking over and operating the industry. The strange spectacle ended at Chicago in February, 1918, when application was made on behalf of the commission for a search warrant under a section of the espionage act and the circuit court of appeals quashed the warrant. The result of the commission's course was not to give information to the public but to place the commission in the position of seeking to create prejudice which would support an apparently preconceived purpose to inaugurate Government operation of the business. In other words, before completing the investigation which the President directed, the commission appeared in the guise of attempting to force adoption of a legislative policy in a matter as to which it had not reported the facts. Another result was to prevent such a determination as the President requested and which he declared was of the highest public concern.

The seriousness of the consequences of the commission's course is apparent from the circumstance that the commission's representative took oath that crimes had been committed. If there was crime on the part of any person the public welfare demands its immediate prosecution by the properly constituted authorities. It equally demands that the commission, which has no criminal jurisdiction, should sedulously refrain from alleging the perpetration of felonies which have not been proved in accordance with established legal procedure.

Although the commission stated in February, 1917, that its report of this investigation would be completed and published within eight months, and the services of its special counsel terminated on March 31, 1918, so much as a summary of a report regarding meat packing, which the commission said would be the first food industry it would investigate, was not published until August 8 of this year. This summary of 47 pages, the commission states, is to be followed by seven reports in support of its conclusions and recommendations. In other words, the commission follows a method of publicity which causes its allegations to obtain wide circulation without opportunity for the public to know the grounds on which these allegations are made. Regarding the facts of the industry in question, this committee, of course, is without information. It is in no sense in a position to express an opinion as to the merits of the commission's charges.

VI. In presenting information to Congress and the public the commission has been heedless of the accuracy and frankness which its position and the circumstances require.

Instances have already been cited. On June 28, 1918, however, the commission again showed its lack of responsibility by giving such form and content to a report made to the Senate regarding "profiteering" as to make general charges of a calumnious nature against business enterprise without supporting its charges with adequate facts. The commission couched its statements in sensational terms unwarranted by the facts set out. For example, it spoke of "bare-faced fraud." "monopolistsic control," "manipulation of the markets by illegal devices," and "preying with shameful avarice upon consumers." It quoted memoranda from one official of a leather company to another which show figures of considerable size but which indicate nothing as to the reasonableness of profits. Some of its statements defy interpretation, such as a declaration that flour mills in the year ended June 30, 1917, made an average of 52 cents on each barrel and nearly 36 per cent on their investment, "profits that are indefensible, considering that an average of the profit of one mill for six months of the year shows as high as $2 a barrel." It even resorts to hearsay in reciting it is understood that producers of aeroplane spruce in the Northwest have taken advantage of allied Governments.

Intrinsic faults in this report are even more serious. The commission criticized the principles of fixed prices which every other agency of the Government has approved as a means of at once regulating the market and obtaining the increased production the Nation requires. It stigmatized the efficiency of low-cost concerns. It palliated the earnings of one corporation because it "possesses a natural monopoly of a certain high-grade ore," thus necessarily implying that good fortune is ethical, whereas low costs attained through struggle for efficiency in operation are immoral. The commission, to an extent it did not disclose, made its computations upon new bases. According to its computation, which raises controverted questions such as the proper measure of value for stumpage and may even deny a distinction between capital and income recently made by the Supreme Court, it finds the profits of producers of southern pine "unusually and unnecessarily large." Yet the price-fixing committee of the Government, having before it the commission's own figures of costs, has recently increased the price for southern pine to the Government by approximately 15 per cent. As might be expected in view of these fundamental defects, the report contains no standards for an intelligent discrimination between the profits which are essential to the integrity of business enterprises and those which are extortionate.

Faults which go to the soundness of the profiteering report can be multiplied. Enough have been suggested to illustrate the lack of responsibility the commission felt in speaking about a subject which affects the morale of the Nation in time of war. That there are individuals in the community who for private gain will seek advantage from war conditions arises from the frailty of human nature. That these individuals should be found through an orderly procedure that accords with the spirit of our laws and institutions, and should be visited with condign penalties, is of the highest public importance; but the existance of individual error and crime is no reason for condemnation of the whole community, or any part of it, by broad accusation and innuendo.

VII. The commission has departed from the fundamental purpose for which it was established.

As the President said on January 20, 1914, provision for something more than the menace of legal process was desired in the bill for the creation of the commission. After the bill had become law the President, on September 6, 1916, reiterated this idea, declaring:

"A Federal Trade Commission has been created with powers of guidance and accommodation which have relieved business men of unfounded fears and set them upon the road of hopeful and confident enterprise."

The commission has in the last year or more apparently come to consider itself a governmental body for the gathering of evidence of the commission of crimes rather than an independent agency possessing powers of guidance and accommodation. This statement of your committee is not founded upon legal interpretation nor is it made with the idea of minimizing the necessity for criminal prosecution in merited cases. It finds its justification in numerous declarations of the commission itself. One example will suffice. When called upon by resolution of the Senate under date of April 24, 1916, to ascertain whether or not newspapers had been subjected to unfair practices in the sale of paper, the commission formally reported it had used its full powers to examine even private correspondence and it had transmitted the facts so gathered to the Department of Justice. In connection with the same investigation the commission had earlier assured the public that it was a body for scientific and economic adjustment rather than prosecution.

There is no inclination to minimize the tasks before the commission or its possibilities of usefulness. The energies and abilities of all the 700 persons it now has in its employ may well be engaged in proper activities. Recognition of the importance of the commission points the way to the action for which the situation calls. The committee recommends that the board of directors call the attention of the President to the outstanding defects of the commission's administration and of the interpretation it now gives to the law under which it acts, and at the same time urge that the President appoint to the commission, in whose membership two vacancies now exist, men whose training, temperament, experience, and reputation for sound judgment qualify them for the position, and whose interests will be single to the commission's work. In no other manner can confidence in the commission be restored.

FEDERAL TRADE COMMITTEE,
RUSH P. BUTLER, *Chairman.*

AUGUST 14, 1918.

[Editorial from the New York Times of Tuesday, Sept. 3, 1918.]

THE TRADE COMMISSION.

Either the Federal Trade Commission or the act creating it stands in need of amendment. That is made plain by the communication sent to President Wilson by the Chamber of Commerce of the United States, which arraigns the commission as unfair in its processes, inaccurate in its reports, abusive of its powers, hostile to the business of the country, and a fomenter of strife.

If the commission, with the approval of the Executive, is to continue its efforts to create prejudice against the great industries of the country, if it is to carry on the propaganda of a class struggle and engage in the agitation for Government ownership, then the act which established it should forthwith be amended to make its charter conform to its practices. It was believed when the commission was created that it was to inquire into practices alleged to be in restraint of trade, to give warning that unfair methods in competition must cease, and to use its influence to secure their abandonment. It was hoped that through voluntary compliance with its recommendations a great deal of costly litigation would be avoided and corporate good behavior generally established.

The commission's report on profiteering made it evident that the commissioners did not take that view of their duties. The communication to the President instances that report and other acts and utterances of the commission as evidence that it seeks to create prejudice "which would support an apparently preconceived purpose to inaugurate Government operation" of the packing business. Its methods of inquiry are declared to be "subversive of common justice," and in its report it employs "sensational terms unwarranted by the facts set out" and better suited to the compositions of an irresponsible muckraker than to the pages of an official document.

The observant public lost confidence in the commission when the profiteering report was published. If it is worth while to maintain the commission, if it is to serve any useful purpose, it should be cured of its present bolshevist and propagandist tendencies. The suggestion of the Chamber of Commerce of the United States that "men of a different type from those now in control be appointed to fill vacancies" is reasonable and sound.

[From the Baltimore Sun of Monday, Sept. 2, 1918.]

TRADE COMMISSION BITTERLY SCORED—CHAMBER OF COMMERCE OF UNITED STATES FILES GRAVE CHARGES WITH PRESIDENT—ABUSE OF BUSINESS ALLEGED—USURPATION OF POWER AND INEFFICIENCY ALSO MENTIONED—PETITION ASKS WILSON TO REMEDY CONDITION BY NAMING TWO ABLE MEN.

WASHINGTON, *September 1.*

Usurpation of power, inefficiency, and unjust abuse of business interests are among grave charges against the Federal Trade Commission which have been laid before President Wilson by the Chamber of Commerce of the United States.

In a letter sent to the President several days ago and made public to-night by the chamber, the directors of the organization approve and submit a report denouncing the Trade Commission as an irresponsible body that has lost the confidence of the public and asking the President to remedy this condition by filling two existing vacancies in the membership with able men "whose interests will be single to the commission's."

This report was prepared by the chamber's Federal trade commission, of which Rush C. Butler, a Chicago lawyer, is chairman. It presents the following seven specific charges, with detailed criticism in support:

SEVEN SPECIFIC CHARGES.

"The commission has undertaken the exercise of functions beyond its own jurisdiction, to the detriment of its proper usefulness.

"The commission has begun the study of important situations, but because of vacillating interest or for other reasons not apparent has left its work incomplete.

"The commission's procedure, originally orderly and appropriate, has been changed without public notice or notice to Congress.

"The commission has abused its powers of publicity.

"Prominent features of the commission's recent food investigation were subversive of common justice.

"In presenting information to Congress and the public the commission has been heedless of the accuracy and frankness which its position and the circumstances require.

"The commission has departed from the fundamental purposes for which it was established."

PRINCIPLES OF CONDUCT WRONG.

The report sets forth that it does not undertake to criticize in detail specific acts of the commission, but rather to point out mistakes in principles of conduct. The President is assured that the chamber and its committee, which has followed the work of the commission since its organization three years ago, does not represent special business interests.

After quoting from the President's address to Congress in 1915 on the proposal to create the Federal Trade Commission and the general sentiment of approval created by the commission's establishment, the report says:

"It gave promise of becoming a constructive body, expert in analysis and in information, able to suggest sound national policies for preventing abuses and for encouraging proper development in the great field of American business enterprises.

EXPECTATIONS DISAPPOINTED.

"The expectations are now being disappointed. * * * Instead of being a body with permanency in its personnel the commission, in fact, has in its membership, after but three years, none of the first appointees."

Referring to the fact that "two commissioners and a prominent member of its staff have been simultaneously candidates for political preferment," the report continues:

"Conditions such as these inevitably lead to impressions that the commission is no longer a responsible body approaching its duties with serious purpose to promote the public interests alone; that it seeks aggrandizement for itself and its members; and that it lacks the impartiality essential to any public agency which is to speak with authority and to promote the common cause of the Nation rather than to create discord, confusion, and disorganization."

In support of the charge that the commission has taken on improper functions to the detriment of its intended duties the report cites the commission's news-print report and its efforts to supervise distribution of coal before the creation of the Fuel Administration.

INQUIRIES NEVER FINISHED.

Investigations of the lumber inquiry, of the resale-price practices, and of bituminous-coal production were started but never completed, the report says, and these are cited as outstanding examples of permitting public interest to suffer and at the same time wasting public money.

Charges of unfairness, often initiated by a jealous competitor, the report declares, are preferred by the commission and made public without giving the accused firm advance notice of the charges or sufficiently definite information on the charges to enable it to make proper answer, while by filing about 180 normal complaints and disposing of only about 30, giving full publicity to the original complaints with meager announcement of dismissal, the commission has caused great injustice, injury, and confusion.

In criticism of methods adopted during the recent investigation of the packing industry the report says a special counsel (Francis J. Heney) was employed at $30,000 a year and expenses, "although it had been stated to a committee of Congress that the salary would be at the rate of $5,000."

"The result of the commission's course was not to give information to the public, but to place the commission in the position of seeking to create prejustice, which would support an apparently preconceived purpose to inaugurate Government operation of the business," the report says.

PROFITEERING REPORT DENOUNCED.

Referring to the commission's recent report to Congress on profiteering, the report says:

"The commission again showed its lack of responsibility by giving such form and content to a report as to make general charges of a calumnious nature against business enterprises without supporting its charges with adequate facts. The commission couched its statements in sensational terms unwarranted by the facts set out. For example, it spoke of 'barefaced fraud,' 'monopolistic control,' 'manipulation of the markets by illegal devices,' and 'preying with shameful avarice upon consumers.'"

Members of the Federal Trade Commission are William B. Colver (chairman), John F. Fort, and Victor Murdock. Joseph E. Davies and William J. Harris recently resigned membership to seek senatorial nominations in Wisconsin and Georgia, respectively.

Besides Mr. Butler, the chairman, members of the Federal Trade Commission of the chamber of commerce are: William K. Dean, St. Paul, member of a hardware firm; Alfred B. Koch, Toledo, department-store proprietor; W. L. Saunders, New York, president of a machinery manufacturing company; Henry R. Seager, professor of economics at Columbia University; Alexander W. Smith, Atlanta, lawyer; Dr. I. C. White, West Virginia State geologist; Silas P. Adams, Portland, Me.; and William C. Coffin, Pittsburgh, consulting engineer.

Mr. GORE. Mr. President, I should like to accompany that request with the request that a portion of the report of the Federal Trade Commission be printed.

Mr. SMOOT. Mr. President, the whole report has been printed in full in the RECORD, and there is no earthly need of spending any more money in that way.

Mr. GORE. I was not aware that it had been printed in the RECORD.

Mr. SMOOT. I will say to the Senator that it has been printed in the RECORD in full.

Mr. GORE. I should like to say that I have no disposition to precipitate the consideration of this amendment without giving Senators an opportunity to investigate it. I will say, also, that Senators have spoken to me who are very much concerned in the early passage of this bill, and who do not wish to see the prohibition amendment, I may say, encumbered with other amendments that might jeopardize the measure. Out of deference to their requests, I will ask permission to withdraw this amendment.

The PRESIDING OFFICER. Without objection, the amendment is withdrawn.

Mr. GORE. I will say to the Senators that they probably have gotten out of the frying pan, but I do not know just where they have landed.

Mr. SMOOT. I do not care where we land when the Senate has time to consider a matter of this importance. We can consider it later; but I want to say to the Senator now that if I wanted to defeat such a proposition as this, I would want every man in the United States to read the report of the Federal Trade Commission; and no one can read the report without knowing that it is conceived in hatred and sensational, unjust, and untrue in character.

Mr. GORE. Mr. President, I should like to say in that connection that I have heard a good deal of criticism of this report, and it rather strikes me that there is a good deal of it that is ad captandum criticism. I have not heard an analysis of the facts presented by the commission and I have not heard any refutation of those facts.

For my own part I believe, so far as I have been able to investigate it, that the report is largely justified. I think that the ramifications of the packing houses of this country pass even the imagination of those who have not investigated the matter. I may say that on yesterday I had an informal hearing with respect to this subject, and the revelations to me were amazing as to where they have extended their tentacles and the various kinds of business that they are drawing unto themselves. The domination that they are establishing over various lines of endeavor, I think, is a public menace, not to use a much stronger term.

Of course, I am perfectly willing to hear the facts and the evidence presented by this commission refuted. So far the criticism has been rather ill-tempered and not based upon very substantial evidence.

Mr. SHERMAN. Mr. President, I understand that the Senator from Utah [Mr. SMOOT] has inserted at length in his remarks the report of the Federal Trade Committee of the United States Chamber of Commerce to its board of directors. I want to state, in addition, that while this is a report of the Federal Trade Committee of the United States Chamber of Commerce to the board of directors of the chamber, it will have practically the unanimous approval of every member of the United States Chamber of Commerce, which is made up of the different chambers of commerce, boards of trade, and business associations of the various States of the Union. It will be practically unanimous.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Iowa?

Mr. SHERMAN. Yes, sir.

Mr. KENYON. I should like to make the same inquiry of the Senator from Illinois that I addressed to the Senator from Utah. Who are the directors of the chamber of commerce to whom this report was made?

Mr. SHERMAN. I can not give their names—Mr. Peak, of Moline, Waddell Catchings, of New York, and I do not know who else. Let me state, however, that all of them are men of standing in their different occupations. All of them are actually engaged in business. It is not an ornamental board of directors.

Mr. KENYON. I do not doubt that; but what I am anxious to know is, what connection they have, if any, with the packers, or with the various institutions in the country which the packers control.

Mr. SHERMAN. They have none that I know of.

Mr. KENYON. Is the Senator sure about that?

Mr. SHERMAN. I am as sure as I am of any business men, some of whom I have known for 30 years.

Mr. KENYON. I do not know that they do have, but I do know that the packers have such connections all over the country that gentlemen are very apt to have some connection with them.

Mr. SHERMAN. There is no stock owned, so far as I know, by any of the directors in any of the packing companies or any of the affiliated companies—the leather or fertilizer or stock-food companies, or anything of that sort.

Mr. McCUMBER. Mr. President, do they refute in any way the findings of the Federal Trade Commission as to the operations and the profits of these packing companies?

Mr. SHERMAN. Yes, sir. That is not the purpose of their report. I can go into that, if necessary.

Mr. McCUMBER. They might explain them and justify them; but what I wanted to know was whether they denied the truth of the statements made by the Trade Commission as to the profits of the packers.

Mr. SHERMAN. Yes, sir. The report criticizes the acts and methods of the commission; and upon the figures of the packers' business it does not require an expert accountant. In the report of the Federal Trade Commission, widely heralded to the public and given out, there are at least two material statements that are not based upon facts. This, however, is a matter that is not connected with the packing plants, except indirectly, or with the agencies which they employ for the distribution of their products. This is merely a general criticism by the Federal trade committee of the United States Chamber of Commerce of the methods employed by the Federal Trade Commission, not merely in the packers' case but the methods they have employed generally. Instead of being a help to the business men, as originally was supposed to be the

purpose of the Trade Commission, it has turned out to be quite the contrary.

The President said:

> The business men of the country desire * * * the advice, the definite guidance and information which can be supplied by an administrative body, an interstate trade commission. The opinion of the country would instantly approve of such a commission.

That means an investigating committee which would discharge functions similar to those of the Interstate Commerce Commission, which is semijudicial, so that all persons are given a hearing. Both sides of a controverted question of fact are permitted to be heard. The Federal Trade Commission have converted themselves into a prosecuting agency and sit in various parts of the country as a grand jury, indicting upon ex parte hearings; such is the nature of their investigation made in the case of the packing plants. There are material parts of the packing-plant report that are absolutely without foundation.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Colorado?

Mr. SHERMAN. Yes, sir; I yield.

Mr. THOMAS. The Senator's last statement surprises me somewhat. I had supposed that the Trade Commission had heard from both sides before making their report. Am I mistaken in that?

Mr. SHERMAN. I think the Senator is. I think it was an ex parte hearing.

Mr. THOMAS. I had supposed that it was a full hearing, in which both sides appeared.

Mr. SHERMAN. The packers, as a matter of fact, were denied an opportunity to place in the record of such hearings as were had testimony which would give the whole of the conditions on which the commission ought to base a report. There was no investigation of the comparative profits. There is no more reason for stating that in the prewar period $140,000,000 was an excessive profit than there would be for taking the prewar profits of at least 100 other corporations whose business conditions have been tabulated and are accessible. As a matter of fact, there are any number of industrial plants whose profits have exceeded three to five times the dividends paid by the packing plants, not only on their capital stock but upon the actual money invested.

It is not merely the capital stock, because the packers have not watered their stock. They have merely put in dollar for dollar for all of the money they are using in their business. Their inventory values have increased. Their borrowings at the banks have increased. A single packing plant, that of Swift & Co., for instance, that used to have $75,000,000 of borrowed money, sometimes running as low as $50,000,000, have now a borrowed capital of $150,000,000. Their inventory values have increased correspondingly. They have gone up as fast as the price of live stock. The report that was made on the different items by the Federal Trade Commission was not based upon an investigation of the actual amount of capital involved in the transaction. The report was based upon the profits for three years, the $140,000,000 profit for 1915, 1916, and 1917. That would be an average, say, of $46,000,000 per year for the five packers. It was not based upon the actual investment. It was put out in a way that would create the impression that they were making abnormal profits. As a matter of fact, during the three-year period of 1915, 1916, and 1917, in which the $140,000,000 were earned, it was earned on an actual volume of business of more than four and a half billions of dollars, involving a profit of only 3.11 cents on every dollar's worth of business.

I called attention the other day, Mr. President, to the fact that the Ford Motor Co. is making 30 per cent, or was in 1916, the last year of the litigation. I have had no opportunity of collecting information on its dividends since that time, but they have not decreased any, to say the least of it. Then, there are industrial plants of various kinds, and especially a series of them that were tabulated by Mr. Pinchot in a printed table here showing large profits. The profits of others ran all the way from 25 to 500 per cent on the investment.

Nothing is said about those. No attempt is made to pillory them before the public as taking unjust gains or as profiteering upon the private consumer. None of those things are given to the public in this report, and no opportunity was given to the men who are in charge of these large enterprises to present the evidence of the entire transactions.

I understand that the amendment has been withdrawn, anyhow; but as a matter of justice, and especially in view of this report of the Federal trade committee of the Chamber of Commerce, learning that the Senator from Utah has embodied that in his remarks, I wanted to add what I did originally—that the report will receive the practically unanimous approval of the United States Chamber of Commerce, which represents every State in the Union.

Mr. KENYON. Mr. President, I only want to add that I believe the report of the commission will receive practically the unanimous indorsement of the people of the United States, who have been robbed on meats by the packers all of these years.

Mr. SHERMAN. I wish the members of the commission would run for office, every one of them. I will undertake to say that if they ran for office in my own State every member of the commission would be beaten by a quarter of a million. Besides being arrant demagogues, they never were elected to any office in their lives since this question has come up. The Senator is in error on the robbery. The packers make 3 cents on each dollar of meat handled. It is the lowest margin or among the lowest of profits found in any line of business in the country. Every retail dealer exceeds it many times. If 3 cents profit on a dollar is robbery, then other lines of business ought to be exterminated. There is not a retail meat dealer in the country who does not make from ten to fifteen times as much.

Mr. KENYON. Mr. President, I concede that the packers might have the power in Illinois to defeat them. The people of the country would not defeat them.

Mr. SHERMAN. I undertake to say that if any of them want to run for office anywhere in the United States they will have a good opportunity if they will ever go into a primary. We have universal direct primaries in most of the States now, where the people have a chance to rule; and I should like to see some of these self-appointed business men, who have done nothing in their lifetimes except to destroy and criticize others who are doing things, submit their claims to the people.

One has been a newspaper man in Minnesota—the most vociferous and blatant one of the lot—who never did a large business of any kind in his life. Another is a gentleman who was once in the House of Representatives, and who a long time ago was beaten, since the State of Kansas learned what he is and what he represents. Possibly it might have a radical spell. It gets them about once every 20 years, I understand, like my own State does, when everybody else goes about his own business. It always comes in peace times, after a long and prosperous period, when people forget about the affairs that they stir up. Outside of those conditions, when those revulsions come, about once in every 20 years, when nobody but the vociferous portion of the community can be heard, when the destroyers are much in evidence, these men never can be elected, and universally when they have been elected they have been accidents, and have been repudiated the next time they ran for office, when their record was known.

If there is any popularity about the members of the Federal Trade Commission I wish them to go back to their States and submit their claims and be nominated and run and see what the dear people think of them. I am weary of hearing criticisms of business men and of the Senate and of the House by men who could not be elected town clerk in a brush township anywhere in the United States. They are the type of people that are running about over the country condemning every business concern that has made a success of its affairs. The domestic civilian affairs of the Government are largely run by life's distinguished failures. This is one reason it is costing so much. There is not a solitary one of these gentlemen who has had the hardihood or the constitutional nerve to submit himself on the ticket of either party or any party anywhere in any State.

Mr. KENYON. Mr. President——

Mr. SHERMAN. I invite them to a test of their popularity in any State where they live, including my own.

Mr. WATSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Indiana?

Mr. SHERMAN. Yes, sir.

Mr. WATSON. Did not one of them run for Senator up in Wisconsin?

Mr. SHERMAN. Yes.

Mr. WATSON. And is not one of them running for Senator down in Georgia now?

Mr. SHERMAN. Yes. Their efforts are confined to running.

Mr. KENYON. That is what I wanted to suggest—that there was one now running. I merely wanted to suggest, in the interest of accuracy, that one of them is running for the Senate in Georgia.

Mr. SHERMAN. That is true. There was one running in Wisconsin with presidential indorsement who was defeated, as he ought to have been.

Mr. SMOOT. There was one running for Senator in Kansas. There was one running for Senator up in Wisconsin.

In fact, the whole Federal Trade Commission, since it was first organized, has been a political organization, a stepping-stone to run for some office in the United States.

Mr. SHERMAN. That is true. And, Mr. President, instead of being a fair-minded instrumentality of Government, as the Interstate Commerce Commission has been, to settle questions between shippers and carriers, the Federal Trade Commission has been just the reverse of it. I will take it two years back, at least. This commission has been merely an addled egg, perfectly rotten, in the nest for the incubation of still more addled candidates. That is its history. There is not one of its members that is not a radical, a bolshevist in this country, a firebrand, an economic incendiary; and all or the most of them were in private life business failures of the most pronounced type. They have succeeded in no profession. They have built up no business. They have accomplished nothing but ceaseless agitation.

Mr. ASHURST. Mr. President, will the Senator kindly give us the names of these gentlemen to whom he pays such high compliments?

Mr. SHERMAN. One of them is Victor Murdock.

Mr. ASHURST. Who are the others?

Mr. SHERMAN. Another is Mr. Colver. Those two are the types.

Mr. ASHURST. Who are the others?

Mr. SHERMAN. Mr. Davies was another one. They have accomplished nothing. Go to their own States and find out what they have been doing. None of them have become distinguished in their professions or in any industrial line. I would be glad if one of them would settle in some State and stay there long enough to acquire a fixed residence, some kind of a permanent abode that would qualify him sufficiently to run for office, and then let him run, and see how rapidly he would arrive anywhere. I know that type. I see them on the curbstone out on Jackson Boulevard in Chicago every night I am there. They are valorous gentlemen on a platform or treading a soap box. They are the younger brothers of the I. W. W.'s, all of them. They all bear a strong family resemblance to Haywood. They are poor excuses for public officers. They are a disgrace to this administration; they are a menace to business; they are a discredit to the country; and I only yearn for the day when some of this ill-flavored gentry will get on the ticket and submit their claims to the people. I know how to meet them. If you will tell the truth about them and nail them down to Mother Earth, they will melt away like snow in a summer sun. There is no substance to them.

If I wanted to criticize this administration—and I do not, save on its domestic affairs, when it is necessary—I could offer no more potent criticism than the fact that it collects about it such instrumentalities to administer government among a free people, to destroy, to break down, and weaken every line of business. Anything that is successful is necessarily the object of their attacks. The only successful concerns, according to their definition, are the ones that have landed in a bankruptcy court. If a concern accomplishes the purposes of its organization or is industrially strong on its ability or its merits, then it becomes the target for their attacks, an object for the perversion and the abuse of the powers of government wielded in their hands.

I want at some time to take up this matter and discuss it at length when I expect to be somewhat unhampered and without restraints or limits upon my comments upon these gentlemen.

Mr. ASHURST. Mr. President, will the Senator yield to me? I just want a moment.

Mr. SHERMAN. Certainly.

Mr. ASHURST. Mr. President, it would be offensively presumptuous in me to rise here in the guise of attempting to read a lecture to my esteemed friend the Senator from Illinois. I think we all more or less grow into the habit in the Senate here—I know I am guilty of that—of allowing our feelings to come to the surface in a very vehement manner. Now, we ought not to forget that the men whom we assail so vehemently are taken at a disadvantage. We take advantage of them. They can not reply here. What we say here we can not be sued for or arrested for libel. The Constitution gives us—and it should—the right to say whatever we please, to make any argument we see fit. I submit to my learned friend, for whom I have an affection, that when he reflects on it he will see that it is rather unfair to characterize men as he has.

The Federal Trade Commission is composed of the following men:

William J. Harris, chairman. I am told, sotto voce, that he is off the commission now.

Joseph E. Davies. I am told that he is off. Very well. I am glad that it is disclosed here that I do not even know who they are. I am very glad to know that.

The other members, reading from the Congressional Directory, are William B. Colver, John F. Fort, and Victor Murdock.

I would know Victor Murdock when I saw him if I should meet him on the street. I saw Mr. Fort last night and happened to know him. I am not a friend of these men; but I do say that there is nothing in their records in a public way, and nothing in a private way, that in good conscience and in good faith ought to require a Senator to get up here and traduce them in such a violent way. They can make no reply. It is unfair to make an assault on them in this fashion.

These men may be pilloried here in the Senate, but when the thoughtful people of the country make up their judgment as to what these men have done or failed to do, I do not believe they need fear the judgment of the American people; and I do not know anything about them, either.

Mr. SHERMAN. Mr. President, I have been sued five times individually in the last 20 years. I regret that I am restrained by parliamentary limitations here. I can not say what I should like to say, but I can say it out on the platform when I am outside of the Senate Chamber in a campaign or at the rare intervals when I get inside the Chautauqua grounds, where I meet these gentlemen in their native lair. I can say what I please there, and I have said it. I hold myself responsible for what I say. If I say anything that I can not prove, the courts are open. I will not ask for any slackers' round-up. There will be no 65,000 or 70,000 people taken into custody when they go after me. There will be just one. It will be the defendant in the case. I can employ lawyers and fight my cases just as well as they can, unless they do it in the name of the Government. If you employ the whole power of the Republic against a single defendant, as you do in a criminal case, I understand that that puts the defendant at some disadvantage; but when it is said that these gentlemen are taken unawares, that they are working under great handicaps and at a disadvantage, and can not reply or defend themselves, in fact, because we can say what we please here in the Senate, and that these gentlemen have no redress, the Senator is mistaken.

Mr. ASHURST. Mr. President, if the Senator will yield to me——

Mr. SHERMAN. In just a moment. First of all, two of them are newspaper men. They have access to the columns of certain newspapers. Both of them are trained newspaper men of many years' standing, somewhat given to sensationalism in their columns. Would it be said that these harmless, inoffensive innocents that come in can not take care of themselves? Why, they wield a pen of their own. They can always take care of themselves. For 20 years their forte has been attacking other people.

Mr. ASHURST. Will the Senator yield?

Mr. SHERMAN. In a minute. They have spent their time all these years in assaulting other people, and nine times out of ten the ones they criticized were without blame. I attack them without scruple, and I will keep it up with pleasure until such time as I see fit to desist.

Nobody can invoke for them the shield of injured innocence. We have known them in the West and Northwest for a long time, and if any forbearance is to be shown let it be shown to somebody else.

Mr. ASHURST. Will the Senator yield?

Mr. SHERMAN. I now yield to the Senator.

Mr. ASHURST. I should not have risen a moment ago, because these men have committed the greatest offense we know in politics. They were orthodox, and they have committed a heresy. They need no defense. There is no defense for them. They belonged to the Senator's party, and committed the great crime of heresy by going to another party. To him murder and all other things of that sort are as nothing compared to political heresy. I should not have attempted it.

Mr. SHERMAN. The idea that those lambs will be brought to sacrifice on the altar equally with the victims of plutocracy is a statement which carries its own refutation with it. In the days past, and I will say not very long past, they went forth to battle fearlessly, and would fight anybody who attacked them or said a word about them, or gave them excuses to do so. There never was a time since I have known them that they have been meek virtue on a pedestal. I care nothing for the political heresy to which the Senator alludes. That difference has long ago been composed between those responsible for the division. The type to which allusion is made is a remnant rescued from the political junk yard to fill Democratic offices. They must adorn and gratify the appointing power. It is high time

for plain speaking here and in the country. Silence longer is becoming a crime.

If any defense were necessary, they would have made it themselves. What I am complaining about is that such persons are put upon a highly responsible commission with such duties as are mentioned in the President's message at the time these men were appointed and confirmed or the agency itself created.

Mr. ASHURST. If the Senator will allow me, of course, as he has told us two or three times, he has known of these men for many years. They were appointed and required to be confirmed by the Senate of the United States. The Senator was singularly silent when these appointments came in. I wonder he did not, in his ringing and vociferous way, tell us something about these men, so that we would not have confirmed such characters. Why did he not give this information when their names were sent in? The Senator voted to confirm some of them?

Mr. SHERMAN. Certainly. If the Senator is yearning for that information, I will so state it to him. Does he know of any attempt to prevent a confirmation here that has been successful when it was conducted by a minority man?

Mr. ASHURST. I have seen confirmations rejected.

Mr. SHERMAN. What one?

Mr. ASHURST. I do not know that I am at liberty to speak of that.

Mr. SHERMAN. None from my State, unless asked by my colleague and he wanted it done.

Mr. ASHURST. But I do know that a Republican Senator—God bless his memory; may the sod rest lightly on his bosom—objected to a nomination and asserted that the nomination was objectionable to him, and that nominee was not confirmed. I do not want to mention the name, but it was an appointment to the Trade Commission. Now, if this majority would extend such a courtesy to one Senator, it would surely act that way toward the Senator from Illinois. If the Senator from Illinois, when the confirmations came in, had risen and declared himself in the language which he has used to-day, I doubt very much if these men would have been confirmed.

Mr. SHERMAN. I might have convinced the Senator from Arizona, as impossible as it seems now at this late day.

Mr. ASHURST. The Senator from Illinois evidently did not convince me.

Mr. SHERMAN. The only one I remember who has been successfully attacked was in the case of the late Senator Gallinger, the lamented predecessor of the senior Senator from Massachusetts [Mr. LODGE], now the minority leader. He objected to the confirmation of Raymond Stevens on this board. There was a somewhat long-drawn-out contest. That is the only one that I know of, and that was very largely, if not entirely, on the ground that he was personally objectionable to the Senator.

I could not say that these men are personally objectionable to me. Unless that board can be framed up in a way that it will comply with the spirit of Congress when the act was passed as a quasi judicial body, I would just as lief have this horrible example go on as representative of this administration as not, unless more sound business sense can be shown in appointments than has been done heretofore. It has been used for political purposes, not only just what these men want to give them prominence, but it has been used after they were put there by these men for the purpose of attacking large concerns with a view of winning popularity for the assailants. What avail for me to say anything? I can not even beat the confirmation of a postmaster that requires the action of the Senate in my own State. How could I attack a member of this commission? How can I do anything? When they are unsatisfactory to my colleague and both of us join, then ordinarily it is a fixed rule of the Senate that the rejection shall be made, and that is put upon the ground that they are personally objectionable. There are not many Democrats who are objectionable to me personally. It very seldom happens. They have always waged honorable warfare on me. They never put it in a form that I would make objection to on personal grounds.

I remember in the case of Senator Gallinger the nomination was objectionable personally because of a variety of attacks made upon him when he was a candidate in 1914.

Mr. ASHURST. Will the Senator yield?

Mr. SHERMAN. Certainly.

Mr. ASHURST. There was a nomination of a gentleman by the name of Thomas E. Jones. I do not know whether the Senator remembers that or not or opposed him or not.

Mr. SHERMAN. No, sir; I did not. I was for him, and I wired the President that Thomas E. Jones was, in my judgment, a competent and fit man.

Mr. ASHURST. I am glad that is in the CONGRESSIONAL RECORD, and I simply say right here and now the Senator was right for once in his life. I did not know he was for Mr. Jones. I thought he might have been opposed to him.

I will also say, if the Senator would rise in his place when a nomination is sent in here—I am not going to tell anything about the record, but I have seen it happen half a dozen times when a Senator on either side would rise in his place—and simply say that a certain nominee was objectionable to him and he was opposed to his confirmation, the nominee would not be confirmed. I like that rule. I think it is a good rule.

Mr. SHERMAN. That is because the nominee is personally obnoxious. I never have beaten a confirmation since I have been here. I only had one objection, and I finally yielded that. But it is useless to talk about the rights of the minority in this administration. It is love's labor lost. What rights do we have? Simply a right to our seats. What right does Congress have itself? Take both sides. It is extremely limited. It is largely a Congress that is instructed what to do. It has become a superfluous branch of the Government. It has delegated the major part of its powers to the Executive. I have a volume here at my desk, which I will forbear to read, entitled "The State." Its author is the present President, and in it he declares that the interference by the Executive in legislative affairs is an abuse of his prerogative and power. Even the majority Senators are compelled to change front sometimes on questions, sometimes so rapidly that they are dizzy before they are able to get to their seats and explain their change in affairs. "Stand by the President." How can you stand by him when he will not stand still on any question long enough for anybody to find out what it is? What are the rights of the minority? I will have occasion on some other question to take up that subject when I can give it sufficient time.

I go back to the members of this commission. They ought to resign. Let them resign and run for an elective office. There is scarcely an appointee in this entire list of responsible agencies conducting these examinations of the industrial concerns of the country who could be elected in any State of the Union on either ticket if he were nominated. I have seen that tried, and I want it to be tried again. That is the reason why I am opening the door for them to do as they like about it.

There are some limitations here. I realize that it would be improper at this late hour, after 5 o'clock, to pursue the subject further, but I have a good deal that I want to say. This is all of an extemporaneous character, and I wish to take time to condense it and put it within proper compass in future discussions.

Mr. KELLOGG. Mr. President, I do not wish to break into the Senator's discussion or to criticize the Senator for personal reflections upon gentlemen. Of his actions he must be the judge himself. I am not going to discuss the merits or demerits of the report the Senator refers to, because I have not read it. I know Mr. Colver. He was not appointed at my suggestion. I did not know of his appointment until after it was made. He was the business manager of a St. Paul paper, a good business man, and I believe an honest man and an honorable gentleman. I do not say that I agree with Mr. Colver in all his ideas. That I will not stop to discuss; but he is not a dishonest man.

Mr. THOMAS. Mr. President, within the limitations of the rules of this body, and they are very liberal, every Senator has the right to determine his own line of conduct, and of that I have no criticism. I sympathize, however, very deeply with the suggestions made by the junior Senator from Arizona [Mr. ASHURST] when he called attention to the fact that we are here a privileged body. For what we say we can not be held accountable either civilly or criminally. Hence those whom we attack can only reply upon the outside.

I am aware, Mr. President, that the Senator from Illinois is a man of great personal and moral courage. Both have been tested, and we must here pay tribute to his possession of those two genuine and rare virtues. There is no question but that he will say outside of this Chamber and perhaps emphasize anything that he may say within the Chamber. I hope that is true of all of us.

In what I shall say, and I shall be very brief, I shall not reflect upon the judgment or the sentiments of any Member of this body. We may pursue such a course here within the rules as I have said as addresses itself to our better judgment.

During my somewhat brief occupancy of a seat in this body I have had occasion to criticize a great many men and a great many measures. I have, however, abstained, because I think I ought to do it, except where absolutely necessary, from reflections which might be construed as affecting the character or the integrity of the individuals.

Mr. President, I am slightly acquainted with one of the members of the Trade Commission. I know them all by reputation.

Whatever may be said of their business capacity, upon which I do not pass judgment, I want before this body adjourns to offer my testimony to their integrity, their uprightness, and their morality.

I have known Mr. Victor Murdock for a number of years, not intimately. I have known of him for a very considerable number of years. He has been a strong, forceful, useful, and purifying element in the political life of this Nation. He is a man of strong convictions, fearless in their expression, and courageous in their defense. I consider him one of the best characters in public life, and personally I will say nothing more of him.

I know Gov. Fort, former chief executive of the great State of New Jersey, whose record there is a splendid one, who carried out the pledges of his party as far as it was possible and wrote a creditable chapter not only in the history of his State but in the record of the party which elected him.

I have not the honor of a personal acquaintance with Mr. Colver. All I know of him is to his credit.

Mr. President, these men may have made mistakes in the execution of their duties. I believe they have attempted faithfully, earnestly, and conscientiously to discharge them.

The junior Senator from Wyoming [Mr. KENDRICK] informs me that the finding and report of this commission was made after a full hearing, and the witnesses and parties representing both sides of the controversy were given ample opportunity to present their cases and their facts to the consideration of the commission. I recall distinctly that an attempt was made to secure some documentary testimony in the possession of the packers. They appealed to the courts for protection and received it. That indicates, Mr. President, that this was not only not an ex-parte proceeding but one in which the facts were sought to be elicited and in which both sides were given a hearing.

I do not criticize the packers for appealing to the courts if they thought that by so appealing they were exercising a right given them by the Constitution, nor the courts themselves for granting the relief which was asked for and excluding these documents from the scrutiny and the possession of the commission.

I think, Mr. President, in its last analysis the offense which these men have committed has been their audacity in attacking the most exclusive, the most merciless, and the most unscrupulous monopoly of all the monopolies that have overshadowed the prosperity of the people of the United States.

I have read the report of the committee of the chamber of commerce. It is a very intelligent and intelligible report. I shall cast no reflections upon it. The other report may be entirely wrong; I do not know; but I am inclined to think that when we stop to consider that the shareholders and directors of these great packing concerns are unquestionably members of the boards of trade and chambers of commerce—among the members, at least—which make up the constituents of the National Chamber of Commerce, I would be as fully justified in attacking that report as emanating from interested sources as to violently attack, not the report, but the personal character and position of the men who had the temerity to make it and submit it to the American people.

I do not believe, Mr. President, that this Government will, in time of war, take over any industry not absolutely essential to the prosecution and the successful termination of this great conflict. I have been in favor of the municipal ownership of many utilities, but to change the policy of a people in time of war, if the change is to be permanent, is always fraught with difficulty if not with danger.

Hence, in saying what I have I must not be taken as in any manner approving the recommendation of this commission that the business of the packers be taken over by the Government. I do not want to see it done in time of war unless it becomes absolutely indispensable to our success. If that is the case, then, report or no report, the President and ourselves have but one duty to perform, and that is to act accordingly.

Mr. SHERMAN. Mr. President——

Mr. MARTIN. I move that the Senate proceed to the consideration of executive business.

Mr. JOHNSON of California. Will the Senator yield to me for just one second in this regard?

Mr. MARTIN. I will yield.

Mr. JOHNSON of California. I shall take but a moment.

Mr. President, as a Member of this body on this side of the Chamber, I desire to indorse what has been said by the Senator from Colorado [Mr. THOMAS]. I simply wish to add my testimony—of little value, doubtless—to the character, the integrity, the honesty, and the indefatigable industry of the members of the Federal Trade Commission. At some time in the future, with the permission of the Senator from Illinois [Mr. SHERMAN], I trust to accept his challenge and to discuss with him the report of that commission.

Mr. SHERMAN. Mr. President, will the Senator from Virginia yield to me for just a moment?

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from Illinois?

Mr. MARTIN. I yield to the Senator.

Mr. SHERMAN. I want to direct myself especially to the Senator from Colorado [Mr. THOMAS] and to the Senator from California [Mr. JOHNSON]. If these distinguished gentlemen, these highly capable men, possess such resourceful ability and capacity of the kind that would be in keeping with the glowing recommendations offered in their behalf, Mr. President, I am unable to understand the reprehensible character of their work. I judge men by what they do, by the effects, and not by the men themselves. If I judge them harshly, it is because their work calls for that harsh judgment. I hope I shall be present when the matter is gone into at length.

EXECUTIVE SESSION.

Mr. MARTIN. I now renew my motion that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Friday, September 6, 1918, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 5 (legislative day, September 4), 1918.

SURVEYOR OF CUSTOMS.

John Marks to be surveyor of customs at New Orleans, La.

UNITED STATES COAST GUARD.

To be captains.

William E. Reynolds.
Daniel P. Foley.
Edward Darlington Jones.
Stanley Vincent Parker.
Russell Randolph Waesche.
Thomas Andrew Shanley.
Philip Francis Roach.
Wales Alfred Benham.
Raymond Lockwood Jack.
Charles Augustus Wheeler.
John Irvin Bryan.
Samuel Moorehead Rock.
Edwin Williams Davis.
Charles Stevens Root.
Michael Neligan Usina.
Robert Bradford Adams.
Quincy Bogardus Newman.
Lorenzo Chase Farwell.
California Charles McMillan.
Jesse Wilbur Glover.
George Warren David.
Lucien Joseph Ker.
Frederick Harvey Young.
Eugene Blake, jr.
Philip Henshaw Scott.
James Freeman Hottel.
Henry William Pope.
Harold Dale Hinckley.
Benjamin Little Brockway.
John Boedeker.
William Henry Munter.
John Lovejoy Maher.
Eben Barker.
Philip Wales Lauriat.
Leon Claude Covell.
Thomas Marcus Molloy.
Edward Shanley Addison.
William Henry Shea.
Cecil Maunsell Gabbett.
Thaddeus Greaves Crapster.
Joseph Henry Crozier.
Hiram Rex Searles.
George Clayton Alexander.
Charles Frederick Howell.
William Thomas Stromberg.
George Ellender Wilcox.
James Albert Alger.

Muller Stuntz Hay.
Frank Lynn Austin.
Howard Eugene Rideout.
Ralph Waldo Dempwolf.
Roger Chew Weightman.
Le Roy Reinburg.
Archibald Howard Scally.
James Louis Ahern.
Lloyd Toulmin Chalker.
John Edward Dorry.
William Ellicott Maccoun.
Carl Melville Green.
Horatio Nelson Wood.
Hermann Kotzschmar.
Henry Francis Schoenborn.
Robert Edward Wright.
Urban Harvey.
Albert Clift Norman.
Theodore Graham Lawton.
Christopher Gadsden Porcher.
John Booth Turner.

To be temporary senior captains.

James H. Brown.
James M. Moore.
William V. E. Jacobs.
Preston H. Uberroth.
Andrew J. Henderson.
Richard O. Crisp.
Frederick G. Dodge.
George C. Carmine.
Frederick J. Haake.
James G. Ballinger.
Charles E. Johnston.
Aaron L. Gamble.
James H. Chalker.
Charles F. Nash.

To be temporary captains.

Charles W. Cairnes.
John Mel.

To be temporary captains, Engineers.

Fred R. Falkenstein.
Charles W. Zastrow.
William L. Maxwell.
Henry O. Slayton.

To be temporary first lieutenant, Engineers.

Byron A. Minor.

To be first lieutenants.

Russell Lord Lucas.
Stephen Safford Yeandle.
Frederick August Zscheuschler.
Thomas Sylvester Klinger.
Charles Eaton Anstett.
Henry George Hemingway.
Jeremiah Allen Starr.
Joseph Edward Stika.
Frank Joseph Gorman.
James Alexander Frost, jr.
Gordon Whiting MacLane.
Robert Donohue.
Loyd Vineyard Kielhorn.
Elmer Fowler Stone.
Carl Christian von Paulsen.
Fletcher Webster Brown.
John Elliot Whitbeck.
Earl Griffith Rose.
Edward Hanson Smith.
Rae Bartley Hall.
Henry Coyle.
George Ricker Crosby.
John Farrell McGourty.
John Jenkins Hutson.
Fred Arthur Nichols.
Charles Frederick Seiter.
Chester Hardy Jones.
William Francis Towle.
Michael John Ryan.
James Pine.
Warner Kieth Thompson.
Joseph Raoul Besse.
John Patrick Gray.
Paul Henry Harrison.
William Williams.
John H. Cornell.
William Pitts Wishaar.
Gordon Thomas Finlay.
Louis Leon Bennett.
Roy Percival Munroe.
William James Keester.
Eugene Auguste Coffin.
John Stansbury Baylis.
Charles George Roemer.
Wilfred Neville Derby.
Leo Charles Mueller.
Clarence Henry Dench.
William Kirk Scammell.
Roy Ackerman Bothwell.
Wilmer Hake Eberly.
Webb Cudworth Maglathlin.
Whitney Matthews Prall.
George Wilson Cairnes.
John Frederick Hahn.
Harvey Fletcher Johnson.
Martin Augustus Doyle.
Norman Brierely Hall.
Sidney Baxter Orne.
Frank Everett Bagger.
Philip Bently Eaton.
Thomas Homer Yeager.
Alvan Hovey Bixby.
Charles Edward Sugden.
Francis Ellery Fitch.
Charles Joseph Oden'hal.
Henry Charles Roach.
Clinton Philo Kendall.
Kurt Wolfgang Krafft.
Charles Herman Johnson.
Herbert Norton Perham.
Francis Clair Allen.
Benjamin Cribby Thorn.
Milton Rockwood Daniels.
Ellis Reed-Hill.
Mayson White Torbet.
Gustavus Richard O'Connor.
Paul Revere Smith.
Walter Melchior Troll.
Chester Arthur Beckley.

PROMOTIONS AND APPOINTMENTS IN THE NAVY.

The following-named lieutenants to be lieutenant commanders:
Fred F. Rogers,
Wilfred E. Clarke,
Joe R. Morrison,
Harold Jones, and
Garrett K. Davis.

The following-named lieutenants (junior grade) to be lieutenants:
Walter D. Seed, jr.,
Lyal A. Davidson,
William M. Corry, jr.,
Lewis Hancock, jr.,
Henry B. Cecil,
Godfred deC. Chevalier,
Frederick G. Reinicke,
Francis S. Craven,
Thomas Baxter,
John H. Magruder, jr.,
John C. Thom,
Robert P. Heinrichs,
John W. McClaran,
Ralph C. Lawder,
Robert P. Molten, jr.,
George J. McMillin,
Conrad Ridgely,
Richard H. Booth,
Ralph S. Parr,
Donald Boyden,
Robertson J. Weeks,
Frederick Baltzly,
Eugene P. A. Simpson,
James C. Clark,
Carl G. Gilliland,
Whitley Perkins,
James L. King,
Homer C. Wick,
Philip Van H. Weems, and
Clarence Gulbranson.

Ensign Jesse H. Smith to be a lieutenant (junior grade).

The following-named ensigns to be lieutenants (junior grade):
Lynde D. McCormick,
Mark L. Sperry, jr.,
Walter A. Hicks,
Frederick W. Pennoyer, jr.,
Louis R. Moore,
Gerard H. Wood,
Melville C. Partello,
Kendall Preston,
Robert O. Glover,
John H. Rockwell,
Norwood G. Calvert,
Leon B. Scott,
William H. Bowman,
Finney B. Smith,
William J. Lorenz,
Ivan M. Graham,
Samuel R. Shumaker,
Thomas G. Peyton,
Samuel P. Jenkins,
Nelson J. Leonard,
Homer W. Graf,
Romeo J. Jondreau,
George C. Hill,
Francis S. Low,
Francis M. Mail, jr.,
William J. Nunnally, jr.,
Alexander S. Wotherspoon,
John L. McCrea,
Tully Shelley,
Horace D. Clarke,
Thomas G. Brown,
Allan E. Smith,
John M. Field, jr.,
Harold O'D. Hunter,
Forrest K. Libenow,
Clifford G. Richardson,
William M. Snelling, and
Elmer B. Hough.

Ensign John D. Edwards to be a lieutenant (junior grade).

The following-named midshipmen to be ensigns:
Charles R. Smith, and
Gordon M. Jackson.

The following-named assistant surgeons to be passed assistant surgeons with the rank of lieutenant:
Walter W. Cress,
Henry M. Stenhouse, and
Summerfield M. Taylor.

Dental Surg. Eugene LeR. Walter to be an assistant dental surgeon with the rank of lieutenant (junior grade).

The following-named citizens to be assistant dental surgeons, with the rank of lieutenant (junior grade):
Edwin R. Tilley,
Herbert A. White,
Frederick D. Clancy,
Eric G. Hoylman,
Harrison B. Duncan,
Joseph A. Flynn,
Elmer H. Brown,
Earl H. Zimmer,
Andrew L. Burleigh,
Percy B. Maskrey,
Arthur W. Bluim,
Arthur H. Yando,
Conrad H. Nelson,
Robert E. Dickson,
Joseph A. Kelly,
Charles C. Jones,
John E. Morgan,
Ralph Schumucker,
Joseph F. Quinn, and
Alwyn Smith.

Pay Clerk John Flynn to be assistant paymaster, with the rank of ensign.

Acting Chaplain Irenee J. Bouffard to be a chaplain, with the rank of lieutenant (junior grade).

Acting Chaplain Robert D. Workman to be a chaplain, with the rank of lieutenant (junior grade).

The following-named boatswains to be chief boatswains:
Lafayette P. Guy, and
Horace DeB. Dougherty.

The following-named machinists to be chief machinists:
Malcolm C. Davis,
LeRoy Neil, and
John C. Hines.

Pay Clerk Eugene K. Brooks, jr., to be a chief pay clerk.

The following-named chief boatswains to be ensigns for temporary service:
William L. Hill,
Stephen McCarthy,
John J. Holden,
Phillip Mullen,
Harry R. Brayton,
Patrick Deery,
Patrick J. Kane,
Peter E. Radcliffe,
August Rettig,
Arthur R. Nickerson,
John Mahoney,
Ernest V. Sandstrom,
Frederick Muller,
John McCarthy,
Frederick R. Hazard,
William Juraschka,
Joseph Clancy,
Harry G. Jacklin,
Herman P. Rahbusch, and
Gustav Sabelstrom.

The following-named chief gunners to be ensigns for temporary service:
Thomas M. Johnston,
Frank C. Messenger,
Joel C. Evans,
Frank H. Whitney,
Hugh Sinclair,
James Shannon,
George Charrette,
Hans Johnsen,
James Donald, and
Mons Monssen.

The following-named chief machinists to be ensigns for temporary service:
Edward A. Manck,
William R. Scofield,
George O. Littlefield,
Otto Johnson,
Richard Jeffares,
Henry Smith,
Robert T. Scott,
Martin J. Clancy,
John T. Pennycook,
James A. Hickey,
John T. Riley,
William W. Booth,
Charles G. Nelson,
Kellum D. Grant,
Charles H. Gilhuley,
John H. Busch,
Daniel C. Beach,
James M. Ober,
Thomas D. Healy,
George Growney, and
George W. Byrne.

The following-named ensigns to be lieutenants (junior grade), for temporary service:
William L. Hill,
Stephen McCarthy,
Thomas M. Johnston,
Frank C. Messenger,
Joel C. Evans,
Frank H. Whitney,
Hugh Sinclair,
James Shannon,
John J. Holden,
Phillip Mullen,
Harry R. Brayton,
Patrick Deery,
Patrick J. Kane,
George Charrette,
Hans Johnsen,
Peter E. Radcliffe,
August Rettig,
Arthur R. Nickerson,
John Mahoney,
Ernest V. Sandstrom,
James Donald,
Frederick Muller,
John McCarthy,
Frederick R. Hazard,
William Juraschka,

Joseph Clancy,
Harry G. Jacklin,
Edward A. Manck,
William R. Scofield,
George O. Littlefield.
Otto Johnson,
Richard Jeffares,
Henry Smith,
Robert T. Scott,
Martin J. Clancy,
John T. Pennycook,
James A. Hickey,
John T. Riley,
William W. Booth,
Charles G. Nelson,
Kellum D. Grant,
Charles H. Gilhuley,
John H. Busch,
Daniel C. Beach,
James M. Ober, and
Herman P. Rahbusch.

The following-named ensigns to be lieutenants (junior grade), for temporary service:

Mons Monssen,
Thomas D. Healy,
George Growney,
George W. Byrne, and
Gustav Sabelstrom.

Lieut. (Junior Grade) John D. Edwards to be a lieutenant, for temporary service.

Lieut. (Junior Grade) Andrew I. McKee to be a lieutenant, for temporary service.

The following-named warrant officers for temporary service to be ensigns, for temporary service:

Charles M. Johnson,
John E. Vollmer,
Clarence E. Wardell,
Miles Brazil,
Joseph L. Marshall,
George Harris,
Franklin P. Early,
Adolphus M. Dryden,
Peter Talbot,
John O. Crom, and
Henry L. Pitts.

Matthew F. Tracey to be an ensign, for temporary service.

The following-named enlisted men to be ensigns, for temporary service:

Ernest N. Joly,
Charles F. Waters,
Glenn R. Rinquist,
Sylvester T. Moriarty,
William L. Wagner,
Charles W. Van Horn,
Algy R. Macartney,
Glenn F. Degraves,
Anthony Feher,
Percy C. Reed,
Clarence A. Suber, and
Julius A. Egenhoff.

The following-named ensigns of the United States Naval Reserve Force to be ensigns, for temporary service:

Arthur W. Albertson,
Felix H. Chisholm,
Frederic P. Humphreys,
Stearns Poor,
John N. Stearns, and
Henry J. Toombs.

The following-named acting pay clerks to be assistant paymasters, for temporary service:

Stanley C. King, and
Neal A. Smith.

Edmund H. Carhart, jr., to be an acting chaplain, with the rank of lieutenant (junior grade), for temporary service.

Edgar W. Davis to be an acting chaplain, with the rank of lieutenant (junior grade), for temporary service.

The following-named citizens to be acting chaplains, with the rank of lieutenant (junior grade), for temporary service:

William Y. Durrett,
Robert M. Russell, jr.,
Edward P. Costello,
Claude H. Leyfield,
Douglas Horton,
Arthur J. Dandeneau,
Joseph V. Earnest, jr.,
John F. Fedders, and
Henry J. Fry.

Chief Boatswain Emory F. Hosmer to be an ensign, for temporary service.

The following-named temporary warrant officers to be ensigns, for temporary service:

Gurney E. Patton,
Edward J. Lysaught,
Isidor Steger,
Anthony F. Threm,
Richard Monks,
Henry F. Mulloy,
Percy A. Decker,
Edward J. Spuhler,
Frederick Keil, and
Warren A. Sprout.

The following-named enlisted men to be ensigns, for temporary service:

Harry E. Rairden,
John E. Landers,
John H. Wolters,
Frank L. Lanham,
Claude M. Rice,
Donald V. McClary,
Lewis V. Hubbel,
Chickering Nelson,
Harvey A. Harrison,
Thomas V. H. Askin,
Charles R. Dunne, and
Benjamin R. Evans.

The following-named ensigns of the United States Naval Reserve Force to be ensigns for temporary service:

Edward V. Condon,
Frederick C. Church,
Winslow V. Felton, and
Franklin J. Lane.

Capt. George R. Clark to be a reor admiral for temporary service.

The following-named captains to be rear admirals for temporary service:

William A. Gill,
Harold P. Norton,
Gustav Kaemmerling,
Alexander S. Halstead,
Roger Welles,
Charles P. Plunkett,
William H. G. Bullard,
Joseph W. Oman,
Philip Andrews,
Josiah S. McKean,
Benton C. Decker, and
Mark L. Bristol.

Commander Frederick A. Traut to be a captain for temporary service.

Commander Francis L. Chadwick to be a captain for temporary service.

The following-named commanders to be captains for temporary service:

Roscoe C. Bulmer,
Harlan P. Perrill,
Leonard R. Sargent,
David F. Boyd,
Louis C. Richardson,
Walton R. Sexton,
William D. Leahy,
Andrew T. Graham,
Arthur St. Cl. Smith,
Willis McDowell,
Austin Kautz,
Charles T. Owens,
William C. Asserson,
Clarence S. Kempff,
John Halligan, jr.,
William C. Watts,
Lyman A. Cotten,
Frank L. Pinney,
Zeno E. Briggs,
Willian. T. Tarrant,
Clarence A. Abele,
Thomas L. Johnson,
Yancey S. Williams,
Edward T. Constien,
George T. Pettengill,
David C. Hanrahan,
Charles P. Nelson,

Herbert G. Sparrow,
Edward B. Fenner,
Victor A. Kimberly,
Joseph K. Taussig,
Claude Charles Bloch,
Henry Ellis Lackey,
Edward C. Kalbfus,
Clark H. Woodward,
William S. Miller,
Cyrus W. Cole,
John W. Greenslade,
Charles E. Courtney,
Adolphus E. Watson,
Harry L. Brinser,
James H. Tomb,
Edgar B. Larimer,
Alfred W. Johnson,
Walter M. Hunt,
Chauncey Shackford,
Ralph E. Pope,
Zachariah H. Madison,
Charles P. Snyder, and
Joseph R. Defrees.

Lieut. Commander Henry N. Jenson to be a commander, for temporary service.

Lieut. Commander James B. Gilmer to be a commander, for temporary service.

Lieut. Commander Roe W. Vincent to be a commander, for temporary service.

The following-named lieutenant commanders to be commanders, for temporary service:

Robert A. Abernathy,
Adolphus Staton,
Julius C. Townsend,
Earl P. Finney,
Ernest Friedrick,
Charles S. Kerrick,
Robert W. Kessler,
William H. Toaz,
Arthur H. Rice,
Herbert H. Michael,
Bradford Barnette,
Harry A. Stuart,
Turner F. Caldwell,
William R. Furlong,
Edmund S. Root,
Earl R. Shipp,
Arthur B. Cook,
Herbert E. Kays,
Louis P. Davis,
Arthur W. Sears,
George C. Pegram,
Harold G. Bowen,
Edgar G. Oberlin,
George M. Baum,
Isaac C. Johnson, jr.,
Richard P. McCullough,
George V. Stewart,
Arthur K. Atkins,
Jonathan S. Dowell, jr.,
Nelson H. Goss,
Stanford C. Hooper,
William O. Spears,
Walter H. Lassing,
Harry E. Shoemaker,
John H. Newton,
Andrew F. Carter,
Albert Norris,
Anthony J. James,
John M. Poole, 3d,
William E. Eberle,
William L. Culbertson,
Theodore G. Ellyson,
Hugh Brown,
Wilhelm L. Friedell,
Burton H. Green,
Isaac F. Dortch,
John J. London,
Gordon W. Haines,
Ross S. Culp,
John W. Wilcox, jr.,
Laurance N. McNair,
William Baggaley,
Benjamin Dutton, jr.,
Halford R. Greenlee,
Vaughn K. Coman,
Reed M. Fawell,
Henry A. Orr,
James S. Woods,
Lloyd W. Townsend,
John M. Smeallie,
Charles M. Austin,
John E. Pond,
William P. Gaddis,
Kenneth Whiting,
George B. Wright,
George S. Bryan,
Robert L. Ghormley,
William L. Calhoun,
Russell Willson,
Leigh Noyes,
Walter W. Lorshbough,
Eldred B. Armstrong,
William A. Glassford, jr.,
Conant Taylor,
William A. Hall,
Douglas L. Howard,
Arthur Le R. Bristol, jr.,
Frank J. Fletcher,
Walter B. Decker,
John H. Towers,
Julian H. Collins,
Milo F. Draemel,
Thomas Withers, jr.,
Isaac C. Begart,
Pierre L. Wilson,
Owen Bartlett,
Walter F. Jacobs,
Leo. F. Welch,
Carroll S. Graves,
Harry L. Pence,
Ferdinand L. Reichmuth,
Harvey Delano,
Wolcott E. Hall,
Isaac C. Kidd,
Fred M. Perkins,
Robert A. White,
Frank H. Roberts,
Lewis D. Causey,
Andrew S. Hickey,
Francis M. Robinson,
Randolph P. Schudder,
Charles C. Hartigan,
George A. Alexander,
Edwin B. Woodworth,
James P. Olding,
Roland M. Brainard,
Sherwoode A. Taffinder,
Charles S. McWhorter,
Archibald G. Stirling,
John T. G. Stapler,
John S. McCain,
Matthias E. Manly,
Ronan C. Grady,
Reuben L. Walker,
Albert S. Rees,
Alexander Sharp, jr., and
Hollis M. Cooley.

Lieut. Commander Aubrey W. Fitch to be a commander, for temporary service.

The following-named lieutenant commanders to be commanders, for temporary service:

Edward D. Washburn, jr.,
Fred F. Rogers,
Wilfred E. Clark,
Robert V. Lowe, and
Harold Jones.

Lieut. John H. S. Dessez to be a lieutenant commander, for temporary service.

Lieut. Stuart S. Brown to be a lieutenant commander, for temporary service.

Lieut. Comfort B. Platt to be a lieutenant commander, for temporary service.

The following-named lieutenants to be lieutenant commanders, for temporary service:

Sherman S. Kennedy,
Richard W. Wuest,
Chauncey A. Lucas,
Charles H. Morrison,
Paul H. Rice,

Robert G. Coman,
Holbrook Gibson,
Charles E. Reordan,
Hugo W. Koehler,
George N. Reeves, jr.,
Virgil J. Dixon,
Ralph E. Sampson,
Joseph M. Deem,
Howard H. J. Benson,
Robert H. Bennett,
James B. Glennon,
Franklin Van Valkenburg,
Vance D. Chapline,
Deupree J. Freidell,
Frank A. Braisted,
George B. Keester,
Lemuel E. Lindsay,
John Borland,
Oscar C. Greene,
Raleigh C. Williams,
Thalbert N. Alford,
Henry G. Cooper, jr.,
Eugene M. Woodson,
James S. Spore,
Wilbur J. Carver,
Charles H. Maddox,
George A. Trever,
Edgar A. Logan,
George W. Hewlett,
Frank E. Johnson,
Benjamin F. Tilley, jr.,
Mark C. Bowman,
Percy T. Wright,
Frank S. Carter,
Harold A. Waddington,
Percy W. Northcroft,
Zachary Lansdowne,
Jesse B. Oldendorf,
David H. Stuart,
Herbert R. A. Borchardt,
Ernest L. Gunther,
Augustine W. Rieger,
James B. Rutter,
Alger H. Dresel,
Frank Slingluff, jr.,
John M. Ashley,
Theodore H. Winters,
Clifford E. Van Hook,
Archibald McGlasson,
Solomon Endel,
Robert P. Guiler, jr.,
Ralph G. Haxton,
Joseph A. Murphy,
James R. Barry,
William N. Richardson, jr.,
Stewart A. Manahan,
Lucius C. Dunn,
Charles M. Elder,
James M. Doyle,
Creed H. Boucher,
Rush S. Fay,
Henry T. Settle,
Ewart G. Haas,
Dennis E. Kemp,
Joseph E. Austin,
Charles M. Cooke, jr.,
Mervyn S. Bennion,
Augustine H. Gray,
Walter E. Brown,
Chester C. Jersey,
Holloway H. Frost,
Howard K. Lewis,
Robert T. Merrill, 2d,
Warren L. Moore,
Walter D. Seed, jr.,
James B. Will,
Alfred T. Clay,
Harry W. Hosford,
Franlin S. Steinwachs,
Francis G. Marsh,
Earle C. Metz,
Herbert W. Underwood,
Frederick C. Sherman,
Percy K. Robottom,
Wadleigh Capehart,
Lyal A. Davidson,
Hugh M. Branham,
Alston R. Simpson,
Robert C. Lee,
Josiah O. Hoffman, jr.,
Edwin J. Gillam,
Millington B. McComb,
Frank H. Luckel,
William M. Corry, jr.,
Francis L. Shea,
Melville S. Brown,
George M. Cook,
Stanley R. Canine,
Donald B. Beary,
Joseph P. Norfleet,
Elmer D. Langworthy,
Robert E. Bell,
Bernard O. Wills,
Charles J. Moore,
Walter V. Combs,
Thomas Moran,
Frank H. Kelley, jr.,
James A. Logan,
Leslie L. Jordan,
James T. Alexander,
Francis A. LaRoche,
John L. Riheldaffer,
Francis P. Traynor,
Howard B. Berry,
John H. Wellbrock,
Dorsey O. Thomas,
Lewis Hancock, jr.,
Alfred Y. Lanphier,
Henry B. Cecil,
Spencer S. Lewis,
William S. Nicholas,
Walden L. Ainsworth,
Edward K. Lang,
Edwards B. Gibson,
William A. Richardson,
Charles A. Pownall,
Lorain Anderson,
Murphy H. Foster,
Roy C. Smith, jr.,
James G. Ware,
Lawrence F. Reifsnider,
Godfred deC. Chevalier,
Robert Gatewood,
Walter A. Edwards,
Frederick G. Reinicke,
Valentine N. Bieg,
Bolivar V. Meade,
Miles P. Refo, jr.,
Samuel W. King,
Edgar M. Williams,
Walter D. LaMont,
Earl A. McIntyre,
Howard A. Flanigan,
Robert T. Young,
George L. Dickson,
Marc A. Mitscher,
Elmer K. Niles,
Scott B. Macfarlane,
George L. Weyler,
Roman B. Hammes,
Jefferson D. Smith,
Earl W. Spencer, jr.,
Clarkson J. Bright,
William D. Kilduff,
Herbert O. Roesch,
Romuald P. P. Meclewski,
John F. Donelson,
Joseph F. Crowell, jr.,
Webb Trammell,
Charlton E. Battle, jr.,
Herbert A. Ellis,
Herbert R. Hein,
Frederick S. Hatch,
Herbert H. Bouson,
Ole O. Hagen,
Robert M. Griffin,
Robert H. Skelton,
Alfred G. Zimermann,
Roger W. Paine,
Milton H. Anderson,

Delevan B. Downer,
Oliver L. Wolfard,
Ellis S. Stone,
Harry L. Merring,
Francis S. Craven,
Morris D. Gilmore,
Lybrand P. Smith,
George M. Lowry,
William D. Chandler, jr.,
William E. Baughman,
Harry W. Hill,
John A. Fletcher,
Bernhard H. Bieri,
Oscar C. Badger,
James C. Byrnes, jr.,
Thomas S. King, 2d,
Robert K. Awtrey,
Howard S. Jeans,
Scott D. McCaughey,
Edward B. Lapham,
Edward W. Hanson,
Daniel J. Callaghan,
Frank J. Lowry,
Cecil Y. Johnston,
Thomas Baxter,
Walter A. Riedel,
Aylmer L. Morgan, jr.,
Edgar R. McClung,
John R. Peterson, jr.,
John H. Magruder, jr.,
James McDowell Cresap,
Paul F. Foster,
Everett D. Capehart,
Frank Loftin,
Lewis W. Comstock,
Thomas S. McCloy,
Lyell S. Pamperin,
George B. Ashe,
Joseph L. Nielson,
Harold R. Keller,
Frank C. McCord,
Eric L. Barr,
John C. Thom,
Ralph F. Wood,
Ames Loder,
Paul M. Bates,
Walter S. Davidson,
John W. Reeves, jr.,
Henry J. Shields,
Urey W. Conway,
Guysbert B. Vroom,
Robert P. Hinrichs,
Elliott B. Nixon,
Lucien B. Green, 2d,
Joseph M. Blackwell,
Frank E. P. Uberroth,
Jenifer Garnett,
Glenn F. Howell,
Sherwood Picking,
Norman L. Kirk,
Francis M. Collier,
James H. Taylor,
Merritt Hodson,
George A. Rood,
Ralph G. Risley,
Fred Welden,
Pat Buchanan,
John W. McClaran,
Alexander Macomb,
Carlos A. Bailey,
William F. Callaway,
Wells E. Goodhue, and
Wallace B. Phillips.

Lieut. Solon E. Rose to be a lieutenant commander, for temporary service.

The following-named lieutenants to be lieutenant commanders, for temporary service:

Franz B. Melendy,
Frederick L. Reifkohl,
Joseph R. Mann, jr.,
John F. Meigs, jr.,
John W. Gates, and
William C. Barnes.

Lieut. Van Leer Kirkman, jr., to be a lieutenant commander, for temporary service.

Lieut. (Junior Grade) George C. Hawkins to be a lieutenant, for temporary service.

Lieut. (Junior Grade) Albert M. Bledsoe to be a lieutenant, for temporary service.

Lieut. (Junior Grade) Bronson V. Vosbury to be a lieutenant, for temporary service.

The following-named lieutenants (junior grade) to be lieutenants, for temporary service:

Harold Biesemeier,
Miles R. Browning,
William C. Wade,
Herman E. Halland,
Roy T. Gallenmore,
Stanley D. Jupp,
Albert F. France, jr.,
Perry R. Taylor,
Robert T. Whitten,
John S. McReynolds,
Walter S. McCaulay,
Staley H. Gambrill,
George G. Breed,
James L. Fisher,
David E. Cummins,
Robert B. Parker,
Julian DuB. Wilson,
Samuel H. Hurt,
Wilbur M. Lockhart,
Henry Y. McCown,
William Busk,
George W. Johnson,
Henry E. Thornhill,
Jacob H. Jacobson,
Ion Pursell,
J. Warren Quackenbush,
Phillip L. Emrich,
Gordon Rowe,
William H. Hartt, jr.,
Junius L. Cotton,
Christopher C. Miller,
James E. Waddell,
Donald W. Loomis,
John G. Farrell,
Mertin C. Wade, jr.,
John S. Phillips,
Elbert C. Rogers,
Jerauld Wright,
Harry W. Need,
Charles D. Leffler, jr.,
William S. Garrett,
Lloyd G. Scheck,
Earle W. Mills,
Fred M. Byers,
Harry D. Hoffman,
Francis S. Gibson,
Harold G. Eberhart,
Thomas G. Fisher,
Berwick B. Lanier,
Victor C. Barringer, jr.,
Martin R. Derx,
Graeme Bannerman,
Louis L. Habrylewicz,
Ernest A. Foote,
Henry D. Stailey,
Robert Poole,
Henry S. Kendall,
James D. Murray, jr.,
Stanley M. Haight,
William E. G. Erskine,
Edward W. Wunch,
Garry DeM. Custer,
John D. H. Kane,
Stanley C. Norton,
James W. Whitfield,
George O. Etheredge,
Bernard V. Eekhout,
Harold E. MacLellan,
Albert S. Marley, jr.,
Peter K. Fischler,
Frank J. Courtney,
Jay G. Huntoon,
Harry W. Von Hasseln,
Guy D. Townsend,
Olton R. Bennehoff,
Arthur T. Moen,
Arthur B. Craig,

Ross P. Whitmarsh,
Ralph H. Henkle,
Leonidas M. Mintzer,
Francis B. Connell,
Gordon B. Woolley,
Vaughn Bailey,
Elmer E. Duvall, jr.,
Albert L. Hutson,
Walter L. Taylor,
Alphonsus I. Flynn,
Edmund J. A. Murphy,
Ellis H. Geiselman,
Ernest H. Krueger,
Herbert R. Sobel,
George E. Ross, jr.,
Jack H. Duncan,
Watson O. Bailey,
Andrew P. Haynes,
Proctor M. Thornton,
Roger F. Armstrong,
Leland P. Lovette,
Wallace M. Dillon,
Edmund J. Kidder,
Edward D. Walbridge,
Leroy W. Busby, jr.,
Smith D. A. Cobb,
Malcom A. Deans,
Ralph S. Riggs,
Carlos W. Wieber,
Harry K. Leventen,
Edwin D. Gibb,
John M. Haines,
William A. S. Macklin,
Thomas F. Remington,
John W. Rogers,
Cleemann Withers,
Lloyd E. Clifford,
Charles G. Moore, jr.,
John K. Jayne,
Joseph H. Brady,
William O. Baldwin,
Robert L. Mitten,
Mays L. Lewis,
Elmer V. Iverson,
Peyton Harrison,
Thomas J. Haffey,
John O. Plonk,
Chauncey R. Crutcher,
George R. Kalbfus,
Lisle Henifin,
Frank B. Hillhouse,
Clement B. White,
Allan P. Flagg,
William K. Phillips,
Robert M. Eaches,
Gordon B. Sherwood,
Ralph C. Alexander,
Alexander C. Kidd,
Willis M. Percifield,
Frank C. Fechteler,
Robert R. Ferguson,
Joseph H. Currier,
Isaac J. Van Kammen,
Ernest V. David,
William L. Hill,
Stephen McCarthy,
Tromas M. Johnston,
Frank C. Messenger,
Joel C. Evans,
Henry Hudson,
Frank H. Whitney,
Michael W. Gilmartin,
Hugh Sinclair,
James Shannon,
William G. Moore,
James Dowling,
John F. Brooks,
John J. Holden,
Philip Mullen,
Harry R. Breyton,
Patrick Deery,
Patrick J. Kane,
Hugh J. Duffy,
Edward J. Norcott,
William A. Cable,
Charles B. Babson,
Franklin T. Applegate,
Herbert Campbell,
Otto Fries,
Clifford H. Sheldon,
Theodore B. Watson,
John H. Lohman,
George Charrette,
Simon Jacobs,
Hans Johnsen,
William Zeitler,
Albert F. Benzon,
Samuel Chiles,
Peter E. Radcliffe,
August Rettig,
Patrick Hill,
James T. Roach,
David F. Diggins,
Edwin N. Fisher,
Arthur R. Nickerson,
John Mahoney,
Ernest V. Sandstrom,
Christian Crone,
William J. Foley,
James C. McDermott,
Charles Hierhahl,
Joseph Hill,
James Donald,
Frederick Muller,
Thomas S. Aveson,
Adolph Hasler,
John W. Stoakley,
John D. Walsh,
John McCarthy,
Martin Fritman,
Dennis J. O'Connell,
Frederick R. Hazard,
William Johnson,
Arthur Smith,
Stephen Donely,
Conrad W. Ljungquist,
Otto E. Reh,
Wilhelm H. F. Schluter,
August C. Steinbrenner,
William Juraschka,
Belmar H. Shepley,
Thomas P. Clark,
Harry A. Davis,
William G. Smith,
John J. Murray,
Gustav Freudendorf,
Joseph Clancy,
John T. Swift,
Herbert A. Nevins,
Robert Rohange,
Benjamin P. Middleton,
Patrick Shanahan,
John Eberwine,
August Wohltman,
John A. Riley,
David White,
Edward J. Damon,
Oscar Borgeson,
Leonard Roll,
Thomas J. Hurd,
David B. Vassie,
George A. Messing,
Joseph Mitchell,
Harry G. Jacklin,
Thomas M. Cassidy,
Edwin Murphy,
James Harry Morrison,
Edward A. Manck,
Thomas O'Donnell,
William R. Scofield,
George O. Littlefield,
John E. Cleary,
Otto Johnson,
Richard Jeffares,
Charles Hammond,
Harold I. Lutken,
Henry Smith,
Robert T. Scott,
Charles H. Hosung,
Martin J. Clancy,

John T. Pennycook,
Samuel L. Wartman,
James A. Hickey,
John T. Riley,
Robert J. Vickery,
Lemuel T. Cooper,
William W. Booth,
Charles G. Nelson,
Kellum D. Grant,
Ralph F. Nourse,
Francis P. Mugan,
David Purdon,
George C. Ellerton,
Charles H. Gilhuley,
Clarence M. Wingate,
Murray S. Holloway,
Charles A. Rowe,
John H. Busch,
Ernest Evans,
William Boteler Stork,
Clarence R. Johnson,
William James,
Jannis V. Jacobsen,
Patrick Fernan,
George W. Johnson,
Frank Risser,
John Bryce,
Llwellyn H. Wentworth,
Rasmus Iverson,
Henry E. White,
Charles C. Holland,
Ellwood W. Andrews,
Cornelius J. Collins,
Adolph A. Gathemann,
Daniel C. Beach,
James M. Ober,
William C. Gray,
William A. Macdonald,
Karl Rundquist,
Allen T. Webb,
Albion O. Larsen,
Thomas W. Healey,
Joseph Heil,
Herman P. Rahbusch,
Frank Bresnan,
Peter Emery,
Claus K. R. Clausen,
Henry A. Stanley,
John McCloy,
Joseph E. Cartwright,
Harold S. Olsen,
John C. Rickertts,
Bernard P. Donnelly,
John G. Nicklas,
Daniel Duncan,
Arthur S. Pearson,
Edward T. Austin,
Harold V. Barr,
Henry Ernest,
Anthony McHugh,
Stanley Danielak,
Jamen P. Dempsey,
Gotthilf C. Layer,
Edward G. Affleck,
John A. Oliver,
James J. Cotter,
Arthur A. Smith,
Edward G. Higgins,
John L. Barnswell,
Matthias A. Thormahlen,
Louis C. Higgins,
John I. Ballinger,
Augustine Daniel Devine,
Carl Johanson,
Fred W. Cobb,
William T. Robinson,
James L. McCormack,
Fred F. Ingram,
Frederick Meyer,
James Glass,
Nels Drake,
John Davis,
Gerald Ollif,
Owen T. Hurdle,
John Law,
Henry H. Richards,
Frederick W. Metters,
George E. McHugh,
Arthur D. Warwick,
William T. Baxter,
Emil Swanson,
William H. Leitch,
Franklin Heins,
Augustus Anderson,
Ulysses G. Chipman,
Charles J. Miller,
Michael Higgins,
Mons Monssen,
George Crofton,
William J. Creelman,
Thomas D. Healy,
Herbert E. Fish,
George Growney,
Walter S. Falk,
Barnett B. Bowie,
James J. Cullen,
John P. Richter,
John R. Burkhart,
John R. Likens,
Charles Franz,
Frank O. Wells,
Thomas W. Smith,
Bernard Christensen,
Raymond L. Drake,
George W. Byrne,
Henry Lobitz,
John Danner,
James F. Hopkins,
Charles Schonborg,
Walter J. Wortman,
Alexander Stuart,
William Derrington,
James F. McCarthy,
Frederick T. Montgomery,
Harry Adams,
Henry Rieck,
John Sperle, jr.,
Roderick M. O'Conner,
William Herzberg,
Jarrard E. Jones,
Zenas A. Sherwin,
Paul R. Fox,
Otto Boldt,
John B. Martin,
Arthur H. Hawley,
David W. Harry,
Charles Sebastian Wolf,
George R. C. Thompson,
Olav Johnson,
Ole P. Oraker,
Byron C. Howard,
William S. White,
Francis G. Randall,
Franz J. M. Parduhn,
Henry I. Edwards,
Christopher Murray,
John P. Judge,
Gustav Sabelstrom,
John C. Lindberg,
Birney O. Halliwill,
Albert Seeckts,
William C. Bean,
James A. Martin,
William H. Dayton,
Edward W. Furey,
Arthur W. Bird,
Willis Dixon,
Charles Allen,
Constantine Clay,
Adolph Peterson,
William E. O'Connell,
Harry T. Johnson,
Harry N. Huxford,
Thomas James,
William Fremgen,
Daniel W Nelson,
Joseph H. Aigner,
Clarence D. Holland,
Frederick T. Lense,
Axel V. Kettels,

John W. Merget,
Albert A. Hooper,
Harry Champeno,
George R. Veed,
Niels A. Johnsen,
Isidor Nordstrom,
Charles H. Foster,
James H. Bell,
John J. Clausey,
Charles H. Anderson,
Edward S. Tucker,
Charles Dunne,
George J. Lovett,
Walter Collins,
Frederick W. Teepe,
Edwin W. Abel,
Albert C. Byrne,
George L. Russell,
Orrin R. Hewitt,
Otto T. Purcell,
William R. Gardner,
Joseph R. Bradshaw,
George W. Fairfield,
William M. Miller,
Joseph C. Stein,
Louis F. Miller,
Robert M. Huggard,
Paul B. Cozine,
Earl F. Holmes,
John Atley,
John Evans,
Gregory Cullen,
Bertram David,
Michael J. Wilkinson,
George Knott,
Thomas Macklin,
Richard O. Williams,
Michael Macdonald,
Charles S. Schepke,
George D. Samonski,
William O. King,
James E. Orton,
William Cronan,
Charles L. Bridges,
Arthure Langfield,
Albert Klingler,
John Ronan,
William Seach,
William T. McNiff,
Meade H. Eldridge,
Ernest R. Peircey,
William R. Buechner,
Bernard Schumacher,
Benjamin F. Singles,
Ernest Heilmann,
Otto J. W. Haltnorth,
Percy H. Bierce,
Franklin Earl Chester,
Frank G. Mehling,
James J. O'Brien,
William De Fries,
John B. Hupp,
Daniel Dowling,
Edward Clifton Wurster,
Arthur B. Dorsey,
Arthur D. Freshman,
Gustav C. Tanske,
Leroy Rodd,
Charles W. A. Campbell,
Edward Wenk,
Frank C. Wisker,
Louis M. Wegat,
Harry E. Stevens,
David P. Henderson,
Harry A. Pinkerton,
Herman Kossler,
Oscar E. Anderson,
Henry McEvoy,
Lawrence Wittmann,
Alvin E. Skinner,
Joseph Chamberlain,
Newton R. George,
Ralph G. Moody,
John McN. D. Knowles,
Robert G. Greenleaf,
Charles F. Beecher,
William H. Hubbard,
James MacIntyre,
Ernest W. Dobie,
Stephen H. Badgett,
Jonathan H. Warman,
Walter M. Shipley,
John C. Parker,
Charles O. Hathaway,
James M. Berlin,
Walter Lau,
Robert B. Sanford, jr.,
Charles D. Welker,
Rufus H. Bush,
John E. Burger,
Patrick J. Solon,
Francis A. Pippo,
Joseph W. Bettens,
Frank Bruce,
Michael J. Conlon, and
Henry W. Stratton.

Lieut. (Junior Grade) Clyde Keene to be a lieutenant, for temporary service.

Lieut. (Junior Grade) George C. Smith to be a lieutenant, for temporary service.

The following-named ensigns to be lieutenants (junior grade), for temporary service:

Fleet W. Corwin,
Howard W. Kitchin,
Leland D. Webb,
William Knox,
Clyde C. Laws,
Henry E. Rung,
Edward J. Carr,
Benjamin F. Strawbridge,
Roy M. Cottrell,
Thomas E. Flaherty,
Charles W. Classen,
John B. Cooke,
Allen R. Chandler,
Maurice M. Rodgers,
Frank Hannon,
Harry F. Gray,
Walter C. Theimer,
Jay Smith,
Arthur R. Pontow,
Charles E. Weickhardt,
Hervey Z. Throop,
Marvin G. Fox,
William Klaus,
Walter S. Gallagher,
John F. Kennedy,
Learned L. Dean,
Frank I. Hart,
Henry E. Keller,
Harry R. Hayes,
Walter B. Buchanan,
Merwin W. Arps,
Alvin Henderson,
William W. Cole,
John F. P. Miller,
John Kneubuehler,
Jerome L. Allen,
Harold F. MacHugh,
Albert R. Colwell,
Ralph Lane,
Carl J. Nerdahl,
Joseph W. Storm,
Glen R. Ogg,
Karl E. F. Sorensen,
Eugene L. Richardson,
Thomas F. Fahy,
Edward C. McDonald,
Jeremiah K. Cronin,
Clarence M. Maloney,
Thomas F. Morris,
Albert R. Myers,
Philip A. Wilson,
Harry D. Bolin,
James A. Maloney,
Willis M. Young,
Kenneth F. Horne,
Bennie C. Phillips,
Leonard W. Johnson,
John J. Arnaud,

Walter C. Haight,
Charles E. S. Lines,
John Sharpe,
James D. Rorabaugh,
Charles P. Porter,
Raymond S. Kaiser,
Loar Mansbach,
Milton E. Robison,
Samuel A. Wilson,
Steve V. Edwards,
Max P. Schaffer,
Karl Hart,
Julius Holbin,
Casper H. Husted,
Frederick A. Mack,
Allen J. Gahagan,
William Pollock,
George F. Fredenburg,
Frank Schlapp,
John A. Lemanski,
Bruce M. Parmenter,
Arthur A. Travis,
Benjamin F. Schmidt,
William C. Procknow,
Robert E. Simon,
Frank S. Miller,
Bea L. Jarvis,
Harry F. Quandt,
Felix M. Kelley,
Harry M. Dickerson,
Fred J. Pope,
Arthur Boileau,
Frank W. Dunning,
Frederick Seefeldt,
Lewis H. Rassler,
Ferdinand H. Ehlbeck,
Glenn O. Twiss,
Edwin Brown,
William P. Bachman,
Hal W. Barnes,
Conrad F. Holzermer,
Albert L. Payne,
Charles W. Pearles,
William A. Tattersall,
Walter M. Blumenkranz,
William J. Russell,
Henry E. Cressman,
Arthur C. Leonard,
Benjamin F. Blume,
Emil F. Linstrom,
Robert Anderson,
Edwin V. Wilder,
Roscoe C. Bright,
Ola F. Heslar,
Simeon L. Owen,
Louis M. Palmer,
Edo S. Carfolite,
Henry Plander,
George H. Wheeler,
Daniel Campbell,
Herman R. Newby,
Alfred L. Johnson,
Stanley M. Cox,
J. Walker Eaton,
James Fenimore Cooper,
Milton M. Fisher,
Joseph C. M. Small,
Albert L. King,
Frank J. McManamon,
Alexander S. Neilson,
Henry K. McHarg,
Ray P. Helm,
Walter F. Marriner,
William P. Turner,
Oliver P. Kilmer,
Laurie C. Parfitt,
Clarence A. Hawkins,
Augustus A. Bressman,
Leo Mead,
Walter J. Fanger,
Ray H. Watkins,
Richard L. Reuling,
Alfred R. Boileau,
Eldred J. Richards,
Herbert Wycherley,
Jacob M. Gibson,
Manuel J. Cayton,
Martin J. Werner,
Warren A. Northrup,
Arthur G. Somers,
Grover A. Miller,
George A. Gast,
George Stone,
Marion C. Erwin,
James E. Drever,
Arthur P. Spencer,
William I. Denny,
Robert T. Bamford,
Frank Dobie,
Robert J. Ford,
William J. Poland,
Haden H. Phares,
Thomas Fertner,
James Moran,
Ellis H. Roach,
Emil H. Petri,
Olaf J. Dahl,
Ralph F. Stretiz,
Warren W. Wesley,
Stephen J. Drellishak,
August Skolasky,
Edwin F. Bilson,
Werner E. Follin,
James J. Morgan,
Frederick Bense,
Carl E. Nelson,
Carter E. Parker,
Charles M. May,
Walter H. Thomas,
Frederick G. Lemke,
Lester M. Harvey,
Edmund F. Sale,
Adolph J. Hofman,
Edward L. Moyer,
Edward Eger,
Thomas C. Ryan,
William Johnson,
Otto H. H. Strack,
John Erickson, jr.,
Dellworth Ballard,
Harlie H. Brown,
Garrison Payne,
Emmett M. Wanner,
Walter H. Stuart,
Leo E. Orvis,
Harold Bye,
Harold E. Fosdick,
Nels E. Smith,
Archie O. Mundale,
Mauritz M. Nelson,
John C. Hicks,
Orie H. Small,
Charles W. Henckler,
William B. Anderson,
Henry Quinton,
William P. Crowley,
Harvey C. Brown,
Louis M. Bliler,
Joe S. Wierzbowski,
Robin Southern,
George W. Allen,
Elmer A. Posey,
Edmond T. Coon,
John F. McConalogue,
George H. Turner,
Joseph K. Konieczny,
Frederick A. Ruf,
Christian V. Pedersen,
Thomas M. Arrowsmith,
Henry Eismann,
William R. Giddens,
Walter E. Sharon,
Ernest C. Marheineke,
Herman G. Mecklenberg,
John D. Cornell,
Earle S. Nason,
Lawrence Crilley,
Carl I. Ostrom,
Robert De Bellefeuille,
James Williams,

John H. Burke,
William H. Newman,
George E. Comstock,
George Enos,
Ralph M. Jeffries,
Fred P. Brown,
Frank L. McClellan,
Thomas E. Orr.
Frederick L. Rose,
Harry L. Thompson,
William A. Blazo,
Harry E. Adams,
John D. Lennon,
Herbert G. Haynes,
Edward V. Brown,
Harry L. Richtie.
William A. Reynolds,
Roy E. Hall.
Leslie K. Orr,
Leon W. Thomas,
Horatio S. Ford,
Frank Mogridge,
George W. Haynes,
Chub J. Smith.
Charles Braun, jr.,
John A. Rayhart,
John J. Dabbs,
Clyde Morrison,
Ira A. White.
Joseph A. Curzon,
John E. Warris,
Elmer B. Robinson,
Emil Roeller,
Emerson Binney Manley,
Albert L. Bishop,
Edward D. Berry,
Walker P. Rodman,
Stephen W. Burton,
William Kuskey,
James S. Cuff,
John Lester Wilson,
Paul Elbert Current,
Luther Foust.
Theodore R. Raderick,
Edgard J. Thonnesen,
Alfred G. Lewis,
John E. Shaw.
George W. Pounder,
Willie L. De Camp,
Thomas O. Kirby,
Abe Toretsky,
Elijah E. Tompkins,
Walter J. Thomas,
Svend J. Skou.
Harry B. Lough,
Loring McCormick,
Thomas C. Macklin,
William A. Gordon.
Oswald T. Schubert,
John W. Scanlin,
Carlton C. Tipping,
Cullie C. Manning,
Jacob Schnell,
Leonard E. Bray,
James D. Rodgers,
James B. O'Reilly,
Emil G. B. Wendt,
Anthony P. Sauerwein,
Ray W. Marsh,
Warren C. Carr,
Harold L. Arnold,
Clarence E. Owens,
John J. Audett,
Harold J. Gordon.
Stanley Kazmarek,
George H. Cooley,
David A. Smith,
Elias Q. Horton,
Jesse E. Walter,
Harry Waterhouse,
Oscar E. Harris,
Percy S. Hogarth,
Doile Greenwell,
Earl H. Knee,
Thomas F. Cullen,
Thomas Sheldon Beard,
Henry A. Beaman,
Arthur L. Karns,
George J. Wolf,
Jesse M. Acuff,
Lincoln B. Walker,
George Hurst,
William E. Smith,
Caleb A. Holbrook,
John M. Morrison,
George M. Donovan,
James F. Mullin,
Edward Van Pelt,
George T. Rolfes,
Ernest A. Broms,
Edward G. Evans,
John H. Rider,
Carlisle J. Christman,
William T. Murray,
Christian Bauer,
Charles A. Pilant,
John W. Cunningham,
Michael F. Minihan,
Charles Keenan,
James T. Brien.
Robert J. Denny,
Thomas A. Patterson,
Walter E. Holden,
Howard Keane,
John Black, jr.,
Thomas H. Laine.
Ludwig G. Hocling,
Alexis O. Kustel.
Frank Jurgensen,
Joseph M. Quinlan,
Grover C. Watkins,
Frederick Strohte,
Harry F. Lake,
Walter W. Hedges,
James J. Hickey.
Robert E. Hunter,
Howard Webb,
Emory E. Church,
Thomas Gilmore.
Arthur P. Paradis,
Harry H. Mochon,
James M. Williams,
Frank H. Lemon,
Olaf J. Gullickson.
Robert P. Pitchford,
Harry A. Naile,
Louis F. Brodie,
Harry L. Wilcox,
Oscar A. Stewart,
Parker C. Hatch,
Harold E. Herrick,
Leslie Soule,
Thomas J. Bryce,
William M. Fester,
Clarence E. Miller,
Homer E. Curlee,
Stuart L. Johnson,
Joe B. Cadenbach,
John L. Kershaw,
Patrick H. Foley,
Harold D. Kent,
William J. Lowe,
Thomas F. Egan,
Carl H. Forth,
William W. Funk,
Ivan E. Pitman,
Henry C. Vogt,
Vern W. McGrew,
Frank A. Jahn,
Gustave O. Kolle.
Robert N. Lockart,
Conrad L. Bayer,
Edward J. Sherry,
Richard E. Miegel,
William T. Crone,
Albert F. Holst,
Gilbert R. Whitworth,
Conrad E. Nordhus,
Arthur E. Redding,
Richard Higgins,
David R. Knape,
Marcus L. Kurtz,

John F. W. Gray,
Gysbert V. S. Harvey,
Michael Spring,
James L. Lohrke,
Fred P. Ritchie,
John G. Kenlon,
Hancock Banning, jr.,
Enoch S. Farson, jr.,
Joseph F. Carmody,
John R. Baker,
Richard G. Curtis,
Newton P. Darling,
William Rand, jr.,
Charles T. White,
Laurence M. Lombard,
Bartlett Harwood,
Herman H. Phleger,
Henry P. Lamarche,
Walter W. Weld,
Frederick W. Gardner,
Charles D. Dickey, jr.,
Russell S. Bartlett,
Harold M. Terrill,
Oliver Iselin,
Allan Cunningham,
Charles P. Curtis, jr.,
George F. Noyes,
Albert B. Crawford,
Thomas B. Price,
Oliver C. Harriman,
Bryan P. Leeb,
Bruce D. Bromley,
Francis M. Knight,
Louis F. Dahling,
Louis F. Eaton,
Melville D. Truesdale,
Ratcliffe C. Welles,
Leland M. Marshall,
Herbert C. Sneath,
Frank H. Brownell, jr.,
Roland I. Stringham,
Marcus B. Butler,
Vaughan C. Chambers,
Wildey C. Rickerson,
Edward C. Riley,
Homer B. Davis,
James L. Rodgers, jr., and
Thomas G. Hunter.

The following-named chief pharmacists to be assistant surgeons, with the rank of lieutenant (junior grade), for temporary service:

Charles E. Reynolds,
Alrik Hammar, and
Stephen W. Douglass.

The following-named assistant surgeons of the United States Naval Reserve Force to be assistant surgeons, for temporary service:

William E. Henderson,
Gerald A. Sullivan,
Edward L. Merritt, and
Edward K. Hanson.

The following-named pay clerks to be assistant paymasters with the rank of ensign, for temporary service:

Fred M. Conrad,
Frank R. Hill, and
Max Baum.

Chief Pay Clerk William Craig to be an assistant paymaster with the rank of ensign, for temporary service.

The following-named acting pay clerks to be assistant paymasters with the rank of ensign, for temporary service:

William J Dean,
Roy W. Clark,
Isaac W. Thompson,
Frederick Schwab,
Clyde E. Williams, and
Edwin R. Applegate.

Ensign William H. Walsh, retired, to be a lieutenant on the retired list, for temporary service.

The following-named chief boatswains on the retired list to be lieutenants on the retired list, for temporary service:

John McLaughlin,
Michael Wogan,
Charles F. Pierce,
Frank Carregher,
Samuel W. Gardner,
Timothy Sullivan,
George B. Moncrief,
Christopher J. Cooper,
William Martin,
Allen Whipkey,
John J. Rochfort,
John H. O'Neil, and
Daniel Moriarty.

The following-named chief gunners on the retired list to be lieutenants on the retired list, for temporary service:

Charles H. Venable,
John J. Walsh,
Arthur A. Phelps,
Charles B. Magruder,
William Halford,
William Walsh,
Joseph R. Ward,
Charles Morgan,
Charles E. Daffe,
David Hepburn, and
Lewis E. Bruce.

Gunner Henry J. Tresselt on the retired list to be lieutenant on the retired list.

The following-named chief machinists on the retired list to be lieutenants on the retired list for temporary service:

Gustav Auberlin,
Fred J. Korte,
Francis J. McAllister,
Martin M. Schreiber, and
Frederick G. Sprengel.

The following-named chief sailmakers on the retired list to be lieutenants on the retired list for temporary service:

Frank Watson and
Milton M. Watkins.

Sailmaker Herman Hansen on the retired list to be a lieutenant on the retired list for temporary service.

The following-named chief carpenters on the retired list to be assistant naval constructors on the retired list, for temporary service, with the rank of lieutenant:

Edward H. Hay,
Luther L. Martin,
William A. Barry,
John S. Waltemeyer,
Alonzo Burke,
John W. Burnham,
Clayton P. Hand,
John H. Gill, and
Charles E. Richardson.

Machinist James L. Baart on the retired list to be a lieutenant on the retired list for temporary service.

Chief Yeoman Clyde Knight to be an ensign for temporary service.

Lieut. Chauncey E. Pugh (retired) to be a lieutenant commander on the retired list for temporary service.

The following-named lieutenants on the retired list to be lieutenant commanders on the retired list:

Samuel L. Graham,
Alfred W. Pressey, and
Edward W. McIntyre.

Lieut. (Junior Grade) Chauncey E. Pugh (retired) to be a lieutenant on the retired list.

The following-named lieutenants on the retired list to be lieutenant commanders on the retired list:

Jeremiah C. Burnett,
John C. Soley,
William H. Faust,
Charles S. Ripley,
Claude Bailey,
William R. Cushman,
William J. Moses,
Carlton F. Snow,
Oscar F. Cooper,
Emory Winship,
Luman E. Morgan,
Franklin W. Osburn, jr.,
Gerald Howze,
James A. Campbell,
Clarence S. Vanderbeck, and
John E. Lewis.

The following-named ensigns on the retired list to be lieutenant commanders on the retired list:

Walter G. Richardson and
Frank W. Toppan.

The following-named lieutenants (junior grade) on the retired list to be lieutenants on the retired list:
Alfred A. McKethan,
Fred C. Beisel,
John W. DuBose,
Carleton M. Dolan,
Henry H. Porter,
Paul L. Holland,
Frank H. Weaver,
Hugh Allen,
Boyce K. Muir, and
William P. Brown.

Ensign Francis G. Blasdel (retired) to be a lieutenant on the retired list.

The following-named ensigns on the retired list to be lieutenants (junior grade) on the retired list:
Ernest C. Keenan,
Harry C. Ridgely,
Coburn S. Marston,
Ignatius T. Cooper,
Thomas M. Dick,
Frank O. Branch,
Earl W. Jukes,
Omenzo C. F. Dodge,
John P. Hart,
Renwick J. Hartung,
Charles A. Harris,
Horace C. Laird,
Thomas W. McGuire,
Philip F. Hambsch,
Charles McK. Lynch,
Herbert J. French, and
John H. Conditt.

The following-named lieutenants on the retired list to be lieutenant commanders on the retired list, for temporary service:
Frederick W. Milner,
Charles K. Mallory,
Virgil Baker,
Ernest A. Swanson,
Francis S. Whitten,
Wilfred Van N. Powelson,
Gilford Darst,
Alfred A. McKethan,
Fred C. Beisel,
John W. Du Bose,
Carleton M. Dolan,
Henry H. Porter,
Paul L. Holland,
Frank H. Weaver,
Hugh Allen,
Boyce K. Muir,
William P. Brown, and
Francis G. Blasdel.

The following-named lieutenants (junior grade) on the retired list to be lieutenant commanders on the retired list, for temporary service:
Robert S. Robertson, jr.,
Michael A. Leahy,
John E. Meredith,
Eugene D. McCormick,
Carl C. Clark,
Jefferson B. Goldman,
Wilson E. Madden,
John F. Atkinson,
Ernest C. Keenan,
Harry C. Ridgely,
Coburn S. Marston, and
Ignatius T. Cooper.

The following-named lieutenants (junior grade) on the retired list to be lieutenants on the retired list, for temporary service:
Richard E. Byrd, jr.,
Stanley P. Tracht,
Homer B. Gilbert,
George S. Dale,
Robert W. Spofford,
Thomas M. Dick,
Frank O. Branch,
Earle W. Jukes,
Omenzo C. F. Dodge,
John P. Hart,
Renwick J. Hartung,
Charles A. Harris,
Horace C. Laird,
Thomas W. McQuire,
Philip F. Hambsch,
Charles McK. Lynch,
Herbert J. French,
John H. Conditt.

The following-named ensigns on the retired list to be lieutenants on the retired list, for temporary service:
Arnold H. Vanderhoof,
Henry C. Longnecker,
Harold D. Childs,
John M. Blankenship, and
William P. Sedgwick, jr.

The following-named captains to be majors in the Marine Corps, for temporary service:
Harry Schmidt,
George C. DeNeale,
Albert R. Sutherland,
Rolland E. Brumbaugh,,
Earl C. Long,
Harry L. Smith,
William M. McIlvain,
Roy D. Lowell,
Selden B. Kennedy,
Miles R. Thacher,
Marion B. Humphrey,
William B. Sullivan,
George W. Martin,
George K. Shuler,
David S. Barry, jr.,
David L. S. Brewster,
Tracy G. Hunter, jr.,
Bernard F. Hickey,
John L. Doxey,
John A. Gray,
William C. MacCrone,
Charles A. E. King,
Paul C. Marmion,
Lowry B. Stephenson,
John L. Mayer,
Benjamin A. Moeller,
Archibald Young,
Clyde H. Metcalf,
Harold C. Pierce,
Norman C. Bates,
Douglas B. Roben,
Harry K. Pickett,
Maurice S. Berry,
Harold D. MacLachlar,
John B. Sebree,
Vincent E. Stack,
Theodore A. Secor,
Thomas M. Luby,
Henry P. Torrey,
George A. Stowell,
Henry L. Larsen,
William H. Rupertus,
James L. Underhill,
Louis E. Fagan, jr.,
Keller E. Rockey,
Bryan C. Murchison,
Egbert T. Lloyd,
Allen H. Turnage,
George W. Hamilton,
Louis M. Bourne, jr.,
David H. Miller,
Matthew H. Kingman,
Alphonse DeCarre,
Cecil S. Baker,
John F. S. Norris,
Arthur Kingston,
Samuel L. Howard,
Lyle H. Miller,
Anderson C. Dearing,
Ralph J. Mitchell, and
Robert O. B. Burwell.

The following-named first lieutenants to be captains in the Marine Corps, for temporary service:
William A. Worton,
William E. Campbell, jr.,
Jonas H. Platt,
James F. Rorke,
Charles McK. Krausse,
Alan V. Parker,
John F. Horn,
Ross W. Davidson,
Glenn E. Hayes,

Stanford W. Hoffman,
Stewart B. O'Neill,
Lynn B. Coovert,
Robert A. Kennedy,
John F. Talbot,
Stanley A. Beard,
John L. Garner, jr.,
John W. Thomason, jr.,
Robert L. Duane,
Clarence Ball,
George F. Hill,
Kenneth E. Schwinn,
Dan E. Root,
Merritt B. Curtis,
Charles T. Brooks,
James L. Denham,
Herbert Hardy,
Walter T. H. Galliford,
Richard B. Buchanan,
Benjamin R. Avent,
William H. McCormick,
David R. Kilduff,
James A. Connor,
Charles N. Muldrow,
Einar W. Jacobsen,
Hugh McFarland,
Walter D. Shelly,
John T. Walker,
Bert A. Bone,
Frank W. Wilson,
Carl F. Dietz,
Oliver P. Smith,
Hugh Shippey,
Joseph G. Ward,
Robert C. Anthony,
Baptiste Barthe,
Sidney R. Vandenberg,
Robert C. Thaxton,
James D. McLean,
Thomas S. Whiting,
Robert Blake,
Henry D. Linscott,
John G. E. Kipp,
William T. Clement,
Ralps L. Schiesswohl,
Ralph E. West,
Euvelle D. Howard,
Alfred H. Noble,
Keith E. Kinyon,
William A. Duckham,
Harlen Pefley,
Frank D. Strong,
Benjamin Goodman,
Harold D. Campbell,
Lyman Passmore,
Louis W. Bartol,
Donald Kenyon,
James A. Nelms,
Clifford O. Henry,
John Sellon,
Joseph T. Smith,
Raymond E. Knapp,
Hiram R. Mason,
Horatio P. Mason,
Carleton S. Wallace,
Samuel C. Cumming,
George B. Lockhart,
John D. Macklin,
Edward L. Burwell, jr.,
Jack S. Hart,
Omar T. Pfeiffer,
Robert S. Pendleton,
Lemuel C. Shepherd, jr.,
John F. Blanton,
Drinkard B. Milner,
Roscoe A. Parcel,
James F. Moriarty,
Davis A. Holladay,
Frank P. Snow,
Samuel W. Freeny,
Julius C. Cogswell,
William H. Harrison,
Campbell H. Brown,
Edward B. Hope,
Fred W. Clarke, jr.,
Edmund P. Norwood,
Edwin R. Brecher,
Charles P. Nash,
Durant S. Buchanan,
Fielding S. Robinson,
Thomas T. McEvoy,
William H. Price,
Lewie G. Merritt,
Harry C. Savage, jr.,
John Frost,
George F. Smithson,
John P. Adams,
Henry E. Chandler,
Otto E. Bartoe,
Ernest E. Eiler,
Harold D. Shannon,
Robert M. Johnson,
Louis R. Jones,
Ramond J. Bartholomew,
Bruce B. MacArthur,
Claude A. Larkin,
Macon C. Overton,
Erwin Mehlinger,
William B. Croka,
Lothar R. Long,
Gilbert D. Hatfield,
Amos R. Shinkle,
Bruce Gootee, jr.,
George H. Morse, jr.,
Marc M. Ducote,
Wesley W. Walker,
Lewis B. Freeman,
William H. Taylor, jr.,
Lucian W. Burnham,
William K. Snyder,
Shaler Ladd,
Robert M. Montague,
Alfred C. Cramp,
James T. Yarborough,
John A. Willis, jr.,
Charles Z. Lesher,
John C. Wood,
Thomas R. Jewett,
James R. Henderson,
William T. Evans,
George D. Hamilton,
Benjamin W. Gally,
Lloyd B. Dysart,
Joseph F. Gargan,
Charles I. Emery,
Clyde P. Matteson,
Rolla R. Hinkle,
William R. Mathews,
Charles T. Lawson,
David I. Garrett,
Nathaniel H. Massie,
Richard H. Jeschke,
Sidney W. Wentworth,
Frank L. Shannon,
Samuel M. Noblitt,
Francis P. Mulcahy,
Frederic C. Wheeler,
Benjamin H. Brown,
Thomas E. Kendrick,
Benjamin L. Harper,
Alfred A. LeBoeuf,
Will H. Walter,
Alfred W. Ogle,
William van D. Jewett,
Robert S. Lytle,
Paul E. McDermott,
Albert P. Baston,
Donald J. Kendall,
Harold St. C. Wright,
Horace B. Derrick,
Leonard Stone,
Alton A. Gladden,
Lewis B. Reagan,
Dudley S. Brown,
Robert H. Pepper,
Robert L. Nelson,
John B. Wilson,
James McB. Sellers,
James D. Colony,
Lathrop B. Flinton,

Clive E. Murray,
Joseph A. Hagan,
Ivan Langford,
Galen M. Sturgis,
Mordecai C. Chambers,
Carl W. Meigs,
Joseph W. Knighton,
Charles I. Murray,
James A. Poulter,
Karl S. Day,
George L. Maxwell, jr.,
Joseph C. Bennet,
James A. Mixson,
Cecil B. Raleigh,
George L. Maynard, jr.,
William H. Hollingsworth,
Lades R. Warriner,
John O. Hyatt,
Oakley K. Brown,
Charles D. Roberts,
Gus L. Gloeckner,
Graves B. Erskine,
Frederick I. Hicks,
Phillips B. Robinson,
Thomas W. Scott,
Leo F. S. Horan,
Felix Beauchamp,
Maurice Brulay,
James B. McCormick,
Walter R. Macatee,
Philip A. Murray, jr.,
John H. Craige,
Kortright Church,
John N. Popham, jr.,
Reginald C. M. Peirce,
Theodore C. Johnson,
Claude M. Bain,
Thomas A. Tighe,
Thomas W. Bowers,
John R. Foster,
Russell W. Duck,
David Bellamy, and
Robert W. Claiborne.

The following-named second lieutenants to be first lieutenants in the Marine Corps for temporary service:

Hans H. Harders,
Paul E. Corriveau,
Milton W. Vedder,
Harold R. Ballin,
Darius T. Wool,
William W. Ashurst,
Frank C. Young,
Willard P. Leutze,
George C. Dickey,
Herbert S. Summers,
Allan MacRossie, jr.,
John W. McIver,
Walter V. Allen,
James R. Stockton,
James J. Bettes,
Philip G. Stiles,
Richard F. Boyd,
Edward J. Winters,
Hal N. Potter,
Ralph McN. Wilcox,
Clement A. Berghoff,
Bernard W. Bierman,
Walter S. Hallenberg,
Max D. Gilfillan,
Charles A. Etheridge,
Carlton Hill,
Cecil L. Eaton,
Herman A. Zishchke,
William O. Lowe,
Samuel E. Lawrence,
Thomas R. Brailsford,
Wallace A. Bell,
Kenneth D. Ransom,
George W. Renwick,
Willis Brodhead,
James B. Riley,
Harry W. Le Gore,
John I. Conroy,
Morgan R. Mills, jr.,
Harold Moore,
James M. Garvey,
John W. Overton,
Donald T. Winder,
Victor A. Barraco,
Thomas O. Tate,
James G. Somerville,
Jack H. Tandy,
Augustine Healy,
Eric A. Johnston,
William N. Wallace,
Fred W. Maack,
Kenneth O. Cuttle,
William P. T. Hill,
Robert A. Bowen, jr.,
Henry T. Dunn,
William E. Embry,
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Leigh A. Poole,
Richard Boydston,
Earl K. Smith,
Sydney Thayer, jr.,
Wallace G. Gibson,
Hubert J. Davis,
Earl F. Johnson,
Arnold D. Godbey, and
John A. McShane.

Second Lieut. Henry L. Hulbert to be a first lieutenant in the Marine Corps for temporary service.

The following-named officers on the retired list of the Marine Corps to be majors in the Marine Corps, on the retired list, for temporary service:

Capt. Daniel W. B. Blake,
Capt. Alfred McC. Robbins,
Capt. Harold C. Daniels,
Capt. Frederic Kensel,
Capt. Frank L. Martin,
Capt. Daniel M. Gardner, jr.,
Capt. Cleyburn McCauley,
Capt. Harold Colvocoresses,
Capt. Ralph E. Walker, and
Capt. Alexander B. Mickell.

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Claude D. Brown, Huntington.
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Robert S. Allen, Mena.
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Joel M. Harrison, Prairie Grove.
William T. Stahl, Siloam Springs.
Albert P. Massey, Stamps.

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Frank Freytag, St. Joseph.
Samuel T. Jeffries, Salem.
Charles L. Wilson, Sarcoxie.
Elijah E. Johnston, Sedalia.
Arrel H. Davis, Seymour.
Lawrence S. Worman, Sheldon.
Francis H. Smith, Sikeston.
Collins C. Kindred, Smithville.
Hugh J. Bowen, South St. Joseph.
Alfred T. Cornwell, Spickard.
Samuel W. Hatheway, Stanberry.
Frank L. Church, Stockton.
Henry W. Singleton, Stoutland.
Edgar J. Geisinger, Unionville.
Uriah A. McBride, Warrensburg.
Oliver Davis, Warsaw.

NEVADA.

Charles C. Corkhill, Las Vegas.
Guy L. Eckley, Mina.
Catherine Marsh, Minden.
Fred L. White, Reno.
John P. Reynolds, Sparks.
Lotta S. Howe, Yerington.

NEW MEXICO.

Henry C. Roehl, Albuquerque.
Ella B. Taylor, Aztec.
Elisha V. Long, East Las Vegas.
Frank R. Frankenburger, Espanola.
Pierce J. Reynolds, Fort Bayard.
William S. Gilliam, Mesilla Park.
Jesse L. Turner, Santa Rita.
Leopoldo Sanchez, Santa Rosa.
Ernest M. Brumback, Silver City.

NORTH CAROLINA.

Romulus R. Ross, Ashboro.
James A. Harrington, Ayden.
Horace McR. Gudger, Biltmore.
Amsey A. Hilburn, Blandenboro.
Thomas H. Coffey, Blowing Rock.
Ogden F. Crowson, Burlington.
George W. Collins, Burgaw.
James E. Muse, Carthage.
Gaither G. Blackwelder, China Grove.
Nathan R. Pool, Clayton.
Robert G. Morisey, Clinton.
Addison J. M. Perry, Colerain.
Edwin S. Yarbrough, Duke.
J. Otho Lunsford, Durham.
William C. Blanton, Forest City.
John R. Rankin, Gastonia.
Watson Winslow, Hertford.
George C. Lynch, Hillsboro.
B. Rufus Avent, Jonesboro.
Festus C. Gillam, Kannapolis.
Arthur H. Patterson, Kings Mountain.
Walter D. La Roque, Kinston.
Redding M. Harper, La Grange.
Gilbert H. Russell, Laurinburg.
John K. Cline, Lincolnton.
Robert H. Davis, Louisburg.
Luther E. Huggins, Marshville.
Edwin C. Winchester, Monroe.
William D. Templeton, Mooresville.
William L. Arendell, Morehead City.
Hamilton Erwin, Morganton.
James D. Babb, Murfreesboro.
Thomas L. Grant, Old Fort.
Oscar A. Snipes, Rocky Mount.
William C. Bass, Rosemary.
Vernon G. Pleasants, Rowland.
Kate S. Dunn, Scotland Neck.
Wilson D. Leggett, Tarboro.
Luther B. Carr, Wallace.
P. Hanes Linville, Walnut Cove.
Emma L. Vaughan, Whitakers.
A. Elmo Powell, Whiteville.
Leroy L. Massey, Zebulon.

NORTH DAKOTA.

Jessie L. Kinsey, Beach.
Zora Svendsgaard, Bowdon.
Patrick J. Kavanagh, Carpio.
John W. Stambaugh, Carrington.
William Strehlow, Casselton.
Frank Lish, Dickinson.
Joseph G. Senger, Harvey.
Paul Keller, Hebron.
Lorenzo A. Holmes, Kenmare.
Andrew I. Koehmstedt, Langdon.
Henry W. Willis, Lansford.
Thomas Regan, Larimore.
John Foran, Mandan.
Frederick D. Cannon, McHenry.
James R. Manley, Minnewaukan.
Orren T. House, Napoleon.
J. Francis Tibbs, Rugby.
Martin O. Hagenson, Scranton.
Henry C. Loy, Stanton.
Floyd S. Putman, Streeter.
Frank Renning, Velva.
Harry E. Stoskoff, Wildrose.
Samuel Fairman, Wilton.
Arthur J. Swartwout, Wimbledon.
Karl R. Knowles, Wing.

OREGON.

Charles H. Morris, Arlington.
Charles N. Wait, Canby.
Ethel B. Mather, Clackamas.
Victor P. Moses, Corvallis.
Vivian P. Fiske, Dallas.

Irwin D. Pike, Grass Valley.
John H. Young, Hermiston.
Willis E. Young, Linnton.
Archie Parker, Monmouth.
Rodrick A. Chisholm, Monroe.
Thomas J. Tweedy, Pendleton.
George W. Starr, Powers.
Russell H. Sullens, Prairie City.
Matthew M. Fitch, Sherwood.
William J. Hayner, Sutherlin.

PORTO RICO.

Juan F. Rivera, Coamo.
Manuel S. Pacheco, Fajardo.
Paul Vilella, jr., Lares.
Fernando Callejo, Manati.
Rodulfo Blanco, Rio Piedras.

TENNESSEE.

Fred G. Curtis, Butler.
Thomas J. Addington, Ducktown.
Samuel E. Johnson, Kimberlin Heights.
Philip D. Harris, Greenfield.
James W. McGlathery, Humboldt.
Frank K. Mountcastle, Johnson City.
Rufus R. Doak, Lebanon.
William A. Ghormley, Madisonville.
Charles W. Metcalf, Memphis.
John E. Helms, Morristown.
Winfield B. Hale, Rogersville.

TEXAS.

John C. Arnett, Abernathy.
Frank K. Sterrett, Albany.
John D. Blizzard, Alba.
Harry C. Word, Alice.
Amelia Martin, Anderson.
Edward Kennedy, Anson.
Horton L. Robertson, Archer City.
Benjamin M. Richardson, Athens.
Buna Mae Coffey, Aubrey.
Gustavus A. Lindemann, Bartlett.
Thomas W. Cain, Bastrop.
Arthur S. Collins, Bay City.
John W. Sharp, Beckville.
Ellis M. Quinn, Beeville.
Emma L. Willke, Boerne.
Elberta H. Prichard, Bogata.
Henry A. B. Muller, Brenham.
Frances J. Wheeler, Brownsville.
William D. McChristy, Brownwood.
James B. Rector, Buckholts.
Chester A. Purcell, Burkburnett.
Louis S. Chamberlain, jr., Burnet.
Maxey McCrary, Calvert.
Edward F. English, Cameron.
Fred R. Ridley, Campbell.
Elmer T. Gilbert, Carbon.
William E. Thompson, Celeste.
John D. Redditt, Center.
Alfred A. Thomas, Chandler.
James F. Kunkel, Clarksville.
Julian R. Ransone, jr., Cleburne.
Jasper N. Fallis, Clifton.
A. Johnson Page, Como.
Archie N. Justiss, Corsicana.
James W. Hail, Crockett.
John H. Cates, Decatur.
Frances M. Brady, Del Rio.
Edward S. Dougherty, Edinburg.
Franklin P. Henry, Floydada.
Robert E. Speer, Fort Worth.
L. Loring Bradbury, Franklin.
Daniel B. Shrader, Frisco.
Andrew W. Howell, Frost.
Edmund R. Cheesborough, Galveston.
Robert N. Eastus, Gordon.
Charles V. Gates, Gorman.
Walter F. Juliff, Granbury.
Thomas H. Haynie, Grand View.
William E. Thies, Granger.
Frank W. Leaverton, Grapeland.
Robert C. Dial, Greenville.
Floyd W. Easterwood, Hearne.
Delphia N. Cox, Hereford.
John P. Rodgers, Hico.
Conrad M. Newton, Hubbard.
Thomas S. Hamilton, Italy.
William Clark, Jefferson.
Exie B. McDougald, Kemp.
Richard D. Tankersley, Killeen.
Evye Kennedy, Kirbyville.
Albert L. Melton, Leonard.
Edward W. Sharman, Liberty.
William H. Reaves, Lometa.
William R. McAdams, Lorena.
Sam R. Brown, McGregor.
E. Otho Driskell, Mansfield.
Benjamin F. Shepherd, Memphis.
Henry C. Williams, Merkel.
William H. Mercer, Mineral Wells.
William H. McCurdy, Moody.
Louis A. Meiners, Moulton.
John M. Diggs, Munday.
William H. Brown, Navasota.
Forrest M. Mattox, Newton.
Joe Wren, Normangee.
George T. Wood, Olney.
Robert C. Matthews, Palestine.
Claudine Barnes, Pampa.
Earl M. Duvall, Petrolia.
Joe R. Hooton, Pittsburg.
James A. Crow, Plano.
Joseph H. Washburne, Port Arthur.
James B. Goodlett, Quanah.
William T. Edgar, Remlig.
Verna K. Harper, Rice.
Fannie Stieber, Rocksprings.
Lorena C. W. Holder, Rockwall.
Penrose N. Ions, San Angelo.
George D. Armistead, San Antonio.
William H. Miller, Seymour.
William J. Davis, Silsbee.
James D. Williams, Sinton.
Jabez J. Jenkins, Skidmore.
Colonel J. Russell, Slaton.
James J. Sutton, Stockdale.
William H. Rand, Sulphur Springs.
James E. Nix, Sunset.
James B. Walker, Tahoka.
Henry M. Coats, Texas City.
James P. Sharp, Tioga.
James D. Wilson, jr., Trenton.
Edna Overshiner, Valley View.
James S. Spradley, Van Alstyne.
Edward R. Fleming, Victoria.
Mary Foster, Waelder.
Thomas J. Abell, Wharton.
Reuben J. Kennedy, Whitesboro.
Henry L. Webster, Whitewright.
George C. Williams, Wills Point.
Lode Miller, Winfield.

UTAH.

James H. Clarke, American Fork.
George W. Young, Coalville.
James A. Faust, Delta.
William W. Le Cheminant, Garfield.
Lake E. Young, Helper.
Nathaniel H. Felt, Manti.
Niels Lind, Midvale.
Walter W. Morrison, Richfield.
Samuel W. Hendricks, Richmond.
Noble Warrum, Salt Lake City.
James Gowans, Tooele.

WISCONSIN.

Joseph A Paustenbach, Abbotsford.
Hiram J. Kinne, Amery.
Angus D. McDonald, Ashland.
Lyle I. Daigneau, Boyceville.
William A. Koch, Brillon.
William A. Hume, Chilton.
Joseph H. Smith, Elroy.
Nicholas H. Berigan, Foxlake.
Charles Howard, Frederic.
Edward Schroeder, Granton.
William L. Evans, Green Bay.
Harley B. Wiley, Hancock.
Thomas D. Pluck, Horicon.
James H. Walker, Hudson.
Ollo F. Illing, Juneau.
Louis T. Keppler, Kiel.
Anton Schiesl, Laona.

Albert Lieble, Luxembourg.
John D. Laughlin, Marion.
Adolph G. Pankow, Marshfield.
Melvin G. Elstad, Matton.
Frank H. Denison, Mellen.
David A. Holmes, Milton.
Frank B. Schultz, Milwaukee.
William W. Lauson, New Holstein.
Harry P. Walker, Plainfield.
James C. Thomas, Poynette.
Arvid T. Swedborg, Prentice.
John J. Voemastek, Rib Lake.
Frank Hall, Rio.
Frederick N. Lochemes, St. Francis.
Loren L. Henthorn, Viola.
John O'Sullivan, Washburn.
James W. Moore, Watertown.
Samuel P. Godfrey, Waupaca.
Thomas H. Ryan, Wausau.
Fay M. Patterson, Wild Rose.

WYOMING.

Walter L. Larsh, Cheyenne.
Roger J. McGinnis, Cody.
John H. Cameron, Evanston.
Norvin D. Morgan, Gillette.
Edith S. Morgan, Glenrock.
George C. Forsythe, Lusk.
George H. Greedy, Newcastle.
Nellie Gilbert, Riverton.
Charles P. Wassung, Rock Springs.
James B. Delaney, Saratoga.
Guy J. Gay, Thermopolis.

HOUSE OF REPRESENTATIVES.

THURSDAY, *September 5, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, give us this day our daily bread, a healthy body, a clear mind, a pure heart, an earnest desire to leave in its wake a worthy record and thus be the possessors of a clear conscience. In His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

Mr. RUBEY, by unanimous consent, at the request of Mr. DICKINSON, was granted leave of absence for 10 days, on account of illness in his family.

WATER-POWER BILL.

Mr. SIMS rose.

The SPEAKER. For what purpose does the gentleman from Tennessee rise?

Mr. SIMS. To move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

Mr. LEVER. Mr. Speaker, I wonder if the gentleman from Tennessee would not permit me to submit a unanimous-consent request.

Mr. SIMS. Certainly.

AGRICULTURAL APPROPRIATION BILL.

Mr. LEVER. Mr. Speaker, I ask unanimous consent for the present consideration of a bill which is at the Speaker's desk, the regular Agricultural appropriation bill, which was vetoed by the President. But all the items in this bill have been agreed to in conference, and the conference report has been agreed to by both Houses, and if I can have unanimous consent to take it up now I do not think it ought to take over 10 or 15 minutes.

Mr. SIMS. Mr. Speaker, reserving the right to object, I want to say to the gentleman from South Carolina that I think we will get through with the water-power bill early enough to enable the gentleman to take that up before the end of the day; and if not, then before we go into the Committee of the Whole House on the state of the Union for the consideration of the revenue bill he will have time.

Mr. LEVER. I would rather the gentleman would not object. I will withdraw the request, because the objection automatically would send this bill to committee. I withdraw the request, Mr. Speaker, temporarily.

The SPEAKER. The gentleman from South Carolina withdraws his request.

WATER-POWER LEGISLATION.

Mr. SIMS. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the water-power bill.

The motion was agreed to.

The SPEAKER. The gentleman from North Carolina [Mr. WEBB] will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419, known as the water-power bill, with Mr. WEBB in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill S. 1419. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce.

The CHAIRMAN. The Clerk will proceed with the reading of the bill for amendment.

The Clerk read as follows:

Page 44, line 6, section 17——

Mr. ANDERSON. Mr. Chairman, I find on reading the RECORD that section 15 has never been read. The gentleman from Wisconsin [Mr. ESCH] suggested that the section be read, but the RECORD shows that, instead, section 16 was read.

The CHAIRMAN. The Chair is informed that both sections were read.

Mr. ANDERSON. Very well.

The CHAIRMAN. The Clerk will read, beginning with section 17.

The Clerk read as follows:

SEC. 17. That the charges arising from licenses hereunder shall be paid into the Treasury of the United States. Fifty per cent of the charges arising from licenses hereunder for the occupancy and use of national forests is hereby reserved and appropriated as a special fund in the Treasury to be expended under the direction of the Secretary of Agriculture in the survey, construction, and maintenance of roads and trails within such national forests. Fifty per cent of the charges arising from licenses hereunder for the occupancy and use of national parks is hereby reserved and appropriated as a special fund in the Treasury, to be expended under the direction of the Secretary of the Interior in the improvement and development of such parks. Fifty per cent of the charges arising from licenses hereunder for the occupancy and use of public lands, and of national monuments, and power site or other reserves outside of national forest, shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress approved June 17, 1902, known as the reclamation act. All proceeds from any Indian reservation shall be placed to the credit of the Indians on such reservation. Fifty per cent of the charges arising from all other licenses hereunder is hereby reserved and appropriated as a special fund in the Treasury to be expended under the direction of the Secretary of War in the maintenance and operation of dams and other navigation structures owned by the United States or in the construction, maintenance, or operation of headwater improvements of navigable waters of the United States.

Mr. SIMS and Mr. ESCH rose.

Mr. SIMS. Mr. Chairman, I move to strike out all of this section except the last four words of line 25, page 44, and all of line 1, on page 45, and the first three words of line 2.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SIMS: Pages 44 and 45, strike out, in section 17, the last four words on line 25, page 44, and line 1 and the first three words on line 2, page 45, as follows: "All proceeds from any Indian reservation shall be placed to the credit of the Indians on such reservation."

Mr. SIMS. Mr. Chairman, I do not know just how much thought the Members of the House in Committee of the Whole have given to this section, but this provides for the appropriation of all funds arising from charges made under this bill to specific purposes; all revenues arising from projects constructed on the public lands in forest reserves go to the improvement of public roads and trails on forest reserves, and as to all those on public lands not in forest reserves are to be localized and spent upon the public lands and all charges collected from navigable rivers in the States are to be used for certain improvements upon the particular rivers.

Now, Mr. Chairman, this clearly would prevent any recapture of the property out of any amortization fund under the provisions of this bill, because it specifically appropriates everything that arises under the bill as it now stands, under the theory, I suppose, that it would be very little, except what the cost of administration would require; and this provision, of course, would be a very sweet morsel to gentlemen who are interested in the forest reservations or the projects improved thereon, and the same with reference to public lands, and the same with reference to the improvement of projects on navigable rivers not embraced within the limits of forest reserves.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. SIMS. Yes.

Mr. JOHNSON of Washington. In regard to the forest reserves and certain returns being "a sweet morsel," who could the returns be for, provided they are given to the forest reserves, but the forest reserves? Why change existing laws? And how are these great tracts which are forest reserves ever to become anything if a fair part of the returns from the resources within their boundaries do not return to them? Before the gentleman answers that, I suggest some other things to think about. The gentleman proposes to strike out everything in the paragraph except the lines relating to the proceeds of Indian reservations, which are to be given to the Indians on the reservations. What does the gentleman mean?

Mr. SIMS. I understand the Indians own that land, and they have the right to the revenues as to their lands.

Mr. JOHNSON of Washington. Do you mean the allottees to the lands that are held in abeyance? I happen to know of one place where 600 allotments have been prepared, but the land can not be or is not given. Do you deny to certain Indians the proceeds of the allotments given under treaty, to be held forever as long as grass grows and water runs?

Mr. SIMS. My idea about striking out everything was——

Mr. JOHNSON of Washington. Even if you are going to strike out everything, do not divide the rights of the Indians.

Mr. SIMS. My idea was to preserve their rights, whatever they are.

Mr. JOHNSON of Washington. This is a sample of a few of the proposals in connection with this bill, which, if passed into law, will come back to make trouble for future Congresses and the western people.

Mr. SIMS. I will say to the gentleman that I am not familiar with these public-land questions, and inasmuch as the chairman of the Public Lands Committee and several other members of the Public Lands Committee were members of this committee I want that part of the bill, in so far as it may affect the public lands and forest reservations, to be considered and discussed and information concerning it given by the members of the Committee on the Public Lands and the members of the Committee on Agriculture, because I confess that I have not given it as much consideration as they have.

Mr. JOHNSON of Washington. The gentleman would do well to include the chairman of the Committee on Indian Affairs, because the Committee on the Public Lands does not pretend to know the rights of Indians on certain Indian reservations when it comes to so-called "conserved" things.

Mr. SIMS. Whether it is accomplished by the motion I have made or not, it is not intended to interfere with whatever is reserved to the Indians in this section.

Mr. JOHNSON of Washington. From 30 per cent up of the land in these great Western States is yet public domain, with all the resources thereon; and as we step into a process by which they are to be leased and again leased and leased again, leaving the people living on the outside to pay the great burden of the taxes, with a loss to them of the revenue from those natural resources which in other communities bear their share of the public expenses of the community, if the gentleman will consider these facts he will come sooner or later to the conclusion that the people who live in these new States and who support the schools and build the roads ought not to be entirely deprived or anywhere near deprived of the returns from those natural resources.

Mr. SIMS. That is a good argument to inject into my speech—perhaps better than I myself can make in the same line—but the gentleman must concede that he is taking up all my time. I have no motive at all in making this motion except that which I have expressed, which is that the revenue respecting all these things, except so far as they affect the Indians, shall not be disposed of as provided in this bill, because it so localizes those revenues that it might be very inequitable and unjust to the taxpayers of the country, who may have to pay for improvements in navigation that are not provided for under this.

Mr. JOHNSON of Washington. The gentleman understands that Secretary Lane is in charge of the public lands and Secretary Houston is in charge of the forest reserves which are public lands, and if those two gentlemen have come to any conclusion as to where the proceeds shall go, why should this Congress on short notice and with no debate change the plan that is in the bill drafted by the Secretaries? Here apparently is a mere detail, but it is a very important one.

Mr. SIMS. The gentleman will remember that in the bill drafted by Mr. Merrill it was provided that there should be a minimum charge of 10 cents, which was to be applied to the cost of administration. Of course that is not the bill now, for there is no minimum or maximum charge provided in the bill. It is provided that there shall be a charge. Suppose they should make a charge of three or four dollars a horsepower. In some cases that might be a very just charge. Then, does the gentleman think these great developments in the West on public lands should all go as provided in section 17?

Mr. JOHNSON of Washington. I do; just as the resources of a State go to make the revenues of the State. And take the forest reserves which have been created since the gentleman has been in Congress. The gentleman knows that as a part of the Agricultural bill at each session of Congress there is carried an appropriation of $5,000,000, or more, out of the pockets of the people for the forest reserves. The returns from the forest reserves have never got above $3,000,000. Now, why not do a part toward making the forest reserves self-sustaining, even if the Government does own them?

Mr. SIMS. I wish the gentleman would speak in his own time. He is taking up all my time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Washington. I am willing that the gentleman should have all the time he wants, just so that I get some time.

Mr. ANDERSON. Mr. Chairman, this is a very strange proceeding. The gentleman from Tennessee [Mr. SIMS], chairman of the committee, moves to strike out a portion of this bill about which he says he has no information whatever. His statement at least has the virtue of frankness, even if it does not furnish the House with any information. There were six members of the Water Power Committee who were also members of the Committee on the Public Lands. There were six members of that committee who were also members of the Committee on Agriculture. Those two committees have charge of all the legislation which relates to the public lands and the forest reserves, to which this particular section relates. The section has been very carefully worked out. Every effort was made to make it conform as far as it was possible to do it, to do substantial justice between the Government and the public and the States. No amendment to this section was proposed in the committee, and so far as those members of the Committee are concerned who are also members of the Committee on the Public Lands and members of the Committee on Agriculture, they seem to be entirely satisfied with it, and I do not know now why an effort should be made to abrogate entirely the theory upon which it was adopted, the theory which has obtained in both the forest reserves and the public lands for many years.

Mr. ESCH. There is a lot of other legislation framed on the same theory.

Mr. ANDERSON. And, as the gentleman from Wisconsin suggests, it is carried in a great deal of other legislation. The charges referred to in this amendment are rental charges arising out of the licenses. They have no relation whatever to the creation of amortization reserves, so that there is not anything in the suggestion that if this section is adopted in the form in which it now appears there can be no provision for the amortization of plants licensed under it. It seems to me we would do well, in this case, at least, to adhere to the well-considered judgment of the committee upon this section.

Mr. MONDELL. Mr. Chairman, I hope the amendment offered by the gentleman from Tennessee [Mr. SIMS] will not be adopted. Not that I am entirely satisfied with the provisions of the section; far from it. But I am endeavoring to help the committee pass their bill as they reported it, with as few changes as possible. Therefore I am willing to forego my own views and opinions with regard to certain details and accept the judgment of the committee. Several gentlemen well versed in public land and forest reserve matters were on the committee. The decision they reached with other members of the committee does not reflect my views of the matter altogether, but I have no doubt that they did the best they could.

Mr. SIMS. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. SIMS. I myself have never been on any committee that handled water-power legislation for public lands. I am not well acquainted with it. The gentleman from Oklahoma [Mr. FERRIS] was not here, and I did not see anybody present to whose attention I could call the matter, and I made the motion to bring up the question for discussion rather than with the idea that it must be adopted. I intended to leave it to the members of the Public Lands Committee and those versed in that question. If they are opposed to it, I would withdraw the amendment.

Mr. MONDELL. Mr. Chairman, I would like to discuss it so long as it has been raised, because it will undoubtedly be discussed in conference. Let me make this suggestion: This

does not change existing law nearly as much as it appears to. My notion is that if the section were out, that all of the proceeds from these sources, obtained from the use of public lands, would go into the reclamation fund, for the law specifically provides that the receipts from public lands shall constitute the reclamation fund. Taking that view of it, I do not think the reclamation fund secures as much under this provision as it would without the section. There is, of course, ground for difference of opinion in regard to that matter. Now, with regard to the forest reserves, under existing law of the revenue from forest reserves 25 per cent goes to the State, to be paid to the county in which the revenues were obtained; 10 per cent is used for building roads in cooperation with the State. Under the good-roads law a still further 10 per cent is held for the purpose of reimbursing the Treasury for the expenditures under section 8 of the good-roads act.

All objection to the legislation lies in the fact that it constitutes a new and an additional fund on the forest reserves, when, in my opinion, it would have been better to have the money distributed as now provided by law.

There is this objectionable feature in the section, from my standpoint, and on that I pray the careful attention of all gentlemen who represent public-land States. There is no provision in the law now, no provision in this section, under which the communities where these plants may operate are to be reimbursed for withholding from taxation indefinitely the land used for power purposes. If these areas were very considerable, in course of time the loss of revenue to the State, which this section does not compensate for, would be considerable, and in some localities it might cripple the local authorities in carrying on the activities of local government.

I am very much in hopes that in the conference this section will be boiled down to about four lines, to wit, that the proceeds from the public lands shall be disposed of as the proceeds of public lands are now disposed of, adding to that a provision that a part of the proceeds shall go to the localities and that the proceeds on the forest reserves shall be disposed of as the proceeds from the forest reserves are now disposed of.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. I ask for two minutes more.

Mr. FERRIS. Mr. Chairman, I ask unanimous consent to close debate at the expiration of five minutes, the gentleman from Wyoming to have two minutes. The chairman is going to withdraw his amendment, I understand.

Mr. WALSH. What is the use of discussing an amendment that is going to be withdrawn?

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Chairman, as I said, the law now provides for the distribution of funds received from the forest reserves. All that is necessary to do is to provide that these funds shall be disposed of as other funds are disposed of. That is a simple and satisfactory way to dispose of it. When we come to the public lands they should be disposed of as other receipts have been disposed of, with the additional provision, which I think is important, although the land used will not be great in area—that a part of the proceeds should go to the localities for the purpose of maintaining schools and building roads.

Some such provision is important, but the paragraph is so long and involved there is no hope of amending it now. The committee did the best it could under the circumstances, I have no doubt, in the midst of conflicting opinions. Before the bill becomes a law I hope there will be some modification of it, and I feel confident that the gentlemen representing the Western States, who are familiar with these questions, who have drawn the provision, will, in their ability, work out of it something more simple and satisfactory.

Mr. FERRIS. Mr. Chairman, I shall not use all of the three minutes in making the short statement I desire to make, as I have conferred with the chairman a little about it, and I am told that he expects to withdraw the amendment. It was, no doubt, very proper for the chairman to raise this question and move to strike it out so that the matter might be debated. It is also true that there is a well-defined element in the House who think it ought to be stricken out. The gentleman from New York, Mr. Fitzgerald, always moved to strike it out, and the gentleman from Kentucky, Mr. SHERLEY, has several times moved to strike it out. For myself, I have always thought it ought not to be stricken out. Under the reclamation law of 1902 the proceeds of all Government land go into the reclamation fund to irrigate the West. It is a rolling, revolving fund, and this is only carrying out that same principle. The House voted on this a number of times and has always stood by a provision similar to this. I am in hopes that the chairman will conclude that it is the part of wisdom to withdraw it.

Mr. SIMS. Mr. Chairman, I withdraw the proposed amendment.

Mr. ESCH. Mr. Chairman, I offer the following amendment, which is a verbal amendment. Page 44, line 22, add the letter "s" to the word "forest."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 44, line 22, add the letter "s" to the word "forest."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ESCH. Mr. Chairman, I desire further recognition for the purpose of inquiring of the gentleman from Oklahoma [Mr. FERRIS] with reference to the language on line 2, page 45. We state in the bill that all proceeds from any Indian reservation shall be applied to the credit of the Indians "on such reservations." Is it the case in Oklahoma, for instance, that many times Indians of a tribe are not on the reservation but have an interest in it?

Mr. FERRIS. I think that should be "of the reservation." This provision has no application to our State, because we have no public lands within the State of any kind to be leased or sold or other disposition made of them. It is true we have some Indian lands.

Mr. ESCH. The gentleman's knowledge of Indian affairs would advise the House as to whether that should be as it is in the bill.

Mr. FERRIS. I think the word "on" should be changed to the word "of." That was put in there at the suggestion of the Commissioner of Indian Affairs, and worked out by the Interior Department. I care nothing about it. It has nothing to do with the Indians of my State, but it has to do with scattering Indian tribes throughout the country, and the Commissioner of Indian Affairs wanted their lands developed and the proceeds to go into the Indian funds.

Mr. ESCH. It occurred to me that it may work an injustice to any Indians not actually on the reservation.

Mr. FERRIS. I think the gentleman is right about that.

Mr. ESCH. Mr. Chairman, I move to substitute the word "of" for the word "on," in line 2, page 45.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 45, line 2, strike out the word "on" and insert in lieu thereof the word "of."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 18. That the operation of any navigation facilities which may be constructed as a part of or in connection with any dam or diversion structure built under the provisions of this act, whether at the expense of a licensee hereunder or of the United States, shall at all times be controlled by such reasonable rules and regulations in the interest of navigation, including the control of the level of the pool caused by such dam or diversion structure, may be made from time to time by the Secretary of War. Such rules and regulations may include the maintenance and operation by such licensee at its own expense of such lights and signals as may be directed by the Secretary of War, and such fishways as may be prescribed by the Secretary of Commerce; and for willful failure to comply with any such rule or regulation such licensee shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished as provided in section 25 hereof.

Mr. ESCH. Mr. Chairman, I desire to offer another verbal amendment, on page 45, line 17, after the word "structure," to insert the word "as." I think that was an oversight.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 45, line 17, after the word "structure," insert the word "as."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. In line 22, page 45, I find the language—

and for willful failure to comply with any such rule or regulation.

Suppose there is a mere failure to comply with the regulations that the Secretary of War has prescribed respecting the level of the pool, or the Secretary of Commerce has prescribed respecting the construction and maintenance of fishways, would that be considered willful?

Mr. SIMS. It would not, and I do not think "willful" ought to be in there, and I did all I could to keep the committee from putting it in. That is all I have to say about that.

Mr. HUMPHREYS. Then I shall ask the gentleman from Wisconsin: Suppose the company failed to comply with the rules prescribed by the Secretary of War touching the maintenance of the level of the pools, or by the Secretary of Commerce touching the maintenance and construction of fishways. Suppose there was just a mere failure, would that be willful?

Mr. ESCH. It would have reference to section 25 of the bill, which provides:

SEC. 25. That any licensee, or any person, who shall willfully fail or who shall refuse to comply with any of the provisions of this act, or with any of the conditions made in part of any license issued hereunder, or with any subpœna of the commission, or with any regulation or lawful order of the commission, or of the Secretary of War, issued or made in accordance with the provisions of this act, shall be deemed guilty of a misdemeanor, and on conviction thereof shall, in the discretion of the court, be punished by a fine of not exceeding $1,000, in addition to other penalties herein prescribed or provided by law.

Mr. HUMPHREYS. The use of the word "willful" is rather unusual. The usual language is that if a person fails or refuses to do such a thing he shall be punished. What was the purpose of the use of the word "willful"?

Mr. ESCH. That had not been brought to my attention, but it occurred to me, in view of the fact that all of these conditions are practically specified in the license, the licensee can no longer plead ignorance, and therefore if he fails to comply it would be a willful failure.

Mr. TAYLOR of Colorado. Will the gentleman permit a suggestion? If he had ever lived under a carpetbag rule or bureaucratic control the gentleman would realize that it is very dangerous to have merely a failure to comply with some petty rule or regulation a ground for forfeiting all his rights or putting him in jail. It is very important that the word "willful" should remain in there. We certainly should give these people some "show for their white alley" before cutting them off. We discussed this matter at some length, and, while it is true the chairman did not want it in there, I felt it was only fair and just to the people who spend their money and try to comply with the law at least to have them knowingly do something wrong before they are penalized. That is a principle of the criminal law, that a man is not ordinarily a criminal without intentionally doing something wrong. In other words, he might omit to do something by reason of something entirely beyond his control. There is no provision of that kind in the bill. If we put in a clause relieving him from things beyond his control, that would not be so bad; but there is nothing of that kind in it, and therefore I feel that this word ought to be left in.

Mr. HUMPHREYS. Mr. Chairman, personally I think it is just as strong without the word "willful" as with it in, but I do not make any suggestion or offer any amendment to strike it out and withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 20. That when said power or any part thereof shall enter into interstate or foreign commerce the rates charged and the service rendered by any such licensee, or by any subsidiary corporation, the stock of which is owned or controlled directly or indirectly by such licensee, or by any person, corporation, or association purchasing power from such licensee for sale and distribution or use in public service shall be reasonable, nondiscriminatory, and just to the consumer, and all unreasonable, discriminatory, and unjust rates or services are hereby prohibited and declared to be unlawful; and whenever any of the States directly concerned has not provided a commission or other authority to enforce the requirements of this section within such State, or to regulate and control the amount and character of securities to be issued by any of such parties or such States are unable to agree through their properly constituted authorities on the services to be rendered or on the rates or charges of payment therefor, or on the amount or character of securities to be issued by any of said parties, jurisdiction is hereby conferred upon the commission, upon complaint of any person aggrieved, upon the request of any State concerned, or upon its own initiative to enforce the provisions of this section, to regulate and control so much of the services rendered, and of the rates and charges of payment therefor as constitute interstate or foreign commerce and to regulate the issuance of securities by the parties included within this section.

The administration of the provisions of this section, so far as applicable, shall be according to the procedure and practice in fixing and regulating the rates, charges, and practices of railroad companies as provided in the act to regulate commerce, approved February 4, 1887, as amended, and that the parties subject to such regulation shall have the same rights of hearing, defense, and review as said companies in such cases.

In any valuation of the property of any licensee hereunder for purposes of rate making, no value shall be claimed by the licensee or allowed by the commission, for any project or projects under license in excess of the value or values prescribed in section 14 hereof for the purposes of purchase by the United States.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the committee, Is there any provision in this bill to enable the commission or any authority to regulate the issuance of stock of these companies? The commission has the power to control and regulate the water that passes through the turbines. Is there any authority given to any governmental agency to regulate the water that enters into the stock of these companies?

Mr. SIMS. I think that would be a most important regulation, and I think it is embraced in the bill because applications have to be made to the commission for the purpose of issuing stocks and bonds, and they must have the approval of the commission, and I think that kind of water, referred to by the gentleman from Mississippi, who has had so much to do with other sorts of water, ought to be carefully kept out, and I hope it will be.

Mr. HUMPHREYS. Undoubtedly I agree with the gentleman, but I just wondered if there was provision made in the bill to prevent the watering of this stock?

Mr. SIMS. The power is given to prevent that, and that is all we can do.

Mr. HUMPHREYS. I withdraw the pro forma amendment.

Mr. STEELE. Mr. Chairman, I desire to offer an amendment to section 21.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk began the reading of the amendment.

Mr. SIMS. Mr. Chairman, just a moment; I do not think section 21 has been read.

Mr. STEELE. No, sir.

Mr. SIMS. This is to be offered to that section?

Mr. STEELE. Yes.

Mr. SIMS. The section ought to be read.

The CHAIRMAN. Temporarily the gentleman withdraws his amendment until the section can be read.

The Clerk read as follows:

SEC. 21. That when the grantee is a municipal corporation, or a political subdivision of a State, or a public-service agent of a State, or a public utility or service corporation, and can not acquire by contract or pledges the right to use or damage the lands or property of others necessary to the construction, maintenance, or operation of any dam, reservoir, diversion structure, or the works appurtenant or accessory thereto, it may acquire the same by the exercise of the right of eminent domain in the district court of the United States for the district in which such land or other property may be located, or in the State courts.

Mr. RAKER. Mr. Chairman, I have an amendment. I move to strike out the word "grantee" and substitute "licensee" therefor, in line 21, page 48. It is a clerical error.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 48, line 21, strike out the word "grantee" and insert in lieu thereof the word "licensee."

The question was taken, and the amendment was agreed to.

Mr. STEELE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. STEELE: On page 49, line 3, section 21, strike out all after the word "by" and the remaining lines in said section and insert the following: "causing to be made an accurate map of such lands or property, showing the location, quantity and character of each parcel of such lands or property to be taken for such purpose, with the names of the respective owners inscribed thereon, which shall be filed, recorded, and duly indexed in the public records of the office where the title of such lands is or may be recorded, and from and after the date of filing and recording such map, the several tracts or parcels of land or property mentioned or described thereon to be so taken shall be held as condemned for public uses, and when the grantee is a municipal corporation or a political subdivision of a State, or a public-service agent of a State, the right to use or damage such lands or property shall vest in such grantee; but when such grantee is other than a State or municipal or quasi-municipal corporation or agency, just compensation for such right to use or damage such lands or property shall be first paid or secured before such right shall vest in such grantee. If the grantee shall be unable, within 30 days after the filing of such map and notice of the same to the respective owners of such lands or property, to agree upon just compensation for the right to use or damage such lands or property, either the grantee or owner or owners of such lands or property may proceed by judicial process in the courts of the State wherein such lands or property is located for the ascertainment of such compensation, in accordance with the practice, pleadings, forms, and procedure existing at the time in like causes in the courts of record of such State."

Mr. STEELE. Mr. Chairman, one amendment has already been adopted to this bill recognizing that the banks of a navigable stream and the bed of a stream are within State jurisdiction. Now, the purpose of this amendment is in further recognition of that right and to do three things. First, to protect the rights of the local landowner, so that he shall not be compelled in order that his damages may be ascertained to proceed several hundred miles to a Federal court with his witnesses and be placed to that expense in order that his damages may be properly ascertained by a judicial judgment. The purpose of this amendment is to vest jurisdiction in the local State tribunal for the purpose of the ascertainment of the damages of the local landowner. In the next place the purpose is to retain efficiency in land titles in the local State record, so as to give notice that if any land of a local landowner is condemned for public purposes and taken from him, that any purchaser of the land title should have notice of the fact that the land actually condemned has been removed from the ownership and title of the local landowner. As it is now there will be no such notice whatever.

Now, in the third place, it is intended to facilitate the progress which may be made in furtherance of the exercise of the powers vested under this act. As it is now, there is simply the exercise of the right of eminent domain vested in the licensee, and in order to exercise that power, if the power is resisted by the local landowner, it will be necessary for the licensee to go into court and have a judicial judgment—the verdict of a jury, possibly—before he can use the land he desires to have condemned. This might delay his proceeding for possibly months or years. As it is proposed under this amendment you have the right given to a subdivision of a State or a municipality to condemn at once, and the taxing power of that municipality is ordinarily sufficient security for the payment of the damages. But where it is a local public-service corporation, why, manifestly, they should give security before the land is actually taken. And therefore it is intended to facilitate the progress under this act by, in the first place, giving the local landowner adequate remedy in the State courts for the recovery or ascertainment of his damages. In the second place, there should be placed of record in the local office where land titles are held in the States notice of the fact that this land has been condemned and drawn from the ownership of the local landowner. And, in the next place, it is intended to facilitate the progress referred to.

Mr. DEMPSEY. Will the gentleman yield?

Mr. STEELE. I will.

Mr. DEMPSEY. I am in entire sympathy with the gentleman's amendment, and I think it is well conceived. I call the gentleman's attention to one detail of it. The provision is that one who is to undertake the project shall not take the land until the purchase price is paid or secured. Does not the gentleman think the term "secured" should be a little bit more elaborately expressed, that security for the payment, by bond or any form satisfactory to a local court, shall be given?

Mr. STEELE. The gentleman will see, if he will read the amendment carefully, that the security to be given only applies to a public-service corporation. It does not apply to municipal corporations or quasi-municipal corporations. There is a distinction between the two. The taxing authority in the one case is sufficient. In the other it is intended that the damages should be paid or secured, and my idea was that the word "secured" should cover the condition the gentleman has suggested.

Mr. SIMS. Will the gentleman yield?

Mr. STEELE. I will.

Mr. SIMS. I notice the gentleman used the term "grantee" in several places. Does the gentleman use it in lieu of "licensee"?

Mr. STEELE. Yes; it was so intended, because the word "grantee" was used in the act when I framed the amendment. But the gentleman from California [Mr. RAKER] has offered an amendment, and I ask that where the word "grantee" is used that the word "licensee" shall be substituted.

Mr. SIMS. Of course, there is no objection to that.

Mr. STEELE. I ask unanimous consent that wherever the word "grantee" is used in the amendment, the word "licensee" shall be substituted for it.

The CHAIRMAN. Without objection, the change will be made accordingly.

There was no objection.

Mr. SIMS. Does the gentleman's amendment require the money to be paid in advance, before condemnation?

Mr. STEELE. No, sir. It goes to this extent: Section 21 only applies to two classes of corporations, public corporations, like municipalities or agencies, of a State or quasi-municipal corporation in the one class, and in the other are public-service corporations, which have a private side to them. So far as the public corporations are concerned, they can proceed without any security whatever. The taxing power there is sufficient to secure it. But in the case of a public-service corporation, which may have its property all mortgaged, it is provided that the damages be first secured.

Mr. SIMS. I had the pleasure of reading the gentleman's amendment, and so far as I could see I thought it was a good one, and I have not changed my mind.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. STEELE].

Mr. ANDERSON. Mr. Chairman, I desire to be recognized in opposition to the amendment. The bill as now drawn follows the well-understood principle in this House, and that is to provide that wherever proceedings are brought in the courts of the country for any purpose those proceedings shall be in conformity with the general laws of the State relating to the particular procedure adopted.

Now, the gentleman proposes to substitute for this general and well-accepted practice, which is found in a number of the statutes of the United States, and which is in accordance with the rules of the Supreme Court of the United States, a method of acquiring property under eminent domain which he himself has drawn. There is perhaps no objection to the method which he proposes, except that it is not in conformity with the accepted practice in many States. And wherever any action is sought to be brought under the provisions of this section it would be necessary to follow the particular line of procedure which he has laid down, which might be and probably would be inconsistent with the practice and the procedure which obtains in many of the States. It does not seem to me to be wise, however well this amendment has been drawn and however well it may seem to suit the purposes of this section, to deviate from the well-accepted principles upon which legislation of this character has always proceeded in the past. I trust the amendment will not be adopted, because nobody knows, if it is adopted, what its effect will be upon the practice as to condemnation proceedings in the various State and Federal courts throughout the Union.

Mr. STEELE. Will the gentleman yield right there?

Mr. ANDERSON. Yes.

Mr. STEELE. Does not the original section as now phrased provide for jurisdiction of the State courts?

Mr. ANDERSON. I understood the gentleman struck out that part and provides a method of procedure of his own.

Mr. STEELE. Oh, no. It provides for the procedure of the State courts, whatever that may be, the idea being to simply localize this remedy, so that local landowners shall not be compelled to go several hundred miles distant to a Federal court to have their rights determined, but that they shall be determined under the laws of the respective States.

Mr. ANDERSON. That is what the section provides now. The condemnation proceedings, of course, would be in accordance with the general rules in the respective States.

Mr. STEELE. It provides for Federal jurisdiction also.

Mr. ANDERSON. Both State and Federal jurisdiction, which is necessary under the circumstances of this case. For instance, in the case of a boundary water between two States, obviously the Federal jurisdiction ought to attach there, and it would not be proper in such a case to confine the jurisdiction to the States. It seems to me we will follow the wise course here if we follow the procedure and the practice which is known to lawyers and to the people of the country everywhere, and with which they are familiar, and according to which they can practice, without inserting in here a new provision, which must be subject to entirely new construction by the courts before anybody will know how to proceed under it.

Mr. SIMS. Mr. Chairman, may I have an agreement, if I can, as to further debate on this amendment? I ask unanimous consent that all debate on this amendment and all amendments thereto close in five minutes.

Mr. STEELE. I may want three minutes, possibly.

Mr. SIMS. Then make it eight minutes. I ask unanimous consent, Mr. Chairman, that all debate on this amendment and all amendments thereto close in eight minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, the purpose of the amendment is no doubt a good one, but I want to call the attention of the committee to the fact—and I know that the gentleman from Pennsylvania [Mr. STEELE] will agree—that this bill simply gives the right of eminent domain, nothing more and nothing less. It extends to a municipality or a corporation and an individual——

Mr. STEELE. Not to an individual.

Mr. RAKER. Yes; under this act.

Mr. STEELE. No.

Mr. RAKER. Oh, yes. All those that have the right to secure under the State; that when the licensee is a municipal corporation or a political subdivision of a State or a public service of a State or a public utility or service corporation.

Mr. STEELE. It does not apply to individuals here.

Mr. RAKER. There is extended the right of eminent domain. This does not lay down the procedure in the Federal courts or in the State courts.

Now, the only trouble I see in the amendment of the gentleman is that he lays down a practice or procedure which will supersede the practice in the State courts, wherein it differs from the amendment proposed. You will have to go to this bill and find out and follow this particular change wherein it is different from the present law as to procedure only in eminent domain. The rules and regulations are well established in the Federal courts as to eminent domain, where the right is granted in various State courts, and many of them differ. The

rules of practice and procedure, and so forth, are different in the various State courts as to eminent domain. But the gentleman here tries to fix under this particular bill various rules and conditions that are not applicable to any but a few of the States, if any of them, at the present time.

Mr. STEELE. Is it not generally applicable to condemnations by railroad corporations?

Mr. RAKER. No.

Mr. STEELE. It absolutely is.

Mr. RAKER. No; and for this reason: If a railroad is given the right of eminent domain—and practically in all of the States it is—the railroad company must comply with the procedure and the court practice in the State wherein it proceeds to use its right of eminent domain granted by the State, and must follow that procedure. Now, the procedure in the courts of California is different in some respects from the procedure in the courts of Pennsylvania, but each lawyer knows—each one practicing in those various courts knows exactly—what his pleading must contain, what the evidence must be, what his bond must be, and exactly what he must do to reap the benefit of the statute giving him the right of eminent domain.

I am afraid the gentleman's amendment is a confusion instead of a clarification of what is wanted, because practically all of the States have in their view a sufficient and ample law as to the practice and the procedure when the right is given in eminent domain. If they have not, they can change them. And, further, wherever one in the Federal court proceeds to obtain and enforce his right to eminent domain, it being a civil case, he follows the law of that State. Is not that rght, I will ask the gentleman from Pennsylvania?

Mr. STEELE. So far as it does not conflict with Federal procedure.

Mr. RAKER. Exactly. Therefore we have now a uniform procedure that each State, and the practitioners and those desiring to apply the procedure can exercise the right of eminent domain in full force and effect, and it is well understood, and there is no provision here that is in any wise more beneficial than in most of the States to-day. I am just thinking that the gentleman's amendment will confuse rather than clarify the entire situation, and that we had better leave the law as it stands to-day.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. STEELE] is recognized for three minutes.

Mr. STEELE. Mr. Chairman, the gentleman from California [Mr. RAKER], it seems to me, has a very confused thought of the purpose of the amendment. This amendment, instead of confusing the situation is going to clarify it, and particularly for the benefit of the local landowner. The local landowner whose land is about to be taken is entitled to have notice of the fact that his land is about to be taken, and the quantity of land that is to be taken, so that he can go to the proper office and ascertain that it is about to be taken.

Mr. RAKER. Right there, will the gentleman yield for a question?

Mr. STEELE. If it does not occupy my time unnecessarily.

Mr. RAKER. In every condemnation proceeding in the complaint must not the plaintiff allege and describe the land by metes and bounds, and in addition attach a plat to his complaint?

Mr. STEELE. That only applies when you get into court, and your proceeding simply means that every case would have to go to the Federal court, and the local landowner would probably have to go several hundred miles with his witnesses in order that his amount of damages might be ascertained in the Federal court. It would be a bad thing also for the promotion of the purposes of this act, because against the objection of the local landowner the licensee could not use this land or condemn until there was a judgment rendered by a jury in a Federal court and it was actually condemned and damages determined. He would be injured to that extent.

Now, when the gentleman talked about it being different from the procedure in the several States he failed to observe the last provision in this amendment, which is that "the proceedings in the State courts shall be in accordance with the practice, pleading, forms, and procedure existing at the time in like causes in the courts of record of such State." It preserves the procedure absolutely in the courts of the different States. It is for the betterment of the act. It will facilitate the purposes of the act, and it will protect the local landowner in his rights, and the purchasers can ascertain in the local land office what land is actually owned by the landowner. Without this amendment there will be no public record from which this information can be ascertained.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. ANDERSON. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 10, noes 13.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 23. That the provisions of this act shall not be construed as revoking any permit or valid existing right of way heretofore granted, or as revoking any authority heretofore given pursuant to law, but any person, association, corporation, State, or municipality, holding or possessing such permit, right of way, or authority may retain the same subject to the conditions set forth in the grant thereof and subject to any and all rules and regulations applicable thereto and existing at the date of the approval of this act, or may apply for a license hereunder and upon such application the commission may issue to any such applicant a license in accordance with the provisions of this act, and in such case the provisions of this act shall apply to such applicant as a licensee hereunder.

Mr. FRENCH. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN (Mr. SAUNDERS of Virginia.) The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Page 49, line 25, strike out the words "retain the same," and lines 1, 2, and 3 on page 50.

Mr. FRENCH. Mr. Chairman, I would like the attention of the members of the committee touching the amendment that I have proposed. The purpose of this section is to provide that any municipalities, persons, associations, and so forth, that have already received permits may retain them, so far as this law is concerned, but that the concern shall have the opportunity to apply for a license under the provisions of the present law. It occurs to me that the language I have suggested to be stricken out is unfortunate. I believe we may be doing a good deal more—in fact, vastly more—than we have had in mind to do, and I suggest that if we strike out these words it will leave the situation as it ought to be, reading—

That the provisions of this act shall not be construed as revoking any permit or valid existing right of way heretofore granted, or as revoking any authority heretofore given pursuant to law, but any person, association, corporation, State, or municipality, holding or possessing such permit, right of way, or authority may apply for a license hereunder, and upon such application the commission may issue to any such applicant a license in accordance with the provisions of this act, and in such case the provisions of this act shall apply to such applicant as a licensee hereunder.

Now, that leaves the situation just as it ought to be left. We do not confirm anything. We leave it subject to the discretion of the Secretary of the Interior, the Secretary of Agriculture, or the Secretary of War, as the case may be, to do or not to do, under the permit that has been issued, that which the respective Secretaries have the power now to do.

Mr. ESCH. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. ESCH. Is it the gentleman's idea that by leaving the language as we have it in the bill there may be danger of confirming by this act of Congress some act of prior grantees beyond the jurisdiction granted under their licenses?

Mr. FRENCH. That is precisely the question I raise. We do not know, and I suppose it would take each department a week or more, possibly, to find out precisely the terms of each particular permit that has been issued, and to know that the grants of the permit were not in excess of law. Of course, we must assume that all permits heretofore granted have been granted in good faith, but we do not know that a permit may have been issued and in perfect good faith in excess of the authority conferred upon the department that issued the same. Now, the lines that I suggest be stricken out leave the bill so that the grantees may retain their grants, subject to the conditions set forth in the grants and subject to any and all rules and regulations applicable thereto and existing at the date of the approval of this act. It seems to me we are confirming en bloc a lot of permits that may have been issued in accordance with existing law or may have been issued in excess of authority assumed by those having the authority to issue permits under the law under which they were acting.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. TAYLOR of Colorado. Where people have spent large amounts of money and have clearly recognized legal and equitable rights now, and have initiated a tentative title, would it not be right for them to be permitted to go ahead under the existing law and regulations rather than force them to surrender their rights and to come in under this new law?

Mr. FRENCH. My amendment leaves the situation so that the particular officer can handle that question.

Mr. TAYLOR of Colorado. But ought not the men who are in possession now to have the right to go ahead? In other words, ought we to rip up vested rights? I understand there are thousands of rights of various kinds that may be affected by this bill. Should we not allow them to go ahead if they can and want to under the existing law? We do not want to confiscate them and make them trespassers in case they do not immediately surrender everything and come in under this bill. If they prefer to do so they should have the alternative of coming in under this law. The way the section is written it gives them two chances rather than one.

Mr. FRENCH. Yes; and so does my amendment. I do not believe that we rip up existing rights, so far as that is concerned, but I do believe that if the language of the bill is permitted to go into the law we will confirm en bloc a lot of permits and conditions that we do not know anything about. We do not know what we may be confirming. We may be confirming permits that impose conditions in excess of existing law. If so, the fact that we pass a law confirming them will grant them absolutely to the grantees.

Mr. TAYLOR of Colorado. This section does not confirm them at all. It allows them to go ahead if they can and perfect their title and continue business under the existing laws, rules, and regulations. I do not think we should make this provision either retroactive or confiscatory.

Mr. FRENCH. No; I think the gentleman does not read the section accurately. The language I propose to strike out is the language which says that these grantees may retain the same subject to the conditions set forth in the grant thereof, and so forth.

Mr. DEMPSEY. They may retain what they have; that is all. They do not get any more.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FRENCH. Mr. Chairman, I should like to have five minutes more.

The CHAIRMAN. The gentleman from Idaho asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. FRENCH. This is a very important question. I hope there may be no reason for concern, but it seems to me here is a place where we ought to stop and look and listen and not simply confirm a lot of rights that may have been granted that we do not know anything about.

Mr. SIMS. Has the time of the gentleman from Idaho been extended five minutes?

The CHAIRMAN. It has.

Mr. SIMS. I want to ask that all debate upon this amendment and amendments to the same close in five minutes after the expiration of the time of the gentleman from Idaho.

Mr. TAYLOR of Colorado. I would like to have two minutes.

Mr. SIMS. The other five minutes to be divided between the gentleman from Colorado [Mr. TAYLOR] and the gentleman from California [Mr. RAKER].

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that at the expiration of the five minutes to be consumed by the gentleman from Idaho the next five minutes be divided between the gentleman from California [Mr. RAKER] and the gentleman from Colorado [Mr. TAYLOR], and that at the end of that time debate on this amendment and all amendments thereto shall be closed. Is there objection?

There was no objection.

Mr. TAYLOR of Colorado. I want to say that I am in entire accord with what I think is the purpose of the gentleman from Idaho; but the members of the committee discussed this matter rather fully, as I recollect it, and believed if we did not put that clause in all the people on the public domain who had vested rights might be down and out, or they would have to at once come in under this law. We felt that it was not treating them fair and might be legislating them out of existing rights. What has the gentleman to say about that?

Mr. FRENCH. I think that question is met in the first lines of the bill, and under these lines we do not disturb existing conditions. If we keep the language in which I propose to strike out, we will confirm existing conditions without knowing what we are confirming.

Mr. RAKER. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. RAKER. If that is true, at the end of the bill you repeal the law he is acting under and do not permit it to remain, and he must quit there and his plant must stop.

Mr. FRENCH. We do not repeal it.

Mr. RAKER. Yes; at the end of the act is the repealing clause. Here is a million-dollar plant and the man can not move and you deprive him of all the property that he has invested in it.

Mr. FRENCH. In the first part of the bill there is a provision that the act shall not be construed to revoke any permit, and so forth, and the repealing section to which Judge RAKER refers specifically exempts anything that may not be inconsistent with the pending bill.

Mr. DEMPSEY. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. DEMPSEY. While I am in entire sympathy with what the gentleman has in mind, the language of the section, I think, is adequate for his purpose. It provides that he may retain the same subject to the conditions set forth in the grant. He may retain what? He may retain the same, and that is to permit of the existing rights and the authority that he has—that and nothing more. It does not extend it; it does not make it any better; it does not give him any more, but gives him authority to retain what he has, good or bad or indifferent, and that is all the effect of this section.

Mr. FRENCH. I hope the gentleman is correct; and if so, there will be no trouble. But I fear that the language that I propose be stricken out permits powers in excess of the law under which the permit was issued to be ratified and confirmed. It seems to me that under the gentleman's interpretation it is a duplication of language, and if it is not that, then it is granting and confirming conditions that the House does not know anything about.

Mr. TAYLOR of Colorado. Will the gentleman yield?

Mr. FRENCH. Yes.

Mr. TAYLOR of Colorado. I may say that these provisions have been examined by the Interior and Agricultural Departments and this language is virtually their language. This special water-power committee feel that where people now have legally recognized rights of various kinds, we did not want to rip them up. We wanted them to be allowed to go ahead, if they can and want to, and also give them the opportunity, if they prefer to do so, to come in under the law.

Mr. FRENCH. If you strike out the language I propose you leave all rights protected under existing law. The language of the section specifically says that the existing rights heretofore granted shall not be considered as being revoked; and on the other hand, following up the line, under the language I propose to strike out we give them the alternative of coming in under the conditions of this measure.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, section 29 reads as follows:

That all acts or parts of acts inconsistent with this act are hereby repealed.

Now, this provision intends that the present existing licenses granted to these parties which are revocable shall not be revoked by this law, but that they may under the conditions of the law now in existence proceed with their work. If you strike out the language and repeal the law relating to the permits you will find perhaps a man that has expended $500,000 or $1,000,000 can not move one way or the other. He must come in under the provisions of this act or his property is confiscated.

Mr. FRENCH. The language in the act is "not inconsistent with the language of this act," and in the very first part of section 23 you provide a specific exception.

Mr. RAKER. No; you repeal all the law relating to these matters, and a man who has a permit now in existence can not proceed unless under the provisions of this act. The man who has a permit which is not revoked can proceed under the rules and regulations of the law now in existence—

Rules and regulations applicable thereto and existing at the date of the approval of this act.

That is the law in force to-day under which he has made his application, and the amendment of the gentleman from Idaho [Mr. FRENCH] simply knocks out all of the foundation of the man's project and leaves his property practically confiscated, instead of allowing him to proceed under the law as it exists, or, if he wants to, he can come under provisions of this act by complying with its terms.

Mr. TAYLOR of Colorado. Mr. Chairman, my idea about the matter is that the intention of the gentleman from Idaho [Mr. FRENCH] is the same as ours, but the gentleman from California [Mr. RAKER] and myself are on this Water Power Committee, and we have gone over this matter quite fully. I think it would be dangerous for us to adopt the amendment offered by the gentleman from Idaho. We have tried to jealously guard the existing rights of the people, especially upon the public domain, people who have had licenses or obtained permits or special acts of Congress, and I either do not understand the gentleman's amendment or else it takes away, or may take away, the rights

under the existing law and virtually forces them to come in and proceed under this new law or become trespassers and be thrown out.

Mr. FRENCH. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. In a moment. Our thought was that if a man can go ahead and perfect his title under the existing law, he ought to be given the right to do so, if he so desires, and if he does not want to, then we should give him the option of coming in under this law. That is one of the things that all of the western Members have earnestly and jealously guarded against—not to legislate a man out of his existing rights, either in agricultural claims or water rights or coal or oil or in other claims, but let him, if he can, go ahead and perfect his title under the existing law, or give him the option, if he finds he can not get by, if he can not run the gauntlet of red tape and get title, then to have a preference to come in under this law. I do not understand that the gentleman's amendment even gives him a preference right to come in.

Mr. FRENCH. Yes, indeed, it does.

Mr. TAYLOR of Colorado. I feel the gentleman has not had the matter sufficiently worked out. Ordinarily his amendments are very good, but I seriously doubt the wisdom of accepting this one.

The CHAIRMAN. The time of the gentleman from Colorado has expired. All time has expired.

Mr. FRENCH. Mr. Chairman, I am wondering if upon a matter of this kind, which I believe to be of tremendous importance, we ought not to have a little more time. I would like to ask unanimous consent that we have 20 minutes more.

Mr. TAYLOR of Colorado. Oh, this is a matter that can be worked out in conference.

Mr. SIMS. This bill has got to be passed to-day or it goes into limbo. I hope the gentleman will not insist upon that.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Idaho.

The question was taken, and on a division (demanded by Mr. FRENCH) there were—ayes 10, noes 16.

So the amendment was rejected.

The Clerk read as follows:

SEC. 24. That any lands of the United States included in any proposed project under the provisions of this act shall from the date of filing of application therefor be reserved from entry, location, or other disposal under the laws of the United States until otherwise directed by the commission or by Congress. Notice that such application has been made, together with the date of filing thereof and a description of the lands of the United States affected thereby, shall be filed in the local land office for the district in which such lands are located. Whenever the commission shall determine that the value of any lands of the United States so applied for, or heretofore or hereafter reserved or classified as power sites, will not be injured or destroyed for the purposes of power development by location, entry, or selection under the public-land laws, the Secretary of the Interior, upon notice of such determination, shall declare such lands open to location, entry, or selection, subject to and with a reservation of the right of the United States or its permittees or licensees to enter upon, occupy, and use any part or all of said lands necessary, in the judgment of the commission, for the purposes of this act, which right shall be expressly reserved in every patent issued for such lands; and no claim or right to compensation shall accrue from the occupation or use of any of said lands for said purposes. The United States or any licensee for any such lands hereunder may enter thereupon for the purposes of this act, upon payment of any damages to crops, buildings, or other improvements caused thereby to the owner thereof, or upon giving a good and sufficient bond to the United States for the use and benefit of the owner to secure the payment of such damages as may be determined and fixed in an action brought upon the bond in a court of competent jurisdiction, said bond to be in the form prescribed by the commission: *Provided*, That locations, entries, selections, or filings heretofore made for lands reserved as water-power sites or in connection with water-power development or electrical transmission may proceed to approval or patent under and subject to the limitations and conditions in this section contained.

Mr. RAKER. Mr. Chairman, I move to strike out the last word. This is one of these great big subjects involved in this bill, and while it does not contain such restrictions and limitations at is ought to, yet I was unable to secure a modification of it in the committee. I will be in like position, I believe, before the House, and all I desire to say to my friends from the West who have been in season and out of season talking about reservations is this, that while I do not agree with them in all their views, I believe in reservation when it is reserved for conservation and actually used now or prepared for use instead of tying it up for the long distant future. In other words, reservation or conservation is use, use to the utmost by the present generation and on and on as it can be properly used without any detriment to the public; but at the same time not turning it over to private concerns or corporations in perpetuity. I feel that I ought to call the attention of these gentlemen to the first six and a half lines of this section. I suppose it may be necessary, but as a matter of fact this will in the future practically reserve all of our public lands in the West. That is just about what it means. Whether it is good faith or bad faith, it will have to be determined; but whenever a corporation, individual, or association makes this application and says it wants the waters of a certain stream and all its tributaries and includes in that 100 or 5,000 acres, every acre of that land then within that application is reserved from public use until set aside or released from withdrawal by act of the commission or act of Congress. Just how that could be eliminated I do not know. The provision reads:

That any lands of the United States included in any proposed project under the provisions of this act shall from the date of filing of application therefor be reserved from entry, location, or other disposal under the laws of the United States until otherwise directed by the commission or by Congress.

I am wondering just how I will be able to analyze this act. It prevents all mining entries within the area of the selection lands for reservoir sites. It prohibits all desert-land entries that may be made within the land in the application. It prohibits all homestead entries within the boundaries of the lands included in this application, so while it is not intended and undoubtedly was not the purpose of those who presented the bill or of the committee, because they did not see this, yet I feel that there ought to have been some limitation. But, as a matter of fact, it is one general reservation of all the public lands in the United States wherein anybody may file an application for a power site, and the only way to get it reviewed——

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAKER. Whereby the application may be set aside is by order of the commission changing or relieving certain tracts of land for homestead or desert or mining purposes.

Mr. TAYLOR of Colorado. Will the gentleman permit a question?

Mr. RAKER. I do.

Mr. TAYLOR of Colorado. Would it not very greatly help this matter if we would add after the word "Congress," in line 14, page 50, the words "or the Secretary of the Interior"?

Now, I will call the attention of the committee to the fact that there are a number of places in this bill where matters are purely within the purview of the Secretary of War, or entirely within the authority of the Secretary of the Interior, or the Secretary of Agriculture, and no one else has anything really to do with them, and we have given them some individual discretion as I recall now. And I feel that these lands belonging to the United States entirely, where a man has got a homestead or other claim, or where there might be mining claims developed, that the Secretary of the Interior ought to have the sole authority, without going through the cumbersome regulation of the commission, or an act of Congress, to segregate or open it up to that extent. And I want to ask the gentleman if he does not think that ought to be amended that way?

Mr. RAKER. Mr. Chairman, I ask that my time be extended for five minutes.

Mr. SIMS. Mr. Chairman, there is no amendment before the House; there is nothing pending.

Mr. TAYLOR of Colorado. I am going to offer one.

Mr. SIMS. I shall have to object. Gentlemen are speaking to no amendment at all. There is no amendment pending.

Mr. MADDEN. I am glad the chairman of the committee has characterized this kind of discussion.

Mr. RAKER. I am proceeding to discuss the amendment.

Mr. SIMS. But there is no amendment whatever.

Mr. RAKER. This is not coming out of my time, is it?

The CHAIRMAN. The gentleman has no time, it has expired.

Mr. RAKER. Mr. Chairman, I ask that I may proceed for three minutes.

Mr. SIMS. Mr. Chairman, I shall object unless some amendment is offered. That is the only way I know of of getting through with this bill at all.

Mr. JOHNSON of Washington. Does the gentleman mean to object?

Mr. SIMS. Unless an amendment is offered, and then, of course, they can discuss it, but this discussion is going on without anything pending.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from California asks for five additional minutes.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that all debate upon this section close in five minutes, three to be yielded to the gentleman from California and two to the gentleman from Washington, and, Mr. Chairman, I hope they will talk to the amendment.

The CHAIRMAN. How is the time to be divided?

Mr. SIMS. Three minutes to the gentleman from California and two to the gentleman from Washington.

Mr. MADDEN. Mr. Chairman, reserving the right to object, I understand these gentlemen are going to talk to the amendment?

Mr. SIMS. They are going to talk to the amendment.

Mr. RAKER. We have had the time of five minutes.

Mr. MADDEN. I hope the gentleman will confine himself to that.

Mr. SIMS. They will do it.

Mr. RAKER. The gentleman's fears will not be——

Mr. MADDEN. I realize the gentleman has no other motive than to talk to this, but I have not heard him talking to it yet.

Mr. RAKER. The gentleman has not been in the room listening.

Mr. MADDEN. I have been right here listening.

Mr. RAKER. I am afraid my voice is so low the gentleman did not hear me.

Mr. MADDEN. The gentleman will take up his five minutes talking about the five minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that at the expiration of five minutes, three to be consumed by the gentleman from California and two by the gentleman from Washington, that all debate on this section and all amendments thereto shall terminate. Is there objection?

Mr. MADDEN. Mr. Chairman, I offer the amendment to be added that debate shall be confined to the amendment.

Mr. RAKER. Mr. Chairman, a point of order.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. RAKER. Mr. Chairman, a point of order. These five minutes are extended under the rule——

The CHAIRMAN. Five minutes has been agreed upon, three to be consumed by the gentleman from California and two by the gentleman from Washington.

Mr. RAKER. If I gather the full purport of the question of the gentleman from Colorado [Mr. TAYLOR], my view is the same as that of that gentleman on that question, but sometimes we can not get the amendments through we would desire. I am talking to this amendment.

Mr. MADDEN. Yes.

Mr. RAKER. I am talking of what it means. I can see a man filing an application in my district covering a million acres under this law whereby every improvement on that land in the way of future homesteading, future desert-land entries, future mining entries, would be absolutely blocked until the land was released by the commission or by Congress. I can see myself working here for the next 40 years in getting homestead and desert-land claims and mining claims released from this kind of application for the good, honest citizens of this country who want to go there and live and develop it as they ought to. I want to call it to the attention of the House now, so when this gets in conference we will have this amendment as it ought to be.

Mr. MADDEN. I congratulate the gentleman in his assurance that he is going to be here for the next 40 years.

Mr. RAKER. I have not the assurance of anything. The only assurance I have in this matter is that you should do your duty fearlessly and well, and when you have done that you will get recognition.

Mr. JOHNSON of Washington. Mr. Chairman and gentlemen, attention has been called to this paragraph and to the fact that under it we will still further tie up much of the available public land, and therefore I have offered the motion to strike out the paragraph. I think nothing can be lost to the bill by striking this whole paragraph out. All the public lands are now so fettered with reservations withholding them from entry that there is very little of any value left that can be taken without more effort than it is worth.

The gentleman from California [Mr. RAKER] is quite right. We have tied up too much. The suggestion made by the gentleman from Colorado [Mr. TAYLOR] that the proposed withdrawal might be with the approval of the Secretary of the Interior, whose department, he says, takes care of the public lands, will not help, because a great part of the public land—all the forest reserves—is in the control of the Secretary of Agriculture. To strike out the whole paragraph would leave public lands to be held and handled as they are now handled and to be released as they are released now by the Secretary of the Interior or the Secretary of Agriculture, as occasion requires.

Mr. RAKER. I hope the gentleman's motion will not carry, but that we will have this thing gone over in conference.

Mr. MADDEN. The gentleman from California did not mean what he said when he asked to have this release. He was simply talking for the RECORD.

The CHAIRMAN. The Clerk will report the amendment of the gentleman from Washington [Mr. JOHNSON].

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: "Strike out all of section 24."

Mr. TAYLOR of Colorado. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. TAYLOR of Colorado. Would it be in order to amend that amendment by confining it to the first six lines, beginning with line 9 and ending with the word "Congress" in line 14?

Mr. JOHNSON of Washington. I would be glad to withdraw my amendment and let that amendment be offered.

Mr. SIMS. Modify your own amendment, so that there will be no more debate.

Mr. TAYLOR of Colorado. I ask to modify the amendment by striking out the first six lines, as indicated.

The CHAIRMAN. The gentleman asks unanimous consent to modify his amendment as indicated. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

The Clerk will report the modified amendment.

Modified amendment: Page 50, beginning with the word "that," in line 9, strike out all down to and including the word "Congress," in line 14.

Mr. MADDEN. How will it read, then?

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. I think the gentleman from Colorado [Mr. TAYLOR] meant down to and including the word "located" in line 18.

Mr. TAYLOR of Colorado. I guess that would make the grammatical construction better. I would ask that the amendment extend down to the word "located" in line 18.

The CHAIRMAN. The gentleman from Colorado asks unanimous consent to further modify the amendment. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the modified amendment as modified.

The Clerk read as follows:

Modified amendment: Page 50, line 9, after the word "that," strike out all down to and including the word "located," in line 18.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Washington [Mr. JOHNSON].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 25. That any licensee, or any persons, who shall willfully fail or who shall refuse to comply with any of the provisions of this act, or with any of the conditions made a part of any license issued hereunder, or with any subpœna of the commission, or with any regulation or lawful order of the commission, or of the Secretary of War, issued or made in accordance with the provisions of this act, shall be deemed guilty of a misdemeanor, and on conviction thereof shall, in the discretion of the court, be punished by a fine of not exceeding $1,000, in addition to other penalties herein prescribed or provided by law; and every month any such licensee, or any such person, shall remain in default after written notice from the commission, or from the Secretary of War, shall be deemed a new and separate offense punishable as aforesaid.

Mr. ESCH. Mr. Chairman, I offer an amendment on page 52, line 2, after the word "War," insert "or of the Secretary of Commerce as to fishways."

The CHAIRMAN. The gentleman from Wisconsin [Mr. ESCH] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ESCH: Page 52, line 2, after the word "War," insert "or of the Secretary of Commerce as to fishways."

Mr. SIMS. There is no objection to the amendment that I know of.

Mr. RAKER. I do not see why you want to modify this bill and legislate in favor of the Secretary of Commerce and take it away from the commission, and legislate in favor of the Secretary of War and take it away from the commission. I can not understand the provision.

Mr. ESCH. On page 45, in section 18, we already provide—

Such rules and regulations may include the maintenance and operation by such licensee at its own expense of such lights and signals as may be directed by the Secretary of War, and such fishways as may be prescribed by the Secretary of Commerce.

In the pending section we provide the penalty for failure to obey the rules and regulations specified in the license or made by the commission or made by the Secretary of War, but we omitted to put in the Secretary of Commerce, so that you can have some compelling force if the licensee did not put in fishways upon order of the Secretary of Commerce. If you do not put that in, you can build these great structures, especially in the West, where fishing is a large industry, and refuse to put them in, and to the injury of the fishing industry.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. ESCH].

The question was taken, and the amendment was agreed to.

Mr. RAKER. Mr. Chairman, I offer the following amendment:

Line 7, page 52, strike out the word "month" and insert "week."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 52, line 7, strike out the word "month" and insert the word "week."

Mr. RAKER. The only difference between the gentleman from Wisconsin [Mr. ESCH] and myself in regard to the fishways was that the commission could handle it; but now, with the very thing he has inserted here, a man may violate the law for a month and destroy all the fish in a stream. I think, if it is a made a week, he can not do it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. RAKER].

The question was taken, and the amendment was rejected.

Mr. ESCH. Mr. Chairman, I think we should also insert, in line 10, page 52, after the word "War," the words "or from the Secretary of Commerce."

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 52, line 10, after the word "War," insert the words "or from the Secretary of Commerce."

Mr. SIMS. There is no objection to that.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Wisconsin [Mr. ESCH].

Mr. WALSH. Mr. Chairman, I would like to ask the gentleman from Wisconsin what authority the Secretary of Commerce has under the provisions of this act?

Mr. ESCH. As to what?

Mr. WALSH. You are inserting here a written notice from the Secretary of War and the Secretary of Commerce. Now, what authority has the Secretary of Commerce under this act which would make it necessary for him to give a written notice?

Mr. ESCH. I offered an amendment before to line 2, page 52, which the House has already inserted. Having already inserted it there, it is necessary also to insert it in line 10.

The Bureau of Fisheries is under the jurisdiction of the Department of Commerce, and in section 18 we give the Secretary of Commerce the right to prescribe fishways in these dams. But we do not prescribe any penalty if they are not put in on the order of the Secretary of Commerce. Hence we thought it best to insert it in section 25, so as to give him the necessary power.

Mr. WALSH. Will the gentleman also state whether, in addition to giving these three Cabinet officers control of the water powers in navigable streams of the country, we have imposed on the Secretary of Commerce authority to say where fishways shall be placed in navigable streams, irrespective of what the State commission may think about it?

Mr. ESCH. I think that a Federal agency should be given this power, so that it could be exercised at the same time that the dam itself is constructed and not keep its construction dependent upon the uncertain authority exercised by a State, some of the States not having any authority under existing law for the creation of fishways.

Mr. WALSH. But the States have the authority to prescribe fishing regulations within all waters within their own boundaries, provided that the regulations they prescribe shall not interfere with the right of navigation. Now, you come in and say, no matter what the State fish commission may decide with regard to regulations, the Secretary of Commerce may come in and supersede him.

Mr. KNUTSON. Mr. Chairman, will the gentleman from Wisconsin yield?

Mr. ESCH. If I have the floor, I will.

Mr. WALSH. I have the floor, I believe.

Mr. KNUTSON. I would like to ask the gentleman a question, if I may.

Mr. WALSH. I want first to ask the gentleman from Wisconsin if my interpretation of section 18 is correct, that notwithstanding what the State fish commission may prescribe in the nature of regulations, the Secretary of Commerce may come in and supersede those regulations, even if they do not interfere with the right of navigation or with the construction of a dam or other structure to promote the development of water power?

Mr. SIMS. Mr. Chairman, I want to ask unanimous consent to close debate.

Mr. WALSH. Well, I have asked the gentleman from Wisconsin a question. I trust the gentleman from Tennessee will not interfere.

Mr. SIMS. I do not want to interfere now. I just want to know how much time he will devote to this amendment. How much time does the gentleman desire?

Mr. WALSH. I was asking the gentleman from Wisconsin a question, and I trust the distinguished chairman will not interrupt the question which I have asked and the pending reply of the gentleman's colleague on the committee.

Mr. SIMS. Let me explain. I am trying to find out how much time was desired on this amendment.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. MADDEN. I ask unanimous consent that the gentleman's time be extended five minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes more.

Mr. SIMS. Mr. Chairman, I ask unanimous consent that this debate close in five minutes.

Mr. BANKHEAD. Reserving the right to object, Mr. Chairman, I want to ask the gentleman a question.

Mr. SIMS. Then I ask that all debate on this amendment close in 10 minutes.

Mr. GRAHAM of Illinois. Reserving the right to object, Mr. Chairman, I would like to have three minutes on this.

Mr. MADDEN. Make it 15 minutes.

Mr. SIMS. I make it 12 minutes, and the gentleman from Illinois shall have 3. I know he will make good use of it.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that all debate on this amendment close in 12 minutes. Is there objection?

There was no objection.

Mr. WALSH. Now, Mr. Chairman, I would like to repeat the interrogatory for the gentleman from Wisconsin to answer, if he will, whether or not under the provisions of section 18 and section 25, as already amended, the Secretary of Commerce is given authority, in addition to the powers imposed on the other three Cabinet officers who constitute this commission, to prescribe regulation with reference to fishways in navigable streams in States which will supersede the regulations prescribed by the State fish commissions or by the State authorities, even though the regulations prescribed by the State authorities in no way interfere with the construction or location of dams or other structures for the production of water power?

Mr. ESCH. Mr. Chairman, I think it has been decided by the Supreme Court of the United States that Congress has no jurisdiction over fishing rights and so on in the inland navigable waters of the United States, and that that is a subject matter for the State legislatures to supervise. But the purpose of the amendment and of the bill is to give to the Secretary of Commerce at the time that the dam is constructed on these navigable waters the right to say that the licensee should put in a fishway.

Now, if we gave that power to the Secretary of Commerce—and there is no other Federal official to whom it could be given—to be exercised at the time the dam is constructed, when it could be installed more cheaply than it could be at any time thereafter, we would avoid the delay that would necessarily result if we left it for the State officials to authorize, and in many cases it would not be authorized by the State officials, and in some States they have no laws covering the subject matter. I do not think that if the Secretary of Commerce exercised his power he would do it in contravention of or without some conference with the State authorities, and I think all could be amicably arranged. I do not anticipate any of the dangers or difficulties such as the gentleman from Massachusetts seems to suggest by his interrogatory.

Mr. WALSH. We may not always have an amiable and efficient Secretary of Commerce. Suppose we had one that gets into conflicts with the State authorities over this fishway business? Which regulation is going to predominate? The Federal one prescribed by the Secretary of Commerce or the one prescribed by the tSate authority?

Mr. ESCH. I feel that where the Government gives to a licensee the right to construct a dam over a navigable water, it can affix such conditions as to it seems best, and among those conditions would be one to give the Secretary of Commerce the right to say that a fishway should be put in a dam at the time of construction. So on that theory I believe we could justify the provisions of the bill, the putting in of the fishway being one of the conditions which the Government exacts for the issuance of the grant.

Mr. WALSH. Yes; and yet the putting in of the fishway has got no more to do with the construction of the dam or the efficient operation of it or the increase of water power than giving them permission to erect the statue of Hendrik Hudson in the middle of the stream; and it seems to me that where

you insert an extraneous matter like this and impose additional authority on the Secretary of Commerce you are going to meet with grave conflicts of authority and jurisdiction when this power imposed upon the Secretary of Commerce comes to be exercised.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAHAM of Illinois. Mr. Chairman, I think anyone who is conversant with the situation will agree with the gentleman from Wisconsin that this amendment is very proper and necessary. When the Keokuk dam was built across the Mississippi River there was no such safety provision as this in the act. The consequence was that when the great structure was completed there was no fishway in it, and there is to-day no fishway through that dam. Fish can not pass back and forth, up and down the Mississippi River. The upper Mississippi River formerly contributed thousands of tons of edible fish to the country. To-day those fish are rapidly disappearing from the upper Mississippi River. The larger fish, such as carp and buffalo and the larger catfish, migrate up and down the river. In the spring of the year people come to the Keokuk dam, and below it they take out tons of fish, where they have come up to the foot of the dam trying to go up the great river. Now, that important food should be conserved, and if this action is not taken the State authorities can not act. They have not sufficient authority, so it is necessary that some central Federal authority be given the right to make regulations relative to this necessary matter.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. ESCH].

The amendment was agreed to.

Mr. HUMPHREYS. Mr. Chairman, I want to ask a question as to why it was thought necessary in line 25, page 51, to insert the words "or with any subpœna"? We have already provided on page 31 that the commission or any member of the commission has a right to issue subpœnas, either an ordinary subpœna or a subpœna duces tecum; and this is added:

And in case of disobedience to a subpœna the commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence.

I was wondering why, in addition to that, it is here provided that if they fail to respond to the subpœna they shall be guilty of a misdemeanor and punished by a fine of $1,000, and so forth.

Mr. SIMS. I do not recall now just what was said about that in the committee.

Mr. HUMPHREYS. It strikes me that it is a very unusual thing to subject the licensee to this additional penalty if he fails to respond to a subpœna. I was wondering what is the reason for that.

Mr. SIMS. Do you mean the amount of the penalty, or any penalty?

Mr. HUMPHREYS. He is subpœnaed, and if he fails to respond, you have a right to subject him to any penalty that the court may think proper as for a contempt; and in addition to that, you have this provision here for a fine of a thousand dollars.

Mr. SIMS. Mr. Chairman, I do not recall just everything that was said about it when we were dealing with it. This was in both the original and the amended bill. We must remember that very large corporations may be licensees, and I think $1,000 is not an excessive amount. I can not furnish the gentleman any information other than what has already been disclosed. It was thought by the drafters of the bill originally that this penalty should be put in there on account of the very great influence that some of these licensees might have and how little they would care, perhaps, for a smaller penalty.

Mr. HUMPHREYS. It occurs to me that the chairman of the committee has certainly guessed the wrong reason.

Mr. SIMS. I may have, as I did not draw the bill and did not put that in it; but unless the gentleman from Mississippi is going to offer an amendment, I wish he would let us proceed and get through.

Mr. HUMPHREYS. I do not intend to offer any amendment. It is not because the corporation is great that they want to provide the penalty, because under the provisions that we have already enacted the licensee is subject to whatever punishment the court may see fit to put on him. That would fit the big corporation. But now you say that the punishment shall be by fine not exceeding $1,000. It is a very curious provision. I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word.

Mr. SIMS. The last word of the present section?

Mr. MONDELL. Yes. I do that for the purpose of discussing, if I may, section 24 very briefly. I want to call attention to the last paragraph of that section, which provides—

That locations, entries, selections, or filings heretofore made for lands reserved as water-power sites or in connection with water-power development or electrical transmission may proceed to approval or patent under and subject to the limitations and conditions in this section contained.

That is an entirely proper provision so far as it goes. The difficulty is, I fear, that the commission or the Secretary of the Interior may assume that it forecloses the right and authority of the Secretary to clear list any lands now reserved and covered with filings, so that a patent without reservation may be made. There is no doubt but what the Secretary now has authority to make these examinations and to recommend to the President the clear listing of any of these lands which he finds have been erroneously or unnecessarily reserved. But at this time the Land Office are taking no action in these matters, they say, pending the passage of the act.

If the act passes in this form, I trust that the Secretary will feel that he is foreclosed so far as the land actually covered with these filings are concerned and that under the law he can only do one thing, and that is to issue them a limited patent, and a very limited patent it is under this act.

I shall not ask to return to the section for the purpose of offering an amendment now, but suggest an amendment in case, as the consideration of the bill progresses, it may develop that the Interior Department officials have any doubt of their authority to clear list lands after the bill becomes a law. The amendment might provide that the commission shall, as soon as practicable after the passage of the act, cause an examination to be made of lands that have been heretofore withdrawn for power sites and recommend to the Secretary of the Interior the restoration of such lands as in their opinion are not necessary for power-site purposes.

I think everyone familiar with the situation in the Western States knows that the power-site withdrawals were hurriedly made and that considerable areas were included that were not needed and never will be needed for power-site purposes. Some have been covered with filings; such lands should be clear listed, because the provisions of this act should no longer apply to land not actually needed for power-site purposes.

It is altogether possible that the department will hold in any event, without regard to the proviso, they have full authority to recommend the clear listing and withdrawal from classification of lands not needed for these purposes. If so, well and good. If there should be any doubt in regard to that when the bill is in conference, then some slight modification should be made to make it clear that the lands that have been withdrawn which are found after examination not needed for power development may be restored, the withdrawal revoked, so the entryman may proceed to secure his patent in fee without limitation.

The Clerk read as follows:

SEC. 28. That the right to alter, amend, or repeal this act is hereby expressly reserved; but no such alteration, amendment, or repeal shall affect any license theretofore issued under the provisions of this act, or the rights of any licensee thereunder.

Mr. RAKER. Mr. Chairman, I move to strike out of section 28 all of line 25, page 53, after the word "reserved," and all of lines 1, 2, and 3, on page 54.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Beginning on page 53, line 25, after the word "reserve," strike out the following language: "but no such alteration, amendment, or repeal shall affect any license theretofore issued under the provisions of this act, or the rights of any licensee thereunder."

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 29. That all acts or parts of acts inconsistent with this act are hereby repealed: *Provided*, That nothing herein contained shall be held or construed to modify or repeal any of the provisions of the act of Congress approved December 19, 1913, granting certain rights of way to the city and county of San Francisco.

Mr. HARRISON of Mississippi. Mr. Chairman, I offer the following amendment.

Mr. WATSON of Pennsylvania. Mr. Chairman, I ask unanimous consent to go back to section 26 for the purpose of offering an amendment.

Mr. HARRISON of Mississippi. Mr. Chairman, I do not want to lose my right to offer an amendment.

Mr. SIMS. I shall object to returning to the section.

Mr. WATSON of Pennsylvania. We ought to go back and adopt an amendment, so that it will be in harmony with the amendment that was offered to section 25.

Mr. SIMS. I shall object to returning to the section.

Mr. HARRISON of Mississippi. I offer my amendment.

The Clerk read as follows:

Page 54, line 9, after the word "San Francisco," insert:

"*Provided further*, That the provisions of this act shall not apply to the waters of the Niagara River, Niagara Falls, or to any other boundary waters which are the subject of treaty between the United States and a foreign country."

Mr. DEMPSEY. Mr. Chairman, I raise the point of order that this amendment was offered heretofore, fully discussed, and that an adverse vote was had upon it, and I call attention to page 9768 of the RECORD.

Mr. HARRISON of Mississippi. Mr. Chairman, it was my impression the other day, when I came into the House and the matter was being discussed, that the gentleman from Tennessee asked that it be passed over and be considered after the bill had been read. The amendment of the gentleman from Mississippi [Mr. HUMPHREYS] was pending, and it was suggested that any other amendment might be offered at that time.

Mr. DEMPSEY. I agree with the gentleman from Mississippi that the gentleman from Tennessee did make such an agreement, but I say that that is in conflict with the fact that the matter had been debated and voted upon. This amendment was offered heretofore and voted upon.

The CHAIRMAN. Will the gentleman read that amendment and give the citation in the RECORD?

Mr. DEMPSEY. It is on page 9768, at the top of second column. The amendment was to insert "except boundary streams." And this amendment of the gentleman from Mississippi is simply an enumeration of certain boundary streams which are excluded by the term "boundary streams" in general. It is the same amendment in effect. It would not change the effect of this amendment at all if you struck out the words that precede "boundary streams." The effect would remain exactly the same.

Mr. HARRISON of Mississippi. Mr. Chairman, the amendment the gentleman calls attention to applied only to a certain section of the bill and was very limited in its scope. This amendment I offer applies to every provision and section of the bill.

Mr. DEMPSEY. The amendment, if adopted, offered at the point where it was, would have excluded boundary streams from the effect of this act and every part of it.

The CHAIRMAN. The Chair is ready to rule.

Mr. ANDERSON. Mr. Chairman, I desire to make a further point of order, that the amendment offered by the gentleman from Mississippi is not germane to this paragraph. Is it offered as a new section?

Mr. HARRISON of Mississippi. It is offered as a proviso to that particular section.

Mr. ANDERSON. The section to which this is offered as a proviso makes a specific exception. The gentleman from Mississippi seeks to add to that another specific exception. The rule is well settled, I think, that where a bill or section deals with a specific matter, it is not in order to attach to that section another specific proposition of the same nature. For instance, where you have a bill authorizing the construction of a post-office building at a certain place, it is not in order to offer an amendment authorizing the construction of the building in some other place. What the gentleman seeks to do here is to attach one specific exception to another specific exception to the bill.

The CHAIRMAN. Does the gentleman from Mississippi desire to be heard upon the point of order?

Mr. HARRISON of Mississippi. Mr. Chairman, I submit this amendment that I offer is by way of a limitation upon the whole bill and this is the proper part of the bill to place it.

Mr. DEMPSEY. May I ask the gentleman from Mississippi a question?

Mr. HARRISON of Mississippi. Yes.

Mr. DEMPSEY. As I understand the gentleman's argument, it is that we can vote a second time upon this because the amendment as offered in the first instance applied only to certain specified provisions in the bill and not to the whole of it.

Mr. HARRISON of Mississippi. If the gentleman wants my opinion, I do not think there is a thing in his contention. I did think there might be something in the contention of the gentleman from Minnesota [Mr. ANDERSON]. The amendment that was voted on to which the gentleman calls the attention of the House is quite different from the one that I offered here.

Mr. DEMPSEY. I do not think it is at all.

Mr. HARRISON of Mississippi. That amendment pertained to a certain section of the bill. This pertains to every provision in the bill and is broader in its scope than the amendment offered by the gentleman from Mississippi [Mr. HUMPHREYS].

The CHAIRMAN. The Chair is ready to rule.

Mr. MILLER of Minnesota. Mr. Chairman——

The CHAIRMAN. Does the gentleman desire to be heard?

Mr. MILLER of Minnesota. I do not care to be heard unless the Chair thinks the point of order is well taken. If the Chair thinks the point of order is well taken, I would like to be heard for a moment.

The CHAIRMAN. The Chair does not care to say; but if the gentleman desires to be heard, he will hear him briefly.

Mr. MILLER of Minnesota. Mr. Chairman, I submit that the point of order should be overruled from both standpoints. First, it is not the same amendment that was offered before and voted upon. That distinctly referred exclusively to boundary streams. This specifies, it is true, Niagara Falls, but it limits boundary streams to those that are the subject of treaties with a foreign power, and that differentiates it clearly and distinctly. There can be no question about that.

As to the point of order raised by the gentleman from Minnesota [Mr. ANDERSON], if it is germane anywhere, its proper place is exactly where it is offered. It relates to the bill and all the paragraphs of the bill. This is a bill dealing with water power, prescribing the conditions under which water powers can be developed throughout the country. There are many sections which contain a part of the general plan. Here is a limitation upon the general plan and upon the details of that plan contained in the various sections. It should, therefore, with propriety be offered at the end, where it has been offered.

The CHAIRMAN. The Chair is ready to rule. The Chair thinks that the amendment offered by the gentleman from Mississippi is materially different from the one voted on a day or two ago, and therefore overrules the point of order.

As to the location of the proviso, the Chair thinks it may be offered either as a proviso or as a separate section of the bill. The Chair therefore overrules the point of order made by the gentleman from Minnesota.

Mr. HARRISON of Mississippi. Mr. Chairman, I have offered this amendment in order to clear up a situation that might exist here. Some think that the provisions of this bill, which was drafted and is proposed to be passed for the purpose of developing water power upon the public lands of the country and in the navigable streams of the United States, might affect the development of water power at Niagara Falls. It is in order to clear up that idea that we propose this amendment. Clearly the committee had no thought of embracing the Niagara Falls development in the general provisions of this bill. It was never suggested to the House, it was never suggested to the committee that reported the rule to create this committee, that they should ever give consideration to the development of water power at Niagara Falls or deal with that question at all. On the contrary, the letter that the President wrote to Congress, to the chairman of the Committee on Rules, was to ask us to get together and form a new committee that might legislate touching the building of dams and the development of water power in the public domain and on the navigable streams of the United States.

And in passing the rule creating the committee this provision was inserted in the rule that took away from this special committee the jurisdiction over any boundary stream. I want to read it to the committee:

Resolved, That the Speaker of the House be, and he is hereby, authorized and directed to appoint a special committee of 18 Members, to whom all bills and resolutions hereafter introduced during the Sixty-fifth Congress pertaining to the development and utilization of water power shall be referred, except, however, bills and resolutions of which the Committee on Foreign Affairs has jurisdiction under the general rules of the House.

Now, that was incorporated in there, and the gentleman from Kansas recalls quite distinctly why it was put in there. I called the attention of the Committee on Rules to the fact that the Committee on Foreign Affairs had jurisdiction of this Niagara Falls proposition; it was complicated; that they had given much attention and tedious consideration to that question; and that they were about ready to report a bill, and the special committee ought not to obtain jurisdiction of this question. All agreed to that. The select Committee on Water Power so understood the matter, and it really did not come to the attention of that committee until the other day, and then they did not know for sure whether or not it embraced Niagara Falls. It is really to remove all ambiguity or any doubt about the question that I have offered this amendment. Now, some one may say, What is the difference in the provisions of this bill and those that pertain to Niagara Falls? There are many. In the development of hydroelectric power at Niagara Falls whatever rights we have are under a treaty with Canada. That gave us the right to develop 20,000 cubic feet per second. Canada has the right to divert 36,000 cubic feet per second. The question of the scenic beauty of the Falls, the question of affecting established

power companies that have been in operation for a long time are there, and which, I might say, have robbed the people for a number of years in extortionate and unreasonable charges.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. HARRISON of Mississippi. Yes.

Mr. MADDEN. Is there any possibility of the Committee on Foreign Affairs reporting a bill that will have in contemplation the development of additional water power at Niagara Falls so it can be utilized in the conduct of the war?

Mr. HARRISON of Mississippi. I will say to the gentleman that the Committee on Foreign Affairs has passed through this House on two separate occasions general legislation touching water-power development at Niagara. We passed a bill last Congress. We are ready now to report a bill which I think will meet all these questions and solve them justly and fairly in the public interest. The committee has given very careful consideration to this question, because we realize the situation up there, and every other Member of this House must, that legislation ought to be passed, and passed speedily, that will provide additional power and at the same time protect the rights of the public.

Mr. MADDEN. The question I asked the gentleman from Mississippi is whether the legislation they propose to report will authorize additional development of water power?

Mr. HARRISON of Mississippi. Absolutely, under our treaty. We can not authorize over 20,000 cubic feet per second, but that we propose to do and to go to the limit; so I submit, with these treaty rights involved, with the scenic beauty involved, with the established power companies, that ought to be compelled to remodel the plants so that the highest efficiency might be reached and we might get some benefits from the diversion of the water there, ought to be considered in this matter. These questions have not been considered by the committee having this matter in charge, and if we should pass this bill under the circumstances and let the provisions of this bill apply to Niagara Falls it does seem to me it would be very unwise. Does the gentleman from New York desire to ask a question?

Mr. DEMPSEY. I simply want to ask the gentleman this: How many hearings have there been since the Secretary of War sent this bill to the committee in May?

Mr. HARRISON of Mississippi. I have been on this committee eight years——

Mr. DEMPSEY. Since May.

Mr. HARRISON of Mississippi. I do not know of other hearings, but the gentleman's clients up there were all heard. We have given ample time to everybody——

Mr. DEMPSEY. I have not any clients; I am not representing a power company.

Mr. HARRISON of Mississippi. I take that statement back. I meant the gentleman's constituents. Of course, I did not mean that at all. Everybody has been invited and we have given them all the time that was desired.

Mr. SIMS. Mr. Chairman, I desire to see if we can get an agreement in regard to debate on this amendment. I am not going to make a motion, but I want to get an agreement as to the length of debate on this amendment.

Mr. DEMPSEY. I think I ought to have 20 minutes.

Mr. SIMS. How much time will the members of the Committee on Foreign Affairs desire to use in support of your amendment?

Mr. HARRISON of Mississippi. I did not think there was any opposition to it. If there is opposition, of course, we want to be heard.

Mr. SIMS. The gentleman from New York has asked for 20 minutes.

Mr. DEMPSEY. I do not know who else——

Mr. COOPER of Wisconsin. I desire to have five minutes.

Mr. SIMS. The gentleman from Wisconsin is on the Foreign Affairs Committee?

Mr. COOPER of Wisconsin. Yes.

Mr. SIMS. I understand the gentleman from Pennsylvania [Mr. TEMPLE] and the gentleman from Minnesota [Mr. MILLER] want to be heard.

Mr. HUMPHREYS. I want five minutes.

Mr. SIMS. Mr. Chairman, I will see if this will accommodate the gentleman and all of them. I ask that debate on this amendment of the gentleman from Mississippi and all amendments thereto close in one hour, one-half of the time to be controlled by the gentleman from Mississippi [Mr. HARRISON] in support of the amendment and whoever the gentlemen on the other side may select——

Mr. ESCH. Mr. DEMPSEY.

Mr. SIMS. And one-half the time be controlled by the gentleman from New York [Mr. DEMPSEY].

The CHAIRMAN. Is there objection?

Mr. RAKER. Out of that I would like to have five minutes, because this amendment as it is worded includes the Colorado River and affects all our irrigation there.

Mr. SIMS. Let us not discuss the merits; I am trying to get an agreement.

Mr. RAKER. If the gentleman will allow me to have five minutes of that time.

Mr. SIMS. Which side is the gentleman on?

Mr. RAKER. I am against the amendment.

Mr. SIMS. Mr. Chairman, I ask unanimous consent——

Mr. RAKER. Will the gentleman from New York yield me five minutes?

Mr. DEMPSEY. Yes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that on this amendment and any amendment thereto that all debate be closed in one hour, one-half the time to be controlled by the gentleman from Mississippi [Mr. HARRISON] and the other half by the gentleman from New York [Mr. DEMPSEY]. Is there objection?

Mr. KETTNER. Mr. Chairman, reserving the right to object, if this includes the Colorado River I want 10 minutes.

The CHAIRMAN. Is there objection?

Mr. KETTNER. Can I have any time on this?

Mr. SIMS. Is the gentleman opposed to the amendment?

Mr. KETTNER. I am.

Mr. SIMS. Then the gentleman should consult the gentleman over there.

Mr. DEMPSEY. I can not give you over five minutes.

Mr. HARRISON of Mississippi. We can agree on that.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. DEMPSEY. Mr. Chairman——

Mr. HARRISON of Mississippi. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. COOPER].

Mr. WINGO. Mr. Chairman, I object to the unanimous-consent agreement, unless we can have further time.

The CHAIRMAN. The gentleman from Arkansas [Mr. WINGO] objects to the request made for unanimous consent.

Mr. CHARLES B. SMITH. The chairman stated that the time had been allotted.

Mr. WINGO. The Chair asked if there was objection, and I rose and objected.

The CHAIRMAN. The gentleman from Arkansas claims that he was asking recognition when the Chair made his statement.

Mr. WINGO. There was much confusion here, with half a dozen gentlemen talking about different things.

Mr. SIMS. Mr. Chairman, I ask that the request be again submitted.

Mr. CHARLES B. SMITH. Can not the gentleman revise his request so as to accommodate the gentleman from Arkansas [Mr. WINGO]?

Mr. WINGO. There were at least 40 or 45 minutes asked for against the amendment, and the gentleman from New York [Mr. DEMPSEY] was allowed only 30 minutes, which will necessitate an extension of time. I think it will expedite matters to find out how many want time now and cover all of it.

Mr. SIMS. I asked for an hour. Those who want time in favor of it could get it from the gentleman from Mississippi [Mr. HARRISON], and those against it could get it from the gentleman from New York [Mr. DEMPSEY].

Mr. WINGO. The gentleman's request covered in all 30 minutes for the gentleman from New York [Mr. DEMPSEY] when there were gentlemen asking for 45 minutes against it.

Mr. SIMS. If the gentleman from New York was satisfied why is not the gentleman from Arkansas satisfied?

Mr. WINGO. The gentleman does not control my emotions.

Mr. DEMPSEY. I want to yield the gentleman from Arkansas some time.

Mr. SIMS. Then yield it.

Mr. WALSH. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The regular order is, Is there objection to the unanimous-consent request preferred by the gentleman from Tennessee [Mr. SIMS]?

Mr. WINGO. I object, unless a reasonable time is allowed.

Mr. SIMS. Mr. Chairman, I move that all debate on this amendment and amendments thereto close in one hour.

Mr. WINGO. Mr. Chairman, if the chairman of the committee, who has wasted so much time, insists on that, I will make the point of no quorum.

The CHAIRMAN. The question is not debatable.

Mr. WINGO. I am glad there is something not debatable that the gentleman has in charge.

The CHAIRMAN. Does the gentleman insist on his point of order?

Mr. WINGO. I certainly insist on it.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and ten Members are present, a quorum. The question is on the motion of the gentleman from Tennessee [Mr. SIMS] that all debate on the pending amendment and amendments thereto close in one hour.

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. WINGO. I ask for a division.

The committee divided; and there were—ayes 86, noes 7.

Mr. WINGO. Mr. Chairman, I make the point of no quorum.

Mr. GILLETT. I make the point of order that that is not in order.

The CHAIRMAN. The Chair is of the opinion that as the Chair counted a quorum but a minute ago, the motion is dilatory.

So the motion was agreed to.

Mr. SIMS. Mr. Chairman, I want to submit a unanimous-consent request that one-half of this time be controlled by the gentleman from Mississippi [Mr. HARRISON] and one-half by the gentleman from New York [Mr. DEMPSEY].

Mr. WINGO. I object, after the gentleman has consumed as much time as he and his colleagues have, to his shutting out anybody that wants to be heard. I shall object to any unanimous consents for the rest of the day.

The CHAIRMAN. Objection is made by the gentleman from Arkansas [Mr. WINGO]. The gentleman from Wisconsin [Mr. COOPER] is recognized.

Mr. COOPER of Wisconsin. Mr. Chairman, I desire to direct attention to some facts disclosed in the RECORD. On the 29th of June last, the chairman of the Committee on Foreign Affairs, the gentleman from Virginia [Mr. FLOOD], secured unanimous consent for the immediate consideration of Senate resolution 158, to extend the provisions of the Burton Act to July 1, 1919. That resolution provided for the diversion of 20,000 cubic feet of water per second at Niagara Falls. During that debate the gentleman from Wisconsin [Mr. STAFFORD] moved the following amendment to the bill:

> Unless the Congress shall before that date enact legislation regulating and controlling the diversions of water from the Niagara River, or from boundary streams generally, in which event this resolution shall cease to be of any further force or effect.

I read from the RECORD:

> Mr. COOPER of Wisconsin. Mr. Speaker, I suggest to the gentleman that the words "or from boundary streams generally" ought to be omitted. I do not think we want the waters of the cataract of Niagara in any way taken away from the jurisdiction of the Committee on Foreign Affairs, acting in pursuance of a treaty with a foreign country.
>
> Mr. FLOOD. I will say to the gentleman that in the formation of the Water-Power Committee and the rule that provided for it there was taken from it jurisdiction—or there never was given to it jurisdiction—of the waters of the Niagara River and other boundary streams, so that the Niagara River and other boundary streams are left to the Committee on Foreign Affairs.

Thereupon my colleague [Mr. STAFFORD] amended his amendment, as I had suggested, by striking out the words "or other boundary streams," and so on. It thus appears that it was the understanding of the House on the 29th of June that jurisdiction over the diversion of the waters of the Niagara River was exclusively in the Committee on Foreign Affairs, as it ought to be, because of the fact that the amount of water which may be diverted there is fixed by a treaty between this country and Great Britain. The House took a recess only two weeks later. Members left this Chamber on that day, June 29, and went to their respective districts on the 15th of July supposing that the special committee which has in its charge the bill now before the House would not assume jurisdiction over the waters of the Niagara River. Nobody thought anything to the contrary. I went to Wisconsin and did not know until I received word from here that a provision to cover Niagara River had been incorporated in this bill.

This vastly important legislation is important enough without inserting in it something that never belonged rightfully to the committee which reported this bill. The pending measure is one of the most supremely important of all the bills relating to civil affairs which have been considered by Congress during the last half century, and yet we have only half a House here. Consideration of the bill was delayed until the hottest weather of the summer, when half of the House had gone home for the campaign, and then there was lugged into the bill something which, according to the distinct understanding on the 29th of June, should not be in it. And so we should adopt the amendment offered by the gentleman from Mississippi [Mr. HARRISON]—soon, by the way, to be a Senator from that State—and retain in the Committee on Foreign Affairs, where, under the rules of the House, it properly belongs, jurisdiction over the diversion of the water at Niagara Falls under the treaty with Great Britain.

Mr. RAKER. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WINGO. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Arkansas makes the point of no quorum. The Chair will count. [After counting.] Ninety-nine gentlemen of the committee are present, and, counting myself, makes 100—a quorum.

Mr. DEMPSEY. Mr. Chairman, I am not going to controvert——

Mr. FOSTER. Mr. Chairman, may I make a parliamentary inquiry, whether this time is controlled by anyone except the Chair?

The CHAIRMAN. It is not.

Mr. DEMPSEY. I understood I had 20 minutes of time.

The CHAIRMAN. Objection was made to the unanimous-consent request. The Chair will divide the time between those who favor and those who oppose it.

Mr. DEMPSEY. I ask unanimous consent that I be recognized for 10 minutes.

Mr. FOSTER. Does that mean that 10 minutes will be controlled by the other side also?

Mr. GILLETT. No.

Mr. MILLER of Minnesota. It would simply mean that two gentlemen would be recognized on the opposite side for Mr. DEMPSEY. I think that is fair. The gentleman is interested in this matter beyond any other Member.

The CHAIRMAN. The gentleman from New York [Mr. DEMPSEY] asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. DEMPSEY. Mr. Chairman, I am not going to controvert at all the point made by the gentleman from Wisconsin [Mr. COOPER]. I am willing to admit that there is a question of jurisdiction involved here, and I want to go further and to say that, under the rule as reported, the Foreign Affairs Committee has jurisdiction. I am going to say, though, that, with that conceded state of facts, this House ought to include Niagara in this bill, and I am going to say why.

Last spring the Secretary of War made a survey of the industries at Niagara Falls with reference to their use for war purposes, and he discovered that there was a shortage of 135,000 horsepower. He estimated that there would be a shortage for war purposes by the 1st day of January, 1919, of 200,000 horsepower. All of the industry and all of the power at Niagara Falls is used for war purposes. They make all the electrical products that go into war munitions. They make all the abrasives, for instance, that are used in aeroplanes. They make all the ferrosilicon, without which 70 per cent of the steel that we have could not be made at all.

The Secretary of War, finding that situation—finding that the power at Niagara Falls was absolutely essential for the conduct of the war—sent a special message to the Committee on Foreign Affairs urging that committee to pass a bill. He sent that in May last. Two such messages have been sent, and the Committee on Foreign Affairs has not acted. I do not believe that the Committee on Foreign Affairs has even concluded its hearings. I understand that they have not printed their last hearing, much less have they reached the point where they are ready to go into executive session and consider any bill. They are far from reaching the point where they are able to say to this House that they can ever agree upon a bill.

Mr. HARRISON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. HARRISON of Mississippi. Is it not true that the Committee on Foreign Affairs had hearings practically up to the recess of Congress, when everybody went home?

Mr. DEMPSEY. It is a fact that the Committee on Foreign Affairs had a few hearings, very sparsely attended. I do not think at any given time there were over 4 members out of the 21 present. I was present at all the hearings. The gentleman from Mississippi was present at parts of two hearings. I am not criticizing him. We are all glad that the gentleman had something else to do. We all love him and admire him, and we are glad that he is to be promoted. But I do say this, that the Committee on Foreign Affairs was unable to recognize the seriousness of the situation which confronted them. It was unable to attend the hearings in adequate numbers. It was unable to have enough hearings. It was unable to conclude its hearings. It was unable to reach any conclusion, and it has not yet reached the point where it is even ready to undertake to debate the question whether or not——

Mr. HARRISON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I do not yield yet. It has not yet reached the point where it has been able to debate and to ascertain whether or not it is ever likely to agree upon a bill.

Now, let us see what the situation is.

Mr. HARRISON of Mississippi. Mr. Chairman, will the gentleman yield for a moment?

Mr. DEMPSEY. Yes.

Mr. HARRISON of Mississippi. The gentleman says that I was not at the meetings.

Mr. DEMPSEY. No. I said you were at two meetings.

Mr. HARRISON of Mississippi. The gentleman realizes, however, that we have had this same question up and have considered it for six years.

Mr. DEMPSEY. For seven or eight years.

Mr. HARRISON of Mississippi. I went with the committee to Niagara Falls and Buffalo, and we personally looked into the matter there.

Mr. DEMPSEY. You did not have war then, and did not have a message from the Secretary of War saying that he needed these munitions for the use of the boys at the front, and not a man on the committee has awakened to the fact that you received that message. You have not responded to it. You are not at all alive to the situation. You think that it is the same as it was in the six or seven or eight years past, and you think it will do no harm to wait six or seven or eight years more in the future because you have waited six or seven or eight years in the past. That is the situation that confronts us. Now let us take the needs of the country into consideration.

The Secretary of War, realizing that there was this shortage of power, realizing the necessity of obtaining additional power, sent for the power companies there and asked them what could be done. He had an investigation made by the Chief of Engineers of the United States Army, and I call attention to the report of the Chief of Engineers. It was made in April and was presented to the Foreign Affairs Committee. In that report the Chief of Engineers said that if the work at Niagara Falls was undertaken at once it would result in there being produced 30,000 additional horsepower within 12 months, and 170,000 horsepower in consecutive periods of three months after that. The first additional horsepower would be produced in May, 1919, and units of 30,000 horsepower each three months thereafter. The War Office needs that 60,000 additional horsepower on which they have figured for next spring. They have actually made an order alloting it, and besides that they went to the power companies at Niagara Falls and said to them, "Gentlemen, we have not been able as yet to get legislation, but we believe that we will get legislation, and we want you to go ahead with increasing your power there, and spend your money and take the risk as patriotic citizens." The power companies responding have expended $800,000 of their money and are to-day proceeding as rapidly as they can; and according to the program laid down by the Secretary of War they will produce the power within the time named, and so aid in the carrying on of this war.

Mr. HASTINGS. How much additional money does the gentleman say has been expended?

Mr. DEMPSEY. They have expended $800,000, without any license, without anything except the request on the part of the Secretary of War that they expend it, and that they take the risk; and the power company which is doing that work has reached the end of its ability to expend. It is selling its bonds, but this is a difficult time to sell bonds in competition with liberty bonds. It finds it impossible to raise money, because it has no license, and this work must stop. So, realizing that situation and seeing that this bill was broad enough in its terms to include Niagara, I wrote the Secretary of War Sunday asking him whether Niagara should remain in the bill. He wrote back to me a letter, which you will find at page 10751 of the RECORD, in which he said that it would be so great a mistake that it would be almost a disaster for the work up there to stop, and that the work would cease unless we were able to pass a bill and unless it was included in this bill so that it could go into effect and become a law at once.

Mr. HUSTED. Will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. HUSTED. Can this additional power which the gentleman refers to be developed under the provisions of the bill as reported from the committee without in any way violating any of our treaty rights with Canada?

Mr. DEMPSEY. It can, and I answer the gentleman to that effect, and I would like the close attention of the House upon this question.

The treaty with Great Britain is an executed treaty. Under its terms Canada has the right to divert 36,000 cubic feet per second and the United States has the right to divert 20,000 cubic feet per second. Canada and Great Britain have not the slightest interest in any way in what we divert. That is purely and wholly a domestic, an internal question. So that there is not the slightest reason, as the Secretary of War points out, why we should not go on and treat this particular diversion exactly as we treat all other diversions. Niagara is not here asking special privileges. Niagara is here, having proved patriotic, having spent nearly $1,000,000 of its own money, asking the right to go on in the same way that other power companies and other power sites are permitted to go on, under the same restrictions and under the same conditions, subject to the same law, with no additional privileges of any kind whatever, and asking that right to go on in order that the boys at the front may be supplied with gas, because all our gas is made up there, and so that we may supply them with munitions of war of all kinds.

Mr. HUSTED. Will the gentleman yield for another question?

Mr. DEMPSEY. Yes.

Mr. HUSTED. Is there any shortage now in this country of these essential war materials which are exclusively produced by the power at Niagara Falls?

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEMPSEY. I ask unanimous consent to continue for two minutes, to answer the gentleman's question.

The CHAIRMAN. The gentleman from New York asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. DEMPSEY. I will answer that the Secretary of War in his letter says that there is a shortage of such supplies, and that there will be a shortage of such supplies unless we are able to pass a bill which will enable the power there to be made thoroughly efficient. Now, gentlemen, the question is simply this: I would be glad to see the Foreign Affairs Committee have jurisdiction of anything of which it properly has jurisdiction. I have respect for all the members of that committee; but the question is, Which is the more important? Is it more important to produce 170,000 additional horsepower—and really more than that, because we will continue the operation during the war of the old plant—or is it more important that the jurisdiction of this committee should be recognized?

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. TEMPLE], a member of the Foreign Affairs Committee.

Mr. TEMPLE. Mr. Chairman, I am rather surprised at some of the statements that have been made by the gentleman who has just preceded me, in view of the fact that the Committee on Foreign Affairs some time ago reported a resolution which passed the House and the Senate, and is now in effect, which permits the power companies at Niagara Falls to use all of the 20,000 cubic feet of water available under the treaty. Nothing is being held up.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. TEMPLE. Yes.

Mr. DEMPSEY. Does not the gentleman know enough of the situation to know that that does not go at all to the question of Niagara's efficiency, that it develops at the low efficiency which prevails now, and that the two questions are as far apart as the poles? Or do the gentlemen of the Foreign Affairs Committee indulge in a very erroneous impression?

Mr. TEMPLE. I will answer that question. The whole of the water available is in use, and is being used now by the companies that are in control. Long before a plant could be built farther down the stream that would get more fall, and consequently develop more power with the same water, the bill that is under contemplation, on which hearings have been had, will be reported out of the Committee on Foreign Affairs. The provisions of that bill will be, it seems to me, much more in harmony with the treaty that has been negotiated and is now in force than a general bill covering the whole country.

There is a good reason why the treaty which applies to the waters of Niagara River ought not to be applied to streams elsewhere in the United States. If this bill does conform in its provisions to all the requirements of the treaty, it is going to interfere with the development of streams not bound by that treaty. My own impression of the bill, from a somewhat careful reading, is that the treaty was not taken into consideration at all by the committee that reported the bill. The legislation concerning the development of Niagara should be prepared with a view to the treaty.

Mr. WINGO. Mr. Chairman, I make the point that there is no quorum present.

Mr. TEMPLE. The gentleman can not take me off my feet.

Mr. WINGO. I can make the point of no quorum at any time, and I insist on the point; there are only 57 Members in the Hall.

Mr. TEMPLE. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has two minutes more. The gentleman from Arkansas makes the point that no quorum is present. The Chair will count. [After counting.] One hundred and three Members present, a quorum, and the gentleman from Pennsylvania will proceed.

Mr. TEMPLE. Mr. Chairman, I had about concluded what I wanted to say. The waters of Niagara River are subject to treaty and the interior waters of the country are not. Legislation providing for the use of interior waters ought not to be bound by the restrictions of that treaty, and this bill does not take into consideration the restrictions of the treaty. But the waters of Niagara are bound, and we are bound in dealing with the waters by the treaty in force. I submit to the Members of this House that this is no time for us to make laws that if applied to the development of water power at Niagara might affect matters dealt with in our treaty. Treaty rights ought to be respected. [Applause.]

Mr. MILLER of Minnesota. Mr. Chairman, I wish to be recognized in favor of the amendment.

The CHAIRMAN. The gentleman from California was to be recognized next.

Mr. RAKER. Mr. Chairman, I understand that the gentleman from Mississippi is going to ask unanimous consent to present a modified amendment. Is that correct?

Mr. HARRISON of Mississippi. I expect to do so.

Mr. RAKER. With that understanding, Mr. Chairman, I do not care to use any time.

Mr. MILLER of Minnesota. Mr. Chairman, I appreciate the deep interest my good friend from New York, Mr. DEMPSEY, feels in this matter. However, I can not share with him the view he takes of the effect of this amendment. It has always been recognized by Congress that Niagara Falls constituted a water power that should receive separate and distinct treatment for certain technical reasons. Some things under that treaty we can do, and there are many things we can not do in respect to the Falls of Niagara and the waters of Niagara River, and yet all these things we can do in respect to streams of the entire United States. That view was in the minds of this House when the special committee was appointed to take up water-power legislation. The rule was framed with that in view.

Mr. HUSTED. Will the gentleman yield?

Mr. MILLER of Minnesota. I will.

Mr. HUSTED. Is there anything as a matter of fact in the provisions of this act which would interfere or conflict in any way with our treaty with Canada?

Mr. MILLER of Minnesota. I am not sure that it would interfere or conflict with the treaty with Canada unless we undertook to do some things which might be undertaken, and if I have time I will state what I mean by that. When the special committee was considering this bill I am advised they were distinctly informed—and I wish to be corrected by the gentleman from Tennessee if I am not right—the committee was distinctly informed that they had no jurisdiction over Niagara Falls or the water power there, and for that reason they naturally and properly declined to give any consideration to the special conditions affecting the water power at that place.

Mr. SIMS. Will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. SIMS. Mr. Chairman, I wish to state that my information was that the language used in the special rule excluded consideration of all bills of which the Foreign Affairs Committee had jurisdiction; that we were excluded from considering the boundary waters, and especially Niagara. When gentlemen came before the committee, witnesses, and began to make statements concerning it, I said every time, that I understood from the rule, from my construction of it, that the special Water Power Committee had no jurisdiction of any question arising with reference to legislation touching boundary waters, because I understood boundary waters were all of them more or less affected by general or special treaty stipulations of which the Committee on Foreign Affairs had special jurisdiction.

Mr. MILLER of Minnesota. Mr. Chairman, I thank the gentleman for his frank and complete statement. The gentleman from New York [Mr. DEMPSEY], if I understand his viewpoint correctly, has just one reason why he wants Niagara Falls included within the purview of this bill, and that is to get speedy action for the further development of the Falls. But if the gentleman will give a moment's calm thought to the parliamentary and practical situation, I do not believe he will retain that for very long. We have been trying in Congress for four years to pass a general water-power bill, and we have not yet done it.

Mr. DEMPSEY. Mr. Chairman, will the gentleman yield? How long have we been trying to pass a bill for Niagara Falls?

Mr. MILLER of Minnesota. The same length of time.

Mr. DEMPSEY. No; twice as long.

Mr. MILLER of Minnesota. That may be, but we have passed it twice in the House.

Mr. DEMPSEY. And we have passed the general water bill twice in the House.

Mr. MILLER of Minnesota. We have been trying for four years to pass a general bill and have not yet done it. When this bill is passed it will go to conference, and it certainly will never be reported from the conference before the new year, and I doubt that the conference report will be adopted in many, many months of time, so that the gentleman will not gain at all any time by having Niagara Falls included in the bill, and as a matter of fact the situation there is not quite so bad as it has been painted. In the first place, our committee has reported a resolution, which has passed and is now a law, authorizing the full development of all of the 20,000 cubic feet that we can develop upon our side of Niagara Falls. The gentleman from New York a moment ago called attention to the fact that that resolution did not provide for the complete efficiency in the development, and in that he is correct; but I want to call his attention to the fact that there is nothing in this bill either which makes those power companies develop those 20,000 cubic feet to their full efficiency.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MILLER of Minnesota. Mr. Chairman, may I have three minutes more? I do not believe many gentlemen care to discuss this.

The CHAIRMAN. The Chair has promised 30 minutes, including 5 the gentleman has used, to gentlemen in favor of the amendment. However, if no one desires to use more time in opposition to the amendment, the Chair will put the gentleman's request.

Mr. DEMPSEY. Mr. Chairman, all I ask is that we be given our full half hour.

Mr. MILLER of Minnesota. The gentleman from New York had additional time.

Mr. DEMPSEY. I do not object to your having the full half hour.

Mr. HASTINGS. Mr. Chairman, I am not going to object to the three minutes extension, but was not the time fixed by motion of the House at one hour?

The CHAIRMAN. That is very true.

Mr. HASTINGS. Are the three minutes to be taken out of the other side?

Mr. MILLER of Minnesota. We gave additional time to the gentleman from New York.

Mr. DEMPSEY. But I expect that that will be taken out of our half hour.

Mr. MILLER of Minnesota. Oh, I would understand that the three minutes should be taken out of the half hour of those in favor of the amendment.

Mr. TEMPLE. Is there any half hour assigned to that side or this side? There was just a motion that the time be limited to one hour.

Mr. HASTINGS. Then the time is not to be extended any longer than the hour.

The CHAIRMAN. No.

Mr. WINGO. Mr. Chairman, a parliamentary inquiry. Notwithstanding the fact that by motion we provided that all debate on this amendment and all amendments thereto should close in one hour, that does not abrogate the general rule limiting debate to 10 minutes on each particular amendment that is offered. I make the point of order that all debate upon this amendment is exhausted.

Mr. HARRISON of Mississippi. Mr. Chairman, I submit that the motion was made that debate upon this amendment was to close in one hour.

Mr. WINGO. This amendment and all amendments thereto.

Mr. GILLETT. Mr. Chairman, it is easy to get around that. The gentleman can move to strike out the last word.

Mr. HARRISON of Mississippi. He has asked unanimous consent, and there is no objection to it.

The CHAIRMAN. It has not yet been put. The gentleman from Minnesota asks unanimous consent to proceed for three minutes. Is there objection?

Mr. WINGO. Mr. Chairman, I object. There is a parliamentary inquiry pending.

Mr. MILLER of Minnesota. Then I move to strike out the last word.

Mr. WINGO. I make the point of order that the gentleman can not do that.

The CHAIRMAN. The Chair will recognize the gentleman for three minutes, inasmuch as it is allotted to the Chair to divide the time among the members of the committee.

Mr. WINGO. Mr. Chairman, I make the point of order that the Chair can not do that without unanimous consent, and that was objected to.

The CHAIRMAN. The Chair can recognize any member of the committee.

Mr. WINGO. But, Mr. Chairman, the Chair certainly does not wish to set a precedent that the Chair can arbitrarily extend the time of any Member when the committee objects to it. I do not object to the chairman's count, but I do object to any such rule as that.

The CHAIRMAN. The gentleman no doubt does not object to the Chairman's count because it has been correct.

Mr. MILLER of Minnesota. I submit that debate has been fixed at one hour, and in that hour I assume the Chairman can recognize anyone he sees fit.

Mr. WINGO. Does the Chair rule that he can be heard for three minutes more?

The CHAIRMAN. The Chair will recognize the gentleman if he has the power.

Mr. WINGO. Did the Chair overrule my point of order that the Chair can not arbitrarily recognize a man for any amount of time he desires after objection is made to a request for unanimous consent that his time be extended?

The CHAIRMAN. The Chair is of the opinion, where the committee passes an order that an hour of debate shall be used on a certain amendment and all amendments thereto, leaving it to the Chair to designate whom he shall recognize, that he possibly would have the right to recognize the gentleman from Minnesota for five minutes.

Mr. WINGO. Or for the whole hour? That is a new ruling. There never has been anything like that suggested in this or any other intelligent legislative body.

The CHAIRMAN. The Chair is trying to divide the time equally among the Members, 5 minutes at a time, 30 minutes of debate against and 30 minutes for the amendment.

Mr. WINGO. But that right was not granted. I objected to such unanimous-consent request.

Mr. DEMPSEY. Will the gentleman yield?

Mr. WINGO. Under the rules of the House we are operating under the five-minute rule. No decision of the Chair can abrogate the rules of the House. The committee has not undertaken to abrogate the rules of the House.

The CHAIRMAN. The committee fixed the time.

Mr. WINGO. The committee limited the time of debate under the rules of the House. The committee certainly can not abrogate the rules of the House.

Mr. HARRISON of Mississippi. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The gentleman from Mississippi demands the regular order. The gentleman from Minnesota is recognized for three additional minutes.

Mr. MILLER of Minnesota. Mr. Chairman, in further reference to the proposition of time, I wish to call the attention of the House to this important fact I deem material. Our hearings developed the fact that these power companies are not waiting for the passage of this general law or any other law, but ever since the beginning of March have been developing to the fullest extent of their power the water power at Niagara Falls in violation of the law, believing a law will some time be passed to legalize that which they have done. There is nobody controverting that well-established fact. The power companies at Niagara Falls at this minute are developing with all the speed that money and men can bring the power to the full capacity of those falls, and it matters not whether this or any other amendment shall be adopted they are going to continue that work, and they are doing it knowing that the Government will, no doubt, in the end legalize that which they are doing. It could not be possible to bring full relief. The gentleman has rightly stated that we want 170,000 horsepower, with one hundred and twenty-odd thousand now, but if wishes were horses how fast we would ride. You can not produce that power by the passage of this bill or any other bill affecting Niagara Falls. It takes time to secure that which the gentleman asks for and that which we would like to see, and it will take not 10 months but four years, and every man knows it; but now for the immediate present they are developing the power there with all the speed that they can to furnish power for these munition plants. The Foreign Affairs Committee of the House, I think, have been exceedingly earnest in their serious investigation of this particular and peculiar proposition. Do not ever let it pass from your minds that we must, before we have finished with Niagara Falls, compel one of the power companies that is there to change its plant, and change it so that it will have an increased efficiency, much greater than it now has.

Mr. DEMPSEY. Will the gentleman yield?

Mr. MILLER of Minnesota. That is in the minds of the Committee on Foreign Affairs.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. MILLER of Minnesota. If I had the time, but I have not.

Mr. HUDDLESTON. Mr. Chairman, to endeavor to put this general dam bill on the Niagara situation is like trying to fit a hand-me-down coat on a man with a hump on his back. This bill is designed to fit a certain situation. It has general application. It is intended to promote development, to apply to cases remote from industrial centers where there are no works at this time, where new works will be installed, and where a great outlay will be necessary in order to harness the water. It does not fit Niagara. The works are already there. The great bulk of the money has already been expended. It is close to great industrial centers, so that the demand for power is there. Niagara affords the cheapest power in the United States; no inducements need be offered to concerns to locate there. It is an entirely different situation from what a dam site would be out somewhere in the Rocky Mountains or over on the Columbia River or some other place to which this general dam act is designed to apply.

Now, another point. We have at Niagara to deal with a treaty situation. Perhaps the Committee on Foreign Affairs does not know all about such situations; but at least it seems to me that its members ought to be assumed to know more than somebody who knows nothing at all. For years they have been studying this Niagara situation. For years they have been holding hearings and trying to work out a solution consistent with the public interest. We have reported two bills. We have got a bill very similar to this one before us now being considered. We have held hearings day after day and have had come before us the highest experts in the land, people who know all about the Niagara situation and who have told us all they know, whereas the Special Water Power Committee has held no hearings on the Niagara situation, has not considered it for a moment, does not know whether this bill fits that situation or not, and necessarily could not have the understanding and the knowledge of the situation that we have. Now, the Committee on Foreign Affairs have studied this situation, and it seems to me that the public welfare requires that we should consider some bill that comes from that committee in order to get a fit and suitable bill.

Now, there is another point connected with Niagara. The State of New York claims certain rights in the Niagara water power, and under charters from the State of New York certain concerns have been there for years availing themselves of these waters, and they have taken for their own use, for their own selfish benefit and profit, all of the benefit derived from water power at Niagara.

These corporations claim to have vested rights. They have their works there and their dams, and they have spent a lot of money. They say that the Federal Government has no right to come in there and deal with the situation as a new situation. This general dam bill deals with all situations as new situations. Therefore it is necessarily inapplicable to the situation at Niagara.

Speaking for myself as a member of the Committee on Foreign Affairs, I would be glad to see that committee relieved of the consideration of this question forever. We have labored long on it. We have sweated a lot trying to work out that proposition, and I am satisfied that no bill will ever be reported by that committee that will meet my full approval, and I doubt very much if any bill will come out of it that I can vote for at all.

The whole truth about the situation is that the concerns at Niagara, being in possession of the water and drawing the entire benefit from it, have been themselves an obstacle to legislation by Congress. They themselves held back the arm of Congress and kept it from writing a law that would protect the rights of the American people. They, more than anybody else, are responsible for the delay. And it is only now, when this war is on, when they can make the excuse of war necessity, that these selfish concerns seek to step in and get for the next 50 years the benefit of Niagara which they have already enjoyed for so long. For the next 50 years they expect to enjoy the monopoly of Niagara as they have in the past. For the next 50 years they expect to sweat the people of Buffalo and of the whole country under these rights they now seek under the guise

of a war necessity. They have contracts with our Government which are exceedingly unfair and oppressive. They have gotten them because they were in a situation to demand them. And I, for one, would rather suffer some of the things we need now than to perpetuate at Niagara these grasping and avaricious concerns that have wrung the blood out of the people during all these years.

Mr. DEMPSEY. Mr. Chairman, I have consulted with the gentleman from Mississippi [Mr. HARRISON] and the gentleman from Arkansas [Mr. WINGO], and the gentleman from Arkansas is willing to withdraw his objection to the time being divided as was originally suggested between Mr. HARRISON for the amendment and myself against the amendment.

Here is the difficulty, if the Chair pleases, that I think we are going to meet: The Committee on Foreign Affairs is here, and they will speak individually as to this matter. I am practically single-handed. I represent this district, and I will have to speak longer than the five minutes allowed under the rule as I understand it.

The CHAIRMAN. What time does the gentleman desire?

Mr. DEMPSEY. I ask unanimous consent that the remaining part of the 30 minutes on my side be at my disposal, either for myself or such gentlemen as I wish to have recognized.

The CHAIRMAN. The Chair will recognize the gentleman.

Mr. HUMPHREYS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HUMPHREYS. What time remains now for either side?

Mr. DEMPSEY. How much time have we of the 30 minutes?

The CHAIRMAN. Twenty minutes have been devoted to the debate by those in favor of the amendment and 12 minutes have been used by the gentleman from New York [Mr. DEMPSEY] in opposition to the amendment.

Mr. DEMPSEY. The gentleman from New Jersey [Mr. PARKER] wishes to be recognized against the amendment.

The CHAIRMAN. The Chair will recognize the gentleman from New Jersey [Mr. PARKER] for five minutes.

Mr. PARKER of New Jersey. Mr. Chairman, I want to say only a word.

This is a practical question. Of course, Niagara is governed by treaty. Of course, if we pass the bill as it is, it will not touch the water powers that are there now or change the present treaty, but if we have any new treaty, say, during the recess of Congress there ought to be somebody that could take care of the matter. And I really think everybody in this House, as a practical matter, would say that we should not have two commissions to regulate water powers throughout the United States. The questions are the same. The questions of rates, of accounting, of the managing of the net investment—all the questions at Niagara—will be just the same, because the United States wants to take a great deal more water and to get a great deal more fall, whether they get more or not, and to see that the best thing is done.

I do not know anything about the technicalities of this matter, but I do regret very much that the Committee on Foreign Affairs should insist that if a new treaty is made it should wait upon their being able to pass a new bill, which is very questionable, and which would provoke a great deal of debate. The practical way to dispose of this matter is to say nothing about Niagara, but give the whole practical management of water power to the commission now created by this bill, for this bill is going through. And when that is done the question as to how much jurisdiction shall be given under new treaties will belong to the President, where it now belongs, and to the new treaties when ratified by the Senate. This is the practical way of disposing of the whole matter. If the Committee on Foreign Affairs want to change this, let them pass a bill. They can do it afterwards as well as before this bill passes.

Mr. Chairman, I yield back the balance of my time.

Mr. DEMPSEY. Mr. Chairman——

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. DEMPSEY. Mr. Chairman, I shall not take 10 minutes, so do not be discouraged by the Chair's allowing me that much time. I wish simply to answer what has been advanced by the gentleman from Minnesota [Mr. MILLER], who seems to be the only gentleman who has spoken to anything except jurisdiction and who has spoken very fairly and very considerately and for whose manner of presenting the subject I have nothing but praise. But I want to answer his argument and say something about the argument advanced by the gentleman from Pennsylvania [Mr. TEMPLE] also. Both of them said that by passing the special resolution which we have passed here from year to year we have provided for full development. They did not mean that. If they had been speaking thoughtfully and had analyzed what they said they would not have made that statement.

All that that means is that the power company, with their present methods of development, with an efficiency on the part of the Niagara Falls Power Co. of only 10 horsepower per cubic foot per second, has the right to use this power. What we insist upon is a new development by which we will develop 21 horsepower per cubic foot per second—more than twice as much.

Now, they can use it for 10 horsepower per cubic foot per second with their present equipment, with their present inefficient methods, but in order to get 21 horsepower per cubic foot per second they will have to spend $16,000,000. That is the difference. They will have to make an enormous change, a total change, of the method of using the power. One company develops part of its power efficiently—only a part of it—while the other gets only less than half efficiency.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. Yes.

Mr. HARDY. I want to ask the gentleman a question right there.

Mr. DEMPSEY. I yield very gladly.

Mr. HARDY. Is it not possible that the present water-power organizations at Niagara may be very anxious to get the application of this bill, which will give them a 50-year charter, while a fuller study and a bill for Niagara alone can be hedged about by many conditions that are not in this bill?

Mr. DEMPSEY. I am very glad the gentleman asked that question, because it brings to my mind something that I ought to have said, and I am glad to say it now. The gentleman charged by this administration with water-power questions, Mr. Bulkley, was in my office this morning, and he stated that the Niagara companies had said this to him—this provides for a term not to exceed 50 years—he said that the Niagara companies said to him, "We are willing to take such a term as you deem to be a fit and proper term, and upon which we can raise money. We are willing to pay such royalties as you deem fit and proper. We are willing to take it subject to such limitations and conditions as you deem adequate and proper." He said, "I believe that these companies which have been attacked and which in the face of attack have spent nearly a million dollars, without any security for its return, should have this said in their behalf, because it is only fair that it should be said, and it is only fair that Congress should have an adequate idea of their patriotism and loyalty in this matter."

Mr. HARDY. Mr. Chairman, will the gentleman yield again?

Mr. DEMPSEY. Yes.

Mr. HARDY. I do not believe that there is a Member of this Congress that thinks that Congress would not recompense any expense that these companies should go to in preparing for war, but I will say to the gentleman that my greatest objection to this bill is this 50-year license. I do not like a license as long as that.

Mr. DEMPSEY. It is not 50 years. It is not to exceed 50 years. Let me say to the gentleman that these companies have said to the Secretary of War something that is unique. I call the attention of the Members of this House to the fact that they have said something that is unique in the history of this war. Every man who has built a manufacturing plant, every man who has undertaken new work of any kind, has asked the Government to reimburse him for the added cost, because of the fact that it is an increased expense to do these things under war conditions. But the people at Niagara have not asked for any such conditions.

Now, the gentleman from Minnesota [Mr. MILLER] said that the power companies are going on and that they will go on. The gentleman is simply mistaken in his facts. The facts are these: The power companies have had five dredges up there and they have pulled off three. For what reason? Because they have been unable to sell their bonds; because the company doing this work has exhausted its cash. It is unable to sell its bonds because it has not a license, and the work will stop.

Now, the gentleman from Minnesota also says that this general water-power bill does not provide for efficiency. The gentleman has not graced us by his presence during the consideration of the bill, and he simply is not familiar with the provisions of the bill. The bill, of course, provides for efficiency. No general water-power bill would for one moment be passed or even considered by this House which did not provide for efficiency. The gentleman simply is not familiar with the provisions of the bill under consideration. It provides fully, of course, for efficiency. Do you believe that the great House of Representatives would pass a general water-power bill and not provide for efficiency, and would provide for efficiency in one dealing with one water power alone? Such a thought is unthinkable. It is unbelievable, and it is contrary to the facts.

All I have to say in conclusion is that the question is simply this: Is it more important to provide munitions of war or to

respect the jurisdiction of this committee? Is it more important to send the things which would enable the boys at the front to do the things which they did at Chateau-Thierry? Is it more important to enable them to drive the Germans back, or is it more important to wait until sometime in the indefinite future when the Committee on Foreign Affairs may agree upon a bill? The only member of the Committee on Foreign Affairs who has talked on the subject of an agreement is the gentleman from Alabama [Mr. HUDDLESTON], and he says he does not think any bill is going to be reported to which he can agree; and from my observation of that committee I say I think they are as far from an agreement now as they were in May, when they undertook the consideration of their bill. I do not believe they have made any progress, or that they can come before you and promise that there is any likelihood of an agreement.

Mr. CHARLES B. SMITH rose.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. CHARLES B. SMITH. Mr. Chairman and members of the committee, I am anxious to see action taken with reference to further development of power at Niagara Falls, but I do not believe that Niagara Falls and Niagara River should be put into the same category as the other navigable waters of the country.

My friend and colleague, Mr. DEMPSEY, has spoken of the patriotism of these power companies and of their willingness to go forward with development without regard to expense and without reference to their possible reimbursement. Now, what has happened is this situation: Mr. Bulkley and Gen. Keller, representing the War Department, went to Niagara Falls and Buffalo, and after negotiations finally arranged with the two companies there to get together. The securities in the combined companies are to aggregate their book statements of values. Now, the companies, when they made the application for reorganization, instead of going to the Public Service Commission of New York for approval of their securities and the new organization, went to the State legislature and got passed a special act to approve their securities, because the companies were afraid to go to the public service commission to get the approval. They knew that the public service commission probably never would approve the plan of finance which they had.

Mr. DEMPSEY. Will the gentleman yield for a question?

Mr. CHARLES B. SMITH. Yes.

Mr. DEMPSEY. Does not the gentleman think that the State Legislature of New York, made up of 51 senators and a large number of representatives, is as important a body as three appointed officers of the State government?

Mr. GORDON. Their functions are entirely different.

Mr. CHARLES B. SMITH. We have a public service commission, created for the specific purpose of handling subjects of this kind, and it is not necessary for any corporation to go to the legislature to get a special charter for itself unless it wants something that it ought not to have.

Mr. GORDON. Of course.

Mr. CHARLES B. SMITH. When these people came to Washington before the Committee on Foreign Affairs and presented the same kind of a financial plan which had been presented to the State legislature, we on the committee refused to be either intimidated or coerced to force through that measure. If these companies had come forward with the right kind of a proposition, if they had been willing to have their securities properly inspected and the people properly safeguarded, we would have had no objection to their bill or their financial plan.

On the other side of the river the Province of Ontario is arranging to develop, under complete government control, 1,000,000 horsepower, and over in Canada, just across the river, power is being sold for about one-half what it is being sold for on American territory. The Committee on Foreign Affairs is not holding up this matter because it has any grievance against the companies. It is holding it up merely because conditions are such that the committee believes that special provisions and special plans should be made concerning the development and distribution of power at Niagara Falls on the American side. We want as good a deal as our competitors on the Canadian side of the river have, and that is the only reason why I am against having the Niagara River and the Niagara Falls development excluded from the general water-power bill.

Mr. WINGO. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Arkansas makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and twenty-two Members, a quorum.

Mr. HUMPHREYS. Mr. Chairman, I want to call the attention of the committee to a brief statement in the hearings. Mr. Horton, who represented the Conservation Commission of the State of New York, came down before this Special Water Power Committee to present his views on the subject, and in the outset the chairman of the committee said:

> I will state, Mr. Horton, in order to make it perfectly clear, that we will favor an amendment to the bill which will make it perfectly clear that this bill does not intend to deal with boundary waters. That is the purpose of the committee.

That was the assurance given to the representative of the Conservation Commission of the State of New York when he came down here.

Now, Mr. Chairman, the same rule ought not to apply to the development of water power at Niagara Falls and the rapids below Niagara and the rapids in the St. Lawrence River that applies to all the other streams of the country.

I was a member of the Rivers and Harbors Committee when this matter was first taken up by Congress a great many years ago, and it was taken up by Congress because certain farsighted gentlemen, realizing the possibilities of developing the water power at Niagara and in the rapids below Niagara and in the St. Lawrence River, had acquired all of the rights that could be acquired outside of Congress and had gotten charters in perpetuity and had started to develop the water power at these falls, which, in the opinion of the committee and in the opinion of the people of this country, seriously threatened the destruction or the impairment of the beauties of that wonderful natural spectacle.

Mr. DEMPSEY rose.

Mr. HUMPHREYS. I can not yield. So Congress was called upon by a popular demand all over this country to take hold of the matter in some way to prevent that destruction. So we did. We passed a law which prevented the destruction of Niagara as a wonderful natural spectacle. Then they came and wanted to develop the power in the rapids below Niagara, and Congress extended its protecting arm even to that stretch of the river and forbade those gentlemen to go in there and injure the rapids as a natural spectacle. So these gentlemen went farther down the river and acquired all the rights that could be acquired. The Aluminum Co. of America, which we know is an absolute monopoly, acquired all the rights that can be acquired outside of Congress at the Long Sault, where it is possible to develop anywhere from 800,000 to 1,000,000 horsepower. They acquired that under a charter in perpetuity. As I stated the other day, these are particular water powers, out of the class of others, because they are so wonderfully beautiful that all of the people of this country are interested, and not only the people of this country but the people of Canada and all the world are interested in their preservation. Fifty thousand or perhaps 60,000 people annually go there simply for the pleasure and the profit that they derive from a contemplation of these wonderful works of nature. So Congress has said time and again, at the very outset of water-power legislation, that these particular water powers shall not be so developed as to desecrate these majestic natural spectacles, and for 10 long years or more these gentlemen have been knocking at the door of Congress begging the opportunity, under the exclusive rights that they have already acquired, to come and develop water power there and to injure and seriously impair, if not, as I say their original intention was, to utterly destroy these works of nature which it is the duty of the Representatives of the people of this country to protect.

Now, when this particular committee was created and the representative of the Conservation Commission of the State of New York came down to see what was going to be done with these particular water-power possibilities, the chairman of the committee assured him at the very outset that the committee had no intention of touching them, and that it was the deliberate purpose of the committee to agree to an amendment exempting them from the jurisdiction and authority of this commission.

I hope the amendment will be agreed to.

Mr. HARRISON of Mississippi. I ask unanimous consent that my amendment may be modified. The Clerk has the modification.

Mr. WINGO. I object to any modification.

Mr. HARRISON of Mississippi. I offer as a substitute the amendment which I send to the Clerk's desk.

Mr. WINGO. I should like to know if debate is closed by order of the House?

The CHAIRMAN. There are five minutes undisposed of. Does the gentleman from Arkansas desire to be heard? If so, the Chair will recognize him.

Mr. WINGO. I shall be glad to be heard.

Mr. HARRISON of Mississippi. I ask that my substitute be read now.

Mr. WINGO. I object to the reading of it now.

The CHAIRMAN. The gentleman from Arkansas is recognized.

Mr. WINGO. Mr. Chairman, I think it is unfortunate that those of us who constantly attend the sessions of the House and seldom speak are denied an opportunity to be heard freely on a matter of this importance by the Members who have wasted so much time on this bill. It is also unfortunate that so few Members have been present this afternoon. I have carefully counted, and at no time have I been able to count 100 Members, and the only way a quorum has been counted has been by including the Members fast asleep in the cloakroom. The bill under consideration is a general water-power bill, covering by a general law the control and use of the water power of the country.

The pending amendment seeks to destroy the general nature of the bill by exempting from its provisions Niagara Falls and other power sites of a certain class. The amendment is urged, not because Niagara Falls and the other sites covered by the amendment are not proper subjects for legislation by Congress but simply because Niagara Falls and all matters relating thereto are within the sole jurisdiction of the Committee on Foreign Affairs, and for the further reason, it is alleged, that treaty rights are involved at Niagara Falls, and therefore we should not include it in a general law.

Members of the Foreign Affairs Committee say if you will adopt this amendment they will report a bill controlling the water power at Niagara. The trouble with that promise is that it is worn out, having been too often made to the House during the last seven years, and no serious effort having been made to meet it. To offset this we have the letter of the Secretary of War, urging for war reasons of the most urgent nature that Niagara be included and something definite be done at once. No treaty right is involved. The treaty is executed, we, under its terms, getting so much water; and all that is proposed by this bill is to regulate and control the use of water power that is conceded to us by the treaty. Canada can have no interest in how we allot our portion of the water, the manner in which we regulate its use, and the control and restrictions we exercise over it.

Adopt this amendment and you leave Niagara Falls uncontrolled until such time as the Foreign Affairs Committee sees fit to act, and judging by its former conduct no reasonable hope can exist for early action. Not only will the adoption of this amendment leave Niagara uncontrolled, but you will cripple the efforts of the War Department and also destroy the general character of your proposed legislation. But, you say, Niagara is different. It is true, and it is also true that every water-power site is different from every other water-power site; but that does not make it impracticable to have a general law governing and controlling the use of all of them. Make an exception in favor of Niagara, and then those who desire control and use of sites on the Illinois River will use it as a precedent, claiming that the situation on the Illinois is peculiar, and as a result special legislation will be urged and enacted for each site, and the whole become a farce, so that in a few years the courts will have to decide what particular law is applicable in any given case.

If you are going to enact a general water-power bill I am for it, provided you adopt the Ferris amendment; but whatever is adopted let it be general and include all sites, and thereby avoid the evils and confusion of special legislation. I know very little about Niagara, and care nothing except for the public good, and having confidence in the War Department I shall vote against the amendment.

On the bill as a whole I believe the President is right, and shall vote for the motion of the gentleman from Oklahoma [Mr. FERRIS] to recommit the bill. If that fails, I shall then vote against the bill, as I am opposed to the recapture clause of the bill and am not surprised that it is thought the President will veto it if the Ferris amendment is not adopted. The recapture cause is the vital part of the bill. So let us keep the bill a general one by voting down the Harrison amendment, then adopt the Ferris proposal, and we shall have a law that can be supported and defended and under which our water power can and will be fully and fairly developed.

The CHAIRMAN. The Clerk will report the substitute offered by the gentleman from Mississippi.

The Clerk read as follows:

Page 54, line 9, after the words "San Francisco," insert the following: "*Provided further*, That the provisions of this act shall not apply to the waters of Niagara River, Niagara Falls, or of any other waters that form a part of the boundary streams of the United States and the Dominion of Canada, and which are subject to treaty provisions."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. WINGO) they were—ayes 51, noes 43.

Mr. DEMPSEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. DEMPSEY and Mr. HARRISON of Mississippi to act as tellers.

The committee again divided; and the tellers reported—ayes 52, noes 64.

So the amendment in the nature of a substitute was rejected.

Mr. HUMPHREYS. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

After line 9, page 54, add a new section, as follows:

"Nothing in this act shall be construed as conferring any jurisdiction or authority in the commission over any streams or water which forms in part the boundary between the United States and Canada, except over the waters of the Niagara River at the Falls of Niagara and above the rapids."

Mr. WINGO. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WINGO. Does not the vote now recur upon the original amendment of the gentleman from Mississippi [Mr. HARRISON], the substitute having been defeated.

Mr. PARKER of New Jersey. As I understand it, we agreed to vote upon the substitute instead of the original amendment; it was modified by unanimous consent.

Mr. WINGO. Oh, no; I objected to that.

Mr. HARRISON of Mississippi. Mr. Chairman, it is my understanding that we were voting upon the substitute. I asked unanimous consent to modify the amendment in accordance with the provisions of the substitute, but it was objected to, and I then offered it as a substitute. The vote first came upon the substitute, and that is what the tellers were called on, and the vote now recurs on the original amendment.

Mr. WINGO. There is no question about it; that is the parliamentary situation.

Mr. DEMPSEY. That is not my understanding.

Mr. SIMS. Mr. Chairman, I withdraw any point of order, just so long as there will be no debate upon it.

Mr. WINGO. But the gentleman can not withdraw my point of order.

Mr. DEMPSEY. Mr. Chairman, my understanding is that the gentleman from Mississippi [Mr. HARRISON] simply modified his amendment, and that the modification was made with the consent of the committee, and that it was voted upon as modified.

The CHAIRMAN. The Chair is informed by the Clerk that the gentleman from Mississippi offered the amendment which was just voted upon as a substitute. That was voted upon and was reported as a substitute by the Clerk. The question now recurs upon the original amendment offered by the gentleman from Mississippi. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken; and on a division (demanded by Mr. HARRISON of Mississippi) there were—ayes 24, noes 52.

So the amendment was rejected.

Mr. HUMPHREYS. Mr. Chairman, I now offer my amendment, which I sent to the desk and which has been reported.

The CHAIRMAN. The gentleman from Mississippi offers an amendment which the Clerk has reported.

Mr. HUMPHREYS. Mr. Chairman, this amendment provides that the commission created under the bill shall have no jurisdiction over any boundary waters except those in the Niagara River at the Falls and above the rapids. In other words, they would not have any jurisdiction over the rapids below the Falls or over any boundary waters in the St. Lawrence River. I do not care to discuss the matter further. [Cries of "Vote!"]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi.

The question was taken, and the amendment was rejected.

Mr. SIMS. Mr. Chairman, I understand there is an amendment pending.

The CHAIRMAN. The gentleman from Michigan [Mr. DOREMUS] has an amendment pending, also the gentleman from Mississippi [Mr. HUMPHREYS].

Mr. HUMPHREYS. Mr. Chairman, I desire to call the attention of the chairman of the committee to a matter at the bottom of page 37, to the words in line 24, beginning "but in no case," and I asked the chairman of the committee yesterday what that meant. He said he was going to confer with some expert in the department.

Mr. SIMS. That is with reference to power.

Mr. HUMPHREYS. Yes. The language is:

But in no case shall a license be issued free of charge for the development and utilization of power created by any navigation dam and that the amount charged therefor in any license shall be as nearly as possible that ascertained by the commission to be the value of such power.

My amendment is to strike out all of that paragraph after the word "dam," in line 2, page 38.

Mr. SIMS. Mr. Chairman, I have had no opportunity to confer with the gentleman who drew the bill, consequently I do not

know what was intended or not intended, so far as having conferred with him is concerned, but on account of the bill having been drawn by a departmental committee and having been considered by engineers and lawyers and the three Secretaries, and I do not know how many others, I do not feel willing to consent to the amendment.

Mr. RAKER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. There is no amendment pending, is there?

The CHAIRMAN. The gentleman from Mississippi has an amendment pending.

Mr. RAKER. He can not offer an amendment without returning to that section.

Mr. SIMS. We agreed to return to it.

Mr. RAKER. Oh, no; not for the purpose of offering an amendment.

Mr. HUMPHREYS. Oh, yes. What else are you going to return to it for?

Mr. RAKER. For nothing.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out all after the word "dam," in line 2, page 38, down to and including line 5. Now, Mr. Chairman, at the beginning of paragraph (e), page 37, line 10, are these words:

(e) That the licensee shall pay to the United States reasonable annual charges in an amount to be fixed by the commission.

That is all right, of course. Then there is this remarkable language, beginning at the bottom of that page. However, before that it provides that power can be granted free to certain people, and then it says:

But in no case shall a license be issued free of charge for the development and utilization of power created by any navigation dam.

Now, listen:

And that the amount charged therefor in any license shall be as nearly as possible that ascertained by the commission to be the value of such power.

In other words, if a man goes on a navigation dam and constructs the necessary plant and develops the power he is excepted from this general provision here that he pay reasonable rates, but the measure of the tax that he shall pay is whatever the value of the power may be that he produces. That, of course, is ridiculous. No man is going to develop power there at tremendous expense and pay back to the Government the value of the power. The language of (e) is that the licensee shall pay to the United States reasonable annual charges. This provides that at a navigation dam, whatever power is produced, the value of the power that he produces he will have to pay the Federal Government for the privilege of producing it.

Mr. ANDERSON. Is it not a fact that a navigation dam under this bill has been defined to be a dam built by the United States?

Mr. HUMPHREYS. No; that is not the fact. A navigation dam is defined under this bill as a dam built by the United States with or without contribution from other sources, so if an individual or corporation should go in with the United States to construct a navigation dam with the understanding they should have the power, then whatever power they produce, why, the Government taxes them the value of it for the privilege. Take one illustration. As I stated here the other day, down on the Black Warrior River at that dam 63 feet high we took out two dams and made one dam do the work of three in order to have a level of 63 feet deep. We provided at that time that the foundation should be so constructed that it will be possible hereafter to develop water power there. Now, some development company would come along and make a contract with the commission to go to this dam on the Black Warrior River and develop power. This is a navigation dam, and under this language, if I construe it right, the commission would have to say, "Very well; you can go and develop the power, but we will charge you whatever the value of the power happens to be for the privilege of developing it."

Mr. DEMPSEY. If the gentleman will permit a suggestion.

Mr. HUMPHREYS. Certainly.

Mr. DEMPSEY. When the gentleman raised that question, he will remember, I suggested that an amendment of this nature would cure the defect. After the word "power," strike out the period and insert a comma and add this language:

Less a fair return on any amount the licensee may have contributed to the construction of such project.

Mr. HUMPHREYS. It occurs to me what he ought to pay is a reasonable annual charge. The commission have the right to fix a reasonable annual charge.

The CHAIRMAN. The time of the gentleman has expired and the question is on the amendment offered by the gentleman from Mississippi.

The committee divided.

Mr. TAYLOR of Colorado. Mr. Chairman, I ask to have the amendment again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The Clerk read as follows:

Page 38, line 2, after the word "dam," strike out the remainder of the paragraph.

The CHAIRMAN. The question is again on the amendment offered by the gentleman from Mississippi.

Mr. ESCH. Mr. Chairman, I would like to offer an amendment to the amendment and possibly the gentleman from Mississippi may accept it, and that is simply to say, after the word "dam," "and that the amount charged therefor in any license shall be such as determined by the commission."

Mr. HUMPHREYS. Of course that is entirely satisfactory.

The question was taken, and the amendment was agreed to.

The question was taken, and the amendment as amended was agreed to.

Mr. DOREMUS. Mr. Chairman, I desire consideration of the amendment which I offered yesterday and which is now pending if all amendments to the bill under the five-minute rule have been made. I would like to have the amendment read.

Mr. ANDERSON. Mr. Chairman, I reserved a point of order on the amendment offered by the gentleman from Michigan yesterday.

Mr. FERRIS. Let it be reported.

Mr. ANDERSON. It will take 10 or 15 minutes to read it.

Mr. FERRIS. You can not tell whether it is subject to a point of order unless it is read. It never has been read, and I ask that the amendment be reported.

The CHAIRMAN. The amendment offered by the gentleman from Michigan was offered for information of the committee and has never been reported to the committee properly as an amendment.

Mr. DOREMUS. Mr. Chairman, I offer the amendment.

Mr. ESCH. Mr. Chairman, a suggestion. Will the gentleman from Michigan give the salient points of the difference between the proposed amendment and the existing bill and have the amendment entered in the RECORD as having been read? It will take 20 minutes at least to read it.

Mr. DOREMUS. Yes; but some Members have expressed a desire to have the amendment read.

Mr. WALSH. Mr. Chairman, you can not consider an amendment until it is reported.

Mr. DOREMUS. I think it has to be reported.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read a portion of the amendment as follows:

Mr. DOREMUS moves to amend by striking out everything in the bill after section 2, on page 24, and inserting in lieu thereof the following:

"SEC. 3. That the words defined in this section shall have the following meanings when found in this act, to wit:

"'Public lands' means such lands and interest in lands owned by the United States as are subject to private appropriation and disposal under public-land laws. It shall not include 'reservations,' as hereafter defined.

"'Reservations' means lands and interest in lands owned by the United States and withdrawn, reserved, or withheld from private appropriation and disposal under the public-land laws, and lands and interest in lands acquired and held for any public purpose.

"'State' means a State admitted to the Union, the District of Columbia, and any organized Territory of the United States.

"'Municipality' means a city, county, irrigation district, drainage district, or other political subdivision of a State, competent under the laws thereof to carry on the business of developing, transmitting, utilizing, or distributing power.

"'Municipal purposes' means and includes all purposes within municipal powers as defined by the constitution or laws of the State or by the charter of the municipality.

"'Navigation dam' means a dam or other work, constructed or owned by the United States for the improvement of navigation, with or without contribution from others, from which flows surplus water not needed for navigation that may be disposed of under the provisions of this act.

"'Project' means a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights of way, ditches, dams, reservoirs, lands, or interest in lands, the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit.

"'Project work' means the physical structures of a project.

"SEC. 4. That the commission is hereby authorized and empowered—

"(a) To make investigations and to collect and record data concerning the power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development costs, and relation to markets of power sites, and whether the power from navigation dams can be advantageously used by the United States for its public purposes, and what is a fair value of such power, to the extent it may deem necessary or useful for the purposes of this act

"(b) To cooperate with the executive departments and other agencies of the Government in such investigations; and for such purpose the several departments and agencies are authorized and directed, upon the

request of the commission, to furnish such records, papers, and information in their possession as may be requested by the commission, and temporarily to detail to the commission such officers or experts as may be necessary in such investigations.

"(c) To make public from time to time such portions of the information secured hereunder as it shall deem expedient in the public interest, and to provide for the publication of its reports and investigations in such form and manner as may be best adapted for public information and use.

Mr. ANDERSON. Mr. Chairman, I make a point of order that enough of the amendment has been read to indicate that it is an amendment in form to section 2, and the portion of the amendment that has been read is not germane to section 2.

The CHAIRMAN. The Chair is unable to determine.

Mr. ANDERSON. It is offered as an amendment to section 2, and parts of the amendment that have been read are not germane to section 2.

The CHAIRMAN. A part of the amendment may not be germane, but after reading the remainder it may all be germane. The Chair can not tell until after it is read. The Clerk will proceed.

The Clerk read as follows:

"(d) To prepare a comprehensive plan for the construction, operation, and maintenance by the Government of the United States, in accordance with appropriations to be made and authority to be conferred by Congress, of dams, power houses, and other project works necessary or proper for the development and improvement of navigation upon, along, across, or in any of the navigable waters of the United States, or upon any part of the public lands and reservations of the United States (including Territories) and for the purpose of utilizing in the public interest the surplus water or water power from any navigation dam now or hereafter constructed.

"(e) To issue licenses to any State or municipality for the purpose of constructing, operating, and maintaining dams, water conduits, reservoirs, power houses, transmission lines, or other project works necessary or convenient for the development and improvement of navigation, and for the development, transmission, and utilization of power across, along, or in any of the navigable waters of the United States, or upon any part of the public lands and reservations of the United States (including the Territories), or for the purpose of utilizing the surplus water or water power from any navigation dam, except as herein provided: *Provided*, That licenses shall be issued within any reservation only after a finding by the commission that the license will not interfere or be inconsistent with the purpose for which such reservation was created or acquired, and shall be subject to and contain such conditions as the Secretary of the department under whose supervision such reservation falls shall deem necessary for the adequate protection and utilization of such reservation: *Provided further*, That no license affecting the navigable capacity of any navigable waters of the United States shall be issued until the plans of the dam and other navigation structures have been approved by the Chief of Engineers and the Secretary of War. Whenever the contemplated improvement is, in the judgment of the commission, desirable and justified in the public interest for the purpose of improving or developing a waterway or waterways for the use or benefit of interstate or foreign commerce, a finding to that effect shall be made by the commission and shall become a part of the records of the commission: *Provided further*, That in case the commission shall find that any navigation dam may be advantageously used by the United States for its public purposes, no license therefor shall be issued until two years after it shall have reported to Congress the facts and conditions relating thereto.

"(f) To issue preliminary permits for the purpose of enabling applicants for a license hereunder to secure the data and to perform the acts required by section 9 hereof.

"(g) To prescribe rules and regulations for the establishment of a system of accounts and for the maintenance thereof by licensees hereunder, and by the Government of the United States; to examine all books and accounts of such licensees at any time; to require them to submit at such time or times as the commission may require statements and reports, including full information as to assets and liabilities, capitalization, cost of project, cost of operation, and the production, transmission, use, and sale of power; and to make adequate provision for currently determining said costs. All such statements and reports shall be made upon oath, unless otherwise specified, and in such form and on such blanks as the commission may require.

"(h) To hold hearings and to order testimony to be taken by deposition at any designated place in connection with the issuance of any permit or license, or the regulation of rates, service, or securities, or the making of any investigation, as provided in this act; and to require by subpœna, signed by any member of the commission, the attendance and testimony of witnesses and the production of documentary evidence from any place in the United States, and in case of disobedience to a subpœna the commission may invoke the aid of any court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence. Any member, expert, or examiner of the commission may, when duly designated by the commission for such purposes, administer oaths and affirmations, examine witnesses, and receive evidence. Depositions may be taken before any person designated by the commission and empowered to administer oaths, shall be reduced to writing by such person or under his direction, and subscribed by the deponent. Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and persons taking the same shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

"(i) To perform any and all acts, to make such rules and regulations, and to issue such orders not inconsistent with this act as may be necessary and proper for the purpose of carrying out the provisions of this act.

"SEC. 5. That each preliminary permit issued under this act shall be for the sole purpose of maintaining priority of application for a license under the terms of this act for such period or periods, not exceeding a total of three years, as in the discretion of the commission may be necessary for making examinations and surveys, for preparing maps, plans, specifications, and estimates, and for making financial arrangements. Each such permit shall set forth the conditions under which priority shall be maintained and a license issued. Such permits shall not be transferable, and may be canceled by order of the commission upon failure of permittees to comply with the conditions thereof.

"SEC. 6. That licenses under this act shall be issued for a period not exceeding 50 years. Each such license shall be conditioned upon acceptance by the licensee of all the terms and conditions of this act and such further conditions, if any, as the commission shall prescribe in conformity with this act, which said terms and conditions and the acceptance thereof shall be expressed in said license. Licenses may be revoked only for the reasons and in the manner prescribed under the provisions of this act, and may be altered only upon mutual agreement between the licensee and the commission after public notice given for 90 days.

"SEC. 7. That whenever, in the judgment of the commission, the development of any project should be undertaken by the United States itself, the commission shall not approve any application for such project by any State or municipality, but shall cause to be made such examinations, surveys, reports, plans, and estimates of cost of the project as it may deem necessary, and shall submit its findings to Congress with such recommendations as it may deem appropriate concerning the construction of such project by the United States.

"SEC. 8. That each applicant for a license hereunder shall submit to the commission—

"(a) Such maps, plans, specifications, and estimates of cost as may be required for a full understanding thereof. Such maps, plans, and specifications when approved by the commission shall be made a part of the license; and thereafter no change shall be made in said maps, plans, or specifications until such changes shall have been approved and made a part of such license by the commission.

"(b) Satisfactory evidence that the applicant has complied with the requirements of the laws of the State or States within which the proposed project is to be located with respect to the appropriation, diversion, and use of water for power purposes and with respect to the right to engage in the business of developing, transmitting, and distributing power, and in any other business necessary to effect the purposes of a license under this act.

"(c) Such additional information as the commission may require.

"SEC. 9. That all licenses issued under this act shall be on the following conditions:

"(a) That the project adopted, including the maps, plans, and specifications, shall be such as in the judgment of the commission will be best adapted to a comprehensive scheme of improvement and utilization for the purposes of navigation, of water-power development, irrigation, and of other beneficial public uses; and if necessary in order to secure such scheme, the commission shall have authority to require the modification of any project and of the plans and specifications of the project works before approval.

"(b) That except when emergency shall require for the protection of navigation, life, health, or property, no substantial alteration or addition not in conformity with the approved plans shall be made to any dam or other project works constructed hereunder of a capacity in excess of 100 horsepower without the prior approval of the commission; and any emergency alteration or addition so made shall thereafter be subject to such modification and change as the commission may direct.

"(c) That the licensee shall maintain the project works in a condition of repair adequate for the purposes of navigation and for the efficient operation of said works in the development and transmission of power, shall make all necessary renewals and replacements, shall maintain adequate depreciation reserves for such purposes, shall so maintain and operate said works as not to impair navigation, and shall conform to such rules and regulations as the commission may from time to time prescribe for the protection of life, health, and property. No license hereunder shall have the effect of relieving the licensee from liability for any injury or damage occasioned by the construction, maintenance, or operation of said project works; and the United States shall in no event be liable therefor.

Mr. ANDERSON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. ANDERSON. I make the point of order that the amendment being read by the Clerk is not in order. The situation is this: The committee has considered every section of this bill and has adopted each section down to the final section.

The CHAIRMAN. Will the gentleman state his point of order?

Mr. ANDERSON. The gentleman from Michigan [Mr. DOREMUS] now offers an amendment which strikes out certain sections which the committee has already adopted and seeks to amend certain other sections which the committee has adopted. Now, it is perfectly apparent that it is not in order at this stage of the proceedings to offer an amendment which seeks to change a section which the House has adopted, except by unanimous consent.

The CHAIRMAN. Does the gentleman from Michigan [Mr. DOREMUS] desire to be heard on the proposition?

Mr. ANDERSON. I desire to direct the attention of the Chair to the fact that this amendment is not a substitute for the entire bill. It is an amendment to that part of the bill after section 2, and therefore is an amendment to each such separate sections of the bill, all of which have been considered by the House and adopted.

Mr. PARKER of New Jersey. Mr. Chairman, I want to make an explanation. This strikes out the definition of corporation, it strikes out the definition of navigable waters, the definition of net investment, and it goes on then and strikes out a little part of the end of subdivision (d); it strikes out the requirements for subpœna, and it strikes out the first clause of section 7 and the whole of section 8. It is an amendment to certain parts of the bill. I do not see how after you have passed the sections you can say that you will take sections 3 to 26 and amend them in this way.

Mr. DOREMUS. Mr. Chairman, the amendment I have offered is an amendment in the nature of a substitute. It has the same effect as though I had moved to strike out all after the enacting clause and included sections 1 and 2 of the bill we are now considering. I submit to the Chair that under Rule XIX the point of order made by the gentleman from Minnesota [Mr. ANDERSON] ought not to be sustained. That rule provides for the offering of amendments by way of substitutes, but that they shall not be voted on until the original matter is perfected. Now, if the Chair will turn to page 380 of volume 5 of Hinds' Precedents, paragraph 5753——

The CHAIRMAN. If the gentleman from Michigan will permit me to state, the gentleman is right if the amendment was a substitute for the entire bill. But the gentleman amends the bill by adding certain things after sections 1 and 2. The gentleman's amendment is an amendment after section 2, and therefore it is not a substitute for the entire bill, because it leaves in sections 1 and 2 of the original bill. If the gentleman was to incorporate sections 1 and 2 in the amendment and then offer the substitute for the entire bill, the Chair would hold the substitute in order.

Mr. WALSH. If the Chair will permit, if the Chair will look at section 5795 of volume 5 of Hinds' Precedents he will see that when an amendment for the entire bill is sought to be offered it should be offered after the first section has been read, with notice that as the other sections are reached in the reading of the bill the proponent will move to strike out the subsequent sections.

The CHAIRMAN. But that is not the question.

Mr. WALSH. It is in answer to the Chair's suggestion that if the gentleman would incorporate sections 1 and 2 it would be in order.

Mr. DOREMUS. I would be glad to do that.

The CHAIRMAN. At the moment we had finished reading section 1; but the gentleman did not give notice of his amendment until section 2 had been reached.

Mr. DOREMUS. I asked unanimous consent yesterday to offer the amendment and have it pending in the committee, and it was printed in the RECORD for the information of the committee.

Mr. WALSH. The gentleman must remember that when unanimous consent was given, or, rather, before it was given, the gentleman from Minnesota [Mr. ANDERSON] reserved his point of order, and that is also pending.

Mr. DOREMUS. That is true. There is no question about it. I am perfectly willing to ask unanimous consent to modify my amendment to include sections 1 and 2 of this bill, although I do insist the effect will be identically the same as the amendment now before the committee.

The CHAIRMAN. The gentleman would have a perfect right to ask unanimous consent to offer his amendment, as he has offered it already by unanimous consent.

Mr. DOREMUS. All I desire, Mr. Chairman, is to get a vote on it. I ask unanimous consent to modify the amendment by including sections 1 and 2.

Mr. ANDERSON. That does not make it in order. The only thing I object to is the consuming of a whole lot of time in the consideration of this amendment. If it were understood that we could have a vote on the amendment without much debate, I do not know that I care to insist upon the point of order against it, but I do not want to stay here and debate this amendment, which ought to be debated, for a long time at this stage of the proceeding.

Mr. DOREMUS. I only desire 5 or 10 minutes.

Mr. SIMS. I will ask that we have an agreement to expedite matters as to limiting debate.

Mr. ANDERSON. I insist on the point of order.

Mr. DOREMUS. I ask unanimous consent to modify my amendment.

The CHAIRMAN. The gentleman from Minnesota insists upon his point of order, and the gentleman from Michigan [Mr. DOREMUS] asks unanimous consent to modify his amendment, beginning at section 2. Is there objection?

Mr. McARTHUR. I object.

The CHAIRMAN. The gentleman from Oregon objects.

Mr. SIMS. Mr. Chairman, if the point of order is sustained——

The CHAIRMAN. It is.

Mr. SIMS. I move that the committee do now rise and report to the House the amendments to the Senate bill, together with the recommendation that the amendments that have been adopted be agreed to, and that the bill as amended be passed.

The CHAIRMAN. The gentleman from Tennessee moves that the committee do now rise and report the bill to the House with the recommendation that the amendments be adopted and that the bill as amended be passed. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WEBB, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be adopted and that the bill as amended be passed.

Mr. SIMS. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

Mr. RAKER rose.

The SPEAKER. For what purpose does the gentleman from California rise?

Mr. RAKER. I ask that my colleague [Mr. LEA] be excused indefinitely, on account of the death of his son Frederick.

The SPEAKER. The gentleman from California asks unanimous consent that his colleague, Mr. LEA, be excused indefinitely, on account of the death of his little boy. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion for the previous question.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. RAKER. I ask, Mr. Speaker, that a separate vote be taken on the amendment on line 17, page 35, and the amendment on line 23, page 37.

Mr. WINGO. Mr. Speaker, I ask a separate vote on each amendment.

The SPEAKER. On each of them?

Mr. WINGO. Yes.

Mr. GILLETT. I was going to suggest that there is only one amendment, as I understand it.

Mr. SIMS. The original motion was to substitute what the House has done for the Senate bill.

Mr. GILLETT. That is what I understood.

Mr. RAKER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RAKER. It was agreed when the House went into Committee of the Whole for the consideration of this bill to consider the House amendment as an original bill.

The SPEAKER. There is no question about that. The gentleman from Arkansas [Mr. WINGO] demands a separate vote on each amendment. The Clerk will report the first one.

The Clerk read as follows:

Page 24, line 2, strike out the word "respectively" and insert a period for a comma after the word "agriculture."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next one.

The Clerk read as follows:

Amendment offered by Mr. SINNOTT: Page 26, strike out lines 1 to 5, inclusive.

The SPEAKER. The question is on agreeing to the amendment.

Mr. WALSH. A point of order, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. WALSH. I do not understand that the bill was amended in the committee in any such way as that.

Mr. RAKER. I did not quite catch that.

The SPEAKER. The Clerk will report it again.

The Clerk read as follows:

Amendment offered by Mr. SINNOTT: Page 26, strike out lines 1 to 5, inclusive.

Mr. WALSH. I do not think that amendment was adopted.

Mr. WINGO. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WINGO. Is that 1 to 5 in the present Senate bill or the House bill?

The SPEAKER. It is an amendment to the Senate bill. The question is on agreeing to the amendment. Does the gentleman from Arkansas withdraw his point of order?

Mr. WINGO. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. WINGO. I wish to call the attention of the Chair to the fact that evidently that amendment did not apply to the printed copy of the Senate bill or the Senate copy.

The SPEAKER. The Senate bill was the only bill that was ever considered in the House.

Mr. WINGO. Very well. That will leave suspended in the air three or four words, according to the Senate bill.

The SPEAKER. The Chair can not help that; neither can the House. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced that the noes seemed to have it.

Mr. SINNOTT, Mr. ANDERSON, and Mr. HUMPHREYS demanded a division.

The SPEAKER. The gentleman from Oregon [Mr. SINNOTT] and others demand a division.

The House divided; and there were—ayes 69, noes 17.

Mr. WINGO. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Arkansas makes the point of no quorum present. The Chair will count. [After counting.] One hundred and sixty-two Members present, not a quorum.

Mr. SIMS. I move a call of the House.

Mr. WALSH. It is an automatic call. The House was dividing.

The SPEAKER. The Doorkeeper will lock the doors. The Sergeant at Arms will notify absentees. The Clerk will call the roll. Those in favor of this amendment will, when their names are called answer yea; those opposed will answer nay.

Mr. QUIN. What is the amendment, Mr. Speaker?

The SPEAKER. The Clerk will report it again.

The Clerk read as follows:

Page 26, strike out lines 1 to 5, inclusive.

Mr. WALSH. I ask that the language proposed to be stricken out be read.

The SPEAKER. Without objection, the language proposed to be stricken out will be reported.

The Clerk read as follows:

"Navigable waters" means all streams or parts of streams, and other bodies of water or parts thereof, over which Congress has jurisdiction under its authority to regulate commerce with foreign nations and among the several States.

The SPEAKER. The question is on the amendment to strike out the language. The Clerk will call the roll.

The question was taken; and there were—yeas 214, nays 46, answered "present" 2, not voting 168, as follows:

YEAS—214.

Alexander	Elston	Kincheloe	Saunders, Va.
Ashbrook	Evans	Kinkaid	Scott, Iowa
Austin	Fairchild, B. L.	Knutson	Scott, Mich.
Ayres	Fairfield	Kraus	Scully
Bacharach	Ferris	La Follette	Sears
Baer	Fisher	Larsen	Sells
Bankhead	Focht	Lesher	Shallenberger
Barnhart	Fordney	Little	Sinnott
Beshlin	Foster	Littlepage	Sisson
Black	Freeman	Lobeck	Slayden
Blackmon	French	London	Slemp
Bland, Ind.	Fuller, Ill.	Lonergan	Sloan
Bland, Va.	Gandy	Longworth	Smith, Idaho
Blanton	Gard	McAndrews	Smith, Mich.
Bowers	Garland	McArthur	Snook
Brodbeck	Garner	McClintic	Steagall
Buchanan	Gillett	McCulloch	Steele
Burroughs	Glass	McFadden	Steenerson
Butler	Godwin, N. C.	McKenzie	Stephens, Nebr.
Caldwell	Good	McKeown	Sterling, Ill.
Campbell, Kans.	Goodall	Madden	Sterling, Pa.
Campbell, Pa.	Gould	Mansfield	Stevenson
Caraway	Graham, Ill.	Martin	Stiness
Carter, Okla.	Green, Iowa	Merritt	Strong
Chandler, N. Y.	Greene, Vt.	Miller, Minn.	Sweet
Chandler, Okla.	Hadley	Miller, Wash.	Taylor, Ark.
Clark, Pa.	Hamilton, Mich.	Montague	Taylor, Colo.
Classon	Hamlin	Moon	Tempie
Claypool	Hardy	Moore, Pa.	Thomas
Cleary	Harrison, Va.	Moores, Ind.	Thompson
Coady	Haskell	Morgan	Tillman
Collier	Hastings	Morin	Tilson
Cooper, Ohio	Haugen	Neely	Timberlake
Cooper, W. Va.	Hawley	Nichols, Mich.	Tinkham
Cox	Hayden	Nolan	Treadway
Crago	Helm	Norton	Vestal
Crisp	Helvering	Osborne	Voigt
Currie, Mich.	Hersey	Overmyer	Volstead
Curry, Cal.	Holland	Park	Walsh
Dale, Vt.	Hollingsworth	Parker, N. J.	Walton
Dallinger	Hull, Iowa	Pratt	Watson, Pa.
Darrow	Humphreys	Purnell	Watson, Va.
Davis	Husted	Rainey, H. T.	Weaver
Decker	Igoe	Ramseyer	Webb
Delaney	Ireland	Rayburn	Welty
Dempsey	Jacoway	Reavis	Wheeler
Denison	James	Reed	Williams
Dewalt	Johnson, Wash.	Robbins	Wilson, La.
Dill	Kahn	Rodenberg	Wood, Ind.
Dixon	Kearns	Rogers	Young, N. Dak.
Dupré	Kelley, Mich.	Romjue	Young, Tex.
Dyer	Kennedy, Iowa	Rose	Zihlman
Elliott	Kettner	Rowe	
Ellsworth	Key, Ohio	Sanders, Ind.	

NAYS—46.

Almon	Dent	Hilliard	Raker
Anderson	Dickinson	Houston	Rucker
Beakes	Dominick	Huddleston	Sherwood
Booher	Doremus	Hull, Tenn.	Sims
Borland	Eagle	Kehoe	Small
Burnett	Esch	Lazaro	Smith, C. B.
Byrns, Tenn.	Garrett, Tenn.	Lever	Stedman
Candler, Miss.	Garrett, Tex.	Lunn	Stephens, Miss.
Carlin	Gordon	McLaughlin, Mich.	Waldow
Church	Gray, Ala.	Mapes	Wingo
Cooper, Wis.	Harrison, Miss.	Oldfield	
Crosser	Heflin	Quin	

ANSWERED "PRESENT"—2.

Rouse Whaley

NOT VOTING—168.

Anthony	Flynn	Lufkin	Rubey
Aswell	Foss	Lundeen	Russell
Barkley	Francis	McCormick	Sabath
Bell	Frear	McKinley	Sanders, La.
Brand	Fuller, Mass.	McLaughlin, Pa.	Sanders, N. Y.
Britten	Gallagher	McLemore	Sanford
Browne	Gallivan	Magee	Schall
Browning	Glynn	Maher	Scott, Pa.
Brumbaugh	Goodwin, Ark.	Mann	Shackleford
Byrnes, S. C.	Graham, Pa.	Mason	Sherley
Cannon	Gray, N. J.	Mays	Shouse
Cantrill	Greene, Mass.	Meeker	Siegel
Carew	Gregg	Mondell	Smith, T. F.
Carter, Mass.	Griest	Mott	Snell
Cary	Griffin	Mudd	Snyder
Clark, Fla.	Hamill	Nelson	Stafford
Connally, Tex.	Hamilton, N. Y.	Nicholls, S. C.	Sullivan
Connelly, Kans.	Hayes	Oliver, Ala.	Sumners
Copley	Heaton	Oliver, N. Y.	Swift
Costello	Heintz	Olney	Switzer
Cramton	Hensley	O'Shaunessy	Tague
Dale, N. Y.	Hicks	Overstreet	Talbott
Denton	Hood	Padgett	Templeton
Dies	Howard	Paige	Towner
Dillon	Hutchinson	Parker, N. Y.	Van Dyke
Donovan	Johnson, Ky.	Peters	Vare
Dooling	Johnson, S. Dak.	Phelan	Venable
Doolittle	Jones	Platt	Vinson
Doughton	Juul	Polk	Walker
Dowell	Keating	Porter	Ward
Drane	Kelly, Pa.	Pou	Wason
Drukker	Kennedy, R. I.	Powers	Watkins
Dunn	Kiess, Pa.	Price	Welling
Eagan	King	Ragsdale	White, Me.
Edmonds	Kitchin	Rainey, J. W.	White, Ohio
Emerson	Kreider	Ramsey	Wilson, Ill.
Estopinal	La Guardia	Randall	Wilson, Tex.
Fairchild, G. W.	Langley	Rankin	Winslow
Farr	Lea, Cal.	Riordan	Wise
Fess	Lee, Ga.	Roberts	Woods, Iowa
Fields	Lehlbach	Robinson	Woodyard
Flood	Linthicum	Rowland	Wright

So the amendment was agreed to.

The following pairs were announced.

Until further notice:

Mr. OLNEY with Mr. GREENE of Massachusetts.

Mr. O'SHAUNESSY with Mr. SWITZER.

Mr. JOHN W. RAINEY with Miss RANKIN.

Mr. ROBINSON with Mr. DUNN.

Mr. BELL with Mr. WARD.

Mr. EAGAN with Mr. PARKER of New York.

Mr. GALLIVAN with Mr. KIESS.

Mr. NICHOLLS of South Carolina with Mr. BRITTEN.

Mr. WILSON of Texas with Mr. FARR.

Mr. OLIVER of Alabama with Mr. PETERS.

Mr. TALBOTT with Mr. BROWNING.

Mr. HENSLEY with Mr. MUDD.

Mr. PADGETT with Mr. HICKS.

Mr. DALE of New York with Mr. MCKINLEY.

Mr. RANDALL with Mr. FOSS.

Mr. VINSON with Mr. MOTT.

Mr. DOOLITTLE with Mr. FULLER of Massachusetts.

Mr. DOUGHTON with Mr. WILSON of Illinois.

Mr. MAYER with Mr. GRAY of New Jersey.

Mr. HAMILL with Mr. WINSLOW.

Mr. HOWARD with Mr. MAGEE.

Mr. RIORDAN with Mr. COPLEY.

Mr. ROUSE with Mr. LANGLEY.

Mr. GALLAGHER with Mr. LUFKIN.

Mr. POLK with Mr. DOWELL.

Mr. SABATH with Mr. LEHLBACH.

Mr. ROUSE. Mr. Speaker, I am paired with my colleague from Kentucky [Mr. LANGLEY]. I voted "aye." I wish to withdraw that vote and answer "present."

The result of the vote was then announced as above recorded.

A quorum being present the doors were opened.

Mr. WINGO. Mr. Speaker, I ask unanimous consent that the rest of the amendments, except the ones on which a separate vote is demanded, be agreed to en bloc.

The SPEAKER. The gentleman from Arkansas asks unanimous consent that the rest of the amendments, except the ones

on which a separate vote is demanded, be agreed to en bloc. Is there objection?

There was no objection.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment upon which a separate vote is demanded.

The Clerk read as follows:

Amendment by Mr. TAYLOR of Colorado: "Amend, page 35, line 17, after the word 'development,' strike out the word 'irrigation.'"

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Page 37, line 23, after the word "or," strike out the word "irrigation" and insert in lieu thereof "other beneficial."

The SPEAKER. The question is on the amendment.

The question was taken, and the amendment was agreed to.

The bill was ordered to be read a third time and was read the third time.

Mr. FERRIS and Mr. WALSH rose.

The SPEAKER. For what purpose does the gentleman from Oklahoma rise?

Mr. FERRIS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. FERRIS. I am.

Mr. WALSH. Mr. Speaker, I also am opposed to the bill, and I desire to offer a motion to recommit. Under the rulings heretofore made by the Speaker, as I understand it, I am entitled to preference.

Mr. FERRIS. The gentleman is not a member of the committee.

Mr. WALSH. The Chair has held heretofore that a member of the minority, opposed to the bill, is entitled to recognition in preference to a member of the majority, even though the member of the majority be a member of the committee.

Mr. HAUGEN. Mr. Speaker, I believe under the rule that I am entitled to recognition to move to recommit the bill.

The SPEAKER. Why?

Mr. HAUGEN. I am a member of the committee and of the minority, and I am opposed to the bill.

Mr. FERRIS. Mr. Speaker, I rose and gained recognition first.

Mr. WALSH. But the gentleman was asked for what purpose.

Mr. FERRIS. I am the ranking member of this committee, and I am opposed to this bill. I think I bring myself within the rule. I think I am entitled to have this motion put. I filed a minority report upon this bill also.

The SPEAKER. The Chair laid down the rules covering a motion to recommit in the first Congress that he was Speaker. It is a triple condition. The first one is, if anyone is opposed to the bill, if one man is and no one else is, the one who is out and out opposed to it is entitled to recognition. That is condition No. 1. The second one is the mandate in the rule that a member of the minority shall be recognized in preference to a member of the majority. The Chair has ruled half a dozen times that that does not mean a political majority and minority, that it means a majority and minority on the bill. The third condition is that a member of the committee has preference over the other Members of the House equally qualified. The gentleman from Oklahoma [Mr. FERRIS], a member of the committee, the second member upon it, makes a motion to recommit. Of course, the contention of the gentleman from Oklahoma that he received recognition has nothing to do with the matter. He has every qualification, however. In the first place, he is a member of the committee. In the second place, he is opposed to the bill out and out, and in the third place, so far as the Chair can ascertain at the present time, he is a member of the minority—that is, in a minority touching this bill. The Chair does not know how it is going to turn out on the roll call, but from the beginning, since the time the bill was first considered, the gentleman from Oklahoma has been in opposition. If the gentleman from Iowa [Mr. HAUGEN] had arisen before the gentleman from Oklahoma, the Chair would have been delighted to recognize him, but the question of majority and minority has nothing to do with the political complexion of the House on a motion to recommit. The gentleman from Oklahoma is recognized, and the Clerk will report his motion.

The Clerk read as follows:

Motion to recommit by Mr. FERRIS: I move to recommit Senate bill 1419 to the Committee on Water Power, with instructions to report the same back to the House forthwith with the following amendment:

Strike out section 14 of the bill and insert in lieu thereof the following:

"SEC. 14. That upon not less than two years' notice in writing from the commission the United States shall have the right, upon or after the expiration of any license, to take over and thereafter maintain and operate any project or projects, as defined in section 3 hereof, and covered in whole or in part by the license, or the right to take over upon mutual agreement with the licensee all property owned and held by the licensee then valuable and serviceable in the development, transmission, or distribution of power and which is then dependent for its usefulness upon the continuance of the license, together with any lock or locks or other aids to navigation constructed at the expense of the licensee, upon the condition that before taking possession it shall pay the fair value not to exceed actual cost of property taken, plus such reasonable severance damages, if any, as may be caused by the separation of said property from property valuable, serviceable, and dependent as above set forth, but not taken, and shall assume all contracts entered into by the licensee with the approval of the commission.

"The value of such property so taken shall be determined by agreement between the commission and the licensee, and in case they can not agree, by proceedings in equity instituted by the United States in the district court of the United States in the district within which any of such property may be located: *Provided*, That such fair value shall not include or be affected by the value of any lands, rights of way, or other property of the United States licensed by the commission under this act, by the license, or by good will, going value, or prospective revenues: *Provided further*, That the values allowed for water rights, rights of way, land, or interest in lands shall not be in excess of the actual reasonable cost thereof at the time of acquisition by the lessee."

Mr. WALSH. Mr. Speaker, I make the point of order that the gentleman from Oklahoma [Mr. FERRIS] is not entitled to make his motion upon the record as disclosed during the debate yesterday, and I submit for the consideration of the Chair in contradistinction to the gentleman's representation at the present time——

Mr. FERRIS. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. FERRIS. I demand the previous question on the motion to recommit.

The SPEAKER. But the gentleman from Massachusetts raises a point of order.

Mr. WALSH. During the debate yesterday the gentleman from Kentucky [Mr. THOMAS], while the gentleman from Oklahoma [Mr. FERRIS] had the floor, asked him if he did not think the best thing to do with the bill was to defeat it. The gentleman from Oklahoma said:

I do not; I have tried here for years; and I want to try a little longer to help get this bill through.

If the gentleman is opposed to this measure in the face of that statement I submit that he does not come within the rule respecting the minority as set down by the Speaker, dividing between those who are in favor of the bill and those who are against it.

The SPEAKER. The gentleman from Oklahoma rose and offered his motion, and the Chair asked him, as he would have asked anyone else, as he has always done, except one day when he forgot, if he was opposed to the bill, and the gentleman from Oklahoma answered without any equivocation or hesitation that he was.

Mr. COOPER of Wisconsin. Mr. Speaker, the language which the gentleman from Massachusetts [Mr. WALSH] read could well be interpreted to mean that the gentleman from Oklahoma wanted the bill perfected. He could not tell what the bill would be when it came to a final vote, but as it is now up to the House he is opposed to it.

Mr. WALSH. The gentleman from Wisconsin [Mr. COOPER], if the Chair will indulge me, evidently has not read the RECORD, because the statement of the gentleman from Oklahoma just before he replied to that query in response to the gentleman from Kentucky was this:

Mr. THOMAS. Does the gentleman not think, to be plain about this matter, that this bill is purely a socialistic bill?

Mr. FERRIS. Mr. Chairman, of course I think this is a good bill.

Mr. Speaker, permit me to point out to the Speaker that was before the vote upon the amendment of the gentleman from Oklahoma, which he now makes a basis of his motion to recommit.

Mr. FERRIS. Mr. Speaker, I scarcely think it is necessary to be heard on the proposition. [Laughter.] Gentlemen may laugh on that side and pick up a colloquy in debate and say that is not my position if they like, but that would not deter me from doing my duty or presenting my views here. When this bill was reported——

The SPEAKER. The Chair does not care to hear the gentleman. The gentleman from Wisconsin [Mr. COOPER], in the judgment of the Chair, stated this case exactly as it is and stated it in the fewest possible words.

Mr. FERRIS. I move the previous question, Mr. Speaker.

Mr. HARRISON of Mississippi. Will the gentleman withhold his motion?

Mr. FERRIS. No, sir; I will not.

The SPEAKER. The Chair wants to finish his decision. What the gentleman from Oklahoma thought yesterday the Chair does not know. [Laughter.] The bill may have changed

for all he knows in a dozen different directions. All that the Chair knows about a bill that has been in the Committee of the Whole House or the Committee of the Whole House on the state of the Union is what the chairman reports to him. The Chair does know this, that the gentleman from Oklahoma filed a minority report, and just judging from what the Chair heard when he came in here once in a while he thought that he was leading the fight against the bill. But, however that may be, what he said yesterday or the day before or the day before that has nothing in the world to do with the answer that he gave the Speaker when the Speaker propounded the acid test. [Laughter and applause.] So the point of order of the gentleman from Massachusetts is overruled.

Mr. FERRIS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced the noes seemed to have it.

Mr. FERRIS. Division, Mr. Speaker. The yeas and nays, Mr. Speaker, to save time.

The SPEAKER. The gentleman demands the yeas and nays; evidently there is a sufficient number, and the Clerk will call the roll.

The question was taken; and there were—yeas 128, nays 133, answered "present" 2, not voting 167, as follows:

YEAS—128.

Alexander	Dewalt	Houston	Norton
Ashbrook	Dickinson	Huddleston	Oldfield
Ayres	Dill	Hull, Tenn.	Overmyer
Baer	Dixon	Igoe	Park
Barnhart	Dominick	Jacoway	Quin
Beakes	Doremus	James	Rainey, H. T.
Beshlin	Eagle	Kehoe	Raker
Blackmon	Evans	Kettner	Romjue
Bland, Va.	Ferris	Key, Ohio	Rucker
Blanton	Fisher	Kincheloe	Scully
Booher	Foster	Larsen	Sears
Borland	French	Lazaro	Shallenberger
Brodbeck	Gandy	Lesher	Sherwood
Buchanan	Gard	Lever	Sims
Byrns, Tenn.	Garner	Little	Sisson
Caldwell	Garrett, Tenn.	Littlepage	Steagall
Candler, Miss.	Garrett, Tex.	Lobeck	Stedman
Cantrill	Glass	London	Steele
Caraway	Godwin, N. C.	Lunn	Stephens, Miss.
Carlin	Gordon	McAndrews	Stevenson
Carter, Okla.	Gray, Ala.	McClintic	Taylor, Ark.
Chandler, Okla.	Hamlin	McKeown	Thomas
Claypool	Hardy	Mansfield	Thompson
Cleary	Harrison, Miss.	Mapes	Tillman
Coady	Harrison, Va.	Martin	Walton
Collier	Hastings	Miller, Wash.	Weaver
Cooper, Wis.	Hayden	Montague	Webb
Cox	Heflin	Moon	Welty
Crisp	Helm	Morgan	Whaley
Crosser	Helvering	Neely	Wilson, La.
Decker	Hilliard	Nichols, Mich.	Wingo
Dent	Holland	Nolan	Young, Tex.

NAYS—133.

Almon	Fairfield	Lonergan	Small
Anderson	Focht	Longworth	Smith, Idaho
Austin	Fordney	McArthur	Smith, Mich.
Bacharach	Freeman	McCulloch	Smith, C. B.
Bankhead	Fuller, Ill.	McFadden	Snook
Black	Garland	McKenzie	Steenerson
Bland, Ind.	Gillett	McLaughlin, Mich.	Stephens, Nebr.
Bowers	Glynn	Madden	Sterling, Ill.
Burnett	Good	Merritt	Sterling, Pa.
Burroughs	Goodall	Miller, Minn.	Stiness
Butler	Gould	Moore, Pa.	Strong
Campbell, Kans.	Graham, Ill.	Moores, Ind.	Sweet
Campbell, Pa.	Green, Iowa	Morin	Taylor, Colo.
Cannon	Greene, Vt.	Osborne	Temple
Church	Hadley	Parker, N. J.	Tilson
Clark, Pa.	Hamilton, Mich.	Pratt	Timberlake
Classon	Haskell	Purnell	Tinkham
Cooper, Ohio	Haugen	Ramseyer	Treadway
Cooper, W. Va.	Hawley	Reavis	Vestal
Crago	Hersey	Reed	Voigt
Currie, Mich.	Hollingsworth	Robbins	Volstead
Curry, Cal.	Hull, Iowa	Roberts	Waldow
Dale, Vt.	Humphreys	Rodenberg	Walsh
Dallinger	Husted	Rogers	Watson, Pa.
Darrow	Ireland	Rose	Watson, Va.
Davis	Johnson, Wash.	Rowe	Wheeler
Dempsey	Kahn	Sanders, Ind.	Williams
Denison	Kearns	Saunders, Va.	Wood, Ind.
Dyer	Kelley, Mich.	Scott, Iowa	Woods, Iowa
Elliott	Kennedy, Iowa	Scott, Mich.	Young, N. Dak.
Ellsworth	Kinkaid	Sells	Zihlman
Elston	Knutson	Sinnott	
Esch	Kraus	Slayden	
Fairchild, B. L.	La Follette	Sloan	

ANSWERED "PRESENT"—2.

Dupré	Rouse

NOT VOTING—167.

Anthony	Brumbaugh	Connelly, Kans.	Dillon
Aswell	Byrnes, S. C.	Copley	Donovan
Barkley	Carew	Costello	Dooling
Bell	Carter, Mass.	Cramton	Doolittle
Brand	Cary	Dale, N. Y.	Doughton
Britten	Chandler, N. Y.	Delaney	Dowell
Browne	Clark, Fla.	Denton	Drane
Browning	Connally, Tex.	Dies	Drukker
Dunn	Johnson, Ky.	Oliver, Ala.	Sherley
Eagan	Johnson, S. Dak.	Oliver, N. Y.	Shouse
Edmonds	Jones	Olney	Siegel
Emerson	Juul	O'Shaunessy	Slemp
Estopinal	Keating	Overstreet	Smith, T. F.
Fairchild, G. W.	Kelly, Pa.	Padgett	Snell
Farr	Kennedy, R. I.	Paige	Snyder
Fess	Kiess, Pa.	Parker, N. Y.	Stafford
Fields	King	Peters	Sullivan
Flood	Kitchin	Phelan	Sumners
Flynn	Kreider	Platt	Swift
Foss	LaGuardia	Polk	Switzer
Francis	Langley	Porter	Tague
Frear	Lea, Cal.	Pou	Talbott
Fuller, Mass.	Lee, Ga.	Powers	Templeton
Gallagher	Lehlbach	Price	Towner
Gallivan	Linthicum	Ragsdale	Van Dyke
Goodwin, Ark.	Lufkin	Rainey, J. W.	Vare
Graham, Pa.	Lundeen	Ramsey	Venable
Gray, N. J.	McCormick	Randall	Vinson
Greene, Mass.	McKinley	Rankin	Walker
Gregg	McLaughlin, Pa.	Rayburn	Ward
Griest	McLemore	Riordan	Wason
Griffin	Magee	Robinson	Watkins
Hammill	Maher	Rowland	Welling
Hamilton, N. Y.	Mann	Rubey	White, Me.
Hayes	Mason	Russell	White, Ohio
Heaton	Mays	Sabath	Wilson, Ill.
Heintz	Meeker	Sanders, La.	Wilson, Tex.
Hensley	Mondell	Sanders, N. Y.	Winslow
Hicks	Mott	Sanford	Wise
Hood	Mudd	Schall	Woodyard
Howard	Nelson	Scott, Pa.	Wright
Hutchinson	Nicholls, S. C.	Shackleford	

So the motion to recommit was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. DUPRÉ (for) with Mr. KENNEDY of Rhode Island (against).

Mr. SHOUSE (for) with Mr. LEHLBACH (against).

Mr. GOODWIN of Arkansas (for) with Mr. WINSLOW (against).

Mr. COPLEY (for) with Mr. GREENE of Massachusetts (against).

Until further notice:

Mr. LEE of Georgia with Mr. FULLER of Massachusetts.

Mr. DOOLITTLE with Mr. SIEGEL.

Mr. SABATH with Mr. SANFORD.

Mr. DUPRÉ. Mr. Speaker, I wish to vote "yea."

The SPEAKER. Was the gentleman in the Hall and listening when his name was called?

Mr. DUPRÉ. I was not, sir. I answered "present." I am paired against the motion to recommit.

Mr. ROUSE. Mr. Speaker, I voted "yea." I am paired with my colleague, Mr. LANGLEY, and I desire to withdraw my vote and answer "present."

The result of the vote was announced as above recorded.

LEAVE OF ABSENCE.

Mr. GOODWIN of Arkansas (at the request of Mr. WINGO), by unanimous consent, was granted leave of absence for the day on account of illness.

WATER POWER.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the yeas seemed to have it.

Mr. MCARTHUR. I demand the yeas and nays, Mr. Speaker, I want to put some of these fellows on record that were against the bill.

The yeas and nays were ordered.

The question was taken; and there were—yeas 231, nays 23, answered "present" 2, not voting 174, as follows:

YEAS—231.

Alexander	Carter, Okla.	Drane	Gould
Almon	Chandler, Okla.	Dupré	Graham, Ill.
Anderson	Clark, Pa.	Dyer	Gray, Ala.
Ashbrook	Classon	Eagle	Green, Iowa
Bacharach	Claypool	Elliott	Greene, Vt.
Bankhead	Cleary	Ellsworth	Hadley
Barnhart	Coady	Elston	Hamilton, Mich.
Beakes	Collier	Esch	Hardy
Beshlin	Cooper, Ohio	Evans	Harrison, Miss.
Black	Cooper, W. Va.	Fairchild, B. L.	Harrison, Va.
Bland, Ind.	Cox	Fairfield	Haskell
Bland, Va.	Crago	Fisher	Hastings
Blanton	Crisp	Focht	Hawley
Borland	Crosser	Foster	Hayden
Bowers	Currie, Mich.	Freeman	Heflin
Brodbeck	Curry, Cal.	Fuller, Ill.	Helm
Brumbaugh	Dale, Vt.	Gandy	Helvering
Buchanan	Dallinger	Gard	Hersey
Burnett	Darrow	Garland	Hilliard
Burroughs	Davis	Garner	Holland
Butler	Delaney	Garrett, Tenn.	Hollingsworth
Byrns, Tenn.	Dempsey	Garrett, Tex.	Houston
Caldwell	Denison	Gillett	Huddleston
Campbell, Kans.	Dent	Glass	Hull, Iowa
Campbell, Pa.	Denton	Glynn	Hull, Tenn.
Candler, Miss.	Dewalt	Godwin, N. C.	Husted
Cannon	Dickinson	Good	Igoe
Cantrill	Dill	Goodall	Ireland
Caraway	Dixon	Gordon	Jacoway

Johnson, Wash.	Miller, Minn.	Rose	Strong
Kahn	Miller, Wash.	Rowe	Sweet
Kearns	Mondell	Sanders, Ind.	Taylor, Ark.
Kehoe	Montague	Saunders, Va.	Taylor, Colo.
Kelley, Mich.	Moon	Scott, Iowa	Temple
Kennedy, Iowa	Moore, Pa.	Scott, Mich.	Tillman
Kettner	Moores, Ind.	Scully	Tilson
Key, Ohio	Morgan	Sells	Timberlake
Kincheloe	Morin	Shallenberger	Tinkham
Kinkaid	Neely	Sherwood	Treadway
Knutson	Nolan	Sims	Vestal
Kraus	Oldfield	Sinnott	Volgt
La Follette	Osborne	Slayden	Volstead
Larsen	Overmyer	Slemp	Waldow
Lazaro	Park	Sloan	Walton
Lesher	Parker, N. J.	Small	Watson, Pa.
Littlepage	Pratt	Smith, Idaho	Watson, Va.
Lobeck	Purnell	Smith, Mich.	Weaver
Lonergan	Quin	Smith, C. B.	Welty
McAndrews	Rainey, H. T.	Snook	Whaley
McArthur	Raker	Steagall	Wheeler
McCulloch	Ramseyer	Stedman	Williams
McFadden	Reavis	Steele	Wilson, La.
McKenzie	Reed	Steenerson	Wood, Ind.
McLaughlin, Mich.	Robbins	Stephens, Miss.	Woods, Iowa
Mansfield	Roberts	Sterling, Ill.	Young, N. Dak.
Mapes	Rodenberg	Sterling, Pa.	Young, Tex.
Martin	Rogers	Stevenson	Zihlman
Merritt	Romjue	Stiness	

NAYS—23.

Ayres	Ferris	London	Thomas
Baer	French	McKeown	Thompson
Booher	Hamlin	Nichols, Mich.	Walsh
Cooper, Wis.	Haugen	Norton	Webb
Decker	Humphreys	Sears	Wingo
Doremus	James	Sisson	

ANSWERED "PRESENT"—2.

McClintic Rouse

NOT VOTING—174.

Anthony	Fordney	Lufkin	Rucker
Aswell	Foss	Lundeen	Russell
Austin	Francis	Lunn	Sabath
Barkley	Frear	McCormick	Sanders, La.
Bell	Fuller, Mass.	McKinley	Sanders, N. Y.
Blackmon	Gallagher	McLaughlin, Pa.	Sanford
Brand	Gallivan	McLemore	Schall
Britten	Goodwin, Ark.	Madden	Scott, Pa.
Browne	Graham, Pa.	Magee	Shackleford
Browning	Gray, N. J.	Maher	Sherley
Byrnes, S. C.	Greene, Mass.	Mann	Shouse
Carew	Gregg	Mason	Siegel
Carlin	Griest	Mays	Smith, T. F.
Carter, Mass.	Griffin	Meeker	Snell
Cary	Hamill	Mott	Snyder
Chandler, N. Y.	Hamilton, N. Y.	Mudd	Stafford
Church	Hayes	Nelson	Stephens, Nebr.
Clark, Fla.	Heaton	Nicholls, S. C.	Sullivan
Connally, Tex.	Heintz	Oliver, Ala.	Sumners
Connelly, Kans.	Hensley	Oliver, N. Y.	Swift
Copley	Hicks	Olney	Switzer
Costello	Hood	O'Shaunessy	Tague
Cramton	Howard	Overstreet	Talbott
Dale, N. Y.	Hutchinson	Padgett	Templeton
Dies	Johnson, Ky.	Paige	Towner
Dillon	Johnson, S. Dak.	Parker, N. Y.	Van Dyke
Dominick	Jones	Peters	Vare
Donovan	Juul	Phelan	Venable
Dooling	Keating	Platt	Vinson
Doolittle	Kelly, Pa.	Polk	Walker
Doughton	Kennedy, R. I.	Porter	Ward
Dowell	Kiess, Pa.	Pou	Wason
Drukker	King	Powers	Watkins
Dunn	Kitchin	Price	Welling
Eagan	Kreider	Ragsdale	White, Me.
Edmonds	LaGuardia	Rainey, J. W.	White, Ohio
Emerson	Langley	Ramsey	Wilson, Ill.
Estopinal	Lea, Cal.	Randall	Wilson, Tex.
Fairchild, G. W.	Lee, Ga.	Rankin	Winslow
Farr	Lehlbach	Rayburn	Wise
Fess	Lever	Riordan	Woodyard
Fields	Linthicum	Robinson	Wright
Flood	Little	Rowland	
Flynn	Longworth	Rubey	

So the bill was passed.

The Clerk announced the following additional pairs:

Until further notice:

Mr. SHOUSE with Mr. LEHLBACH.

Mr. GOODWIN of Arkansas with Mr. WINSLOW.

Mr. LEE of Georgia with Mr. FULLER of Massachusetts.

Mr. HAMILL with Mr. GREENE of Massachusetts.

The result of the vote was announced as above recorded.

On motion of Mr. SIMS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

PROHIBITION IN ESTABLISHED WAR-PLANT ZONES.

Mr. MILLER of Minnesota. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk Senate joint resolution 172, that has just been placed there, and put it on its passage; and I would like three minutes in which to state to the House my reasons for it.

The SPEAKER. The gentleman from Minnesota asks three minutes in which to state the merits of the resolution. Is there objection?

Mr. FERRIS. Reserving the right to object, let us have it reported.

Mr. MILLER of Minnesota. I would be glad to have it reported first.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Joint resolution (S. J. Res. 172) authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed.

Resolved, etc., That the President of the United States be, and hereby is, authorized and empowered, at any time after the passage of this joint resolution, to establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants, and such other plants for war material as may seem to him to require such action, whenever in his opinion the creation of such zones is necessary to, or advisable in, the proper prosecution of the war, and that he is hereby authorized and empowered to prohibit the sale, manufacture, or distribution of intoxicating liquors in such zones, and that any violation of the President's regulations in this regard shall be punished by imprisonment for not more than one year or by fine of not more than $1,000, or by both such fine and imprisonment.

Mr. DENT. Mr. Speaker, reserving the right to object, I have spoken with the gentleman from Minnesota about this resolution, but I have not had a chance to examine it. I knew not what its provisions were until it had been read, and I do not know whether the Speaker would refer it to the Committee on Military Affairs or to the Committee on the Judiciary; but this is a measure of such importance that I should think it ought to go to some committee for consideration before action is taken by the House. If it goes to the Committee on Military Affairs, I promise the gentleman that the Committee on Military Affairs will take early action one way or the other on it. If it goes to the Committee on the Judiciary, that, of course, is another question.

The SPEAKER. The Chair would refer it to the Judiciary Committee; that is to say, he would if he had to refer it at all.

Mr. MILLER of Minnesota. This matter is of immediate importance; as I said to the gentleman, of critical importance, and I really would like three minutes.

The SPEAKER. The gentleman from Minnesota asks for three minutes in which to explain this resolution before the Chair puts the question of consideration. Is there objection?

There was no objection.

Mr. MILLER of Minnesota. Mr. Speaker and gentlemen of the House, this Senate joint resolution, which passed the Senate this afternoon, contains in exact phraseology a proviso that has been adopted by the Senate to the Agricultural bill. It is not the general prohibition amendment, but a proviso to it.

A condition has arisen at the head of Lake Superior in which Government works are seriously menaced. Ten thousand men engaged in shipbuilding and in the production of munitions are to-day being debauched by artificially created conditions that are beyond the power of either Minnesota or Wisconsin to control. The cities of Duluth and Superior are both "dry." The entire head-of-the-Lakes region is "dry," but a group of about 30 men have organized a village in the State of Wisconsin for booze purposes alone. They have one saloon and eight wholesale houses that constitute the entire village.

This has come to be a hell hole of iniquity. The War Department and the Department of Justice have tried in vain under the law as it stands to control it. We presented the matter to the Secretary of War and the Acting Secretary this morning, and I will say that the Senator from Wisconsin [Mr. LENROOT], the two Senators from Minnesota, a member of the Public Safety Commission of Wisconsin, the mayor of the city of Duluth, and the commissioner of public safety of Duluth, all here, united in a request for immediate action.

It is a serious situation. It was the view of the Secretary that only by the passage of additional legislation could he control the situation. Therefore we agreed upon this resolution. I will ask the gentleman from Alabama if he has not in his possession a letter from the Acting Secretary, Mr. Cole, asking that this be passed at once. That is the only reason for it. I ask you for the protection of these industries that you pass the resolution. So I sincerely trust that no objection will be had. There was no objection on the part of any Senator. I submitted it to gentlemen of the House that I thought might be immediately interested in it and there was no objection.

Mr. GARD. Will the gentleman yield?

Mr. MILLER of Minnesota. Yes.

Mr. GARD. May I ask if the gentleman submitted it to the chairman of the Committee on the Judiciary?

Mr. MILLER of Minnesota. I did, and he said he had no objection. The gentleman from Alabama submitted it to him in my presence, and he said he had no objection to it.

Mr. GARD. I wanted to be assured whether the chairman was willing to have it considered.

Mr. MILLER of Minnesota. Mr. Speaker, that is all I care to say. I have made the request for unanimous consent for immediate consideration. My reason for that is that we are to take up the revenue bill to-morrow, and I did not want to ask

the House to interrupt that bill, for I am sure my request would be refused. This is something that the immediate minute asks for, and I trust that no one will object.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota for the immediate consideration of the resolution?

Mr. DENT. Mr. Speaker, I object. It is the first time in my life that I have ever done a thing of that kind. Mr. Speaker, I ask unanimous consent that I may be permitted to address the House for 10 minutes to-morrow immediately after the reading of the Journal on the subject of draft legislation and newspaper comments on the same.

The SPEAKER. The gentleman from Alabama asks unanimous consent that to-morrow, after the reading of the Journal and disposition of business on the Speaker's table, he be permitted to address the House for 10 minutes on the draft and newspaper comments. Is there objection?

Mr. GILLETT. Mr. Speaker, to-morrow the House is expected to take up the revenue bill. I do not think we ought to have other subjects brought up, and I object.

FUNDS OF OSAGE TRIBE OF INDIANS IN NATIONAL AND STATE BANKS (H. DOC. NO. 1270).

The Speaker laid before the House the following communication from the Secretary of the Interior, which was ordered printed and referred to the Committee on Indian Affairs, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, September 5, 1918.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: Pursuant to House resolution 322, calling for information as to the amount of money on deposit in State and national banks on April 1, 1918, belonging to the Five Civilized Tribes and the Osage Tribe of Indians and to individual members of said tribes, I am inclosing herewith an alphabetical list giving the name and address of each bank, the amount of deposit in each, and the rate or rates of interest paid by each bank.

In this connection I wish to point out that the tribal funds of the Five Civilized Tribes have been deposited in the State and national banks of Oklahoma in accordance with the act approved March 3, 1911 (36 Stat. L., 1070). Banks of Oklahoma were also used for the individual Indian moneys until the amount of funds available for deposit became so large that the Oklahoma banks which qualified as depositaries under the regulations were not able to handle it. The records of the Indian Office show that all the State and national banks in Oklahoma were notified that funds were available for deposit and were invited to apply therefor, but even after all the applicant Oklahoma banks which qualified had been given deposits there still remained the sum of $2,000,000 or more, and in order to get this money on an interest-bearing basis and to provide also for additional sums then rapidly accruing bids on individual Indian funds were invited from banks outside the State by the Superintendent for the Five Civilized Tribes, with the result that interest amounting to thousands of dollars was thereby saved to the Indians. The superintendent of the Osage Agency also invited outside banks to bid on funds under his jurisdiction as occasion arose.

It was the practice to accept any bank of sound financial standing which offered not less than 3 per cent on open accounts, 4 per cent on a time deposit of 6 months, or 4½ per cent on a time deposit of one year. At no time was any qualified bank in Oklahoma denied a deposit. Indeed, despite the effort to place all available funds in banks there was for two years approximately $2,000,000 of tribal funds lying idle because of the failure of Oklahoma banks to qualify therefor. In this connection I quote from a letter addressed to Hon. William H. Murray on January 14, 1916, by the Commissioner of Indian Affairs:

"For the last two or three years we have not had a sufficient number of banks in Oklahoma to care for all the funds available, and if any other (Oklahoma) banks can qualify I shall be glad to give them deposits at once."

It was often difficult to get Oklahoma banks even for such deposits as it was desirable from an administrative standpoint to keep near an agency. In many instances where this could consistently be done requests of Oklahoma banks for a reduction in their interest rates were allowed in order that the banks might be retained as depositaries.

Respectfully,

FRANKLIN K. LANE,
Secretary.

List of depositaries for moneys belonging to the Five Civilized Tribes and the Osage Tribe of Indians, Apr. 1, 1918.

I. DEPOSITARIES FOR TRIBAL FUNDS OF FIVE TRIBES.

Name and address of bank.	Amount on deposit Apr. 1, 1918.	Interest paid, time deposit.		
		Open account.	Six months.	One year.
		Per ct.	*Per ct.*	*Per ct.*
Oklahoma State Bank, Ada, Okla	$10,405.37			4
First State Bank, Allen, Okla	13,071.53			4½
Farmers State Bank, Alva, Okla	5,202.92			4
Bank of Ashland, Ashland, Okla	5,202.65			4
Oklahoma State Bank, Atoka, Okla	26,014.48			4
First State Bank, Atwood, Okla	5,228.96			4½
State Exchange Bank, Bokoshe, Okla	5,228.62			4½
Bank of Buffalo, Buffalo, Okla	7,842.44			4½
Byars State Bank, Byars, Okla	5,203.01			4
Cheyenne State Bank, Cheyenne, Okla	10,509.05			5
Farmers State Bank, Chickasha, Okla	15,685.66			4½
Farmers & Merchants Bank, Choteau, Okla	2,613.86			4½

List of depositaries for moneys belonging to the Five Civilized Tribes and the Osage Tribe of Indians, Apr. 1, 1918—Continued.

I. DEPOSITARIES FOR TRIBAL FUNDS OF FIVE TRIBES—continued.

Name and address of bank.	Amount on deposit April 1, 1918.	Interest paid, time deposit.		
		Open account.	Six months.	One year.
		Per ct.	*Per ct.*	*Per ct.*
Coalgate State Bank, Coalgate, Okla	$10,000.00			4
Farmers State Bank, Comanche, Okla	10,000.00			4
Farmers & Merchants Bank, Crescent, Okla	20,812.05			4
Bank of Crowder, Crowder, Okla	5,202.80			4
Farmers State Bank, Devol, Okla	6,274.58			4½
Farmers State Bank, Elk City, Okla	11,464.59			5
Oklahoma State Bank, Eufaula, Okla	20,000.00			4
Osage Bank, Fairfax, Okla	20,046.67			4
Fay State Bank, Fay, Okla	5,228.88			4½
Bank of Foss, Foss, Okla	10,458.16			4½
Bank of Gage, Gage, Okla	10,000.00			4½
American State Bank, Geary, Okla	10,405.97			4
Bank of Gotebo, Gotebo, Okla	10,509.29			5
First State Bank, Gowen, Okla	10,115.56			4
Home State Bank, Grandfield, Okla	10,152.22			4
Bank of Grant, Grant, Okla	5,413.21			4
Oklahoma State Bank, Hammon, Okla	10,499.69			4
Bank of Hanna, Hanna, Okla	5,228.70			4½
First State Bank, Hartshorne, Okla	10,933.69			4½
Citizens Bank, Henryetta, Okla	13,071.75			4½
Peoples Bank, Hickory, Okla	9,999.37			4
Farmers & Merchants Bank, Hooker, Okla	10,405.82			4
State Bank & Trust Co., Howe, Okla	5,203.21			4
First State Bank, Hugo, Okla	5,201.95			4
First State Bank, Indiahoma, Okla	5,202.65			4
Delaware County Bank, Jay, Okla	5,466.77			4½
The Bank of Kellyville, Okla	5,228.62			4½
Cimarron County Bank, Kenton, Okla	15,686.36			4½
Keystone State Bank, Keystone, Okla	5,228.81			4½
Oklahoma State Bank, Konawa, Okla	10,826.43			4
Farmers State Bank, Lahoma, Okla	7,842.83			4½
Laverne State Bank, Laverne, Okla	10,183.33			4
Cherokee State Bank, Lenapah, Okla	7,500.00			4
Farmers State Guaranty Bank, Lexington, Okla	10,405.93			4
Security State Bank, Lexington, Okla	4,999.91			4
State Bank, Loco, Okla	10,112.60			4½
Bank of Longdale, Longdale, Okla	5,228.76			4½
The Bank of McAlester, Okla	7,320.38			4½
Guaranty State Bank, Madill, Okla	10,509.00			5
The Guaranteed State Bank, Marlow, Okla	10,457.11			4½
Bank of Millerton, Millerton, Okla	2,706.33			4
First State Bank, Morris, Okla	10,933.54			4½
Bank of Mounds, Mounds, Okla	5,228.79			4½
Planters State Bank, Mountain Park, Okla	10,125.56			4
Central State Bank, Muskogee, Okla	15,183.33			4½
Bank of Navina, Navina, Okla	3,500.04			5
Farmers State Bank, Newkirk, Okla	5,000.00			4½
Citizens State Bank, Ninnekah, Okla	7,320.30			4½
State Guaranty Bank, Okeene, Okla	10,233.64			4
Citizens State Bank, Okemah, Okla	10,000.04			4
Southwest Reserve Bank, Oklahoma City, Okla	30,000.00			4
First State Bank, Orr, Okla	7,686.96			4½
Bank of Commerce, Pawhuska, Okla	10,000.00			4
Deposit Guaranty State Bank, Ponca City, Okla	20,000.00			4
Oklahoma State Bank, Ponca City, Okla	25,000.00			4
Security State Bank, Ponca City, Okla	25,000.00			4½
First State Bank, Pond Creek, Okla	16,121.94			4½
Citizens Bank & Trust Co. of Pryor Creek, Pryor, Okla	12,500.00			5
First State Bank, Putnam, Okla	5,202.94			4
Bank of Commerce, Ralston, Okla	5,228.79			4½
State Bank of Rocky, Rocky, Okla	5,228.58			4½
American State Bank, Rosedale, Okla	5,000.31			4
Security State Bank, Shawnee, Okla	10,000.00			4
Kiowa State Bank, Snyder, Okla	5,203.03			4
Farmers & Merchants Bank, Sterling, Okla	5,202.06			4
First State Bank, Stonewall, Okla	4,682.65			4
The State Bank, Stratford, Okla	10,544.11			4 and 4½
Stuart State Bank, Stuart, Okla	20,914.18			4½
First State Bank, Tahlequah, Okla	9,411.66			4
First State Bank, Talala, Okla	5,169.91			4
First State Bank, Terral, Okla	7,500.00			4½
Security State Bank, Tribbey, Okla	5,228.55			4½
Bank of Tuttle, Tuttle, Okla	10,456.73			4½
Farmers State Bank, Tuttle, Okla	5,202.64			4
Bank of Vici, Oklahoma	6,133.60			4
First State Bank, Warner, Okla	7,637.59			4
The First State Bank, Wayne, Okla	5,228.55			4½
The First Guaranty Bank, Wewoka, Okla	8,069.23			4½
The Citizens Bank, Wilburton, Okla	10,405.74			4
The First State Bank, Willow, Okla	5,000.00			4
Gerlach Bank, Woodward, Okla	20,046.67			4
Farmers & Merchants National Bank, Achille, Okla	15,606.18			4
First National Bank, Ada, Okla	25,204.44			4
First National Bank, Alex, Okla	26,142.77			4½
First National Bank, Allen, Okla	26,013.80			4
First National Bank, Altus, Okla	15,609.17			4
The Antlers National Bank, Antlers, Okla	25,000.00			4 and 4½
Citizens National Bank, Antlers, Okla	15,301.10			4
Bartlesville National Bank, Bartlesville, Okla	52,284.37			4½
Farmers National Bank, Beggs, Okla	15,607.33			4
First National Bank, Bixby, Okla	7,804.20			4
First National Bank, Blackwell, Okla	20,812.04			4
First National Bank, Blanchard, Okla	26,013.79			4

List of depositaries for moneys belonging to the Five Civilized Tribes and the Osage Tribe of Indians, Apr. 1, 1918—Continued.

I. DEPOSITARIES FOR TRIBAL FUNDS OF FIVE TRIBES—continued.

Name and address of bank.	Amount on deposit April 1, 1918.	Interest paid, time deposit.		
		Open account.	Six months.	One year.
		Per ct.	Per ct.	Per ct.
First National Bank, Bluejacket, Okla	$10,000.00			4
First National Bank, Boswell, Okla	8,935.98			4½
First National Bank, Bragys, Okla	5,228.68			4½
Bristow National Bank, Bristow, Okla	15,685.66			4½
The Citizens National Bank, Broken Arrow, Okla	15,000.00			4
First National Bank, Broken Arrow, Okla	25,514.26			4
First National Bank, Broken Bow, Okla	15,672.79			4
Carmen National Bank, Carmen, Okla	20,915.28			4½
First National Bank, Cashion, Okla	26,146.63			4½
First National Bank, Centralia, Okla	26,013.92			4
Commercial National Bank, Checotah, Okla	36,613.58			4 and 4½
Alfalfa County National Bank, Cherokee, Okla	15,685.31			4½
Farmers National Bank, Cherokee, Okla	15,000.00			4½
Chickasha National Bank, Chickasha, Okla	57,514.73			4½
First National Bank, Chickasha, Okla	21,867.48			4½
National Bank of Claremore, Okla	36,584.99			4
Cleveland National Bank, Cleveland, Okla	20,915.04			4½
First National Bank, Cleveland, Okla	23,636.00			4
Oklahoma State National, Clinton, Okla	16,228.38			4
First National Bank, Coalgate, Okla	15,000.00			4
Cordell National Bank, Cordell, Okla	30,730.08			4 and 4½
National Bank of Commerce, Coweta, Okla	7,842.83			4½
The Peoples State National Bank, Custer City, Okla	20,914.34			4½
First National Bank, Davis, Okla	36,420.50			4
First National Bank, Dewey, Okla	15,608.69			4
Security National Bank, Dewey, Okla	10,457.34			4½
First National Bank, Drumright, Okla	15,647.93			4½
First National Bank, Durant, Okla	68,047.92			4½ and 5
Citizens National Bank, El Reno, Okla	50,000.00			4
First National Bank, Eufaula, Okla	26,271.23			5
Farmers and Merchants National Bank, Fairview, Okla	15,337.84			4 and 4½
First National Bank, Foraker, Okla	10,457.40			4½
Citizens National Bank, Fort Gibson, Okla	13,071.68			4½
Farmers National Bank, Fort Gibson, Okla	15,608.14			4
First National Bank, Geary, Okla	21,017.57			5
First National Bank, Gotebo, Okla	9,994.63			4
First National Bank, Grandfield, Okla	15,760.68			5
City National Bank, Guymon, Okla	26,015.98			4
Farmers National Bank, Hammon, Okla	15,608.92			4
First National Bank, Hartshorne, Okla	31,216.27			4
Haskell National Bank, Haskell, Okla	15,609.87			4
National Bank of Hastings, Okla	20,914.22			4½
First National Bank, Heavener, Okla	15,609.11			4
Farmers and Merchants National Bank, Hennessey, Okla	15,608.69			4
First National Bank, Hennessey, Okla	15,608.42			4
First National Bank, Henryetta, Okla	41,726.70			4½
Miners National Bank, Henryetta, Okla	17,500.00			4
City National Bank, Hobart, Okla	25,000.21			4½
American National Bank, Holdenville, Okla	15,625.23			5
Farmers National Bank, Holdenville, Okla	10,405.19			4
First National Bank, Holdenville, Okla	31,370.62			4½
First National Bank, Hominy, Okla	10,444.60			4½
National Bank of Commerce, Hominy, Okla	5,267.18			5½
First National Bank, Hooker, Okla	15,608.59			4
First National Bank, Hugo, Okla	25,097.06			4½
First National Bank, Hydro, Okla	10,457.70			4½
First National Bank, Idabel, Okla	15,608.14			4½
National Bank of Kaw City, Okla	5,000.00			4½
First National Bank, Kingston, Okla	27,332.80			4½
First National Bank, Konawa, Okla	26,142.18			4½
First National Bank, Lahoma, Okla	15,647.24			4½
First National Bank, Lone Wolf, Okla	26,272.12			5
First National Bank, Luther, Okla	7,500.10			4
First National Bank, McAlester, Okla	12,486.51			4
First National Bank, McLoud, Okla	20,000.00			5
National Bank of Marlow, Okla	20,000.00			4
First National Bank, Maud, Okla	10,405.85			4
Farmers National Bank, Maysville, Okla	20,914.22			4½
First National Bank, Miami, Okla	10,457.28			4½
First National Bank, Mill Creek, Okla	26,142.78			4½
First National Bank, Mounds, Okla	15,686.63			4½
Exchange National Bank, Muskogee, Okla	31,754.81			4½
First National Bank, New Wilson, Okla	15,608.25			4
First National Bank, Noble, Okla	15,000.00			4½
First National Bank, Nowata, Okla	10,000.00			4½
Nowata National Bank, Nowata, Okla	10,000.00			4
Okemah National Bank, Okemah, Okla	20,748.65			4½
Security National Bank, Oklahoma City, Okla	78,079.23			4½
Citizens National Bank, Okmulgee, Okla	47,061.70			4½
First National Bank, Okmulgee, Okla	20,913.74			4½
First National Bank, Oktaha, Okla	15,686.46			4½
Pauls Valley National Bank, Pauls Valley, Okla	5,228.38			4½
American National Bank, Pawhuska, Okla	12,500.00			4
Farmers National Bank, Pond Creek, Okla	15,000.20			4
Prague National Bank, Prague, Okla	10,435.88			4
First National Bank, Rosston, Okla	20,182.22			4
First National Bank, Rush Springs, Okla	20,810.93			4
Citizens National Bank, Sallisaw, Okla	7,824.00			4
Beckham County National Bank, Sayre, Okla	15,539.25			4½
First National Bank, Sayre, Okla	15,647.01			4½
First National Bank, Seminole, Okla	$20,932.67			4½
First National Bank, Sentinel, Okla	15,763.29			4 and 5
Shattuck National Bank, Shattuck, Okla	30,000.00			4½
First National Bank, Skiatook, Okla	15,000.00			4½
First National Bank, Snyder, Okla	18,301.37			4½
First National Bank, Soper, Okla	5,000.08			4½
American National Bank, Stigler, Okla	14,994.79			4
First National Bank, Stilwell, Okla	15,685.40			4½
Park National Bank, Sulphur, Okla	15,635.31			4½
First National Bank, Tahlequah, Okla	26,012.52			4
Farmers National Bank, Tecumseh, Okla	15,689.58			4½
Tecumseh National Bank, Tecumseh, Okla	17,500.00			4½
Farmers National Bank, Tishomingo, Okla	5,228.67			4½
American National Bank, Tulsa, Okla	10,405.74			4
Farmers National Bank, Tupelo, Okla	20,808.73			4
First National Bank, Tyrone, Okla	15,608.55			4
National Bank, Verden, Okla	5,000.09			5
First National Bank, Vian, Okla	15,686.02			4½
First National Bank, Wagoner, Okla	25,000.00			4½
First National Bank, Wanette, Okla	20,710.65			4
The State National Bank, Wanette, Okla	10,641.44			5
First National Bank, Wapanucka, Okla	10,000.00			4½
First National Bank, Washington, Okla	15,000.00			4½
The Waukomis National Bank, Waukomis, Okla	20,000.00			4-4½
First National Bank, Waurika, Okla	15,608.97			4
First National Bank, Wellston, Okla	10,000.00			4½
First National Bank, Westville, Okla	5,228.87			4½
American National Bank, Wetumka, Okla	25,062.54			4½
First National Bank, Wetumka, Okla	31,194.98			4½
Farmers National Bank, Wewoka, Okla	10,690.69			4½
The Latimer National Bank, Wilburton, Okla	10,457.41			4½
First National Bank, Woodward, Okla	50,000.85			4½
First National Bank, Yukon, Okla	26,014.03			4
The Yukon National Bank, Yukon, Okla	10,431.59			4½
	3,574,816.57			

II. DEPOSITARIES FOR FUNDS BELONGING TO INDIVIDUAL MEMBERS OF FIVE TRIBES.

Abilene National Bank, Abilene, Kans	$30,055.93	3		
First National Bank, Ada, Okla	8,188.63	3	4	4½
Merchants & Planters National Bank, Ada, Okla	15,509.86	3	4	4½
First National Bank, Anthony, Kans	8,558.62	3		
Citizens National Bank, Antlers, Okla	9,140.26	3	4	4½
First National Bank, Ardmore, Okla	68,269.98	3	4	4½
State National Bank, Ardmore, Okla	43,452.20	3	4	4½
First National Bank, Atkinson, Nebr	20,000.00	3		
American National Bank, Atoka, Okla	18,411.70	3	4	4½
Bartlesville National Bank, Bartlesville, Okla	58,525.90	3	4	4½
First National Bank, Bartlesville, Okla	20,012.69	3	4	4½
Union National Bank, Bartlesville, Okla	48,215.04	3	4	4½
First National Bank, Beatrice, Nebr	39,750.00	3		
First National Bank, Beggs, Okla	7,614.57	3	4	4½
First National Bank, Bonhan, Tex	15,874.30	3		4½
Boone National Bank, Boone, Iowa	49,317.58	3	4	4½
First National Bank, Boone, Iowa	49,980.00		4	
First National Bank, Boswell, Okla	19,392.12	3	4	4½
Commercial National Bank, Brady, Tex	23,486.92	3		4½
Bristow National Bank, Bristow, Okla	7,482.76	3	4	4½
First National Bank, Bristow, Okla	22,646.20	3	4	4½
Calvin National Bank, Calvin, Okla	19,332.76	3	4	4½
First National Bank, Calvin, Okla	16,447.63	3½	4	4½
Cedar Rapids National Bank, Cedar Rapids, Iowa	150,247.27	3		
Merchants' National Bank, Cedar Rapids, Iowa	120,000.00	3		
First National Bank, Chappell, Nebr	24,500.00		4	5
First National Bank, Checotah, Okla	10,200.86	3	4	4½
Peoples' National Bank, Checotah, Okla	21,884.98	3½	4	4½
Security National Bank, Cherokee, Iowa	19,890.00		4	
Chickasha National Bank, Chickasha, Okla	14,170.25	3	4	4½
First National Bank, Chickasha, Okla	68,000.00			4½
Oklahoma National Bank, Chickasha, Okla	61,869.80	3	4	4½
First National Bank, Claremore, Okla	20,244.07	3	4	4½
Home National Bank, Cleburne, Tex	(1)	3		
City National Bank, Clinton, Iowa	29,985.35	4		
Oklahoma State National Bank, Clinton, Okla	7,000.00	3		
Collinsville National Bank, Collinsville, Okla	10,137.78	3	4	4½
German National Bank, Columbus, Nebr	9,750.00		4	
Farmers National Bank, Cordell, Okla	9,690.00		4	
National Bank of Commerce, Coweta, Okla	5,000.00	3	4	4½
American Exchange National Bank, Dallas, Tex	63,282.43	3	4	
City National Bank, Dallas, Tex	58,598.29	3	4	
Security National Bank, Dallas, Tex	133,077.55	3	4	4½
State National Bank, Denison, Tex	13,993.53	3	4	
Des Moines National Bank, Des Moines, Iowa	149,940.00		4	
First National Bank, Dewey, Okla	7,118.70	3	4	4½
Security National Bank, Dewey, Okla	7,225.13	3	4	4½
Durant National Bank, Durant, Okla	16,209.42	3	4	4½

[1] No balance reported.

List of depositaries for moneys belonging to the Five Civilized Tribes and the Osage Tribe of Indians, Apr. 1, 1918—Continued.

II. DEPOSITARIES FOR FUNDS BELONGING TO INDIVIDUAL MEMBERS OF FIVE TRIBES—continued.

Name and address of bank.	Amount on deposit April 1, 1918.	Interest paid, time deposit.		
		Open account.	Six months.	One year.
		Per ct.	Per ct.	Per ct.
First National Bank, Durant, Okla	$33,071.95	3	4	4½
First National Bank, El Paso, Tex	37,940.08	3	4	4½
Citizens National Bank, Emporia, Kans	99,435.16	3	.....	.....
Enid National Bank, Enid, Okla	22,178.78	3	.....	.....
Eufala National Bank, Eufala, Okla	21,209.16	3	4	4½
First National Bank, Eufala, Okla	16,786.25	3	4	4½
State National Bank, Eufala, Okla	9,117.45	3	4	4½
First National Bank, Fairbury, Nebr	49,637.28	3	4	.....
Farmers & Merchants National Bank, Fairview, Okla	9,680.79	3	4	.....
Arkansas National Bank, Fayetteville, Ark	27,021.47	3	4	4½
Farmers National Bank, Fort Gibson, Okla	3,755.31	3	4	4½
City National Bank, Fort Smith, Ark	39,951.63	3	4	.....
First National Bank, Fort Smith, Ark	75,813.71	3	4	.....
American National Bank, Fort Worth, Tex	(1)	3	4	.....
Farmers and Mechanics National Bank, Fort Worth, Tex	65,210.31	3	4	.....
Fort Worth National Bank, Fort Worth, Tex	60,000.00	3	.....	.....
First National Bank, Frederick, Okla	7,000.00	.....	4	4½
National Bank of Commerce, Frederick, Okla	57,819.03	3	4	4½
Commercial National Bank, Greenville, Tex	30,918.12	3	.....	.....
First National Bank, Grove, Okla	5,137.85	3	4	.....
First National Bank, Guthrie, Okla	8,640.74	3	4	4½
Citizens National Bank, Hampton, Iowa	99,044.80	3	.....	4½
First National Bank, Hartshorne, Okla	18,892.35	3	4	4½
First National Bank, Haskell, Okla	17,644.42	3	4	4½
Haskell National Bank, Haskell, Okla	9,533.61	3	4	4½
First National Bank, Heavener, Okla	9,508.96	3	4	4½
American National Bank, Holdenville, Okla	6,274.61	3	4	4½
Farmers National Bank, Holdenville, Okla	7,472.12	3½	4	4½
First National Bank, Holdenville, Okla	13,602.53	3	4	4½
First National Bank, Hominy, Okla	8,596.77	4	4½	.....
Citizens National Bank, Hope, Ark	50,000.00	3	4	.....
Hope National Bank, Hope, Ark	39,465.06	.....	4	4½
First National Bank, Hugo, Okla	21,611.21	3	4	4½
Hugo National Bank, Hugo, Okla	36,292.85	3	4	4½
First National Bank, Hulbert, Okla	14,455.90	3	4	.....
First National Bank, Idabel, Okla	8,438.91	3	4	4½
First National Bank, Independence, Iowa	30,639.77	3	4	.....
Peoples National Bank, Independence, Iowa	42,071.37	3	.....	.....
First National Bank, Iowa City, Iowa	98,000.00	.....	4	.....
Central National Bank, Junction City, Kans	66,422.37	3	.....	.....
City National Bank, Kearney, Nebr	24,888.00	.....	4	.....
Peoples National Bank, Kingfisher, Okla	31,711.91	3	4	4½
First National Bank, Kiowa, Okla	18,706.52	3½	4½	4½
Central National Bank, Lincoln, Nebr	20,000.00	3	.....	.....
City National Bank, Lincoln, Nebr	80,000.00	3	.....	.....
Exchange National Bank, Little Rock, Ark	72,117.91	3	4	.....
American National Bank, McAlester, Okla	62,697.10	3	4	4½
First National Bank, McAlester, Okla	77,982.54	3	4	4½
First National Bank, Madill, Okla	35,957.99	3	4	4½
Madill National Bank, Madill, Okla	16,613.76	3	4	4½
Marietta National Bank, Marietta, Okla	19,012.87	3	4	4½
Security National Bank, Mason City, Iowa	48,000.00	.....	.....	4½
First National Bank, Mena, Ark	29,630.08	3	4	4½
First National Bank, Miami, Okla	8,701.03	4	.....	4½
Ottawa County National Bank, Miami, Okla	24,500.00	3	4	4½
First National Bank, Mounds, Okla	8,372.19	4	4½	5
State National Bank, Mount Pleasant, Tex	40,000.00	3½	.....	.....
First National Bank, Muldrow, Okla	19,487.31	3	4	4½
Commercial National Bank, Muskogee, Okla	204,298.33	3	4	4½
Exchange National Bank, Muskogee, Okla	92,485.03	3	4	4½
First National Bank, Muskogee, Okla	225,785.39	3	4	4½
Muskogee National Bank, Muskogee, Okla	62,755.67	4	4	4½
First National Bank, Nevada, Iowa	24,785.13	3	4	.....
First National Bank, New Hampton, Iowa	47,500.00	.....	.....	4½
Farmers National Bank, Norman, Okla	(1)	3	4	4½
First National Bank, Norman, Okla	(1)	3	4	.....
Commercial National Bank, Nowata, Okla	6,331.56	3	4	4½
First National Bank, Nowata, Okla	34,623.39	3	4	4½
Nowata National Bank, Nowata, Okla	12,682.14	3	4	4½
First National Bank, Okemah, Okla	8,531.60	3	4	4½
Okemah National Bank, Okemah, Okla	6,392.15	3	4	4½
American National Bank, Oklahoma City, Okla	40,000.00	3	.....	.....
Farmers National Bank, Oklahoma City, Okla	40,000.00	3	4	4½
Oklahoma Stock Yards National Bank, Oklahoma City, Okla	80,000.00	3	4	.....
Security National Bank, Oklahoma City, Okla	24,500.00	3	4	.....
Citizens National Bank, Okmulgee, Okla	14,197.22	3	4	4½
First National Bank, Okmulgee, Okla	17,244.32	3	4	4½
First National Bank, Oktaha, Okla	5,020.00	3	4	4½
First National Bank, Olustee, Okla	24,000.00	3	4	4½
First National Bank, O'Neill, Nebr	(1)	3	.....	.....
The Ottumwa National Bank, Ottumwa, Iowa	40,000.00	3	.....	.....
First National Bank, Pauls Valley, Okla	45,156.57	3	4	4½
National Bank of Commerce, Pauls Valley, Okla	10,280.82	3	4	4½
Pauls Valley National Bank, Pauls Valley, Okla	13,613.24	3	4	4½

[1] No balance reported.

List of depositaries for moneys belonging to the Five Civilized Tribes and the Osage Tribe of Indians, Apr. 1, 1918—Continued.

II. DEPOSITARIES FOR FUNDS BELONGING TO INDIVIDUAL MEMBERS OF FIVE TRIBES—continued.

Name and address of bank.	Amount on deposit April 1, 1918.	Interest paid, time deposit.		
		Open account.	Six months	One year.
		Per ct.	Per ct.	Per ct.
National Bank of Commerce, Pittsburg, Kans	$27,115.51	3	.....	.....
First National Bank, Porter, Okla	18,064.60	3	4	4½
First National Bank, Poteau, Okla	9,196.71	3	4	4½
First National Bank, Quinton, Okla	19,388.68	3	4	4½
Farmers & Merchants National Bank, Roff, Okla	10,124.21	3	4	4½
First National Bank, Roff, Okla	22,849.25	3	4	4½
First National Bank, Sac City, Iowa	7,000.00	3	4	4½
Merchants National Bank, Sallisaw, Okla	6,418.81	3	4	4½
American National Bank, Sapulpa, Okla	29,998.96	3	4	4½
Scottsbluff National Bank, Scottsbluff, Nebr	24,495.00	3½	4½	4½
First National Bank, Seiling, Okla	23,025.76	.....	.....	4½
National Bank of Commerce, Shawnee, Okla	(1)	3	4	4½
Shawnee National Bank, Shawnee, Okla	20,233.06	3	4	4½
State National Bank, Shawnee, Okla	46,642.25	3	4	4½
First National Bank, Sheldon, Iowa	80,000.00	3	.....	.....
Shenandoah National Bank, Shenandoah, Iowa	49,000.00	.....	4	.....
First National Bank, Siloam Springs, Ark	17,278.98	3	.....	.....
First National Bank, Soper, Okla	11,223.53	3	4	.....
First National Bank, Sterling, Kans	15,000.00	.....	4	.....
American National Bank, Stigler, Okla	7,322.55	3	4	4½
First National Bank, Stigler, Okla	31,489.00	3	4	4½
First National Bank, Stonewall, Okla	32,993.75	3	4	4½
First National Bank, Stratford, Okla	20,603.17	3	4	4½
Park National Bank, Sulphur, Okla	9,493.85	3	4	4½
First National Bank, Sumner, Iowa	32,966.39	3	.....	.....
Central National Bank, Tahlequah, Okla	8,152.79	4	.....	.....
First National Bank, Tahlequah, Okla	21,600.17	3	4	4½
American National Bank, Tulsa, Okla	69,612.52	3	4	4½
Exchange National Bank, Tulsa, Okla	42,836.60	3	4	.....
Liberty National Bank, Tulsa, Okla	40,000.00	3	4½	.....
Farmers National Bank, Tupelo, Okla	4,938.00	.....	4	4½
First National Bank, Van Buren, Ark	1,580.25	3	.....	.....
First National Bank, Verden, Okla	14,500.00	.....	.....	4½
First National Bank, Vinita, Okla	52,478.46	3	4	4½
Vinita National Bank, Vinita, Okla	23,973.64	3	4	4½
First National Bank, Wagoner, Okla	20,591.55	3	4	4½
Washington National Bank, Washington, Iowa	89,874.01	3	4	4½
Black Hawk National Bank, Waterloo, Iowa	78,441.44	3	.....	.....
Commercial National Bank, Waterloo, Iowa	182,977.42	3	4	.....
First National Bank, Waterloo, Iowa	149,000.00	3	.....	.....
Leavitt & Johnson National Bank, Waterloo, Iowa	80,000.00	3	.....	.....
First National Bank, Waurika, Okla	4,579.12	3	4	4½
First National Bank, Waverly, Iowa	98,424.72	3	.....	.....
First National Bank, Waynoka, Okla	20,377.50	.....	.....	4½
First National Bank, Webster City, Iowa	2,988.03	3	.....	.....
First National Bank, Weleetka, Okla	14,403.13	3	4	4½
First National Bank, Westville, Okla	10,892.56	3	4	4½
Farmers National Bank, Wewoka, Okla	13,922.59	3	4	4½
	6,367,665.03			

[1] No balance reported.

III. DEPOSITARIES FOR MONEYS BELONGING TO INDIVIDUAL INDIANS OF THE OSAGE TRIBE.

[The tribe has no tribal money on deposit.]

Home National Bank, Arkansas City, Kans	$15,121.84	3	4	.....
Bartlesville National Bank, Bartlesville, Okla	25,888.66	3	4	4½
First National Bank, Beggs, Okla	7,614.57	3	.....	.....
First National Bank, Bentonville, Ark	49,187.85	3	3½	.....
First National Bank, Cleveland, Okla	15,236.29	3	4	.....
The Collinsville National Bank, Collinsville, Okla	6,526.65	3	.....	.....
First National Bank, Hominy, Okla	14,321.41	4	5	.....
National Bank of Commerce, Hominy, Okla	20,625.76	3½	4½	5
Farmers National Bank, Kaw City, Okla	17,341.92	4	.....	.....
First National Bank, Okmulgee, Okla	31,045.69	3	4	.....
Citizens National Bank, Pawhuska, Okla	91,771.47	3	5	.....
First National Bank, Pawhuska, Okla	31,009.09	3½	4½	.....
First National Bank, Tulsa, Okla	96,490.66	3	4	.....
The Cowley County National Bank, Winfield, Kans	40,576.47	3½	4	.....
First National Bank, Winfield, Kans	70,111.80	3	4	.....
The Winfield National Bank, Winfield, Kans	48,853.34	3	4	.....
	581,726.47			
Grand total	10,424,208.07			

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:

S. 2180. An act to approve mutual cessions of territory by the States of Wisconsin and Minnesota and the consequent changes in the boundary line between said States.

MESSAGE FROM THE SENATE.

A message from the Senate by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 172. Joint resolution authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, Senate joint resolution of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. J. Res. 172. Joint resolution authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed; to the Committee on the Judiciary.

ORDER OF BUSINESS TO-MORROW.

Mr. GILLETT. Mr. Speaker, if those who are responsible for the business of the House to-morrow have no objection to the request of the gentleman from Alabama [Mr. DENT], to which I objected a moment ago, I will withdraw my objection and make no further objection.

The SPEAKER. The gentleman from Alabama asks unanimous consent to address the House to-morrow immediately after the reading of the Journal and the disposition of the business on the Speaker's table for 10 minutes on the draft and newspaper comments. Is there objection?

There was no objection.

AGRICULTURAL BILL.

Mr. LEVER. Mr. Speaker, without having consulted the majority leader, but having consulted other members of his committee, I desire to announce that I will undertake to bring up the Agricultural bill to-morrow before the revenue bill is taken up. My view is that it will not take more than the time to read the bill.

The SPEAKER. Is it a conference report?

Mr. LEVER. No; it is a reintroduction of the bill which has been vetoed by the President.

The SPEAKER. The gentleman announces that he will undertake to bring up the Agricultural bill to-morrow before the House.

Mr. STEENERSON. I would like to ask the gentleman a question. Will there be an opportunity to discuss some of the provisions of the bill?

Mr. LEVER. It will have to come up by unanimous consent if we consider the bill at all. I hope that we can arrange and give the gentleman an opportunity to discuss the provisions.

EXTENSION OF REMARKS.

Mr. LONDON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of my work in Congress.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD on the subject of his work in Congress. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, that is not necessary; the gentleman's work has been very full, and I object.

ADJOURNMENT.

Mr. SIMS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 31 minutes p. m.) the House adjourned until to-morrow, Friday, September 6, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WATSON of Virginia, from the Committee on the Territories, to which was referred the bill (H. R. 5115) to authorize the governor of the Territory of Hawaii to ratify the agreements of certain persons made with the commissioner of public lands of the Territory of Hawaii and to issue land patents to those eligible under the terms of said agreements, reported the same without amendment, accompanied by a report (No. 770), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII,

Mr. AYRES introduced a bill (H. R. 12881) to increase the cost of the public building at El Dorado, Kans.; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FESS: A bill (H. R. 12882) granting a pension to William Wibright; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 12883) granting a pension to Nancy A. Parker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12884) granting an increase of pension to Lucy V. Duane; to the Committee on Pensions.

By Mr. HASKELL: A bill (H. R. 12885) granting a pension to Jacob Johnson; to the Committee on Pensions.

By Mr. IGOE: A bill (H. R. 12886) granting a pension to Joseph Roddy; to the Committee on Pensions.

By Mr. JUUL: A bill (H. R. 12887) for the relief of Grace Omundsen; to the Committee on Claims.

By Mr. LEA of California: A bill (H. R. 12888) for the relief of Martin C. Rucker; to the Committee on Military Affairs.

By Mr. SMITH of Michigan: A bill (H. R. 12889) granting an increase of pension to Charles Pickett; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BOOHER: Petition of citizens of Maryville, Mo., protesting against the use of foodstuffs in the manufacture of beer or other intoxicating liquors; to the Committee on Agriculture.

Also, petitions of citizens of Hopkins, Mo., and vicinity and of citizens of Rockport, Mo., for immediate prohibition; to the Committee on the Judiciary.

By Mr. DALE of New York: Petition of S. K. Pierce & Son, of Brooklyn, N. Y., protesting against the proposed tax on denatured alcohol; to the Committee on Ways and Means.

Also, letter from Henry B. Smith, president New York State Pharmaceutical Association, against the passage of House bill 12787 and urging the passage of the Edmonds bill, House bill 5531; to the Committee on Military Affairs.

By Mr. ELSTON: Petitions of various citizens, churches, and other organizations of Alameda County, Cal., favoring wartime prohibition; to the Committee on the Judiciary.

By Mr. IGOE: Memorial of members of the St. Louis Stock Exchange, protesting against tax on brokers as worded in the revenue bill; to the Committee on Ways and Means.

By Mr. STINESS: Petition of the Victor Cleansing Co., of Providence, R. I., protesting against the proposed tax on naphtha; to the Committee on Ways and Means.

Also, petition of the Providence (R. I.) Stock Exchange, protesting against the proposed tax on stock brokers; to the Committee on Ways and Means.

Also, a petition of S. J. Foster, president Providence (R. I.) Stock Exchange, favoring a tax on stock brokers commensurate with the value of membership involved; to the Committee on Ways and Means.

SENATE.

FRIDAY, *September 6, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we have committed our way to Thee. Our resources are consecrated to Thy service. What we have and what we are we are ready to lay upon Thy altar, for Thou dost lead us on amid the conflict of the present time. Give us to-day a renewed sense of our divine obligation, that we with the utmost care may move forward with unity of purpose, with high ideals, with a deeper consecration than ever in the great cause to which we have committed ourselves. Grant, we pray, that the day's record of our service may tell for the advancement of human civilization and for the glory of Thy name. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of the legislative day of Wednesday, September 4, 1918, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

The VICE PRESIDENT announced his signature to the following enrolled bills and joint resolution, which had previously been signed by the Speaker of the House:

S. 934. An act authorizing the State of Montana to select other lands in lieu of lands in section 16, township 2 north, range 30 east, within the limits of the Huntley irrigation project and the ceded portion of Crow Indian Reservation in said State:

S. 936. An act to authorize the Secretary of the Treasury to convey to the city of Bozeman, Mont., certain land for alley purposes;

S. 4597. An act extending the time for the construction of a bridge across the Monongahela River at or near the city of Fairmont, W. Va.; and

H. J. Res. 325. Joint resolution amending section 8 of the amendment to the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

WINSTON-SALEM SOUTHBOUND RAILWAY CO. (H. DOC. NO. 1268).

The VICE PRESIDENT laid before the Senate a communication from the Interstate Commerce Commission, transmitting a copy of the report of the commission in valuation docket No. 5, Winston-Salem Southbound Railway Co.; which, with the accompanying paper, was referred to the Committee on Interstate Commerce.

Mr. BRANDEGEE. Mr. President, I suggest the absence of a quorum.

Mr. KNOX. Will the Senator withhold that for a moment? I want to be heard on a matter of privilege.

Mr. BRANDEGEE. Very well; but I thought we might have a quorum.

MEMORIAL TO JAMES BUCHANAN.

Mr. KNOX. Mr. President, I rise to a question of privilege.

Some anonymous well-wisher has sent to me an editorial published on the 21st of July in the New York Evening Sun, entitled "A strange error in the Senate." It will not be necessary for me to read this editorial in full. I can state the purport of it. It charges that in the discussion of the joint resolution authorizing the construction of a statue to James Buchanan at Meridian Park, this city, the Senator from Pennsylvania stated, and perhaps it was one of the most persuasive arguments used, that the Commonwealth of Pennsylvania had by a unanimous vote of its legislature set aside Wheatlands, the estate of James Buchanan in Lancaster County, Pa., as a memorial to her distinguished son, upon which property a monument to James Buchanan had been constructed.

The editorial then goes on to quote from some observations that were made in the House of Representatives and from some matter that was introduced into the RECORD in the House of Representatives, a letter from the recorder of deeds of the county of Lancaster, Pa., which shows that Wheatlands, the place where James Buchanan died, had not been taken over by the State of Pennsylvania and there was no monument erected to James Buchanan upon that property, and that the property was purchased some 20 years ago by a family whose name I have forgotten, but that is immaterial, who are the present owners and occupiers of the land.

This editorial further reflected upon the late Senator from New Hampshire, Mr. GALLINGER, who, in a short speech that he made favoring the passage of the joint resolution, said that he had forgotten, until it had been mentioned by the Senator from Pennsylvania, that the State of Pennsylvania had taken over this property as a memorial to her distinguished son, but that the mentioning of that fact by the Senator from Pennsylvania had revived his recollection, that he knew then that it had been done, and he attached considerable importance to that fact. Of course the astute editorial writer drew the just conclusion that the Senator from New Hampshire could not have remembered a thing unless it had actually happened, and here was the conclusive proof that it was not true.

This seemed to me to be of sufficient seriousness to call for some explanation. I must say that the statement contained in the editorial, the statement made in the House of Representatives, and the letter from the recorder of deeds of Lancaster County are absolutely correct, and that I was in error in making the statement to which I have referred. But, Mr. President, this is about as good a case as I ever knew to illustrate the old couplet—

Strange what worlds of difference be
'Twixt tweedledum and tweedledee.

The fact is that the State of Pennsylvania did not take over the place of Buchanan's death and consecrate it as a memorial to his memory, but it took over the place of his birth, namely, Stony Batter, in the county of Franklin, Pa. So the recollection of the late senior Senator from New Hampshire as to the substantial fact that the Commonwealth of Pennsylvania had honored her son by taking over and making a perpetual park of a portion of the soil of that State is absolutely correct.

Lest there should be any doubt in the future as to what the Commonwealth did, I ask leave to read the material section of the act of the assembly which was passed by the unanimous vote of both branches of our legislature. Omitting the inducing clauses of the act, the material section is this:

That the Commonwealth of Pennsylvania be authorized to accept a conveyance in fee simple from Lawrason Riggs, surviving trustee under the will of Harriet Lane Johnston, deceased, of a tract of land in the township of Peters, county of Franklin, and State of Pennsylvania, containing 18¾ acres, adjoining lands of D. W. Unger, J. W. Poffenberger, Mercersburg Water Co., and Frank Bailey, having thereon erected a monument marking the birthplace of James Buchanan, fifteenth President of the United States: the said tract of land to be preserved by the Commonwealth of Pennsylvania as a memorial of her distinguished citizen.

Now, Mr. President, if under the circumstances an apology is due from me to the Senate, I make it with due humility; but it does seem that if "flattery can stir the dull, cold ear of death," and the distinguished shade of Buchanan could learn that it was the place of his birth rather than the place of his death that was hallowed by the State, he certainly would be pleased.

I ask that this editorial to which I referred be printed as a part of my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

A STRANGE ERROR IN THE SENATE.

When the Senate had under consideration the resolution to accept a statue of James Buchanan, to be erected in Washington, there was rather a prolonged debate, not wholly free from acrimony. Senator LODGE presented, with his habitual force and conciseness, the opinion of those who do not hold the political memory of President Buchanan in high esteem. Senators KNOX, of Pennsylvania, and SMITH, of Maryland, who were the most effective advocates of the acceptance of the statue—the gift of Mr. Buchanan's niece, the late Mrs. Harriet Lane Johnston—gave great weight to honors said to have been paid by the people of his own State to the memory of Pennsylvania's only President of the United States. One argument, pressed with much insistence and eloquence, was the alleged fact that both houses of the Pennsylvania Legislature, without a dissenting vote, had passed a resolution to take over the Buchanan estate, "Wheatlands," adorned with a statue of the late President, and to maintain the establishment in perpetuity as a public park. Referring to this, Senator GALLINGER, of New Hampshire, said:

"Mr. President, I was greatly impressed by the suggestion made by the distinguished Senator from Pennsylvania [Mr. KNOX]—a matter that I had known before but had forgotten—that by a unanimous vote of both houses of the legislature the great Republican State of Pennsylvania has recognized James Buchanan to the extent that it has purchased the beautiful estate, 'Wheatlands,' of which he himself was so fond, and has made it a memorial at which the citizens of Pennsylvania can meet and recall the services of the man whom they honor and respect, whether we do or not."

But now Representative BENJAMIN K. FOCHT, of Pennsylvania, has presented in the House apparently incontrovertible documentary evidence that never, by legislative enactment or otherwise, has the State of Pennsylvania taken over "Wheatlands." Still less has it converted the place into a public park in memory of President Buchanan or anybody else. So far from the State having erected a statue to Buchanan, Mr. FOCHT is responsible for the assertion that the only monument to him in Pennsylvania is one paid for by his niece Mrs. Johnston, which stands in a ravine west of Foltz, Franklin County, near the site of the statesman's birthplace.

In support of this, Mr. FOCHT offers two letters, one from the recorder of deeds of Lancaster County and the other from the Pennsylvania State librarian. The recorder of deeds writes:

"Former President James Buchanan devised the estate 'Wheatlands' to his niece, Harriet Lane Johnston, who in 1884 sold it to Mary A. Willson. The said Mary A. Willson died intestate, leaving two children, Mary E. Willson and George B. Willson, to whom the same descended under the intestate laws of Pennsylvania and who are the present owners."

The Pennsylvania State librarian's letter is addressed to Mr. FOCHT, as Member of the House of Representatives, and reads thus:

"You ask me whether the Commonwealth of Pennsylvania had ever taken any action looking toward the purchase of the house of James Buchanan, and also whether there was any consideration of a monument to be placed there.

"I can find no act which refers at all to Buchanan in the laws of Pennsylvania except that of 1911 (P. L., p. 21): 'An act to permit the Commonwealth of Pennsylvania to accept from the trustees of the James Buchanan monument fund the land in Franklin County on which is erected a monument marking the birthplace of the late James Buchanan.'

"This was put in charge of the forestry department."

If this is true, how were Mr. KNOX and Mr. SMITH misled? How did Senator GALLINGER recall a fact which he had forgotten, which fact has no existence?

It is probable that had Senator LODGE injected into the discussion the two letters quoted above the Buchanan memorial might not have been added to the gallery of statues in the city of Washington.

CALLING OF THE ROLL.

Mr. BRANDEGEE. Mr. President, I renew my suggestion of the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hale	Martin	Smith, Md.
Bankhead	Henderson	Nelson	Smoot
Benet	Johnson, Cal.	New	Sterling
Borah	Jones, N. Mex.	Norris	Sutherland
Brandegee	Kellogg	Nugent	Thomas
Calder	Kendrick	Overman	Townsend
Chamberlain	Kenyon	Phelan	Trammell
Culberson	King	Pittman	Underwood
Cummins	Kirby	Poindexter	Vardaman
Curtis	Knox	Pomerene	Walsh
Dillingham	Lenroot	Robinson	Watson
Fletcher	Lodge	Shafroth	Wilfley
Frelinghuysen	McCumber	Sheppard	
Gore	McKellar	Sherman	
Gulon	McNary	Simmons	

Mr. SUTHERLAND. I wish to announce that my colleague, the senior Senator from West Virginia [Mr. GOFF], is absent on account of illness.

The VICE PRESIDENT. Fifty-seven Senators have answered to the roll call. There is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message also announced that the Speaker of the House had signed the enrolled bill (S. 2180) to approve mutual cessions of territory by the States of Wisconsin and Minnesota and the consequent changes in the boundary line between said States.

PETITIONS.

Mr. POMERENE. Mr. President, I present a petition addressed to the Senate by the Chautauqua held at Forest, Hardin County, Ohio, relating to the pending prohibition legislation. I move that it be referred to the appropriate committee.

The VICE PRESIDENT. The petition will lie on the table.

Mr. SMITH of Maryland presented a petition of the Woman's Christian Temperance Union of Forest Hill, Md., praying for national prohibition as a war measure, which was ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. SUTHERLAND, from the Committee on Military Affairs, to which were referred the following bills, reported them severally without amendment, and submitted reports thereon:

A bill (S. 1104) for the relief of Edward Stewart (Rept. No. 561);

A bill (S. 1857) for the relief of Patrick McMahon (Rept. No. 559); and

A bill (S. 3602) for the relief of John L. O'Meara (Rept. No. 560).

Mr. KENYON, from the Committee on the District of Columbia, to which was referred the bill (H. R. 12098) to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes, reported it without amendment and submitted a report (No. 562) thereon.

EMPLOYMENT OF STENOGRAPHER.

Mr. McKELLAR, from the Committee to Audit and Control the Contingent Funds of the Senate, to which was referred Senate resolution 295, submitted by Mr. SHEPPARD on the 3d instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on the Census be, and hereby is, authorized during the Sixty-fifth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding $1 per printed page, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recess of the Senate.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DILLINGHAM:

A bill (S. 4914) to admit osteopathic physicians to examinations for commissions in the medical branch of the Army of the United States, and to provide for their official status, rank, and pay, and for other purposes; to the Committee on Military Affairs.

By Mr. POINDEXTER:

A bill (S. 4915) providing for the survey and reclamation of arid, swamp, and logged-off lands within the continental limits of the United States and the sale of same upon a system of deferred payment, to soldiers and other citizens; and

A bill (S. 4916) for the purchase of land and water rights on the Okanogan irrigation project, to relieve settlers, and to insure an adequate water supply; to the Committee on Irrigation and Reclamation of Arid Lands.

By Mr. HALE:

A bill (S. 4917) for the relief of Margaret I. Varnum (with accompanying papers); to the Committee on Military Affairs.

THE REVENUE.

Mr. POMERENE. Mr. President, I am introducing an amendment to the revenue bill (H. R. 12863) exempting the pay of the officers and men of the Army, Navy, and Marine Corps from taxation under the bill, and I ask that it be referred to the Finance Committee.

If I may say just one word, the officers and men, particularly the officers, of the Army, Navy, and Marine Corps who live in this city are being robbed right and left by the landlords, by the hotels, and by the dealers in military supplies for their uniforms, and I do not think that Congress ought to be a party to adding to their financial hardships by compelling them to pay a tax on their pay while they are fighting our battles, or preparing to fight them.

The amendment was referred to the Committee on Finance, as follows:

Provided, however, That the pay of the officers and men of the Army, Navy, and Marine Corps shall be exempted from all taxes herein imposed.

ADMISSION OF POLITICAL REFUGEES.

Mr. GORE. Mr. President, I desire to ask unanimous consent for the present consideration of Senate joint resolution 171. It is a joint resolution which has reference to the admission of certain political refugees into this country who are precluded by the existing immigration laws. Granted permission, I will have read a letter written by the President, addressed to the Senate and House, recommending its passage.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. SMOOT. Let it be read.

The VICE PRESIDENT. The Secretary will read the joint resolution.

The Secretary read the joint resolution, as follows:

Senate joint resolution 171.

Whereas the war in which the United States is now engaged has resulted, or may hereafter result, in creating in certain parts of Europe economic conditions of an unbearable nature, compelling the inhabitants of such sections to seek refuge in countries or places distant from their homes; and

Whereas it may have transpired, or may hereafter transpire, that the intelligent, economic, and humane care and protection of such refugees may be furthered by removing them, or permitting them to be removed, from the places in which they have sought refuge to the United States: Now, therefore, be it

Resolved, etc., That notwithstanding the provisions of section 3 of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States," full discretion is hereby conferred upon the Secretary of Labor to admit to the United States, during the continuance of the war and for six months after its termination, aliens who are refugees as herein described, and to make such arrangements as are deemed by him necessary and proper for their temporary sojourn or permanent residence within the United States, their distribution to places within this country where they can be maintained to best advantage, their employment, and for the eventual repatriation of such of them as he may deem it proper or necessary to repatriate after the termination of the war, or after the conditions from which they sought refuge have been abated or ameliorated.

Mr. LODGE. Mr. President, this joint resolution was called to my attention some days ago, and I then understood that its purpose was simply to admit a group of some 1,800 Serbians, whose condition was deplorable and who, it seemed to me, it would be well to admit; but the joint resolution, as I have just listened to its reading—I have not previously examined it—is of the broadest possible character and opens the door to all sorts of immigration. The joint resolution refers to "aliens who are refugees as herein described," but they are not described.

It appears to me that the joint resolution is one upon which we ought to take the advice of the Commissioner of Immigration, and that we should have the Committee on Immigration consider it. I did not know that it was of such sweeping character. I thought it related only to a small number of Serbians under peculiar conditions.

Mr. SMOOT. Mr. President, I want to call the attention of the Senator from Oklahoma [Mr. GORE] to the fact that not only would this joint resolution be in effect during the continuance of the war but for six months after the conclusion of the war. Does the Senator from Oklahoma think that it is a wise provision to allow this class of people to come in for six months after the conclusion of the war?

Mr. GORE. Mr. President, my understanding is—and it agrees with that of the Senator from Massachusetts [Mr. LODGE]—that this proposed legislation was designed to meet a special situation, relating more particularly to about 1,800 Serbians who have been driven from their own country and who are now refugees in Russia. They are subjected to a great hardship, and it was felt that there was an obligation resting upon us to relieve them if we could do so. Personally, I think there is a great deal of force in the suggestion that this legislation ought

not to be projected beyond the war, because the exigency certainly would not extend itself so far. I think that language in the resolution ought to be stricken out.

Mr. THOMAS. Mr. President, will the Senator from Oklahoma permit a question?

Mr. GORE. Yes, sir.

Mr. THOMAS. Suppose that in the chaotic condition of Russia 1,800 Bolsheviki should be driven from their homes and be compelled to seek refuge in other countries, would not this joint resolution, if it were enacted into law, give them asylum in the United States?

Mr. GORE. Well, not absolutely. This matter is vested in the discretion of the Secretary of Labor, and I do not know what sort of welcome he would accord to Bolsheviki.

Mr. President, I will ask to have read at this time a letter of the President transmitting a draft of this joint resolution to the Congress and then abide the fortunes of the joint resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. LODGE. Mr. President, I think the joint resolution ought to go to the Committee on Immigration.

Mr. GORE. I will say to the Senator from Massachusetts that the joint resolution has been reported from that committee. It was prepared in the Department of State, I may say.

Mr. LODGE. But the communication which came from the Department of State which I saw related simply to 1,800 Serbians who were named. That is one thing and that is a thing we could all agree on; but this is a general relaxation of all the immigration laws, with a very loose description of the people in whose favor it is proposed to be enacted.

Mr. GORE. Mr. President, I will say to the Senator from Massachusetts that what he has in mind is the letter which I have requested be read from the President, transmitting this joint resolution to Congress, and I think it also includes the recommendation of the Secretary of State.

Mr. LODGE. But that relates only to these Serbians.

Mr. GORE. Yes, sir; the description does and the letter does; but the joint resolution is evidently not limited to that particular class.

Mr. LODGE. Oh, no; it goes far beyond it. I said after reading the letter of the President and of the Secretary of State that I saw no objection to admitting that group of 1,800 Serbians; that I thought would be very well; but this makes no mention of any group; this is a general relaxation of the entire law. In its present form I do not think the joint resolution ought to be considered by the Senate.

Mr. THOMAS. May I ask the Senator from Oklahoma who prepared the joint resolution?

Mr. GORE. My understanding is that it was prepared by the Secretary of State. I should like unanimous consent to have this letter read. Then I shall not insist upon unanimous consent for the consideration of the joint resolution. There is obviously objection to it.

I should like to say in this connection that the joint resolution seems to vest the discretion in the Secretary of Labor to repatriate people in his judgment without reference to the wishes of the people themselves. That is a point into which I wish to look further myself. I ask that the letter be read in justification of my request, and then I shall withdraw my request.

Mr. BRANDEGEE. Mr. President, before the letter is read I want to call the attention of the Senator from Oklahoma to the fact that this joint resolution applies to "aliens who are refugees as herein described," and there is not a word in the joint resolution describing any kind of aliens or refugees.

Mr. GORE. I apprehend that evidently the joint resolution was not drawn with sufficient care. Undoubtedly the phrase "as herein described" relates to the letter which I have asked to have read. Of course, the letter would not be effective as a part of the law.

Mr. BRANDEGEE. No; in law the phrase would relate to what is described in the joint resolution.

Mr. GORE. The reading of the letter will show the Senate what is in mind, and the joint resolution ought to be limited to the class that we have in mind and for whose relief we are seeking to provide.

The VICE PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

To the Senate and House of Representatives:

I transmit herewith a report by the Acting Secretary of State submitting a draft of a joint resolution authorizing the admission into the United States of aliens who are refugees from conditions created by the war.

I earnestly recommend this humane project to the favorable consideration of Congress.

WOODROW WILSON.

THE WHITE HOUSE, *August 22, 1918.*

DEPARTMENT OF STATE,
Washington, July 19, 1918.

The PRESIDENT:

There are in Russia about 1,800 Serbian refugees, including 500 children, whom the Serbian minister at Moscow wishes to send to the United States, their situation in Russia under the present conditions, it is stated, being tragic, and especially demoralizing to the children who should be placed in school.

The Department of State is informed that both England and France have received large numbers of Serbian refugees, and it is the department's opinion that the admission of these Serbians into the United States would not only be a humane act but would have a good moral effect in the Balkans.

We are met with the obstacle, however, that as the immigration law now stands, it constitutes what would seem to be, from an executive point of view, an insuperable barrier to the admission of the people under consideration or of other aliens similarly situated—at least it seems apparent that most of them could not land at ports of this country in pursuance of said law. Probably most of them are destitute and, even if entirely free from mental or physical disability of the kind inhibited by the statute, would yet per se be likely to become public charges here. That would be the situation which would confront the immigration officers who would have to pass upon the cases upon the arrival of the aliens at United States ports, unless it should be shown then and there that arrangements had been perfected under which the aliens would be placed in suitable employment in this country at which they could make sufficient to support themselves and those dependent upon them, and arrangements of that character could not be made in advance without violating the spirit and intent of the contract-labor provisions of the statute.

In view of the above, the Department of State took the matter up with the Department of Labor, and it is Secretary Wilson's belief, in which I share, that no department or office of the administrative branch of the Government or organization having a quasi-governmental status or in any way connected with Government affairs should undertake of its own motion to make arrangements to care for war refugees in this country, and that legislative sanction would be required. Accordingly, I have the honor to submit herewith a draft of a proposed joint resolution and to recommend its transmission to the Congress with a view to obtain legislative sanction for carrying out the project with respect both to the aliens immediately concerned and to others who may hereafter find themselves similarly situated in Russia or other European countries. This draft was prepared in the Department of Labor and has the approval of the Secretary of Labor, who states that his department will be glad to give it its support.

Respectfully submitted.

FRANK L. POLK,
Acting Secretary of State.

Mr. THOMAS and Mr. PHELAN addressed the Chair.

The VICE PRESIDENT. The Senator from Colorado.

Mr. THOMAS. I understand the Senator from Oklahoma withdraws his request?

Mr. GORE. Yes, sir.

Mr. THOMAS. Then, Mr. President, I ask unanimous consent for the immediate consideration of Senate resolution 296.

Mr. LODGE. Before the Senator asks to take that up, I think that the Senate joint resolution (No. 171) just under consideration ought to be recommitted to the committee, and I move that it be recommitted to the Committee on Immigration.

The motion was agreed to.

TRANSFER OF GOVERNMENT BUREAUS FROM WASHINGTON.

Mr. THOMAS. I now renew my request for the immediate consideration of Senate resolution 296, submitted yesterday.

The VICE PRESIDENT. The Senator from Colorado asks unanimous consent for the immediate consideration of Senate resolution 296. Is there any objection?

Mr. ASHURST. Let the resolution be read.

Mr. THOMAS. I ask the Secretary to read it.

The VICE PRESIDENT. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 296), as follows:

Resolved, That the President be requested, under the powers conferred upon him by the provisions of the so-called Overman Act, and for the purpose of relieving the congestion of population in the District of Columbia, to order the transfer from Washington to other cities in the country for the duration of the war, all bureaus, commissions, and subdivisions of the several departments which can discharge their functions and perform their duties as well outside of said District as within its boundaries, such order to be effective not later than the 1st day of October, A. D. 1918.

The VICE PRESIDENT. Is there any objection to the present consideration of the resolution?

Mr. SMOOT. Mr. President, I wish to suggest to the Senator that in line 6 of the resolution the word "all" is used. Would it not be better to use the word "such" instead of "all," because I think that if all the bureaus and commissions and subdivisions and departments of the Government which could do their work just as well out of the District of Columbia should be transferred, it would take away from Washington about three-fourths of the employees of the Government.

Mr. THOMAS. I think the suggestion of the Senator is very apt, and I ask to amend the resolution by substituting the word "such" for the word "all," in line 6, and by substituting the word "as" for the word "which," in line 7.

Mr. KNOX. Mr. President, may I inquire of the Senator from Colorado what provision of the Overman Act gives the President authority to make the proposed transfer?

Mr. THOMAS. I think that the scope of the act is amply sufficient for that purpose, and I think, also, that independently of it the President has that power.

Mr. KNOX. Would not the same object be attained and there be no doubt about it—because there is doubt in my mind as to whether the Overman Act covers it—by having the resolution read "the President is hereby requested," and so forth?

Mr. THOMAS. I am perfectly willing to exclude all reference to the Overman Act from the resolution.

Mr. KNOX. Then, if he is already authorized to do it, there will be no question about it.

Mr. THOMAS. Then, Mr. President, I ask also to eliminate from the resolution the words, in lines 2 and 3, reading "by the provisions of the so-called Overman Act and."

Mr. NORRIS. Mr. President, I will ask the Senator if this is a joint resolution?

Mr. THOMAS. No, sir.

Mr. NORRIS. Then, Mr. President, I should like to submit to the Senator this proposition: If it requires the authority of Congress or the President to make the proposed transfer, that authority would not be conferred by a Senate resolution.

Mr. THOMAS. I am quite aware of that. The resolution assumes, however, that he has the power, and it is a request of this body only.

Mr. NORRIS. I understand the correction made was on the assumption that he does not have the power under the Overman Act.

Mr. THOMAS. I think not. The correction was made upon the assumption that he did not have the power under the Overman Act, but the Senator will probably recall that when Mr. Schwab was placed in charge of shipping construction, the offices of the Emergency Fleet Corporation and other shipbuilding bureaus here were removed to Philadelphia. I take it that the same power would exist, if you please, to remove the Reclamation Service to the State of Nebraska during the war, or any other services, my purpose being, of course, to relieve the congestion in the city of Washington.

Mr. NORRIS. I understood the suggestion of the Senator from Pennsylvania to be made at least on the assumption that the President did not have authority. Of course, if he does not have it, the Senate resolution will not confer it.

Mr. THOMAS. If he does not have the authority, a Senate resolution would not confer it.

Mr. SMOOT. Mr. President, would it not be better to have the resolution read as follows:

That the President be requested, for the purpose of relieving the congestion of population in the District of Columbia—

And so forth?

Mr. THOMAS. I will amend it any way that does not destroy it and that will enable me to get it through this body.

The VICE PRESIDENT. The Secretary will now state the resolution as amended.

The Secretary read as follows:

Resolved, That the President be requested, for the purpose of relieving the congestion of population in the District of Columbia, to order the transfer from Washington to other cities in the country for the duration of the war of such bureaus——

Mr. NELSON. I should suggest at that point that the words "or parts of bureaus" be inserted.

Mr. THOMAS. It would be pretty difficult to divide them up in some instances, I think.

Mr. NELSON. As the Senator has said, when Mr. Schwab took charge of the Shipping Board he transferred over 3,000 men in various branches of that service to Philadelphia from this city.

Mr. THOMAS. I use the words in the resolution, "and subdivisions of the several departments." I am willing, however, to have it read "such bureaus or parts of bureaus."

Mr. SMITH of Georgia. Mr. President, if the President has not already authority, does the Senator think that the Senate alone can give it to him?

Mr. THOMAS. I have just answered that question.

Mr. SMITH of Georgia. Unfortunately I did not hear the Senator.

Mr. THOMAS. Of course not. This is merely a request of this body to the President to make these removals.

The VICE PRESIDENT. The Secretary will read the resolution as amended.

The Secretary read as follows:

Resolved, That the President be requested, for the purpose of relieving the congestion of the population of the District of Columbia, to order the transfer from Washington to other cities in the country for the duration of the war of such bureaus or parts of bureaus, commissions, and subdivisions of the several departments as can discharge their functions and perform their duties as well outside of said District as within its boundaries, such order to be effective not later than the 1st day of October, A. D. 1918.

Mr. NORRIS. Mr. President, will the Senator yield for a moment to me?

Mr. THOMAS. I yield.

Mr. NORRIS. Mr. President, the resolution has not been referred to a committee, as I understand.

Mr. THOMAS. No; it has not.

Mr. NORRIS. I do not wish to be put in the attitude of opposing the resolution; I realize that something of the kind might be accomplished; and yet it seems to me that it is hardly proper for the Senate to make such a request of the President. He knows about the congestion in Washington as well as we do, and if some of the Government bureaus can be transferred without any further authority of law he will probably make such transfer without any such request; but to have the request come from the Senate alone, without consulting the House of Representatives and without a committee having considered it or having made any investigation, it seems to me may not be altogether appropriate. I wish to ask the Senator if he would not be willing to let the resolution be referred to a committee? It could be reported within a few days, and in the meantime the committee could probably make some investigations that might be beneficial.

Mr. THOMAS. Mr. President, if this resolution is referred, I think its office, if it can perform any, will be rendered useless. Landlords and sublandlords are giving notices right and left terminating leases and increasing rents beginning with the 1st of October. I am informed that the new officeholders, and perhaps office seekers, are coming to the city at the rate of 500 a day, and the pressure upon accommodations is something frightful.

We can not stand this situation. Something must be done. We can not build houses fast enough to accommodate this incoming population. We all know that landlords will give notices, and whether or not they are prohibited from carrying them into effect under the provisions of the Saulsbury joint resolution, they can make almost unendurable the lives of the families of holding-over tenants receiving such notices. Now, to refer a matter of this sort to a committee means a delay of a number of days, and that, I think, practically destroys the purpose for which I offer it. Certainly the passage of the resolution at this time can do no harm. I do not think the President is as well acquainted with the congested condition of things as Senators and Representatives, who are in daily contact with men and women who are affected and threatened to be affected by these conditions. If the Senate is to do anything with regard to this resolution, therefore, I think it should be done at once.

Mr. KELLOGG and Mr. NORRIS addressed the Chair.

Mr. THOMAS. I yield to the Senator from Minnesota.

Mr. KELLOGG. I wish to say that I hope the resolution will pass; but if the Senator from Colorado has not concluded, I will wait until he finishes. I thought he was yielding the floor.

Mr. THOMAS. I have concluded, unless the Senator from Nebraska desires to ask me another question?

Mr. NORRIS. I do not know that I care to ask the Senator another question. I want to be heard on the resolution briefly before it is disposed of.

Mr. THOMAS. I yield the floor to the Senator from Minnesota.

Mr. KELLOGG. Mr. President, I think the resolution ought to pass. It is not possible to build houses fast enough to house the clerks the departments are bringing to this city. They are scouring the towns all over the country for stenographers and clerks, and offering salaries that are taking them away from other employments; and, in fact, the departments are competing with each other right in this city for stenographers and clerks. There is not any question that some of these departments can be moved into other cities. There are cities in this country where the industries have been very much injured, where there are empty office buildings because of the war. I think some of the departments ought to be moved, and that the Senate ought to act on the subject, and act at once.

Mr. NORRIS obtained the floor.

Mr. FLETCHER. Mr. President, may I suggest an amendment?

Mr. NORRIS. I will take only a few moments, and then I will yield the floor.

Mr. President, I am not objecting to having something done, and I do not know but that this may be the proper thing; and yet it seems to me that there are some difficulties involved in this procedure that we ought to consider before we pass upon it. There is not any doubt but that Washington is very much overcrowded, and that we ought to have some relief; but I should like to call the attention of the Senator from Colorado and the Senator from Minnesota to the fact that simply asking the

President to move a lot of bureaus out of this city will present to him for solution some very difficult questions. To any new bureau, just established, the existing objections would not apply; but evidently we are going by a Senate resolution to ask the President to do something that he has authority to do, or else the resolution does not mean anything; and that in itself is something that we ought consider—whether, under all the circumstances, we ought to make such a request.

Outside of that, however, suppose the President undertook to move some of the bureaus in Washington, any one of them, that had been established any great length of time; what would be the effect? There are men and women, men with families, who have been in some of these bureaus for years, established here, who have their homes here, or have arrangements made as a result of which they could not well leave now; and they would be at once moved out of the city and taken somewhere else to establish homes. In any of these bureaus that are in existence now there would be a great deal of difficulty of that kind.

I do not believe we ought to precipitately put that responsibility on the President. It may be that he has given the matter more consideration than we have already; but it seems to me that if we do make a request it ought to be in the shape of a joint resolution authorizing the President to do this, and let the House pass on it as well as the Senate, and then leave it discretionary. Of course, this would still leave it discretionary; but it might be embarrassing to the President to receive a request from the Senate and, if he did not feel as though he ought to comply with it, decline to do so; and it does not seem to me that that will relieve the situation, because it will get us into difficulties as great as those we will escape.

I can not conceive of taking, for instance, the Interstate Commerce Commission—which has a great many employees—out of Washington without seriously interfering with the work of the commission and affecting its efficiency, or almost any other bureau that has a large number of employees, many of whom probably would decline to move, and who would go into other occupations rather than give up their homes and other domestic arrangements that they have already made, and which they could not give up without a great deal of hardship and damage to themselves.

Mr. FLETCHER. Mr. President, it seems to me that there might be reasons why a compliance with this request would not be in the public interest, even though some divisions or bureaus could perform their duties as well outside of the District as within its boundaries. It is possible that they could perform their duties and their functions as well somewhere else as here, but there might be controlling reasons in the public interest why the bureaus or subdivisions of the departments should not be separated.

I would suggest, after the word "boundaries," inserting the words "where compatible with the public service." In other words, if it is found that these bureaus can perform their functions as well outside of the District as in the District, and it is also compatible with the public service to move them and separate them, we recommend that it might be done; but I can understand very well how it is entirely possible that people could do just as much work and perform their functions just as well in one place as another, and yet there might be controlling reasons why it would not be in the public interest to separate them, and the public service could not be as well performed as where they are together.

I think, therefore, we ought to qualify the language by adding that amendment—that they may be moved outside of the District where compatible with the public service.

It seems to me that we need not be so terribly excited about this matter, either, because, with all these buildings going up, it would look as though provision is being made for all the help that will be needed here. I get the impression from going through some of these departments that they have more people there now than they need. The chiefs and heads of divisions seem to vie with each other in adding always to their force, and the employees are absolutely in each other's way. They can not perform efficient work because there are too many of them, and they duplicate each other's work to a large extent. Of course, the demands are increasing all the time, and I would not say positively that we could economize in that respect.

Mr. VARDAMAN. Mr. President——

Mr. FLETCHER. I do think, however, that with the buildings that are going up, by a rather more strict observance of the real necessities by each of the bureau chiefs and heads of the departments, the situation could perhaps be relieved very materially, at any rate.

Mr. VARDAMAN. Mr. President, will the Senator yield for a question?

Mr. FLETCHER. I yield.

Mr. VARDAMAN. I will ask the Senator if the whole matter is not within the discretion of the President, anyway?

Mr. FLETCHER. Oh, I think it is; absolutely.

Mr. VARDAMAN. This is merely a suggestion, is it not?

Mr. FLETCHER. That is quite true.

Mr. VARDAMAN. Really, then, the contents of the resolution amount to nothing, except to call the President's attention to the congested condition here and suggest to him to relieve it by putting some of these people somewhere else.

Mr. FLETCHER. Of course, the President knows of the congested condition, and, I presume, has thought of this matter before, because in some respects action along this line has already been taken. The Emergency Fleet Corporation has been removed entirely out of Washington to Philadelphia, taking several thousand people, and it is possible that other branches of the Government service could be handled in the same way; but we ought to qualify the resolution, it seems to me, by the insertion of language to the effect that this may be done where compatible with the public service, and not just because the work could be done somewhere else as well as here.

I offer that amendment, at any rate.

Mr. THOMAS. Mr. President, the Senator from Mississippi [Mr. VARDAMAN] well suggested that this resolution is merely a request. It asks the President to act; and surely if his action in any particular direction would be incompatible with the public interest he would not do it. I think, therefore, that the amendment is not necessary. I think it is included in the expression "which can discharge their functions and perform their duties as well outside of said District as within its boundaries." I think, too, the Senator is entirely mistaken in his conception of the effect of new building upon this situation. New buildings are going up, but rents are going up a great deal faster; and if the energies of all the contractors and carpenters in the city could be devoted to the matter of public building for housing occupants exclusively, they could hardly keep up with the rate of the influx which we are told is at present going on.

I ask for a vote on the resolution.

Mr. KING. Mr. President, in the light of the resolution which has just been offered by the Senator from Colorado, it seems appropriate that I should invite attention to a bill which I introduced several months ago and which is now before the Committee on Public Lands. At a time when we are trying to decentralize the authority at Washington and remove some of the agencies of the Government to other parts of the country, the measure to which I refer ought to receive the support of the Senate. It provides that a branch of the Interior Department shall be established at a suitable place in one of the public-land States west of the Mississippi River, which shall be designated by the President and which shall be under the direction of the Secretary of the Interior, or an assistant to be designated by him; that there shall be transferred to said branch from the main office of the Interior Department in the District of Columbia the offices of the Commissioner of the General Land Office, the Geological Survey, the Bureau of Mines, the Reclamation Service, the Commissioner of Indian Affairs, and the National Park Service as presently constituted by law, and that the functions and duties of said offices and bureaus as prescribed by law shall be hereafter performed at the branch of the Interior Department created by the bill; and the Secretary of the Interior is authorized to remove and transfer from time to time to said branch of the Interior Department all maps, files, plats, and other records of the Interior Department necessary for the proper administration of the duties and functions of said branch.

Aside from the Pension, Patent, and Census Bureaus, the work of the Interior Department relates almost wholly to the public lands of the United States, and these are found in the western part of our country. It would be of immense benefit to the Nation and to those who are interested in the public lands, in the Reclamation Service, in the forests of the United States, in the mineral lands belonging to the United States, if the administrative work relating to these subjects was performed at some central point within the public-land States. There is no reason why a branch of the Interior Department ought not to be established in the public-land States. I am advised that some other countries have established local departments, or subdivisions of general departments, for the purpose of controlling and disposing of public lands, and that such course has proven of great advantage and benefit to the people. It occurs to me that now is the time, when we are attacking this congested condition in Washington, to secure a needed reform and at the same time grant the local relief to which the Senator from Colorado has invited attention.

I therefore take this opportunity to urge that the Public Lands Committee report at the earliest possible moment the bill to which I have just called attention.

The VICE PRESIDENT. The question is on the amendment of the Senator from Florida [Mr. FLETCHER].

The amendment was agreed to.

The resolution as amended was agreed to, as follows:

Resolved, That the President be requested, where compatible with the public service for the purpose of relieving the congestion of population in the District of Columbia, to order the transfer from Washington to other cities in the country for the duration of the war of such bureaus or parts of bureaus, commissions, and subdivisions of the several departments as can discharge their functions and perform their duties as well outside of said District as within its boundaries, such order to be effective not later than the 1st day of October, A. D. 1918.

ARREST OF ALLEGED SLACKERS.

Mr. SMOOT. Mr. President, I ask that Senate resolution 297 be laid before the Senate at this time.

Mr. OVERMAN. Mr. President, I suggest the absence of a quorum, because I know that there are some Senators interested in this matter who would like to be here during its consideration.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Gore	Martin	Smith, Md.
Bankhead	Guion	Nelson	Smith, S. C.
Benet	Hale	New	Smoot
Borah	Henderson	Norris	Sterling
Brandegee	Johnson, Cal.	Nugent	Sutherland
Calder	Jones, N. Mex.	Overman	Thomas
Chamberlain	Kellogg	Phelan	Townsend
Culberson	Kendrick	Pittman	Trammell
Cummins	Kenyon	Poindexter	Underwood
Curtis	King	Pomerene	Vardaman
Dillingham	Kirby	Ransdell	Walsh
Fall	Knox	Robinson	Watson
Fletcher	Lodge	Shafroth	Wilfley
France	McCumber	Sheppard	
Frelinghuysen	McKellar	Sherman	
Gerry	McNary	Smith, Ariz.	

Mr. MCKELLAR. I desire to announce absence on important public business of my colleague [Mr. SHIELDS].

The VICE PRESIDENT. Sixty-one Senators have answered to the roll call. There is a quorum present.

Mr. JONES of New Mexico. Mr. President, a parliamentary inquiry. What is before the Senate?

The VICE PRESIDENT. Senate resolution 297, coming over from yesterday under the rule.

Mr. JONES of New Mexico. Mr. President, it seems to me the passage of this resolution at this particular time and the particular object sought to be accomplished ought not to meet with the approval of the Senate. As I view the situation, the proceedings in New York were taken under the Department of Justice, or in connection with some activities of that department, and it strikes me as being an unusual thing to have this matter inquired into by the Military Affairs Committee.

Just what has been done by the military branch of the Government of course I do not know, but we are generally informed, and I think it was admitted on the floor of the Senate yesterday, that whatever had been done was done in cooperation with some officials of the Department of Justice. It seems to me if there is to be an investigation at all, it ought to be done by the Judiciary Committee instead of the Committee on Military Affairs. Moreover, Mr. President, at this time I do not believe that any investigation at all is necessary.

I want to voice my approval of the remarks that were made here yesterday by the Senator from Washington [Mr. POINDEXTER] commending the activities of the people of the country in rounding up these slackers. This is no new thing. Similar attempts have been made in other cities. In the city of Chicago, as I understand it from the public press, similar movements were made to round up the slackers, and when the people in a theater in Chicago were asked to line up for examination the mere request was received with applause. In the round-up in that city I understand that something like 800 slackers were found. In the city of Boston the same proceedings were had, as I am informed. No public tumult or furore was made regarding it, but most substantial results were obtained. So in the city of New York I understand that at least 1,500 slackers were found in this general round-up. I understand that there were a few hundred deserters from the Army found in the round-up. For us to investigate any kind of an effort which will bring about such results as that seems to me unworthy of this body. Instead of trying to cast aspersions or to unfavorably criticize such efforts we should commend these actions and as patriotic American citizens hold up the hands of the people who are doing these things and let the people of this country and of the world understand that there will be no slackers in this war and that the slackers, wherever they can be found, will not receive any aid or comfort from the people of the United States, much less from the United States Senate.

Mr. FRELINGHUYSEN. Will the Senator suffer an interruption?

Mr. JONES of New Mexico. I yield to the Senator from New Jersey.

Mr. FRELINGHUYSEN. The Senator stated that 1,500 slackers were found in the city of New York. Does the Senator know how many innocent men were arrested?

Mr. JONES of New Mexico. I do not know how many innocent men were arrested.

Mr. KIRBY. I should like to ask the Senator a question.

Mr. JONES of New Mexico. In just a moment.

Mr. FRELINGHUYSEN. I should like to have the Senator answer my question.

Mr. KIRBY. It is on this same point.

Mr. JONES of New Mexico. Very well, I yield to the Senator from Arkansas.

Mr. KIRBY. I understand the papers carried an announcement that over 14,000 people who were subject to draft were rounded up in this proceeding in New York, and something like 1,800 slackers were discovered out of something like 16,000 people.

Mr. JONES of New Mexico. I thank the Senator from Arkansas for the informtaion.

Mr. President, under our system of Government it is usually the case that some innocent people are called upon to suffer for the crimes of others. Whenever there is a murder committed under suspicious circumstances the suspects are rounded up. In the papers recently we have brought to mind instances of just that kind. But does any patriotic citizen want to say that he is unwilling to give information, that he is unwilling to stand up and be counted as an American citizen in order to enable this Government to round up the slackers of the country? I submit that any citizen in such times as these ought to be willing to suffer some inconvenience for the public good, and in such a patriotic cause. To my mind a slacker in this war is just as loathsome as the man who commits murder deliberately, that it is just as much an attack upon society and upon our Government as any crime which is defined in our statute books.

I think the slacker at this time is guilty of the very highest crime known to the law, that of treason against his country. The people of New York were all warned. This was not done in haste. We have all known from the newspapers throughout the country that these wholesale examinations were being made. Moreover, the regulations of the War Department require that these people shall carry with them their registration certificates. Is it not just as easy for them to carry a registration certificate as to require a soldier to wear his uniform?

Mr. CALDER. Will the Senator yield?

Mr. JONES of New Mexico. I yield to the Senator.

Mr. CALDER. May I ask the Senator what are the men to do for registration cards who are over the draft age and who are under the draft age? There are thousands of those men who were apprehended.

Mr. JONES of New Mexico. That may be true, and I listened to the remarks made by the Senator from New York yesterday in regard to that very question. If there is an American citizen who happens to be over 31 years of age, but looks younger, should he not be patriotic enough to subject himself to inquiry in order to aid this cause?

If I understand the people of New York correctly, I do not believe that the attitude assumed by the Senator from New York upon this question will receive the approval of the people of the State or city of New York. I believe that the people of that State are patriotic. I believe that they want to lend their support in every way possible to carrying on this war and to bring to justice the people who are trying to evade the duties of American citizens. If a man over 31 who looks younger is called upon to give an account of himself, why should he not do it? When any other crime is being committed any citizen who may have suspicious circumstances surrounding him is always handled as a suspect. Why should it be different here?

It has been noised abroad in this country that the city of New York has been the place where these people are wont to congregate. They hope to be lost in that great city. It affords shelter to them as the caverns shelter the thieves and outlaws of the country. Do you want to harbor them there? I do not believe that you do.

It is well known that 14,000 men were apprehended, as stated by the Senator from Arkansas [Mr. KIRBY], who were subject to the regulations of the draft law. One thousand eight hundred were apprehended as absolute slackers and went into the retention camp. I am also informed that a few hundred deserters were found. Is there a city in all this land containing

such a number of such creatures where the patriotic citizens would not rise up in unison and as one body determine that such criminals so sheltered should be ferretted out and brought to justice? Is there a Senator in this body who would not willingly stay in jail a week, if necessary, in order to have justice meted out to even one such criminal?

Mr. President, if this matter is to be investigated at all, I think the Committee on the Judiciary should do it. It is a matter coming within the jurisdiction of the Department of Justice. I move that the resolution be referred to the Committee on the Judiciary, with instructions to report whether or not any investigation is necessary.

The VICE PRESIDENT. The Senator from New Mexico moves that the resolution be referred to the Committee on the Judiciary.

Mr. CALDER. Mr. President, I present a telegram received from a citizen of New York, which I send to the Secretary's desk and ask to have read.

The VICE PRESIDENT. It will be read.

The Secretary read as follows:

NEW YORK, N. Y., *September 5.*

Senator CALDER,
Senate Chamber, Washington, D. C.:

On Tuesday evening I had to go to Jersey City. After exhibiting classification card, form No. 1005, the only one I had received, several times, I was finally ordered off trolley car, together with several others who had similar form classification cards. Demanded reason and was told I had my orders. Crowd assembled in front of station who vouched for me and was allowed to go. The others less fortunate were compelled to stand in line and were held several hours before released. Senator POINDEXTER, if he so desires, can get indisputable proof of unnecessary hardships, humiliation, and indignities forced on a great number of prominent and reputable citizens.

S. T. KRONSKY.

Mr. CALDER. I have a letter from a gentleman whom I know well, whose name shall be withheld for the present. I will read it for the information of the Senate. This gentleman writes me:

SEPTEMBER 5, 1918.

Hon. WILLIAM M. CALDER,
Senate Building, Washington, D. C.

DEAR SIR: I have just read with satisfaction extracts from your speech of even date denouncing the methods employed by the Government in establishing a reign of injustice under the threadbare excuse of "military necessity."

In detail, my experience is as follows: On the evening of the 3d instant, at about 9.30, I was having dinner at a Brooklyn restaurant accompanied by a young lady, when I was seized by the military police and taken under protest to the seventy-fourth precinct police station, Brooklyn.

At the police station I endeavored to establish my identity with a Dr. Thompson, who was acting for the Department of Justice. I showed him my business card, my personal card, my State and city registration cards, also telegrams, letters, etc., which I had with me. I asked as a request that I might use the telephone to call up my partner, Mr. Frank F. Davis, and was denied this privilege. It would have been a very simple matter as the telephone was close at hand.

I was then thrown into a corral of about 50 men and given no further opportunity to prove the injustice of the position into which I had been placed. In this room at the police station there were no chairs or benches and I was consequently required to stand on my feet from the hour of 10 p. m. until 5 a. m. the following morning. Fortunately, I was able to hire a boy to call up my partner, whose residence is on East Eighty-second Street, New York City, to let him know of my predicament, and he forthwith called up the police station to ascertain what the situation was. He at first talked to a sergeant, who later brought to the phone an individual from the Department of Justice. This individual would not consent to call me to the phone, neither would he take any message. He was insulting to the utmost degree, and characterized me as a slacker. My partner did learn that at a later hour I was to be taken to the Twenty-third Regiment Armory, Brooklyn.

At about 3 o'clock I was walked over to the Twenty-third Regiment Armory, where I was put in behind a rope, corraled with several hundred other individuals. Again, neither chairs, drinking water, nor any comforts were provided, and we were told we would have to remain there until we could get into communication with our exemption board, which would be not earlier than 8.30 the following morning.

The question I wish to ask is, If the Government proposes to seize citizens right and left, why are not the exemption boards in session so that those of us who are innocent could be promptly released?

In my instance, I lacked my card of classification, which was through no fault of my own, as I had twice appeared before the board to get my card, and in each instance had been informed they would send it immediately. When I appeared before them yesterday, they said they were very sorry, that things had been balled up, and they couldn't help it.

At 4.30 a. m. my partner reached me, and through his endeavors and guaranties I was allowed to go home with him. The next morning I got my card of identification, and, as per promise, went back to the armory to clear the matter up. At that hour—11.30 a. m.—there were still a great many unfortunates who were not lucky enough to get off as I had. In instance after instance men like myself were refused the use of a telephone to call up their homes; men with families of children were kept there like culprits.

My only two brothers are serving their country as volunteers, and it is very hard, my dear Senator, to be jeered at on the streets and insulted by local and Government officials, to be dragged and driven from one point to another, when one is entirely innocent, and especially when one has done everything he could to comply with the law and stands ready to serve his country in every way. I have worked on liberty loans and I have done everything I could consistently to help my country, and this is what I get for it.

What are the policies of the Government and how far are you going to go in Washington to make the world safe for democracy? I think in the future you will find a great many people actively inquiring into the steps which you have taken in Washington in the conduct of this war. We have been denied the freedom of the press, and are we now to be denied the fundamental privileges of a free people?

I remain,
Respectfully, yours, ——— ———.

Mr. President, the State of New York has furnished to the draft army over 300,000 men, and it has sent into the service of the country an additional 150,000 volunteers in the Army and the Navy. The loyalty of its people is equal to that of the people of any other State in the Union; but, Mr. President, speaking for my State here and now, I protest with all the power I possess against any further continuation of the methods which were used in the city of New York in the round-up on Tuesday and Wednesday of this week.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Colorado?

Mr. CALDER. I do.

Mr. THOMAS. Assuming the contents of this letter to be true, and that it can be duplicated in many instances, I think the author of this "round-up" should be dismissed from the public service; and I do not hesitate to say so.

Mr. CALDER. I thank the Senator from Colorado for his comment; and I do hope that some proper steps will be taken here in the Senate in reference to the matter.

Mr. SMOOT. Why not pass it now? We want the information.

Mr. KIRBY. Mr. President——.

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Arkansas?

Mr. CALDER. I do.

Mr. KIRBY. I gather from the reading of that letter that this man who was apprehended as a draft evader or slacker did not have a card from his board showing that he was entitled to exemption and that he had never had one.

Mr. CALDER. He had his State registration card indicating who he was and his age. He had his draft registration card, but he did not have the so-called classification card, which was required by the men in charge of this round-up.

Mr. KIRBY. Then he was subject to be rounded up for not having it, was he not?

Mr. CALDER. He states in his communication that he had repeatedly tried to get this card from the authorities, but has failed to receive it through no fault of his own.

Mr. President, the people of New York want the draft slackers punished, but they object to the methods pursued. This resolution should pass, the investigation should be made, and I trust, as the Senator from Colorado [Mr. THOMAS] suggests, that those responsible for this round-up will be punished.

Mr. SHERMAN. Mr. President, if this investigation is made, I wish to ask that it ascertain whether any similar procedure is to be attempted in Chicago; for, if so, I should like to advise my friends that they may employ lawyers and get proper means of identification in order that they may not be kept away from their families; I should like to advise them to get ready for it.

Mr. CHAMBERLAIN obtained the floor.

Mr. JONES of New Mexico. Mr. President——

Mr. CHAMBERLAIN. I thought the Chair had recognized me.

The VICE PRESIDENT. The Senator from Oregon has the floor.

Mr. JONES of New Mexico. I ask the Senator from Oregon to yield just a moment, that I may give the Senator from Illinois some information which I have in regard to the city of Chicago.

Mr. CHAMBERLAIN. Mr. President, the Senator from New Mexico can do that in his own time. I did not know that the question was put to the Senator from New Mexico.

Mr. President, whether the Senate refers this resolution or not is immaterial to me; whether the Senate passes it or not is immaterial to me; but if it is going to be referred—and I do not see any necessity for a reference; I do not see why it might not be passed now—I resent the suggestion that it be referred to any other committee than the Military Affairs Committee, for the simple reason that it involves a matter which refers peculiarly and distinctly to the use of soldiers in rounding up so-called slackers, and the Judiciary Committee does not have any jurisdiction over any such matters.

I am glad to see by the morning papers that the President of the United States has sought, through the Department of Justice, to ascertain the origin of this so-called round-up. I did not think it possible that the President knew anything about it.

Mr. President, I think all will agree that every man who is slacking at this time or who is failing to do his duty ought to be rounded up and that if he comes within Class A he ought to be sent to the battle front in proper time; and if he belongs to some of the deferred classes he ought to be placed in those classes in due course; but what I protest against and what every red-blooded American citizen will protest against is the arresting of men who are below as well as those above the draft age and those who have been exempted for one cause or another without any cause whatsoever. Men of these classes might have happened in New York City.

I have gone there as a young man and knew nobody in the city, and if I had happened to have been arrested there might not have been a friend within a thousand miles who could have come to my rescue or identified me. I might have been only 18 years of age and looked to be over 21, or I might have been 31 years of age and looked to be within the draft age; and yet I could not have resisted arrest and would have been compelled to have stayed in "durance vile" until some meddlesome individual of the Department of Justice or some amateur detective connected with some of these various investigating bureaus was satisfied, after using such diligence as they thought necessary, as to my identity and released me.

Now, what is the course for these people to pursue? Here is a young man, we will say, 25 years of age, who sought to get into the Army but who was turned down for some reason or other. He does not have a card. Why should he be seized and rushed off to a police station? He could have given some account of himself, and the authorities could have verified what he said, and it would not have been necessary at all to have taken him to jail. That is what I protest against, Mr. President.

There are many men who are above 31 who look to be 25; there are many men who are only 18 who look to be above 21. It is these men who will suffer in these unlawful proceedings—men who are not within the draft age but who appear to be.

Mr. LODGE. May I ask the Senator from Oregon a question?

Mr. CHAMBERLAIN. Yes, sir.

Mr. LODGE. Has there not been for some time an effort on the part of the department—and a very proper one—to gather in the slackers, especially in the cities? I have seen notices of slackers being gathered in elsewhere; but has the Senator heard of similar proceedings to this in New York being carried on anywhere else?

Mr. CHAMBERLAIN. New York is the only city where I have seen any account of such proceedings, and I know that only from the papers. I do not know anything about it.

Mr. LODGE. I know it is stated in the papers that they gathered 700 slackers in the city of Boston, but they did not arrest 20,000 or 30,000 innocent people in order to get the slackers. Nobody has any sympathy with them; but there seems to me to be a defect in method.

Mr. CHAMBERLAIN. That is true, Mr. President. I am resenting particularly the use of the soldiers and sailors of this country, together with amateur detectives and others, in this so-called round-up, and the arresting of individuals who are not within the draft age.

Mr. JONES of New Mexico. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from New Mexico?

Mr. CHAMBERLAIN. I yield to the Senator.

Mr. JONES of New Mexico. I want to ask the Senator from Oregon if it is not the duty of soldiers and sailors in this country to arrest wherever they can deserters from the Army and the Navy?

Mr. CHAMBERLAIN. Yes; that may be true in certain cases and when they have authority to do it; but to go about arresting civilians is a thing that has been resented in the Senate more than once. I call the attention of Senators from the South—and I lived in the South at the time—to the great fight that was made against the force bill. The Senator from Massachusetts [Mr. LODGE] will remember it very distinctly. In that instance southern Senators and the people generally in this country, North and South, resented the use of the military arm of the Government at the polls on election day.

Mr. BRANDEGEE. Mr. President——

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Connecticut?

Mr. CHAMBERLAIN. Yes.

Mr. BRANDEGEE. I want to ask the Senator from Oregon if he has been able to discover, or has heard anybody state, by what authority of law these men who are not subject to draft were arrested? I should judge from certain remarks I have heard from certain Senators that, in their opinion, if some slacker may thereby be caught wholesale arrests of innocent people by the Department of Justice or by the Army or the Navy are justified, although such arrests are made in violation of law. Is the Senator familiar with any provision of law that authorizes the Department of Justice or the Army or the Navy, without warrant or writ issued by any judicial officer, to arrest wholesale passers-by on the street on suspicion that perhaps they will get somebody who has violated the law?

Mr. CHAMBERLAIN. I know of no such law.

Mr. BRANDEGEE. I am still waiting for some department of the Government to state under what law they pretend to be acting in this matter.

Mr. CHAMBERLAIN. There is not any law that authorized them to so act. The facts are about these: Men are afraid to assert their legal rights while this war is going on. Many a man who was arrested in New York, I venture to say, if it had been in time of peace would have resented it to the last ditch and would have killed the lawless individual who undertook to arrest him without some kind of authority, without some warrant; but now while this war is on men are afraid to resent these things even when they know their rights, and they submit because they are afraid of doing something that they ought not to do under the many laws which have conferred great power upon different departments of government.

Mr. BRANDEGEE. But it seems to me, Mr. President, if the Senator will permit me to state it at this time—and I apologize for intruding upon him—that if this great Government, founded upon a written constitution and being a government of laws and not of men, is to hunt down lawbreakers it can not with any consistency assume to act the part of a lawbreaker itself.

Mr. CHAMBERLAIN. I do not know of any law authorizing such a proceeding as has taken place; there is no law that warrants it or justifies it. Here is a great city of 5,000,000 people; certain individuals round up 40,000 citizens and get a few hundred slackers. Is there any greater test of the patriotism of such a city than the test that was made by rounding up these respectable citizens of New York and finding so few slackers?

Mr. President, there was no necessity for this proceeding. The national selective-draft law has made treason almost impossible in this country and practically has put the slacker out of business. I venture to say that if every city in the United States was rounded up as New York was rounded up, there would not be found 10,000 men who are evading service in the United States Army. Why? Because the national selective-service law goes into every community in America, no matter how small; it goes into every section of the city of New York, with the result that we find every community from which there has been selected a man to serve in the National Army at his back, ready to report anybody who is not doing his duty to his country, and to have him arrested if need be.

There is not any question that the slackers ought to be pushed to the front; I am not defending them at all; but there is no question that legal methods ought to be resorted to in order to get them to the front. I shall resent here, and I shall resent before the people of the United States whenever an opportunity is afforded me, any such Prussianism as was sought to be carried out in New York. I venture to say that when it is brought to the attention of the President of the United States, he will resent it and will hold somebody responsible for it. In the very nature of things it is impossible for him to know all that is going on in the different bureaus and departments.

The selective-service law is popular. It has been accepted by the people, and to abuse it as it has been abused during the past few days would make it the most unpopular law on the statute books. We should therefore all unite to protect it.

In this connection, Mr. President, I wish to say that I was out of the Chamber for a little while yesterday when the Senator from Washington [Mr. POINDEXTER] referred to a measure which I introduced in the Senate some time ago, but which did not go any further than its reference to the committee. That was known as the spy bill, being Senate bill 4364, "to subject to trial by court-martial persons who endanger the good discipline, order, movements, health, safety, or successful operations of the land or naval forces of the United States by acting as spies in time of war in the United States, and for other purposes."

The Senator from Washington says that I am inconsistent in protesting against what is being done in New York and insisting on the enactment of such a bill as that introduced by me on April 16, 1918. There is no inconsistency about it. Under that bill there was proposed to be established a tribunal to try men, not to send reckless individuals out from the different bureaus at Washington to arrest men without warrant or authority.

It was proposed to create a tribunal to bring spies under its jurisdiction and to mete out to them prompt punishment. It

was suggested at that time, as the Senate will remember, that that bill if it were enacted into law would be worse than the Prussianism against which we have arrayed ourselves. Mr. President, if the bringing of spies and traitors under the jurisdiction of a military tribunal be Prussianism, what designation can be given to a proceeding which brings American citizens, innocent citizens, under the jurisdiction of the police courts of New York and other cities without any warrant or any authority whatsoever?

The reasons which existed for the introduction of the spy bill on April 1, Mr. President, are not as strong now as they were then. At that time there were men indulging in German propaganda and in treasonable utterances in different parts of the country, and there seemed to be no way to get at them. The selective-draft law, for reasons I have stated, has made that condition impossible. If the Department of Justice had been as active then in reaching pro-Germans and traitorous individuals as it has been since, there is no question that we might have obtained some net result; but now the department and its emissaries, in order to find one or two young men who are seeking to evade the law, get busy and arrest a whole community, the innocent and inoffensive as well as the guilty. Mr. President, if that was Prussianism in April, 1918, which sought to bring the traitor under the jurisdiction of a military court, what shall we call this act that seeks to bring innocent American men and boys, who have committed no crime whatsoever, under the jurisdiction of police courts? It is an outrage, Mr. President. I venture to say that the communities in which live the boys who have gone to the front will see to it that every slacker, every man who is failing to do his duty will, in due course, be brought to prompt and summary justice and assigned to his proper place in the Army of the United States.

Mr. President, I regret to have to say this; I dislike to criticize any department of the Government, but I shall criticize any and all departments when I think they are violating the fundamental principles of liberty. I have only one life to live, and I propose to point out those things which are being done in violation of law, whether done by my own party or by any other party, by the Department of Justice or by any of the military tribunals of the country.

Having said this, Mr. President, and entered my protest, I repeat that whether or not the Senate adopts this resolution is immaterial to me, but I say if it is referred it ought to go to the Committee on Military Affairs rather than to any other committee. I am at a loss to know why the distinguished Senator from New Mexico undertakes to have it referred to the Judiciary Committee, which, under ordinary circumstances, would have nothing to do with it.

Mr. POINDEXTER. Mr. President, I wish to ask the Senator from Oregon a question, if he will permit me. I did not know that he had yielded the floor.

Mr. CHAMBERLAIN. I had concluded; but I will be glad to answer the Senator if I can.

Mr. POINDEXTER. I agree with the Senator from Oregon in objecting to any unnecessary hardships being imposed upon innocent citizens in the enforcement of the draft act, and I assume that none were so imposed; there is no evidence here that that was the case. I assume that the steps that were taken in gathering together citizens in a certain place were appropriate and necessary in order to investigate and make inquiry whether these men had complied with the draft law and to sort out those who were evading the draft, and those who had deserted from the Army, of whom large numbers were found. Such proceedings as that are common, every-day occurences in the administration of our Government and the conduct of our public affairs.

The Senator from Oregon seems to be indignant because a citizen who violated no law and evaded no duty was put to inconvenience. I wish to ask the Senator a question in connection with that; but, first, I should like to say that it seems to me that the attitude of the citizens involved in this proceeding in New York, knowing that there were a lot of draft evaders and deserters there, assuming that these citizens are patriotic citizens and that they are interested in the uniform and nondiscriminatory administration of the draft law, would be one of willingness to aid in searching out, disclosing, arresting, and holding responsible the slacker who constituted a part of the crowd at the place where they were gathered up. It seems to me that the feeling of a citizen under those circumstances would be one of pleasure in joining with the officers of the law and in putting himself to such inconvenience as might be necessary in order to help and to facilitate the discovery and the arrest of deserters and slackers, and not one of indignation because they might have missed a meal or something of that kind. Now, if there is any showing that there was any bad purpose, or bad motive, or vindictive spirit, or undue or unnecessary punishment of innocent men, that is an entirely different question.

The question that I wanted to ask of the Senator from Oregon was this: If he were a passenger on a ship coming into port, and it was necessary for the Government to find out whether or not there was a man on that ship who had a contagious disease, because it was unlawful for a man with a contagious disease to land, for the reason that it would endanger the health of the community, and the Senator from Oregon had no contagious disease, there was no reason why his landing should be interfered with, but an officer of the Government came along and ordered the Senator from Oregon and every other passenger upon that ship to stand up in line before him and be examined, and to wait there until the time came when a medical officer could reach him and make his examination and report, would the Senator denounce such a proceeding, considering it an infringement of his rights as a citizen?

Mr. CHAMBERLAIN. I would if there was not any law for it; certainly I would; but the very thing spoken of in the question of the Senator is authorized by statute. Let me say to the Senator now that I would not resent the proceeding in New York if there had been any statute for it or if there had been any necessity for it.

Mr. POINDEXTER. The draft law is the authority for it.

Mr. CHAMBERLAIN. There is absolutely no authority for it in the draft law

Mr. POINDEXTER. The draft law is absolutely as broad and comprehensive in its scope as the Overman law is, and that means there are no limitations whatever to the authority, and I think in that particular case there ought not to be any limitations. I think the President of the United States ought to have discretion and authority, without limitations being placed upon him, for the enforcement of that law and the adoption of such measures and regulations and the use of such agencies as are necessary to put the draft law into operation; and the law expressly so provides. That is the authority and the law under which it would be done. To say that there should be a great furore and hullaballoo in the country and a sort of fictitious terror and excitement gotten up because some citizens not eligible to the draft were put to some inconvenience is as unreasonable as to hold an indignation meeting because a policeman on a street corner orders an innocent passenger to halt in his car and wait until he gives him permission to go on.

Mr. OVERMAN. Mr. President, I am a little astonished that the Senator from Oregon [Mr. CHAMBERLAIN] should protest against this resolution going to the Judiciary Committee and want it to go to his committee. There have been some things said here to-day which, if they are true, I would denounce in most unmeasured terms, and the American people are not going to stand for them a moment. One of them is that when men are arrested they are to be confined in our jails and prisons, or in bull pens, and not allowed to communicate with their friends, their lawyers, or their wives. That is what is reported here to-day. Our country is not going to stand for that; and involved in this great question are the very liberties of our people and the Constitution itself.

Where ought that question to be considered? It ought to be considered in the Judiciary Committee, because the charge made here is against the Department of Justice. Mr. Bielaski himself, the head of this bureau in the Department of Justice, assumes the responsibility for it. The President has ordered it to be investigated. Now, these great questions do not belong to the Military Affairs Committee. They belong to the Judiciary Committee, and if the resolution is to be referred anywhere it ought to be referred to the Judiciary Committee to consider these great questions, which are always considered there, and that is the committee that is established for the purpose.

That is all I desire to say about the matter. I ask the Senate to refer the resolution to the proper committee. The Committee on Military Affairs is not the committee to consider these great questions affecting the very liberties of the people.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. OVERMAN. I yield; yes.

Mr. SMOOT. I want to call the Senator's attention to the fact that no legal question is involved in this resolution. The resolution does not cover the case referred to by the letter addressed to the Senator from New York. I wanted it to be acted upon without any question. I did not think the Senate would hesitate for a moment to ask for this information; but if the resolution is to go to a committee it seems to me it ought to go to the Committee on Military Affairs, because involved in this is the question of who gave the order to the soldiers and sailors. That is all. That is not a legal question in any way.

Mr. OVERMAN. Mr. President, if it is merely desired to inquire who gave the order what is the use of passing the resolution? Involved in the resolution, and the reason why the Senator introduced it, is the principle involved; and that is what we are all talking about. Can men be arrested without warrant in this country and confined in the jails? I want to say, too, that I have heard of other occurrences in this country where men have been arrested and confined in dirty dungeons and not allowed to confer even with their friends or their lawyers. There is a principle involved, and the Senator introduced the resolution for the purpose of asserting the principle, I suppose, because he would not introduce it just for the purpose of inquiring who gave the order. It ought to go to the committee where it belongs to enable an investigation to be made of this great question.

Mr. FRELINGHUYSEN. Mr. President, I hope this resolution will pass, and a full investigation made of the outrages and indignities that have been heaped upon not only the citizens of New York but the citizens of my State as well.

I happened to be in New York on the day when the first round-up occurred, and I observed some of the methods employed by the sailors of the Navy and the National Guard of New York in their efforts to find the skulkers from the conscription act. I stood on a street corner and saw soldiers armed with rifles, with bayonets fixed, hold up citizens, compel them to stand waiting while there were crowds around jeering at them, and when they failed to produce their registration cards, which, owing to the fact that no warning had been given these men, they had left at home, at the point of the bayonet they were put in motor trucks and driven through the streets amid the jeers and scoffs of the crowd; they were sent to the armories and held there for hours without food, practically without opportunity of communicating with their relatives and friends in order to procure the evidence demanded by the authorities.

I voted for the conscription act and supported it, and it has been sustained throughout the country willingly. The people have acquiesced in it because they believed that the selective-draft system was a fair system imposed upon the people of this country, and through the system of the local district boards, those tribunals which have passed upon the qualifications of the men, the people have been satisfied with the administration of this law because civil authorities supervised it. However, the Provost Marshal General is held responsible for the enforcement of this act. Therefore this resolution should go to the Military Affairs Committee for investigation. That committee considered the conscription act and presented it to the Senate. A Senator informs me that Gen. Crowder disavows this recent performance in New York. That is what we should investigate. If Gen. Crowder, the Provost Marshal General, disavows it, let us find out who is responsible. That is what we want to investigate.

Mr. OVERMAN. Mr. President, if the Senator will let me interrupt him, a gentleman in an article in the paper this morning says, "I am responsible," and he is in the Department of Justice. He says, "I am the man that did it," and Gen. Crowder said he was not responsible.

Mr. FRELINGHUYSEN. Mr. President, there have been many illustrations of the indignities heaped upon citizens in the enforcement of this law.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER (Mr. SMITH of South Carolina in the chair). Does the Senator from New Jersey yield to the Senator from Iowa?

Mr. FRELINGHUYSEN. I yield to the Senator.

Mr. CUMMINS. I am not so much interested in the committee that makes the investigation as I am in the statement just made by the Senator from New Jersey with regard to the manner in which these people were taken into custody. Did the soldiers who stopped these men or boys know their names? What means had these people who arrested the alleged slackers for identifying them? Does the Senator mean to say that they just stopped anybody on the street?

Mr. FRELINGHUYSEN. Why, they stood on the street corners and grabbed men by the lapel of the coat, and said, "Here, show me your registration card." I saw three men apprehended in that way. They could not show their registration cards, and they were put in the trucks and sent to the armories.

Mr. CUMMINS. How did these soldiers know that the men had, or ought to have, registration cards?

Mr. FRELINGHUYSEN. They did not know.

Mr. CUMMINS. How did they know where they lived?

Mr. FRELINGHUYSEN. All that they had was the statement of the men whom they apprehended, and in many cases they refused to believe them.

Mr. CUMMINS. I take it, then, that the report read yesterday by the Senator from California [Mr. JOHNSON] is fully confirmed by the statement of the Senator from New Jersey; that is, that anyone who appeared to be between 21 and 31, at the pleasure of the soldier or officer, was stopped and evidence of his innocence was demanded. Is that the situation?

Mr. FRELINGHUYSEN. That is exactly the situation.

Mr. JOHNSON of California. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from California?

Mr. FRELINGHUYSEN. I yield to the Senator.

Mr. JOHNSON of California. I may answer, perhaps officially, the question that is propounded by the Senator from Iowa. I received this morning through the mail—anonymously, of course, because no man would dare send it over his signature—what purports to be the instructions to operatives, headed "United States Department of Justice, New York," dated August 29, 1918. I do not vouch, of course, for the particular instrument or for its correctness, and in order that I may not be misunderstood let me repeat that it came to me through the mail from New York anonymously, and I give it to the Senator for what it is worth. It is printed, signed "Charles de Woody, division superintendent," and it begins:

> Every man who, judging from his appearance, had not reached his thirty-first birthday by June 5, 1917, or who, up to August 24, 1918, had attained the age of 21, should be requested to show his registration certificate. If he denies being within military age, he should be required by some affirmative or corroborative proof to establish his age, if in your judgment it is necessary.

Then follow various instructions, and, with the permission of the Senate, subsequently I will put it in the RECORD, in justice to those people who believe this was a legal and a moral and an ethical and a justifiable act.

On the last page appears the following:

> Beginning Tuesday morning, September 3, at 7 o'clock, the Department of Justice, at the direction of the Attorney General and with the approval of the Provost Marshal General, will institute a general canvass of New York City, The Bronx, Brooklyn, Queens, Richmond, Jersey City, and Newark, the canvass to continue day and night for an indefinite period, covering several days, until its discontinuance is ordered by this department.

Mr. CUMMINS. Mr. President, I can understand how it would be within reason for an officer or a soldier commissioned for that purpose to ask any one who appeared to be between 21 and 31 to exhibit his registration card; but, upon the mere failure to exhibit it, I can not understand very well how the soldier would regard himself authorized to put the person, at the point of a bayonet, into a prison van and send him to jail. To me that is the most astounding procedure I ever heard of in all my life. I hope that the investigation will furnish some explanation for it.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Colorado?

Mr. FRELINGHUYSEN. I yield to the Senator.

Mr. THOMAS. Mr. President, I notice a somewhat peculiar expression in the circular from which the Senator from California has just read. The term "canvass" is used, the statement being that a canvass will be begun on the 3d day of September, and conducted indefinitely. Now, in the West we have another name for that sort of procedure, although we use it against animals and not men. We call it a round-up, and even there the mavericks are all cut out.

Mr. FRELINGHUYSEN. Mr. President, I have no sympathy with the men who are skulking or who are slacking in this war, but the conscription act provides the machinery whereby they can be sorted out and apprehended. No one objects to the purposes of the War Department in their effort to get the men who are slacking. It is the methods that have been employed to which objection is made, and a mistake undoubtedly has been made.

Mr. FLETCHER. Mr. President, may I interrupt the Senator for just a moment?

Mr. FRELINGHUYSEN. When I have finished I will yield to the Senator.

Undoubtedly a mistake has been made, but what we must guard against is a repetition of that mistake. This conscription act is not to be enforced by military authority, by press-gang methods. It is to be enforced through civil tribunals. That was the spirit of the law when it was enacted.

Mr. FALL. It is the word of the law.

Mr. FRELINGHUYSEN. It is the word of the law. I think, therefore, that a grave error has been made, and I think a full investigation should be made in justice to the people who have suffered.

Many illustrations have been presented to the Senate of the indignities that men have endured in the enforcement of this law by the military authorities in New York. I have one letter, addressed to the Senator from California, which is simply one instance, and it comes from a citizen of my State.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Minnesota?

Mr. FRELINGHUYSEN. I yield to the Senator.

Mr. NELSON. I should like to have the Senator from New Jersey point out how they can get these slackers and deserters where they group up in a large city. Will the Senator please tell the Senate how they can accomplish it, and round them up, and get them, and separate them? By putting a writ in the hands of a sheriff and moseying around the streets of New York? Can you pick up the slackers in that way? Let the Senator describe how he would gather in the slackers if he had a chance.

Mr. THOMAS. Mr. President——

Mr. FRELINGHUYSEN. I will answer the Senator, if he has finished.

Mr. NELSON. Yes.

Mr. FRELINGHUYSEN. The unit of control by the local board is a county or a unit of 30,000 population, presided over by three members of a local district board, and in that district every citizen between this zone of years is compelled to register. There are means of identifying anyone who evades that registration. There is the poll book; there is the——

The PRESIDING OFFICER. The hour of 2 o'clock having arrived the Chair lays before the Senate the unfinished business, which will be stated.

The SECRETARY. A bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled, "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

The PRESIDING OFFICER. Under the rule the resolution goes to the calendar.

Mr. FRELINGHUYSEN. Mr. President, any local board can identify anyone who escapes the draft within that limited unit, and they have done so. Gen. Crowder himself told me that he had rounded up some forty or fifty thousand slackers previous to the employment of these methods.

Mr. THOMAS. Mr. President——

Mr. FRELINGHUYSEN. I yield to the Senator.

Mr. THOMAS. Does not the Senator think that if this is the only way to round up slackers we had better not try to round them up at all?

Mr. FLETCHER. Mr. President——

Mr. FRELINGHUYSEN. I yield to the Senator from Florida.

Mr. FLETCHER. I wanted to ask the Senator a question sometime ago. Of course, I could do it in my own time in my own way, but we are getting far away from the purpose of my interruption. I wanted to have the record straight if I could. At the time of the remarks of the Senator from Iowa he used an expression to the effect that the Senator from New Jersey said these men were put into trucks and carried to jail. I do not understand that anyone ever asserted that the men were carried to jail or that they were put in jail.

Mr. FRELINGHUYSEN. I will furnish the Senator some evidence of that fact.

Mr. CALDER. Mr. President——

Mr. FRELINGHUYSEN. I yield to the Senator from New York.

Mr. CALDER. For the Senator's information I will state that I myself saw men rounded up, packed into moving vans, jammed and packed into them, and taken to the police station.

Mr. FLETCHER. Taken to a police station or to an armory. I understand that they were taken to some armories, but they were not actually taken to jail.

Mr. CALDER. The letter I read stated that they were put in a corral.

Mr. FLETCHER. I would not say the men were put in jail simply because they were carried to a police station or an armory.

Mr. FRELINGHUYSEN. Mr. President, in answering the Senator from Florida, I believe that these men should be rounded up. I believe there is ample machinery now to round them up, and I have no sympathy with the slacker or skulker. I think they ought to begin right here in Washington and round them up and take some of the men out of the bomb-proof jobs down in the War Department and the other departments and make an investigation. I think every man who is liable to military service should go, but I do not approve of citizens of my State being submitted to outrage and indignity when they are not under this conscription act, and have their registration cards and have observed the law and complied with its conditions.

Mr. President, I have a letter here which will prove to the Senator from Florida that in at least one, and I think I can furnish you many other, instance men have been incarcerated. The letter is addressed to the Senator from California [Mr. JOHNSON] and was handed to me previous to my rising to address the Senate. It is as follows:

GLEN ROCK, N. J., *September 5, 1918.*

Hon. HIRAM JOHNSON,
United States Senate, Washington, D. C.

DEAR SIR: I have just read your remarks in the Senate to-day with regard to the draft round-up, and assure you that you are backed in your stand in this matter by many patriotic Americans in this section of the country.

My own experience as a result of the "slacker hunt" has been extremely unpleasant. On Tuesday evening, on my way from my business in New York to my home in New Jersey, I was stopped at the entrance to the Hudson Terminal Building by the military police and asked to produce my registration card. I was glad to comply with this request, but was informed that it was also necessary for me to produce my classification card. As I did not have this card in my possession I immediately found myself in the hands of an armed guard and was marched through the streets to the nearest police station.

The fact is that I had never received what I have since learned is a final classification card. Soon after I filed my questionnaire I received a postal card stating that I had been placed in class 4A, and I thought it unnecessary to carry this postal card with me. I have been engaged in newspaper work in the past and always read the newspapers very closely, but had failed to see any notice that it was necessary to carry anything more than the original registration card.

I endeavored to explain my position at the police station, but was immediately hurried into a place with a number of other intelligent looking men behind a set of bars. My next humiliation was to be placed in a military police automobile with nine other "suspects," which proceeded up crowded Broadway to the Sixty-ninth Regiment Armory at Twenty-sixth Street. Upon our entrance into the armory we were placed in a roped arena and given a slip to fill out. After progressing slowly for about an hour I reached the head of a line and had an inspector number my slip. I was then directed to another line, and in order to reach the head of this second line I was obliged to wait another hour and was then directed to the desk at which the examiners for the New Jersey men were located. I waited in a line at this point for over an hour and finally made my way up to the head of the line to ascertain the reason for the delay. Here I found three men at a desk who were so swamped with the slips which had been filled out in the armory that they had stopped taking any additional slips. From the time I arrived at this desk, shortly after 7 o'clock, until nearly 10 o'clock these men made no attempt to take the slips of the men waiting at this desk, who numbered several hundred. Some of the men complained that they had been there from 9 o'clock in the morning and were still there at 10 o'clock at night. The three men at the desk were absolutely incompetent, and even if they had been men of ability they could not take care of the situation, as they had only one telephone between them on which to call up all the New Jersey draft boards to check up the statements made on the slips.

After waiting until nearly 10 o'clock I made up my mind that I might as well stay for the night rather than remain packed in with several hundred other men of all description waiting for examination. I finally got in touch with an A. P. L. man and told him my position. This man was good enough to use his influence to obtain a pass for me from some one in authority, and in this way I was released from the armory after being detained for five hours. Otherwise I am sure that I would have been detained practically all night.

In the meantime my wife had been anxiously telephoning my friends endeavoring to ascertain why I had not come home at my usual hour. Naturally, none of my friends were aware of the cause for my delay in arriving home, and it was absolutely impossible for me to telephone.

It seems to me to be the easiest thing in the world to collect 50,000 men—

The statement has been made that the number was 14,000. It has been variously estimated at from thirty-five to sixty thousand men who were rounded up and there were only 1,200 men who were suspects. It is not proven that they were all slackers, and it took 60,000 innocent men who were apprehended and arrested to find that out.

It seems to me to be the easiest thing in the world to collect 50,000 men and to pack them into police stations and armories, but if anything of this kind is necessary there surely should be an organization capable of taking care of such a situation and to avoid having men locked up like criminals because they were unaware that it was necessary to carry their classification cards. I am sure that three-fourths of the men in the Sixty-ninth Regiment Armory were there because they could not produce their classification cards. Judging from what I saw, I would also be willing to wager that a large number of men sent away to camps as slackers are men who are actually registered and were not intelligent enough to make themselves understood.

Yours, respectfully,

J. WILLIAM SMALLWOOD.

This is from a reputable citizen of my State.

Mr. President, I have practically concluded. I simply want to say that, in justice to those citizens in my State who have complied with the law, I protest against this action by the authorities. I think a full investigation should be made. These men have not been merely inconvenienced, they have been humiliated, indignities have been heaped upon them, and it savors of the press gang and not of a civil tribunal, as was originally intended when the conscription act was passed.

Mr. FLETCHER. Mr. President, I do not wish to be understood as favoring the method pursued in this matter, but the criticism, it seems to me, should be addressed to the lack of efficacy by any such procedure. Apparently notice was given in advance that this sort of a step was to be taken, that men

would be stopped on the streets and their cards requested, and all that sort of thing. Whether that notice was given in advance or not, evidently people knew about it very soon after the undertaking was started. If that is true, unquestionably every slacker was in a cellar; he was not on the street. He was not likely to be caught in that situation. It seems to me they could not have expected to have caught slackers in that way, because unquestionably if a man was a slacker he would stay off the street and seek a hiding place somewhere, and they would not be able to get the very people they were seeking. That would seem to me to be one criticism, if we are to judge by the statements that are furnished here as to what actually occurred.

But, without reference to that, the question would come where this sort of a resolution should go, or if it should be referred to a committee at all or not. It seems to me that it ought to be referred to a committee. If, as the Senator from Utah says, it merely calls for the furnishing of information as to who was responsible, if anyone, for the presence of sailors, and so forth, that is a matter we need not pass any resolution about, because it can be obtained over the telephone, or all you have to do is to write a letter to the Department of Justice to find out who is responsible for this occurrence. There is no need of any resolution to do that, and it is utterly futile, therefore, and useless to pass any such resolution, if that is all there is in this resolution, to ascertain merely who is responsible for it.

But I think there is something more in the resolution than that, although I question very much if under the resolution you could go into any careful or full investigation of the whole matter. I do not think the resolution is broad enough to authorize it, but still there is in the very beginning of it language of a general character which would clearly indicate that the purpose was not merely to ascertain who ordered it done, but to investigate and report upon such alleged occurrences. That is the language. Now, what does that mean? It means to investigate and to report upon these alleged occurrences. If you want to investigate the mere question as to whether these things actually occurred or not, that, of course, would be very easily disposed of, but if you investigate the whole subject of the invasion of the rights of citizens and the ground for that invasion, then you have a much broader field, and I doubt if the resolution is broad enough to cover it. But if it does cover it, it seems to me clearly, with all due respect to my good friend for whom I have the highest esteem, the chairman of the Committee on Military Affairs, it belongs to the Judiciary Committee. The Committee on Military Affairs have in charge all matters appertaining to the military forces. They have nothing to do with the question as to whether or not men who were not in the service, who had never been drafted, who were not called, who were not under the jurisdiction of the War Department at all, are having their rights interfered with or are being persecuted and ill-treated, as indicated by statements made here. If they have been, then the question is, What department is responsible for it and whether there was justification or law for it. That is a question for the Judiciary Committee to report upon. The whole thing has been conducted apparently by the Department of Justice. I think there can be no dispute about that. It has not been conducted by the military authorities at all. If so, then the Judiciary Committee is the proper committee to investigate and consider the question as to how far the Department of Justice has gone in this matter and what authority or agency it selected to carry out its program, and whether that was justified by law or emergency conditions.

It is a matter entirely for the Judiciary Committee to handle, it seems to me, and for that reason I think the motion to refer the resolution to the Judiciary Committee is a proper motion. It does not involve any insult or any offense, directly or indirectly, to the Military Affairs Committee; but, of course, there is no need to go into that. The resolution has gone to the calendar. I merely wanted to say this much in connection with it, so as to preserve the connection.

Mr. FALL. Mr. President, I was not surprised to learn this morning that the President of the United States had himself directed an investigation of the matter that has just been under discussion. In fact, I would have been very much surprised had I not learned that he had directed an investigation.

So far as the general question is concerned, I unhesitatingly say that, in my judgment, not only the law of the land, the rules and regulations of the President himself in connection with the draft, the registration and all other matters, and that the Constitution of the United States have been absolutely violated in the methods which have been pursued, and which I understand it is admitted have been pursued by the Department of Justice, if this round-up has been carried on by the Department of Justice. I could not concede for a moment that the President was aware of those methods, because they are at least violative of his rules and regulations adopted in connection with the draft. They are, of course, violative of the law, and they are distinctly violative of the Constitution of the United States. Until military rule is declared, the writ of habeas corpus suspended, and the method of doing those things is provided in the Constitution itself, the civil law remains the law of the land except where it is set aside by some dictatorship. We had an experience in this country when it was absolutely necessary to set aside the Constitution by usurpation of power by the administrative department. When such usurpation of power is necessary to save the Union, then we can excuse, of course, the use of those methods. We were faced with conditions as they existed in our statutes when we declared war. Some of us have proceeded from the moment of the declaration of war, or prior to that moment, upon the theory that we should give the President of the United States ample power under the Constitution of the United States so that he need not do as Lincoln was forced to do, usurp such power unconstitutionally. The Senate and the Congress of the United States have cooperated in giving to the President of the United States every power which he has requested, and in many instances have greatly broadened the powers which he has requested might be vested in him.

The Senator from Oregon, the chairman of the committee, referred to a bill which he proposed setting aside the civil courts which have been provided with jurisdiction to try almost every imaginable character of case which might arise in the present emergency. He introduced his proposed law for the purpose of extending to the military courts, the military tribunals, the military authorities, jurisdiction in certain cases. The President of the United States unhesitatingly demanded through the public press that no such legislation should be enacted.

All Senators remember that the Senator from Oregon, the chairman of this great committee, rose here in the Senate and made the statement, and it appears in the RECORD, that in view of the fact that the President of the United States said that the civil courts were amply able to deal with every proposition involved, and that this military legislation was exactly what he had sought to avoid, he withdrew his proposed bill, leaving the law as it stands.

Under the draft act it is not the spirit of the act which prohibits such occurrences as took place in New York, but the words of the act itself. It is not the spirit of the regulations adopted under the provisions of the act by the President of the United States under the title of selective-service regulations which was avoided, but the wording of the regulations themselves was avoided.

I shall not undertake to occupy the time of the Senate to discuss this matter at any great length. The Constitution of the United States is still in force. The President of the United States has refused even to agree to any legislation setting it aside during this war. He has denounced any attempt to enact such legislation; and under the fourth amendment to the Constitution of the United States, "The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated." Under the act known as the selective-service act, the jurisdiction for infractions of that act was distinctly conferred upon the several district courts. Under the selective-service regulations it is provided that the registration card after a person is registered should be preserved by him and should be shown on request or on demand to any member of a local or district board or to a police official. There is no penalty whatsoever for failure to show the registration card, except upon failure to do so the party may be taken before the local board. He may supply the loss of it by affidavits or otherwise. He may secure a duplication of his registration certificate upon proper application. In the event after he has registered that he refused to answer his questionnaire or refuses to report if he is called in class 1, he is called in the draft, or in the event he refuses to answer his questionnaire the procedure is prescribed by the rules and regulations adopted and promulgated by the President of the United States. It is not that any police officer or any member of a protective league proceed upon the streets to round-up the citizens and undertake to cull out from among those citizens those who have not answered their questionnaires, those who have not registered, and those who have not reported for duty, but the adjutant general of the State is charged with the duty of seeing that the questionnaires are answered and seeing that the report is made, and upon his action depends the future proceeding.

In the event the party still refuses, becomes entirely delinquent, does not report after the adjutant general notifies him

to report, then he may be declared by the adjutant general under certain circumstances to be in the military service of the United States. Being so declared, he becomes subject to military law, and he can be arrested under military law as a deserter by a provost marshal's guard.

There are laws for all these matters. There are rules and regulations even with reference to war, and those rules and regulations must be followed.

The President, as I have said, I was confident would order an investigation of this matter, because no man entertaining and announcing the sentiments recently announced by the President of the United States in his statement with reference to mob violence, under date of August 22, 1918, calling upon the people to regard his advice, would have refrained for a moment when notice was brought to him of the charged acts occurring in New York from ordering the investigation which the President has ordered. I am going to quote from the President's words, because I commend it to those Senators who think that the law is set aside simply because we have adopted a selective-draft system in the United States for the purpose of constituting our armies. He said:

> Let us show our utter contempt for the things that have made this war hideous among the wars of history by showing how those who love liberty and right and justice and are willing to lay down their lives for them upon foreign fields stand ready also to illustrate to all mankind their loyalty to the things at home which they wish to see established everywhere as a blessing and protection to the peoples who have never known the privileges of liberty and self-government. I can never accept any man as a champion of liberty either for ourselves or for the world who does not reverence and obey the laws of our own beloved land, whose laws we ourselves have made. He has adopted the standards of the enemies of his country whom he affects to despise.

Mr. FLETCHER. Will the Senator allow me?

Mr. FALL. I yield to the Senator from Florida.

Mr. FLETCHER. The Senator is entirely correct in his statement regarding the steps taken by the President. As I understand the question, the President knows what occurred here yesterday, and certainly the President knows from the newspapers what occurred in New York City, and the President has promptly acted.

Mr. FALL. I understand.

Mr. FLETCHER. The President has taken steps to investigate the matter. In that case, does the Senator think there is any need or occasion for this resolution?

Mr. FALL. I am doubtful about that. My own judgment is that the resolution might very well lie upon the table at the present time and not be referred or directly acted upon. That is simply my own personal opinion. My purpose in rising was simply to call attention to the law and to the fact that some of the Members of this body, with due respect to them, seem to me to be going so far beyond the law that the President will be out of their reach before they can get back to him. I believe the President is determined that the law shall be obeyed, and the law should be followed; and I have no doubt he will take steps to see that it is, and if it is, in my judgment, he will at least refuse to be connected with the arbitrary Russian-like acts which were perpetrated in New York City day before yesterday and the day before that, and which, I understand, have been by his orders stopped for the time being.

Mr. President, one more word. One of the Senators said here yesterday that such acts as this might have been committed in Germany. Never. Never in the history of Germany, until military rule was declared, could such acts as this have been committed. Never in the history of any civilized country under the heavens, except in the history of Russia, could such acts have been committed. Exactly the commission of such acts as this have brought about the present condition of absolute anarchy, murder, and lawlessness in that great country; and it is against such conditions that the President of the United States was appealing on August 22 when he asked the people of the United States to be bound by the law.

STIMULATION OF AGRICULTURE.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products."

Mr. BORAH. Mr. President, during the time in which the unfinished business was before the Senate yesterday afternoon, the debate taking a wide range, the Federal Trade Commission and its reports came in for a very severe arraignment. It was my misfortune to be absent during that discussion, but I have since read the RECORD, and have been very much interested in the debate. It had not been my purpose to say anything in regard to these reports until such time as legislation was offered purporting to deal with the condition of affairs which the reports reveal; but, in view of the debate and the things that have been said, I ask the indulgence of the Senate for a few moments while I express some views in regard to those reports. I feel somewhat under obligations to do so, although it also represents my wishes and desires, because of the fact that the resolution which called for one of these reports was offered by myself.

Mr. President, I was not an advocate of the creation of the Federal Trade Commission. As will be recalled, particularly by my friend from Iowa [Mr. CUMMINS], who was of a different opinion, I was very much opposed to the creation of that commission—that is, I was opposed to creating it with the powers given. I felt at the time that it was being given a latitudinous power; that there was practically no limitation upon its power; that the legislation was vesting in a few men a discretionary power wholly at war with our theory of government. I have not changed my opinion as to the power which was granted to the commission. I doubt very much whether or not there is any limitation upon it within certain most general lines. During the debate upon the subject I took occasion to say—quoting from the CONGRESSIONAL RECORD under date of June 29, 1914—

> They—

That is, commissions—

> are given all kinds of power. The division of power which inheres in our form of government is practically ignored when we reach the commissions, and they exercise almost every conceivable kind of power which a government possesses.

Again, I said:

> Let us go now to the bill itself and see in regard to section 5: "That unfair competition in commerce is hereby declared to be unlawful."
>
> To my mind this furnishes no standard whatever, and, in so far as it furnishes no standard, it favors the lawless and embarrasses the honest. I can not conceive of a term which is more elastic in the mind of the business world than the phrase "unfair competition."
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> * * * * * * *
>
> Legitimate business and honest industry have a just complaint against the Government. We are piling statute upon statute and rule of conduct upon rule of conduct, while we enforce and execute our laws with no regard for consistency and often with a keen regard for political exigencies and with notorious favoritism. Thus honest and legitimate business is enmeshed in a wilderness of laws, made the plaything and the puppet of politics, while dishonest and illegitimate business—monopoly—in its brazen impudence purchases favors by campaign contributions and thus "easily breaks through." We have in this country arrived at or seem to be closely approaching the time when the organizers and creators of monopoly are to lay down the rules and fix the regulations by which they are to carry on business.
>
> The vast majority of the business men of this country are willing and anxious to do business on an honest basis. They believe in honesty as the best policy as a business proposition. They will obey any law that rests in feasibility and reason—any law that business can obey and exist. The laws which we pass ought to take this fact into consideration. But we do not do so. We legislate upon the theory that business is morally bankrupt. * * * We seem to be reaching out with commissions and inquisitorial bodies to oversee, superintend, and police every business man and every line of business in the United States. We have a penchant just now to see how our business will look when incased in the strait-jacket of a bureaucratic system.

One of the charges, Mr. President, which is made against the Federal Trade Commission at this time is that it is usurping power; that it is exercising power which does not belong to it. In my opnion, the commission has acted wholly within powers given to it by Congress. Indeed, it would be very difficult, performing this kind of service, to get outside of the power granted to it by Congress; and, while there may be a difference of opinion as to the judgment exercised by the commission with reference to the performance of a single or particular duty, that the commission has operated and acted clearly within the jurisdiction given it by the law, in my opinion, there can be no doubt.

I call the attention of the Chamber of Commerce of the United States to the fact that at the time this commission was being created and at the time these powers were being granted the powers of which they now complain were clearly pointed out; these possible conditions were foreshadowed; and yet my recollection is that some who are prominent members of that body were among those who insisted upon the creation of the commission and on the granting of these powers.

Turning to the act which created this commission, I find this provision:

> That unfair methods of competition in commerce are hereby declared unlawful. The commission is hereby empowered and directed to prevent persons, partnerships, and corporations, except banks and common carriers subject to the act to regulate commerce, from using unfair methods of competition in commerce.

Could any more uncircumscribed and unlimited power be bestowed upon a body of men than to give them jurisdiction and surveillance of the business world, to the end that they might "prevent them from using unfair methods of competition in commerce"? Here is combined executive and quasi legislative and judicial powers, and the jurisdiction given is that of keeping the commerce of the whole United States within the limits of

fair competition, and yet we are told this commission is usurping its power. Further, the statute says:

To gather and compile information concerning and to investigate from time to time the organization, business conduct, practices, and management of any corporation engaged in commerce excepting banks and common carriers and its relation to other corporations and to individual associations.

So we might read many other sections. The most answerable charge which could be brought against this commission is that it has usurped its power. When we think upon the power that has been granted it and then reflect upon the power that it has assumed to exercise we are rather moved by its modesty than upset by its usurpation.

Mr. President, these powers have now been exercised to uncover and reveal a condition of affairs of a most serious nature. But these conditions can not be disposed of by going back and charging that it is a usurpation of power to do precisely what the commission is authorized under the statutes to do in case it is called upon to act. There has been no usurpation of power, Mr. President. It is not that which has caused the difficulty. The difficulty arises out of the kind of facts which have been revealed; of the conditions which have been made known with reference to certain business institutions in this country.

As I said a moment ago, while I was not an advocate of the creation of the commission, I now raise my voice in its defense for the courageous discharge of a duty. If these facts reported are untrue or grounded in error let us know it, but it is no answer to the facts to charge a usurpation of power.

Mr. President, during all the debates here by the able Senator from Illinois [Mr. SHERMAN] and others, there has not been a single refutation as to the facts which this commission has disclosed. It has been said that some of them have left their place of duty and gone into the political campaign in the different States to seek other offices. It has been said they are merely playing politics. That kind of criticism has been lodged against the commission. With it I have nothing to do, and about it I care nothing; but what I want to know of those who criticize the report of the commission is, Have you any facts which confute the facts which they present? Has the condition of affairs which they reveal no real existence; is it imaginary upon the part of the commission? If it is not, it reveals a condition of affairs which may well engage the attention of this legislative body in a different way from that of criticism. Abuse and personal attacks do not remedy the conditions disclosed. Indeed it is a confession that the facts are correctly stated and that no remedy is wanted.

Mr. President, it should not be forgotten that these reports were called for by the Senate of the United States in one instance and the President of the United States in the other instance. The Chamber of Commerce say that they have usurped their powers of publicity. They made a report in response to the resolution which was passed by this body, and it was made public and carried to the country. They made a report in response to a request from the President, and it was published and made known to the country. What usurpation of the power of publicity is to be found in that transaction? Were not these facts, Mr. President, facts which it was well for the country to know if they are true? And as yet they have not been confuted. Is there any time too soon for the people to be informed of the condition of affairs which the report reveals? What possible harm can come from the people being put in possession of these facts? I do not understand that the commission itself has undertaken voluntarily to lay before the public anything not called for either by the statute itself or by some resolution or some request from an official entitled to have the facts. I should like to ask the Senator from Illinois if the facts revealed by the commission themselves are disputed as being true? And, secondly, were they not presented in response to request resolutions?

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from Idaho yield to the Senator from North Dakota?

Mr. BORAH. I shall do so in just a moment.

Mr. President, it is a characteristic which is not to be criticized that a Senator naturally defends, if it is possible to do so, those things which have their origin in his own State. Perhaps that is a proper practice because they should be heard, but in making a defense of those who happen to be our constituents we ought to be prepared to submit facts which show that the charges laid against them have no foundation in truth. Now I yield to the Senator from North Dakota.

Mr. McCUMBER. I think I asked the Senator from Illinois [Mr. SHERMAN] the same question yesterday that the Senator from Idaho now asks him; whether or not the facts were true, and as I understood, the Senator from Illinois stated that they were not wholly true. I noticed that the Senator from Illinois did not respond to the Senator's query, and I was wondering whether or not he heard it.

Mr. BORAH. Well, as to that, I do not know.

It is barely possible that in making out long and extended reports there are some facts in such reports, as interpreted by the Senator from North Dakota, which are not wholly true; and there may be details about which there could be justifiable controversy—indeed, I am not concluding anybody by this report, but I do say the report can not be answered by mere abuse.

Mr. McCUMBER. I want the Senator from Idaho to understand that I am not questioning the reports at all.

Mr. BORAH. I understand that. Mr. President, is it denied—and if so, by whom—that these five great meat concerns dominate the meat market of the United States?

Mr. GORE. And very largely the meat market of the world.

Mr. BORAH. Is it denied—and if so, by whom—that these five great concerns, through their attorneys and agents, sit down at the table regularly, either weekly or oftener or less frequently, and agree among themselves as to prices of the products which they sell the people? That, Mr. President, can be sustained by the proof which is found in the record. That being true, the basis of the charge which is laid here by the Federal Trade Commission has its firm foundation in the practically undisputed facts.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. BORAH. I yield.

Mr. POMERENE. Is it not a fact, also, that these different packers have so arranged their matters that no two of them have refrigerating stores or distribution stores in the same town?

Mr. BORAH. I have seen that statement made, but I am not able to say that the evidence bears out that particular proposition, for I have not examined the evidence with reference to that matter. That, however, is a current report.

Mr. President, let me call your attention to just one little item. Sometimes we can get a view of a tremendous transaction by just turning the spotlight upon a specific concrete proposition. There is not a western Senator here who does not know that during the last year it has been practically impossible for the farmer or the stock raiser when he kills an animal or finds an animal dead upon the range and skins it to sell the hide. Hides are practically without any market value whatever. Every one of us has letters upon his desk, I presume, at least I have a number of them, giving particulars where men have gone to the local markets and offered hides for sale and have been told that there was no market for them; that they can either take the amount offered, which is very small, or can keep the hide and take it home. Of course, a man who has a hide to sell must necessarily part with it at the price which is fixed. Who fixes that price? Does the local dealer fix it? He is the representative or the agent of the five great packers which are in complete control of the situation from the time the calf is born until it is sold as meat. They dominate not only the market where they buy but the market where we buy; they are the complete dictators of the food supply of this character not only throughout the United States but in a very large measure throughout the whole of America. I admire the courage of that class of officials who will reveal that condition of affairs, which has existed in this country for 28 years at least without any interception of its progress and its program. At this point I desire to read a brief extract from the recent report of the Federal Trade Commission:

As an indication of earnings of the big packers in the selling branch of their leather business, the following is quoted from a letter of January 17, 1917, by the Eastern Leather Co., an Armour selling subsidiary, to Mr. F. W. Croll, of Armour & Co.:

"We are inclosing our check on the National City Bank, New York City, payable to Mr. J. Ogden Armour, for $915,787, same being a dividend of 53 per cent on the 17,279 shares of common stock standing in his name. In addition to this, and in accordance with our conversation when in Chicago, we have set aside as a surplus $250,000, which represents 10 per cent on the common stock.

"We are also inclosing a check on the National City Bank for $202,145.62, payable to Mr. Armour, this being the balance due on 6,020 shares of common stock held for employees."

Mr. President, this institution dealing in hides, for which there was no market, so far as the farmer or stock raiser was concerned, was itself making 53 per cent. That institution is one of the subsidiary or related institutions of Armour & Co. So, sir, trace the ramifications of these institutions either forward or backward, as you will, and you will find that they are com-

pletely in control of the situation; that they not only control the market where the cattle are sold but the market where the people buy the product to eat upon their tables.

Mr. President, does anyone contend that these figures with reference to the profits of these institutions are untrue? That is a question which I submit to this body; not whether Mr. Harris leaves the commission and goes to seek a senatorial office, but have they revealed a state of facts momentous in their significance and the evil of which no man can portray if the condition is permitted to continue?

Mr. President, there has been wide, unconscionable, thoroughly extended, universal profiteering in this country ever since the war began. The report put upon our tables a few weeks ago by the Secretary of the Treasury and the report of the Federal Trade Commission, both to the President and to the Senate, have disclosed profits all the way from 15 to 350 per cent. Not all of these are profiteers, but it is important for many reasons to have all the facts. Now, sir, when these officials have done their duty and revealed the facts as they exist, instead of hitting them on the head and discouraging their service in making known the facts as they are, we had better occupy our time in passing legislation which will deal with the situation and deal with it effectually.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. BORAH. Yes.

Mr. POMERENE. If the Senator will permit me to make a suggestion, he has referred to the startling disclosures in the reports sent in by the Secretary of the Treasury. My attention was called the other day to a statement in one of the Washington papers to the effect that already experts of the Treasury Department had discovered $5,000,000 of taxes due to the Government from 265 coal companies, which amount the companies had neglected to report; that there were 2,500 of these coal companies; and that it was estimated that the Government would uncover about $50,000,000 of taxes which the companies ought to have returned, but did not return.

Mr. BORAH. When the returns come in I presume very little will be said about the returns, but a vast amount will be said about the mistreatment of business.

Mr. President, no sane man, no man who has any regard for the stability of our institutions and the permanency of our Government, wants to see any honest, legitimate business assailed or embarrassed. When that is done it not only interferes with business, but it interferes with labor, and it interferes with the morale of the country. The business man is entitled to the full protection of the law and the full presumption of innocence of wrong doing until the contrary is shown beyond question; but I have noticed, Mr. President, in this Chamber for many a day that if there is any one thing which will arouse interest and start a propaganda such as is seldom seen for any other cause it is when just such conditions as are revealed by this report are made known to the public. No one ought to attack legitimate business; no one should complain of fair profits. But facts never disturb legitimate business, and facts do not hurt fair profits. I ask you again, Do you deny these facts? If so, let us have your case.

I wish, therefore, to say in conclusion, in connection with the attacks made by the chamber of commerce and made by the different institutions engaged in this propaganda, that so far as my investigation goes the figures produced by the Federal Trade Commission are sustained by the hearings. Every other conceivable proposition—usurpation of power, undue publicity, political activity, and every other conceivable thing wholly disconnected with the actual matter about which we are concerned—has been and is being discussed, the Federal Trade Commission is being pilloried from one end of the country to the other, and the people may come to the conclusion that they are a band of incompetent men engaged purely in demagogic propaganda, losing sight of the fact that all this time no figure, no fact as stated by the commission, is controverted by those who assail it.

Mr. President, we will have to take hold of this matter by legislation and deal with it in a proper way and at the proper time. At that time undoubtedly we will go into the details of these facts and figures. At this time, I only want to protest against the method by which it is sought to disparage and discredit these reports.

Mr. KING. Mr. President, will the Senator permit an inquiry?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. Yes, sir.

Mr. KING. As I have followed the very interesting address of the Senator, I gather the idea that the organizations to which he refers have been violating the provisions of the Sherman antitrust law; that they have entered into conspiracies either to restrict trade or to deal unfairly with the consuming public. Why the necessity of additional legislation? It would seem, if their acts are as malevolent as the Senator suggests, that there is ample law now to bring them into the courts, to dissolve the illegal combination, and to pronounce such judgment as would do justice in the matter.

Mr. BORAH. Perhaps, Mr. President, when the concrete legislation is presented the Senator may be able to convince me that no further legislation is necessary. I agree with him perfectly that certain things could be done now under the present law which upon the state of facts disclosed ought to be done; but, speaking for myself, I have somewhat lost faith in the power of this Government to regulate a monopoly. We are drifting away from the proposition of destroying a monopoly and have accepted almost entirely the principle of trying to regulate monopoly. I think you can no more regulate a monopoly than you can regulate a cancer. Before very long those who are to be regulated get possession politically of the regulators.

Mr. NORRIS. Mr. President, before the Senator takes his seat I should like to make a suggestion. I was out during a part of his address and he may have touched upon the point to which I am about to refer, but it bears directly upon what the Senator has said. The Senator has said in reply to the question of the Senator from Utah [Mr. KING] that the stockyards, as distinguished from the packers, of course, are independent corporations. The theory of the stockyards is that it is a public market place; but, as a matter of fact, it is owned in every instance, I believe without exception at the packing centers, by the packing houses.

That means that the public market place, which ought to be open on equal terms to everybody, is owned by practically the only men and the only corporations who, in the very nature of things, do practically all the buying on that market. It does not take very much of a stretch of the imagination to see that when a public market place is thus owned, of course, it will become one of the utilities of the men who own it, absolutely contradicting the theory upon which it exists.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Utah?

Mr. BORAH. I do.

Mr. KING. I do not want the Senator to deduce from any statement which I made that I was opposed to any further legislation. I express no opinion as to the necessity or lack of necessity of additional legislation, or whether there is existing law sufficiently broad to cover the evils to which the Senator refers.

Mr. BORAH. I did not understand that the Senator was opposing further legislation.

Mr. BRANDEGEE. Mr. President——

Mr. BORAH. I yield to the Senator.

Mr. BRANDEGEE. I should like to ask the Senator from Nebraska what he means by a public market privately owned?

Mr. NORRIS. The stockyards are a pretty good illustration of a concrete case. The stockyards are a place where the seller and the buyer are supposed to come together. They are owned by the packers, and they get immense revenues from them, as a matter of fact. They make all the rules and the regulations, with the seller—the producer of the stock—having nothing to say about it. In my judgment, they ought to be publicly owned, publicly controlled, publicly managed, the same as any other market place, for the benefit of the public, without the view of producing a profit to anybody.

Mr. BRANDEGEE. Mr. President, I can understand that if they were publicly owned and publicly controlled and publicly managed they would be public markets; but if they are privately owned and privately managed I fail to see how they are public markets, any more than a man's store is a public market.

Mr. NORRIS. As a matter of fact, in practice, they are not public, open markets. As a matter of theory, they are. In my State the legislature has declared them to be common carriers.

Mr. BORAH. They are public in the sense that everyone is supposed to be admitted to them.

Mr. NORRIS. They ought to be. That is the theory of it.

Mr. BORAH. They are supposed to be.

Mr. NORRIS. Yes. That is not the practice, however.

Mr. BORAH. There are certain markets, like Chicago, Omaha, and those places, which every man who sells stock must use.

Mr. BRANDEGEE. That may be, Mr. President. I do not think the Senator's designation of a privately-owned institution as a public thing is quite warranted. Of course, the railroads have been privately owned and they have been held to be charged with a public use, but they are not public in the sense that they are owned by the public. That is all I meant.

Mr. NORRIS. I said that the theory was that they were public market places. As a matter of fact, they are owned in every case by corporations. The public does not always distinguish between the packers and the stockyards, but the stockyards are an entirely separate corporation. In all the cases with which I am familiar the capital stock is made mostly of water and they pay large dividends on money that never was invested, as a matter of fact. They are capitalized away beyond reason. I have not the figures before me now, but in the case of the stockyards at South Omaha—one of the largest in the world—I am able to get them.

Mr. BORAH. Mr. President, I think it would not be out of place for me to say that in a conversation the other day with Mr. Swift, one of the representatives of a large packing house, he was very frank to concede that these markets were in their nature public markets, public utilities, and he further said that in his opinion they must in all probability come under the ownership and control of the Government; that the manner in which the business was carried on made it necessary for them to be open, through the permission of the public, to all who wished to use them, upon equal terms.

Mr. VARDAMAN. Mr. President, may I ask the Senator a question?

Mr. BORAH. Certainly.

Mr. VARDAMAN. Was he speaking with reference to war times or permanently?

Mr. BORAH. Permanently.

Mr. CUMMINS. Mr. President, I have desired for some time to make some observations upon the report of the Federal Trade Commission, to which reference has just been made by the Senator from Idaho, and this seems to me to be the best opportunity, probably, that I will be able to secure. It is especially with regard to the suggestion by Senators that there is need for further legislation upon the subject.

I was an advocate of the creation of the Federal Trade Commission—a very earnest, sincere advocate of establishing that new function in the Government. I think it has fully vindicated its usefulness and value to the people of the United States. I can not imagine a claim more unfounded than that in this particular instance it has passed beyond the authority granted to it by the statute. Without saying anything with regard to the truth or the falsity of the representations it has made, to assert that it had not the authority to make the investigation and submit its report both to the President and to Congress is simply to fly in the face of the plain, clear language of the statute. I do not intend to waste any time upon that view, nor do I intend to enter upon the subject of whether these things are true or false.

Mr. POMERENE. Mr. President——

Mr. CUMMINS. We know without this report that a great many of them are true, because these facts have become a part of the common knowledge of the whole country, and we accept them as implicitly as we accept any other thing with which the whole world has become thoroughly acquainted.

I yield to the Senator from Ohio.

Mr. POMERENE. I simply rose to observe that if this report of the Federal Trade Commission had been favorable to the packers, they never would have questioned its authority.

Mr. CUMMINS. I assume that is true. I think the commission has performed a very valuable work, not alone in this matter, but in a great many other subjects which have been of vital importance to the people of this country.

I want, however, to call the attention of the Senate to the recommendations made by the commission. I do not know whether the Senate generally has studied the matter sufficiently to have reached a conclusion upon it. If not, it will be interesting to note that with the exception of one recommendation—and that may be within the power of the President—the President has the power at this moment, at any moment, to put into execution every recommendation made by the commission. As a permanent adjustment in times of peace it may be that further legislation will be necessary; but for this time, this emergency, for the protection of the people of this country against the propensities of the packers, there is full and ample power in the law as it is now to enforce every recommendation made by the commission, with possibly one exception, which is not nearly so important or material as the remainder of them.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. CUMMINS. I yield.

Mr. NORRIS. Is the Senator of the opinion that under existing law the Government could take over the stock yards?

Mr. CUMMINS. Undoubtedly. There is no more doubt about it than that it could take over the railroads.

Mr. NORRIS. Mr. President, let me suggest to the Senator that I entertained the same opinion, and do yet; but I introduced in the Senate a resolution asking the Director General of Railroads to answer that question, and it has been answered by his assistant officially to the Senate, and in the answer the opinion is expressed that he does not have authority under the law to take possession of them.

Mr. CUMMINS. The opinion is in error, no matter who rendered it.

The commission recommends:

1. That the Government acquire, through the railroad administration, all rolling stock used for the transportation of meat animals, and that such ownership be declared a Government monopoly.

Can it be doubted that under the railway act which we passed, I think in April, enlarging the power of the President with regard to the possession and operation of railway systems, that it is now within his power to take over the rolling stock which is being used constantly in the transportation of meat animals? This rolling stock is just as much a part of the systems of transportation which are established in this country as the engines or the passenger cars or the ordinary freight cars. There is no difference whatever, and I can not understand why, with this remedy, if the President thinks it is a remedy—and I am not entering upon that question at this time—but if the President thinks that the report is well founded and that the recommendation ought to be adopted, I can not understand why all the rolling stock used in the transportation of meat animals in this country is not already in the possession of the Government and subject to our absolute and unrestricted regulation and control.

The second recommendation is the one to which reference was made by the Senator from Nebraska. It is:

2. That the Government acquire, through the Railroad Administration, the principal and necessary stockyards of the country, to be treated as freight depots and to be operated under such conditions as will insure open, competitive markets, with uniform scale of charges for all services performed, and the acquisition or establishment of such additional yards from time to time as the future development of live-stock production in the United States may require. This to include customary adjuncts of stockyards.

What are stockyards? They are simply the freight depots for live stock. It is not practicable to unload live stock and place it in confinement within narrow walls. Live stock must be unloaded in yards, and yards are for live stock precisely what an elevator is for grain—neither more nor less. It matters not to me what any other person may think with regard to the power of the Administration to take over stockyards; it is unreasonable to hold that these freight yards for live stock are not as fully within the power of the administration as are inclosures which are intended to preserve and protect the dead freight that may be unloaded at that particular terminal.

The third recommendation is:

3. That the Government acquire, through the Railroad Administration, all privately owned refrigerator cars and all necessary equipment for their proper operation, and that such ownership be declared a Government monopoly.

Mr. President, the Government has already taken over, to all intents and purposes, the privately owned refrigerator cars.

Mr. NORRIS. Mr. President——

Mr. CUMMINS. They constitute a portion of the equipment of the several railroads, and they are in constant use as a part of the Government-controlled and Government-operated property. If there is any additional or technical act necessary to vest completely in the control of the Government these cars, no one will question the power of the Government to deal with them precisely as it has dealt with cars which belong to railroad companies. I yield to the Senator from Nebraska.

Mr. NORRIS. Mr. President, the interruption which I desired to make pertains to the question I submitted to the Senator some time ago regarding the authority of the Government, under existing law, to take over the stockyards. I may say that I agree with the Senator on the authority; but I understood from various sources that it was questioned by the legal advisers of the Director General of Railroads, and so I introduced a resolution, and among other things asked that question. It was passed by the Senate; and, if the Senator will permit me, I should like to read that part of the answer which answers that question.

Mr. CUMMINS. Very well.

Mr. NORRIS. This letter is signed by Mr. Walker D. Hines, Acting Director General. This is only part of the letter. There were several other questions involved in the resolution; but

in answer to the one the Senator has been discussing, Mr. Hines uses the following language:

It is believed that the Director General of Railroads has not authority under existing laws to take over stockyards. The authority under which the roads were taken over by the President is derived from the act approved August 29, 1916, entitled "An act making appropriations for the support of the Army for the fiscal year ending June 30, 1917, and for other purposes," and the power is limited to systems of transportation or parts thereof. The Federal control act, approved March 21, 1918, does not, it is believed, enlarge this power.

Mr. STERLING. Mr. President, will the Senator from Nebraska give me a reference to that reply?

Mr. NORRIS. That is the answer of the Director General of Railroads in response to a resolution passed by the Senate, and it is found printed in the CONGRESSIONAL RECORD of June 26, 1918, on page 8285.

Mr. CUMMINS. Mr. President, Mr. Hines is a very eminent lawyer as well as an administrator. His long connection with the railways of the United States has undoubtedly given him certain tendencies which I would not expect him to overcome immediately upon his assumption of a public office. All I can say is that when we consider what the Government has done in taking over property connected with the railway systems of the United States I can not accept his very brief and unsatisfactory discussion of the matter. The stockyards in Chicago are just as much a part of a system of transportation as are the freight depots in Chicago or the freight stations in Chicago. As I remarked before, they are an essential element in the transportation of live stock; and Mr. Hines might as well say to me that he could not take over a single elevator along the line of the railway, if it were not owned by the railway itself, as to say to me that he could not take over the stockyards in Chicago because they do not constitute a part of a system of railway. They do constitute a part of a system of transportation, and it can not be declared with any reasonable assurance that the Government is powerless in that respect. The reason that opinion is given, in my judgment, is because the Government does not want to take over the Chicago stockyards.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Oklahoma?

Mr. CUMMINS. I yield.

Mr. GORE. I call the Senator's attention to the fact that section 12 of the food-control act—a copy of which I have sent to the Senator's desk, and it is lying there now—in express terms gives the President the power to requisition factories and packing houses or any part thereof.

Mr. CUMMINS. I was about to remark upon that a little later.

Mr. GORE. I beg the Senator's pardon.

Mr. CUMMINS. I was speaking now simply of the railway act; but I might as well complete the subject and read a part of the food-control statute into the RECORD now:

That whenever the President shall find it necessary to secure an adequate supply of necessaries for the support of the Army or the maintenance of the Navy, or for any other public use connected with the common defense, he is authorized to requisition and take over, for use or operation by the Government, any factory, packing house, oil pipe line, mine, or other plant, or any part thereof, in or through which any necessaries are or may be manufactured, produced, prepared, or mined, and to operate the same. Whenever the President shall determine that the further use or operation by the Government of any such factory, mine, or plant, or part thereof, is not essential for the national security or defense, the same shall be restored to the person entitled to the possession thereof.

The fourth recommendation is the only one about which I have any doubt whatever. It is:

4. That the Federal Government acquire such of the branch houses, cold-storage plants, and warehouses as are necessary to provide facilities for the competitive marketing and storage of food products in the principal centers of distribution and consumption, the same to be operated by the Government as public markets and storage places under such conditions as will afford an outlet for all manufacturers and handlers of food products on equal terms. Supplementing the marketing and storage facilities thus acquired, the Federal Government establish through the Railroad Administration, at the terminals of all principal points of distribution and consumption, central wholesale markets and storage plants, with facilities open to all upon payment of just and fair charges.

It may be that we have not specifically conferred upon the Government the power to open a market for the purpose of buying and selling meat products. I am not at all sure but that we have, because we have done so many things in this direction that I am rather inclined to think that the power given is adequate. But if we have not, this is not the important part of the recommendation of the Federal Trade Commission. What the commission really desires is that the Government shall take possession of the stockyards, equivalent to warehouses, at the various terminal points throughout the country, so that one who desires to enter into the packing business in competition with the houses which have already been established can invest his capital and construct his plant with the assurance that he will have a fair and even chance in the buying market, namely, the stockyards. The further purpose is to regulate the stockyards so that a reasonable price to the producer may be assured—I may say, a reasonable price to the buyer as well—but the principal purpose is to open the way for fair and reasonable competition by giving access to the only places at which cattle, hogs, and sheep can be bought.

I should like to know why the administration, in view of this report, if my interpretation of the law be correct, has not proceeded along the lines of relief suggested by the commission. I do not believe that the people of this country are very much interested now in monopolies as such. I do not believe they are very much interested in the enforcement of the antitrust law as such. The thing in which our people are interested, so far as the packers are concerned, is this: First, that the packers ought to pay a fair and reasonable price for the live animals they buy; second, that they ought to sell their products at a fair and reasonable price. That means cost with a fair profit added. So far as these things are concerned, I do not think Congress can be criticized for not enacting further legislation, inasmuch as ample, adequate power to accomplish these purposes is already in the hands of the Executive of the United States.

I am not complaining, I am not criticizing, because sufficient time may not have elapsed to enable the Executive to formulate and put into operation these corrective measures.

I am only saying that the people ought not to fall into the belief that these wrongs are being committed, because Congress fails to perform its duty. I insist that there is comprehensive authority now to bring about that change in the business to which we have alluded and apply the remedy which the Federal Trade Commission has proposed.

Mr. VARDAMAN. May I put the Senator a concrete question? The Senator holds that there is authority under the existing law to take over these monopolies and prevent these abuses that have been pointed out by the Federal Trade Commission?

Mr. CUMMINS. I do.

Mr. VARDAMAN. That is just the point.

Mr. CUMMINS. I have no doubt of it whatever.

Mr. VARDAMAN. I should like to ask the Senator—and he has given the subject investigation and study—what is the purpose of the chamber of commerce in its protest or demand for the abolition of the Federal Trade Commission?

Mr. CUMMINS. I have not discussed that phase of the subject, but I assume that it is because the chamber of commerce believes the Federal Trade Commission ought to be abolished.

Mr. VARDAMAN. I dare say that is true; but I ask the Senator if there is any crime the commission has committed that would deserve its abolition, except that of revealing the crimes of the manufacturers and packers and other profiteers who have taken advantage of the war?

Mr. CUMMINS. It may have committed errors from time to time in the method of its procedure, but I repeat what I said in the beginning, that I believe the Federal Trade Commission has been honest, diligent, and effective.

Mr. VARDAMAN. I agree with the Senator. I think it is entitled to the thanks of Congress and of the American people for the exposures that have been made by it.

Mr. CUMMINS. Mr. President, my whole purpose has been to show that the administration has the authority for carrying into effect substantially the recommendations of the Trade Commission, and I sincerely hope, if the President upon examining the report finds it to be well founded and these recommendations wise, that he will speedily put these remedies at the disposal of the American people.

Mr. KING obtained the floor.

Mr. GORE. Mr. President——

Mr. KING. I yield to the Senator from Oklahoma.

Mr. GORE. By way of further answering the question of the Senator from Mississippi [Mr. VARDAMAN] I wish to say that there is an organization in this country known as the American Seed Manufacturers' Association. It was organized in 1909. Mr. J. H. Genung was chosen as its first president, I am informed. I have a communication in my hand which states that Mr. Genung now represents that association in the United States Chamber of Commerce. On the board of directors of the Food Manufacturers' Association are representatives of Armour & Co., Swift & Co., the Quaker Oats Co., which is a subsidiary of Armour & Co., and so on. I thought possibly that might indicate some ligament of connection.

Mr. VARDAMAN. That explanation is ample. What I desired to find was the motive behind the recommendation of the Chamber of Commerce to abolish the Federal Trade Commis-

sion. It was not because of its lack of vigilance in the performance of its duty but because it performed it too well.

Mr. KING. Mr. President, I invite the attention of the Senate to page 6 of the bill under consideration. In line 10 of the bill I find the words "home-demonstration work, $803,385." In line 8 I find the words "home-demonstration work, $1,327,400." In other words, there are two items covering the same matter. I move to strike out the words "home-demonstration work, $1,327,400" found in line 8.

The PRESIDING OFFICER. The Senator from Utah offers an amendment, which the Secretary will state.

The SECRETARY. On page 6, line 8, strike out the words "home-demonstration work, $1,327,400."

Mr. STERLING. Mr. President, I wish to call the attention of the Senator from Utah to the fact that these two items cover home-demonstration work in different sections of the United States. I understood the Senator to state that both these items were devoted to the same purpose, and I think he conveyed the idea that it was for the country generally, but the first item relates to home-demonstration work in the Northern and Western States and the second item to work in the Southern States. They are distinct items.

Mr. KING. We find in this same section a number of items. For instance, general administration of extension work, $35,000; home-economics work, $25,000; extension work in the Northern and Western States, $134,200; county agent work, $1,893,000; boys' and girls' club work, $382,900; home-demonstration work, $1,327,400; extension work in the Southern States, $90,000; county-agent work, $1,333,815; boys' club work, $75,300; home-demonstration work, again, $803,385; in all, $6,100,000, notwithstanding the general appropriation bill passed a few weeks since carries more than $1,000,000 for these same activities.

I felt that there must be some mistake when I find in the bill in one line these words:

Home-demonstration work, $1,327,400.

And two lines lower down—

Home-demonstration work, $803,385.

Mr. STERLING. Does not the Senator see now, on rereading the paragraph, that the one pertains to home-demonstration work in the Northern and Western States and the other to home-demonstration work in the Southern States?

Mr. KING. No, Mr. President.

Mr. STERLING. They are two separate items pertaining to different sections of the Union.

Mr. KING. I am not acute enough to see that or to see the geographical aspects of these items. There is nothing to characterize either of the appropriations, nothing to indicate the place where the appropriation is to be expended. Of course, one can draw upon his imagination. One with as much reason might contend that the first item refers to Alaska and the second one to the Philippine Archipelago as to state that the former refers to the Northern States and the latter to the Southern Sates. There is absolutely nothing in the context indicative of the geographical location in which the expenditures are to be made.

Mr. STERLING. If the Senator will pardon me, I will read the language:

Extension work in the Northern and Western States, $134,200.
County-agent work, $1,893,000.
Boys' and girls' club work, $382,900.
Home-demonstration work, $1,327,400.

That is for the Northern and Western States. Now comes a repetition of the same items, but differing in amount, applying to the Southern States:

Extension work in the Southern States, $90,000.
County-agent work—

The words "Southern States" are not repeated, but in the Southern States—

$1,333,815.
Boys' club work—

In the Southern States—

$75,300.
Home-demonstration work—

In the Southern States—

$803,385.

Mr. KING. Of course, one may supply by imagination or interest that which is not stated in the bill. There is no heading, punctuation, nor arrangement of the items to indicate that the construction which the Senator contends for is the correct one or the one which those who may administer the bill, if it becomes a law, will place upon it.

Mr. STERLING. If the Senator will turn to the Book of Estimates, he will find the division made there for demonstration work for the Northern and Western States and home demonstration work for the Southern States, and so on with the other items.

Mr. KING. The Book of Estimates is not a part of this bill. There is no doubt in the world but what if this appropriation should be made in the form in which it is reported in the bill both those items could be used in one section of the United States or in a hundred different places.

Mr. STERLING. I think the Senator's real objection is not to the fact that there is any ambiguity about the bill, but it is an objection to the appropriation itself. I think there is no question but that the Agricultural Department will administer this appropriation according to what is the fair intendment of the bill, namely, so much for home demonstration work and the other activities in these two different sections of the Union.

Mr. KING. The Senator from South Dakota is not warranted in attempting to determine the motive which prompts the motion which I have submitted. I do concede, however, that I am opposed to some of these items, first, because they are unnecessary and needlessly extravagant, and second, because we have not the man power now with which we can supply the thousands of men who will be required if this bill shall be enacted into law to carry it into execution. As I have stated, Congress has liberally provided in another bill for the work which it is claimed this measure will accomplish. I think this bill ought in greater propriety to be labeled "a bill to enable a large number of men to escape military service, and to furnish jobs for thousands of men whose services are of vital importance in other fields of industry."

Mr. BRANDEGEE. Mr. President——

Mr. KING. I yield to the Senator.

Mr. BRANDEGEE. I am not familiar with this subject, and I ask for information, What class of activities is comprehended by the term "home-demonstration work"?

Mr. KING. I understand from the statements which have been made, notably the statement made by the Senator from Minnesota [Mr. NELSON], that a number of ladies in his State, at a large per diem compensation, went around showing the housewives how to make cottage cheese. These high-salaried ladies failed to take note of the fact that the farmers' wives were well skilled in this art. I have no doubt that there have been and are now a large number of young men, and women for that matter, visiting the homes of the people of the United States carrying out what this bill calls "home demonstration work." The theory of the Agricultural Department experts and clerks and bureaus is that the farmers have grown so infantile that they must have somebody from Washington visit their homes and teach them how to cook and how to farm and perform the usual duties of domestic activity. As suggested by a Senator near me, sotto voce, Washington must teach how to wash the faces of the people. We are so lacking in intelligence and in initiative—this people who have builded Commonwealths and made this the foremost nation of the world—are now so ignorant, so incapable of handling their own affairs, so lacking in initiative and ordinary common sense, that we must have a swarm of men and women go out from Washington to instruct the people in the everyday duties of life. This is paternalism gone mad. This is the apotheosis of bureaucracy. What a benevolent despotism some persons are seeking to establish!

Mr. BRANDEGEE. Was this demonstration work requested by people who feel the need of it?

Mr. KING. I think when we passed the special Agricultural appropriation bill a year ago, carrying a very large sum, the Department of Agriculture immediately sent into various States a large number of men and women for the purpose, it was alleged, of instructing the people in the common everyday affairs of life. I have no doubt that some of the people welcomed these peripatetic peddlers of knowledge and disseminators of information only known to the Agricultural Department, and I have no doubt that there are a number of people who will again welcome a repetition of the visits of these or other individuals sent for a like purpose.

Mr. BRANDEGEE. The Senator is satisfied that this is necessary as a war measure?

Mr. KING. The Department of Agriculture says it is essential to win the war, and of course if the department says anything, or a bureau or a clerk says anything, that establishes its orthodox character and invests the statement with a sanctity that no Senator should question. Senators are constantly asserting that we have ceased to legislate and merely register departmental decrees. We take the word of some department under the bureaucracy that has grown up in this Republic. Senators rise here from day to day, especially upon the Republican side, and denounce certain of the executive departments because of their alleged usurpations, and because of

their manifest purpose, it is claimed, to prescribe legislation and govern the Nation. Republican Senators have frequently charged that the executive branch is subordinating the legislative branch to its will; and yet when an appropriation bill is before the Senate I observe that some of the distinguished Senators upon the other side of the Chamber are among the first to defend it and to justify the bureaucracy which they charged was responsible for the bill.

Mr. STERLING. Mr. President——

Mr. KING. I yield to my distinguished friend.

Mr. STERLING. I will say to the Senator from Utah [Mr. KING] that if autocracy or bureaucracy assumes no worse form than it has assumed in this bill I shall be quite content. I think the Senator from Utah imagines things when he thinks that the provisions of the bill savor of anything autocratic. Let me call the attention of the Senator from Utah, and the Senator from Connecticut [Mr. BRANDEGEE] as well, to a provision in the act of a year ago, the act upon which this is based and under which we started a system as it were to last at least during the war, the system to be under the supervision of the Department of Agriculture, for the purpose of stimulating food production. A paragraph from that act of last year reads as follows:

> For increasing food production, eliminating waste, and promoting conservation of food by educational and demonstrational methods, through county, district, urban, and other agencies, $4,348,400.

There was the appropriation in a lump sum for the different activities, one of which is now made the subject of a motion to strike out by the Senator from Utah. If you want to discontinue the system, and this paragraph is the very essence of it all, strike out this item in regard to demonstration work.

Under the law of 1917 granting this appropriation in a lump sum, allotments were made for these different activities. If the Senator will pardon me, I should like to call attention to those allotments that were made in comparison with what is now asked in specific sums for the several activities.

For extension work in the Northern and Western States, and that was made the subject of a motion the other day by the Senator from Utah to strike out, which motion did not prevail, the allotment from the gross appropriation of over $4,000,000 for that particular activity was $100,000. The estimate for 1919 is $134,200, making an increase of $33,800. They are asking that much more for 1919 than they did in 1918. I will take another. For demonstration work, the allotment in 1918 was $1,754,000. The estimate for 1919 was $1,893,000, being in excess of the allotment of last year $139,000.

The appropriations asked for may be too large, but if you strike out the entire appropriation you destroy this service. I am satisfied, if the Senator from Utah will permit me to say it, that the agents carrying out this farm-and-home demonstration work have performed a great service in the matter of stimulating food production, and if we want now to abandon the system which was adopted for the purpose of stimulating food production for the purpose of more vigorously prosecuting the war, let us strike out the whole thing. But I do not believe the Senate of the United States now sees a reason, at this period of the war, with the war yet going on, why we should discontinue the system. Yet that is what is involved in the Senator's motion with reference to this particular item.

Mr. KING. Mr. President, the Senator from South Dakota has been one of the most earnest of the minority Senators to denounce bureaucracy and the evils that result from an abdication by the legislative department of the Government of its constitutional functions. He and other distinguished Republicans have denounced the system under which legislation is framed by departmental clerks and bureaus and sent to Congress with the request that it be enacted into law.

The distinguished Senator from California [Mr. JOHNSON] has upon a number of occasions characterized the Senate as being a "rubber stamp." The Senator from South Dakota, who has so freely criticized the activity of executive departments in legislative matters, has indorsed the view expressed by the distinguished Senator from California. But it is rather singular that when an appropriation bill is prepared by these same executive officials and bureaus then the evil against which the Senator has so eloquently inveighed immediately becomes a virtue, and the bill is crowned with glory. If it is an appropriation bill, no matter the method by which it was prepared, it comes here as a sacred document, particularly if the appropriation calls for the expenditure of money in the State from which the Senator comes.

Appropriations by the Federal Government have tended to debauch the people and to close their eyes to extravagant, indefensible, and illegal appropriations. We are too eager to get money from the National Treasury; States are being enervated by Federal gifts. They often constitute bribes to the States, calling for their support of measures that are wrong under our dual form of government and which lead to national usurpation and a dangerous and overpowering federalism.

Mr. STERLING. Let me ask the Senator the direct question: Is he in favor of abandoning the system, the plan we entered upon a year ago when we passed the first food-production bill?

Mr. KING. I do not know that I am compelled to answer categorically the question submitted by my distinguished friend. I may say in passing that a number of plans have been inaugurated by the Government that I think it would be wise to abandon, and because some policy has been adopted in the past it will not incline me to continue its support when I reach the conclusion that it has served its purpose or that it has been futile in effectuating any reform or securing any benefit.

Mr. President, I do not think that the farmers of the United States now are asking for clerks and pseudo scientists and investigators and representatives of the department, and supernumeraries, to visit them. What they want more than anything else to-day is help upon the farms. I know that last fall in the State from which I come the farmers needed help to save their crops. Indeed, losses occurred because of labor shortage. The farmers were not asking that $20,000,000 be spent in sending clerks and Federal agents from Washington to teach them how to farm or save. So scarce was labor that a number of Mexicans were brought into the State to aid in harvesting the crops; but before they reached the farms of those who arranged for their services, they were induced by promise of higher wages to go elsewhere. I am told that they were promised $8 per day and received more.

In the State of Idaho tens of thousands of bushels of potatoes rotted in the ground because of the lack of labor to dig them. In the Middle West to-day and in all the agricultural districts of the United States the cry is not for clerks and educators from Washington, but for men to aid in harvesting and saving the crops.

I know, Mr. President, in many districts hundreds of acres of land have been fallow this year and will be fallow next year because of the lack of labor. I have in mind one farmer who last year farmed 600 acres, yielding wheat and other cereals, this year but 100 acres, and next year he will plant none. His only sons have been called to the war and he will be left without help in the conduct of his farm. He is unable to care for it himself and it will be absolutely impossible for him to secure the necessary aid to handle his farm. The difficulty is to get the man power. This bill withdraws from the active field hundreds and thousands of men, some of whom might be employed on the farm or perform other work, releasing men so that they could engage in work upon the farm, or some of them could go upon the field of battle and take the place of others who will be called because of the passage of this bill, if it shall pass.

Mr. President, we do not think sufficiently now of the burdens resting upon the Government. There are multitudes of projects that I should like to see appropriations made for, meritorious projects, but it would be unpatriotic; indeed it would be wellnigh treasonable to make appropriations for those projects now when the life of our country is at stake and when the interests of civilization are involved. It is so easy to make appropriations, it is so easy to put our hands into the Treasury of the United States even though we may find it empty, like old Mother Hubbard's cupboard; but it is a difficult thing to raise the money by taxation and by loans to put into the Treasury to meet the stupendous and staggering demands which are being made upon it.

Think of $8,000,000,000 to be raised in taxes for the coming year! All the savings of all the people of the entire United States in the year immediately preceding the war were only $5,000,000,000. How are we going to get $8,000,000,000 from taxation? And that is only the Federal taxes. There are the State taxes, the county taxes, the municipal taxes, the school district taxes, and the other political subdivisions of the State that impose obligations. They have to be met also, and we have now $8,000,000,000 to meet. Then in addition to that we have fifteen to seventeen billion dollars that will have to be raised, that will have to be wrung from the people by voluntary or involuntary loans.

Where is the money coming from? It is not going to fall from heaven like manna of old; we can not pluck it from the trees. Every dollar that we spend must be wrung from the people and the back of the laboring man will be bowed heavily enough by the legitimate burdens which we will be compelled to place upon his shoulders.

We ought to pause, to hesitate, and to scrutinize every appropriation bill that is brought into the Senate. There ought to be such care exercised in the examination of the appropriation bills as never before, whether they be big or whether they

be little. Whatever is absolutely and imperatively demanded to win the war we shall vote for and vote for cheerfully; but whenever any project comes here for consideration calling for a single dollar, I assert that the burden of proof rests upon the proponents of the measure to show that the appropriation is needed and is imperatively demanded in this crisis and is contributory to the winning of the war.

If this bill calls for appropriations which are absolutely necessary in this dark hour, I shall gladly vote for every item in it; but it has not been shown that this bill is imperatively needed. As I said yesterday, we have given the Agricultural Department $28,000,000 for expenditure for food conservation, for the extinction of insects, for aid upon the farms, to carry on the very work that is covered by the bill now under consideration. The proper expenditure of $28,000,000 means the employment of a large number of men, thousands of men. To get competent and efficient men properly to expend $28,000,000 is going to be a herculean task. Now, we propose not only the expenditure of $28,000,000, but to give twelve or fifteen million dollars more for the same purpose and to draw more men from active work and from military service.

Mr. President, many of these items are unnecessary now, are unwarranted by the situation of the Treasury, and are unjustified by any condition in the agricultural districts. I do not believe that the farmers of the United States are demanding this legislation. I know that there would not be a hundred farmers in our country if they understood the facts of the case, if they understood the character of the $28,000,000 appropriation bill, if they understood what this bill involves and the drain upon the man power which it will result in who would support it. It is projected by a lot of faddists, by tyros in the art of agriculture.

So far as I am concerned, and with my knowledge of the agriculturists of the United States, they are getting along pretty well; the farmers know their business, and farming and agricultural work does not now need stimulation. The high prices will produce all the crops that the man power of our country is capable of bringing forth. If the farmers could get more men to work for them, they would be very much more satisfied than they will be by a measure of this character.

Mr. President, in view of the suggestion made by Senators that, perhaps, these two items relate to different geographical subdivisions of our country, I shall withdraw the motion which I just made and shall move to strike out, on line 8, page 6, the figures "$1,327,400" and to insert in lieu thereof "$500,000." I think that the whole amount ought to be stricken out, but I am not sanguine of carrying a motion to that effect. Therefore, I offer the amendment in the form I have indicated.

The PRESIDING OFFICER. The Senator from Utah withdraws his amendment and submits the amendment which will be stated by the Secretary.

The SECRETARY. On page 6, line 8, it is proposed to strike out $1,327,400 and in lieu thereof to insert $500,000, so as to read:

Home-demonstration work, $500,000.

Mr. GORE. Mr. President, as chairman of the committee, I feel that I ought to say in response to what the Senator from Utah [Mr. KING] has said that the regular Agricultural appropriation bill for the current fiscal year carries about $28,000,000, the amount suggested by the Senator. That is an expansion of only one or two million dollars more than the amount which has been carried in the appropriation bill during the last two or three fiscal years. It provides for the normal peace establishment, for the normal peace organization, and for the natural growth or expansion of the department.

Provision for the war activities of the Department of Agriculture is to be made entirely out of the pending bill. It proposes an appropriation of some $12,000,000 as a sort of war-preparedness measure in the way of increasing the production of food and other necessaries of life. The pending bill carries only $12,000,000 for that purpose, exclusive of the seed appropriation. The seed appropriation aggregates about $6,000,000. Apart from that, the only appropriation for war purposes, for war activities, is $12,000,000. That is, about one-half of 1 per cent of our entire annual budget is dedicated to the purpose of providing food not only for ourselves but for the allies; of providing those necessaries which are more essential to success, if possible, than are munitions themselves, or without which, I should say, munition themselves would be vain.

I agree with the Senator from Utah that every appropriation bill and every item of every appropriation bill ought to be scrutinized with the most critical care and vigilance. Wanton waste, which would be a vice in time of peace, would be a crime in time of war. It would be a double crime in a war which consists largely of a struggle of endurance; a struggle of economic forces and resources between the several contending parties.

I also agree with what the Senator says as to the independence of Congress as the legislative department of this Government and as to the right of Congress to initiate legislation. Congress might, indeed, farm out to the heads of the several departments the power to legislate, but Congress could not, if it would, vacate its responsibility for such legislation as might be enacted.

I also agree with the Senator in his criticism of paternalistic government, of too much meddling or intermeddling with the daily concerns of the people. The Senator is right when he says that our people have constructed Commonwealths and have raised this Republic to a foremost place among the nations of the earth. That has been done; but the accomplishment of this tremendous fact in history is largely due to two causes: To the intelligence, the capacity, the enterprise, and the character of our people, and to the vast and varied resources which nature has showered upon this land with such unstinted prodigality. These two forces acting in concert, man in partnership with nature, have produced this unmatched country.

But, Mr. President, we have not had an experience like the present in all our past. Whatever virtues our people may have as a Nation or as individuals, rigorous economy has not been found in their catalogue of virtues. They have not been obliged to be niggardly; they have not been obliged to stint themselves. Rigorous economy in itself is not a virtue, but when necessity commands it it ought to be respected. Whenever rigorous economy becomes essential to the preservation of the existence of our country or to the carrying forward of our arms to success it ought to be adopted not only as a virtue but should be respected as a necessity.

This is largely a war of economic resources, a war of physical endurance. It has been stated by some that the side which can make the greatest reduction in its actual physical needs will be able to last longest in this struggle of exhaustion. One distinguished economist in this country has estimated that the German people have been able to reduce their physical requirements—clothing, shoes, hats, and other physical requirements—to 40 per cent of their ordinary requirements in time of peace. That releases 60 per cent of the energy, of the constructive capacity, which is devoted in peace times to the production of these articles of consumption, to the production of munitions of war.

Our people can not go forward in their ordinary plan of living; there will be economies required to which they have not been accustomed in peace; but the reduction in their physical requirements ought to be made systematically and in such a way as not to impair health or efficiency. The appropriations under consideration, as I understand, are designed at least to teach the people, if you please, how best to do that. Our people are not born savants; they do not spring, like Minerva, from the head of Jove, already matured in their intelligence and their fitness for things. They ought to be shown or taught how to adapt themselves to this new situation with as little inconvenience and privation as possible. These appropriations are designed for that purpose, as I understand; they are to be devoted to that purpose; but it is really a war against waste. This is our war budget to carry forward a crusade against waste in this country in this hour of crisis and in this hour of supreme necessity. It can be justified upon that ground, and, I think, upon that ground alone. We have reason to suppose that it is justified; that the end justifies the means; and that the importance of the object justifies the appropriation.

Mr. McCUMBER. Mr. President, I am in hearty accord with the arguments which have been made by the Senator from Utah [Mr. KING] on the ground mainly that during this war mere educational efforts ought to be laid aside where they demand the man power that it is estimated will be required under the provisions of this bill. We have been educating the farmer along these lines for 25 years, and if he has not yet learned what is now proposed to be taught him by the Agricultural Department I think he could have a little recess, at least for a single year, without any great detriment to the agricultural interests of the country. But what astounds me more than anything else is the fact that we have spent hours and days in discussing how we may save the Government $100,000 or a million dollars, while the very next day we give no consideration whatever to the matter of expending three hundred or four hundred million dollars. While we are struggling to save a million or two million dollars here, and while the Senator is making his argument in favor of economy, the Secretary of the Treasury can sign an order increasing the pay of all railway employees, which immediately imposes taxes to the amount of $400,000,000 upon the taxpayers of the United States. While we are attempt-

ing to save another $200,000, he may sign another order increasing the pay of telegraphers another $300,000,000 or $400,000,000.

The Senator from Utah is pleading for farm labor and declares again and again what the farmer needs is not so much instruction as labor to take care of his crops. I agree with the Senator from Utah, but I wish the Senator had given us some little information as to how the farmer is going to get that labor. You would do him a world of good if you would point out to him where he is going to get the labor. Why, Mr. President, the crops in the United States during the year 1918 have been saved by the patriotism of the clerks in the stores of the little towns all over the United States who have volunteered to go out and help take care of them. That is practically the only farm labor the farmer now has outside of his own family.

That labor has assisted us in securing our crops, and probably in the same way it is going to secure what we put in every year, though there may be a diminished acreage.

Mr. President, if the Government of the United States says to the arbitration board, "Say to this manufacturer and to this shipbuilder, 'You must pay your laborers a dollar an hour, and you must not only pay them a dollar an hour, but you must pay them for 11 hours' work when they only perform 8 hours' work,'" as was shown by a letter which I produced here the other day, how can you expect the farmer to get labor in competition with them? That is an impossibility. There will be no farm labor obtained from the cities or anywhere else except the little villages which give their volunteer quota during the continuance of this war.

Mr. KING. Mr. President, will the Senator yield for a moment?

Mr. McCUMBER. I yield to the Senator.

Mr. KING. In line with what the Senator has just stated, I wish to say that recently while in the West I met a number of farmers from various parts of the West who commented upon the evil to which the Senator is now referring, and stated that if the Government and those who are engaged in the production of munitions and so-called war materials continued the present policy they would soon draw from the rural districts substantially all labor; that it would be impossible for the agriculturist to put in the crops which in the past he had cared for; and that there would be a greatly diminished crop this year and succeeding years if the war should continue that long. They wanted to know—indeed, a committee waited upon me in regard to the matter—if some legislation could not be enacted by Congress that would prevent the drawing of all the labor from the agricultural districts and the concentration of it in a few manufacturing States. They called attention to the fact that most of the war activities were being contracted for in a very few States; that there was no diffusion of war activities, as possibly there might have been, and the result was the congestion of labor and the depopulation of some districts in the United States, at least, of laborers essential to the healthy development and the normal activity of the industries there existing.

Mr. McCUMBER. I have heard a great deal, Mr. President, about the shortage of labor in the United States, but there is not such a shortage of labor. In the Government or semi-Government manufacturing establishments you will find so many employees that they are in each other's way, and if you will measure the result of the work of each individual employed you will find that there has been a remarkable decrease in efficiency. That fact has been published all over the country; we all know it. I will ask the Senator to read an article in the last issue of the Saturday Evening Post, covering the whole question of labor and showing the inefficiency due to a demoralization brought about by the fact that we have made wages so high that an ordinary laboring man can live by working three or four days a week. There is no rule to compel each individual to perform his entire duty, but, on the contrary, a system is being followed which has been acquiesced in, in fact, encouraged, by the Government, the cost-plus system, which encourages every contractor to make his work as expensive as possible to the Government, thereby increasing his own profits.

Mr. President, I will answer the Senator from Utah. We can pass a law that will insure a supply of labor to the farmer, but we will not; we have not the courage to do so. The law that ought to be passed is one which has been embodied in bills here and sent to the appropriate committee, conscripting the manhood and the womanhood of the United States. I have insisted, and shall continue to insist, that the law which compels your son to go into the trenches and work or fight 24 hours or 48 hours without ever closing his eyes, and facing death every minute, ought to be equally competent to compel my son to do an honest day's work to back him. We will not pass a law of that kind, but that is what ought to be done during the whole continuance of this war. There would be no slackers; there would be no occasion for round-ups in the city of New York or anywhere else if we would conscript the manhood of the country, call it into service, and compel it to perform an honest day's work throughout the United States. In our war work we are more than a year behind where we ought to be at this time because we have not utilized the full efficiency of the man and woman power of the Nation from the moment that we entered this great conflict.

Mr. President, I have here a letter from Mr. H. N. Owen, publisher of Farm, Stock and Home, and also an editorial from the same paper, which I shall ask the Secretary to read because they suggest a method whereby we may be able to get farm labor, but, after all reading between the lines it will be seen that when you get down to the finality of the whole thing it means the conscription of all of the energies of all of the people in the United States. I ask first that the letter may be read, and then the editorial.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will read as requested:

The Secretary read as follows:

FARM, STOCK, AND HOME,
Minneapolis, Minn., August 28, 1918.

Senator P. J. McCUMBER,
Washington, D. C.

MY DEAR SENATOR: After giving due credit to the United States Employment Service for the splendid plan it evolved for getting and placing farm labor, I am forced to the conclusion that, as far as achieving satisfactory results, it failed to do so.

It is true there has been very little actual loss of wheat through lack of labor; that there was not was due to the voluntary cooperation of townspeople with the farmers. The Government plan failed to work, for the very reason Farm, Stock, and Home said it would—lack of men willing to go into the country when easier hours would bring more money in the cities or towns.

The Secretary of Agriculture wants a winter-wheat acreage of 45,000,000. I grant it is needed. The spring-wheat territory will be called on to furnish as much or greater acreage next year as it did this spring. As far as the northwestern spring-wheat States are concerned, this is impossible unless the labor situation is met this fall for fall plowing and next spring for seeding.

Without personal and intimate knowledge of winter-wheat country, but reasoning from analogy, I fear that 45,000,000 acres of winter wheat is very questionable unless the labor situation is met. I think I have a helpful suggestion. It is presented in the inclosed reproduction of our article in the August 15 issue of Farm, Stock, and Home. Of course, all I can do is to suggest that the situation be met as outlined. I can do little personally to see that it is done. Therefore I venture to lay the plan before you, with hope that it will meet your approval and that you will urge its adoption by both Gen. Crowder and Mr. Densmore.

The food question is of supreme importance. A hungry army is bound to be inefficient. Let's keep it fed.

Yours, sincerely,

H. N. OWEN,
Publisher.

Mr. McCUMBER. Mr. President, as it is rather late, and I know the Senator from Oklahoma wants to get a vote upon his bill to-day, I ask that the editorial may be printed without reading, with the hope that those Senators who are interested in the subject will take occasion to read it. It speaks for itself.

The PRESIDING OFFICER. Without objection, leave will be granted. The Chair hears no objection.

The matter referred to is as follows:

[From the Farm, Stock, and Home, Minneapolis, Minn., Aug. 15, 1918.]

WILL YOU HELP GET LABOR?

Where is the farm labor promised us by the Federal Labor Employment Agencies? This is a question the farmer is forced to ask himself—and there is no satisfactory answer.

True, the harvest is being gathered, and it will be thrashed, but this is being done largely by accommodation labor—by busy men who leave their own tasks in store and office and rally to the assistance of their farmer neighbors, or by farm men—women and children!—who are toiling as never before.

And a part of the credit for the harvest gathering is due the loyal hired men of the Northwest, who, in spite of the lure of high-priced factory jobs, have stayed by when their help was most needed.

But the outside labor that was to be furnished has not arrived in force.

The Waterloo of the wheat fields is being fought—and Blucher has not arrived.

This Waterloo is going to be won, but not by the forces promised by the Government and calculated on by the farmer.

What is the cause of this apparent failure?

The cause is the failure on the part of the Government to foresee the situation and operate jointly two of its greatest organizations—the draft boards and the labor agencies.

We have been so busy getting an army that we have overlooked the fact that the draft records place in the hands of the Government the knowledge of where all idle and nonessential men of draft age are.

We are already well into what is probably a long war—must be looked at as a long war if we are to organize for victory.

We can not, without the gravest peril to the Nation, allow our farms to go short handed.

And the necessary extension of the draft is sure further to deplete the farms of their essential labor.

Recognizing the just prior claims of the military arm of the Government, we must take immediate steps to build up the depleted labor of the farms.

To this end let us put these two machines of government—the draft organization and the labor agencies—to work on the unused man power called up by the draft.

Widen the work of the draft boards to include the listing of men called before them as engaged in essential or nonessential work. If not accepted by the Army, let all drafted men engaged in nonessential work

be reported to the labor agencies as available for labor service, and hold such men subject to order for movement to whatever point they may be needed.

In other words, create out of the rejected draftees and the deferred classes a labor army, composed of those men without steady or useful occupation.

Group this army in convenient centers, give it special intensive training, prepare it to fill up the gaps that are widening in the labor field. Make it and keep it subject to the orders of the Government.

Select as its field commanders men from the industries affected—factory managers, mine managers, farmers who have handled men in a big way.

And move these labor forces through the channels of the Government employment agencies.

This plan may need modification, but a little plan will not work, and by having a plan to place men, but no men to place, we have barely escaped disaster this year. Continued reliance on luck is foolhardy.

The time for the Government to start action is now!

Crop production is absolutely limited by the amount of labor available or in sight.

Unless an adequate labor supply is found for winter-wheat seeding and fall plowing in the spring-wheat regions and unless the farmer can know that labor will be on hand another harvest, the acres will grow fewer and the food needed by the world will grow less.

This is a prospect no patriotic American views without grave forebodings.

Mr. SHERMAN. Mr. President, I appreciate the very great difficulties under which the Senator from Utah labors in his effort to strike out this item from the Agricultural appropriation bill. I have attempted on numerous occasions to cut all the appropriations that I thought were superfluous. It is a most thankless task. Even if you succeed you earn nothing excepting the criticism of the gentleman who loses the appropriation, and the public forget the benefit.

I wish about two-thirds of this appropriation could be stricken out entirely, but I am not optimistic about it. The order of the day is extravagance. Just because we are spending vast sums of money and talking about millions and hundreds of millions, and occasionally billions, of dollars, we have lost all sense of mathematical proportion. Nobody around this Chamber has an idea what a million dollars is any more. We have been handling such vast sums that we do not realize how long it takes to earn even some of the smaller amounts that we are continually appropriating.

I wish the item could be stricken out, Mr. President. I think the Senator from Utah and the Senator from North Dakota are correct in their contention, and I favor the diminution of this bill by that much and more.

The main object of my asking for the floor was to comment upon the charge of the Federal Trade Commission's report that the five packers are a monopoly. Abundant opportunity has been given to the Federal Trade Commission and to other jurisdictions to prove that they are a monopoly. I call attention especially to an indictment in Chicago several years ago, when my very amiable and able friend, the junior Senator from Iowa [Mr. KENYON], was representing the Government in the prosecution. It was there said that the five packers were monopolies and were violating—and especially Armour & Co. were indicted for violating—the antitrust laws of the United States. An indictment was framed under that act. A jury was impaneled. Evidence was heard and a verdict of not guilty was returned.

I know the composition of that jury. I knew the greater part of that jury personally. It might not be any particular recommendation to say that on that charge at least one member of the jury had served in the Illinois Legislature. He was a farmer from the Freeport (Ill.) district, the district formerly represented in the House by present Gov. Frank O. Lowden, and at present represented by JOHN C. MCKENZIE. It was a farmers' jury, with a sprinkling here and there of a business man or two from some of the cities or villages in the judicial district. I can not think that on this question of whether they were a monopoly or not there were perjured witnesses, that there was a quantity of false testimony offered, or that the jury was improperly drawn or influenced. Of course there are difficulties, as the prosecuting authority in that case knew, in finding what a monopoly is. The difficulties in that case were met by the Government, a fair presentation was had, and the question of whether they were monopolies was submitted to a jury, resulting in an acquittal.

The courts of this country have been open under the antitrust law for many years, and down to this afternoon they are still open, to present by the prosecutors any of the five packers, or all of them, for being in an unlawful combination in restraint of trade or for the purpose of controlling or having a monopoly of the particular articles of merchandise in which they deal. There is not an indictment pending in the United States against any of the packers, large or small. There is not even an investigation at the present time pending. The commission has exhausted its jurisdiction or its ability to criticize or report, evidently. It has made its report, and it is urged here now that the Senate ought to take action in accordance with the recommendations made by the commission.

They find, first, that the packers are a monopoly in slaughtering, distributing, and selling fresh meats. They find that they control, on an average, 70 per cent of the meat trade. That is the way it is generally reported in the newspapers. By reading the report carefully it is found that it is interstate trade, and not the general meat business of the country. The interstate trade is limited in the main to such articles from a packing house as can be put in a refrigerator car and distributed by the common carriers of the country.

Anybody can slaughter and distribute fresh meats in interstate trade if they wish to embark enough money in the enterprise, have the technical knowledge of the business, will build refrigerator-car lines, cold-storage plants, and the requisite equipment for the transaction of the business. There is no monopoly about it. If there is a monopoly of car lines it is because the steam railway managers many years ago refused to build refrigerator cars. Mr. Hammond many years ago approached the steam railways of Chicago and other central points and asked the steam railways to construct refrigerator cars. He had one of the original car patents, and with the model explained the purpose to be accomplished by a refrigerator car. The railroads refused to build that type of car. They said it was an experiment; that whether fresh meats could be marketed for hundreds and even thousands of miles was purely a venture in the slaughtering industry. They refused, and the packing houses in Chicago themselves were compelled to build the first refrigerator cars in order to develop their theory. Their theory turned out to be sound in practice. The refrigerator car was a success. It increased the zone of distribution, so that for many hundreds of miles from the packing-house centers of Chicago, St. Louis, and Kansas City, in the first instance, they could distribute their fresh meat products.

There is a maxim of transportation that every railroad man knows, like that in physics, that a railroad man abhors a vacuum. There is nothing that railroad people try to avoid like the transportation of empty car space. When the packers have loaded a car with fresh meats and sent it to Florida or Alabama in warm weather, or in the spring, the car is unloaded at its destination. It must return to its point of origin. At some time it must go back to a packing-house plant. Such a car is available for the transportation of meat and other perishable products only. Profit can be made only by carrying that kind of merchandise. So, after it reaches a southern point it has to be returned. That has led to the profitable transportation of vegetables and fruits. Following that development refrigerator boats have been built, until the steamship transportation of perishable products from Central America and South America and other tropical points has been developed along the same line as the transportation of fresh meats. All of the steamships of the fruit companies, wherever there is perishable fruit transported in that way during a long voyage, must be chilled during the transportation. These developments have all come along with the invention of the refrigerator car. The steam railroads not furnishing the cars, the packing houses were compelled to do so, and they are to-day the owners of such car lines. The equipment necessary to slaughter animals and the entire physical property of the business has been developed with the fresh-meat industry at Chicago and other points.

Gentlemen say they are monopolies. They reply and have replied to all of the Government officers, including the Food Administration, that their methods of transacting business are open to all investigators, and they have been investigated time out of mind. I do not know of a year since the original Sherman Act was passed, in 1890, or beginning in 1891, that some Chicago enterprise, and most of the time the packing industry, has not been under investigation either by the Department of Justice or by somebody connected with the Government intent upon probing their affairs.

The monopoly charge in the report of this commission is made in the claim that 70 per cent of the interstate meat trade is controlled by five packing houses, with their general offices in Chicago. The other 30 per cent belongs to what would be called the smaller packers, or the individual trade. By actual figures the entire meat business of the country, both within the State and interstate, is controlled by the five packers only to the extent of about 35 per cent. Sometimes that is stated to be 40 per cent; but 35 per cent is a fair limit of the control of the meat business of the United States by the five packers. That is the entire meat business, the local as well as the interstate trade. There is no monopoly in the meat business when only 35 per cent, a trifle over one-third, is controlled by five men, and the other 65 per cent of the business is controlled entirely outside of

the five packers. A large part of this 65 per cent is done by those who do local slaughtering. Every time there is an animal slaughtered by the local butcher there is a dead waste to the community and the country at large. The greater part of the animal by-products are lost in the local slaughtering.

On this basis the Federal Trade Commission claim that there is a monopoly. As these packers state in the printed testimony, the question of monopoly is open for investigation. They say there is no monopoly. They testify to the conditions. There is competition in the purchase of live stock at the yards. At every stockyard in the country where there is a packing-house plant owned by the five packers there is competition among them every day sales are made.

It is said by several of the Senators who are in favor of following the recommendations of the commission that the stockyards are a part of the railway transportation system. That depends on where the packing house is located. Packing houses ordinarily, like factories, like steel mills, like shoe factories, are located at some place on a line of railway. They must be, in the nature of things. As a necessary part of this system, there grow up stockyards. A stockyard is no more a part of a railway transportation system than is a warehouse for dry goods. Down on Market and Adams Streets in Chicago is one of the largest granite warehouses known to the jobbing trade—Marshall Field & Co. All of the collection of dry goods made by that house in their jobbing department that is localized in Chicago goes into this building. It is taken out of the various railroads that center in Chicago. But the warehouse is no part of the transportation system of the country, nor does it constitute itself a monopoly because it happens to be a large enterprise.

The Food Administration, I think, last year, possibly along in the winter or spring, made an investigation of this same question. I do not agree with the Food Administration on a good many things, but in this investigation they came to the conclusion that it was better to leave the packers in control of the business during the war. They realized the necessity of large quantities of meat, to be delivered at stated intervals, millions upon millions of tons of meat. Mr. Hoover investigated it and found that it was indispensable, I presume, from the nature of the report, that the packers remain in charge of their property, so as to deliver these quantities of meat. Nothing is said about that in the report of the Federal Trade Commission. Prior to that time, or contemporaneously with it, the Food Administration found in its investigations that the packers ought to be limited to 9 per cent on their meat products. That was done accordingly, and no more than the 9 per cent has been earned on the meat products of the packing-house companies from that time to the present. That is not contained in the Federal Trade Commission's report.

They refer to two hundred and sixty-three and a fraction per cent of profits earned by Morris & Co. on their capital stock. They do not explain so that the public understands it, nor do they even casually refer to it in any way that can be understood in this report, that Morris & Co.'s capital stock is only $3,000,000. Their quantity of business transacted requires a much larger sum of money. They have not increased their capital stock. There has been no additional money put in in the form of capital stock, but they borrow money. They declare no dividends. They keep their accumulated surplus earnings after paying operating expenses for the purpose of increasing the available cash to carry on the war business. If the actual amount of money that Morris & Co. have in the packing business in the United States is considered their dividends on meats are limited to 9 per cent—not 263 per cent, but 9 per cent on the total investment. It is true it would be 263 per cent on $3,000,000, but their business is not transacted on a $3,000,000 basis. It would be impossible for them to handle on that basis a small part of their business and to meet the obligations under which they are placed by contract in the delivery of meats to the Government and fill their private orders. This is not mentioned, nor is any explanation of it made, in the commission's report.

They do not say, either, in the report, Mr. President, that Swift & Co. is limited to 9 per cent on the meats; neither do they say that Swift & Co., with this increased capitalization, paid only 10 per cent on the entire volume of business. That includes not only meats but all of the by-products. Here is the report of the company for the year ending September 30, 1917, the last available one I have. Their cash is $8,292,056.63.

Their accounts receivable are $82,265,714.16.

Inventory, $120,935,778.64.

Stocks and bonds, $39,716,466.88.

Real estate and improvements, including branch houses, $55,170,507.20.

A total of $306,380,523.51.

Their liabilities are as follows:

Capital stock, $100,000,000.

Surplus, $59,965,000.

Special reserve, $10,000,000.

General reserves, $6,458,542.05.

First mortgage 5 per cent bonds, net, after taking out redemptions, $31,593,500.

Taking out bills payable, accounts payable, accrued dividends, bond interest, and the like, that completes the statement of their account. Now, these different items, Mr. President, including the $100,000,000 capital stock, show total dividends paid in 1917 of 10 per cent.

The steel companies, the boot and shoe houses, all the factories of the country, the woodenware companies, the clothing companies, whether of woolen or cotton fabrics, iron and steel—there is not a concern doing business, in corporate form or a partnership, that has not earned from 10 to 500 per cent dividends. I referred to Mr. Ford's 30 per cent dividends, or 29½ per cent dividends, nearly three times the dividends paid by Swift & Co.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. SHERMAN. Yes, sir.

Mr. NORRIS. May I ask the Senator a question?

Mr. SHERMAN. Yes, sir.

Mr. NORRIS. Referring to the statement that he has read, and the 10 per cent dividend, is it not true that there was a large amount of money outside of the 10 per cent dividend that would have been available; that, in fact, the profit was somewhere in the neighborhood of 33 per cent?

Mr. SHERMAN. Yes, sir; there are earned profits, or surplus, for 1917, and there will be for 1918. The earned profits, however, are absorbed in the purchase of live stock at the present market price, and are carried in the inventory account. They either have to keep a surplus in that way or, if it is distributed to stockholders, it must be borrowed from the banks.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator yield further?

Mr. SHERMAN. Yes, sir; I yield.

Mr. NORRIS. I am not now making complaint of the method of doing business. I am not speaking of that; but, as I remember that statement, they might have declared profits of something over 30 per cent.

Mr. SHERMAN. Oh, yes; the profits of the year would have been over 10 per cent.

Mr. NORRIS. And they might have declared a dividend of 30 per cent instead of 10 per cent.

Mr. SHERMAN. Assume that it would have been over 10 per cent. So with nearly every successful concern in the United States that is doing business under war conditions and every prudent concern in the country. Instead of distributing all their surplus, they are holding it as an insurance fund against accident when the war may suddenly close. If the German Army should collapse suddenly, or if peace should develop, the inventory value of every concern in the United States would sag from present figures, and nothing would be more fluctuating than live stock. Inside of 24 hours the inventory values of live stock would fluctuate, in all probability, from 25 to 40 per cent. This surplus sum must be carried in order to guarantee the business. There is not a manufacturing concern in iron or steel or a manganese company in New York, Pittsburgh, or Chicago that is not to-day keeping some of its surplus as a guarantee or an insurance fund against the shrinkage that will come when peace conditions once more prevail and prices begin to gravitate to a lower level; so that they only keep these dividends for the purposes of prudential guarantee against possible losses that may come.

I do not care to take further time, Mr. President. I wish, however, to insert in the RECORD the names of the board of directors of the Chamber of Commerce of the United States. We did not have them the other day.

The PRESIDING OFFICER. Without objection, it will be so ordered. The Chair hears no objection.

The matter referred to is as follows:

SEPTEMBER 6, 1918.

Board of directors of the Chamber of Commerce of the United States: President: Harry A. Wheeler, vice president Union Trust Co., Chicago. Director: R. Goodwyn Rhett, president People's National Bank, Charleston, S.C. Vice presidents: Willis H. Booth, vice president Hotpoint Electric Heating Co., Los Angeles; Joseph H. Defrees, Defrees, Buckingham & Eaton Co., Chicago; A. C. Bedford, chairman board Standard Oil Co., New York. Treasurer: John Joy Edson, banker, Washington, D. C. Directors: S. B. Anderson, president Anderson-Tully Co., Memphis; Harry A. Black, president Black Hardware Co., Galveston; L. C.

Boyd, vice president Indianapolis Gas Co., Indianapolis; William Butterworth, president Deere & Co., Moline, Ill.; J. E. Chilberg, president Scandinavian-American Bank, Seattle; W. L. Clause, chairman board Pittsburgh Plate Glass Co. Pittsburgh; James Couzens, capitalist, Detroit; E. T. Cunningham, secretary and treasurer Monongah Glass Co., Fairmont, W. Va.; A. I. Esberg, vice president General Cigar Co., New York; Homer L. Ferguson, president Newport News Shipbuilding & Dry Dock Co., Newport News, Va.; Edward A. Filene, president William Filene's Sons Co., Boston; L. S. Gillette, president Plymouth Investment Co., Minneapolis; Granger A. Hollister, vice president Rochester Railway & Light Co., Rochester, N. Y.; Clarence H. Howard, president Commonwealth Steel Co., St. Louis; Frank H. Johnston, president City Coal & Wood Co., New Britain, Conn.; James R. MacColl, treasurer Lorraine Manufacturing Co., Pawtucket, R. I.; Ernest T. Trigg, vice president John Lucas & Co. (Inc.), Philadelphia; R. A. McCormick, vice president McCormick & Co., Baltimore; E. T. Meredith, publisher Successful Farming, Des Moines; Lewis E. Pierson, chairman board Irving National Bank, New York; John L. Powell, president Johnston & Larimer Dry Goods Co., Wichita; Charles A. Otis, Otis & Co., Cleveland; M. J. Sanders, manager Leyland Line, New Orleans.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Utah [Mr. KING].

On a division, the amendment was rejected.

Mr. GORE. Mr. President, I should like to say that I am very anxious to finish the consideration of this bill this afternoon in order that the Senate may adjourn over until Monday. A good many Senators have expressed a desire to do so, and I am anxious to respond to their desire if possible. I hope, therefore, that as far as possible Senators will remit collateral and foreign matters to the future in order that this program may be carried out.

Mr. KING. Mr. President, it is apparent that motions to strike items from an appropriation bill are not regarded with very much favor by Senators who obviously are very much interested in preserving the Treasury of the United States. I have the temerity, however, to suggest another amendment; but, first, before suggesting it, I will ask the chairman of the committee if he will not accept an amendment to strike out, on page 8, lines 16 and 17, the words:

Fertilizer survey of the United States, $100,000.

Mr. GORE. Mr. President, of course I do not carry in my memory what the estimate of the department has to say concerning this particular appropriation; but with the statement which I think I ought to make to the Senator that it will be given very careful consideration in conference, I shall not interpose any very rigorous protest against the adoption of the amendment.

The PRESIDING OFFICER. The Senator will please restate his amendment.

Mr. KING. I move to strike out, in lines 16 and 17, page 8, the words:

Fertilizer survey of the United States, $100,000.

Mr. SMOOT. Mr. President, I simply want to call my colleague's attention to the fact that the amount is $100,000 now, and if the $100,000 is stricken out I promise my colleague that it will not be less than $200,000 when it comes back to the Senate.

Mr. KING. Well, it will probably be that, anyway.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Utah.

The amendment was agreed to.

Mr. KING. Mr. President, I desire to ask the chairman of the committee in regard to one item here, the item for furnishing labor. I do not see it just at this moment. In view of the appropriation of $7,000,000 which was made recently for the purpose of enabling the Department of Labor to handle the labor situation, to procure labor not only for war activities but for the country generally, and in view of the fact that that legislation was enacted long after this bill was formulated, does not the fact of that legislation dispense with the necessity of this appropriation?

Mr. GORE. Mr. President, the Senator was complaining this afternoon, and very justly, and the complaint was joined in by the Senator from North Dakota, of the shortage of labor on the farms—a shortage for which the Government is in some measure, I think, responsible. Now, the shortage of labor will have to be supplied either by the use of fertilizer, I may say, improved machinery, improved breeds of stock, or the use of women and children on the farm. I take it that this small appropriation to provide farm labor is in order to enable the Department of Agriculture, which has its various county agents and demonstrators throughout the United States, who are in touch with the farm-labor demand and the farm-labor supply, to articulate with the Department of Labor itself. Of course the Department of Labor is more closely in contact with organized labor, skilled labor, labor in the cities, urban labor supplies; and I assume that this is to enable the two departments to articulate with each other in securing, as far as possible, an adequate supply of farm labor.

Mr. KING. I was very much in favor of giving to the Labor Department wide latitude and considerable authority in securing the necessary labor in the various activities of the Government. I feel that that department is now carrying forward as far as it is possible the agriculturist. If, however, the Senator thinks this will aid the farmer in any way, I shall not move to strike out the item.

The PRESIDING OFFICER. If there be no further amendments as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

The PRESIDING OFFICER. The question is on concurring in the amendments made as in Committee of the Whole, with the exception of the two amendments reserved. Without objection, the amendments with the exception of the two reserved will be concurred in. The Chair hears no objection, and it is so ordered.

Mr. GERRY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Rhode Island suggests the absence of a quorum, and the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Hale	Martin	Smoot
Bankhead	Henderson	Nelson	Sterling
Borah	Kellogg	New	Thomas
Brandegee	Kendrick	Norris	Townsend
Cummins	Kenyon	Nugent	Trammell
Curtis	King	Overman	Underwood
Dillingham	Kirby	Poindexter	Vardaman
Fletcher	Lenroot	Robinson	Walsh
France	McCumber	Shafroth	Watson
Gerry	McKellar	Sheppard	Wilfley
Gore	McNary	Sherman	

Mr. GERRY. I wish to announce that the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from California [Mr. PHELAN] are detained on official business.

Mr. CURTIS. I desire to announce the unavoidable absence of the Senator from Washington [Mr. JONES] and also to announce that he is paired with the junior Senator from Virginia [Mr. SWANSON]. I will let this announcement stand for the day.

The PRESIDING OFFICER. Forty-three Senators have answered to their names. There is not a quorum of the Senate present. The Secretary will call the names of the absent Senators.

The Secretary called the names of the absentees, and Mr. SUTHERLAND answered to his name when called.

Mr. FALL, Mr. BENET, Mr. RANSDELL, Mr. GUION, Mr. FRELINGHUYSEN, Mr. SMITH of Georgia, Mr. SMITH of South Carolina, Mr. SMITH of Arizona, Mr. LODGE, and Mr. JONES of New Mexico entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty-four Senators have answered to their names. A quorum is present. The Secretary will report the first amendment reserved, the amendment reserved by the Senator from Wyoming [Mr. WARREN].

The SECRETARY. The Senator from Wyoming [Mr. WARREN] reserved for a separate vote the action of the Senate on the amendment upon page 3, line 1, where, on motion of the Senator from Iowa [Mr. KENYON], the following words were stricken from the bill:

Production of beef cattle, $105,000.

The PRESIDING OFFICER. The question is on concurring in the amendment made as in Committee of the Whole.

The amendment was concurred in.

The PRESIDING OFFICER. The Secretary will report the second amendment reserved.

The SECRETARY. What is known as the prohibition amendment, on page 6, reserved by the Senator from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. I offer an amendment to the amendment, which I should like to have read.

The SECRETARY. Following the amendment known as the prohibition amendment insert:

Provided, That immediately after June 30, 1919, the President of the United States shall appoint a commission of three persons who shall proceed to fix the value of all distilled spirits remaining in bond on June 30, 1919, and report the value thereof as soon as practicable to the Secretary of the Treasury, who shall thereupon transmit the detailed report of the value of said spirits to Congress, and on reception of said report Congress shall, if satisfied with the value fixed by said commission, provide for the payment to the owners either in cash or in 30-year 4 per cent Government bonds, as Congress may determine.

If the valuation fixed by the commission is not satisfactory to Congress the matter shall be referred back to the commission for a further

report thereon, and the commission shall proceed as soon as possible to make an additional report, and upon the making of such additional report Congress shall provide for the payment to the owners of such distilled spirits either in cash or in 30 year 4 per cent Government bonds, as Congress may determine; and upon payment to the owners title to said distilled spirits shall vest in the United States.

The President shall direct the commission to make all rules and regulations necessary to carry out the full purpose of this act: *Provided further*, That the said valuation so fixed by said commission shall not exceed the cost of said spirits to the date of the report of said commission, including transportation, storage, insurance, and similar expenditures.

Any person, firm, or corporation owning any property coming within the terms of this act, if not satisfied with the amount fixed as to the value thereof by the commission may present the matter, together with a record thereof, to the Court of Claims of the United States, and there have the same reviewed as to the value only of said property.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment made as in Committee of the Whole.

Mr. BANKHEAD. Mr. President, I am not going to detain the Senate more than a few moments. I am in favor of prohibition, State and national. I voted to submit the constitutional amendment to the States for their ratification. I voted for the so-called Sheppard amendment to the pending Agricultural bill. If I believed for one moment the adoption of the amendment which I have offered would in any way impede prohibition or interfere with it in the slightest degree, I would be perfectly satisfied to remain silent.

But, Mr. President, I believe the adoption of the amendment would be a great aid finally in the full establishment of prohibition in this country. While I am in favor of prohibition, I am not in favor of confiscation. I am not one of those who believe that the Government of the United States has the right to take private property without compensation for it; it does not make any difference to me whether it is for the purpose of prohibition or otherwise.

The amendment which I have offered and which was agreed to as in Committee of the Whole provides that the President shall appoint a commission of three. The commission is authorized and directed to investigate the cost of the spirits remaining in bond on the 30th of June next. It can not bring in an award for an amount greater than the cost because it is limited by the amendment to the cost. I do not believe there will be scarcely any whisky in bond at that time. I believe it will all practically be taken out and disposed of; but if there should remain a few million gallons of distilled spirits in bond at the time, what are the owners going to do with it? They can not sell it. Some gentlemen say, "Well, they could export it." So they could, perhaps, if there was a demand for its export. They can not give it away. It is a complete loss, as I see it, to the owner of the distilled spirits that remain in bond at that time. It will be a small amount.

One of the chief reasons why I believe this amendment ought to be adopted is that it will be entirely satisfactory to the owners of this property and it will prevent, in my judgment, the institution of suits to test the constitutionality of the law. I am not a lawyer; I do not know whether it is unconstitutional or not; but a great many of the best lawyers in the country are of the opinion that at least it is a very doubtful question. This will settle all that. It will satisfy everybody and pay a reasonable amount on the quantity of whisky still in bond. Nobody can say that it is not right, nobody can say that it is not just, and I can not see any reason why this amendment should not be permitted to go to conference and let them thrash it out. If the conferees should think there is any good reason why it should not be adopted, they can reject it. That is my reason for offering it. I do not know what the Senate will do about it, but I should like to have a vote upon it.

Mr. SHERMAN. Mr. President, the amendment offered by the Senator from Alabama either ought to be adopted or some similar measure of relief ought to be inserted in this bill. There are 151,000,000 gallons of whisky in bond, for which $3.20 a gallon special tax under the law as it exists now will be charged to the owners. Three dollars and twenty cents will be collected from them, and then they will not be allowed to sell it in the United States. The only thing open is export, and that amounts to nothing. You can not export whisky now. Why should the Government do an unmoral thing, to collect $3.20 from the owners of spirits in bond and then refuse them the right to sell it in the United States? To my mind that is as unmoral as the most intemperate use of liquor that could be imagined.

I want to offer and have printed without reading at this time a statement of the spirits in bond, showing the effect unless some relief is had in some way such as is proposed in the amendment of the Senator from Alabama.

The PRESIDING OFFICER. Without objection, leave will be granted.

The matter referred to is as follows:

SEPTEMBER 3, 1918.

Hon. L. Y. SHERMAN,
United States Senate, Washington, D. C.

DEAR SIR: For your information, reference to the prohibition bill, I give you the following facts:

First. Spirits in bond September 30, 1917, 191,000,000 gallons; spirits in bond June 30, 1918, 151,000,000 gallons; amount disposed of during past nine months, 40,000,000 gallons.

Second. This would indicate an estimate of 60,000,000 gallons tax paid, at $3.20 a gallon, in the past 12 months.

Third. The estimates of floor stocks on hand in wholesale and retail liquor houses at the present time is 40,000,000 gallons, which all dealers will hasten to dispose of before withdrawing other goods from bond. Considering the fact that there were some floor stocks on hand September 30, 1917, I would estimate that if this law passes discontinuing the sale of liquor on June 30, 1919, that there would be withdrawn up to that date about 50,000,000 at a $3.20 tax rate. If this tax rate should be doubled, about 20,000,000 would be withdrawn; therefore, under our present rate of withdrawal and the tax at $3.20 a gallon, we would have left in bond on June 30, 1919, 101,000,000 gallons, for the following reasons: Much of the territory that we have been selling in is now dry and closed. The transportation facilities are exceedingly poor and much business is lost on account of not being able to deliver goods on time. The distiller has sold these goods in bond to jobbers who in turn have sold them to retail dealers. According to the revenue laws, the distiller would be responsible to the United States Government for the tax on all whiskies in bond when the eight-year bonded period expires. That would make our firm responsible to the United States Government for tax on 32,000 barrels of whisky at whatever the Government tax rate would be at the expiration of the eight-year bonded period. It can easily be seen that in passing this act that you are confiscating the property held by the distiller, the jobber, or the retailer. In addition to that you are creating a hardship upon the distiller for the payment of taxes on these goods over which he has no control at the present time. The party holding them is not compelled by law to pay the Government tax, but would throw the burden of doing so on the distiller. These facts can not be controverted, and some relief should be given, either by extending the time or by not increasing the tax or by agreeing to pay for the spirits that may be left in bond, at a reasonable price, on June 30, 1919, if that should be the date finally decided on for stopping sales.

Very truly, yours,

———.

Mr. CURTIS. At the request of the Senator from Washington [Mr. JONES] I offer the following amendment to the amendment of the Senator from Alabama.

The PRESIDING OFFICER. The Secretary will state the amendment to the amendment.

The SECRETARY. Add at the end of the amendment the following:

And provided further, That the commission, in determining the sum to be paid the owners of such liquors, shall deduct (1) the expenses incurred by the Nation, States, counties, and municipalities traceable to the use of intoxicating liquors; (2) such sum as may be deemed sufficient to compensate the State and Nation for the criminals, lunatics, and imbeciles traceable, in whole or in part, to the use of intoxicating liquors; (3) such sum as may be deemed a fair value for the lives lost, the hearts broken, the homes wrecked, the orphans made, and the poverty produced by or through the use of intoxicating liquors; (4) such other sum as will compensate individuals, families, municipalities, and States for any other injury traceable, in whole or in part, to the use by anyone of intoxicating liquors.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Kansas to the amendment of the Senator from Alabama.

Mr. SMITH of Arizona. Mr. President, the amendment just offered on behalf of the Senator from Washington displays the delicacy of his humor or the withering nature of his satire, as you may see fit to take it, but his amendment displays the measure of his regard for the property rights of other people if the possession of it runs counter to his idea of what really ought to be. Whatever my opinion may be of the use, possession, or sale of any particular kind of legal property, and however anxious I might be to destroy it for the common good, I could not conscientiously take it from the owner without just compensation.

I do not wish to be misunderstood. I am as much in favor of temperance as any prohibitionist in this body or elsewhere. I have not adopted prohibition as a profession. I make no money or political capital out of it, nor do I try to do so. I am only trying, in the support of this amendment, to avoid the possible and, as I see it, very probable confiscation of property in the hands of people held largely as security for money advanced.

Advances on warehouse receipts have been heretofore fully secured by the whisky in bond and has been the safest security held by many banks in many of the States. An impossible date set for the sale, and a refusal by the Government to take at cost price the remnant that could not be sold, by reason of the Government's action, strikes my mind and yours as an inexcusable injustice. But the answer comes, "You can export it." How, I ask, unless you can take it out of bond, and how get it out of bond unless the banks advance still further sums and trust to an uncertain foreign market for their returns. I fear many innocent business men may be ruined by such drastic action. I am amazed at the requirement in this bill that after June next all whisky in bond shall be exported. How is the

cause of morals or temperance served by such a course? The whisky will go to England to be consumed by soldiers at the front. We banish it from our regulation and supervision and send it to our armies abroad. I see no virtue or sense in this. Prohibition does not mean confiscation.

Mr. THOMAS. Yes; it does.

Mr. SMITH of Arizona. Under this bill I admit that in all probability property will be confiscated. If sufficient time had been given in which to safeguard these securities and get the product out of bond no serious question could arise. The end of next year would have been time sufficient, in my judgment, and in that of those holding millions of these securities. Is this to be construed as an argument against temperance? I trust not. Rather let it be known as an argument against confiscation. I voted for the constitutional amendment prohibiting the manufacture or sale of whisky in these United States; I shall probably vote for this measure, but with that reluctance which follows the fear of taking other people's property without compensation..

Mr. SMOOT. I should like to ask the Senator if he knows what classes of citizens have received advances from the banks upon alcoholic spirits?

Mr. SMITH of Arizona. The class who have received such advances are the men who themselves made the whisky and which is still in bond as security.

Mr. SMOOT. Well, Mr. President, I saw a list the other day of some 52 men in Kentucky alone who had become millionaires by the sale of spirituous liquors since the law became effective prohibiting their manufacture, and I wondered, in my own mind, if that were true, whether the banks had not advanced the money to the men who bought the liquor from those who had become millionaires, thinking, perhaps, that whisky was going still higher in price.

Mr. SMITH of Arizona. I am afraid the Senator from Utah is leading me into the field of conjecture.

Mr. SMOOT. No; I do not want to do that.

Mr. SMITH of Arizona. I know nothing more as to that than does the Senator himself. I am speaking only of the question to which the Senator from Alabama [Mr. BANKHEAD] alluded, and that was the very possible, and not only possible but imminently probable, fact that many perfectly innocent people will lose their security if you say that on the 30th day of next June all whisky in bond shall have no sale in the United States. The banks which have loaned on this article have loaned to the distillers for the purpose of enabling them to take the whisky out of bond. You all know the tax on whisky is four times the amount the whisky itself is worth. The bank advances money to the maker to enable him to release from bond and holds security on that not taken out.

The amendment of the Senator from Alabama will not hurt the cause of temperance. If it would I would not be advocating it. I do not want to see another gallon of whisky made in the world; I do not believe there will be another gallon legitimately made in the United States. It seems to me as though the great cause has been gained, so far as human legislation can possibly gain it. The only question involved is to save the banks or at least to let the Government purchase not at remunerative prices of this speculative article under this amendment but at the cost prices to the men who made it. We have destroyed their distilleries; the millions of dollars which they have invested in them have already been lost. Some of them may have recouped themselves, as the Senator from Utah says, by having sold the whisky at enough profit to have reimbursed them for the great distilleries which have been lost.

My only purpose now is, if I can, to save those people who have been acting in good faith, in simply attempting to save the money that they have invested in it and which was invested when it was a perfectly legitimate and legal enterprise.

Mr. THOMAS. I would like to inquire of the Senator whether rectified spirits are held in bond.

Mr. SMITH of Arizona. No.

Mr. THOMAS. Is it not a fact that the distilled liquors only are held in bond?

Mr. SMITH of Arizona. Yes.

Mr. THOMAS. And rectified spirits, which are artificial spirits, are not held in bond at all?

Mr. SMITH of Arizona. No.

Mr. THOMAS. Therefore, unless we enact something like the Bankhead amendment, will not the result be that the man who manufactures artificial whisky, known as rectified spirits, although taxed, will be able to get his money back by placing his wares upon the market, while the manufacturer of distilled spirits, upon which he has paid a tax and which he is required to place in bond, will suffer a loss equal to the amount invested plus the tax if something of this kind is not done?

Mr. SMITH of Arizona. That is exactly my understanding of the situation.

Mr. THOMAS. Then we encourage and protect the man who manufactures the artificial and poisonous stuff as compared with the distilled product, the business in which is conducted in a legitimate way under the law?

Mr. SMITH of Arizona. I have no doubt in the world that that will be the ultimate result of this legislation.

Mr. SHERMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Illinois?

Mr. SMITH of Arizona. Yes.

Mr. SHERMAN. There are 151,000,000 gallons of spirits in bond in the United States. The tax on such spirits is $3.20 a gallon, which amounts to $483,000,000, or nearly half a billion dollars, to be collected from the owners, who will be denied the right to sell it under existing conditions of the revenue laws.

Mr. SMITH of Arizona. That is the point I was attempting to make. I do not care for the revenue it may cost the Government, sadly as we need it, if we can get rid of the use of this article throughout our country and at the same time preserve the people who happen now to own it from an absolute confiscation of their property. That is the only question with me; it is the only question with the Senator from Alabama—as to whether or not under an effort to do the right thing for the great public we shall do the wrong thing to many an individual whose all is invested in what was and is up to date a recognized legal business.

Mr. BANKHEAD. Mr. President, I make the point of order against the amendment that it is in the third degree and therefore not in order. I refer to the amendment offered by the Senator from Kansas [Mr. CURTIS] on behalf of the Senator from Washington [Mr. JONES].

The PRESIDING OFFICER. The proposition of the committee originally was to strike out and insert, and under Rule XVIII both the part to be stricken out and the part to be inserted may be amended. The Chair thinks that the amendment of the Senator from Alabama, under Rule XVIII, is an amendment in the first degree, and therefore the amendment of the Senator from Kansas is in order. The question is on the amendment offered by the Senator from Kansas to the amendment of the Senator from Alabama.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on the amendment offered by the Senator from Alabama.

Mr. LODGE. Mr. President, I merely wish to call the attention of the Senate to the fact that it is not proposed to destroy this property at this time, and that the Senate ought to consider before they enter upon this reimbursement that they are entering upon a very extensive field of expenditure. I am not going to discuss the merits of it at all, but if we make reimbursement for this whisky we can not refuse reimbursement to the vineyards and the brewers. The vineyards must all be compensated, as well as the brewers, because the same dstruction of property precisely is involved. I think it is well for the Senate to consider the fact that they may be about to open a very large field of expenditure.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Alabama.

Mr. BRANDEGEE. Mr. President, I sent for the amendment proposed by the Senator from Alabama. I find that in it there is a proviso written in pen and ink from which I think one word has been omitted which is necessary in order to make sense. I will ask the Secretary to state the proviso that is written in ink.

The PRESIDING OFFICER. Without objection, the Secretary will state the proviso.

The SECRETARY. The proviso comes in the Senate amendment at the end of line 19, after the word "act," as follows:

Provided further, That the said values so fixed by said commission shall not exceed the cost of said spirits——

Mr. BRANDEGEE. Is the word "exceed" there?

The PRESIDING OFFICER. The Secretary informs the Chair that it is.

Mr. BRANDEGEE. That is what I wanted to know.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama. [Putting the question.] By the sound, the ayes seem to have it.

Mr. CURTIS. I ask for a division.

Mr. SMOOT. Let us have the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his named was called). I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the junior Senator from Vermont [Mr. PAGE] and vote "nay."

Mr. DILLINGHAM (when his name was called). Because of my general pair with the Senator from Maryland [Mr. SMITH], who has been called from the Chamber, I withhold my vote.

Mr. FLETCHER (when his name was called). I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. Not knowing how he would vote, in his absence I withhold my vote.

Mr. CURTIS (when the name of Mr. JONES of Washington was called). I again announce the pair of the junior Senator from Washington [Mr. JONES] with the junior Senator from Virginia [Mr. SWANSON]. Were he present, the junior Senator from Washington would vote "nay."

Mr. SHERMAN (when his name was called). Being paired with the senior Senator from Kansas [Mr. THOMPSON], I transfer that pair to the junior Senator from New Jersey [Mr. BAIRD] and vote "yea." I will announce that the Senator from Kansas is necessarily absent.

Mr. MCKELLAR (when the name of Mr. SHIELDS was called). The senior Senator from Tennessee is unavoidably absent on important business.

Mr. TOWNSEND (when the name of Mr. SMITH of Michigan was called). The senior Senator from Michigan [Mr. SMITH] is absent. He is paired with the senior Senator from Missouri [Mr. REED].

Mr. MARTIN (when Mr. SWANSON's name was called). My colleague Mr. SWANSON is detained from the Senate by illness in his family. If he were present, he would vote "nay."

Mr. UNDERWOOD (when his name was called). I transfer my pair with the Senator from Ohio [Mr. HARDING] to the Senator from Illinois [Mr. LEWIS] and vote "yea."

Mr. WATSON (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. WOLCOTT]. In his absence I withhold my vote.

The roll call was concluded.

Mr. CURTIS. I desire to announce the absence of the junior Senator from North Dakota [Mr. GRONNA]. Were he present he would vote "nay."

Mr. KELLOGG (after having voted in the negative). I have a pair with the senior Senator from North Carolina [Mr. SIMMONS]. As he has not voted, I withdraw my vote.

Mr. MCNARY. I desire to announce the absence of my colleague [Mr. CHAMBERLAIN] on official business. If he were present he would vote "nay."

Mr. GERRY (after having voted in the affirmative). Has the junior Senator from New York [Mr. CALDER] voted?

The PRESIDING OFFICER. He has not.

Mr. GERRY. I have a general pair with that Senator. I transfer that pair to the Senator from New Hampshire [Mr. HOLLIS], and will let my vote stand.

Mr. WALSH. I announce the unavoidable absence of my colleague [Mr. MYERS]. He is paired with the Senator from Connecticut [Mr. MCLEAN]. If my colleague were present, he would vote "nay."

Mr. OVERMAN. I inquire if the senior Senator from Wyoming [Mr. WARREN] has voted?

The PRESIDING OFFICER. He has not.

Mr. OVERMAN. I have a pair with that Senator, and therefore refrain from voting, he not being present.

Mr. SUTHERLAND (after having voted in the negative). I have a pair with the Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to my colleague, the senior Senator from West Virginia [Mr. GOFF], and will let my vote stand.

Mr. GERRY. I desire to announce that the Senator from South Dakota [Mr. JOHNSON] is detained on important business. He is paired with the Senator from Maine [Mr. FERNALD].

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from Michigan [Mr. SMITH] with the Senator from Missouri [Mr. REED]; and

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN].

The result was announced—yeas 15, nays 36, as follows:

YEAS—15.

Bankhead	Gerry	Ransdell	Thomas
Brandegee	Gulon	Robinson	Underwood
Fall	Phelan	Sherman	Wilfley
Frelinghuysen	Pomerene	Smith, Ariz.	

NAYS—36.

Ashurst	Jones, N. Mex.	Martin	Smith, Ga.
Benet	Kendrick	Nelson	Smith, S. C.
Borah	Kenyon	New	Smoot
Cummins	King	Norris	Sterling
Curtis	Lenroot	Nugent	Sutherland
France	Lodge	Pittman	Townsend
Gore	McCumber	Poindexter	Trammell
Hale	McKellar	Shafroth	Vardaman
Henderson	McNary	Sheppard	Walsh

NOT VOTING—43.

Baird	Harding	Lewis	Smith, Md.
Beckham	Hardwick	McLean	Smith, Mich.
Calder	Hitchcock	Myers	Swanson
Chamberlain	Hollis	Overman	Thompson
Colt	Johnson, Cal.	Owen	Wadsworth
Culberson	Johnson, S. Dak.	Page	Warren
Dillingham	Jones, Wash.	Penrose	Watson
Fernald	Kellogg	Reed	Weeks
Fletcher	Kirby	Saulsbury	Williams
Goff	Knox	Shields	Wolcott
Gronna	La Follette	Simmons	

So Mr. BANKHEAD's amendment was rejected.

Mr. SHEPPARD. Mr. President, during the debate on the prohibition amendment I made reference to a statement by Representative KAHN, of California, as to the time that would be required by the wine industry to go out of business. In order to be perfectly fair to him—and I did not intend to misquote him in any way—I wish to put in the RECORD the excerpts from his testimony before the Committee on Agriculture and Forestry bearing on this question.

The PRESIDING OFFICER. The Senator from Texas asks unanimous consent to insert in the RECORD the matter referred to by him. Without objection, leave will be granted. The Chair hears no objection.

Mr. SHEPPARD. I now offer the amendment which I send to the desk.

Mr. PHELAN. Mr. President, I ask that the matter be read.

Mr. SHEPPARD. I shall be glad to read it.

In response to a question on the subject, Representative KAHN said:

I am under the impression, as I said, that if they were given five months to harvest grapes and turn out their vintage, that would probably take care of those wine makers whose grapes ripen at the latest period. That is about the only suggestion I could make on that matter.

This testimony was given on the 13th of June. Five months from June would be November. I made the statement that he said October.

Another section of his testimony was as follows:

Senator PAGE. This amendment of Senator JONES limits the time beyond which no fruits can be made into wines to 30 days. What time would you suggest to take care of this year's business?

Representative KAHN. In the State of California wine making begins at different times. Probably the farther south you go the earlier the grapes ripen. I think that the "campaign," as they call it, begins some time in the early part of August and runs along until well toward the middle or end of October, and during all that period wine is being made, depending upon the character of the climate, the soil, and so on.

Senator PAGE. If this limit of 30 days were made 4 months, would that extension be sufficient to take care of your wine growers?

Representative KAHN. I suppose they would be able to harvest their grapes and make their wine by that time. I should imagine so. Five months would probably do it.

Another excerpt is as follows:

Senator PAGE. Mr. KAHN, may I ask this question? In reading the Jones amendment I see it provides that from and after 30 days from the date of approval of the act no foods, food materials, etc., shall be used for malt or vinous liquors for beverage purposes. Would you say that by changing 30 days to 120 days you would eliminate the objections you are stating?

Representative KAHN. I think in all fairness, Senator, in view of the condition which brought about the making of their vineyards, that these people should be allowed to dispose of that vintage. I should say that would take approximately a year.

Mr. PHELAN. Mr. President, it was very material that the time be stated, so far as the judgment of the Senate is concerned, as to the position of Representative KAHN, who was quoted as having said that four months would be necessary in which to market the present wine crop of California. Now it appears that the Senator from Texas was in error, and he makes the amende; but the Senate is informed rather late that the Representative from California, Mr. JULIUS KAHN, did state in the testimony taken before the Committee on Agriculture and Forestry that it would require a full year before the vintage could be harvested and disposed of. The President of the United States was consulted, and he asked for a year.

I now submit an amendment, in view of the status of the matter.

Mr. SHEPPARD. Mr. President, before the Senator concludes, I desire to state that in two different instances Mr. KAHN said that the time for harvesting should be five months. At another time he said there should be one year for harvesting and selling. I was somewhat confused a few days ago in endeavoring to recall what he said, and I have therefore had his

testimony read. I did not recall the distinction he made between harvesting grapes and selling wine. His own statement as to the time required is now before the Senate.

The PRESIDING OFFICER. The Chair calls the attention of the Senator from California to the fact that the Senator from Texas has already sent an amendment to the desk for the purpose of offering it, and until that is disposed of nothing else can be considered.

Mr. PHELAN. Mr. President, very briefly I wish to say that we must distinguish between harvesting the crop and disposing of the crop. Representative KAHN was perfectly right in saying that it would require four months to harvest the crop and a year to dispose of the crop; so, when it is in order, I will submit an amendment extending the time for one year.

The PRESIDING OFFICER. The Secretary will state the amendment of the Senator from Texas to the amendment made as in Committee of the Whole.

The SECRETARY. It is proposed to add, at the end of the first paragraph, after the following words: "After the approval of this act no distilled, malt, vinous, or other intoxicating liquors shall be imported into the United States during the continuance of the present war and period of demobilization," the following:

Provided, That this provision against importation shall not apply to shipments en route to the United States at the time of the passage of this act.

Mr. SHEPPARD. Mr. President, I think the amendment explains itself.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Texas to the amendment made as in Committee of the Whole.

The amendment to the amendment was agreed to.

Mr. PHELAN. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from California offers an amendment, which will be stated by the Secretary.

The SECRETARY. On page 7, line 16, it is proposed to strike out "June 30" and insert "December 30," so that it will read:

After December 30, 1919, until the conclusion of the present war—

And so forth.

The PRESIDING OFFICER. The question is on the amendment of the Senator from California to the amendment.

On a division, the amendment to the amendment was rejected.

Mr. KING. Mr. President, during the progress of the debate the Senator from Minnesota alluded to the fact that very large compensation was paid a number of these peripatetic travelers who went around doing work under a bill which was the predecessor of this bill. It seems to me that the salaries and compensation of those employed by the department for doing this work ought not to be greater than the compensation paid for like services to employees now in the department. To meet the evil to which the Senator from Minnesota and others have referred, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The Senator from Utah proposes an amendment, which will be stated.

The SECRETARY. It is proposed to add, on page 6, line 11, after the figures "$6,100,000," the following——

The PRESIDING OFFICER. The Chair calls the attention of the Senator from Utah to the fact that that has been agreed to, and under the parliamentary status is not now subject to amendment, the only matters reserved being the two amendments reserved—the one by the Senator from Wyoming and the other by the Senator from Alabama.

Mr. KING. Then I offer it as a new section.

The PRESIDING OFFICER. Of course, the Senator can offer his amendment after the pending amendment has been disposed of. The amendment called the prohibition amendment is the pending amendment at this time.

Mr. KING. Oh, I supposed that had been disposed of.

The PRESIDING OFFICER. The question is on concurring in the amendment as amended.

Mr. FALL. Mr. President, we have had only one roll call, I think, on this entire prohibition proposition, and that was the roll call upon the amendment offered by the Senator from Alabama. I am in favor of the prohibition amendment, and I want an opportunity to go on record. I presume that there will be no objection to a yea-and-nay vote. I ask for a yea-and-nay vote on this amendment.

The PRESIDING OFFICER. The question is on concurring in the amendment as amended. On that question the Senator from New Mexico calls for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FRELINGHUYSEN (when Mr. BAIRD's name was called). I desire to announce the unavoidable absence of my colleague [Mr. BAIRD]. If present he would vote "yea."

Mr. CURTIS (when his name was called). Making the same announcement that I made previously, I vote "yea."

Mr. DILLINGHAM (when his name was called). I have a general pair with the senior Senator from Maryland [Mr. SMITH], who has been called away. I transfer that pair to the senior Senator from West Virginia [Mr. GOFF] and vote "yea."

Mr. FLETCHER (when his name was called). I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS] and vote "yea."

Mr. GERRY (when his name was called). Making the same announcement as on the last roll call, I vote "nay."

Mr. GORE (when his name was called). I announce my pair with the junior Senator from New Jersey [Mr. BAIRD] and withhold my vote.

Mr. CURTIS (when Mr. GRONNA's name was called). I desire to announce the unavoidable absence of the junior Senator from North Dakota [Mr. GRONNA] and to state that if he were present he would vote "yea."

Mr. CURTIS (when the name of Mr. JONES of Washington was called). I desire to announce the unavoidable absence of the junior Senator from Washington [Mr. JONES] and to state that if he were present he would vote "yea." He is paired with the junior Senator from Virginia [Mr. SWANSON].

Mr. MCKELLAR (when Mr. SHIELDS's name was called). I desire to announce the unavoidable absence of my colleague, the senior Senator from Tennessee [Mr. SHIELDS], and to say that, were he present, he would vote "yea" on this and the other prohibition amendments. He is paired with the Senator from Massachusetts [Mr. WEEKS].

Mr. TOWNSEND (when the name of Mr. SMITH of Michigan was called). My colleague [Mr. SMITH] is absent and is paired with the senior Senator from Missouri [Mr. REED]. If my colleague were present he would vote "yea" on this amendment.

Mr. SUTHERLAND (when his name was called). I have a pair with the Senator from Kentucky [Mr. BECKHAM]. I understand that if he were present he would vote "yea" on this question. I therefore feel at liberty to vote. I vote "yea."

Mr. MARTIN (when Mr. SWANSON's name was called). My colleague [Mr. SWANSON] is detained from the Senate by illness in his family. If he were present he would vote "yea."

Mr. UNDERWOOD (when his name was called). Making the transfer of my pair that I announced a moment ago, I vote "nay."

The roll call was concluded.

Mr. MCNARY. I wish to announce the absence of my colleague [Mr. CHAMBERLAIN] on official business. If he were present he would vote "yea."

Mr. HALE. I wish to announce the necessary absence of my colleague [Mr. FERNALD]. If present he would vote "yea."

Mr. WALSH. I wish to announce that my colleague [Mr. MYERS], if present, would vote "yea."

Mr. GERRY. I desire to announce that the senior Senator from Mississippi [Mr. WILLIAMS] is necessarily detained on official business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from Pennsylvania [Mr. KNOX] with the Senator from Oregon [Mr. CHAMBERLAIN];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from Illinois [Mr. SHERMAN] with the Senator from Kansas [Mr. THOMPSON];

The Senator from Michigan [Mr. SMITH] with the Senator from Missouri [Mr. REED];

The Senator from Indiana [Mr. WATSON] with the Senator from Delaware [Mr. WOLCOTT]; and

The Senator from North Dakota [Mr. MCCUMBER] with the Senator from Colorado [Mr. THOMAS].

The result was announced—yeas 45, nays 6, as follows:

YEAS—45.

Ashurst	Jones, N. Mex.	Norris	Smoot
Bankhead	Kellogg	Nugent	Sterling
Benet	Kendrick	Overman	Sutherland
Borah	Kenyon	Pittman	Townsend
Cummins	King	Poindexter	Trammell
Curtis	Lenroot	Robinson	Vardaman
Dillingham	Lodge	Shafroth	Walsh
Fall	McKellar	Sheppard	Warren
Fletcher	McNary	Simmons	Wilfley
Frelinghuysen	Martin	Smith, Ariz.	
Hale	Nelson	Smith, Ga.	
Henderson	New	Smith, S. C.	

NAYS—6.

Brandegee	Phelan	Ransdell	Underwood
Gerry	Pomerene		

NOT VOTING—43.

Baird	Guion	Lewis	Smith, Md.
Beckham	Harding	McCumber	Smith, Mich.
Calder	Hardwick	McLean	Swanson
Chamberlain	Hitchcock	Myers	Thomas
Colt	Hollis	Owen	Thompson
Culberson	Johnson, Cal.	Page	Wadsworth
Fernald	Johnson, S. Dak.	Penrose	Watson
France	Jones, Wash.	Reed	Weeks
Goff	Kirby	Saulsbury	Williams
Gore	Knox	Sherman	Wolcott
Gronna	La Follette	Shields	

So the amendment as amended was concurred in.

Mr. KING. I offer the following amendment as a new section at the proper place.

The PRESIDING OFFICER. The Chair suggests to the Senator that he add it at the end of the bill.

Mr. KING. Yes; I move to add it at the end of the bill.

The PRESIDING OFFICER. It will be read.

The SECRETARY. It is proposed to add the following:

That no person employed under the provisions of this act shall receive any greater salary or compensation than that paid to other persons employed in the Agricultural Department for similar or like services.

Mr. GORE. Mr. President, I think the amendment ought to be adopted.

The amendment was agreed to.

Mr. GORE. Mr. President, there is one word of explanation which I feel obliged to make before the final vote is taken on this bill, and I hail the approaching end with as much rapture as any Member of the Senate.

I prepared and had printed an amendment which I intended at the time to offer to the pending measure. The amendment I refer to proposed to advance the price of wheat from $2.20 a bushel to $2.46 a bushel for the harvest of 1919. That is 14 cents less a bushel than the amount carried in the measure vetoed by the President, which related to the harvest of 1917 instead of the harvest of 1918, the latter harvest being the one involved in the measure which met the presidential veto.

I have decided not to offer the amendment to this bill. It was my original intention and purpose to offer it to this measure because, as this is not an appropriation bill, it could have been adopted by a majority vote of the Senate. To remit this amendment to the Agricultural appropriation bill, which will come forward in a few days, will require a two-thirds majority of the Senate. To remit it to the regular appropriation bill, which will come up in the regular session next winter, will also require a two-thirds majority. It is not good strategy to maneuver out of a situation where a majority would be sufficient into a situation where a two-thirds majority will be required under the rules of the Senate. I appreciate that as much as any Senator. But the chairman of the Finance Committee is extremely anxious to know the fate of the proposed prohibition amendment. Involved in the amendment is something like a billion dollars of revenue. The House to-day proceeded to the consideration of the new revenue bill. The Senate Finance Committee began hearings upon that measure to-day. That measure must be enacted at an early date. It is desirable, if not necessary, to know what shall be the fate of prohibition and the revenue involved before the new revenue measure can be finally enacted into law. The wish of the chairman of the Finance Committee has had great weight with me in reaching the conclusion which I have now announced.

In addition to that a great many Senators who are friendly to an advance in the price of wheat are deeply interested in the pending prohibition amendment and they have requested me not to offer that amendment to this bill, lest, if it should be adopted, it might meet a similar fate; that is, it might result in the veto of this measure and in the loss of the prohibition amendment. I do not share their view. I think it is a mistake for Senators who are at once the enemies of whisky and the friends of wheat to insist upon the adoption of this course. The national constitutional amendment will be ratified by a sufficient number of States next January. It will go into effect as the supreme law of the land next January or February, 1919.

The pending prohibition amendment does not prohibit until June 30 of next year. The extreme prohibitionists will, indeed, have seven dry months. They will begin national prohibition seven months earlier under this amendment than if they bided their time under the national Constitution amendment. There will be seven months within which whisky can not be sold.

But, Mr. President, every gallon of whisky in bond will be withdrawn before June 30 next and will be sold and will be purchased and will be consumed at the leisure or at the pleasure of its possessors. There will not under this pending amendment be one gallon more of whisky sold, purchased, and consumed in the United States, in my judgment, than would have been had they waited for the actual operation of the national constitutional amendment.

Senators have seen this subject in a different light, and I am not willing to embarrass them, nor am I willing to obstruct or delay the final enactment and approval of this law.

For these reasons I shall not offer the amendment to which I have referred.

Mr. RANSDELL. Mr. President, I voted against the prohibition amendment. I wish to say to the Senate that I am decidedly in favor of prohibition. I have voted for every constitutional measure submitted to the Senate looking to prohibition. I regard this measure as an unconstitutional invasion of the police powers of the States, and, therefore, as strongly as I favor national prohibition I could not vote for it.

I am anxious to see this country placed on a prohibition basis. I voted to make this District dry. I voted to submit a constitutional amendment to the States making the whole Nation dry. I did what I could to have the State of Louisiana ratify this constitutional amendment. I wish I could have voted for prohibition to-day, but, believing as I do that the amendment just adopted is clearly unconstitutional, I voted against it.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. BRANDEGEE. Mr. President, I have no wish to prolong the session by a call for the yeas and nays on the passage of the bill, and I assume, inasmuch as the Chair is about to put the question, the yeas and nays will not be called for. I simply, therefore, wish to state that I shall vote against this bill, as I regard it as an extravagant, unjust, and unwise policy.

The bill was passed.

On motion of Mr. SHEPPARD, the title was amended so as to read: "A bill to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled 'An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products,' and for other purposes."

Mr. GORE. I move that the Senate request a conference with the House of Representatives on the bill and amendments and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. GORE, Mr. SMITH of South Carolina, Mr. SMITH of Georgia, Mr. KENYON, and Mr. FRANCE conferees on the part of the Senate.

WATER-POWER DEVELOPMENT.

Mr. CUMMINS. Mr. President, there is upon the table of the Vice President a House message showing the passage of Senate bill 1419 with an amendment in the nature of a substitute. I understand it is expected that the bill will not be brought before the Senate for a day or two, and I ask that the House substitute be printed for the use of the Members of the Senate. It is very important that Senators shall be able to read the bill that has been substituted by the House for the Senate bill.

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Is there objection to the request of the Senator from Iowa? The Chair hears none, and it is so ordered.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. OWEN. Mr. President, it is desired to have a meeting to-morrow of the conferees on House bill 11283, and the Senator from Nebraska [Mr. HITCHCOCK], one of the conferees, is absent and desires that some Senator shall take his place. I shall be glad, therefore, if the Chair will appoint some other member of the committee to take his place.

The PRESIDING OFFICER. If there be no objection, that course will be taken. Is there objection? The Chair hears none. In the place of the Senator from Nebraska [Mr. HITCHCOCK] the Chair will appoint the Senator from Ohio [Mr. POMERENE] as one of the conferees on the part of the Senate.

MINERAL PRODUCTS.

Mr. HENDERSON. I ask that the bill (H. R. 11259) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of those ores, metals, and minerals which have formerly been largely imported, or of which there is or may be an inadequate supply, be laid before the Senate. I make the request at this time so that it may become the unfinished business. I do not wish to interfere with any adjournment over until Monday, as I understand is the desire of Senators, but I should like to have the bill made the unfinished business.

The PRESIDING OFFICER. The Senator from Nevada asks unanimous consent that the Senate proceed to the consideration of House bill 11259.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 11259) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of those ores, metals, and minerals which have formerly been largely imported, or of which there is or may be an inadequate supply, which had been reported from the Committee on Mines and Mining with an amendment.

ADJOURNMENT UNTIL MONDAY.

Mr. MARTIN. I move that the Senate adjourn until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 10 minutes p. m.) the Senate adjourned until Monday, September 9, 1918, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 5 (legislative day, September 4), 1918.

[Omitted from the RECORD of September 5.]

POSTMASTERS.

INDIANA.

George W. Smith, Albion.

MISSOURI.

William A. Hughes, Glasgow.

HOUSE OF REPRESENTATIVES.

FRIDAY, *September 6, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, our Heavenly Father, we thank Thee that truth lives and is marching on. The eternal years of God are hers. Cast Thy bread upon the waters, for Thou shalt find it after many days. The truth contained in these words, which have come down to us out of the ages, is vindicating itself in the more than one million and a half of American soldiers in suffering France to-day, who by their deeds of heroism will cancel to a degree the debt we owe to France through Lafayette, Rochambeau, and many patriots who came to our fathers in the time of need.

We thank Thee that the American people will celebrate the birth of Lafayette in song and story to-day. Long may his memory live, and his deeds, to inspire men with patriotism and love of liberty.

God of love, our hearts go out in sympathy to the Member of this House and his wife, in this hour of trial and sorrow, in the loss of their precious little son. Comfort and sustain them in this hour of grief, through the hopes vouchsafed to us in the promises of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. OVERSTREET, for 10 days, on account of important business.

To Mr. STRONG, for one week, on account of important business.

REQUEST TO EXTEND REMARKS.

Mr. LONDON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of my work in Congress. Somebody objected to that request yesterday and I renew it now.

The SPEAKER. The gentleman from New York asks leave to extend his remarks in the RECORD on the subject of his work in Congress. Is there objection?

Mr. DYER. Mr. Speaker, reserving the right to object, I take it the gentleman wants to go over what he has done and put together certain speeches he has made, or portions of them. I understand he has that right now.

Mr. LONDON. No; I intend to print a short review of my work and general policy which I have followed in Congress. This is my only opportunity to make clear the purpose, spirit, and policy of my work.

Mr. DYER. Mr. Speaker, in view of the statement of the chairman of the Committee on Printing [Mr. BARNHART], whom I do not see here, as to the scarcity of paper, and for fear that others may make similar requests, for the present I shall object.

The SPEAKER. The gentleman objects.

PERSONAL STATEMENT.

The SPEAKER. By a special order of the House the gentleman from Alabama [Mr. DENT] is entitled to 10 minutes.

Mr. DENT. Mr. Speaker, my attention has been called to an editorial in the Boston Evening Transcript of August 22, in which I am denounced as an obstructionist to the war program and in which my resignation or removal as chairman of the Committee on Military Affairs is demanded.

Perhaps I would never have known of this editorial had it not been for the fact that it was caught by my home paper, the Montgomery Advertiser, one of the oldest daily newspapers in the South, it having recently celebrated its ninetieth anniversary.

This editorial is in line with the propaganda inspired by the National Security League. Certain portions of the press have given it publicity and indorsed the program. Its purpose is too manifest to require exemplification.

My record is assailed on account of votes cast, or stated to be cast, both before and since the declaration of war. Ordinarily I am opposed to the use of the CONGRESSIONAL RECORD to reply to a newspaper libel. In this particular case, however, as my home paper has denounced this editorial as "sheer mendacity," and in view of the further fact that this propaganda is being used against other Members of Congress, both Republicans and Democrats, whose course has been in accord with my own, I feel justified in consuming a few moments of the time of the House with this particular personal matter.

The charges against my record and those who voted as I did embrace matters prior to the entry of the United States into war.

One relates to the vote on the naval appropriattion bill. This vote was cast in line with the recommendation of the committee. It is sufficient to state that the Navy has boasted of the fact that it has been able to cope with the situation with the nucleus provided for under the peace program that the Naval Committee recommended and for which Congress provided. It is a remarkable situation that we have landed more than a million and a half soldiers in France with only one Army transport sunk and with the loss of comparatively few men. [Applause.]

I am also charged with voting against amendments to make the Army either 220,000 or 250,000. The difference between an army of even 125,000 and 250,000 in the great military program now in progress is infinitesimal. As the lawyers say, de minimis non curat lex—the law does not bother with trifles.

I admit that under peace conditions I was in favor of building up the National Guard under Federal rules and regulations and under Federal control rather than a large regular standing army. It was this plan that was adopted in the national defense act; by reason of it we were able to put in the war between 400,000 and 500,000 men with experience and service. In view of the splendid record of the Rainbow Division, which represents nearly every State in the Union and a separate division of New England National Guardsmen upon the western battle front, I have no apology to make for my stand in behalf of the citizen soldiery. [Applause.]

I became a member of the Committee on Military Affairs at the organization of the Sixty-first Congress, at which time the committee was under the control of a Republican majority, and a distinguished gentleman, Gov. Hull, of Iowa, was then chairman. It may not be generally known, but it is a fact, nevertheless, that at no time since my membership on the committee, in any annual appropriation bill, has the War Department, either under a Republican or Democratic administration, asked Congress to appropriate for the maximum number of men provided for by law.

Until recently, and only since war has been declared, Congress has always fixed the maximum number of men for the Army, and the War Department has estimated for the number to be appropriated for in each annual appropriation bill. For instance, up to the time of the Spanish-American War the standing army of the United States was limited by law to 25,000 men. After the Spanish-American War it was increased to 100,009. Under the national defense act of June 3, 1916, authority was given to raise it to 175,000 men.

I repeat that under neither Republican nor Democratic administration has the Military Committee of the House been requested to appropriate for the maximum number of men authorized by Congress under the law. It is, of course, the appropriation which counts, because unless you have the money you can not pay the men.

I shall, however, now call attention to a feature of this editorial which is absolutely indefensible. It will be noted that the editorial referred to the National Security League. Other metropolitan papers have taken up the same cudgel. Therefore unquestionably it is apparent that there is some sort of political propaganda directed against Members of Congress, whether Democrat or Republican, who fail to obey the edict of this self-constituted National Security League.

In this editorial of August 22, the Boston Transcript charges, naming the specific days, that I voted for the McLemore resolution, for the Cooper amendment, and against the declaration of war with Germany.

These are matters of record. It might be pardonable if the editor of the Boston Evening Transcript had been misled by some false rumor that was not a matter of record, but it is an unpardonable sin for a paper supposed to be respectable to deliberately falsify the record. [Applause.] If the Boston Transcript does not get the CONGRESSIONAL RECORD it could have easily obtained a copy from some public library in Boston, and instead of stating deliberately that on March 7, 1916, I supported the McLemore resolution, it could have ascertained that I voted for the motion of Mr. FLOOD, of Virginia, to lay the McLemore resolution on the table. If the editor of this paper, before falsifying my vote, had examined the CONGRESSIONAL RECORD of March 1, 1917, he would have found that instead of voting for the motion of Mr. COOPER of Wisconsin relative to the arming of American merchant ships I am recorded exactly the other way. [Applause.]

To cap the climax, this editor charges me specifically with having voted against the declaration of war with Germany on April 5, 1917, when the RECORD shows that I voted to the contrary.

That there can be a difference of opinion as to the best method of raising an army and the age at which the youth of the land should be called to military service no honest man can deny.

It is a sad condition that there should be an element in this country seeking discord rather than harmony among those who desire and are seeking the best method of winning this war. I fear the Greeks, even when bearing gifts. [Applause.]

AGRICULTURAL APPROPRIATIONS.

Mr. LEVER. Mr. Speaker, I desire to address the House for one minute.

The SPEAKER. The gentleman asks for one minute. Is there objection?

There was no objection.

Mr. LEVER. I have conferred with the gentleman from North Carolina [Mr. KITCHIN] and with the gentleman from Michigan [Mr. FORDNEY], and we have agreed that after the conclusion of the remarks of the gentleman from Michigan on tomorrow I shall undertake to bring up the Agricultural appropriation bill. In justice to Members who expected that we would take up that bill this morning, I felt that I ought to make this statement.

The SPEAKER. All Members will give heed to that announcement.

REVENUE LEGISLATION.

Mr. KITCHIN. I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12863) to provide revenue, and for other purposes; and pending that I ask unanimous consent that the gentleman from Michigan [Mr. FORDNEY] control half the time during the general debate, and that I control the other half.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 12863, and pending that he asks that until definite arrangements are made about the length of time of the debate he control one-half the time and the gentleman from Michigan [Mr. FORDNEY] the other half. Is there objection

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from North Carolina that the House resolve itself into the Committee of the Whole House on the state of the Union.

The affirmative vote was taken.

Mr. LONGWORTH. Mr. Speaker, this is perhaps the most important legislation that has ever come before the House of Representatives. To me it would seem essential that there should be a large attendance, not only now but throughout the consideration of the bill. I think I state the position of the committee accurately when I say that we believe the discussion of the various features of this bill will be productive of good. We will be glad if gentlemen can offer suggestions which, after consideration, may be embodied in the bill. Therefore I give notice that I shall feel at least inclined to ask that a quorum be present during the discussion of this bill. Certainly I think that there ought to be a quorum here now, and I make the point that there is no quorum present.

The SPEAKER. Those opposed to the motion will say aye.

Mr. LONGWORTH. Mr. Speaker, is not this an automatic call?

The SPEAKER. Yes; but first we must ascertain whether there is a quorum. If there is a quorum here, there will be no call.

Mr. WALSH. I ask for a division on the vote.

The SPEAKER. The gentleman from Ohio has made the point of order that there is no quorum present, and that supersedes everything. The Chair will count. [After counting.] One hundred and fifty-six Members present, not a quorum. The Doorkeeper will lock the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from North Carolina that the House resolve itself into the Committee of the Whole House on the state of the Union.

The question was taken; and there were—yeas 256, nays 0, answered "present" 2, not voting 172, as follows:

YEAS—256.

Alexander	Doremus	Kearns	Reed
Almon	Dowell	Kehoe	Robbins
Anderson	Drane	Kelley, Mich.	Rodenberg
Ashbrook	Dyer	Kennedy, Iowa	Rogers
Austin	Eagle	Kettner	Romjue
Ayres	Elliott	Key, Ohio	Rose
Bacharach	Ellsworth	Kincheloe	Rowe
Baer	Elston	Kinkaid	Rucker
Bankhead	Esch	Kitchin	Russell
Barnhart	Evans	Knutson	Saunders, Va.
Beakes	Fairchild, B. L.	La Follette	Scott, Iowa
Bell	Fairfield	Larsen	Scott, Mich.
Beshlin	Ferris	Lazaro	Scully
Black	Fess	Lesher	Sears
Blackmon	Fields	Lever	Sells
Bland, Va.	Fisher	Little	Shallenberger
Blanton	Fordney	Littlepage	Sherwood
Booher	Foster	Lobeck	Sims
Borland	Freeman	London	Sinnott
Brodbeck	Fuller, Ill.	Lonergan	Sisson
Brumbaugh	Gandy	Longworth	Slayden
Buchanan	Gard	Lunn	Slemp
Burnett	Garner	McAndrews	Sloan
Burroughs	Garrett, Tenn.	McArthur	Smith, Mich.
Butler	Garrett, Tex.	McCulloch	Snook
Byrns, Tenn.	Glass	McFadden	Steagall
Caldwell	Glynn	McKenzie	Steele
Campbell, Kans.	Godwin, N. C.	McKeown	Steenerson
Candler, Miss.	Good	McLaughlin, Mich.	Stephens, Miss.
Cannon	Goodall	McLaughlin, Pa.	Stephens, Nebr.
Cantrill	Goodwin, Ark.	McLemore	Sterling, Ill.
Caraway	Gordon	Madden	Sterling, Pa.
Carter, Okla.	Graham, Ill.	Mansfield	Stevenson
Chandler, N. Y.	Graham, Pa.	Mapes	Stiness
Chandler, Okla.	Gray, Ala.	Martin	Strong
Clark, Fla.	Green, Iowa	Merritt	Sweet
Clark, Pa.	Gregg	Miller, Minn.	Taylor, Ark.
Classon	Griest	Miller, Wash.	Taylor, Colo.
Claypool	Hadley	Mondell	Temple
Cleary	Hamilton, Mich.	Montague	Thomas
Collier	Hamlin	Moon	Thompson
Connally, Tex.	Hardy	Moore, Pa.	Tillman
Cooper, Ohio	Haskell	Moores, Ind.	Tilson
Cooper, W. Va.	Hastings	Morgan	Timberlake
Cooper, Wis.	Haugen	Morin	Treadway
Costello	Hawley	Neely	Van Dyke
Cox	Hayden	Nichols, Mich.	Vestal
Crago	Heflin	Nolan	Volgt
Crisp	Helm	Norton	Volstead
Crosser	Helvering	Oldfield	Waldow
Currie, Mich.	Hersey	Osborne	Walsh
Dale, Vt.	Hilliard	Overmyer	Walton
Dallinger	Holland	Park	Watson, Va.
Darrow	Hollingsworth	Parker, N. J.	Weaver
Davis	Houston	Platt	Webb
Decker	Huddleston	Pratt	Welty
Delaney	Hull, Iowa	Price	Wheeler
Denison	Hull, Tenn.	Purnell	Williams
Dent	Husted	Quin	Wilson, La.
Dewalt	Igoe	Raker	Wingo
Dickinson	Ireland	Ramsey	Wood, Ind.
Dill	Jacoway	Ramseyer	Young, N. Dak.
Dixon	James	Rayburn	Young, Tex.
Dominick	Johnson, Wash.	Reavis	Zihlman

ANSWERED "PRESENT"—2.

Magee Rouse

NOT VOTING—172.

Anthony	Cary	Doolittle	Foss
Aswell	Church	Doughton	Francis
Barkley	Coady	Drukker	Frear
Bland, Ind.	Connelly, Kans.	Dunn	French
Bowers	Copley	Dupré	Fuller, Mass.
Brand	Cramton	Eagan	Gallagher
Britten	Curry, Cal.	Edmonds	Gallivan
Browne	Dale, N. Y.	Emerson	Garland
Browning	Dempsey	Estopinal	Gillett
Byrnes, S. C.	Denton	Fairchild, G. W.	Gould
Campbell, Pa.	Dies	Farr	Gray, N. J.
Carew	Dillon	Flood	Greene, Mass.
Carlin	Donovan	Flynn	Greene, Vt.
Carter, Mass.	Dooling	Focht	Griffin

Hamill	Lehlbach	Powers	Stedman
Hamilton, N. Y.	Linthicum	Ragsdale	Sullivan
Harrison, Miss.	Lufkin	Rainey, H. T.	Sumners
Harrison, Va.	Lundeen	Rainey, J. W.	Swift
Hayes	McClintic	Randall	Switzer
Heaton	McCormick	Rankin	Tague
Heintz	McKinley	Riordan	Talbott
Hensley	Maher	Roberts	Templeton
Hicks	Mann	Robinson	Tinkham
Hood	Mason	Rowland	Towner
Howard	Mays	Rubey	Vare
Humphreys	Meeker	Sabath	Venable
Hutchinson	Mott	Sanders, Ind.	Vinson
Johnson, Ky.	Mudd	Sanders, La.	Walker
Johnson, S. Dak.	Nelson	Sanders, N. Y.	Ward
Jones	Nicholls, S. C.	Sanford	Wason
Juul	Oliver, Ala.	Schall	Watkins
Kahn	Oliver, N. Y.	Scott, Pa.	Watson, Pa.
Keating	Olney	Shackleford	Welling
Kelly, Pa.	O'Shaunessy	Sherley	Whaley
Kennedy, R.I.	Overstreet	Shouse	White, Me.
Kiess, Pa.	Padgett	Siegel	White, Ohio
King	Paige	Small	Wilson, Ill.
Kraus	Parker, N. Y.	Smith, Idaho	Wilson, Tex.
Kreider	Peters	Smith, C. B.	Winslow
LaGuardia	Phelan	Smith, T. F.	Wise
Langley	Polk	Snell	Woods, Iowa
Lea, Cal.	Porter	Snyder	Woodyard
Lee, Ga.	Pou	Stafford	Wright

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. OLNEY with Mr. WARD.

Mr. O'SHAUNESSY with Mr. BOWERS.

Mr. JOHN W. RAINEY with Miss RANKIN.

Mr. ROBINSON with Mr. DUNN.

Mr. EAGAN with Mr. PARKER of New York.

Mr. GALLIVAN with Mr. KIESS of Pennsylvania.

Mr. NICHOLLS of South Carolina with Mr. BRITTEN.

Mr. WILSON of Texas with Mr. FARR.

Mr. OLIVER of Alabama with Mr. PETERS.

Mr. TALBOTT with Mr. BROWNING.

Mr. HENSLEY with Mr. MUDD.

Mr. PADGETT with Mr. HICKS.

Mr. DALE of New York with Mr. MCKINLEY.

Mr. RANDALL with Mr. FOSS.

Mr. VINSON with Mr. MOTT.

Mr. DOUGHTON with Mr. WILSON of Illinois.

Mr. MAHER with Mr. GRAY of New Jersey.

Mr. HOWARD with Mr. MAGEE.

Mr. RIORDAN with Mr. TINKHAM.

Mr. ROUSE with Mr. LANGLEY.

Mr. GALLAGHER with Mr. LUFKIN.

Mr. POLK with Mr. DOWELL.

Mr. SABATH with Mr. LEHLBACH.

Mr. HAMLIN with Mr. RAMSEY.

Mr. GOODWIN of Arkansas with Mr. WINSLOW.

Mr. LEE of Georgia with Mr. FULLER of Massachusetts.

Mr. HAMILL with Mr. GREENE of Massachusetts.

Mr. DOOLITTLE with Mr. SIEGEL.

Mr. LEA of California with Mr. SANFORD.

Mr. OLIVER of New York with Mr. SWITZER.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12863) to provide revenue, and for other purposes, with Mr. SAUNDERS of Virginia in the chair.

The Clerk reported the title of the bill.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] is recognized. [Prolonged applause.]

Mr. KITCHIN addressed the committee. [See Appendix.]

Mr. KITCHIN. Gentlemen, of course I knew it was going to take an hour or two hours, or possibly three hours, to get through with this, but I have spoken much longer than I intended and I have just reached the excess-profit tax, which I regard as the most important provision of this bill. The bill is quite long, and I have every one of the titles to explain in detail and to answer any questions that may be asked. It is possible that it may be wiser for the committee to rise.

Mr. LONGWORTH. I was going to make the suggestion to the gentleman that he has been speaking for a very long time and I would suggest that the committee rise.

Mr. KITCHIN. I would not ask that if we had not got down to what we regard as the most important and essential part of the bill and the one that probably will be more attacked than any other. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, had come to no resolution thereon.

LEAVE TO EXTEND REMARKS.

Mr. LONDON. Mr. Speaker, I again ask unanimous consent for leave to extend my remarks in the RECORD on the subject of my work in Congress.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD on the subject of his work in Congress. Is there objection?

There was no objection.

Mr. FESS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address which I delivered at the Ohio State Bankers' Association meeting at Columbus on Wednesday night.

The SPEAKER. The gentleman from Ohio [Mr. FESS] asks unanimous consent to extend his remarks in the RECORD by printing a speech that he recently made to the bankers' convention at Columbus, Ohio. Is there objection?

There was no objection.

Mr. CHANDLER of New York. Mr. Speaker, I ask unanimous consent to extend in the RECORD the record of my patriotic services both in and out of Congress.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD on his patriotic services both in the House and out. Is there objection?

Mr. GRAHAM of Pennsylvania. Mr. Speaker, reserving the right to object, I would like to inquire to what extent the gentleman is going to treat his patriotic services outside of the House and outside of Congress?

Mr. CHANDLER of New York. I will state to the gentleman that I have performed distinguished patriotic services as a Red Cross and liberty loan speaker and in circulating patriotic literature and various other things.

Mr. GRAHAM of Pennsylvania. If it is confined to those things. I withdraw my objection.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. KITCHIN. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 22 minutes p. m.) the House adjourned until Saturday, September 7, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. DENT, from the Committee on Military Affairs, to which was referred the bill (H. R. 12769) relative to fees for claim agents, reported the same with an amendment, accompanied by a report (No. 771), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MILLER of Washington: A bill (H. R. 12890) for increasing the efficiency of Navy bands; to the Committee on Naval Affairs.

By Mr. McFADDEN: A bill (H. R. 12891) to amend the Federal reserve act, approved December 23, 1913, as amended August 4, 1914, August 15, 1914, March 3, 1913, September 7, 1916, and June 21, 1917; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIOTT: A bill (H. R. 12892) granting a pension to Fannie M. McQuade; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12893) granting a pension to George E. Lovin; to the Committee on Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 12894) granting an increase of pension to George A. P. Cumming; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 12895) granting an increase of pension to Samuel Peters; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. DALE of New York: Petition of Mrs. Francis M. Bacon, chairman National Civic Federation, in support of the Keating bill (H. R. 12767); to the Committee on Labor.

By Mr. SHERWOOD: Petition of sundry citizens of Toledo, Ohio, against the proposed war tax on automobiles; to the Committee on Ways and Means.

By Mr. SNYDER: Petition of the Sherman Sales Co., Utica, N. Y., protesting against the proposed discriminatory war tax on automobiles; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

SATURDAY, *September 7, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Let Thy Spirit, Eternal God our Heavenly Father, possess our souls and arouse all the latent forces for good within us; that the better angels of our nature may lead on to great thoughts and great deeds; that the effusion of blood may cease; war be forever banished from the earth; that the energy dissipated in it may be put to higher and nobler purposes; that hell may be turned into Heaven for all Thy children; in the name of the Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

DEPARTMENTAL EMPLOYEES LIABLE TO MILITARY SERVICE (H. DOC. NO. 1272).

The SPEAKER. The Chair lays before the House a communication from the Secretary of the Navy in response to the Madden resolution, House resolution 390, as to departmental employees liable to military service, which under the previous order of the House is to be printed in the RECORD and referred to the Committee on Naval Affairs.

The communication is as follows:

THE SECRETARY OF THE NAVY,
Washington, September 6, 1918.

The SPEAKER HOUSE OF REPRESENTATIVES,
Washington, D. C.

MY DEAR MR. SPEAKER: In response to House of Representatives resolution No. 390, I beg to transmit herewith letter dated August 26, submitted by the Major General Commandant, United States Marine Corps, inclosing a list of men who on June 5, 1917, were between the ages of 21 and 31 years and who, since that date, have been commissioned or enlisted in and assigned to clerical work under the United States Marine Corps and not employed in active or field operations.

As rapidly as possible men within the draft age who are qualified for active field service are being replaced with women clerks who are being enrolled in the Marine Corps Reserve.

Very truly, yours, JOSEPHUS DANIELS.

HEADQUARTERS UNITED STATES MARINE CORPS,
Washington, August 26, 1918.

From: The Major General Commandant.
To: The Secretary of the Navy.
Subject: House of Representatives resolution No. 390.

1. In compliance with reference (a) there is inclosed herewith the report requested for the United States Marine Corps.

2. This report contains the names of 202 men, this figure being approximately thirty-nine one-hundredths of 1 per cent of the total enlisted strength of the Marine Corps.

3. For many of the men whose names appear on the attached report it was necessary to obtain from the Surgeon General of the Navy a waiver of physical defects before enrollment could be made. In most cases these physical defects are such that the subjects are incapacitated for active field service.

4. A few of the men whose names appear on the attached list had been placed in a deferred classification by their local boards before enrollment, but received further deferred classification automatically upon enrollment. The majority of them, however, had not been classified by their local boards at the time of their enrollment, and the majority of this class would undoubtedly have been placed in deferred classes on account of physical defects, dependents, etc.

5. This report is made as of July 1, 1918.

6. Steps are now being taken to replace as rapidly as possible men within the draft age who are qualified for active field service with women clerks who are being enrolled in the Marine Corps Reserve.

GEORGE BARNETT,

"*Resolved*, That the Secretary of War and the Secretary of the Navy be requested to report to the House of Representatives the number of men (with the name and home address of each) who, on June 5, 1917, were between the ages of 21 and 31 years, and who since that date have been commissioned or enlisted either in the active or in any of the Reserve Forces of the Military or Naval Establishments and assigned to clerical work in their respective departments, or in offices elsewhere, where such service is not directly rendered to and as a part of units of the Army and Navy employed in active or field operations, and who have received deferred classification by reason of being already in the military or naval service of the United States."

OFFICES OF THE MAJOR GENERAL COMMANDANT AND THE ADJUTANT AND INSPECTOR, UNITED STATES MARINE CORPS HEADQUARTERS, WASHINGTON, D. C.

Pvt. Harry Acome, 14 Fifth Street, South Glens Falls, N. Y.
Pvt. Charles J. Haffen, 437 Concord Avenue, New York City.
Pvt. Jacob K. Karchmer, 209 East Bond Street, Denison, Tex.
Pvt. Gustave Kiss, 748 North Street, Appleton, Wis.
Pvt. Ogle R. Singleton, 2020 H Street NW., Washington, D. C.
Pvt. Francis L. Tetreault, corner Franklin and Broad Streets, Danielson, Conn.
Pvt. Graham E. Wilson, 118½ Vine Street, Chattanooga, Tenn.
Pvt. Kemper F. Cowing, 2219 California Street NW., Washington, D. C.
Pvt. George E. Edelin, 308 East Capitol Street, Washington, D. C.
Pvt. Ambrose E. McGarry, 1388 South Ninth East Street, Salt Lake City, Utah.
Pvt. Guy C. Williams, 1241 G Street NE., Washington, D. C.
Sergt. Philemon F. Brousseau, Brockton, Mass.
Sergt. Bertram S. Heineman, Marlboro Apartments, Baltimore, Md.
Sergt. Alfred Lyons, 39 West One hundred and twenty-eighth Street, New York City.
Sergt. Ernest A. Warnke, Fourteenth and Clifton Streets, Washington, D. C.
Corpl. Gilbert P. Albrecht, 1207 West Allegheny Avenue, Philadelphia, Pa.
Corpl. Simon E. Altschull, 922 West Baltimore Street, Baltimore, Md.
Corpl. Carl Budwesky, 919 Prince Street, Alexandria, Va.
Corpl. Benson W. Dale, 1428 Columbia Road, Washington, D. C.
Corpl. Russell F. Doty, 25 North Lockwood Avenue, Chicago, Ill.
Corpl. Percy Gianella, 608 Fifth Street, Brooklyn, N. Y.
Corpl. Frederick G. Johnson, 28 West Union Street, Wilkes-Barre, Pa.
Corpl. William W. Jones, jr., 50 V Street NW., Washington, D. C.
Corpl. John J. Mandel, 4532 Wisconsin Avenue NW., Washington, D. C.
Corpl. Joyce O'Hara, Pittston, Pa.
Corpl. John H. Pigg, Fleetwood Road, Middlesboro, Ky.
Corpl. Jerome C. Rowe, 837 Twenty-second Street NW., Washington, D. C.
Corpl. Norris H. Smith, 2648 Humboldt Avenue South, Minneapolis, Minn.
Pvt. Lawrence T. Brown, Merced, Cal.
Pvt. William H. Cordner, 1404 Walnut Street, Jacksonville, Fla.
Pvt. Roger M. Ferrell, Eastland, Tex.
Pvt. Arthur C. Ferrington, 118 North Adams Street, Green Bay, Wis.
Pvt. Clinton L. Marshall, 208 North Thirty-second Street, Richmond, Va.
Pvt. Ralph L. Morse, 136 Tenth Avenue North, Twin Falls, Idaho.
Pvt. Troy A. Nubson, corner Twelfth Street and Massachusetts Avenue, Washington, D. C.
Pvt. Elmer E. Pike, Shafter Street, Hancock, Mich.
Pvt. John A. Raney, 2446 North Grant Avenue, St. Louis, Mo.
Pvt. Henry R. Rinehart, 5814 Webster Street, West Philadelphia, Pa.
Pvt. Ruben F. Roys, jr., 901 Jefferson Street, Russellville, Ark.
Pvt. William H. Scott, 172 North Street, Randolph, Mass.
Pvt. John H. Seavers, 4129 New Hampshire Avenue, Washington, D. C.

OFFICE OF THE QUARTERMASTER, UNITED STATES MARINE CORPS HEADQUARTERS, WASHINGTON, D. C.

Pvt. G. E. Anderson, Washington, D. C.
Pvt. H. F. Anderson, Hartford, Conn.
Pvt. L. A. Baker, St. Louis, Mo.
Pvt. B. G. Bauman, Grand Island, Nebr.
Pvt. T. Beehan, Washington, D. C.
Pvt. H. R. Bresnahan, Washington, D. C.
Corpl. A. M. Brouner, Mount Rainier, Md.
Pvt. J. W. Burrows, Washington, D. C.
Corpl. J. J. Carey, Washington, D. C.
Corpl C. H. Carver, Washington, D. C.
Pvt. M. Casson, Addison, N. Y.
Pvt. M. De Gast, Springfield, Mass.
Pvt. J. A. Foss, Mansfield, Ohio.
Pvt. B. H. Frank, New York City.
Pvt. H. L. Fresh, Frostburg, Md.
Sergt. E. L. Haberkorn, Frederick, Md.
Pvt. T. D. Harden, Washington, D. C.
Pvt. W. C. Hunt, Washington, D. C.
Corpl. R. M. Johnson, Middleboro, Ky.
Pvt. L. A. Kendall, Ottumwa, Iowa.
Pvt. H. T. Knight, Riverdale, Md.
Corpl. A. J. Langland, Haverhill, Mass.
Pvt. H. O. Lawrenson, Washington, D. C.
Pvt. H. G. Lawton, Fulton, N. Y.
Pvt. T. L. Maguth, Washington, D. C.
Pvt. H. H. Mark, Washington, D. C.
Pvt. F. E. Morris, Maynard, Mass.
Pvt. W. E. Murphy, Washington, D. C.
Pvt. H. W. Primm, Washington, D. C.
Pvt. S. Raudenbush, St. Ignatius, Mont.
Pvt. R. H. Renn, Washington, D. C.
Pvt. J. T. Schram, Washington, D. C.
Pvt. E. F. Shea, Baltimore, Md.
Pvt. M. J. Smith, Wilmington, N. C.
Corpl. L. L. Spears, Norfolk, Va.
Corpl. H. E. Steffey, Govans, Md.
Pvt. C. J. Sutphin, Washington, D. C.
Pvt. M. M. Thayer, Washington, D. C.
Pvt. A. Volkmann, Richmond, Va.
Pvt. W. F. Wallace, Cecil, Ohio.
Pvt. H. S. Weidman, Bladensburg, Md.
Pvt. C. B. White, Washington, D. C.
Pvt. H. O. Wilson, Washington, D. C.

OFFICE OF THE PAYMASTER, UNITED STATES MARINE CORPS HEADQUARTERS, WASHINGTON, D. C.

Pvt. Glenn V. Butler, Upper Alton, Ill.
Pvt. Charles T. Gates, Columbia Crossroads, Pa.
Pvt. Wilfred W. Luce, Santa Rosa, Cal.
Pvt. Paul J. Martin, Minneapolis, Minn.
Pvt. Ernest F. Sehringer, Middletown, N. Y.
Pvt. Thomas S. Siegrist, Brooklyn, N. Y.
Pvt. Martin R. Barr, Washington, D. C.

Pvt. Arthur P. Drury, Washington, D. C.
Pvt. George E. Elliott, Washington, D. C.
Pvt. Gerald A. Keene, Brightwood, D. C.
Pvt. Frederick J. Knob, New York, N. Y.
Pvt. Seymour L. Kramer, New York, N. Y.
Pvt. Martin McInerney, Washington, D. C.
Pvt. Walter M. McLuckie, Frostburg, Md.
Pvt. David R. Porter, Southport, Fla.
Pvt. Gabe Sheppeard, Campbell, Tex.
Pvt. Benjamin C. Skinker, Washington, D. C.

OFFICE OF THE ASSISTANT PAYMASTER, MARINE CORPS, ATLANTA, GA.

Corpl. G. B. Smith, jr., 311 Grant Street, Atlanta, Ga.
Sergt. Jesse V. Talley, 1216 Floyd Avenue, Richmond, Va.
Pvt. James C. Davis, 504 Confederate Avenue, Atlanta, Ga.
Pvt. Harold S. Murphy, 1210 East Eighty-seventh Street, Cleveland, Ohio.
Pvt. Harper Rogers, Magnolia, Ark.
Pvt. Hugh J. Wood, Milbank, S. Dak.
Pvt. John J. Williams, 5112 Regent Street, Philadelphia, Pa.
Pvt. Harold O. Steiner, 313 Lincoln Avenue, Salem, Ohio.
Pvt. Albert E. Nelson, 31 Hermitage, Memphis, Tenn.
Pvt. Matthew B. Benson, 2113 Blair Boulevard, Nashville, Tenn.
Pvt. William A. Carter, Good Ground, N. Y.
Pvt. William A. Mitchell, 1569 East Ninety-fourth Place, Cleveland, Ohio.
Pvt. Roy F. Newton, 2402 Morgan Street, Houston, Tex.
Pvt. Harold J. Wise, Smyrna, Del.

EASTERN RECRUITING DIVISION HEADQUARTERS, DISTRICT OF BUFFALO, BUFFALO, N. Y.

Sergt. Roy F. De Lano, 83 Buffum Street, Buffalo, N. Y.

OFFICE OF THE DEPOT QUARTERMASTER, MARINE CORPS, CHARLESTON, S. C.

Pvt. Dwight E. Beckett, Kansas City, Mo.
Pvt. Charles D. Howard, Lynn, Mass.
Pvt. Bernard J. McNulty, Philadelphia, Pa.
Pvt. Martin E. Malley, New York, N. Y.
Pvt. Wilbur C. Pittman, Damon, Tex.

CENTRAL RECRUITING DIVISION, MARINE CORPS, CHICAGO, ILL.

Pvt. Noel B. Chambers, 2109 West Walnut Street, Indianapolis, Ind.
Pvt. John E. Thomas, 740 West Town Street, Columbus, Ohio.
Sergt. Gustave H. Gruener, 1520 West Seventy-first Street, Chicago, Ill.
Sergt. William W. Shaw, jr., 5550 Princeton Avenue, Chicago, Ill.

HEADQUARTERS SOUTHERN RECRUITING DIVISION, MARINE CORPS, NEW ORLEANS, LA.

Corpl. George P. Astracan, 1401 Van Buren Street, Amarillo, Tex.

RECRUITING DISTRICT OF NEW ORLEANS, MARINE CORPS, NEW ORLEANS, LA.

Sergt. Frederick T. Haddock, Lubback, Tex.
Sergt. Joseph W. Peden, Springdale, N. C.
Corpl. Sidney D. Torres, St. Bernard Parish, La.

RECRUITING DISTRICT OF MEMPHIS, MARINE CORPS, MEMPHIS, TENN.

Sergt. Thomas J. Freeman, 111 Church Street, Trenton, Tenn.
Sergt. Frank Rice, 617 Henmore Aveune, Brooklyn, N. Y.
Corpl. Johsiah W. Hewitt, 174 North Lauderdale Street, Memphis, Tenn.
Corpl. Raymond Morrow, 610 Elm Street, Lebanon, Ind.

SOUTHERN RECRUITING DISTRICT, MARINE CORPS, ATLANTA, GA.

Second Lieut. D. B. Jones, jr., 18 West North Avenue, Atlanta, Ga.
Sergt. Frank B. McConnell, 1304 Belmont Avenue, Nashville, Tenn.
Sergt. Charley W. Scott, Y. M. C. A., Nashville, Tenn.
Corpl. Harold W. Beauchamp, 29 East Ellis Street, Atlanta, Ga.
Corpl. Ray Patterson, Charleston, S. C.
Pvt. Festus T. Brooks, 517 North Twenty-first Street, Birmingham, Ala.
Pvt. Harry McDonald, 31 Cooper Street, Atlanta, Ga.

SOUTHWESTERN RECRUITING DISTRICT, MARINE CORPS, HOUSTON, TEX.

Sergt. Francis M. Collins, 1821 Church Street, San Francisco, Cal.
Sergt. Jesse L. Eddy, Fulton, Mich.
Sergt. Harry Goldberg, New York City.
Sergt. Bradley Sizer, 3411 East Mercer Street, Seattle, Wash.
Corpl. Ben S. Adams, St. Anthony, Idaho.
Corpl. Fred Flukinger, Rural Route No. 1, Box 13, Hempstead, Tex.
Corpl. Harold M. Johnson, 1100 Bay Street, Alameda, Cal.
Corpl. James H. Grace, Honeoye Falls, N. Y.
Corpl. Claude A. Mitchell, 605 Ninth Avenue, Roanoke, Va.

EASTERN RECRUITING DIVISION, HEADQUARTERS, DISTRICT OF NEW YORK, NEW YORK CITY.

Sergt. Abram Adlerberg, 21 First Avenue, New York, N. Y.
Sergt. Louis E. Ehlen, jr., 108 Seventh Avenue, Brooklyn, N. Y.
Sergt. Robert J. Wood, 667 Decatur Street, Brooklyn, N. Y.
Corpl. Frank M. Eckert, 251 West Seventy-third Street, New York City.
Pvt. Fred H. Battenfield, 1029 Union Avenue, New York, N. Y.

EASTERN RECRUITING DIVISION, MARINE CORPS, PHILADELPHIA, PA.

Corpl. William E. Maloney, 187 West Canton Street, Boston, Mass.
Corpl. John S. Stoyle, 145 Glenway Street, Dorchester, Mass.
Pvt. William C. Freitag, 28 Morton Street, Hartford, Conn.
Pvt. Michael J. Hurley, 49 Jefferson Street, Providence, R. I.
Pvt. Charles W. Johnson, 1418 Hillman Street, Youngstown, Ohio.
Pvt. William B. Johnson, Lillington, N. C.
Pvt. Phillip F. Clore, Madison, Va.
First Sergt. Benjamin H. Corbett, 1427 New Jersey Avenue, Washington, D. C.
Pvt. George Hadley Landes, 1000 Tenth Street NW., Washington, D. C.
Pvt. Jay L. Robinson, 120 Garfield Avenue SE., Washington, D. C.

QUARTERMASTER'S DEPARTMENT, DEPOT OF SUPPLIES, MARINE CORPS, PHILADELPHIA, PA.

Pvt. Clarence F. Anstead, 2103 South Twenty-first Street, Philadelphia, Pa.
Pvt. William A. Brown, 3347 North Jasper Street, Philadelphia, Pa.
Pvt. Homer W. Twitchell, 3641 Locust Street, Philadelphia, Pa.
Corpl. Thomas L. Cassidy, 1540 South Ringgold Street, Philadelphia, Pa.
Corpl. William P. Grau, 4252 Reese Street, Philadelphia, Pa.
Corpl. Ralph B. Thomas, 1818 Medary Avenue, Philadelphia, Pa.
Pvt. Percy J. Galbraith, 139 East Gorgas Lane, Mount Airy, Philadelphia, Pa.
Pvt. James F. Murphy, 743 North Sixty-fourth Street, Philadelphia, Pa.
Pvt. Cornelius C. O'Brien, 6615 Greenway Avenue, Philadelphia, Pa.
Pvt. Charles W. E. Ritti, 1036 Stokes Avenue, Collingswood, N. J.
Pvt. Harry M. Simons, 1017 South Forty-eighth Street, Philadelphia, Pa.
Pvt. John L. Watkins, 1507 Christian Street, Philadelphia, Pa.
Pvt. Norman E. Rosenfeld, 2022 North Broad Street, Philadelphia, Pa.

OFFICE OF THE ASSISTANT ADJUTANT AND INSPECTOR, MARINE CORPS, SAN FRANCISCO, CAL.

Sergt. Timothy E. Murphy, 187 Bocana Avenue, San Francisco, Cal.
Pvt. Alfred Pinther, Santa Rosa, Cal.
Pvt. Henry N. Paulson, Whitehall, Mich.
Pvt. Frank Wagstaff, American Fork, Utah.
Pvt. Christian D. Barfuss, R. F. D. No. 1, Logan, Utah.
Pvt. John H. P. Earl, Pemberton, N. J.
Pvt. George H. Duncan, Covelo, Cal.

QUARTERMASTER'S DEPARTMENT, DEPOT OF SUPPLIES, SAN FRANCISCO, CAL.

Corpl. Aubrey D. Duncan, 2140 Ninth Street, San Francisco, Cal.
Corpl. Michael F. Murphy, 5651A Shafter Avenue, Oakland, Cal.

OFFICE OF THE ASSISTANT PAYMASTER, MARINE CORPS, SAN FRANCISCO, CAL.

Q. M. Sergt. Charles J. McDonough, 1729 Broadway, Seattle, Wash.
Q. M. Sergt. John E. Hall, 674 Howard Street, San Francisco, Cal.
Corpl. Henry H. Christensen, 936 Moorpark Avenue, Oakland, Cal.
Corpl. Benjamin W. Towne, 1196 East Salmon Street, Portland, Oreg.
Pvt. Leslie S. Anderson, Luverne, N. Dak.
Pvt. Clarence Graham, Rosalia, Wash.
Pvt. Thomas M. Healy, 843 South Los Angeles Street, Los Angeles, Cal.
Pvt. George M. Velguth, 420 Tilamook Street, Portland, Oreg.
Pvt. Horace Webster, 71 Cuvier Street, San Francisco, Cal.
Pvt. Oscar E. Westrum, Geyser, Mont.
Pvt. Raymond R. Best, Dubois, Idaho.
Pvt. William R. Thomas, 1500 Milwaukee Street, Denver, Colo.

OFFICE OF THE ASSISTANT PAYMASTER, MARINE CORPS, NEW YORK CITY.

Pvt. Evarard K. Homer, Liberty, N. Y.
Pvt. Joseph A. Wyatt, Chicago, Ill.
Corpl. Harry H. Miller, Brooklyn, N. Y.

OFFICE OF THE ASSISTANT PAYMASTER, MARINE CORPS, PHILADELPHIA, PA.

Pvt. Cortland M. Richardson, Philadelphia, Pa.

ENROLLED JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

The Committee on Enrolled Bills report that this day they presented to the President of the United States for his approval the following joint resolution:

H. J. Res. 325. Joint resolution amending section 8 of the amendment to the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed with amendments the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products," had requested a conference with the House of Representatives on the bill and amendments, and had appointed Mr. GORE, Mr. SMITH of South Carolina, Mr. SMITH of Georgia, Mr. KENYON, and Mr. FRANCE as the conferees on the part of the Senate.

The message also announced that Mr. HITCHCOCK was excused, on his own request, from further service as a conferee on the bill (H. R. 11283) entitled "An act to amend and reenact sections 4, 11, 16, 19, and 22 of the act approved December 23, 1913, and known as the Federal reserve act, and sections 5208 and 5209, Revised Statutes," and Mr. POMERENE was appointed in his place.

PROHIBITION IN ESTABLISHED WAR-PLANT ZONES.

Mr. WEBB. Mr. Speaker, I ask unanimous consent for the present consideration of Senate joint resolution 172, authorizing the President to establish zones in which intoxicating liquor can not be sold.

The SPEAKER. The gentleman from North Carolina asks unanimous consent for the present consideration of the bill, which the Clerk will report.

The Clerk read as follows:

Joint resolution (S. J. Res. 172) authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed.

Resolved, etc., That the President of the United States be, and hereby is, authorized and empowered, at any time after the passage of this joint resolution, to establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants, and such other plants for war material as may seem to him to require such action, whenever in his opinion the creation of such zones is necessary to, or advisable in, the proper prosecution of the war, and that he is hereby authorized and empowered to prohibit the sale, manufacture, or distribution of intoxicating liquors in such zones, and that any viola-

tion of the President's regulations in this regard shall be punished by imprisonment for not more than one year or by fine of not more than $1,000, or by both such fine and imprisonment.

Mr. BORLAND. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BORLAND. Is the resolution subject to amendment if unanimous consent is given?

The SPEAKER. If unanimous consent is given it will be subject to amendment like any other resolution.

Mr. BORLAND. Reserving the right to object, I would like to ask the gentleman from North Carolina a question. This resolution includes munition factories, but it makes no reference to the colleges and institutions where young student officers are going to be instructed. Would it be objectionable to the committee to insert college and educational institutions where our boys are to be sent?

Mr. WEBB. I do not remember the wording of the law that makes it a crime to sell liquor within 5 miles of where soldiers are encamped, but my belief is that the present law would cover it.

Mr. BORLAND. No; it will not. That law applies to a military camp, and the Attorney General has ruled that to be a military camp it must have at least 250 men barracked there for a term exceeding 30 days. If the men are not actually quartered on the premises it is not a camp within the present 5-mile-zone law.

Mr. WEBB. My information is that students will be quartered around the college, but even if that is not so I do not think this amendment ought to be put on at this time. There is very urgent need for the bill with reference to munition plants.

Mr. BORLAND. I realize that and I have no disposition to delay the resolution. I am strongly in favor of it, but I think we ought to throw some safeguard around these institutions and colleges.

Mr. WEBB. I think so, too——

Mr. BORLAND. I will not delay the passage of the resolution by offering an amendment.

The SPEAKER. Is there objection?

Mr. DYER rose.

The SPEAKER. For what purpose does the gentleman rise?

Mr. DYER. I reserve the right to object. The President has stated to the Congress in the joint session that he is very anxious to have this revenue bill passed as speedily as possible at this session. This bill or any other bill ought not to interfere with the revenue legislation, and for that reason I object.

REVENUE LEGISLATION.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, the revenue bill.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.

Mr. LONGWORTH. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER. The gentleman from Ohio makes the point of order that no quorum is present. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 235, nays 0, answered "present" 2, not voting 193, as follows:

YEAS—235.

Alexander	Caraway	Drane	Glass
Almon	Chandler, Okla.	Dyer	Glynn
Anderson	Church	Eagle	Good
Ashbrook	Clark, Fla.	Elliott	Gordon
Austin	Clark, Pa.	Ellsworth	Graham, Ill.
Ayres	Classon	Elston	Gray, Ala.
Baer	Claypool	Esch	Green, Iowa
Bankhead	Cleary	Evans	Greene, Vt.
Barnhart	Collier	Fairchild, B. L.	Gregg
Beakes	Connally, Tex.	Fairchild, G. W.	Hadley
Bell	Cooper, W. Va.	Fairfield	Hamill
Beshlin	Cooper, Wis.	Fess	Hamilton, Mich.
Black	Cox	Fields	Hamlin
Blackmon	Currie, Mich.	Fisher	Hardy
Bland, Va.	Dale, Vt.	Flood	Harrison, Miss.
Blanton	Dallinger	Focht	Harrison, Va.
Booher	Darrow	Fordney	Haskell
Borland	Decker	Foster	Hastings
Bowers	Denison	Freeman	Haugen
Burnett	Dent	French	Hawley
Burroughs	Denton	Fuller, Ill.	Heflin
Byrns, Tenn.	Dewalt	Gandy	Helvering
Caldwell	Dickinson	Gard	Hersey
Campbell, Kans.	Dill	Garner	Hilliard
Campbell, Pa.	Dixon	Garrett, Tenn.	Holland
Candler, Miss.	Dominick	Garrett, Tex.	Hollingsworth
Cannon	Doremus	Gillett	Houston
Hull, Iowa	McKenzie	Ramseyer	Stiness
Hull, Tenn.	McKeown	Rayburn	Sumners
Humphreys	McKinley	Reavis	Sweet
Igoe	McLaughlin, Mich.	Reed	Taylor, Ark.
Ireland	McLaughlin, Pa.	Rodenberg	Taylor, Colo.
Jacoway	McLemore	Rogers	Temple
Johnson, Wash.	Madden	Romjue	Thomas
Kearns	Magee	Rose	Thompson
Kehoe	Mansfield	Russell	Tillman
Kennedy, Iowa	Mapes	Saunders, Va.	Tilson
Key, Ohio	Martin	Scott, Iowa	Timberlake
Kincheloe	Merritt	Scott, Mich.	Treadway
Kinkaid	Miller, Minn.	Sears	Van Dyke
Kitchin	Miller, Wash.	Sells	Vestal
Knutson	Mondell	Shallenberger	Voigt
Kraus	Moon	Sherwood	Volstead
La Follette	Moore, Pa.	Shouse	Waldow
Larsen	Morgan	Sims	Walsh
Lazaro	Nolan	Sinnott	Walton
Lesher	Oldfield	Slayden	Weaver
Lever	Osborne	Sloan	Webb
Little	Overmyer	Small	Welty
Littlepage	Park	Smith, Mich.	Whaley
Lobeck	Parker, N. J.	Snook	Wheeler
London	Phelan	Steagall	Williams
Lonergan	Pou	Stedman	Wilson, La.
Longworth	Price	Steenerson	Wingo
Lunn	Purnell	Stephens, Miss.	Wood, Ind.
McAndrews	Quin	Stephens, Nebr.	Young, N. Dak.
McArthur	Rainey, H. T.	Sterling, Ill.	Young, Tex.
McCulloch	Raker	Sterling, Pa.	Zihlman
McFadden	Ramsey	Stevenson	

ANSWERED "PRESENT"—2.

Dowell Rouse

NOT VOTING—193.

Anthony	Ferris	Lehlbach	Sanders, La.
Aswell	Flynn	Linthicum	Sanders, N. Y.
Bacharach	Foss	Lufkin	Sanford
Barkley	Francis	Lundeen	Schall
Bland, Ind.	Frear	McClintic	Scott, Pa.
Brand	Fuller, Mass.	McCormick	Scully
Britten	Gallagher	Maher	Shackleford
Brodbeck	Gallivan	Mann	Sherley
Browne	Garland	Mason	Siegel
Browning	Godwin, N. C.	Mays	Sisson
Brumbaugh	Goodall	Meeker	Slemp
Buchanan	Goodwin, Ark.	Montague	Smith, Idaho
Butler	Gould	Moores, Ind.	Smith, C. B.
Byrnes, S. C.	Graham, Pa.	Morin	Smith, T. F.
Cantrill	Gray, N. J.	Mott	Snell
Carew	Greene, Mass.	Mudd	Snyder
Carlin	Griest	Neely	Stafford
Carter, Mass.	Griffin	Nelson	Steele
Carter, Okla.	Hamilton, N. Y.	Nicholls, S. C.	Strong
Cary	Hayden	Nichols, Mich.	Sullivan
Chandler, N. Y.	Hayes	Norton	Swift
Coady	Heaton	Oliver, Ala.	Switzer
Connelly, Kans.	Heintz	Oliver, N. Y.	Tague
Cooper, Ohio	Helm	Olney	Talbott
Copley	Hensley	O'Shaunessy	Templeton
Costello	Hicks	Overstreet	Tinkham
Crago	Hood	Padgett	Towner
Cramton	Howard	Paige	Vare
Crisp	Huddleston	Parker, N. Y.	Venable
Crosser	Husted	Peters	Vinson
Curry, Cal.	Hutchinson	Platt	Walker
Dale, N. Y.	James	Polk	Ward
Davis	Johnson, Ky.	Porter	Wason
Delaney	Johnson, S. Dak.	Powers	Watkins
Dempsey	Jones	Pratt	Watson, Pa.
Dies	Juul	Ragsdale	Watson, Va.
Dillon	Kahn	Rainey, J. W.	Welling
Donovan	Keating	Randall	White, Me.
Dooling	Kelley, Mich.	Rankin	White, Ohio
Doolittle	Kelly, Pa.	Riordan	Wilson, Ill.
Doughton	Kennedy, R. I.	Robbins	Wilson, Tex.
Drukker	Kettner	Roberts	Winslow
Dunn	Kiess, Pa.	Robinson	Wise
Dupré	King	Rowe	Woods, Iowa
Eagan	Kreider	Rowland	Woodyard
Edmonds	LaGuardia	Rubey	Wright
Emerson	Langley	Rucker	
Estopinal	Lea, Cal.	Sabath	
Farr	Lee, Ga.	Sanders, Ind.	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. OLNEY with Mr. WARD.

Mr. O'SHAUNESSY with Mr. BROWNE.

Mr. JOHN W. RAINEY with Miss RANKIN.

Mr. ROBINSON with Mr. DUNN.

Mr. EAGAN with Mr. PARKER of New York.

Mr. GALLIVAN with Mr. KIESS of Pennsylvania.

Mr. NICHOLLS of South Carolina with Mr. BRITTEN.

Mr. WILSON of Texas with Mr. FARR.

Mr. OLIVER of Alabama with Mr. PETERS.

Mr. TALBOTT with Mr. BROWNING.

Mr. HENSLEY with Mr. MUDD.

Mr. PADGETT with Mr. HICKS.

Mr. DALE of New York with Mr. MCKINLEY.

Mr. RANDALL with Mr. FOSS.

Mr. VINSON with Mr. MOTT.

Mr. DOUGHTON with Mr. WILSON of Illinois.

Mr. MAHER with Mr. GRAY of New Jersey.

Mr. HOWARD with Mr. COPLEY.
Mr. RIORDAN with Mr. TINKHAM.
Mr. ROUSE with Mr. LANGLEY.
Mr. GALLAGHER with Mr. LUFKIN.
Mr. POLK with Mr. DOWELL.
Mr. SABATH with Mr. LEHLBACH.
Mr. HAMILL with Mr. GREENE of Massachusetts.
Mr. GOODWIN of Arkansas with Mr. WINSLOW.
Mr. LEE of Georgia with Mr. FULLER of Massachusetts.
Mr. DOOLITTLE with Mr. SIEGEL.
Mr. LEA of California with Mr. SANFORD.
Mr. OLIVER of New York with Mr. SWITZER.
Mr. SANDERS of Louisiana with Mr. BACHARACH.
Mr. SCULLY with Mr. STRONG.
Mr. STEELE with Mr. BUTLER.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the revenue bill, with Mr. SAUNDERS of Virginia in the chair.

The Clerk reported the title of the bill.

Mr. KITCHIN addressed the committee. [See Appendix.]

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GARNER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, and had come to no resolution thereon.

STIMULATION OF AGRICULTURE.

Mr. LEVER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the food-production bill, H. R. 11945, disagree to all the Senate amendments, and agree to the conference asked by the Senate.

Mr. GILLETT. Mr. Speaker, I object.

The SPEAKER. The gentleman from Massachusetts objects.

Mr. LEVER. Then I ask that the bill be sent to the Committee on Agriculture.

The SPEAKER. Is there objection?

There was no objection.

AGRICULTURAL APPROPRIATION BILL.

Mr. LEVER. I ask that at the conclusion of the speech of the gentleman from Michigan [Mr. FORDNEY] on Monday or Tuesday, whenever he makes it, the Agricultural appropriation bill may be in order; that the debate shall be limited on that bill to an hour and 30 minutes, 1 hour to be controlled by the gentleman from Iowa [Mr. HAUGEN] and 30 minutes by myself; and that at the end of that time the previous question shall be considered as ordered on the bill and all amendments thereto to final passage.

Mr. GILLETT. I do not think, Mr. Speaker, that we ought to make any such indefinite agreement as that. We do not know when the gentleman from Michigan will finish his speech or what may happen between now and Tuesday.

Mr. CANNON. I have received a number of telegrams about the Gore amendment. I do not know what is in this bill.

The SPEAKER. What bill is this?

Mr. LEVER. This is the regular Agricultural appropriation bill, which was vetoed by the President.

The SPEAKER. The gentleman from Massachusetts [Mr. GILLETT] objects.

Mr. WALSH. If there is any attempt made while I am present to take up this bill before the completion of the revenue bill I shall object.

The SPEAKER. The gentleman is out of order. [Laughter.]

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 8 minutes p. m.) the House adjourned until Monday, September 9, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WEBB, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 172) authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed, reported the same without amendment, accompanied by a report (No. 772), which said resolution and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. TINKHAM: A bill (H. R. 12896) to amend the act entitled "An act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real estate brokers in the District of Columbia," approved February 4, 1913; to the Committee on the District of Columbia.

By Mr. FULLER of Massachusetts: A bill (H. R. 12897) to establish the "star of service" flag and emblems to be placed thereon for persons in the military or naval service of the United States in the present war; to the Committee on Military Affairs.

By Mr. MOON: A bill (H. R. 12898) providing for the protection of the users of the telephone and telegraph service and the properties and funds belonging thereto during government operation and control; to the Committee on the Post Office and Post Roads.

By Mr. MONDELL: A bill (H. R. 12899) to provide for the construction of a dam and headgate for the Le Claire or Riverton No. 2 ditch; to the Committee on Indian Affairs.

By Mr. CLARK of Florida: Resolution (H. Res. 427) providing for an investigation of "profiteering" in the District of Columbia; to the Committee on Rules.

By Mr. WEBB: Resolution (H. Res. 428) for the immediate consideration of Senate joint resolution 172; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER: A bill (H. R. 12900) granting a pension to Thomas Alley; to the Committee on Invalid Pensions.

By Mr. BYRNS of Tennessee: A bill (H. R. 12901) granting an increase of pension to Louis Sickenberger; to the Committee on Invalid Pensions.

By Mr. GILLETT: A bill (H. R. 12902) granting a pension to William Thornton Parker; to the Committee on Pensions.

By Mr. IRELAND: A bill (H. R. 12903) granting an increase of pension to Joseph H. Munroe; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 12904) granting an increase of pension to Cornelius Regan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12905) to correct the military record of James Regan; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. FULLER of Illinois: Papers to accompany House bill 12894, granting an increase of pension to George A. P. Cumming; to the Committee on Invalid Pensions.

By Mr. GILLETT: Petition of the city government of Springfield, Mass., for the continuing in effect throughout the entire year of the present standard time, as provided by the daylight-saving law; to the Committee on Interstate and Foreign Commerce.

By Mr. LOBECK: Petition of D. A. Compton and 67 others, residing in the second district of Nebraska, indorsing national prohibition; to the Committee on the Judiciary.

Also, petitions of 30 members of the Woman's Christian Temperance Union and 27 others, and of C. M. Foreman and 115 others, all from the second congressional district of Nebraska, favoring prohibition; to the Committee on the Judiciary.

By Mr. OSBORNE: Petition of Oliver W. Delaney and 531 other citizens of Los Angeles, Cal., in favor of the enactment of the Edmonds bill (H. R. 5531) to provide for a pharmaceutical corps in the United States Army; to the Committee on Military Affairs.

Also, petition of H. L. Owesney and 9 other citizens of Los Angeles, Cal., protesting against the passage of a discriminatory war tax on automobiles as recommended by the Ways and Means Committee of the House of Representatives; to the Committee on Ways and Means.

SENATE.

MONDAY, *September 9, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, our fathers have told us of old of the sufficiency of Thy grace and Thy power. Thou hast ever been upon the side of right, and right has within it all of human happiness and human progress and human success. We are committing our way into Thy hands, praying Thee to guide us as Thou hast guided our fathers, that Thou wilt lead us into the paths of usefulness, that Thou wilt give to us victory in all our enterprises for the uplift of humanity, and that Thou wilt qualify us for the tasks of the day. Refine and bless our spirit life by Thine own gift of Thy Spirit to us, that we may be ever mindful of Thy law and Thy purpose, and work out God's great destiny for us as a nation. We pray Thee to this end bless us this day and guide us. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of Friday last, when, on request of Mr. VARDAMAN and by unanimous consent, the further reading was dispensed with and the Journal was approved.

ENROLLED BILL SIGNED.

The VICE PRESIDENT announced his signature to the enrolled bill (S. 2180) to approve mutual cessions of territory by the States of Wisconsin and Minnesota and the consequent changes in the boundary line between said States, which had previously been signed by the Speaker of the House.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed the joint resolution (S. J. Res. 172) authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed.

PETITIONS AND MEMORIALS.

Mr. POINDEXTER presented a petition of Local Grange No. 210, Patrons of Husbandry, of Trout Lake, Wash., and a petition of Local Grange No. 322, Patrons of Husbandry, of Happy Valley, Wash., praying that additional taxes be placed upon excessive incomes, war profits, and luxuries, which were referred to the Committee on Finance.

He also presented a petition of Pomona Grange No. 32, Patrons of Husbandry, of West Klickitat, Wash., praying for Federal control of the packing industries, which was referred to the Committee on Interstate Commerce.

Mr. RANSDELL. I send to the desk a copy of an act of the Legislature of Louisiana memorializing Congress in regard to woman suffrage. I ask that it may be printed in the RECORD.

The memorial is as follows:

STATE OF LOUISIANA.

I, the undersigned assistant secretary of state of the State of Louisiana, do hereby certify that the annexed and following three pages contain a true and correct copy of act No. 10 of the session acts of the extra session of the General Assembly of the State of Louisiana for the year 1918, approved in part August 15, 1918, as is shown by comparison with the original on file and of record in the archives of this office.

Given under my signature, authenticated with the impress of my seal of office, at the city of Baton Rouge, this 29th day of August, A. D. 1918.

[SEAL.]

R. H. FLOWER,
Assistant Secretary of State.

[Act No. 10, house concurrent resolution No. 9, by Mr. Stewart.]

Whereas under a government existing and exercising its authority by votes of the people it is obvious that whatsoever power shall declare who shall vote will control that government; and

Whereas if a people shall themselves declare who among them shall exercise the franchise they are free, and if external power shall control that privilege they are not free; and

Whereas in the formation of this Union by the several States under the Federal Constitution this vital political principle was solemnly recognized and guaranteed as applicable to each separate State for reasons appertaining to the origin of their population, their homogeneity, their existing forms of local government, their wide separation, differences of climate and forms of life and activity, all of which reasons exist to-day and will forever endure; and

Whereas never but once since the formation of this Government has this principle been violated, and then only in the passionate bitterness following civil war, when normal judgment and justice had been stricken down, and when a great section of the Union, though most affected by the change, was permitted no voice therein; and

Whereas this grievous error, perpetuated in the fifteenth amendment, has curtailed the free flow of the energies of the white race of the South, circumscribed their effort for progress, restricted their genius for government, and denied to them the free development allowed to their brethren elsewhere in the Union; and

Whereas this first violation of State integrity has injuriously affected the political liberty and material welfare of only one section of the Nation, it is only too clear a guide what will happen to the whole people when State government is destroyed, the Union becomes an empire, controlled, dominated, and governed by one section, as Germany by Prussia, the laws made at one place in ignorance and indifference to the local well-being of those in another too distant to influence their making; and

Whereas there is presently pending before the Senate of the United State in the so-called Susan B. Anthony amendment a measure designed as a second attack upon State control of its own electorate, which measure not only accentuates the evil already committed and condones the fraud in the commission but which will pave the way for further Federal control of State electorates, to the final destruction of the liberties of the people; and

Whereas the blood and treasure of the people is being justly and freely poured out to make the world safe for democracy, which great principle applies to an American State as well as to a European State; and

Whereas this principle is boldly violated in this Federal attempt to impose franchise laws on the States: Now, therefore, be it

Resolved by the House of Representatives of the people of Louisiana (the Senate concurring), That the Congress of the United States be, and it is hereby, memorialized to reject the so-called Miss Susan B. Anthony amendment to the Federal Constitution, requiring each State to grant suffrage to the female sex, without choice or limitation, and authorizing Federal power to enforce the amendment, the said Congress of the United States to declare by this action that the democracy of each separate American State is safe against the force and power of a combination of other American States; and be it further

Resolved, That we call upon our sister States of the Union to likewise declare for State integrity and the safety of American democracy and vigorously oppose Federal interference or control with State franchises; be it further

Resolved, That a copy of this resolution be forwarded to each House of Congress in the United States.

HEWITT BOUANCHAUD,
Speaker of the House of Representatives.
FERNAND MOUTON,
Lieutenant Governor and President of the Senate.

Not agreeing with some of the preliminary statements in the foregoing expression of the general assembly, I approve only that portion thereof which contains the resolution.

August 15, 1918.

R. G. PLEASANT,
Governor of the State of Louisiana.

Mr. NELSON presented a memorial of the war service committee on brick, district No. 17, of St. Paul, Minn., remonstrating against the proposed increased tax on brick, which was referred to the Committee on Finance.

He also presented the memorial of T. B. Walker, of Minneapolis, Minn., relative to the pending war-revenue bill, which was referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. JONES of New Mexico, from the Committee on Finance, to which was referred the bill (S. 4855) to amend an act approved April 5, 1918, entitled "An act to provide further for the national security and defense, and for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes," reported it with an amendment.

He also, from the same committee, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4272) for the relief of the Commissioner of Internal Revenue (Rept. No. 563); and

A bill (S. 4271) for the relief of the Commissioner of Internal Revenue (Rept. No. 564).

Mr. NEW, from the Committee on Military Affairs, to which was referred the bill (S. 1787) for the relief of Thomas Mulvey, reported adversely thereon, and the bill was postponed indefinitely.

BILL INTRODUCED.

Mr. STERLING introduced a bill (S. 4918) authorizing the Secretary of the Interior to convey certain described lands to the city of Watertown, State of South Dakota, which was read twice by its title and referred to the Committee on Public Lands.

STREET CAR SERVICE IN THE DISTRICT OF COLUMBIA.

Mr. JONES of Washington submitted the following resolution (S. Res. 298), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Public Utilities Commission for the District of Columbia be, and it is hereby, directed to give the Senate the following information:

First. Have any orders been issued by the commission requiring the street car companies of the District of Columbia to procure more cars for use upon existing lines in the District, and, if so, to transmit to the Senate copies of such orders, and, if no such orders have been issued, to inform the Senate why this has not been done.

Second. Has any investigation been made by the commission to determine how many more cars could be used advantageously by such companies on existing tracks? If so, what does such investigation show? If such investigation has not been made, why has it not been done?

Third. Why have not more cars been secured by said companies?

Fourth. When are additional new cars likely to be placed in service?

Fifth. What efforts has the commission made to assist the companies in securing additional cars?

Sixth. Why is not more frequent service required by the commission?

CALLING OF THE ROLL.

Mr. THOMAS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Kellogg	Nugent	Smoot
Bankhead	Kenyon	Overman	Sterling
Benet	King	Phelan	Thomas
Culberson	Kirby	Poindexter	Trammell
Fletcher	Knox	Pomerene	Vardaman
Gore	McCumber	Ransdell	Walsh
Guion	McNary	Shafroth	Warren
Henderson	Martin	Sheppard	Wilfley
Jones, N. Mex.	Myers	Sherman	
Jones, Wash.	Nelson	Smith, Ariz.	

The VICE PRESIDENT. Thirty-eight Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. CURTIS, Mr. DILLINGHAM, Mr. KENDRICK, Mr. LENROOT, Mr. NEW, Mr. NORRIS, Mr. SMITH of South Carolina, Mr. TOWNSEND, and Mr. WATSON answered to their names when called.

Mr. SUTHERLAND and Mr. FRANCE entered the Chamber and answered to their names.

Mr. SUTHERLAND. I wish to announce that my colleague [Mr. GOFF] is absent on account of illness.

Mr. McNARY. I desire to announce that my colleague [Mr. CHAMBERLAIN] is absent on official business

Mr. BORAH, Mr. BAIRD, Mr. MCKELLAR, Mr. SIMMONS, Mr. PITTMAN, Mr. GERRY, and Mr. FALL entered the Chamber and answered to their names.

The VICE PRESIDENT. Fifty-six Senators have answered to the roll call. There is a quorum present.

EMPLOYMENT OF ADDITIONAL CLERK.

Mr. SIMMONS submitted the following resolution (S. Res. 300), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Finance be, and it is hereby, authorized to employ an additional clerk, at the rate of $150 per month, for a period lasting from September 14, 1918, until the end of the present session of the Sixty-fifth Congress, to be paid out of the miscellaneous items of the contingent fund of the Senate.

WITHDRAWAL OF PAPERS—CHARLES DOHR.

On motion of Mr. JONES, of Washington, it was

Ordered, That leave be granted to withdraw from the files of the Senate the papers accompanying the bill (S. 3243, Sixty-fifth Congress, first session) granting a pension to Charles Dohr, no adverse report having been made thereon.

COMMITTEE SERVICE.

Mr. MARTIN. The senior Senator from Arkansas (Mr. ROBINSON) has requested that he be relieved from further service upon the Committee on Appropriations.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MARTIN. I move that the senior Senator from Arkansas [Mr. ROBINSON] be assigned to membership upon the Committee on Finance.

The motion was agreed to.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, executive clerk, announced that the President had, on the 30th ultimo, approved and signed the act (S. 4527) to authorize the payment of indemnities to the Government of Greece for injuries inflicted on its nationals during riots occurring in South Omaha, Nebr., February 21, 1909.

REPORT OF DIRECTOR GENERAL OF RAILROADS (S. DOC. NO. 275).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, on motion of Mr. SMOOT was, with the accompanying papers, referred to the Committee on Interstate Commerce and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith for the information of the Congress the report of the Director General of Railroads of the work of the United States Railroad Administration for the first seven months of its existence ended July 31, 1918.

WOODROW WILSON.

THE WHITE HOUSE, *9 September, 1918.*

FRANCHISES OF PORTO RICO (S. DOC. NO. 274).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Pacific Islands and Porto Rico and ordered to be printed.

To the Senate and House of Representatives:

As required by section 38 of the act approved March 2, 1917 (39 Stat., 951), entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith certified copies of six franchises granted by the Public Service Commission of Porto Rico. The copies of the franchises inclosed are described in the accompanying letter from the Secretary of War transmitting them to me.

WOODROW WILSON.

THE WHITE HOUSE, *9 September, 1918.*

PAY OF CAPTURED OFFICERS.

Mr. BORAH. Mr. President, I desire to call attention to an item which appeared in the New York Herald, Paris edition, and I should like to ask some member of the Military Affairs Committee if the information here given is correct. It says:

NO PAY ALLOTMENT FOR AMERICANS IF THEY ARE CAPTURED—WAR DEPARTMENT TAKES STAND THAT GOVERNMENT HOLDING PRISONERS MUST ASSUME WAGE OBLIGATIONS.

WASHINGTON, *Wednesday.*

Wives, parents, and dependents of officers who have been captured by the Germans have been notified by the War Department that the Government can no longer pay them their allotments.

The department holds that with the capture of an officer the obligation to pay his salary passes, under international law, to the government which holds him.

I should like to inquire of some member of the Military Affairs Committee if they know what the status of the family of a captured captain is under the rules and regulations of the War Department with reference to allotments?

Mr. THOMAS. I do not see the chairman of the committee here.

Mr. BORAH. I would be glad to have the view of the Senator.

Mr. THOMAS. I know nothing about the particular subject to which the Senator refers, but I do not believe that condition can be possible. I hope not.

Mr. BORAH. It occurred to me that it was a most extraordinary condition of affairs if it was true.

Mr. SMOOT. The only way that it could possibly be true under existing law is for our Government to construe a capture as taking a soldier out of the Army, because the law specifically provides that all privates in the Army shall be entitled to a fixed compensation.

Mr. WARREN. Mr. President, I do not believe I can impart any information as a member of the Military Affairs Committee, because this reported condition is an entirely new one so far as I have heard; but I presume that if there is a situation over there in Germany that has caused a stoppage of pay to Army officers and allotments to their families it is because foreign countries are paying full salaries to the officers and men in captivity, and, if so, I do not see that they could pay allotments here in addition. I think that is a strained situation and if the report be true early action seems necessary.

Mr. BORAH. This assumes that the German Government is going to do the right thing by our captured citizens.

Mr. WARREN. The Senator speaks of captured citizens. He means captured Army officers?

Mr. BORAH. Well, they are citizens.

Mr. WARREN. As I understand the law, Germany is to pay the salaries of officers and men imprisoned and we pay the corresponding officers of that country who are our prisoners. I do not claim to be an expert in international law, but I do understand that payments are made in that way. I presume in the final settlement that will be the situation. If it be true, as the Senator states, the matter ought to have immediate attention.

Mr. BORAH. The question with me is, What becomes of the wives and dependents during the long period of the war if they are to get nothing except that which the German Government gives to captured officers? Are we going to leave these families to the fate of time and the Hohenzollern conception of international honor? We have a duty to perform toward them.

Mr. SMOOT. When the Senator referred to the article I thought it had reference to private soldiers, and therefore I spoke as I did with reference to the existing law. As I understand it, the interned German officers who are now held by the United States at Fort Douglas, Utah, are paid by the United States the same compensation that an officer of similar rank in the United States Army is paid, and in such cases German officers are drawing to-day nearly four times the amount that they would draw if they were in the German Army. I am told that our Government under international law is paying the interned German officers now in the bull pen at Fort Douglas, Utah.

Mr. BORAH. Mr. President, if we were engaged in a war with a nation which observed the rules of international law, we would be able to proceed upon the precedent which it is claimed is embodied in international law or conventions in regard to the matter; but we certainly can not permit the wives and dependents of American officers to rely upon the German Government for their sustenance or support during this war, because we are not carrying on a war with that kind of a nation.

Mr. KNOX. Mr. President——

Mr. BORAH. I yield to the Senator.

Mr. KNOX. Will the Senator from Idaho restate the purport of the article? I did not quite get it.

Mr. BORAH. I will do so. This is a dispatch from the Paris edition of the New York Herald:

Therefore the Imperial Government is supposed to pay the salaries of American officers captured by German troops and held in German prison camps.

So far no funds from the German Government have been received by dependents of captured officers.

The point which interests me is knowing as we do what the German Government will do about it, does the American Republic propose to leave these dependents and wives solely to the mercy of what the German Government does do? I think we ought to take action in regard to it. I do not know just what has been done or what policy has been adopted. My object in raising the question was to find out, if I might, from the Military Affairs Committee.

Mr. JONES of Washington. I will say that I received a letter this morning from an officer at the front inclosing this clipping to me, and I intended to make inquiry along the line suggested by the Senator from Idaho. If this is according to international law we ought to be able to ascertain whether Germany, as a matter of fact, is complying with that international law in that respect, because there have been captured officers for a good long while. I should like to know whether it is the case or not, because if it is we ought to take some action very promptly.

Mr. BORAH. We know, Mr. President, that Germany will not observe any rules of international law during this conflict.

Mr. JONES of Washington. I think that is true; but, as a matter of fact, it may be shown that she has been observing this rule. I do not know. I should be surprised if she has been observing it.

Mr. KNOX. Mr. President, I wish to suggest to the Senator from Idaho [Mr. BORAH] that it is very doubtful whether or not this is international law. I do not myself think it is. I think an attempt was made at one time to make a convention on that subject. I think it was a part of one Hague convention, that it was desired that the civilized nations of the world should come to such an understanding. Whether or not such an understanding has ever been reached, I do not know. I think it would be important to know what the present practice is, whether Germany, as a matter of fact, is actually paying those officers their salaries, and what are we doing reciprocally, whether we are paying their salaries to the German officers whom we have captured. That matter has not been made a subject of convention. If that convention has not been put into practice, of course, as the Senator from Idaho has intimated, some relief ought to be granted to the wives and children of such officers who have been captured by the Germans.

Mr. WARREN. Mr. President, I want to ask the Senator from Idaho if he has heard of any instance where there has come complaint from officers' families on this subject?

Mr. BORAH. Yes; I have a letter here now in regard to that matter.

Mr. WARREN. That is, anticipating that such is the fact or that such relief has already been denied?

Mr. BORAH. That they have already, as I understand the letter, ceased to receive their allotment.

Mr. WARREN. Then something ought to be done; the matter ought to have immediate attention.

Mr. NELSON. Mr. President, I want to ask the Senator from Idaho whether the same principle will apply to enlisted men as to allotments to their dependents?

Mr. BORAH. I do not know. The article which I have in my hand does not cover enlisted men.

Mr. NELSON. If enlisted men are in the same situation, they also should be taken care of.

Mr. BORAH. I do not know that this is a principle of international law, but I have seen it so stated. I did not investigate that, because whether it is or not it is immaterial to me. I know that Germany, in all probability, would not comply with it, even if it were a principle of international law.

Mr. McCUMBER. Mr. President, do I understand that the Senator from Idaho claims that the international understanding is that an imprisoned officer shall receive the same salary which he was receiving from his own Government or the same salary that a like officer would receive from the nation in which he is incarcerated?

Mr. BORAH. I am not making any claim in regard to that at all. The point which I am seeking to impress upon the mind of the Senate is that the wives and dependents of the officers who have been captured may be denied any further assistance.

Mr. McCUMBER. I know, but it was stated by the Senator from Utah that the officers who are held prisoners here are receiving about four times the salary which they would receive had they remained in Germany. My understanding has been that they were simply given the same salary that was paid them by Germany, and not the salary of like officers in the United States.

Mr. KING. Mr. President, will the Senator from Idaho yield to me?

Mr. BORAH. I yield.

Mr. KING. Apropos of what the Senator from North Dakota has just stated, one of the officers of our own Army advised me with respect to German officers that had been captured and were interned here, that under a convention to which our Government and Germany were parties, as I understood him, the rule was that the captured officers were to receive the same compensation which was paid to officers of like grade and standing in the army of the country capturing them. Therefore the German officers who were interned at Fort Douglas, in Utah, would receive the same compensation that our officers would receive, whereas our officers captured in Germany would only receive the compensation that German officers receive.

Mr. McCUMBER. That would be about one-fourth of what we would be paying to like German officers.

Mr. KING. That is the convention that existed between the two Governments.

Mr. McCUMBER. I think that ought to be repudiated.

Mr. BORAH. Mr. President, I rose to ask the Military Affairs Committee to give some consideration to the question. The salaries of officers can be adjusted after the termination of the war, but the condition of their wives and dependents must be adjusted now. We ought to take care of them and not leave them to the mercy of the German Government.

Mr. TOWNSEND. Mr. President, may I interrupt the Senator from Idaho?

Mr. BORAH. Yes.

Mr. TOWNSEND. My understanding is, though it is not very valuable, that under this treaty it is simply a question of salaries that is discussed and not as to the distribution of the salaries among the dependents. I do not imagine, even if the convention is absolute, that Germany would look after the distribution of the salaries among the dependents. We provide for that in our law. So it occurs to me that the Senator's inquiry is most pertinent at present, and that the matter ought to be looked into.

Mr. THOMAS. Mr. President——

Mr. BORAH. I yield to the Senator from Colorado.

Mr. THOMAS. Let me suggest to the Senator that he embody the view that he has in mind in the shape of a resolution, which the Senate can refer to the Committee on Military Affairs, or I should say, perhaps, propose a resolution of inquiry addressed to the Secretary of War for information about this subject, so that the Committee on Military Affairs or the Committee on Foreign Relations—one or the other—may expedite this matter so that summary relief may be afforded the wives in the condition which has been described.

Mr. BORAH. I shall be very glad to formulate such a resolution, but it occurred to me that possibly the Military Affairs Committee might be in possession of the information which I desire, and even without a resolution might be disposed to inquire into the matter.

ORDER OF BUSINESS.

Mr. JONES of New Mexico. I ask unanimous consent for the present consideration of Senate bill 4855, just reported by me from the Committee on Military Affairs.

The VICE PRESIDENT. That is in violation of the rule. There is a rule providing that every Monday morning, immediately upon the close of morning business, the calendar shall be called—a new rule which was adopted on the 2d day of July last.

Mr. GORE. Mr. President, has morning business closed?

The VICE PRESIDENT. It has not.

Mr. GORE. I desire to ask unanimous consent for the present consideration of the bill (H. R. 12462) to exclude and expel from the United States aliens who are members of the anarchistic and similar classes.

Mr. ASHURST. I shall have to object to that.

The VICE PRESIDENT. The Chair has heretofore ruled on this question. The Senate made a rule over a month ago that a Senator could not make any such motion as is now made by the Senator from Oklahoma, but that immediately upon the close of morning business the Senate should consider the calendar.

Mr. GORE. And that rule applies on Monday morning?

The VICE PRESIDENT. This is Monday morning and the rule applies.

CONSUMPTION AND PRODUCTION OF GASOLINE.

Mr. SMOOT. On behalf of the senior Senator from Massachusetts [Mr. LODGE] I offer the resolution which I send to the desk, and I ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be read.

The Secretary read the resolution (S. Res. 299), as follows:

Resolved, That the Fuel Administrator be directed to inform the Senate what, approximately, is the daily consumption and production of gasoline in the United States, how much is taken for export, and what surplus, if any, there is of gasoline.

The VICE PRESIDENT. Is there objection?

Mr. ASHURST. Mr. President, I have no objection to the resolution, but, under the rules, I understand that can not be done on Monday morning.

The VICE PRESIDENT. Oh, yes; this is morning business.

Mr. ASHURST. I beg pardon.

Mr. McCUMBER. Mr. President, I wish to ask the Senator from Utah if he will not include another inquiry, namely, as to what proportion of the gasoline is used in pleasure cars? We ought to be informed of that fact.

Mr. SMOOT. Mr. President, may I ask the Senator if he will not address a separate resolution to that inquiry? The Senator from Massachusetts desires this information as quickly as possible, for a certain purpose, and I am afraid that, if the suggestion of the Senator from North Dakota were added to this resolution, it would take a long time to secure the information. I therefore suggest to the Senator that he offer a separate resolution.

Mr. McCUMBER. Let us hear the resolution read again.

The Secretary again read the resolution.

Mr. McCUMBER. Mr. President, at the suggestion of the Senator from Utah I shall not press my request, but I certainly can see no reason why we can not get one part of this information as easily as the other.

The VICE PRESIDENT. Is there any objection to the present consideration of the resolution? The Chair hears none, and the resolution is agreed to.

AMENDMENT OF FEDERAL RESERVE ACT.

Mr. OWEN. Mr. President, I wish to report a disagreement on the bill (H. R. 11283) to amend and reenact sections 4, 11, 16, 19, and 22 of the act approved December 23, 1913, and known as the Federal reserve act, and sections 5208 and 5209, Revised Statutes, and to move that the conferees be instructed to confer further with the conferees of the House. I should like in explanation to say that this bill, sometimes called the Phelan bill, proposes to give certain limited trust power to the national banks where States give such powers to State banks in competition with the national banks. I do not feel justified in agreeing to that proposal without the Senate having been informed with regard to it. I am advised that the opposition that existed to giving the trust powers proposed in that bill to the national banks has been satisfied, and that the parties objecting to it have become convinced that it would not be injurious, as they anticipated; but I think the matter ought to be presented to the Senate, so that the Senate will be advised with regard to it before the conferees take any action about it, and so that if the Senate desires to consider that aspect they may have the opportunity of doing so before the Senate conferees agree to it.

The VICE PRESIDENT. There seems to be no report.

Mr. OWEN. There is no report, except of progress. I did not intend to make a formal report, but only to advise the Senate of the fact.

Mr. PHELAN. I desire to ask a question of the Senator from Oklahoma. He submitted what purports to be an intended conference agreement on the subject of authorizing national banks to transact a trust business under the so-called Phelan bill, a bill taking its name from a Representative from Massachusetts in the House of Representatives. I ask the Senator from Oklahoma, the chairman of the Committee on Banking and Currency, whether the Comptroller of the Currency and the Federal Reserve Board approve of the new power proposed to be granted the national banks?

Mr. OWEN. It is my understanding, Mr. President, that they do. I merely reported progress with regard to this matter, not feeling willing to acquiesce in the trust provisions which were contained in the bill without the Senate being previously advised with regard to them, so that they might, if they desired to do so, discuss the matter, because in presenting the bill to the Senate all that part was stricken out by the Committee on Banking and Currency for the purpose of avoiding controversy over that feature, there being other parts of the bill which required prompt action. Personally I think that the trust privilege ought to be granted, because in some instances the national banks are subject to a serious handicap because of the competition of State banks, and I think it desirable that the banks should be upon the same basis, so that when they do compete with each other they may compete upon fair terms.

NATIONAL BUDGET SYSTEM.

Mr. KENYON. Mr. President, I rise to a parliamentary inquiry. When is the time to submit a motion to discharge a committee from the further consideration of a bill? Is that in order at this time?

The VICE PRESIDENT. The Chair would say that, in his opinion, a motion to discharge a committee would come under the head of reports of committees.

Mr. KENYON. I submit the motion which I send to the desk, and, if it is in order, I ask that it be agreed to. I think there will be no discussion of it.

The VICE PRESIDENT. The Secretary will read the motion submitted by the Senator from Iowa.

The Secretary read as follows:

Mr. KENYON moves that the Committee on Appropriations be discharged from the further consideration of Senate joint resolution 121, creating a commission to report a plan for the adoption of a national budget.

Mr. KENYON. I will say that I have spoken to the chairman of the Committee on appropriations in relation to the matter, and he has no objection. It is a resolution creating a commission to report a plan for the adoption of a national budget system. The committee has had the joint resolution since January, 1918, and there is no chance of any consideration of it by the committee. I should like to have it placed on the calendar.

The VICE PRESIDENT. Is there objection to the present consideration of the motion? The Chair hears none, and the motion is agreed to. The joint resolution will be placed on the calendar.

NOONDAY PRAYER.

Mr. PHELAN. Mr. President, during the recess of the Senate certain strictures have been made upon a resolution (S. J. Res. 164) adopted by this body calling upon the President to proclaim a noonday hour of prayer to God for the safety of our troops and the success of our arms. I would not have called the attention of the Senate to the matter were it not for the fact that I have received a letter from the Junior Order of United American Mechanics, which clearly indicates to me, as do articles in the religious press, and particularly in the Christian Science Monitor, that there is a radical misunderstanding of the nature of the resolution and the action of the Senate. Therefore, without further comment, I should like the letter from this branch of the Junior Order of United American Mechanics and my brief reply printed in the RECORD by unanimous consent.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

DEAR SIR: Gen. John A. Sutter Council, No. 26, Junior Order United American Mechanics, in regular meeting assembled, July 25, 1918, by unanimous vote went on record as unalterably opposed to the contemplated action of Congress on Senate joint resolution No. 164, requesting the President to issue a proclamation for daily prayer, for the reason that the proposed resolution directs that the President shall propose the Angelus as the prayer to be offered.

We are opposed to sectarian legislation.

This membership believes in prayer, but they believe that a national movement to this end should not be limited by any prescriptions. We respectfully and earnestly ask you to use your influence and to vote against this resolution.

B. F. ROUSE,
Recording Secretary.

—

SEPTEMBER 4, 1918.

Mr. B. F. ROUSE,
Recording Secretary Gen. John A. Sutter, No. 26,
Junior Order United American Mechanics,
Sacramento, Cal.

DEAR SIR: I have your letter calling my attention to the resolution of your council, dated July 25, 1918, opposing Senate joint resolution 164, which states that it is a request to the President to issue a proclamation for daily prayer, "for the reason that the proposed resolution directs that the President propose the Angelus as the prayer to be offered."

If this were true, it would be, as you state, sectarian legislation, to which I am unalterably opposed. You say your "membership believes in prayer," and if so, you would probably be in favor of the resolution, which reads as follows:

"*Resolved*, That the President be requested to commend by proclamation to the people of the United States, observance in their homes and elsewhere, until the end of the war, of the practice of prayer for at least one minute at noon each day to God for victory for our cause in the existing war."

It is true some misinformed people have confounded this request with the Angelus, which is a Roman Catholic prayer, but such was neither contemplated nor expressed in the resolution. In the preamble, however, the following words occur:

"Whereas what is called "the Angelus," the practice of prayer for one minute at noon each day, for the success of our country in the existing war is being observed in the District of Columbia and some other parts of the United States."

Now, if it is true that the practice of prayer for one minute each day is called "the Angelus," it is a popular misapprehension. It is certain, however, that the request made to the President by the Senate called for a prayer to God, which is not the Angelus, and one in which people of all religions can indulge. It is of the same character as the Thanksgiving Day proclamation or the prayer offered in the Senate of the United States from time immemorial every day at noon by the official Chaplain.

I am sorry that the intent and even the language of the resolution has been misunderstood.

Yours, very truly, JAMES D. PHELAN.

THE CALENDAR.

The VICE PRESIDENT. Morning business is closed, and the calendar under Rule VIII is in order. The Secretary will state the first bill on the calendar.

The first business on the calendar was the joint resolution (S. J. Res. 39) to appropriate $3,000,000 to enable the Secretary of Agriculture to prosecute the work of eradicating the southern cattle tick.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The joint resolution (S. J. Res. 53) authorizing the President to appoint two additional Assistant Secretaries of Agriculture, and for other purposes, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 1725) to stimulate the production of food upon private and public lands within reclamation projects, and for other purposes, was announced as next in order.

Mr. SMOOT. Mr. President, allow that bill to be read first.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill.

Mr. OVERMAN. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

Mr. PHELAN. Mr. President, do I understand that objection has been made?

The VICE PRESIDENT. Objection was made, and, under Rule VIII, the bill goes over.

Mr. PHELAN. May I ask who made the objection?

The VICE PRESIDENT. The Senator from North Carolina [Mr. OVERMAN].

Mr. ASHURST. Mr. President, in order to ascertain whether or not I clearly understand the rule, if objection should be made, a motion to proceed to the consideration of the bill would be in order, would it not?

The VICE PRESIDENT. Yes; it is in order.

The resolution (S. Res. 91) extending the authority of and provision for the committee appointed under S. Res. 92, Sixty-third Congress, first session, to investigate the charges of alleged attempts to influence legislation, was announced as next in order.

Mr. ASHURST. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

The joint resolution (S. J. Res. 25) providing for the appointment of a joint committee to be known as the joint committee on the conduct of the war was announced as next in order.

Mr. ASHURST. Let that go over.

Mr. OVERMAN. I ask that the joint resolution go to the calendar under Rule IX.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and it is so ordered.

The concurrent resolution (S. Con. Res. 10) authorizing the appointment of a joint committee to investigate the causes of the recent riots in East St. Louis, Ill., and to report thereon, was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The concurrent resolution will be passed over.

The joint resolution (H. J. Res. 200) proposing an amendment to the Constitution of the United States extending the right of suffrage to women was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The joint resolution (S. J. Res. 12) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President without the intervention of the electoral college, establishing their term of office from the third Tuesday of January following their election, and fixing the time when the terms of Senators and Representatives shall begin, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

Mr. SHAFROTH. Mr. President, this joint resolution has been on the calendar for some time. I recognize that there would not be any proper opportunity here now to discuss its provisions. I want to give notice, however, that when there is more time I expect to call up the joint resolution for consideration. I wish to have sufficient time to have it properly considered.

The bill (S. 23) granting to the State of Nevada 7,000,000 acres of land in said State for the use and benefit of the public schools of Nevada and the State univerity of the State of Nevada, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

AMENDMENT OF THE CONSTITUTION.

The joint resolution (S. J. Res. 90) proposing an amendment to the Constitution of the United States was considered as in Committee of the Whole.

The joint resolution had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 13, before the word "years," to strike out "six" and insert "eight," so as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That Article V of the Constitution of the United States is hereby amended to read as follows, to wit:

"ARTICLE V.

"The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or on the application of the legislatures of two-thirds of the several States shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution when ratified within eight years from the date of their proposal by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, or by the electors in three-fourths thereof, as the mode of ratification may be proposed by the Congress: *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate."

Mr. THOMAS. Mr. President, I should like to have the chairman of the committee explain briefly the principal features of the joint resolution with this amendment as compared with the way it now stands. In other words, what is the difference between the two?

Mr. OVERMAN. Mr. President, as the Constitution is now, when an amendment is submitted to the people it can be submitted for a thousand years and be in force whenever ratified. This limits to eight years the time within which the constitutional amendment shall be agreed upon.

Mr. SHAFROTH. Mr. President, it seems to me that we can not, under the five-minute rule, properly discuss this matter.

Mr. WALSH. I object to its consideration, Mr. President.

Mr. SHAFROTH. I propose to object for that reason—because we will not have time to consider a constitutional amendment under the five-minute rule.

The VICE PRESIDENT. Objection being made, the joint resolution will be passed over.

BILLS PASSED OVER.

The bill (S. 3311) to increase and expedite the supply of munitions of war was announced as next in order.

Mr. SMOOT. Mr. President, when that bill was up for consideration the last time, the chairman of the committee asked me to object to its present consideration, either because there were some matters that had been passed by Congress that covered it or because there were some amendments that he desired to offer to the bill. For that reason I ask that it go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1795) to relieve Congress from the adjudication of private claims against the Government was announced as next in order.

Mr. SMOOT. I ask that that go over.

The VICE PRESIDENT. The bill will be passed over.

PUNISHMENT OF ESPIONAGE.

The bill (S. 3522) to amend an act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, was considered as in Committee of the Whole. It proposes to amend section 3 of title 1 of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, so as to read as follows:

SEC. 3. Whoever, when the United States is at war, shall willfully make or convey false reports or false statements with intent to interfere with the operation or success of the military or naval forces of the

United States or to promote the success of its enemies, or with intent to obstruct the sale by the United States of bonds or other securities of the United States or the making of loans by or to the United States, and whoever, when the United States is at war, shall willfully cause or attempt to cause insubordination, disloyalty, mutiny, or refusal of duty, in the military or naval forces of the United States, or shall willfully obstruct the recruiting or enlistment service of the United States, to the injury of the service or of the United States, shall be punished by a fine of not more than $10,000 or imprisonment for not more than 20 years, or both.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 951) to provide for the sinking of artesian wells, and for other purposes, was announced as next in order.

Mr. OVERMAN. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 758) to increase the productive agricultural area of the United States by the reclamation of arid and swamp lands was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

HOMESTEAD AND DESERT-LAND ENTRYMEN.

The bill (S. 3439) for the relief of certain homestead and desert-land entrymen was announced as next in order.

Mr. LENROOT. Let that go over, Mr. President.

Mr. MYERS. Mr. President, I ask that the bill be read, and I move that the Senate proceed to its consideration notwithstanding the objection.

The VICE PRESIDENT. The question is on the motion of the Senator from Montana. [Putting the question.] By the sound, the noes seem to have it.

Mr. MYERS. I ask for a division.

Mr. WALSH. Mr. President, my colleague asked that the bill be read for the information of the Senate. I ask, likewise, that it be read.

The VICE PRESIDENT. It has been read, and the committee amendments have been agreed to.

Mr. MYERS. That was on a day months ago. I ask that it be read again now, when the Senate is present and can learn what it is about.

The VICE PRESIDENT. Is there any objection to the reading of the bill? The Chair hears none, and the Secretary will read it.

The Secretary read the bill as amended.

The VICE PRESIDENT. The Senator from Montana moves that the Senate proceed to the consideration of the bill notwithstanding the objection.

Mr. MYERS. Is my motion debatable, Mr. President?

The VICE PRESIDENT. Oh, no; not during this time. [Putting the question.] The ayes have it, and the motion is agreed to.

Mr. LENROOT. I ask for a division.

On a division the motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Public Lands with amendments.

The VICE PRESIDENT. The committee amendments have been agreed to heretofore.

Mr. MYERS. Mr. President, I should like to make a brief statement of two or three minutes about this bill.

Mr. SMOOT. Oh, let us pass it.

Mr. MYERS. Very well.

Mr. LENROOT. Mr. President, the measure is now open for debate, I take it?

The VICE PRESIDENT. For five minutes.

Mr. LENROOT. Mr. President, it does not seem possible that if the Senate understands the character of this bill it will approve of it. It practically repeals the present homestead law as far as residence is required. It shortens the term of residence required upon the homestead practically from three years to seven months. That is the effect and that is the purpose of the bill.

At this time, Mr. President, when increased production for war purposes is so necessary, it ought not to be possible that the Senate will permit the granting of a fee to a homestead entryman at the end of seven months, permitting him to mortgage his homestead and thus speculate in it. All that is required is an affidavit that will satisfy a local register or receiver that for two years following he will cultivate at least one-eighth of the land each year.

Mr. President, if that is war legislation, then we may as well stop making some of the appropriations that we have been making for the purpose of increasing food production in the United States.

Mr. MYERS. Mr. President, I will reply briefly to the argument of the Senator from Wisconsin [Mr. LENROOT]. The very object of this bill in its inception is to promote the increased production of food products on the homesteaded lands of the West. It is a war measure and is intended to increase our food supply. There are in Montana and other Western States thousands of homesteaders who are splendid men and women, loyal and patriotic citizens, who have the misfortune of being poor. They went to the West to make homes there and to link their fortunes to those of that great section of the country and engage in agricultural labor and production, but they are handicapped by being short of means. Many of them have no money with which to improve their farms, to buy teams and wagons and tools and implements, and with which to fence and cultivate their farms and put their land in crops. They are well meaning, but poor. They are worthy and deserving. Under the existing laws of the United States the land which they occupy, when they may get title to it, is exempt from any lien for a debt that was incurred before making final proof. The consequence is that they can not get credit. If they go to a store to get seed or supplies or agricultural tools or implements or go anywhere to buy horses or to get anything with which to carry on farming operations, as a rule they are denied credit, because the people from whom they seek credit know that if they extend credit to them they will have no lien on their lands after the making of final proof. So the poor people are practically helpless, except in so far as they can get credit personally on the strength of their personal integrity. Thousands of them are handicapped in their desire to get the means with which to carry on the cultivation of their lands and raise crops, and they can not do it to any great extent. Many have to leave their homesteads and go away and hire out for wages elsewhere, and their land as a result is but scantily cultivated and does not produce nearly the crops it would produce if cultivated to the fullest extent possible.

This measure would not affect the general homestead law. It would not repeal it. The general homestead law would remain as now. This bill simply applies to the homesteaders of the present time; those now on homesteads who have entered them as much as one year or more ago and have cultivated them and otherwise complied with the homestead laws for at least seven months. It applies only to the homesteader of to-day, and none other. It has no future application. When taken advantage of by those now on the land, the present crop of homesteaders, it will be functus officio.

Mr. POMERENE. May I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Ohio?

Mr. MYERS. With pleasure.

Mr. POMERENE. I notice that section 2 provides—

That no final proof shall be deemed sufficient and no patent hereunder shall issue until the entryman shall, by affidavit, bond, or otherwise, as required by the register and receiver, satisfy the register and receiver of the land office where final proof may be made that he will each year for the next succeeding two years cultivate and put in grain or other food crops one-eighth of the area of the homestead.

My question is this: Suppose he gives this reasonably satisfactory proof that he will do these things, but fails to do these things during the two succeeding years, what remedy, if any, will the Government have?

Mr. MYERS. I do not know that there is any. I do not believe many will fail. The overwhelming majority will be honest and will comply. If an occasional one should not, the Government would not be hurt. It wants settlers on the land.

Mr. SMITH of Arizona. What loss would the Government sustain even in that case?

Mr. MYERS. I think that is a sufficient answer to the question, What would be the loss to the Government?

The VICE PRESIDENT. The Senator's five minutes have expired.

Mr. BORAH. Mr. President, it seems to me that the Senator from Wisconsin [Mr. LENROOT] takes an erroneous view of this bill. It occurs to me that section 2 and section 3 protect the situation pretty well and that the bill is a meritorious one and ought to pass. Section 3 provides:

That no patentee hereunder shall have the power to convey by deed of conveyance or otherwise alienate any lands patented hereunder (except that he may mortgage it for a valuable consideration) within three years' time from the date of his entry.

As was said by the Senator from Montana [Mr. MYERS], the object of this bill is to enable the homesteaders situated as they are to have some security, something in the way of an asset by which to enable them to get means to go forward and raise crops. Safeguards have been thrown around the matter, it seems to me, quite sufficient to prevent what you may call speculation in homesteads.

Mr. POMERENE. May I address the same question to the Senator from Idaho that I addressed to the Senator from Montana?

Mr. BORAH. Yes, sir.

Mr. POMERENE. Section 2 provides:

That no final proof shall be deemed sufficient and no patent hereunder shall issue until the entryman shall, by affidavit, bond, or otherwise, as required by the register and receiver, satisfy the register and receiver of the land office where final proof may be made that he will each year for the next succeeding two years cultivate and put in grain or other food crops one-eighth of the area of the homestead.

That is practically a promise, and I am not questioning the good faith of the promise that he intends to do these things; but assume, for the sake of argument, that he does not do it. It may be that he has acted in good faith; it may be that he made his promise in good faith, but for reasons beyond his control he has not been able to carry out the promise. Ought there not to be some remedy on the part of the Government or the community?

Mr. BORAH. Section 2 requires, as I read it, twice as much cultivation as the homestead law does as it exists now. Of course if the particular condition of affairs should exist as suggested by the Senator from Ohio, I doubt if there would be any practical remedy; that is to say, that the Government would have no comeback in the matter in any way except such as it would have by virtue of the bond or the assurance which had been given, but the Government takes little risk under the limitations of section 3.

Let me say further, in answer to the Senator from Ohio, that very little injury will ever arise or very little fault be found with the record, in my judgment. There might be an instance now and then, but it would be very rare indeed that the Government would have any cause to complain. The people who go upon these homesteads in these days and undertake to make homes and reclaim the public lands are not very often speculators. That used to be to a considerable extent true, but it is no longer true. They are very rarely speculators, and when you take into consideration that they are not permitted to sell it, to deed it, or to convey it for three years, their interest is to improve it, and it is to their own interest to go forward and carry out this contract.

Mr. POMERENE. If I may make a suggestion, it seems to me that this in no respects distinguishes between the homesteader who might be acting in good faith and a man who was really acting in bad faith. I confess I am not familiar with the land laws, because we have not for many, many years had any public lands in Ohio, and I have not had occasion to inform myself especially upon the subject, but it does seem to me there ought to be some remedy here. It may be that it is provided in other land laws. I am not sure about it.

The VICE PRESIDENT. The time of the Senator from Idaho has expired.

Mr. KENDRICK. Mr. President, in answer to the question asked by the Senator from Ohio, I would point out to him that the bill only provides for a limitation on the time of residence, and does not in any way change, as far as I can see, the responsibility as to the improvement and cultivation of the land. It is also true that the entryman making proof on this land would not be relieved from obligation until the final improvement and cultivation was made. As in other homestead entries, in those under the present law the protection of the Government is found in the possibility of contest on the land. Wherever there is any settlement there is that liability, and no entryman, I take it, would involve himself in that risk without serious danger of losing his homestead. I believe that of itself would guarantee good faith on the part of the entryman.

Mr. POMERENE. Let me ask the Senator a question.

Mr. KENDRICK. I yield to the Senator from Ohio.

Mr. POMERENE. Do I understand, then, that if some of these entrymen were not to act in good faith, and did not cultivate as they promised to do and were required to do under section 2, the Government could contest their right to a title?

Mr. KENDRICK. The Government not only would have the right to contest the land, but any neighbor—anyone who desired to obtain possession of the land—and if an absence of good faith were proved they would simply forfeit their right to the land.

Mr. ASHURST. Mr. President, the bill provides—I am reading from line 3, at the beginning—

That any person who, as much as one year before the passage of this act, shall have made a valid homestead entry for not more than 320 acres of public land—

And so forth. I should like to ask the Senator from Montana [Mr. MYERS], who introduced the bill and from whose committee it comes, if he has any information as to how many people there are in that class, the number of homesteaders who could take advantage of the bill? I am in favor of the bill, but I should like to have information, if such information can be obtained, as to how many people would be legally eligible and qualified to make entries under this act?

Mr. MYERS. I am not prepared to state the exact number now, but there are many thousands of them. There are thousands of them in Montana and every other Western State.

I want to state further, while on my feet, in reply to the question asked a number of times by the Senator from Ohio [Mr. POMERENE], that I do not believe this law would be abused one time out of a thousand. While it might be abused one time out of a thousand, the great good that it would do in nine hundred and ninety-nine cases out of a thousand would far outweigh the little damages that might result from its abuse one time out of a thousand. Every law that is enacted is abused. The law against murder, the law against larceny, is abused. Bankrupt laws are abused. Laws of limitation and estoppel are abused. Every human-made law is subject to abuse; but if a good law, as this would be, much more good comes from it than damage from its abuse.

Mr. ASHURST. I thank the Senator for his answer, but I should like to know from him, as chairman of the Public Lands Committee, if he has any idea as to the number of persons who would be qualified under this act?

Mr. MYERS. No exact figures; but I would say at least 10,000. It may be there would be more. I know there would be many thousands. I will say that this bill was unanimously reported favorably by the Senate Committee on Public Lands. As amended by the committee, it is indorsed by the Interior Department. It would not interfere with the general homestead law in future. It merely provides that such homesteaders as may have as much as one year prior to the enactment of the law made their entries and may have lived on and cultivated their homesteads seven months may get the benefits of it. Then it will be all over and done with. It will have no future application. There are thousands of homesteaders in the Northwest whose crops were ruined by drought this year, and they are asking millions of dollars from the Federal Government in the way of direct appropriations from the Federal Treasury to get seed for next year. This would enable many of those unfortunate homesteaders to obtain credit and buy their own seed on the strength of their patents and thus save the United States from appropriating just that much. The Senators from the Western States want the enactment of this bill, and they should have it. All of the western Senators are for it, and I believe they know best the needs of the West and what is best for the West, and believe they can be trusted to do what is right and best in matters vitally affecting their own section. The West is hard hit this year by the awful blight of drought. It has laid a heavy hand of affliction on the West. Thousands of homesteaders, honest and worthy men and women, loyal and patriotic, are sick at heart and desperately discouraged at seeing their crops burnt up by drought. Their plight is desperate. They are poor. They have neither means, money, nor credit. They want to raise food crops to aid in the prosecution of the war, but they are unable to obtain seed. They are clamoring for Federal aid. Here is one way to give it to them. Give them title to their lands and let them raise their own finances and furnish their own seed. We need the food.

Mr. LENROOT. In line 17, page 2, after the word "land," I move to insert the words "or timber growing thereon."

Mr. MYERS. I have no objection to that. I think it is a good amendment.

The VICE PRESIDENT. Without objection, the vote whereby the amendment of the committee was agreed to will be reconsidered, the amendment of the Senator from Wisconsin agreed to, and the amendment as amended agreed to. The Chair hears no objection. The bill is still in Committee of the Whole and open to further amendment.

Mr. POMERENE. I offer the following amendment to section 2.

The VICE PRESIDENT. The Senator will have to move to reconsider.

Mr. POMERENE. I move to reconsider the vote by which the amendment of the committee was agreed to.

The motion to reconsider was agreed to.

The VICE PRESIDENT. The amendment proposed by the Senator from Ohio will be stated.

The SECRETARY. Add to section 2 the following proviso:

Provided, That a failure to so cultivate and put in grain or other food crops said land as herein provided shall subject said patent to cancellation after hearing.

Mr. BORAH. Mr. President, section 2 provides for double the amount of cultivation that is now required under the homestead law. If a man takes advantage of this law, he subjects his patent to cancellation if he does not do twice as much as he is

required to do under the law, which, of course, will result in nobody taking advantage of this law at all. It kills the law. If the law simply provided for the same amount of cultivation as the old law, it would be a different proposition, but this law obligates him to do twice as much; and yet the amendment provides if he fails, through sickness or other cause, to do it his entire effort to get a homestead is naught and the entry canceled. Of course, the result of it is that it kills the law.

Mr. MYERS. May I say word in explanation?

Mr. BORAH. Yes, sir.

Mr. MYERS. I do not think that the amendment should be adopted, because it would defeat utterly the very object of this measure, and I will show the Senator from Ohio why and how. The very object of this law is to enable a man who is on a piece of land as a homesteader and is complying with the law and who is able to produce, by affidavit, bond, or otherwise, to the satisfaction of the local land office officials who know the man, evidence that he is in good faith and intends to comply with the provisions of the measure, and that he will live up to the law to the best of his ability—it is intended to allow such a man, who is unfortunately poor in this world's goods, to get title to his land sooner than he would otherwise in order that he may go to a local bank or money lender and mortgage his land and get money with which to fence it, build on it, buy teams and wagons and tools and implements and seed and put it under cultivation to the full extent of his ability. If, however, the amendment offered by the Senator from Ohio should be adopted and put in the proposed law, any banker to whom the man may take his title will say, "Why, if through sickness or other misfortune or through miscalculation or something which you can not now foresee you do not comply to the uttermost with the very letter of this law, your patent will be canceled, and we will not lend you any money." No banker would take that risk. That would utterly prevent the man from obtaining any money. It would defeat the object of the bill, and I do not believe the amendment ought to be adopted. The very object of this bill is to give the honest and worthy homesteader, who is poor but acting in good faith, his patent at the end of one year after his entry of his land; give it to him now, while this awful war is on, while we need the food to win the war, so he can go to banks or other money lenders and pledge his land and borrow money with which to improve his land and put in crops. The object is to enable him to get money.

If we are going to make the bill so burdensome on homesteaders, so extreme in its requirements that it will be unworkable, we might as well not enact the bill at all. As I said, thousands of homesteaders in the Northwest were burned out this year by drought and are appealing to the Government to pay out millions of dollars to stake them for next year's crops. Let us make it so many of these people can prove up and borrow money on their land, upon their good faith, and their known reputation for complying with the law, and use their own money in buying seed and raising next year's crop and save the United States donating that much money to them from the Federal Treasury. If, however, you are going to fix it so that when a homesteader proves up he will have no title to his land, he will not be able to borrow a dollar on it and he will be no better off than now. I hope the amendment of the Senator from Ohio will be defeated.

Mr. POMERENE. Mr. President, I have no desire whatever to embarrass any of these entrymen; I realize what their hardships are; but I think there is such a thing as good faith toward the Government. Now, let us see what this argument is. Under the rule of law, as set down in section 2, a man promises to cultivate one-eighth of the land that he is taking as a homestead. He makes that promise in good faith, it may be, but it may be in bad faith.

Mr. MYERS. May I interrupt the Senator for just a moment there to state that if the local land officers have any doubt of the man's good faith they may require a bond of him?

Mr. POMERENE. Then, in my judgment, there ought to be inserted a provision requiring that. He makes this promise, and he gets certain property rights from the Government. Good faith toward the Government requires that he should keep his promise in the matter. If he fails to do so, then the Government ought to have some remedy as against him.

I go to a bank and I promise to pay $1,000 which I owe; I make the promise in good faith. If I do not keep the promise, the bank brings suit against me. I do not know of any difference in principle between a situation such as that and the getting of title to land on a promise that I will do something in the future when I do not do it.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. OVERMAN in the chair). Does the Senator from Ohio yield to the Senator from Idaho?

Mr. POMERENE. I yield.

Mr. BORAH. I recognize that the object which the Senator from Ohio is seeking to obtain has a foundation of justice, but the Senator now says that this law is being passed to enable a man to get some form of security, to use his homestead as an asset for security. You can not go to a bank and get a mortgage or get anybody to take a mortgage upon a homestead when the entire title is to be forfeited in case for any conceivable reason—sickness or anything else—a man fails to cultivate within 20 acres of what the Government has required.

Mr. POMERENE. Then, I do not care to adopt a hard and fast rule here, or anything of that kind, that is going to be harsh, but if I promise to cultivate one-eighth of the land and the Government says, "I will give it to you if you cultivate one-eighth of it," if I do not cultivate the one-eighth for some reason or other, it seems to me that the Government should be in a position where it could exercise its discretion as to what it is going to do.

This does not distinguish between a man who exercises good faith and a man who does not do so. It is true the register will inquire into these things, but he may be deceived about the matter. If he gives his O. K. and says, "I believe this man is exercising good faith," though he may not be, merely because the register gives his certificate to that effect the man is entitled to have title to his land. That is my objection to it.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Montana?

Mr. POMERENE. I have concluded.

Mr. WALSH. Mr. President, I suggested to the Senator from Ohio that probably the Senator from Wyoming did not accurately state the rule, and that, in order to reach what he was seeking to accomplish, it would be necessary to make the patent subject to cancellation; but I do not think the Senator from Ohio takes the right view of the matter.

This promise is really not exactly in the nature of a contract made between the homestead entryman and the Government, which the Government will endeavor to seek to enforce. The Government wants to get increased crop production; the entryman is quite willing to help get the increased crop production, but he can not cultivate a crop; he can not raise a crop unless he can raise money upon the credit of his homestead. That is what the Government is interested in. It simply wants him in good faith to undertake this work; it is not undertaking anything else except to promote the further cultivation of these homesteads.

Mr. POMERENE. Mr. President, I ask the Senator from Montana if he feels that the Government should have no protection here as against the man who may in fact be acting in bad faith?

Mr. WALSH. No; I do not say so at all.

Mr. POMERENE. Certainly not.

Mr. WALSH. The man who is acting in bad faith, of course, commits perjury when he says in bad faith that it is his purpose to cultivate; he subjects himself to prosecution and to incarceration in the penitentiary. That is not always a very satisfactory way of solving these matters; but this is an emergency. The usual rule is that in such a case a man does not get his patent until the expiration of three years, but we want to expedite cultivation, and we merely make this arrangement so that the man can get the money for the purpose of carrying on cultivation, and the Government also serves its purposes in that way.

Mr. POMERENE. I observe, with all due respect, that the fact that a man might be threatened with prosecution for perjury would not be very much of a deterrent. It would be next to impossible to convict a man of perjury when he has said, "I promise to do something in the future." How are you going to get into the internal recesses of his mind as to a thing in the future?

Mr. WALSH. I recognize that fact; and I did not intend to say that the provision was adequate at all; but the amendment proposed by the Senator from Ohio unquestionably would defeat the whole purpose of the bill.

Mr. POMERENE. I should be very glad to have my amendment modified in such a way——

Mr. MYERS. May I ask the Senator a question?

Mr. POMERENE. Pardon me for just a minute. I should be very glad to have my amendment modified in such a way that it would not do any injustice to the entryman; but I do not want injustice to be done to the Government in this manner.

Mr. MYERS. I merely want to say to the Senator from Ohio that I do not believe his amendment is necessary, because under the law as the bill is now drawn, if a man should make final proof and then boldly and openly go off and leave the premises and never go back nor attempt to comply with the law, I think it would be such an evident piece of bad faith that his patent

could be canceled under the law as it now stands; and there would be no need of this amendment in that event. If a man makes a fair, honest effort to comply with the law and does not succeed his patent should not be canceled.

Mr. POMERENE. That is only one instance. I should be very glad to accept such a modification of my amendment as will make it less drastic.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from New Mexico?

Mr. POMERENE. I have finished.

The PRESIDING OFFICER. The Chair has been very indulgent to Senators, but the Senate is acting under a rule which prevents Senators from speaking on a bill oftener than once or for more than five minutes.

Mr. FALL. But the Senator from New Mexico has not thus far had an opportunity to speak.

The PRESIDING OFFICER. The Chair understands that, and did not make the remark which he did to reflect on the Senator from New Mexico.

Mr. FALL. Mr. President, the Senator from Ohio [Mr. POMERENE], I presume, understands that to-day under the 320-acre homestead act, the entryman must live upon the land for three years, and during each 12-month period for 7 months continuously. He must also, in addition to residence, cultivate a certain acreage each year. The proposition now before the Senate is to do away in effect with two years' residence upon the land, but to require double cultivation for the last two years of the cultivation period; in other words, the entryman must, before he can take advantage of this law, have resided at least the seven-month consecutive period out of the one year upon his homestead; he must have cultivated the land which is required to be cultivated for one year, and must enter into an obligation that he will cultivate double the minimum amount required of him for the succeeding two years. He entering upon that obligation, the Government then issues him a patent, but requires him to satisfy the local land officer that he will continue the cultivation, simply relieving him of the necessity of residing upon the land in order that he may go somewhere else, probably for more than five months, to earn money with which to cultivate and improve the land as required by law.

Now, with reference to the forfeiture of the patent, unless there is a limitation on the time during which suit might be brought on account of fraud for the cancellation of the patent, there would always be a cloud over the title of any land patented under this act, and such a cloud would remain forever unless some limitation is provided.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Ohio?

Mr. FALL. I yield.

Mr. POMERENE. I merely desire to ask the Senator a question. Is there not some statute of limitation now bearing upon a case of this kind?

Mr. FALL. I was going to say that in regard to fraud and cancellation for fraud—and there may be some question whether or not this would be considered fraud—five years' limitation after the issue of the patent is the rule, provided the land in the meantime has not gone into the hands of innocent parties for value, parties who are not cognizant of the fraud and not in collusion with the homestead entryman. So after five years the title can not be attacked, and, unless some similar limitation were placed in this proposal of the Senator from Ohio, I doubt whether that five-year period of limitation would apply.

I am thoroughly in favor of this bill, but I would very much prefer that instead of having a cancellation amendment adopted in this bill, the patent itself should not issue until one year's residence and three years' cultivation. That is really the purpose of the bill. Then there would be no cloud upon the title after patent has once issued, but for five years, at any rate, there would be a cloud upon the title if the Senator's amendment were adopted.

This bill does not apply to any entries which have been made in the last six months or which have not been made within the period of 12 months prior to the issue of patent. It does not apply to any new homestead entry. I may say to the Senator that I had my attention called recently to a condition of this character existing in some of the States: The railroads are very short, of course, of workmen, and have been going out into the country districts in the attempt to secure bridge workers and section men upon the roads. Some entrymen, constituents of mine, have requested me to take up, and I have taken up, with the Interior Department the proposition that they should be allowed to leave their homestead entries to do work upon any war necessity and to have credit on the time of residence required under the law according to the time expended in such work; in other words, they should be allowed to work on the railroads to earn money and get credit in that way.

I understand that the actual facts in the condition of affairs here sought to be relieved is that the rural-credit banks possibly will loan the money upon lands patented under this bill, but they certainly would not be justified in loaning that money or making advances to any of these entrymen were the amendment of the Senator from Ohio adopted.

Mr. LENROOT. Mr. President, I rise to support the amendment offered by the Senator from Ohio [Mr. POMERENE]. The Senator from New Mexico [Mr. FALL] said, as I understood him, that the purpose of this bill was to relieve entrymen from residence, but I call attention to the fact that the purpose that has been stated by the author is naturally to allow them to raise money to put in their crops. The vital feature of this bill is the power to mortgage.

I am very much surprised to hear Senators say that this amendment would kill the bill. Mr. President, it can not kill the bill unless it be taken for granted that the local banker, who knows the entryman, is of the opinion that the entryman is not in good faith in making the affidavit before the register and receiver that he will fulfill his promise in the way of cultivation of one-eighth of the land for two successive years. So far as the entryman is in good faith, when he goes to the local banker under the amendment adopted he will have protection, because in that kind of a case the bank can protect itself; the bank can protect its mortgage and can proceed itself, through the entryman, to comply with the conditions of one-eighth cultivation for each of two years; but with the amendment adopted the entrymen can not speculate; they can not make a promise to a register and then fail to keep it. The amendment will take care of the meritorious cases, if it be adopted, but it will shut out, as it ought to shut out, those who would take advantage of the law not in good faith, but for the purpose of getting title upon only one-third of the residence required under existing law and then selling the land through the means of a mortgage.

The PRESIDING OFFICER. The question is on the adoption of the amendment offered by the Senator from Ohio [Mr. POMERENE] to the amendment reported by the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER.

The joint resolution (S. J. Res. 132) to amend section 14 of the food-control act by increasing the guaranteed minimum price of wheat for the crop of 1918 from $2 to $2.50 per bushel was announced as next in order.

Mr. ASHURST. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

SAN DIEGO (CAL.) WATER SUPPLY.

The bill (S. 3646) to grant rights of way over Government lands for reservoir purposes for the conservation and storage of water to be used by the city of San Diego, Cal., and adjacent communities was announced as next in order.

Mr. PHELAN. Mr. President, this is a bill granting to the city of San Diego for a municipal supply and reservoir a right of way in the Capitan Grande Indian Reservation, about 36 miles from San Diego. There have been extensive hearings, and both the Agricultural and Interior Departments, as well as the Commissioner of Indian Affairs, Mr. Cato Sells, have approved the bill.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. SMOOT. Mr. President, I am not going to object to the consideration of the bill, but I do want to say that I have protests from a great many California people against this bill. I am quite aware that the Senator from California knows more about the situation there than I do, but I have letters from the Spring Valley Irrigation District of La Mesa and about a dozen other organizations who claim that they are deeply interested in this bill and that their rights are involved in it. That may be true or it may not be true, but I am not going to encumber the RECORD with the petitions and the protests. They say that the Senator from California is mistaken in his attitude and in

the position which he takes upon this bill, and that it will do a great many people in California grave injustice. I repeat, I am not familiar with the situation; but the Senator from California is a member of the Public Lands Committee and represents in part the State of California. I can only say what I have said, and then the Senator can say what he desires to say in answer to it.

Mr. PHELAN. Mr. President, protests have been made against this application, and the matter has been before the departments and Congress for several years. The letter of the Secretary of the Interior, Hon. Franklin K. Lane, accompanying the report, addressed to Hon SCOTT FERRIS, refers to these protestants, and speaks of a hearing which they were given in the winter of 1915–16 in Los Angeles. By a decision rendered in July, 1916, the protest of Messrs. Fletcher and Murray against the city's application was dismissed. The objection is from a private or quasi-public water company, which believes that the grant to the city of San Diego will diminish its supply. Of course, the only purpose for which the city wishes the water is the domestic use of it; and the city of San Diego is a populous and growing community. The other companies supply water largely for irrigation purposes to the productive lands in the neighborhood of San Diego.

The only objection that has been given consideration that I know of is the objection by Messrs. Fletcher and Murray, which has been dismissed. They represent the Cuyamaca Water Co., and they have water rights above the Indian reservation; so it is very hard to see how they can be possibly damaged by granting a reservoir right of way in the Indian reservation, which is lower down. The Indian reservation gets the residuary water; and the city of San Diego, by building a dam, will have a storage there after the Cuyamaca Water Co. has helped itself, pursuant to the exercise of its water rights.

There seems to be a general unanimity on the part of the officials of the department that the city of San Diego needs and requires and is entitled to this privilege. There are some Indians in the reservation; and the city of San Diego, in consideration of this grant, undertakes, without any limitation, to remove those Indians to lands which, I believe, have already been selected by the Commissioner of Indian Affairs. I believe there are 29 families that would have to be provided for.

I do not know of any other objection, except from the Cuyamaca Water Co. If there are other objections, I suppose they are all of the same character.

Mr. SMOOT. Mr. President, if the Senator desires, I can call attention to them at this time.

Mr. PHELAN. If there is any serious objection, I, of course, ought to be apprised of it.

Mr. SMOOT. There is. Then, Mr. President, if the Senator does not object, I ask that the two telegrams which I send to the desk be read for the information of the Senate and for the information of the Senator.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

JUNE 2, 1918.

To Hon. WILLIAM R. WHEELER,
Army and Navy Club, Washington, D. C.:

We urge you to represent us before Congress in opposing San Diego's El Capitan bill until such time as the city council of San Diego gives reasonable assurance to us and the Cuyamaca Water Co. that they will back up the statements of their city attorney before Congress that San Diego would not oppose, but would encourage, construction of the Cuyamaca Water Co.'s diverting dams. Repeated attempts by conference and otherwise have been made to get the San Diego City Council to support the city attorney's representations, but all efforts have failed. When that assurance from San Diego City Council is secured we withdraw all opposition to House bill 10587, Senate bill 3646. You can not too strongly impress Congress that this is our only source of water supply for our present needs and future growth, while San Diego has many other sources of supply. Repeated attempts were made by city council and merchants' association of La Mesa to present this matter to Congressman KETTNER when here recently, but he avoided meeting us and has failed to answer our communication.

J. H. MALLERY,
President Board of Trustees City of La Mesa.
O. D. INNES,
President Board Trustees City of El Cajon.
J. H. HALLEY,
President La Mesa, Lemon Grove, and Spring Valley Irrigation District.
G. A. MACNEAL,
President Merchants' Association of La Mesa.
H. CULBERTSON,
President El Cajon Farm Bureau.

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SAN DIEGO, CAL., *June 2, 1918.*

Hon. WILLIAM R. WHEELER,
Army and Navy Club, Washington, D. C.:

Please notify chairman Public Lands and Indian Affairs Committees of House and Senate, also other interested Members, that the Cuyamaca Water Co. has just offered to sell its system to us, including building of at least one major dam on the San Diego River, at or near their present point of intake. The valuation of their present system and future development to be made by State authorities, the Cuyamaca Co. to accept our bonds in payment. Every indication sale will be consummated by voters of this district. Official representatives of the cities of La Mesa and El Cajon, also business associations in our district, by arrangement, met Secretary Lane May 23, Pasadena, and asked Government consent to construction by Cuyamaca Water Co. of major dam at or near diverting dam. We believe permit will be granted. Urge delay on San Diego's El Capitan bill until Secretary Lane returns. This is no longer a fight of city versus private corporation, but one San Diego versus other municipalities; also, unanimous back country trying to protect its only source of water supply for our future heritage.

LA MESA, LEMON GROVE, AND
SPRING VALLEY IRRIGATION DISTRICT,
J. H. HALLEY, *President.*

Mr. PHELAN. Mr. President, that is the very same company to which I have referred. Their case was heard by the department, and it was dismissed. They sent on their agent to the hearing before the Public Lands Committee. The city of San Diego was represented by its district attorney, Mr. Cosgrave; and after a full hearing the committee reported out this bill. I am disposed to think that these private parties are mistrustful of their own city, whose interest certainly is to develop agricultural districts adjoining. They have water rights above the proposed dam and, I believe, are protected, but evidently they do not wish the city to exercise its municipal functions and provide water for its own people. I am convinced that the community interest is with the application of the city of San Diego for a reservoir right of way.

Delays have been granted by the committee, keeping the district attorney here for over two months, with the hope that some compromise might be arranged between the city and the Cuyamaca Water Co. That postponement was granted at the request of the Cuyamaca Water Co. The city of San Diego positively refuses to have any dealings in the nature of a compromise with these parties, and has steadfastly held that position. I do not see that any wrong could be done to these parties by passing the bill; and if there is any doubt about it they will have their opportunity to be heard in the House and, possibly, before the conference committee on the bill.

Mr. LENROOT. Mr. President, a bill identical with the original print of this bill, I believe, was introduced in the House and referred to the Committee on Public Lands, of which I was then a member. The committee there held extensive hearings upon the bill, and I may say that I am heartily in favor of its purpose; but the bill was there referred to a subcommittee of which I was a member, and that subcommittee then came to certain conclusions; and I think I ought to state them, because I think this bill, with the amendments, has the same vice that the House bill had.

The legal title to the lands in question is in this Mission Band of Indians. The bill undertakes to grant a right of way over these lands to the city of San Diego, and authorizes the Secretary of the Interior to determine the compensation which shall be paid by the city of San Diego for this right of way. It then provides that the proceeds paid in by the city of San Diego shall be used by the Secretary of the Interior to purchase other lands and provide homes for these Indians. Nowhere in the bill is the assent or consent of this tribe of Indians required; and while we may have power to take their lands without judicial hearing or otherwise, unless we either provide for a judicial hearing or provide that the city of San Diego shall give a bond to save the Government harmless from any future claims that may arise, there is nothing to prevent a very large claim arising against the Government in the future by reason of this act.

I had understood that a bill had been agreed upon between the city attorney of San Diego and the Public Lands Committee of the House that covered all these questions and was entirely satisfactory to the city of San Diego. I wish to ask the Senator from California whether he has had any information upon that subject?

Mr. PHELAN. No, Mr. President; I have had no information as to any compromise. If this bill is passed, I suppose it will go to a conference.

Mr. LENROOT. I feel very clear that this bill ought not to pass in this form; and there is another objection to it. There is nothing in the bill that gives to the city of San Diego exclusive occupancy of these lands after the grant is made. The occupancy of the city of San Diego should be exclusive. No Indians at all should be permitted to reside upon the lands that are covered by the grant, because of the necessity of having the purest water possible in this reservoir, and it should be prevented from contamination. There is nothing in the bill that safeguards it in that respect.

Mr. PHELAN. Mr President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from California?

Mr. LENROOT. I was merely going to say, in conclusion, that if the Senator thinks it would expedite final action upon the

bill I shall be willing to let it go through and go to conference; but I feel very clear that it ought not to become a law in its present form.

Mr. PHELAN. Mr. President, the Senator very generously says that he will not object, so that the bill may go to the House and ultimately to conference; but as his concern is with respect to the Indian rights I will read for his information this extract from the letter of the Secretary of the Interior to the Hon. SCOTT FERRIS:

The Commissioner of Indian Affairs during a recent trip through the Southwest visited the city of San Diego and the Capitan Grande Indians for the purpose of going into this matter personally. He finds that the city officials are willing and anxious to make full compensation to the Indians for any loss or injury to their property resulting from the construction of the proposed dam; that the property interests of the Indians can be fully protected by the purchase of land for them elsewhere, possibly to their future advantage; that the sentiment among the Indians, as expressed in open meeting, in favor of a more desirable location elsewhere is practically unanimous; and that enlarged water facilities are absolutely essential to the future expansion and development of the city of San Diego.

So the reports rather lead to the conclusion that the Indians have been consulted and that they are agreeable to the change.

Mr. LENROOT. Mr. President, will the Senator yield for just a suggestion at that point? The suggestion was made that the consent of the Indians was legally obtained; but there were certain statements made to the committee that make it seem possible that the legal consent of all the Indians could not be obtained; and the Government can not be protected unless it has either the legal consent of the Indians, a judicial proceeding, or a bond from the city of San Diego.

The PRESIDING OFFICER. The question is upon the adoption of the committee amendments, which will be stated.

The first amendment of the Committee on Public Lands was, in section 1, page 1, line 3, before the word "reservoir," to insert "dam and"; on page 2, line 4, before the words "of the southeast quarter," to strike out "east half" and insert "northeast quarter"; on page 3, line 1, after the word "Interior," to insert "and the Secretary of Agriculture"; and in line 6, after the word "Reservation," to insert "*Provided*, That the rights herein granted shall not be sold, assigned, or transferred to any private person, corporation, or association, and in case of any attempt to so sell, assign, transfer, or convey, this grant shall revert to the Government of the United States," so as to make the section read:

That rights of way for a dam and reservoir on and over the south half of the northeast quarter of the northwest quarter and the north half of the southwest quarter of section 8, the west half of the southwest quarter of the southwest quarter and the west half of the northeast quarter of the northwest quarter of section 9, all in township 15 south, range 2 east, San Bernardino base and meridian, within the Cleveland National Forest; and on and over the southeast quarter of the southwest quarter and the southwest quarter of the southeast quarter of section 15; the northeast quarter of the southeast quarter of section 21; the northwest quarter of the northeast quarter, the northwest quarter, the north half of the southwest quarter, and the southwest quarter of the southwest quarter of section 22; the west half of the northwest quarter of section 27; the east half of the northeast quarter, the southwest quarter of the northeast quarter, and the southeast quarter of section 28; and the northeast quarter, the west half of the southeast quarter, the east half of the southwest quarter, and the southeast quarter of the northwest quarter of section 33, all in township 14 south, range 2 east, San Bernardino base and meridian; also the north half of the southwest quarter and the southwest quarter of the southwest quarter of section 3, and lots 2, 3, 6, 7, 8, 9, 10, 11, and the south half of section 4, all in township 15 south, range 2 east, San Bernardino base and meridian, within the Capitan Grande Indian Reservation, and all within the county of San Diego and State of California, are hereby granted to the city of San Diego, a municipal corporation in said county and State, whenever said city shall have filed, as hereinafter provided, and the same shall have been approved by the Secretary of the Interior and the Secretary of Agriculture, a map or maps showing the boundaries, locations, and extent of said proposed rights of way for the purpose hereinabove set forth, and shall have provided compensation, as hereinafter specified, for damages done to Mission Indians located upon the Capitan Grande Indian Reservation: *Provided*, That the rights herein granted shall not be sold, assigned, or transferred to any private person, corporation, or association, and in case of any attempt to so sell, assign, transfer, or convey, this grant shall revert to the Government of the United States.

The amendment was agreed to.

The next amendment was, in section 2, page 3, line 20, after the word "filed," to insert "and approved;" in line 21, after the word "provided," to strike out "and approved by the Secretary of the Interior;" on page 4, line 3, after the word "approval," to strike out "of the Secretary of the Interior," and in line 9, after the word "herein," to strike out "by the Secretary of the Interior;" so as to make the section read:

SEC. 2. That within one year after the passage of this act the city of San Diego shall file with the register of the United States land office in the district where the lands traversed by said rights of way are located a map or maps showing the boundaries, locations, and extent of said proposed rights of way for the purpose stated in section 1 of this act; but no construction work shall be commenced on said land or any portion of the same flooded by water until said map or maps have been filed and approved as herein provided: *Provided, however*, That any changes of location of said rights of way may be made by the said city of San Diego within two years after the filing of said map or maps by filing such additional map or maps as may be necessary to show such changes of location, said additional map or maps to be filed in the same manner as the original map or maps; and the approval of said map or maps showing changes of location of said rights of way shall operate as an abandonment by the city of San Diego to the extent of such change or changes of the rights of way indicated on the original maps: *And provided further*, That any rights inuring to the city of San Diego under this act shall, on the approval of the map or maps referred to herein relate back to the date of the filing of said map or maps with the register of the United States land office, as provided herein.

The amendment was agreed to.

The next amendment was, in section 3, page 4, line 14, after the word "all," to insert "appropriations of water heretofore made and to," so as to make the section read:

SEC. 3. That the rights of way hereby granted are and shall be subject to all appropriations of water heretofore made and to legal rights heretofore acquired by any person, persons, or corporation in or to the above-described premises, or any part thereof, and now existing under and by virtue of the laws of the United States, and no private right, title, interest, or claim of any person, persons, or corporation in or to any of the lands traversed by or embraced in said rights of way shall be interfered with or abridged, except with the consent of the owner or owners or claimant or claimants thereof, or by due process of law, and just compensation paid to such owner or claimant: *Provided*, That the rights and claims of the Mission Indians of the Capitan Grande Indian Reservation, located upon the rights of way herein described and affected by the easement herein granted, shall be protected and provided for as hereinafter set forth in section 5 of this act.

The amendment was agreed to.

The next amendment was, in section 4, page 5, line 10, after the word "construct" to insert "its dam"; in line 11, after the word "the," to strike out "forest supervisor of the Department of Agriculture" and insert "United States"; in line 12, after the word "value," to insert "as determined by the Secretary of Agriculture"; in line 23, after the word "clear," to insert "and keep clear"; on page 6, line 5, after the words "used by," to strike out "forest officers, officers of the Department of Indian Affairs, and the officers of the Interior Department" and insert "officers and employees of the United States"; in line 8, after the words "allow to," to strike out "the Forest Service" and insert "officers and employees"; in line 9, after the words "United States," to strike out "Department of Agriculture, to the officers of the Department of Indian Affairs, and to the officers of the Interior Department"; in line 16, after the word "telephone," to strike out "wines" and insert "wires"; and, in the same line, after the words "use of," to strike out "said Forest Service, Indian Service, or of the Interior Department" and insert "the United States Government," so as to make the section read:

SEC. 4. That the city of San Diego shall conform to all regulations adopted and prescribed by the Secretary of Agriculture governing the forest reserves, and shall not take, cut, or destroy any timber within the forest reserves except such as may be actually necessary to remove in order to construct its dam and clear its reservoir, and it shall pay to the United States the full value, as determined by the Secretary of Agriculture, of all timber and wood cut, used, or destroyed on any of the rights of way and lands within the Cleveland National Forest hereby granted: *Provided further*, That the city shall construct and maintain in good repair at the flood line of its reservoir a lawful fence, as defined by the laws of the State of California, and subject to such further requirements as may be directed by the Secretary of the Interior, and shall provide practical gates in such fence at points to be designated by the supervisor of the Cleveland National Forest: *Provided further*, That the city of San Diego shall clear and keep clear its right of way within the Cleveland National Forest and Capitan Grande Indian Reservation of any débris or inflammable material, as directed by the forester of the United States Department of Agriculture: *Provided further*, That the said city shall allow any wagon road which it may construct within the Cleveland National Forest or Capitan Grande Indian Reservation to be freely used by officers and employees of the United States and by the public, and shall allow to officers and employees of the United States, for official business only, the free use of any telephones or telegraphs it may construct and maintain within said Cleveland National Forest or on the public lands, together with the right to connect with any such telephone lines private telephone wires for the exclusive use of the United States Government: *And provided further*, That the Forest Service may, within the Cleveland National Forest or the Capitan Grande Indian Reservation, protect, use, and administer said lands and resources within said rights of way under forest-reserve laws and regulations, but in so doing must not interfere with the full enjoyment of the rights of way by the city of San Diego.

The amendment was agreed to.

The next amendment was, in section 5, page 7, line 6, after the word "Interior," to strike out "but not to exceed $100,000"; and, in line 10, after the word "granted," to insert: "and the Secretary of the Interior is hereby authorized to expend the proceeds, or any part thereof, derived from the granting of these rights of way, in the purchase of additional land for the Capitan Grande Band of Indians, the erection of suitable homes for the Indians on the lands so purchased, the erection of such schools, churches, and administrative buildings, the sinking of such wells, and the construction of such roads and ditches, and for such other expenses as may be deemed necessary by the Secretary of the Interior to properly establish these Indians permanently on the lands purchased for them," so as to make the section read:

SEC. 5. That, as a condition precedent to the rights of way hereby granted becoming effective, the city of San Diego shall pay to the Secretary of the Interior, or to such officer of the United States as may be designated by the Secretary of the Interior, a sum of money, to be hereafter

determined by the Secretary of the Interior, to compensate the Mission Indians located on the Capitan Grande Indian Reservation, and affected by this grant, for damage sustained by them by reason of the rights of way herein granted; and the Secretary of the Interior is hereby authorized to expend the proceeds, or any part thereof, derived from the granting of these rights of way in the purchase of additional land for the Capitan Grande Band of Indians, the erection of suitable homes for the Indians on the lands so purchased, the erection of such schools, churches, and administrative buildings, the sinking of such wells, and the construction of such roads and ditches, and for such other expenses as may be deemed necessary by the Secretary of the Interior to properly establish these Indians permanently on the lands purchased for them.

The amendment was agreed to.

The next amendment was, in section 6, page 7, line 23, after the words "*Provided, however,*" to strike out:

That if the construction of said reservoir shall not have been begun in good faith within five years from the date of the approval of this act, or if within five years from the date of the approval of this act the city of San Diego shall not have acquired or have commenced proceedings for the purpose of acquiring private lands upon which to construct a dam or dams to be used in connection with the reservoir rights herein granted, or if after such period of five years there shall be a cessation of such construction, or a cessation of proceedings, for a period of three consecutive years, then all rights hereunder shall be forfeited to the United States.

And insert:

That the construction of the aforesaid reservoir shall be prosecuted diligently, and no cessation of such construction shall continue for a period of three consecutive years, and in the event that the Secretary of the Interior shall find and determine that there has not been diligent prosecution of the work, or that there has been a cessation of such construction for a period of three consecutive years, then he may declare forfeited all rights of the grantee herein, and request the Attorney General, on behalf of the United States, to commence suit in the United States District Court for the Southern Disrict of California for the purpose of procuring a judgment declaring all rights to be forfeited to the United States, and upon such request it shall be the duty of the said Attorney General to cause to be commenced and prosecuted to a final judgment such suit: *Provided further,* That the Secretary of the Interior shall make no such finding and take no such action if he shall find that the construction or progress of the reservoir has been delayed or prevented by the act of God or the public enemy, or by legal engineering, or other difficulties that could not have been reasonably foreseen and overcome, or by other special or peculiar difficulties beyond the control of the said grantee: *Provided further,* That in the exercise of the rights granted by this act the grantee shall at all times comply with the regulations herein authorized, and in the event of any material departure therefrom the Secretary of the Interior or the Secretary of Agriculture, respectively, may take such action as may be necessary in the courts or otherwise to enforce such regulations: *Provided further,* That if such dam be built the Indians of the Capitan Grande Reservation shall be permitted to reside on, occupy, and cultivate the lands of their present reservation up until within 90 days of the time when water for storage purposes will be turned into the reservoir to be constructed hereunder, provided such occupancy by the Indians will not materially hinder the construction of the dam and storage works, which fact is to be determined by the Secretary of the Interior.

So as to make the section read:

SEC. 6. That all lands over which the rights of way mentioned in this act shall pass shall be disposed of subject to such easements: *Provided, however,* That the construction of the aforesaid reservoir shall be prosecuted diligently, and no cessation of such construction shall continue for a period of three consecutive years, and in the event that the Secretary of the Interior shall find and determine that there has not been diligent prosecution of the work, or that there has been a cessation of such construction for a period of three consecutive years, then he may declare forfeited all rights of the grantee herein, and request the Attorney General, on behalf of the United States, to commence suit in the United States District Court for the Southern District of California for the purpose of procuring a judgment declaring all rights to be forfeited to the United States, and upon such request it shall be the duty of the said Attorney General to cause to be commenced and prosecuted to a final judgment said suit: *Provided further,* That the Secretary of the Interior shall make no such finding and take no such action if he shall find that the construction or progress of the reservoir has been delayed or prevented by the act of God or the public enemy, or by legal engineering, or other difficulties that could not have been reasonably foreseen and overcome, or by other special or peculiar difficulties beyond the control of the said grantee: *Provided further,* That in the exercise of the rights granted by this act the grantee shall at all times comply with the regulations herein authorized, and in the event of any material departure therefrom the Secretary of the Interior or the Secretary of Agriculture, respectively, may take such action as may be necessay in the courts or otherwise to enforce such regulations: *Provided further,* That if such dam be built the Indians of the Capitan Grande Reservation shall be permitted to reside on, occupy, and cultivate the lands of their present reservation up until within 90 days of the time when water for storage purposes will be turned into the reservoir to be constructed hereunder, provided such occupancy by the Indians will not materially hinder the construction of the dam and storage works, which fact is to be determined by the Secretary of the Interior.

The amendment was agreed to.

The next amendment was, in section 7, page 10, line 8, before the word "domestic," to insert "the conservation and storage of water for," so as to make the section read:

SEC. 7. That said reservoir, when constructed, shall be maintained and controlled by the municipal authorities of said the city of San Diego for the use and benefit of said the city of San Diego and the inhabitants thereof and of such other municipalities within the county of San Diego and State of California as may be now or hereafter furnished with water by said the city of San Diego, and for the use and benefit of riparian owners along the San Diego River below the lands herein described, and for the benefit of persons, corporations, or municipalities situated along or adjacent to the pipe line of said the city of San Diego for the conservation and storage of water for domestic, irrigation, or municipal uses.

The amendment was agreed to.

The next amendment was, on page 10, after line 9, to insert as a new section the following:

SEC. 8. That the city of San Diego shall sell to the United States for the use of the War and Navy Departments such water as the War and Navy Departments, or either of them, may elect to take, and shall deliver the same through its system in or near the city of San Diego to the mains or systems of such military or naval reservations in that vicinity as may be designated by the Secretary of War or the Secretary of the Navy, or both, under such rules and regulations as they or either of them may prescribe.

In payment of such water and the delivery thereof, the United States shall pay to said city of San Diego a rental, to be calculated at a fixed rate per 1,000 gallons, said rate not to exceed the actual cost of such water to said city for all water so furnished as determined by meter measurement: *And provided further,* That payment of said rental shall be made by the local disbursing officer of the War or the Navy Departments in the usual manner: *Provided, however,* That the grantee shall at all times comply with and observe on its part all of the conditions specified in this act, and in the event that the same are not reasonably complied with and carried out by the grantee upon written request by the Secretary of the Interior, it is made the duty of the Attorney General, in the name of the United States, to commence all necessary suits or proceedings in the proper court having jurisdiction thereof for the purpose of enforcing and carrying out the provisions of this act.

The amendment was agreed to.

The next amendment was, on page 11, line 12, to change the number of the section from 8 to 9, and, in the same line, after the numeral "9," to insert:

That this act is a grant upon certain express conditions specifically set forth herein, and nothing herein contained shall be construed as affecting or intending to affect, or in any way to interfere with the laws of the State of California relating to the control, appropriation, use, or distribution of water used in irrigation, or for municipal or other uses or any vested rights acquired thereunder, and the Secretary of the Interior in carrying out the provisions of this act shall proceed in conformity with the laws of said State.

So as to make the section read:

SEC. 9. That this act is a grant upon certain express conditions specifically set forth herein, and nothing herein contained shall be construed as affecting or intending to affect, or in any way to interfere with the laws of the State of California relating to the control, appropriation, use, or distribution of water used in irrigation, or for municipal, or other uses or any vested rights acquired thereunder, and the Secretary of the Interior in carrying out the provisions of this act shall proceed in conformity with the laws of said State.

The amendment was agreed to.

The next amendment was, on page 11, after line 21, to insert as a new section the following:

SEC. 10. That the grantee shall file with the Secretary of the Interior within six months after the approval of this act its acceptance of the terms and conditions of this grant.

The amendment was agreed to.

The next amendment was, on page 12, line 1, to change the number of the section from 9 to 11.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to grant rights of way over Government lands for dam and reservoir purposes, for the conservation and storage of water to be used by the city of San Diego, Cal., and for other purposes."

BILLS, ETC., PASSED OVER.

The next business on the calendar was the joint resolution (S. J. Res. 136) providing for the registration for military service of the subjects or citizens residing in the United States of a foreign country with whose Government the United States has concluded or hereafter concludes a convention or agreement consenting to such aliens being drafted into the military forces of the United States under the terms of the act approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," and all amendments thereto.

Mr. FLETCHER. I think that matter has been taken care of in the regular military bill. Let it go over.

The PRESIDING OFFICER. The joint resolution will go over.

The bill (S. 4185) to require the Commissioner of Education to devise methods and promote plans for the elimination of adult illiteracy in the United States was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. It will go over.

House concurrent resolution No. 39, to authorize the printing of 250,000 copies of the soldiers' and sailors' civil relief act, approved March 8, 1918, etc., was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The concurrent resolution will go over.

The bill (S. 3899) to repeal the sixth section of an act approved July 12, 1882, entitled "An act to enable national bank-

ing associations to extend their corporate existence, and for other purposes," was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will go over.

The bill (H. R. 10691) to amend section 5200 of the Revised Statutes as amended was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 3893) to amend and reenact section 5239, Revised Statutes of the United States, was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 3894) to amend and reenact section 5147, Revised Statutes of the United States, was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 3896) to amend and reenact section 691a of chapter 18, subchapter 7, of the Code of Laws of the District of Columbia was announced as next in order.

Mr. SMOOT. Let that go over.

The PRESIDING OFFICER. The bill will go over.

The bill (S. 3897) to amend and reenact section 713 of chapter 18, subchapter 10, of the Code of Laws of the District of Columbia was announced as next in order.

Mr. SMOOT. Let that go over, and all down to and including Senate bill 3910, Order of Business 343.

The PRESIDING OFFICER. The bills will be passed over.

The bill (H. R. 10205) to provide for the consolidation of national banking associations was announced as next in order.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is House bill 11259.

MINERAL PRODUCTS.

The Senate as in Committee of the Whole proceeded to consider the bill (H. R. 11259) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of those ores, metals, and minerals which have formerly been largely imported, or of which there is or may be an inadequate supply, which had been reported from the Committee on Mines and Mining with an amendment.

Mr. SHAFROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested, and the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Kenyon	Phelan	Sutherland
Fletcher	Lenroot	Ransdell	Thomas
France	Lodge	Shafroth	Townsend
Gore	McCumber	Sheppard	Underwood
Guion	McKellar	Smith, Ariz.	Walsh
Henderson	Nelson	Smith, Ga.	Warren
Jones, Wash.	New	Smith, S. C.	
Kendrick	Overman	Smoot	

Mr. McKELLAR. I wish to announce the absence of the senior Senator from Tennessee [Mr. SHIELDS] on important business. I will let this announcement stand for the day.

The PRESIDING OFFICER. Thirty Senators have answered to their names; a quorum is not present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. HARDING, Mr. KIRBY, Mr. MCNARY, Mr. NORRIS, Mr. NUGENT, Mr. POINDEXTER, Mr. STERLING, Mr. WATSON, and Mr. WILFLEY answered to their names when called.

Mr. KELLOGG, Mr. CURTIS, Mr. FRELINGHUYSEN, Mr. BENET, Mr. MARTIN, Mr. KING, Mr. ASHURST, Mr. CUMMINS, Mr. MYERS, and Mr. TRAMMELL entered the Chamber and answered to their names.

Mr. TRAMMELL. I desire to announce the absence temporarily on official business of the junior Senator from Mississippi [Mr. VARDAMAN].

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. There is a quorum present.

Mr. HENDERSON. I ask that the substitute reported by the Committee on Mines and Mining may be read, and that the report of the Committee on Mines and Mining accompanying the bill be also read.

The PRESIDING OFFICER. The bill will be read.

The SECRETARY. The committee amendment is to strike out all after the enacting clause and insert:

That by reason of the existence of a state of war, it is essential to the national security and defense, and to the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to provide for an adequate and increased supply, to facilitate the production, and to provide for an equitable and better distribution of the following-named mineral substances and ores, minerals, intermediate metallurgical products, metals, alloys, and chemical compounds thereof, to wit: Antimony, arsenic, ball clay, bismuth, bromine, cerium, chalk, chromium, cobalt, corundum, emery, fluorspar, ferrosilicon, fullers' earth, graphite, grinding pebbles, iridium, kaolin, magnesite, manganese, mercury, mica, molybdenum, osmium, sodium, platinum, palladium, paper clay, phosphorus, potassium, pyrites, radium, sulphur, thorium, tin, titanium, tungsten, uranium, vanadium, zirconium, and of such other rare or unusual elements as the President may, from time to time, determine to be necessary for the purposes aforesaid, and as to which there is at the time of such determination a present or prospective inadequacy of supply; to accomplish which purposes this act is passed. The aforesaid substances mentioned in any such determination are hereinafter referred to as necessaries.

SEC. 2. That the President is authorized from time to time to enter into, to accept, to transfer, and to assign contracts for the production or purchase of necessaries, to provide storage facilities for and store the same, to provide or improve transportation facilities, and to use, distribute, or allocate said necessaries, or to sell the same at reasonable prices: *Provided*, That no such contract of purchase shall cover a period longer than two years after the termination of the war.

The President is further authorized, upon finding that importation into the United States of any of the necessaries covered by this act is likely to result in a loss to the United States on any necessaries which it may have acquired hereunder, to ascertain, fix, and proclaim such rate of duty upon such imported necessaries as shall be sufficient to adequately protect the United States from any such loss.

The funds provided by section 6 hereof shall be used in carrying out the powers granted by this section, and all moneys received by the United States from or in connection with the disposal of such necessaries, shall be used as a revolving fund for further carrying out the purposes of this act. Any balance of such moneys remaining when the object of this act has been accomplished, shall, as collected, received, and on hand and available, be covered into the Treasury as miscellaneous receipts.

SEC. 3. That the President is authorized to requisition and take over any of said necessaries, to provide storage facilities for and to store the same, and to use, distribute, allocate, or sell the same; and also to requisition and take over any undeveloped, insufficiently developed or operated, or idle land or deposit, mine, smelter, or plant, or part thereof, producing or, in his judgment, capable of producing said necessaries, and to develop and operate the same, either through the agencies hereinafter mentioned, or under lease or royalty agreement, or in any other manner, and to store, use, distribute, allocate, or sell the products thereof. Whenever the President shall determine that the further use or operation by the Government of any such land, deposit, mine, smelter, or plant, or part thereof, so acquired, is no longer essential for the objects aforesaid, the same shall be returned to the person, firm, or corporation entitled thereto. The United States shall make just compensation, determined by the President, for the taking over, use, occupation, or operation by the Government of any such necessaries, or any such land, deposit, mine, smelter, or plant, or part thereof. If the compensation so determined be unsatisfactory to the person, firm, or corporation entitled thereto, such person, firm, or corporation shall be paid 75 per cent of the amount so determined and shall be entitled to sue the United States to recover such further sum as added to said 75 per cent will make up such amount as will be just compensation, in the manner provided by section 24, paragraph 20, and section 145, of the Judicial Code.

The President is authorized to require statements and reports, to examine books and papers, and to prescribe such rules and regulations as he may deem appropriate for carrying out the purposes of this act, including the operation of any such land, deposit, mine, smelter or plant, or part thereof, the purchase, use, sale, or other disposition of articles or substances used, manufactured, produced, or mined therein, and the employment, control, and compensation of employees. The fund provided by section 6 hereof may be used in carrying out the purposes of this act, and all moneys received by the United States from or in connection with the use, operation, or disposal of any such necessaries, land, deposit, mine, smelter or plant, or part thereof, shall be used as a revolving fund for further carrying out the purposes of this act. Any balance of such moneys remaining when the objects of this act have been accomplished, shall, as collected, received, and on hand and available, be covered into the Treasury as miscellaneous receipts.

SEC. 4. That any person who shall neglect or refuse to comply with any order or requisition made by the President pursuant to the provisions of this act, or who shall obstruct or attempt to obstruct the enforcement of or the compliance with any such requisition or order, or who shall violate any of the provisions of this act, or any rule or regulation adopted hereunder, shall, upon conviction, be fined not exceeding $5,000, or be imprisoned for not more than two years, or both.

SEC. 5. That the sum of $500,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be available until June 30, 1919, for the payment of all administrative expenses under this act, including personal services, traveling and subsistence expenses, the payment of rent, the purchase of equipment, supplies, postage, printing, publications, and such other articles, both in the District of Columbia and elsewhere, as the President may deem essential.

SEC. 6. That the sum of $50,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, which, together with all moneys received from time to time under the provisions of this act, all of which shall be credited to said appropriation, shall be used as a revolving fund for carrying out the objects of this act, and for the purpose of making all payments and disbursements, including just compensation under section 3, by this act authorized: *Provided*, That no part of this appropriation shall be expended for the purposes described in the last preceding section: *Provided further*, That a detailed report of all operations under this act, including all receipts and disbursements, shall be filed with the Secretary of the Senate and Clerk of the House of Representatives on or before the 25th day of each month, covering the preceding month's operation. Any balance of said revolving fund remaining when the objects of this act have been accomplished shall, as collected, received, and on hand and available, be covered into the Treasury as miscellaneous receipts.

SEC. 7. That the President is authorized to exercise each, every, or any power and authority hereby vested in him, and to expend the moneys herein appropriated or provided for, or any part or parts thereof, by and through such officer or officers, department or departments, board or boards, agent, agents or agencies as he shall create or designate, from time to time, for the purpose. He may fix the reasonable compensation for the performance of such services, but no official or employee of the United States shall receive any additional compensation for such services except as now permitted by law.

SEC. 8. That the President is authorized, if in his judgment such action be necessary or useful for the objects of this act, to form one or more corporations under the laws of any State, Territory, District, or possession of the United States, for the purpose of carrying out the powers or any of the powers hereby authorized. The capital stock of any such corporation shall be such as the President may determine, but the total capital stock for all corporations so formed shall not exceed in the aggregate the appropriation of $50,000,000, made by section 6 hereof. Said appropriation, or any part thereof, may be used by the President in subscribing on behalf of the United States, through such person or persons as he may designate, to the capital stock of such corporation or corporations, and the capital and assets of any such corporation or corporations, together with all additions thereto under sections 2 and 3 hereof, may be used in carrying out the objects of this act. The directorate and organization of such corporation or corporations shall be such as the President may prescribe, and such corporation or corporations shall have all such charter powers as may be deemed necessary or desirable by the President to enable it or them to accomplish the objects of this act. The capital stock of any such corporation or corporations shall be held and voted for the exclusive benefit of the United States, through such person or persons as the President may designate.

SEC. 9. That the powers and authority granted by this act shall cease upon the expiration of two years after the termination of the present war, and within said period the President, through any officer, department, board, agent, agency, or corporation appointed or created to carry out the provisions of this act, shall dispose of any necessaries, land, deposit, mine, smelter or plant, or part thereof, held by him or it hereunder, and shall fulfill the terms of any contract made hereunder, and thereupon any such corporation or corporations shall be dissolved: *Provided*, That the termination of this act shall not prevent the subsequent collection of any moneys due the United States, nor shall it affect any act done or any right or obligation accrued or accruing, or any suit or proceeding had or commenced before such termination, but all such collections, rights, obligations, suits and proceedings shall continue as if this act had not terminated, and any offense committed or liability incurred prior thereto shall be prosecuted in the same manner and with the same punishment and effect as if this act had not terminated.

SEC. 10. That if any section or provision of this act shall be declared invalid for any reason whatsoever, such invalidity shall not be construed to affect the validity of any other section or provision hereof.

The report to accompany House bill 11259 is as follows:

The Committee on Mines and Mining after consideration of the bill H. R. 11259 unanimously direct the chairman to report the same favorably, as amended.

Extensive hearings were held by the House Committee on Mines and Mining, and a most comprehensive report submitted by its chairman, both of which were carefully weighed by your committee.

As is so often the case, however, the passage of the bill in the House brought it to the attention of many who had theretofore shown no appreciable interest, and resulted in a flood of suggestions, additional information, and protests, directed to the bill as it came from the House.

The Senate committee, therefore, deemed it advisable to hold further hearings and allow those interested to express their views, and also investigate the further suggestions and new information which the publicity surrounding the passage of the bill had caused to be placed before its members.

These hearings developed many new facts, and in view of these several changes were adopted, which necessitated the practical rewriting of the bill.

The minimum-price principle had the approval of the House, but the attention of your committee was called to the possibility of the Government thereby incurring onerous obligations which might be avoided by an elaboration of the contract principle approved by the House, thus lessening the Government's liability. By the contract system the Government would know definitely just what the obligation would be, whereas the minimum-price feature might so stimulate production as to place it in a most embarrassing position.

The adoption of the contract system places the Government in the position of buyer and seller, necessitating an increase in the appropriation from $10,000,000 to $50,000,000. This, however, is a revolving fund, and should be returned to the Treasury through the various transactions when the purpose of the bill shall be fulfilled.

In the course of the hearings considerable opposition was expressed to the licensing feature, and it does not appear that this is essential to the successful operation of the legislation, and its withdrawal will render the measure more acceptable to the mining industry.

Many penalty provisions were contained in the House bill, but it is felt that this is sufficiently taken care of in section 4 of the amended bill under the President's power to establish rules and regulations, and providing a penalty for failure to comply therewith.

The importance of legislation dealing with the necessities named in the House bill is fully recognized by the Senate committee, and none of these are disturbed. "Sodium," however, was inserted in lieu of "sea salt," which would be included by the former. This is a more comprehensive term, and was recommended by members of governmental agencies interested in the supply of chemicals for the requirements of the United States. The Senate committee also added "phosphorus," on account of the increased demand due to its utilization in various phases of war preparation, such as the smoke screen, steel manufacture, etc.

The importance of legislation affecting the subject matter of this bill is set forth in the report of the House committee (Rept. No. 493). Emphasis is added by a letter of Secretary of the Interior Lane, and by Chairman Baruch, of the War Industries Board, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, September 2, 1918.

MY DEAR SENATOR: In reply to your request for an opinion upon H. R. 11259, as amended by the Senate committee, I desire to express my approval of the measure.

Everyone who has followed the shipping situation is aware of the difficulties which have hindered or prevented the importation of many mineral commodities which were not produced in sufficient quantity in this country before the war. The bill is designed to relieve this condition by enabling the Government to more aggressively develop our domestic resources and thereby become less dependent upon foreign sources of supply. In brief, it will permit the Shipping Board to place more vessels at the disposal of the Government for its military program.

I believe that this result alone is ample justification for the bill, but it will also serve to accomplish other ends which are of equal importance. It will insure the Nation against any interruption of war work because of inadequate supplies of the specified mineral products. It will allow the Government to more effectively direct the distribution and use of the different minerals and metals for the purpose of discriminating between essential and nonessential industries. The Government may enforce economies in the preparation and use of the different commodities, and lastly, mining men may be given the assurance and promise of support from the Government to which they are entitled before they should be expected to undertake new mining enterprises which are of vital importance to the country.

I am convinced that the passage of this bill will contribute in a most material way to hasten our war plans and at the same time stabilize and assist the mining industry which to-day faces many grave problems not common to other industries.

May I add that the need of this legislation is immediate. It is a war measure which will place the Government in a position to command a large part of the mineral resources of the country. I recommend the bill to the favorable attention of Congress.

Cordially, yours,

FRANKLIN K. LANE.

Hon. CHARLES B. HENDERSON,
United States Senate.

WAR INDUSTRIES BOARD,
Washington, September 3, 1918.

Hon. CHARLES B. HENDERSON,
United States Senate.

MY DEAR SENATOR: I trust that the mineral bill will pass with as little delay as possible, as it is becoming more apparent to me daily the necessity of just such powers as outlined therein. The passage of this bill would supply a long-needed want.

Very truly, yours,

BERNARD M. BARUCH.

Your committee recommends that all after the enacting clause of H. R. 11259 be stricken out and to substitute in lieu thereof the following:

Then follows the substitute proposed by the committee.

Mr. HENDERSON. Mr. President, undoubtedly the same question presents itself to the minds of some Senators that presented itself to the members of the committee, and that is the necessity for such legislation. At the time the bill came over from the House we went into the matter quite fully regarding the situation of the rare metals and minerals needed in the prosecution of the war, such as manganese, tungsten, chrome, and other metals mentioned in the bill. I am free to admit that at first I questioned whether there was a real necessity for such legislation. Having finally determined that there was a necessity, the question was the form such legislation should take.

We are all familiar with the shipping situation in this country. We know that shortly after we had entered the war the Government took over the control of all the ships and shipping, thereby preventing some of the large industries of the country from importing the rare minerals and metals that were needed in the conduct of their business.

I can do no better than refer to one of the minerals mentioned in the bill—manganese. The production of manganese in the United States for 1917 approximated 115,000 tons. We imported from Brazil 541,000 tons; we imported from India 60,000 tons, approximately; we imported from Cuba about 43,000 tons and from other sources 11,500 tons. That shows that the production in the United States amounted to only 115,000 tons, and there were used during that year approximately 800,000 tons of manganese. Ninety-five per cent of the manganese is used in the steel industry. This would indicate the need of some encouragement in production in this country.

So that Senators may know of these metals, I call attention to the CONGRESSIONAL RECORD of April 23, 1918, on page 5927 and following pages, where there appears a summary of all the metals and minerals mentioned and described in this bill, not only showing their uses but also the production for the prewar period.

The reason why the committee felt that such legislation should be enacted at this time was not only because of the war conditions but of need to meet the after-war conditions. We are all familiar with the old adage, "In time of peace prepare for war." The converse of that rule is equally true, "In time of war prepare for peace."

One of the great questions that will come up, Mr. President, will be the raw materials that the nations have on hand when peace is finally declared. This bill will, in addition to relieving the shipping situation by producing these metals in this country, encourage such production by proper stimulation. It will put the United States in a position of controlling largely these rare metals and minerals, which will be used after the war as well as during the war.

As to the reasons for the changes that the committee felt were necessary in the bill as it came from the House, which changes are incorporated in the bill that has been substituted for the House bill and reported by the Senate committee, I desire to say that the same metals and ores are referred to specifically in the Senate substitute with the exception of sodium and phosphorus. The committee felt that those two should be inserted in the Senate bill and the report explains

the reasons for including them. After enumerating the metals and minerals, this language is used:

And of such other rare or unusual elements as the President may, from time to time, determine to be necessary for the purposes aforesaid, and as to which there is at the time of such determination a present or prospective inadequacy of supply.

The reason for inserting those words was in case later it should develop that we had left out some one or more of the rare metals or ores they could be covered by the bill. The question has arisen as to whether or not gold, silver, copper, lead, and zinc would come under this proposed act. I am free to say that it was not the intent of the committee to include those metals. In my opinion, gold and silver are precious metals, and copper and lead and zinc could not be classified as "rare or unusual elements" of which there is an "inadequacy of supply." They are base metals. So the language used in the first section of the proposed act was simply to include any other of the rare or unusual metals that we might have overlooked or of which it might be necessary to have control of later.

The House bill also provided for licensing the industry. The committee felt that the licensing feature was unnecessary. If Senators will notice, they will see that the House bill was framed largely on the Lever Act, under which the Food Administration was created, and, in our opinion, there was quite a difference between the agricultural interests and the mining interests of the United States. Therefore, we felt that it was entirely unnecessary to include the licensing feature of the House bill. That was the reason for the elimination of that provision.

We also felt that it was unnecessary to have a minimum price. The contract feature of the Senate bill will take care of that in every instance, so far as we could see and determine. The bill as presented by your committee allows the President—

To enter into, to accept, to transfer, and to assign contracts for the production or purchase of necessaries, to provide storage facilities for, and store the same.

Under the contract system practically the same power can be exercised by the Government as would come within the licensing and price-fixing feature of the House bill, and at the same time be fairer to the producer.

We also felt that it was necessary to provide for the formation of a corporation to handle all or any of these rare metals. This power is placed in the hands of the President. In the Senate bill we have made provision for the formation of such corporation or corporations as, in the opinion of the President, may be necessary or desirable. The Senate bill increased the appropriation from $10,000,000 to $50,000,000. It was the opinion of the committee that $10,000,000 was insufficient to meet the needs and requirements of this proposed act. The bill as originally introduced in the House provided for $50,000,000. Fifty million dollars is to be used as a revolving fund, and through the operation of the revolving fund we shall be able to take care of over $150,000,000 of these metals. Mr. President, it does not seem to me that the United States will stand to lose practically any of the $50,000,000; in other words, under this bill the Government becomes the buyer and seller of these rare metals and minerals. It also allocates and distributes them to industries needing and requiring them. Upon such distribution these industries pay the Government for the metals. The money is going out and coming in and, working through the revolving fund, is used over and over again. Therefore there is no reason in the world why the Government should stand to lose any of the $50,000,000 which is proposed to be appropriated by this bill. The only risk taken by the Government is the usual war risk.

The purposes of this proposed act can not successfully be carried out with less than $50,000,000. We went into that matter quite fully and found that it would be useless to attempt such a thing. For example, the value of six months' supply of sulphur required in the manufacture of sulphuric acid for munitions would be from $10,000,000 to $15,000,000. The value of six months' stock of high-grade manganese ore would be approximately from $15,000,000 to $20,000,000. The proposed $10,000,000 would have been consumed; it would have been used. With the appropriation of $50,000,000 placed in a revolving fund and used over and over again the Government, I believe, can successfully carry out the purposes of this legislation so as to encourage and stimulate the production of these metals in this country.

Mr. SMITH of Arizona. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Nevada yield to the Senator from Arizona?

Mr. HENDERSON. I yield to the Senator.

Mr. SMITH of Arizona. On page 20, as I read the italicized print of the bill, at the end of line 23, I desire to ask, What is the necessity for including the word "minerals"? The preceding language reads:

And to provide for an equitable and better distribution of the following-named mineral substances and ores, minerals, intermediate metallurgical products—

And so forth.

It seems to me that the word "minerals" there is entirely out of order, for it would include every mineral in the world not specifically excluded by the provisions of the bill.

Mr. HENDERSON. The words "mineral substances" there include the minerals mentioned on page 21. If the Senator will look at line 12, on page 21, he will find it reads:

The aforesaid substances mentioned in any such determination are hereinafter referred to as necessaries.

So they are referred to in the latter part of the bill as "necessaries," but are confined to those mentioned and named in the bill. The word "mineral" is simply descriptive of the word "substances," showing the kind of substances meant.

Mr. SMITH of Arizona. Even with that interpretation, it seems to me that there is some danger in leaving the word "minerals" in the bill, for it would include all things which are known as minerals. I am afraid that in the interpretation of the bill, if it became a law, it might be held that that word makes the bill include all minerals not specifically excluded from its provisions. If that could possibly be the interpretation, that word ought to go out. I can not see any reason for the word where it stands, anyway, in the light of the provision to which the Senator from Nevada has called attention.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from New Mexico?

Mr. HENDERSON. I do.

Mr. JONES of New Mexico. The language seems to me to be perfectly plain. On line 22, page 20, the bill reads:

To provide for an equitable and better distribution of the following-named mineral substances and ores, minerals, intermediate metallurgical products—

And so on.

Mr. SMITH of Arizona. The Senator does not read it as it is printed. He has read the words correctly, but he has broken the sense by paying no regard to punctuation, it strikes me. The language is:

And better distribution of the following-named mineral substances and ores.

Then the word "minerals" is put in independently.

Mr. JONES of New Mexico. It reads, "mineral substances and ores——"

Mr. SMITH of Arizona. Then there follows, between commas, the word "minerals."

Mr. JONES of New Mexico. I do not take it that the word "minerals" is to be segregated from the words "following-named."

Mr. SMITH of Arizona. It reads:

The following-named mineral substances and ores, minerals—

Suppose we stop at the word "minerals."

Mr. JONES of New Mexico. I do not believe that the Senator's construction would obtain. Of course, I see the point which the Senator has in mind, and, if on reflection there should be any doubt about it, the committee will be glad to amend it.

Mr. SMITH of Arizona. I wish merely to call to the attention of the committee the construction which I have suggested might be placed upon it. I think such an interpretation might be given, the word "minerals" being segregated by commas from the remainder of the sentence.

Mr. JONES of New Mexico. It was certainly not the intention through the use of the word "minerals" at that particular point to include others than those named.

Mr. SMITH of Arizona. I merely called attention to the matter for fear of that sort of construction being made. I am not quibbling about the Senator's bill; but it struck me, the word "minerals" being separated from the language preceding and following by commas, as an independent part of the provision, that the use of such a broad generic term would include everything almost that one can think of in a mineral bill at least. That, however, is a mere suggestion which I offer to the Senator, rather than any criticism of the bill. I was afraid of a too broad interpretation being given to the language.

Mr. HENDERSON. Mr. President, it has not been the intention of the committee to include in this bill anything outside of what is specifically mentioned and enumerated, except something of the same nature or kind that might have been overlooked; in other words, none of the baser metals were intended to be included in the bill.

I might state, Mr. President, that this measure was under consideration by the committee for over 30 days, and, after hearings,

these matters were gone into quite fully and considered by nearly every member of the committee at some time during those hearings. The committee is unanimous in support of the bill and in reporting it to the Senate. Any other metals, such as gold, silver, copper, lead, and zinc, it was understood were not to be covered by nor included in the bill.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Utah?

Mr. HENDERSON. I yield.

Mr. KING. I was called from the Chamber and have not had the advantage of hearing all of the statements which have been made by the Senator having this bill in charge. Has the Senator explained the reason for a measure so extraordinary as the one under consideration?

Mr. HENDERSON. In a general way, Mr. President, I have stated it.

Mr. KING. May I state as a premise to the question that I have just suggested and one which I shall propound that recently when in the West I met a number of individuals who have mineral properties and mines of the character described in this bill who evinced no desire to have the Government take over their mineral properties. They were satisfied with the high prices the market afforded them for their metals. A number of the individuals who had large and extensive sulphur deposits were anxious to have the Government, if it needed the sulphur, purchase the same; but they did not want the Government to mine their properties. I can not understand the reason for the Government embarking upon the mining business, and that is one of the purposes of this bill, as I understand. I would like to add, however, that this bill was reported but a day or two ago, and I procured a copy of it only a few minutes since. The testimony taken by the committee has not yet been printed, and Senators not members of the committee reporting the bill are at a disadvantage and are not advised as to the facts calling for this bill, or the full scope and purpose of the same. If we throw open the mineral lands of the United States to public occupancy and do not hamper by unjust and improper regulations of the Interior Department or other governmental agencies the development of the mineral lands, the ability and the genius of the American people will uncover and exploit the mineral wealth lying hidden in the ground. Is there any necessity for the Government going into the mining business? If it does so, it goes into the business in competition with those who are now engaged in the business. Are there any restrictions in the bill as to wages which the Government shall pay to the men whom it employs? If not, the Government may take over the sulphur mines, the fluorspar mines, and other mining properties referred to in this bill without limitation and upon the wages which it pays, and, of course, by the extravagant methods which the Government always adopts it would drive every private enterprise out of the business. Of course, the result would be the augmentation of the price of metals.

The observations which I have made are rather generalizations instead of questions, but the Senator has seen the drift of my mind; and, if he cares to do so, it would afford me very great pleasure to have him make such explanations as he may wish respecting those matters.

Mr. HENDERSON. Mr. President, in answer to the Senator from Utah, I will state that it is not the intention of the committee to put the Government in the mining business; nor is it the intention of this bill that the Government shall operate and work mines, generally speaking.

Mr. KING. Mr. President, will the Senator yield further?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Utah?

Mr. HENDERSON. Certainly.

Mr. KING. Will the Senator consent to an amendment that the Government shall not engage in the mining business and that nothing in this bill shall be construed as authorizing the Government of the United States to take over the mines and mining properties herein described and go into the mining business?

Mr. HENDERSON. No, Mr. President. But the Senator did not let me finish my statement. This bill simply provides that the Government may take over any idle deposit or mine, and any smelter or plant which operates on the specific metals mentioned and described in this bill, and also provides for a leasing system and a royalty agreement. I have talked with different officials and the heads of some of the departments, relative to that very provision, and I can assure the Senator that it is not the intention of the Government, unless it becomes absolutely necessary, to operate any of these properties; but if the Government were compelled, through force of circumstances, to take over any idle mine to get the metal that might be mentioned in the bill, it could lease it, so that a private person or a corporation could operate it under lease or under royalty agreement. I repeat, therefore, that it is not the intention for the Government to go into the operating business itself unless it becomes absolutely necessary for the Government to do so; but I would not feel justified in tying the hands of the Government, because it might be necessary for the Government to take such action before we get through with this war.

Mr. KING. Mr. President, will the Senator permit a further question?

Mr. HENDERSON. Certainly.

Mr. KING. Inviting attention to section 3, to which the Senator has just referred, I find that the language is very much broader in scope than the interpretation which the Senator places upon the section. It reads:

That the President is authorized to requisition and take over any of said necessaries—

By that, of course, it means any of the mining properties referred to in section 1 of the bill, and particularly mining properties containing the metals and minerals referred to on pages 20 and 21 of the bill now under consideration. The section further authorizes the President "to provide storage facilities for and to store the same, and to use, distribute, allocate, or sell the same; and also to requisition and take over any undeveloped, insufficiently developed or operated, or idle land or deposit, mine, smelter, or plant, or part thereof."

Who is to determine whether a mining property is undeveloped or insufficiently developed or operated? The mine owner, knowing the situation of the property, and the obstacles which he has to encounter in the prosecution of the work, may aver—and his knowledge would be much superior to that of some clerk sent out from the Bureau of Mines or from the Interior Department in Washington, or one of the clerks of the agency created by this bill—that it is being properly and economically developed, while one of the clerks or agents sent out by the agency or bureau that will have charge of this matter may go to a mining property and say, "I do not think you are developing this in the right way; it is underdeveloped; it is not properly developed," and seize the mine and take it away from the owner.

The bill goes further than the Senator has suggested; it permits the Government to take charge of any mine described in the bill and to operate it, to pay any wages that it pleases, to employ any instrumentality that it desires, and to go into competition thereby with people who are engaged in mining activities. It seems to me that it is a very dangerous thing; it seems to me with my limited knowledge of the subject that it is absolutely unnecessary. The high price of metals will command their development; all that people need for the purpose of developing the minerals is a market, and, of course, man power, and the Government would have the same difficulty in getting man power as individuals would have. I can not comprehend the necessity for this legislation.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Colorado?

Mr. HENDERSON. I yield.

Mr. SHAFROTH. If the Senator from Utah will bear in mind how this bill came to the Senate he will realize the difficulties we have had in framing this measure. When the bill came over from the House I was afraid that its operation was going in some way to interfere with the working of mining claims in the West. I found that in the House they had adopted the provisions of the Lever bill as to agriculture and applied it to mines. That seemed to me wrong, and I felt very great disappointment at the form in which the bill had been sent to the Senate.

In that bill as originally introduced there was provided a maximum and minimum price, which, I think, is a very bad policy, especially as applied to minerals, for in the case of a maximum price, unless the maximum is placed very high it is usually destructive of the very industry itself. However, after discussion of the matter for a long time, the members of the committee concluded that they would eliminate the maximum-price feature but that they would leave in the minimum-price provision. Then the difficulty arose as to what condition the Government would be in if the bill provided for the fixing of a minimum price—a guaranteed price—as to metals, the quantity of which it was difficult to ascertain and determine. The Government would have to guarantee the minimum price for a considerable period of time—probably for two or three years—and if a very great stimulation occurred on account of a high minimum price, the result would be that the Government might have on its hands millions and millions—yes, hundreds of millions—of tons of metal for which it would have little use, even during the period of the war. Therefore there might accrue an immense and indeterminable liability upon the part of the Gov-

ernment, but a liability so great that it might almost bankrupt the Government. So the Senate committee began to take testimony. They took testimony every day for fully one month, and gradually the idea pervaded the mind of every member of the committee that it would not do under any circumstances to have a maximum price, and that, considering the liability which the Government might incur, it would be very dangerous, indeed, to fix a minimum price. The result was that we came to the conclusion that the safest and best way for the Government, and also for the miner himself, was to provide for a revolving fund, to be placed in the hands of the President, by which he could contract for just what he wanted. He would probably make his contracts for a larger amount of metal than he really needed, because in a good many instances he would not be able to get the production which a steadily producing mine can be relied upon to yield; but, nevertheless, in order to encourage the mining of these minerals, we felt that the way to do it was to contract for them and buy them, and that is the spirit of this bill. It provides a fund and authorizes the President to buy and then to sell these minerals which are needed in commerce, in the manufacture of explosives, and all kinds of armaments. That was the situation that confronted us.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Utah?

Mr. SHAFROTH. I yield to the Senator.

Mr. KING. The Government may already buy and doubtless is buying whatever is required for governmental purposes. So what is the necessity for this grant of power?

Mr. SHAFROTH. In the first place, it is contemplated that the Government will make contracts with the miners in regard to working prospects that are not now paying, for the purpose of aiding in the development of those mines and bringing forth and producing the minerals. The object is to give them a sufficient price to stimulate production.

These minerals have gone up considerably in price, and there is some stimulation by reason of that fact; but the object of this bill is to get these metals in quantity. Because so many of them are found in other parts of the world, the shipping facilities being inadequate to bring them over here, it was deemed by those who heard the testimony that it would be best to stimulate and encourage production by making large contracts, something which probably never would be considered in time of peace, but which, nevertheless, was considered absolutely necessary for the purpose of bringing forth and producing these rare minerals.

That is the object and purpose of the bill. It is not designed for the purpose of going into the manufacturing of anything or for the purpose of mining. It is said that where there is an abandoned mine, which it is thought, if properly developed, might produce large quantities of ore, or where a mine is found that is not being worked effectively on account of lack of capital on the part of the owners of the mine, the Government could make those mines heavy producers, either by making tempting contracts for their ores or by taking over the mines.

Mr. KING. Mr. President, will the Senator pardon a further interruption?

Mr. SHAFROTH. I yield to the Senator.

Mr. KING. The Government now in many lines of industry and activity, particularly war activities, has been compelled to enter into contracts for the purchase of important commodities used in war preparations. It has made contracts, I am advised, for the acquisition of steel and steel products and other commodities which will suggest themselves readily to the mind of the Senator. It has made contracts extending over a considerable period; it has made contracts for the purchase of wool, for the purchase of blankets and shoes, and these contracts extend over a period of several months, and, indeed, I am advised, for one year and possibly more. The Government requires, if I understand the Senator rightly, some of these metals, perhaps all of them. Why may not the Government enter into contracts with the owners of mines and prospects, those who are producing these metals or those who may contemplate producing them, for the purpose of acquiring such as the Government may need in its war activities? If it can make contracts for the purchase of steel and other war necessities, why may it not make contracts now for the purchase of needed metals without any additional legislation?

Mr. SHAFROTH. Mr. President, in answer to the Senator I will say that those who are familiar with all of the legislation to which the Senator has referred have concluded that the Government can not make the character of contract that is intended to be made under this bill; and, even if it could, there are some features of the contract which it likely would not make under existing law. These are not contracts of that exact nature where you can buy a great quantity of copper by the pound, and know that when you make the contract you will get the exact amount. The object is to make a contract with a man who will go out and find these metals, to encourage the production of a mine that is being operated at a very small output, and so stimulate it, either by increase of price or by loans or in any other manner, as to make it a large producer. It was thought that that power did not exist under the laws that have been passed up to this time. This bill comes from the department, and while at first it seemed to me an objectionable bill, it has turned out, in my judgment, to be one that will stimulate the production of these rare metals.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Utah?

Mr. SHAFROTH. I do.

Mr. KING. I invite the attention of the Senator to the fact that many of the metals herein referred to have been produced, probably in limited quantities, some of them in large quantities, in the past; but by reason of the fact that the demands for the products were not very great, there has been more or less of a subsidence of production, and possibly in some instances a complete cessation of production. Take, for instance, sulphur: I remember that a number of years ago, in the State which I have the honor in part to represent, there was a considerable production, but the production in other States was so much greater and so much cheaper that the sulphur mines there shut down. Now there is great activity, and they are starting them up again because of the increased price. There is not a single metal referred to in this section but that will be produced if the market demands it and if it is in this country; and you do not need to have the Government projected into the field as a producer in order to stimulate production. If there is a market for the product, men will go and get it out of the ground.

Mr. SHAFROTH. Mr. President, there is this objection to that, which does not follow the course of the Senator: In order to develop mines you often have to have large quantities of money, and the owner may not have the money; then the price of the product may be up for the next six months and then it may fall flat. You have to lay out a development plan for your mine that may mean the expenditure of thousands and thousands of dollars. Men are not going to undertake that expenditure on the basis of a mere temporary increase or variation in the market price. This bill is for the purpose of making it possible for owners of mines to make contracts with the Government on a large scale, even at a higher price than the ruling price might be, so that if the Government needs a particular element, or needs a particular acid, or needs a particular ore, it can get it; and the Government wants to get as much of it from this country as it can.

We are cut off from some sources of supply by reason of the fact that our ships can not go to all parts of the world and by reason of the fact that these ores that are wanted very much can not be obtained from abroad. Now, an element of cost that might be considered by the President in endeavoring to make a contract is the question of the high cost of transportation from the foreign country or the South American country to our shores and the difficulty of getting it here. This bill is supposed to give him complete control of all those conditions. It is a grant of great power. There is no doubt about that. It is subject to abuse. It might be abused; that is true; and it may be that the authorities would contract at higher prices than would develop in the ordinary course. When you consider, however, that we are in war, when you consider that these things are necessary, and necessary to be had quickly, you can readily see that a bill of this kind is much more conservative than the bill that came over from the House, or the bill that was introduced in the Senate, by which maximum and minimum prices are fixed as to all of these metals produced throughout the United States.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Utah?

Mr. SHAFROTH. I yield.

Mr. KING. In the observations thus far submitted I have not made any complaint about the extensive powers granted to the President and to the department or agency that will carry the terms of this bill into execution. What I have been complaining of, in a mild way, was the lack of necessity for the enactment of a measure of this character, and what the Senator has said confirms the views which I have announced. He has just stated that because of the lack of shipping facilities we have been unable to get some of these metals from other countries. That being true, if we can not get them from other countries, it is manifest that we must get them at home. That means, then, that private capital, private endeavor, will go into the mountains and into the mines and produce these metals which are

absolutely necessary now. The cost of the past will not be a measure of the cost of the present or the profits which will be yielded to the domestic producers.

Mr. SHAFROTH. That is right.

Mr. KING. I think the logical conclusion of the Senator's argument is this: We need these metals. We can produce them in our own country. Heretofore we have acquired most of them or some of them from abroad. We can not get them from abroad now because of lack of shipping facilities. It necessarily follows, therefore, from the Senator's position, that they will be produced here by individuals, because the profits will be so great as to be an inducement for them to engage in their production. The condition in this respect is just the same as it is with a multitude of things which the Government to-day is requiring, and hundreds of new enterprises and new plants have been started up by private individuals to meet the growing demands of the Government necessitated by the war. So it will be here.

It does seem to me that the Senator's argument leads to the conclusion that private capital, private ingenuity, and private industry will go out and develop the mining districts as they have developed the mining regions of our country in the past. The Senator knows that the profits, or the hope of profits, upon the part of the miner have led to the development of the great mining industry of our country; and the Government, by reason of the very sensible policy which it has pursued in the past, in contradistinction to the old, obsolete policy pursued by Mexico and by Spain—and by our Government, by the way, in the early days—has encouraged the development of the mining resources of our country. Coal has been produced in great abundance; lead and silver and gold and the precious metals and the other metals and minerals have been produced in great abundance; and, according to the demands of the people, by the wise and liberal policy which our Government has pursued. All that we need to do now is to pursue the same wise policy, and with the high prices that these metals will bring in the market there will be produced whatever the Government requires and whatever private enterprise requires.

Mr. SHAFROTH. Mr. President, I agree with everything the Senator says except this: He seems to think that the prices now are sufficient to stimulate production, whereas we know from the quantity we are receiving and the very little that is being taken out of the rocks that the production has not been stimulated enough to give us the amount we need and the amount which these experts say is necessary to properly prosecute the war. We have been stimulating other things, and the proposition is as to whether or not we should stimulate the production of these rare metals. We have therefore given the President the power to make contracts not only as to mines which produce regularly so much per month but with those that are depleted, that have been successful in days when mining operations were in full blast and afterwards stopped because of some disaster or something happened by reason of which they could not produce.

A bill of this kind, or something of this nature, is deemed by the powers that be absolutely necessary, and in response to that need these three bills have been presented. In my judgment the safest bill, the fairest bill, the bill that will not get the Government into deep water, is the bill we have before us, rather than the House bill, which provides for a maximum price for everything that is produced in the United States in the way of these metals, or a minimum price, under which the Government, by guaranteeing the price of all that might be produced, might be involved in a liability of hundreds of millions of dollars.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. SHAFROTH. I yield to the Senator.

Mr. OVERMAN. I see that this bill proposes to establish in Washington another bureau and appropriates for the purpose the sum of $500,000.

Mr. SHAFROTH. Oh, no.

Mr. OVERMAN. Does the Senator think that sum of money will be needed to establish a bureau in Washington just for the mining interests of this country? Where are we going to put all these people? What are we going to do with them?

Mr. SHAFROTH. Mr. President, we have things that need attention, and we must have the machinery with which to deal with them.

Mr. OVERMAN. How does the Senator arrive at the sum of $500,000 for administrative purposes?

Mr. SHAFROTH. Mr. President, that seems to be the amount that it was felt would surely cover it.

Mr. OVERMAN. Who estimated it?

Mr. SHAFROTH. I think it was estimated by the Bureau of Mines; was it not?

Mr. HENDERSON. Mr. President——

Mr. SHAFROTH. I yield to the Senator from Nevada.

Mr. HENDERSON. Mr. President, the situation now relative to some of these matters is most critical. As a matter of fact, I do not feel at liberty to speak of it on the floor of the Senate, and the $500,000 provided in this bill for administrative expenses by some has been deemed too small.

Mr. OVERMAN. Why, the whole Mining Bureau of the United States does not cost that much.

Mr. HENDERSON. In this connection, I wish to state that already the head of one of the departments in Washington has sent abroad an employee of his department in order to investigate the conditions relative to some of these metals and paid the expenses of this trip from his own funds. Officially he did not have a 5-cent piece for the purpose. There are metals that we need, which we can get in other countries, but we can not get them here. It is impossible to get them here.

Mr. OVERMAN. This appropriation does not call for that. This is administrative. This is to pay salaries. This is to buy stationery. You propose to give some men $100,000 salary, I expect.

Mr. HENDERSON. No; not at all.

Mr. OVERMAN. This provides for the appropriation of a lump sum.

Mr. HENDERSON. The bill provides, as you will find, that out of this fund they could send a man to South America; they could send a man to South Africa; they could send a man to China. For instance, suppose you need some antimony and had to get it right away, you could send wherever necessary to get it. In other words, this bill will put us in a position where, after the war, we will have these raw materials at our fingers' ends; and it is the desire, as I understand it, of the Government to be in a position to control the raw materials.

Mr. OVERMAN. But $500,000 is appropriated here, out of any money in the Treasury not otherwise appropriated, for the payment of administrative expenses.

Mr. HENDERSON. That would be part of the administrative expenses.

Mr. OVERMAN. To send a man to Europe?

Mr. HENDERSON. It would be part of the administration. You could not take any of it from the $50,000,000. The $50,000,000 provided for in the next chapter is simply for the purchase of the metals referred to in the bill.

Mr. KING. Mr. President, will the Senator yield?

Mr. SHAFROTH. I yield.

Mr. KING. Referring to what the Senator has suggested about the Government sending somebody abroad for the purpose of getting minerals or metals that are required, and the necessity, perhaps, in the future, of doing so, there is not a department of the Government to-day—that is, the War Department or the Navy Department—that might want those metals but that has the authority, if it needs those metals for war purposes, to buy them, no matter where it needs them; and if it is necessary to send a man abroad to get the metals it can do so. This appropriation is not necessary.

Mr. JONES of New Mexico. Mr. President, I think the Senator from Utah must be mistaken. The Government has the right to buy metals to be used in its own plants, but it has not the right to buy metals and allocate them to those concerns which are manufacturing commodities for the Government. In other words, the Government has not the right to buy pig iron and allocate it to the steel plants of the country.

Mr. KING. Mr. President, I do not agree with the broad statement submitted by my distinguished friend, to whose superior judgment I always am glad to yield due deference. It seems to me very clear that if the War Department, for instance, had a contract with the Bethlehem Steel Works for the purpose of producing cannon, and the Bethlehem Steel Works should say, "We need some vanadium, or some other rare metal, and the Government must aid us in securing it," the Government could send abroad for it, or buy it at home, and deliver it, or—using the expression of the Senator—allocate it to those corporations here that are engaged in the production of munitions or ordnance for the Government, deducting it, of course, from the price ultimately to be paid.

Mr. JONES of New Mexico. I will say to the Senator that one of the great objects of this bill is to provide some agency of the Government which can do that very thing; and the reason why we want to provide for it is that no agency of the Government is now authorized to do that. At any rate, the combined judgment and information of all of the members of the Mining Committee was that no existing agency was authorized to perform such functions; and it therefore became necessary and is necessary to create an agency to do the precise thing which the Senator from Utah thinks ought to be done.

Mr. KING. Mr. President, if the Senator will pardon me, I think this is a fair illustration of the condition which prevails with respect to these metals: The Government of the United

States is spending millions of dollars, hundreds of millions, for blankets and for woolen goods for the soldiers. I have not any doubt, and I do not think the Senator can have any doubt, but that the Government of the United States could go out and purchase wool in the market, deliver it to the corporations which have the contracts for making the blankets and the woolen goods, and charge them the price of the wool, or such price as the Government desired, and it would go in diminution of the final payment which the Government was to make. If the Senator will pardon me further, I am assured by one of the members of the Committee on Military Affairs, the Senator from Arkansas [Mr. KIRBY], that it has already been done.

Mr. JONES of New Mexico. I think it has not been done. According to my information, it has not been done. Of course, I am not familiar with the woolen industry; but, as I understand the woolen situation, it is simply this: The War Industries Board got the woolgrowers and the wool dealers together, and they came to a mutual agreement as to the price of wool and as to the allocation of wool; but no agency of the United States has gone out to buy the raw wool and allocate it to the various factories of the country.

Mr. SMOOT. Mr. President, I will say to the Senator that he is mistaken. The Government of the United States has commandeered all the wool in the United States. It has designated certain places to which that wool shall be shipped. It has appointed agents to place a value upon the wool, and only yesterday I saw a valuation of 61¼ cents a pound put upon a shipment from my State. The Government pays that price for the wool. The wool is in a warehouse designated by the Government of the United States, in Boston; and there is not a single pound of wool in the United States that can be sold other than to the United States.

Mr. JONES of New Mexico. Mr. President, as I said, I am not as familiar with the wool situation as I am with some of these other things, but I am still not convinced that the statement of the senior Senator from Utah is correct. My information is that the Government is not putting its dollars into the purchase of that wool; that the War Industries Board had the woolgrowers and the wool dealers come into a conference and by agreement fix the price; and that the War Industries Committee is handling this wool with funds furnished by the manufacturers of the wool. The same question arose with regard to sugar. There was no fund with which to buy sugar, and so the refiners of the country came to a voluntary agreement to put up the money with which to finance the Cuban crop of sugar and allocate it among themselves. It was a voluntary organization. If any fund has been put at the disposal of the Government of the United States with which to go out into the West and buy wool and turn it over to a woolen manufacturer up in Boston, I do not know where the law for it can be found.

Mr. SMOOT. Mr. President, of course the Senator has a perfect right to doubt my statement; but I can tell the Senator the names of the men who have been appointed by the Government to buy wool in the State of Utah, and they are authorized to collect the wool in certain quantities; and, mind you, the wool is paid for by the Government of the United States.

Mr. JONES of New Mexico. Of course, I know that the Senator usually has very accurate information, but my information upon this point is diametrically opposed to what he has stated here to be the case in his State. I know that in my State they have formed this organization to handle the output of wool; but if there is a fund created under this Government with which to buy wool and distribute it or allocate it to manufacturers, I do not know it, and I should like to have some statement of it other than the mere recollection of myself or any other Senator.

Mr. SMOOT. Does the Senator doubt that the Government is buying wheat and paying for it?

Mr. JONES of New Mexico. That is done with a special fund that is specifically provided for. If the Senator wants to follow the logic of his argument, there was no necessity for the legislation which appropriated $150,000,000 with which to handle the wheat crop. We had to provide legislation for that. We had to make the appropriation of the $150,000,000, and created a fund with which to do just that thing, and gave specific authority for it; but, so far as wool is concerned, or any of these metals, I do not know of any such authority.

Mr. SMOOT. I do not know that they are doing it with metals. I have never heard it, and I have made no argument whatever upon it. I have simply stated the conditions existing with regard to wool.

Mr. JONES of New Mexico. I still think that the Senator upon getting detailed information, will find he is mistaken about it.

Mr. SMOOT. I know that only yesterday I received a letter from the War Industries Board in answer to a letter of complaint that I had from one of my constituents that his wool had been shipped to Boston, and that it had been valued at 61¼ cents a pound, and that he had been waiting now for some two or three weeks for the Government to send him the money for it, and asking me to see if the money could not be sent at a very early date, because of the fact that he was in dire necessity for it.

Mr. JONES of New Mexico. I will ask the Senator if he has ascertained what official of the United States is authorized to pay for that wool?

Mr. SMOOT. I suppose the same official that had power to commandeer the wool, and that is the War Department.

Mr. JONES of New Mexico. What official commandeered the wool, I will ask the Senator?

Mr. SMOOT. I think it was the War Industries Board. I do not think there is a member of the Military Affairs Committee but that will immediately say that the wool of the United States has been commandeered.

Mr. KIRBY. That is our information. That is the information we have received directly from the people in charge of it.

Mr. JONES of New Mexico. The wool of this country, as I understand, has been put at the disposal of the War Industries Board by voluntary agreement. They agreed upon the price, and the whole matter is being handled by voluntary agreement and not under any direct authorization of law for commandeering it or purchasing it and allocating it to the industries of the country.

Mr. President, with regard to this bill, it seems to me that the situation is not adequately understood. The metals mentioned in this bill are rare metals. The quantity of these metals required during the war has very greatly increased. If you take practically any metal mentioned in the bill, the uses of that metal have multiplied many, many fold.

Take manganese, which has been referred to here. The quantity of manganese required has increased several fold. Take other metals which were used before the war in small quantities and are now required in very great quantities. So the thing to be accomplished is to get for this country more of these rare metals.

The question of transportation has been referred to as an important item, and it is, indeed, an important item; but some of these metals were obtained before the war principally in the countries which are now at war against us, and so for those metals it has become essential to the conduct of the war that the supply in the United States should be increased. Now, that is the problem. How shall we increase the supply of these metals in the United States. The time may come as to some of them when we can build ships enough to continue the importation in sufficient quantities, but we need them now, we ought to have them now, and we ought to have the increased production just as soon as it can come. Now, how can we do it?

The junior Senator from Utah [Mr. KING] has suggested that the price will supply the demand. The evidence taken before the committee shows that the price of many of these metals has increased up to 1,000 or 2,000 per cent since the war started. It appears in the testimony that the price of nearly every mineral mentioned herc which is produced in the United States has increased 200 or 300 per cent. But that does not bring enough. The reason of it is, and I invite the attention of the Senator from Utah and others who are interested in the subject, the difficulty in producing a supply of ore of one of these rare metals through a mere increase of price without a definite length of time for the price to prevail. In order to open up some of these prospect mines it is necessary to make a large expenditure. Take the supply of manganese, for instance. Manganese is found in many sections of the United States, but it is found in a peculiar formation. Before the war manganese was imported into the United States at such a price that only those producing manganese at the very lowest cost could compete with the importation of manganese, but the price has gone up now very much higher than it was. However, a man who has a manganese deposit, or thinks he has it, will not put a large investment in the development of that ore unless he is insured in some way of a market. He knew the conditions before the war did not justify the development of that property.

Mr. SMOOT. Try a tariff.

Mr. JONES of New Mexico. A tariff might cover a little of it; it would protect the individual to whom I refer, who is surrounded with a difficult problem. Any tariff that might be thought of would not satisfy him, because he would come in competition, even with a reasonable tariff, with the low-cost producers of the United States. Senators ought to know that it is very much more expensive to develop one property than it is another. One deposit may be several miles from a railroad,

and the cost of transportation under existing conditions may be prohibitive. If you are going to develop that property and make it to his advantage to produce ore, you have got to give him some assurance as to the price which he will receive when he gets his product from the ground.

Mr. KING. Will the Senator permit a suggestion right there?

Mr. JONES of New Mexico. Certainly.

Mr. KING. The Government is confronted with the same situation now with respect to lead and copper. In order to enable those who are producing copper for the Government to do so at any sort of a living price it has to fix 26 cents a pound on copper, as a result of which the few mines that produce very cheaply are making stupendous profits. The same situation the Senator alluded to exists in almost every activity because there are no two producers of anything, whether it is shoes or anything that enters into the consumption of life where the cost of production is the same to each individual who is producing it. There is always an advantage, great or small, in favor of one producer as against another.

Mr. JONES of New Mexico. What the Senator has said is quite true, and it is to obviate the evil which the Senator has suggested that this bill was prepared. I was coming to that situation. In order to control the price of coal a plan was adopted of fixing a minimum blanket price on coal. The result was just that pictured by the Senator from Utah. It gave to the low-cost producers an enormous profit, a profit which they never dreamed of getting, and I must say that a large percentage of the coal mined in the United States to-day is being sold at a profit far beyond that which the producers should get. But in order to encourage the production of coal and get an increased supply it was necessary to fix a price which would enable the high-cost producers to live. Now, that was done with a blanket price. The evils which have resulted from it are many. They are stupendous, as suggested by the Senator from Utah.

The only reason why the Government of the United States should not buy all the coal of the country and sell it to the consumers is because of the stupendousness of the job. The economics in favor of doing that sort of thing are perfectly sound, but when you consider the immense number of customers, every household in the land, when you consider that there are 20,000 concerns mining coal, when you consider the immense quantity of it, you will not find any one individual in the United States who would like to tackle the job of buying it and selling it. If such a provision could be administered in a practical way and without too much of a burden upon the Government in such administration economically it would be sound. We could buy the coal from the men who produce it at a dollar a ton with a reasonable profit, buy it from the men who produce it at $3 a ton, only making a reasonable profit, and put the whole together in one theoretical bin and sell it out to the citizens of the country at a reasonable and average price. That is the ideal thing to do, but when you come to put it into practical operation it is impossible or it is impracticable to do it.

Mr. CUMMINS. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator from Iowa.

Mr. CUMMINS. I can not sit still under the statement just made by the Senator from New Mexico. I agree with him that there is, theoretically, but one way in which to handle the coal situation, and everything that has been said with regard to the injustice of fixing a price even in a limited district is true, but I believe it is entirely practical to pursue the plan set forth in our statutes. When Congress passed the fuel-control bill it gave to the Fuel Administrator the power to fix a price or to buy and sell at a uniform price.

Mr. JONES of New Mexico. I am rather inclined to cast some doubt upon the power of the Fuel Administration to buy all the coal of the country.

Mr. CUMMINS. If the Senator from New Mexico will examine the statute he will have no doubt about it at all, because it was the subject of a great deal of consideration in the Committee on Interstate Commerce. The Senator from Ohio [Mr. POMERENE] introduced the amendment which was a composite, a part of his authorship and a part of mine, and I presented it, insisting that purchase and sale was the only way in which the matter could be dealt with without allowing some operators to earn enormous profits and other operators to go without any. I am sure the Senator will find that it is in the statute. I wanted that plan. I wanted to see the administration adopt that plan. I think it must adopt that plan if the war is to continue very long. I could not sit by and hear it said that the plan was impractical and could not be adopted without at least raising my voice in protest against the statement. I think it is the only plan.

Mr. JONES of New Mexico. I thank the Senator from Iowa for his observations. It may be, I am willing to assume, that the statement of the Senator is correct as to the present provision of the law, but it has been found impractical for the reasons I have stated to thus handle the coal situation. But when you come to metals it is impossible in a greater degree to encourage their production in the way that the production of coal is sought to be encouraged, because the cost of production of these metals varies to such a great degree more than the production of coal that it is impossible to apply the same method of handling the problem.

Take the wheat crop of the country. The quantity of wheat which can be produced is certain, within reasonable limitations. The cost of the production of wheat is likewise reasonably certain. You may fix a price which will not give too great a profit to one concern or prevent the other from a reasonable prospect of a profit. So with regard to coal. But when you come to fix a blanket price upon these metals you are confronted with a situation about which there is no ascertainable information as to the cost of production or the supply which can be obtained. The mining of ore, and especially of these rarer ores, is highly speculative, and the only way to encourage the production of such a metal as that is to deal with the individual in a way which will induce him to enter into a speculative undertaking.

You can not fix a blanket price for all these rarer metals upon a speculative basis in order to increase their production. We have mines throughout the country producing some of these metals to a greater or less extent. We are producing of these metals a very large percentage, and in order to get a greater production it would be unwise to increase the price which the persons at the present time are obtaining, and the prices which they are obtaining to-day are admittedly high. There is not a metal mentioned here where the producers are complaining of the price, but there are many prospects throughout the country where the owners are hesitating about developing the mines. They have the prospect, but in order to develop it a large investment must be made. They are unwilling to make the investment unless they are assured of a market. They want the market. How are you going to insure the market? So instead of making a blanket price under this bill, the Government agent will go to the prospector and agree with him that if he will produce within the next two years a given number of tons of the specified ore he shall receive a fixed price for it. Thereupon, being assured of a market for a definite quantity of ore, he makes his investment; he develops his property; he produces the ore, and it goes into the plants of the country for war purposes.

Mr. SHAFROTH. Mr. President——

Mr. JONES of New Mexico. I yield to the Senator.

Mr. SHAFROTH. In line with what the Senator is saying I want to cite an illustration of what occurred in the State of Colorado with respect to molybdenum, which is a rare metal, and which at one time sold for an enormous price. Knowing that there was some in a certain region of our State, parties concluded that they would open up a mine, and they did so at a very great expense. Then the price of molybdenum went down, and the result is that the mine is not being worked at the present time. You have got to give, as the Senator says, a definite period of time for the operation of the contract, or a contract for a certain number of tons of ore, in order that they will undertake the development of the mine.

Mr. KING. Will the Senator allow me?

Mr. JONES of New Mexico. I yield to the Senator from Utah.

Mr. KING. As I understand the Senator's contention, the Government of the United States needs a large quantity of these rare metals. Conceding that to be true, why may not the Government make a contract for the purchase, even though that contract does extend beyond a few months, and extend it for two years?

Mr. JONES of New Mexico. That is exactly the purpose of this bill.

Mr. KING. Does the Senator deny that the Government has the power now to contract for those things which it requires in the prosecution of the war?

Mr. JONES of New Mexico. I stated in the beginning that it was just the purpose of this bill to confer the power. The Government has not the power at the present time.

Mr. KING. I beg respectfully to dissent from the position of the Senator.

Mr. SHAFROTH. Let me suggest to the Senator, if the Government has the power now, what harm can there be in relieving the minds of people who think it has not the power?

Mr. JONES of New Mexico. I happen to know this. In talking with Mr. Baruch about this very situation he said he had been making contracts that there was no authority for in law, and in so doing he was involving his private fortune; but he is willing to do so in order to get the metals and carry on the war. What we are seeking to do now is to confer the authority to give some legal sanction to what the War Industries Board has been doing, jeopardizing the private fortunes of members of that board.

Mr. President, I think if the Senator from Utah understood this bill he would not oppose it. I am not surprised that all Senators do not understand the bill. It is impossible for Senators to understand all the bills that are introduced here. It is only upon discussion that they can be made clear, and that is the purpose of the discussion now. I believe when this bill is understood it will meet with the approval of every Member of the Senate. I do not know of any substantial objection which can be urged to it. There is no objection which could be urged to it if you assume, as I think every Senator must assume, that there is an absolute necessity for increasing the production of these minerals. If you once agree to the premise that the quantity of these minerals must be increased, then I think you will agree that the method proposed by the bill is the best one at least that has been suggested for bringing about the increase. If you assume that it must be increased, then I ask anyone in the Senate Chamber to propose any other method which is better than this. If he will do it I am ready to accept that other method.

The Mines and Mining Committee went into this subject and spent weeks on it. We tried to find out some way whereby it could be done and cause just as little disturbance of business as possible. We wanted to keep this business especially as nearly along peace-time lines as it was possible to do it. We did not want to interfere with any miner or any operator who is handling these ores, but we were confronted with a condition where it was necessary to increase production.

Now, how are you going to do it? We came to the conclusion that instead of having a licensing system and putting all the miners of the country under a license, instead of creating here in Washington a great bureau to supervise the business of every miner in the country, we would give somebody authority to go to the man with a prospect, to go to the man with a mine that needs further development, and say to him: "If you will furnish so many tons of ore to the Government in the next two years, we will give you a definite price for it." If you do that, you will increase production. It does not mean that you shall give the same price to all the men mining the same class of ore. You may let the present price remain where it is as to existing producers, but when you want to encourage a man to develop a new mine, to extend his operations which will require the investment of capital, you agree with him upon the price of his output for a definite length of time.

I will ask any Senator, Is not that the business way of handling this problem? Can you suggest a better? Will not that accomplish the results which we seek if it can be brought about, and will it not be brought about with the very least expense to the Government of the United States?

Mr. President, that is all that is involved in the bill.

Mr. SMITH of Arizona. Will the Senator permit an interrogatory?

Mr. JONES of New Mexico. I yield to the Senator from Arizona.

Mr. SMITH of Arizona. I wish to express myself as being in hearty sympathy with the purpose of the bill as explained by the Senators who have been on the floor in advocacy of it. But I was wondering, in looking at page 21, whether or not you had not included in the metals a great number that were not necessary to be included. Some of them I notice in reading it over are commonly distributed and some are found in very large quantities. My only suggestion is that probably it would relieve some opposition to the bill on the part of some Members of the Senate if in the bill we included those prime necessities of which the Senator has so well spoken, where we can not import the metals or where they do not exist for importation, where our allies are needing them as badly as we, and where they are produced in a country with which we are at war, and it becomes essential for us by any sort of means within ordinary common sense to provide them for carrying on the war. Does not the Senator think it weakens the bill by including so many metals in it that are not essential? I think it would relieve some opposition to the bill if nothing was permitted that was not absolutely necessary. For instance, take antimony. We might enter into a discussion to see if the production of antimony needs to be developed. I suggest to the Senator in charge of the bill that it would facilitate its passage if nothing was included in its operation except the classification of essential minerals.

Mr. JONES of New Mexico. The suggestions of the Senator from Arizona are in entire harmony with the thought which came to my mind soon after we started in to taking testimony on the bill. I was of the same mind the Senator seems to have at the present time, and we tried to take out these metals so that we could limit the bill in its operation to a specified few. But the more we tried to do that the more difficult it became. We found that the ramifications of these various industries are such that the very next day after passing the bill it might be necessary to include in it some metal which we had left out, owing to prospective conditions, which do not necessarily exist to-day, but which we could see would in all likelihood exist in the near future. That is why we put them in. I will state, however, that this whole machinery is simply to conserve the power and furnish the means for doing these things when the necessity arises. The necessity is apparent and it is acute with regard to certain of these metals, but not so acute in regard to others. However, I believe that so far as certain conditions are concerned, we might for the immediate present leave out several of these metals, but after considering the whole field and after trying to find out the metals that we could eliminate, we saw that the prospect of trouble in the future was so imminent that we decided we had better put them in here, as the metals would not be handled under this power if they could be handled without it.

I want to refer to another objection of the junior Senator from Utah [Mr. KING] with regard to putting the Government into the mining business. I think the chairman of the committee [Mr. HENDERSON] very ably explained what was intended by that provision of the bill. It is not to put the Government in the mining business. On the other hand, we want to keep the Government out of the mining business so long as it can be done. But take at least some of the metals here. I will mention graphite, for instance. In one section of the country there is a most valuable graphite mine, but it is in litigation and is not being worked. The owners of the property are unable to get the matter decided, to get the title clear, so that either of them can work the property. It is idle, although large quantities can be produced. If it is necessary to secure graphite for the purpose of conducting the war, then I say give some governmental agency the power to take over that mine and work it.

Take sulphur, which can be obtained from a great many of the smelters of the country in quantity, provided the owners of the smelter company will put in a considerable investment—a large investment, in fact—in order to reclaim the sulphur which is disappearing in the fumes; but they are not going to do it, because at the prices which obtained prior to the war they were not justified in doing it from a commercial standpoint. With the present crisis, however, they are more than willing to do it, provided they are assured of a market for a reasonable length of time. So in that case, when we need the sulphur with which to make the sulphuric acid, why should we not say to the smelter company, "We will take so much of your sulphur at a given price, delivered within a given period of time," in order to justify the smelter company in reclaiming the sulphur? So with these other metals we want to encourage production; we must have these minerals for the war. What other remedy can you suggest? I ask any Senator to propose any scheme which will probably solve this problem in a better way than that which is presented by the committee. You do not want a minimum price.

Take one other case, referred to by the Senator from Colorado, where some metal was selling at $2.50 per pound. It was not long until they discovered a whole mountain of it in the State of Colorado. Suppose you had put a minimum price of $2.50 a pound, which should continue for the next year or two years, where would the Government have been? You can not put a minimum guarantee on metals of this class. If you do, you run the risk of bankrupting the Government. If you do not guarantee some sort of a price, you prevent increased production. So the way in which to make the guarantee is to go to the individual who has the mine, who has the prospect, and guarantee to him to take a sufficient quantity of his ore at a sufficient price to justify him in producing the ore. Who can suggest a better scheme? If there is any other scheme to be proposed, I am satisfied the committee will be only too glad to receive a suggestion.

Mr. FALL. Mr. President, I have not interrupted my colleague to ask a specific question, because there are three or four questions which I should like to have answered, and I prefer to suggest them all at once, so that they may be answered separately or together.

In the first place, I should like to know exactly what it is the purpose of the Government to do with the ores of the minerals which it is to purchase. It is not to purchase simply the product, the minerals after they are extracted, but also to purchase the ores of the minerals. I do not see any provision in the bill that the Government shall handle the ores in any way. Is it the purpose simply that the Government may contract for the mineral itself with a party who is already engaged in the extraction of the mineral, and then that the Government shall purchase the ores from a prospector or a miner who has discovered them and shall simply have those ores treated by private plants? There is, I believe, no provision for the Government treating the ores.

Mr. JONES of New Mexico. Mr. President, the bill contemplates the handling, I will say, of "mineral substances and ores, minerals, intermediate metallurgical products, metals, alloys, and chemical compounds thereof." So I take it, as to a given metal, that the agency of the Government which is created in this bill would handle the product at the particular stage where its purpose is best to be accomplished.

Mr. FALL. If the Government itself does not purchase the ores it will offer no inducement to the miner who has not a plant. If it is going to induce the miner to produce more ore, especially where the particular mineral mentioned here in such ore would be, as it generally is, a side product or a by-product of such ore, the Government must purchase the ore.

I was merely interested to learn how it was proposed to handle these ores, for the purpose of the bill, as I understand it has been announced by the members of the committee who have referred to it, is to induce the production of more ores containing these metals, the opening up of more mines.

Mr. SUTHERLAND. Mr. President——

The VICE PRESIDENT. Does the Senator from New Mexico yield to the Senator from West Virginia?

Mr. FALL. I yield. I am asking for information.

Mr. SUTHERLAND. If the Senator from New Mexico will read section 3 he will find this language:

SEC. 3. That the President is authorized to requisition and take over any of said necessaries, to provide storage facilities for and to store the same, and to use, distribute, allocate, or sell the same; and also to requisition and take over any undeveloped, insufficiently developed or operated, or idle land or deposit, mine, smelter, or plant, or part thereof, producing or, in his judgment, capable of producing, said necessaries and to develop and operate the same, either through the agencies hereinafter mentioned, or under lease or royalty agreement, or in any other manner.

Mr. FALL. Yes; I had read that, and that was the reason why I was trying to get the ideas of the committee as to whether the Government would first contract for ores, and then, not being able to extract the mineral, to sell them to some one who would reduce them and extract it. For instance, radium is a product of three particular ores. Does the Government propose to contract for the ores from which radium is derived and then to sell those ores to some one who is engaged in the business of extracting the radium from them, or does it propose to commandeer the concentrators or other plants for the reduction of radium itself? If so, it strikes me that the powers given to the corporation in this bill—this I suggest merely from a cursory examination of the bill—are scarcely broad enough.

Mr. JONES of New Mexico. Mr. President, so far as I am concerned, as a member of the committee I desire to say that it is not the purpose to interfere with the existing machinery for the handling of these ores and metals any more than is absolutely necessary in order to bring about an increased production. Some of the terms used in the bill will not apply to all classes of ores. As my colleague well knows, all ores are not handled alike, and the process of producing a commercial metal from one ore is not the same as to other ores. The terms of this bill were simply made as broad as they are for the purpose of touching the situation at the point where it would cause the least inconvenience and would bring about the best result. That is why the word "alloys" was used in the bill, and also the words "metallurgical products." As to the metals which are alloys or products which go through a particular chemical and metallurgical process, through various reduction and refining plants, it was intended to have those terms broad enough to confer the power to deal with these various metals in a practical way.

Mr. FALL. The wording of the bill interested me where it reads:

The following named mineral substances and ores, minerals, intermediate metallurgical products—

I could understand that, of course.

Metals—

I can understand that, and even "alloys." I might possibly understand "chemical compounds."

Mr. JONES of New Mexico. Mr. President, I am merely going to state to my colleague that, owing to the suggestion of the Senator from Arizona (Mr. SMITH), who criticized that language later on, I was going to suggest a modification of it so as to remove all doubt. The modification which I had thought of suggesting—and, by the way, I will ask my colleague to pay attention to it, and, if it does not meet his views, I shall be more than glad to receive any further suggestions—was, beginning on line 22, to change the language to read thus:

To provide for an equitable and better distribution of certain mineral substances, ores, minerals, intermediate metallurgical products, metals, alloys, and chemical compounds thereof, to wit—

Then follow the names of those articles. I think, as thus amended, the purpose is perfectly clear, and the language would apply only to just what is intended to be included.

Mr. FALL. The idea that suggests itself to me, and one that I should like to understand how it can be worked out, is this: Antimony, of course, is a mineral; arsenic and the other substances mentioned here are minerals; the bill not only refers to minerals or to chemical compounds thereof but to the ores of the minerals.

So far as the miner is concerned, he is most interested in having a market for his ores; he very seldom handles the mineral itself, which is the product of his ores. That is the first proposition.

The second proposition is, Is the Government in its power of requisition to be restricted to the ores of such minerals as are mentioned here whether the specific mineral constitutes the greater value of such ore or not? Is it to be left to commandeer ores, for instance antimonial ores of silver, where the value of the silver would be 500 times that of the antimony? Is it to be restricted to the carnotite ores from which radium is produced, or can it also requisition pitchblende ores from which radium was formerly produced until the discovery of carnotite deposits of which are found in Colorado almost exclusively? If the Government is to have the power to requisition pitchblende ores, for example, it would then, of course, unless confined to such pitchblende ores as those of which radium constitutes the principal value, have power to commandeer all gold, and particularly gold and copper mines in which pitchblende is found in combination. Is that the intention? I presume it is not, for radium presumably is the substance aimed at here as one of the peculiar or precious metals.

The Government has already tried the radium industry for itself through the loan of a factory and the use of carnotite ores given to it, and I think it has discovered, despite all the talk here three years ago or more, that radium could be produced by private individuals and bought by the Government at much less than it was possible for the Government to produce it, even with the loan of a complete plant, which had been turned over to it, and with such ores as it could obtain even by gift.

Those are questions, of course, that may not suggest themselves as being of such importance to the members of the committee as I place upon them, but it strikes me that there must be some provision for answering them, or else the very object which would induce some of us to vote for this bill would not be obtained.

Mr. SHAFROTH. Mr. President, let me suggest to the Senator that no Senator connected with the Committee on Mines and Mining has any particular pride of opinion in respect to the language of this bill.

Mr. FALL. I understand that.

Mr. SHAFROTH. And they are perfectly willing to accept any suggestion that will tend to perfect the bill. We have considered and framed this bill in an effort to get a more satisfactory measure. As it came to us it was not only crude but embodied principles to which not one of us would subscribe. It has been amended and put in its present form, but if other suggestions can be made by the Senator from New Mexico or any other Senator which will improve the bill we shall be glad to have them do so. In fact, I understand it is contemplated, in order to give Senators an opportunity to examine into the bill to-morrow, to adjourn over until Wednesday.

Mr. FALL. Mr. President, of course my sole object now is to make these suggestions in order that they may be borne in mind, if deemed worthy of consideration, by the Members of the committee who had the preparation of the bill in hand and who are much more familiar with its language and exactly what they intended to do than I am.

Mr. SHAFROTH. I suggest to the Senator that the best way to get the opinion of the committee in the matter would be for him to frame the exact language which he desires incorporated in the bill.

Mr. FALL. When I understand exactly what the committee want, which I am trying to arrive at now by my questions, then I will have much less trouble in undertaking to frame any amendment which I may desire to offer. For that reason I have asked as to what provision is intended as to the treatment of ores of certain minerals and as to what the committee had in mind as to the mineral value of such ores. For instance, pyrites might be a by-product of copper mines, and yet of the two minerals the copper might constitute a very much greater value of the ore, just as silver and gold are a by-product of copper mines. The majority of minerals, aside from the earthy minerals that the committee has mentioned, are obtained as by-products of other minerals and from the extraction of other minerals.

Mr. SHAFROTH. Mr. President, I think that it was the intention of the committee to provide that if the Government wanted a certain mineral that is referred to in the bill that it should go to the miners, seek them out or advertise for them, and contract for the desired mineral.

Mr. FALL. The Senator will understand my question was directed to the requisitioning feature, the commandeering feature of the bill; that is, is it the object or the idea of the committee that minerals such as copper would be subject to the commandeering feature of this bill because by-products such as antimony or other minerals mentioned specifically herein might be obtained in the treatment of copper ore?

Mr. SHAFROTH. I do not think it was the intention of the committee that that should be the case.

Mr. FALL. Then I think that language should be guarded.

Mr. SHAFROTH. Perhaps that is true.

Mr. FALL. Now, Mr. President, I should like to ask the Senator what is intended by the provision from line 20, on page 23, down to and including line 3, on the following page? I will ask the Senator first to allow me to call his attention to the following language in the report of Secretary Lane, which I find accompanying this bill:

The Government may enforce economies in the preparation and use of the different commodities.

It seems to me from Secretary Lane's language that he had in view much more than simply the inducement to the miner to produce more metal, and the formation of a company, which in fact would be merely a metals buying and selling company, in order that the United States might have the advantage of distributing such minerals as it brought under the provisions of this bill.

Mr. SHAFROTH. Of course, Mr. President, it was the object to have these minerals or ores allocated.

Mr. FALL. Yes; I understand that; but that is not the sole object or one of the principal objects set forth by the Secretary.

Mr. SHAFROTH. I think also there is included the power so to regulate the quantity as to promote its economical use. I think there is a provision in the bill which relates to that; in fact, great powers are given under this bill for the very purpose of bringing about a more efficient administration.

Mr. FALL. That is exactly what I am driving at, Mr. President. I hope the Senator will allow me now to propound my question. I have simply called his attention to the words used by the Secretary as a foundation preliminary to the question which I propose to ask, and upon the answer to that, I will say to the Senator, will depend my support or opposition to this bill as it is now drawn.

The Government may enforce——

Mr. SHAFROTH. From what page is the Senator reading?

Mr. FALL. I am reading from Secretary Lane's report as a preliminary foundation to a question which I propose to ask:

The Government may enforce economies in the preparation and use of the different commodities.

Now, bearing in mind that language, I find an apparent attempt, in so far as I can understand it, to carry it out. Commencing in line 20, on page 23, I find in the bill the following language:

The President is authorized to require statements and reports, to examine books and papers, and to prescribe such rules and regulations as he may deem appropriate for carrying out the purposes of this act, including the operation of any such land, deposit, mine, smelter or plant, or part thereof, the purchase, use, sale, or other disposition of articles or substances used, manufactured, produced, or mined therein, and the employment, control, and compensation of employees.

What does that mean?

Mr. SHAFROTH. It means that in the event the Government should deem it wise to take over any of these mines or a smelter and to operate the same, in order to get the best results, the President must have, and should have, the right to examine the books and papers and practically the means of operating and administering the institution itself.

Mr. FALL. Of course, if the Government takes it over and operates it, it will have the books; it will be keeping its own books, and it will be paying its own men, and, if that is the object, I have no objection to it.

Mr. SHAFROTH. I think that is the object; I do not think of any other object.

Mr. FALL. Well, Mr. President, it is so broad in its terms that it would carry out, in my judgment, exactly what the Secretary has stated here, and for that reason I read his language in connection with the bill. It is so broad in its terms that it made the impression upon me that it was the intention to allow the Government of the United States to go into the private office of any mine or any smelter or any reduction company and not only to go through their books and enforce, as the Secretary has suggested, economies in the production of the minerals, but even to fix the wages of the employees.

Mr. SHAFROTH. I do not think that is the intention.

Mr. FALL. If that is not the purpose, then it is easy enough to so state in the bill.

Mr. SHAFROTH. I do not think that any such construction can fairly be placed on it.

Mr. FALL. Very well, then; we can easily arrive at it. If it is the sole purpose of the committee to provide that the Government itself may conduct such operations, those words alone are amply sufficient, because, of course, if the Government operates a plant the Government keeps its own books or has them kept by Government employees, and the Government fixes wages, just as any private employer would do, so it would not be necessary to employ language of this character. If it is necessary to use this language at all in this bill, then it can only, in my judgment, be for the purpose which I have indicated.

Mr. SHAFROTH. Mr. President, I take it that this bill does not intend to interfere with private business in any particular, only with such as it may have contractual relations with——

Mr. FALL. Exactly.

Mr. SHAFROTH. Or which it operates.

Mr. FALL. That is what I am talking about. It contracts, as the Senator says, for two years ahead for the purpose of securing minerals, and having a contractual relation with the miner, then it is proposed to give the Government power to do all these things. If that is the purpose, if that is the object, if that is the meaning, then you give the Government the power to fix the wages of every miner in the United States.

Mr. SHAFROTH. I do not think there is a single member of the committee who ever dreamed of such a thing.

Mr. FALL. I am glad to have that assurance, because that is my particular objection to the bill. Mr. President, I shall have nothing further to say at this time.

Mr. HENDERSON. I move that the Senate adjourn until Wednesday at 12 o'clock.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate adjourned until Wednesday, September 11, 1918, at 12 o'clock m.

HOUSE OF REPRESENTATIVES.

MONDAY, *September 9, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou who art supremely wise, all powerful, and whose essence is love, help us to rededicate ourselves, mind and soul, to Thee at the beginning of this a new congressional week, that our work may be worthy as true sons of the living God, and thus have our part in the spreading of Thy kingdom throughout the world, when all men shall know Thee and worship Thee as Father and live together as brothers in peace and harmony in the Spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of Saturday, September 7, 1918, was read and approved.

AMERICAN EXPEDITIONARY FORCES.

Mr. BUTLER. Mr. Speaker, I ask the House to allow me to have read into the RECORD a very beautiful tribute paid by Gen. Degoutte to the American armies who fought under his command in the second Battle of the Marne. I also ask unanimous consent to speak for one minute before this tribute is read.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. BUTLER. Mr. Speaker, on the 11th day of August, 1918, Gen. Degoutte, who commanded the American troops in the sec-

ond Battle of the Marne, handed me at his headquarters in France an order which he had just issued, which is in itself a very handsome and well-merited tribute to the fighting forces of America. This order, of course, is in the French language. The gentleman from New Jersey [Mr. PARKER] has assisted me in its translation, and I have no doubt the translation is absolutely correct. The first part of the order refers to the fighting of the marines at Belleau Wood and the second part of it to the fighting covering many days at the second Marne, where the American troops assisted in driving back the Germans. Its value is not only in its praise of the American soldiers but is increased because of the high authority from which it comes. I will be obliged to the House if they will listen to it while it is read from the Clerk's desk.

The SPEAKER. Without objection, it will be read.

There was no objection.

The Clerk read as follows:

VI[e] ARMÉE,
P. C., le 9 Août 1918.

ORDRE GÉNÉRAL.

Avant la grande offensive du 18 Juillet, les troupes américaines faisant partie de la VI[e] Armée française se sont distinguées en enlevant à l'ennemi le Bois de la Brigade de Marine et le village de Vaux, en arrêtant son offensive sur la Marne et à Fossoy.

Depuis, elles ont pris la part la plus glorieuse à la deuxième Bataille de la Marne, rivalisant d'ardeur et de vaillance avec les troupes françaises. Elles ont, en vingt jours de combats incessants, libéré de nombreux villages français et réalisé, à travers un pays difficile, une avance de 40 kilomètres qui les a portées au-delà de la Vesle.

Leurs glorieuses étapes sont marquées par des noms qui illustreront, dans l'avenir, l'Historie militaire des Etats-Unis: Torcy, Belleau, Plateau d'Étrepilly, Épieds, Le Charmel, l'Ourcq, Seringes-et-Nesles, Sergy, La Vesle, et Fismes.

Les jeunes Divisions qui voyaient le feu pour la première fois se sont montrées dignes des vieilles traditions guerrières de l'Armée régulière. Elles ont eu la même volonté ardente de battre le Boche, la même discipline qui fait que l'ordre donné par le Chef est toujours exécuté, quels que soient les difficultés à vaincre et les sacrifices à consentir.

Les magnifiques résultats atteints sont dûs à l'énergie et à l'habileté des Chefs, à la bravoure des Soldats.

Je suis fier d'avoir commandé de telles troupes.

DEGOUTTE,
Le Général Commandant la VI[e] Armée.

[Translation.]

SIXTH ARMY,
COMMANDING POST,
August 9, 1918.

GENERAL ORDER.

Before the great offensive of July 18, the American troops, forming part of the Sixth French Army, distinguished themselves by clearing the "Brigade de Marine" Woods and the village of Vaux from the enemy and arresting his offensive on the Marne and at Fossoy.

Since then, they have taken the most glorious part in the second Battle of the Marne, rivaling the French troops in ardor and valor.

During 20 days of constant fighting they have freed numerous French villages and made, across a difficult country, an advance of 40 kilometers, which has brought them to the Vesle.

Their glorious marches are marked by names which will shine in future in the military history of the United States: Torcy, Belleau, Plateau d'Etrepilly, Epieds, Le Charmel, l'Ourcq, Seringes-et-Nesles, Sergy, La Vesle et Fismes.

These young divisions, who saw fire for the first time, have shown themselves worthy of the old war traditions of the Regular Army. They have had the same burning desire to fight the Boche, the same discipline which sees that the order given by their commander is always executed, whatever the difficulties to be overcome and the sacrifices to be suffered.

The magnificent results obtained are due to the energy and the skill of the commanders; to the bravery of the soldiers.

I am proud to have commanded such troops.

DEGOUTTE,
The Commanding General of the Sixth Army.

[Applause.]

Mr. BUTLER. Mr. Speaker, is there any way in which the fact that this has been read here can be certified to and sent to this commanding officer? It was his express desire that this order should be read to the House of Representatives.

Mr. GARNER. Send him a copy of the RECORD.

The SPEAKER. The House can make an order to that effect if it wants to.

Mr. ROBBINS. Did not the One hundred and tenth Pennsylvania, which comes from the twenty-second district, that I represent, take part in that fight, and is it not among those mentioned in this order?

Mr. BUTLER. They were, indeed, in that fight, and I fear many of them will never fight again. If it is proper to do so, I ask unanimous consent that an engrossed copy be sent to Gen. Degoutte under the seal of the House, so that he may know that it was read here in accordance with the promise I made to him on Sunday morning, August 11, 1918.

The SPEAKER. Without objection, an engrossed copy of this, signed by the Speaker and Clerk of the House, with the seal of the House affixed to it, will be sent to Gen. Degoutte.

Mr. HARDY. I will ask if that may not be accompanied by a copy, also, of the remarks made by the gentleman from Pennsylvania in presenting it?

Mr. BUTLER. I am very grateful to my friend from Texas, but I would rather that it would appear just as having been read here. That was his request. He did not ask me to say anything. He wanted the American people to know the high estimate in which these troops are held in France.

The SPEAKER. Without objection, the order will be made.

PROHIBITION IN ESTABLISHED WAR-PLANT ZONES.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. WEBB] may be recognized to call up S. J. Res. 172, authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed; that he may call it up under the general rule of the House.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that the gentleman from North Carolina [Mr. WEBB], chairman of the Judiciary Committee, be permitted to call up S. J. Res. 172 under the general rules of the House. Is there objection?

Mr. DYER. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Tennessee, if this resolution is called up, will it be open to amendment or will it be considered as it passed the Senate? The reason I ask that is because I dislike to see the time of the House taken up in debate to the detriment of the revenue bill.

Mr. GARRETT of Tennessee. The bill is upon the House Calendar. It will be within the power of the gentleman from North Carolina to move the previous question at any time.

Mr. DYER. I will ask the gentleman from North Carolina does he propose to open this resolution up to amendment, to take in everything else besides what the resolution covers?

Mr. WEBB. I will state to my friend that I hope the resolution will pass this House just as it passed the Senate and as reported unanimously by the Judiciary Committee, without any amendment.

Mr. DYER. Will the gentleman yield time to anybody to offer amendments?

Mr. WEBB. If I were to yield time to any gentleman to offer an amendment, I think I would lose the floor. Of course any gentleman who desires to do so, under the rules of the House, will have the opportunity to make a motion to recommit.

Mr. DYER. Does the gentleman propose to yield the floor to allow amendments to be offered?

Mr. WEBB. To be perfectly frank with the gentleman, I do not.

Mr. GILLETT. I do not think the gentleman from North Carolina had better shut himself off from that, because some amendment might be necessary to perfect the bill. I do not think the gentleman had better promise not to allow any amendments.

Mr. GARNER. What he suggested was that he would not yield the floor to permit anyone else to offer an amendment.

Mr. GILLETT. I was afraid he was going to bind himself that the resolution should not be amended.

Mr. GARNER. No; he does not bind himself not to offer any amendment himself.

Mr. GILLETT. All right.

Mr. CANNON. Will the gentleman yield?

Mr. GARRETT of Tennessee. I am making this request simply in order to save time. I have a privileged report from the Committee on Rules. I am merely making this request in order that the debate may be had upon the resolution rather than upon the rule.

Mr. DYER. I am in favor of the resolution as it passed the Senate and have no objection to its consideration. I only thought it would not be well to allow it to be open to amendment, to take in everything else, and take up the time of the House.

The SPEAKER. Is there objection?

Mr. DYER. In view of the statement of the gentleman from North Carolina that he does not propose to yield for the offering of amendments, I withdraw my objection.

Mr. GARRETT of Tennessee. Does the gentleman from Illinois desire recognition?

Mr. CANNON. I am heartily in favor of the resolution, but I do not believe there ought to be any amendment offered thereto.

The SPEAKER. The Chair will state that the question of allowing amendments to be offered to this resolution will be entirely in the control of the gentleman from North Carolina [Mr. WEBB]. He has a right to move the previous question whenever he gets ready. If he yields to some gentleman to offer an amendment, he loses the floor, and he can shut out amendments if he wants to. Is there objection?

There was no objection.

Mr. WEBB. Mr. Speaker, I ask that Senate joint resolution 172 be reported.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Resolved, etc., That the President of the United States be, and hereby is, authorized and empowered, at any time after the passage of this joint resolution, to establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants, and such other plants for war material as may seem to him to require such action, whenever in his opinion the creation of such zones is necessary to, or advisable in, the proper prosecution of the war, and that he is hereby authorized and empowered to prohibit the sale, manufacture, or distribution of intoxicating liquors in such zones, and that any violation of the President's regulations in this regard shall be punished by imprisonment for not more than one year, or by fine of not more than $1,000, or by both such fine and imprisonment.

Mr. WEBB. Mr. Speaker, I think the House thoroughly understands the meaning of this resolution and desire its immediate passage. I want to say that the Acting Secretary of War, Mr. Benedict Crowell, told me Saturday that he regarded it as a very pressing matter and hoped that the House would act as speedily as the rules would permit, and that is the occasion of the committee's bringing in a rule this morning. I am glad the House is in favor of considering it without the rule, and I think would be glad to have me move the previous question, which I now do.

Mr. GILLETT. Mr. Speaker, this says that the President is authorized to establish zones. I wondered if it ought not to allow him not only to establish zones, but to change them, if necessary, or terminate them.

Mr. GARNER. He can; he can establish new zones.

Mr. GILLETT. He can establish zones for 10 miles, but could he reduce it to 5 miles?

Mr. MILLER of Minnesota. He could change them in any way he saw fit, or he could revoke them.

Mr. GILLETT. It seems to me that that does not follow, but if satisfactory to the House and the House thinks it sufficient, I have no objection.

The SPEAKER. The question is on ordering the previous question.

The previous question was ordered.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. WEBB, a motion to reconsider the vote whereby the Senate joint resolution was passed was laid on the table.

THE REVENUE BILL.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 12863) to provide revenue, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 12863) to provide revenue, and for other purposes, with Mr. HAMLIN temporarily in the chair.

The CHAIRMAN. The gentleman from Michigan [Mr. FORDNEY] is recognized.

Mr. FORDNEY. Mr. Chairman and gentlemen of the House, this internal revenue bill will impose the largest amount of taxes upon the people of the United States that was ever carried in any tax bill by any legislative body in the world; in fact, I can say without fear of successful contradiction that it carries more than double the amount of taxes incorporated in any bill ever presented to a law-making body in any country in the world.

But in support of this we, the people of the United States, possess more wealth, twice over, than any like population in any country in the world.

I appeal to every man within the sound of my voice and to the people of our country to give loyal support to this bill and to our Government. We are engaged in the greatest struggle between powerful nations of the world that was ever known.

I appeal to you to give loyal support to this measure, because the Government has called upon our people to give our sons, husbands, and brothers, between the ages of 18 and 45 years, to go to the battlefields of Europe, to offer up their lives if need be, in order to protect our families and our homes from the ravages of a savage enemy.

I recently visited the Walter Reed Government Hospital in this city, where at present there are hundreds of our soldiers who have returned from France, some minus a leg or an arm, or both, some who have lost an eye, and some who are blind. A visit to that hospital is sufficient evidence to us what this war means to our soldiers who go over there. It is our duty, the duty of every father, mother, brother, and sister left behind, to do everything possible to help win the war; it is our duty to provide food, clothing, ammunition, and arms to our loved ones that have gone to the battle fields to fight for liberty.

In the future, on the part of our Government, there must be no tendency toward territorial acquisition, no tendency to give greater power to individuals. On the part of all the nations of the world there must be maintained a high regard for treaty obligations; people must understand that sacred contracts between nations must be looked upon as more than a "mere scrap of paper." This war will undoubtedly bring about a new order of things, and the efforts of the best men will be needed to solve new problems. Things heretofore thought to be quite impracticable may become the order of the times.

We are engaged in a conflict for human liberty. The rights of all nations must be respected; the weak made strong by the guaranty of the powerful.

The money to be raised by this new tax measure is for the purpose of enabling this great, rich, and powerful Nation to take its part in this world's war for the greater liberty of mankind the world over. We, being rich in money and men, must give freely to the cause now that we are in this war. The cost of the war to the whole world, in money and in blood, is beyond comprehension. Should the war continue for another year the financial cost to the people of the United States for the calendar year 1919, because of the probable growth of our Army and our Navy, will exceed the total expenses of this Federal Government from its foundation down to the year 1913, including the cost of the Civil War.

We must be prepared to meet this great expense, if need be. The wealth of this Nation from the year 1910 to the year 1918 increased more than $10,000,000,000 annually, until at the present time the wealth of the United States exceeds that of the three greatest nations of the world—$265,000,000,000.

As an illustration of the duty of the people of this country to support our soldiers on the battle fields of Europe, I wish to quote from a little booklet written by Kenneth Graham Duffield, which I think quite proper at this time:

Somebody's boy has crossed th' sea.
To do the fightin' fer you and me.
Let's call him "Bill"—he's any man's son
That carries a pack an' shoulders a gun.

Over in France in th' dirt and mud,
There's a boy uv ours;
He said he'd fight till th' war wuz through,
And leave th' rest t' me an' you.
We promised t' help in every way;
If we couldn't fight we said we'd pay.
It's up t' us, we can if we will;
Let's stop our fussin' and pull for Bill.

[Applause.]

What does it matter when all is done,
T' you an' me,
T' keep our money, but lose th' fight,
An' bend our necks to th' German's might?
Let's learn to save an' go without;
Our money is talkin'—let's make it shout.
Its up t' us, we can if we will;
Lets pull together an' pull fer Bill.

It's easy t' stand a wheatless day
If it's helping Bill.
We'd rather be cold than have it said
We used th' coal when he needed bread.
It isn't much, an' it's rather small
T' give so little when he gives all.
It's up t' us, we can if we will;
Let's stand together an' stand by Bill.

[Applause.]

How would you like t' take his place
Out on th' front?
How would you like t' be young and strong,
A-doin' your part t' right th' wrong?
Your part's at home—it's hard, I know,
T' stand aside when th' others go.
It's up t' us, we can if we will;
We'll pull together—we're all for Bill.

[Applause.]

My friends, the money to be raised by this bill is to carry out our pledge to our beloved boys across the sea, fighting for liberty for mankind the world over.

I am ready to contribute my share; I will go to the extreme. I am going to point out the things in this bill that do not meet my approval, and I am going to tell you why they do not meet my views; but when the time comes to vote, whether there are amendments made to the bill or not, I shall vote for the bill [applause], and I appeal to all men to do likewise. It requires money to win this war, and I am going to explain before I conclude my remarks the amount of money necessary as estimated. My good friend from North Carolina [Mr. KITCHIN] well said the other day, on Friday, in his remarks that in the preparation of this bill in the committee there were no signs of partisanship. No man could have come into the room, as he said, and sat there and heard the arguments for and against measures

put into the bill and have told which were Republicans and which were Democrats. When Democrats and Republicans agree it reminds me of the story of a man who met the great show king, P. T. Barnum. Speaking about the wild animals in his show, Mr. Barnum said that it was all nonsense that wild animals should disagree and devour one another, that he was going to show the world that he could teach wild animals to live together and agreeably and love one another.

He said, "I am going to put in one cage a bear, a panther, a lion, a wolf, a dog, and a lamb, and I am going to make them live together happily as one family." Well, the friend said, "I would like to see how you come out." Some two or three weeks afterwards the friend met Mr. Barnum and said, "How are you coming along with your wild animals in the one cage?" Barnum replied, "Pretty well, but it is taking a hell of a lot of lambs." [Laughter.]

My friend from North Carolina [Mr. KITCHIN] made a great speech; one, I believe, of the greatest speeches ever made on the floor of the House. It will go down in history as such. He had a great subject to talk about. He talked about a great bill, and, by the way, that reminds me that a friend wrote me the other day in reference to the bill and said, "Please send me a copy; I understand it is a bill of some size." [Laughter.] Yes; it is of some size. The gentleman from North Carolina [Mr. KITCHIN] referred to the tariff. I had intended to say very little about duties being imposed upon imports, but my friend has opened the door, and I feel that I must answer some of the statements which he made, for I think he is mistaken in his calculations or in his statistics. He stated that prices after the war would go down and that profits would go down likewise.

He may be correct in that opinion and he may be in error, for no man knows. I look for an era of prosperity to the industries of this country after the war, to all industries except those that are engaged in the production of munitions of war. This war has devastated a great territory in Europe, destroyed everything within its wake, all of which must be rebuilt. It will be hastily rebuilt. Temporary structures will be put up. Twenty millions of men have been engaged for four years in destroying life and property instead of producing. The production of industries of the world has been retarded. When the war has ceased—and God knows we all hope that it may cease in the near future—people now engaged in taking each other's lives will become engaged in natural pursuits, in the production of manufactured articles and in agriculture. As we are one of the great manufacturing countries of the world, and the richest Nation in the world, in my opinion, we will receive great benefits from the demand for products of every description, manufactured and agricultural, after the war is over. Therefore, he may be in error when he says that profits may go down when prices go down. Profits may be equally as good then as now, undoubtedly equally as good as for any period during normal times in the history of the country. Such was the case after the Civil War.

It is estimated that the expenditures of our Government this fiscal year will be $24,000,000,000. Six billions of those twenty-four billion we propose to loan to our allies. Therefore, our expenditures will be in round numbers $18,000,000,000 for the fiscal year.

Mr. HARDY. Mr. Chairman, before the gentleman leaves the question of after-the-war conditions, has he ever thought that practically all Europe will be an importing country in the way of raw materials, rather than an exporting country, and that we will have to import into Europe to build up that country large amounts of our products?

Mr. FORDNEY. Perhaps that may be true; but we will have a great demand for raw material that we do not produce ourselves, as will Great Britain, France, and all other countries. That is a matter that will adjust itself the world over, in my opinion.

In the first place, let me say that I have at all times been opposed to raising by taxation such a large percentage of our expenditures. I do not believe anyone will contend that the money we propose to loan to our allies should now be raised by taxation. So far as we know and we believe, the money we are loaning to our allies will be paid back to us with interest, and it is proposed—whatever we may decide to do in the future—to tax them a rate of interest equal to that which we pay on our Government bonds sold in this country. So that if they meet their obligations to us, both in principal and in interest, we should not now raise this amount by taxation, but we should borrow the money to loan to them. Therefore, if our expenditures are $18,000,000,000 a year, $8,000,000,000 raised by taxation means 45 per cent of our expenditures raised by direct taxes. No such sum was raised by any country in the history of the world. No such proportion to the total expenditures is being raised at the present time by any country now at war.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SLOAN. Was not the $18,000,000,000 estimate made in May, months before the new draft law was presented to Congress for its adoption?

Mr. FORDNEY. That is true, but it was made in anticipation of a great Army.

Mr. SLOAN. Are not the $18,000,000,000 probably an underestimate in contemplation of what we would have to pay?

Mr. FORDNEY. I do not know; I did not make the estimates. The estimates came from the Treasury Department, and I believe were made in anticipation of a greatly increased Army and Navy.

Now, let me show you what our allied nations are doing in the way of taxing their people in proportion to their total expenditures. Great Britain's tax laws—a copy of which I have with me here, which I received from our ambassador in London, England, a few weeks ago—Great Britain's expenditures this year—that is, her tax—in proportion to her total expenditures is shown to be 28 per cent, the largest percentage of total expenditures raised by taxation by any country with which we are connected in this war.

Mr. LAZARO. Will the gentleman please tell us how much the first year in proportion?

Mr. FORDNEY. Twenty-five per cent.

Mr. LAZARO. The first year?

Mr. FORDNEY. During their last fiscal year ending the 31st of March, 1918, their total collection by taxes in proportion to their total expenses was 25 per cent. They have increased that sum this year.

Mr. HASTINGS. I desire to ask if the proportion in any year was any greater?

Mr. FORDNEY. No, sir. That is the greatest ever imposed by them since the war. Canada is raising 18½ per cent of her expenditures by taxation and the balance from the sale of bonds. France is raising 11 per cent in taxation and borrowing the balance. Italy is raising 9 per cent by taxation and borrowing 91 per cent of her total expenditures; and for us to raise by taxation at this time 45 per cent of our total expenditures is a greater sum, in my opinion, than should be imposed upon the people of the country.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. GRAHAM of Illinois. Does this 28 per cent England is raising by taxation this year include loans to her allies?

Mr. FORDNEY. No, sir; that is her expenditures, if I am correct. That is my recollection.

Mr. LONGWORTH. If the gentleman will permit, I think the gentleman is wrong about that—I am pretty sure he is—that that does include loans to her allies.

Mr. FORDNEY. It is $33,000,000,000.

Mr. LONGWORTH. It includes loans to allies, I think.

Mr. FORDNEY. Maybe the gentleman is right, but in my opinion he is not.

Mr. KITCHIN. If the gentleman will permit, I think the gentleman from Ohio is correct. The $33,000,000,000 also includes $3,000,000,000 bonded indebtedness Great Britain had when the war broke out.

Mr. FORDNEY. That means her total annual expenditures; but we had at the beginning of this war some bonded indebtedness also, the interest upon which is included in these estimated expenditures of ours. This $18,000,000,000 we are proposing to raise and expend this year includes all our expenditures of every nature and description. The gentleman from North Carolina referred to a panic. He is conscientious; he may be right, and I may be wrong. He is afraid of a panic. Panics usually come from industrial wars and not from wars upon the battle field. We certainly had panicky times in the country during the Civil War, but it was because of the great distress, the great loss of life and property to both the North and South. We think now we have high prices, my friends, due to this war largely, but during the Civil War my father paid $30 a barrel for flour in the State of Indiana. We have not reached that point here yet. Kerosene sold at 75 to 80 cents per gallon and sugar 75 cents a pound, and hard to obtain at that. Calico goods sold at 50 cents a yard and other articles of use in proportion to those prices.

Mr. MILLER of Washington. Will the gentleman yield?

Mr. FORDNEY. Let me conclude this statement. I was a boy living with my parents on a farm in Indiana and I did not eat white bread for two years. I lived on corn bread; was unable to get wheat bread; they would not let us use wheat; they wanted it to make bread for the soldiers in the

war. I lived—well, a pretty good specimen of health, and grew up on corn bread.

Mr. MILLER of Washington. The prices the gentleman quotes were in a depreciated currency, were they not, by reason——

Mr. FORDNEY. These prices were in the gold value of the dollar; the depreciated currency came later on. The increased prices were exceptionally high in your depreciated currency. The value of the greenbacks went to about 30 cents on the dollar. That would make the flour only $10 a barrel in gold; but, my good friends, wheat sold at $5.50 per bushel in gold. You can not have $10 flour on $5.50 wheat.

Mr. MILLER of Washington. Will the gentleman yield for another question?

Mr. FORDNEY. Yes, sir.

Mr. MILLER of Washington. Is not the fundamental reason that there was that disparity between paper money and gold because not sufficient bonds were issued by the Government to defray the war expenses and maintain the bonds at par, not enough raised by taxation——

Mr. FORDNEY. I do not attribute that cause alone to the depreciated currency. There was a time, my good friends, when the North lost many great battles, which discouraged our people of the North in the purchase of bonds and in taking our paper currency guaranteed by the Government. They were afraid that our Government was going to fail, just as the government of the Southern States failed.

Mr. HARDY. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. HARDY. I would say, down with us for some years after the war, flour bread was only a Sunday luxury and we ate corn bread during the week.

Mr. CANNON. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CANNON. Speaking of depreciated currency, currency was depreciated later in the Civil War, but while our currency is at a parity with gold now gold itself in its purchasing capacity has fallen off one-half, and whoever has security payable in gold dollars can buy half or less than half on the average now than he could have bought when this war broke out.

Mr. FORDNEY. Yes; that is right. Prices are high.

Mr. CANNON. Or gold is low?

Mr. FORDNEY. My good friend from North Carolina [Mr. KITCHIN] said, "During the Civil War," if I remember him correctly, "we raised 70 per cent of our expenditures from taxes."

Mr. KITCHIN. No; if the gentleman will permit, I said if the act of 1864 had been passed in 1861, then we would have raised 70 per cent. In other words, the tax of 1864 for four years after its passage produced 70 per cent of our total expenditures during the war valued in the gold dollar.

Mr. FORDNEY. I did not understand the gentleman correctly, but it is a fact——

Mr. KITCHIN. I stated during the war—four years—we only collected $729,455,000 in taxes and customs. This possibly includes a few millions of dollars of miscellaneous receipts, but four years after the act of 1864 we collected a billion, six hundred and eighty-one million dollars, which, in gold value, was 70 per cent of the Government's expenditures during the war.

Mr. FORDNEY. My good friend, I obtained the information which I now give from a history of the expense of the Civil War, a copy of which was sent to me by the Secretary of the Treasury, Mr. McAdoo, and was written by a man by the name of Dewey, in which the author states that for every $1 raised by taxation during the Civil War we borrowed $5.09. In other words, we raised by taxation about 16 per cent of our expenditures and borrowed the balance.

Mr. KITCHIN. If the gentleman will just permit me there, I will give exactly what the statistics show. We raised in the four years of the Civil War $729,455,000 in taxes. We issued bonds to the amount of $2,565,233,000. We only received in gold value for those bonds $1,695,347,000. Those figures are taken from the Treasury reports and found in the Statistical Abstract. Now, one thing, of course, that does not show in the Statistical Abstract or in the Treasury Department, and the gentleman did point it out, I think, in his speech of last year—and it was the first such information I had—was that the States did raise, perhaps, several hundred million dollars to help out the Federal Government. That was not included. I remember the gentleman did include that in his speech of last year.

Mr. FORDNEY. And much of that was raised by bonds as well as taxes.

Mr. KITCHIN. I was referring to what the Federal Government expended and received from taxes and bonds.

Mr. FORDNEY. In all events, gentlemen, we are raising more money now in proportion to our total expenditure—we are raising more money by the terms of this bill than any country in the world, so far as I can find from history, ever attempted to raise in time of war, in proportion to our total expenditures. And I think we are raising too much. If this war is being fought for the freedom of mankind the world over and the coming generation is to enjoy that freedom as our people of to-day enjoy the fruits of our wars in the past, I believe it is not fair to ask the people of this country at the present time, and especially the men upon the battle field, to fight the battles now and pay the bills, too. To fight this great war and pay a reasonable portion of the bills is all that ought to be expected of the people at this time. Notwithstanding the fact that many men disagree with me, I believe that I am correct in this view.

Mr. SNYDER. Will the gentleman yield for just a moment?

Mr. FORDNEY. Yes, sir.

Mr. SNYDER. This 45 per cent is predicated upon $18,000,000,000 being spent?

Mr. FORDNEY. Yes, sir.

Mr. SNYDER. Does the gentleman believe that inasmuch as they were only able to spend between seven and eight billions of dollars the last fiscal year that it would be possible for the producers of this country to produce sufficient in order that the Government would be able to spend this $18,000,000,000 that we are talking about raising?

Mr. FORDNEY. I have my doubts, my friend, that our expenditures are going to be $18,000,000,000.

Mr. SNYDER. Then if they will not be able to spend $18,000,000,000, and you raise your $8,000,000,000 by taxes, it will be far more than 45 per cent of the total amount needed. Is that correct?

Mr. FORDNEY. Yes. The 45 per cent is on the basis of expending $18,000,000,000 this year.

Mr. SNYDER. I want to ask you a personal question. You do not believe that the Government can spend $18,000,000,000 this fiscal year for its own requirements, do you?

Mr. FORDNEY. Well, my good friend, the question would be for me to define what their actual expenditures are. I believe we are spending large sums of money right now unnecessarily. I believe that we are spending money now that should not be so spent.

Mr. SNYDER. So do I.

Mr. FORDNEY. But I have not raised my voice against this extravagance. The responsibility is not upon me or upon the Republican Party as to the expenditures of this Government at this time. It is with the administration, and if it makes such a mistake, asking for the money, asking for the men, and stating that these two things are necessary, calling upon me and upon you, it is our duty to give to it what it says it needs in order to successfully carry on this war. Then when the war is over it will be time enough for you and me and our Democratic friends to settle our political rows.

Mr. SNYDER. I was basing my question upon the assumption that the last fiscal year the Government succeeded in expending for its requirements between seven and eight billion dollars. Now, I maintain that the part of that money that was spent for product can not be increased threefold in any one year.

Mr. FORDNEY. I do not believe it can.

Mr. SNYDER. Then, certainly it will be impossible for the Government to spend $18,000,000,000.

Mr. FORDNEY. Before I close I will attempt to show you where the Government can save money they are now spending.

Mr. LAZARO. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. LAZARO. I understood the gentleman to say it was not right to make the boys fight this war and then pay for it. Is it not a fact that the more we tax war profits that are being made out of this war the less the boys will have to pay when they come back?

Mr. FORDNEY. Oh, the more we pay of the cost of the war now, no matter where we get the money, the less there will be to pay later on, of course. But, my good friend, in taxing war profits, if you had spent the time that the Ways and Means Committee has spent on hearings and preparing this bill for 13 long weeks, you would understand how difficult it is to define war profits in every industry in the land.

It is a difficult problem to work out. I am perfectly willing, and have lent my most earnest support to this committee, to frame this law in such a manner as to exact from people who are making large war profits the largest possible sum of taxes without injuring them, and I believe we have accomplished that end when I tell you that in war profits we first take 80 per cent above 10 per cent and 12 per cent of what is left. [Applause.] That is a pretty heavy tax. In other words, suppose a firm with $100,000 capital makes 100 per cent, and in some instances which have been brought to our notice more than

1,000 per cent on their capital has been made in Government contract—suppose a firm with $100,000 capital earns $100,000 profit—they are given 10 per cent deduction; first of all, $10,000; then 80 per cent of $90,000, or $72,000 is taken, and from the $28,000 that is left, which includes their deduction, 12 per cent is taken; that added to the war tax leaves them about 25 per cent earnings upon their capital. That is a pretty heavy tax, gentlemen, on war profits.

Now, the law provides two methods of taxing the profits of corporations; one under the excess-profits tax and the other under the war-profits tax. The excess-profits tax provides that after a deduction of 8 per cent on the capital invested, plus $3,000 exemption—and, by the way, I am not satisfied with the definition of "capital" in this law—after deducting 8 per cent, plus the $3,000 exemption, there is a deduction of 35 per cent of 15 per cent of the earnings, which takes 35 per cent between their deduction of 8 per cent, plus $3,000, up to 15 per cent and 50 per cent of 20 per cent of their earnings; and then 70 per cent on all earnings above 20 per cent, and then 12 per cent on what is left. That is a pretty heavy tax. Whichever one of these methods will yield the largest sum to the Government must be applied to the corporation.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. PLATT. Suppose a firm having a Government contract, as fast as it makes it invests its money in new buildings in order to increase production and speed up for the Government. Where is it going to get the money to pay this big tax?

Mr. FORDNEY. It will have to do as I do—borrow it. When these taxes are applied under certain conditions they must borrow. But, my good friend, the attention of the committee was called to a contract over here in Pennsylvania, Hog Island—let me be plain—where the Government had spent $55,000,000 in building up a shipyard. The Government then let a cost-plus contract to a firm, turned over the shipyard to that firm, free of cost, and this firm, as I remember it now, has a capital of $2,000, and they have taken $187,000,000 of contracts from the Government and have the use of the shipyard free of charge.

They are to receive 5 per cent on the cost of their production—the building of ships. It was stated that last year their earnings were $11,000,000 on $2,000 of capital. Energy, of course, and intelligence are given in addition to their capital for the $11,000,000 profit.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman yield to his colleague?

Mr. FORDNEY. Yes.

Mr. SMITH of Michigan. Does the gentleman know whether or not they add their income tax, or the tax they pay for income, to the cost of construction?

Mr. FORDNEY. I am glad you asked the question, my friend, for this reason: The information was brought to the committee that contracts had been made by the Government in which the Government agreed to pay taxes imposed by Congress upon their profits on those contracts. Some engineers were called before the committee.

One very intelligent, fine gentleman stated that he came into the employ of the Government in January last, and he knew of no such contract. My friend from Pennsylvania [Mr. MOORE], a member of the committee, will explain to this House and will read the exact language in contracts, copies of which we obtained, wherein they are exempt from Government taxes. Some of them are; some of them are not. The man that made that contract for the Government ought to be prosecuted. [Applause.]

Mr. HARDY. Mr. Chairman, will the gentleman yield for a question right there?

Mr. FORDNEY. Yes.

Mr. HARDY. Will this bill catch any profits made by these Government contractors which accrued to them before this fiscal year?

Mr. FORDNEY. Not unless their income comes in this year. If it comes in this year I meant to say they will pay taxes under this law. But whatever profits they made for the calendar year 1917 have already been paid for and charged up to them, whether they have paid it or not. If they have not paid it, they are subject to the tax under existing law, and not under this law.

Mr. HARDY. They are not retaxed under this law?

Mr. FORDNEY. Not on what their earnings were last year. Upon what their earnings will be this year they will be taxed under this law.

Mr. HARDY. Their earnings this year are to be taxed under this law?

Mr. FORDNEY. Yes; for 1918.

Mr. SLOAN. The gentleman's figures related to the fiscal year?

Mr. FORDNEY. No; it is the calendar year.

Mr. SLOAN. The calendar year will be the year under which this tax will be levied.

Mr. HARDY. It will be the calendar year under this bill?

Mr. FORDNEY. The Government has a fiscal year, but taxes will be collected for the calendar year.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield to me for a minute?

Mr. FORDNEY. Yes.

Mr. HASTINGS. You are passing from the subject of these contracts. You say that you had a number of men before the committee, and that some of these contracts were investigated. Does the gentleman believe that anybody representing the Government had any authority to relieve anybody from paying the income tax? Was that phase of it investigated?

Mr. FORDNEY. Whether they had authority or not, that language is right in the contract, and I know of no power on earth that can abrogate that contract without both parties agreeing to it. If those people have contracts signed by the Government, by the authorities of the Government, that are legal, they are going to hold the Government to those contracts. They certainly will. I do not know of any way by which the Government can get out of it.

Now, my friends, I am going to say but very little about import duties. I do want to criticize my Democratic friends, however, for not resorting to the raising of some of this money from import duties. It is the first time in the history of the world that I ever heard of that a nation engaged in a great war did not increase its import duties some. My good friends, the Democrats, have in their National and State platforms for many years past, for many decades past, stated that they were in favor of a tariff for revenue. But at the same time I am going to show you that they have been for free trade all the time, and are now. There never was a time in the history of the world when a tariff for revenue would be more appropriate than right now.

There never was a time in the history of the world when we needed revenues so badly, and yet you decline to pay any attention to that question whatever.

My friends, let me tell you something that is interesting to me. Our revenues from imports collected last year were, in round numbers, $1.70 per capita, based on 102,000,000 people. Great Britain is the great free-trade country of the world, so recognized the world over. I have so understood it, anyway. Great Britain, with 45,000,000 people, is to-day collecting $460,000,000 revenue from imports, or $10.22 per capita. We are collecting $1.70 per capita. Great Britain does not apply her import taxes scientifically. My good friend from North Carolina [Mr. KITCHIN] the other day read from the CONGRESSIONAL RECORD a portion of a speech which I made in this House last year, wherein I said that a scientific tariff law could not be prepared and passed through this House in less than seven months. I meant that when I said it. From the time we began the hearings on the Payne tariff law to the time of its passage was nine months. That was the most scientific tariff law ever placed upon our statute books, but I have never heard of a scientific Democratic tariff law. [Applause.]

Now, I do not mean to be sarcastic to my Democratic friends, because we are all one family now in the passage of this bill and the carrying on of this war. My friends, a tariff for revenue only is not a scientific tariff law. It is a tax upon imports, chiefly imposed upon the consumer. A protective-tariff law is a scientific tariff law, to protect our labor and our capital, our industries in this country from ruinous competition from abroad, where cheaper labor can be found. No reasonable man at this time will advocate a protective-tariff law for present use. We do not need it. Our industries do not need it now. The prices of labor and of raw materials and the cost of production all over the world are so abnormally high at this time that competition is not keen. Our industries are not suffering from competition, notwithstanding the fact that our imports to-day are far greater than ever in the history of the country, and 71.92 per cent of all our imports of the last fiscal year were free.

Mr. FOCHT. Will the gentleman yield?

Mr. FORDNEY. I want to go on with that statement, but I yield to the gentleman from Pennsylvania.

Mr. FOCHT. Right there I want to inquire: If we had not had this protective tariff that has developed and extended the great industries, the vast corporations, and the mighty wealth of this country, where could we look to-day for this tax to carry on this war and win it?

Mr. FORDNEY. I have something I will present on that just a little later, if the gentleman will permit me to do so.

Mr. FOCHT. All right.

Mr. FORDNEY. My friends, the gentleman from North Carolina [Mr. KITCHIN] said that three-fourths of the articles on the free list in the Underwood tariff law were on the free list in the Payne tariff law. The gentleman from North Carolina is in error in making that statement.

I examined a copy of the Payne tariff law and of the Underwood tariff law, where the rates are given in two columns on the same page, one under the Payne tariff law and one under the Underwood law; and while there are several hundred items on the free list in the Underwood law that were on the protected list in the Payne law, I selected 104 and stopped there. It is true I selected some of the largest imports. And while our imports under the Payne law reached $1,813,000,000 the last year of the life of that law, with 54 per cent of those imports on the free list, the greatest imports in any one year in our history were in the last fiscal year, when our imports were $2,946,000,000, with 71.92 per cent on the free list. And out of 104 items on the free list in existing law that were on the protected list in the Payne law, 25 made up a little less than $900,000,000 of our imports last year. I have 79 more articles yet to figure from, and I did not have more than about half the items in the Underwood law on the free list that were on the protected list under the Payne law in this list of 104 items. So the gentleman from North Carolina is in error and our imports are increasing. I have a letter here from the Treasury Department. Perhaps it is not overly interesting, but the Treasury Department shows that each month this year, giving a few months back of the date of this letter which I received a few weeks ago, our imports are increasing and the free list is increasing.

Mr. KNUTSON. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. KNUTSON. Will the gentleman kindly touch upon imports from the Orient before he leaves this subject?

Mr. FORDNEY. Yes. The imports from the Orient are very heavy.

Mr. LONGWORTH. Will the gentleman pardon me for a moment?

Mr. FORDNEY. Certainly.

Mr. LONGWORTH. What figures did the gentleman give as to the portion of the imports that were on the free list for 1917?

Mr. FORDNEY. I took from the Underwood law articles now on the free list that were on the protected list under the Payne law, 104 items, not all that were in the law, and 25 of those items constituted nearly $900,000,000 of our imports last year, the fiscal year of 1917 and 1918. Among them is wool, $198,000,000.

Mr. LONGWORTH. What did the gentleman give as the total value of the imports imported free for 1917?

Mr. FORDNEY. The last year of the Payne tariff law was the fiscal year ending June 30, 1913.

Mr. LONGWORTH. I am only asking for last year.

Mr. FORDNEY. I want to give you the two years to show the comparison. There were imported during the fiscal year 1913, $987,524,000 on the free list and $825,500,000 on the protected list, or 54 per cent free. This last fiscal year, ending June 30, 1918, the free imports were $2,118,000,000 and the imports on the protected list $827,460,000, or in round numbers 72 per cent on the free list.

Mr. HARDY. Will the gentleman give the amount of the imports of wool in the last year the Payne-Aldrich bill was in effect?

Mr. FORDNEY. Yes. I have only the last year. Some of the years prior to the last year there were more imports than during the last year.

Mr. HARDY. Just give the last year of the Payne-Aldrich law.

Mr. FORDNEY. The imports of all kinds of wool of the first class, second class, and third class were 111,168,000 pounds.

Mr. HARDY. Now, will the gentleman give the imports in pounds for the last year?

Mr. FORDNEY. Let me give you a series that I want to put in the RECORD. The value of that wool was $15,890,000. The imports for 1914 were 102,000,000 pounds, and the value was $17,029,000. For 1915 the imports were 65,709,000 pounds, and the value was $10,865,000. The average importations for the years 1913, 1914, and 1915, in round numbers, were 93,000,000 pounds.

For the year 1916 our imports jumped to 534,828,000 pounds, and the value to $142,420,000. For 1917 the imports dropped back to 372,000,000 pounds, the value of which was $131,000,000. This last fiscal year the imports were 379,000,000 pounds, and the value $198,546,000, an average importation for the last three years of 428,000,000 pounds, as against 93,000,000 pounds per year for the previous three years.

Mr. HARDY. Can the gentleman give us at this point the value of the wool manufactures for the same years?

Mr. FORDNEY. No; I do not have the figures here. Immediately on the beginning of hostilities in Europe Great Britain and France called upon us for a large amount of woolen goods. I remember one year our exports went up to $52,000,000, an average of only four or five million during normal times.

Mr. HARDY. So our exports of woolen manufactures have been vastly increased in that period of time?

Mr. FORDNEY. Up to the time we became engaged in the war; since that time the exports of woolen goods have been greatly decreased. We did supply during the first years a very large quantity of woolen goods to the people in Europe.

Mr. HARDY. Are we not even exporting a good deal of manufactured woolen goods now?

Mr. FORDNEY. Yes; some.

Mr. HARDY. Does the gentleman know how much?

Mr. FORDNEY. For the fiscal year of 1917–18 the value of our exports of woolens were $17,749,421.

We have greatly increased the importation of breadstuffs. It is true that increased value adds to the volume of the imports. If we had the same value of imports to-day that we had during the year 1913, the value of our imports would not show anywhere near as great as they are. But, my good friends, under the Underwood tariff law the major portion of your imports are on an ad valorem basis. While your collections of duties on imports have gone down each year prices of imports have gone up. The difference between a tariff law on a specific basis and an ad valorem basis is this: The specific rate operates so that when the price of the article goes up the ad valorem goes down, and when the value of the article decreases the ad valorem under a specific duty goes up. In other words, if you import $100 worth of goods at a specific duty which amounts to 10 per cent ad valorem you collect that duty upon the quantity and not the value, but if the price of the article goes down from $100 to $50, then the ad valorem rate is 20 per cent instead of 10—if it is a specific duty, right the reverse with your ad valorem rate—because 10 per cent ad valorem on a hundred dollars' value is $10, and if the value of that article advances to $200 your duty would be $20.

Now, there is one very strange thing which I can not quite understand. For the years 1914, 1915, 1916, and along there, our import values of some articles, which we were also exporting, were far below our export values. Let me illustrate: I discovered that we were importing from Canada French white beans, the most valuable beans in the world, at a value given as 60 cents a bushel, and at the same time we were exporting the same beans to Europe at the price of $3.10 a bushel. We were importing horses from Canada on a valuation given, upon which the ad valorem duty was paid, of $27 a head, or $2.07 per head duty. We were exporting the same grade of horses—and Canada has the finest horses to be found in the country or in the world; no better to be found anywhere. Our value of horses exported at the same time was $227 per head. The import value was $27, as I have said. If these horses that came in from Canada had been valued at their true value, as our export horses were valued, they would have paid $27 a head instead of $2.70 a head. That is the difference between the specific and ad valorem rate of duty.

Mr. HARDY. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. HARDY. Does not that very observation show that we are raising more tax under an ad valorem than we would under a specific duty, that it necessarily has some relation to the value when you fix a specific duty?

Mr. FORDNEY. No. I want to do this much justice to my Democratic friends, who do not believe in specific duties and do believe in ad valorem rates. It is true that specific duties can not be applied to all articles of import because of their varied valuation. As an illustration, take chinaware, which varies anywhere from $5 to $500, owing to the quality of the goods. These values are extreme. To put a tax of $1 on a tea set would mean that if that tea set was valued at $5 the tax would be 20 per cent ad valorem. If it sold for $100 the tarfff will be but 1 per cent ad valorem. Therefore, in the Payne law, and in the Dingley law, articles on which it was impossible to determine the value in advance carried a specific rate, and in addition thereto an ad valorem rate, in order to catch their value.

Mr. HARDY. Mr. Chairman, does not the gentleman's own argument show that the specific duty is the most unscientific of all the tariff duties?

Mr. FORDNEY. The gentleman could not make me believe that if he were to argue until he is black in the face.

Mr. HARDY. It seems apparent to me.

Mr. FORDNEY. It is not, and I have just given the gentleman an illustration about horses. What does he say to that? The imported horses should have paid $27.50 instead of $2.50.

Mr. HARDY. I say the gentleman's illustration shows that the law was badly enforced, if enforced at all.

Mr. FORDNEY. The ad valorem rates leave the way for the rogue to impose upon us and undervalue his imports. We do not fix the value; the foreigner puts the value upon the imported article.

Mr. HARDY. Does the gentleman think that in this Government we could not have experts to fix the values?

Mr. FORDNEY. Oh, yes. We try to do that, but somehow they get by.

Mr. HARDY. There are rascals under all laws.

Mr. FORDNEY. Yes; but you have opened the door and invited rascality by adopting an ad valorem instead of the specific rate.

Mr. HARDY. The gentleman admits that under the specific law there are all sorts of rascalities in classifications that are perpetrated.

Mr. FORDNEY. My good friend, there have been rascals abroad in the land ever since our Savior was on earth and before; but under the specific rates of duty there was no object in undervaluing, because the amount of tax was fixed upon the article, no matter what its value. It had to pay a specific tax. Now, when you put the sliding scale of an ad valorem tax on the article, it gives a cunning, shrewd, dishonest importer the opportunity of undervaluing, and in many cases makes it very difficult for our experts to determine the value. Consequently we have such cases in court practically all of the time.

Mr. HARDY. Just one more question. There are various classifications of the specific duties, are there not?

Mr. FORDNEY. Oh, yes; but there is the specific rate fixed.

Mr. HARDY. The specific rate is different for different classes of goods.

Mr. FORDNEY. Yes.

Mr. HARDY. You do not impose a rate just by the pound.

Mr. FORDNEY. And that is quite likely based on the real value.

Mr. HARDY. The classification attempts to differentiate the value.

Mr. FORDNEY. For instance, the duty on hay under the Payne law was $4 a ton, no matter what its value.

Mr. HARDY. That is one of the commonest articles that you could think of, but on china did you have a specific rate?

Mr. FORDNEY. A specific and an ad valorem, because in chinaware there is no way of determining in advance what its value is or will be.

Mr. HARDY. Then the gentleman's system is a hodge-podge attempt to get the benefit of the ad valorem.

Mr. FORDNEY. Attempting to get the real duty that the article should pay, by having both in an article where you can not determine in advance what its value is. For instance, we have a specific rate of duty on sugar, based upon its purity, and the per cent of purity is a very easy thing to determine. There were great frauds perpetrated on imported sugar, and I will tell the gentleman how it was done. We put some men in State prison for perpetrating those frauds. It was discovered that importers of sugar at New York had connived with check weighmen and Government weighmen to perpetrate a fraud upon the Government.

Whether they fooled the Government weighman or connived with him, I do not know, but a scale was put in front of the desk whereby a truck coming off the vessel loaded with sugar was weighed. The importer and the purchaser of the sugar both checked up the weights. It was discovered that the check-weighman in leaning forward over his desk to get the weight pressed a corset steel which was ingeniously inserted in the desk so that when he leaned against the desk that scale showed 12½ per cent less than the actual weight. Therefore, the Government was beaten out of one-eighth of the total revenues due. One great sugar company over in New York paid, if my memory now serves me, $4,200,000 to settle with the Government and keep out of jail and some of their employees went to State prison. Another importing firm paid $700,000, another $180,000, and some suits are pending still, I believe.

Mr. Chairman, I am not going to dwell much longer upon this tariff question, because it is not a question in this law. I am criticizing my colleagues for not raising some money on imports. I had intended to make but few remarks about it and then to pass on, but since my good friend from North Carolina [Mr. KITCHIN] devoted more than 40 minutes to the tariff, I desired to answer him.

Here are the remarks of the Hon. CHAMP CLARK, one of the best souls on earth; the only thing wrong with him is he is a free trader.

I am in favor of letting woolens come in free, and, what is a good deal more, I am in favor of letting everything else come in free. That is my creed. I propose to support every amendment to this bill—

The Wilson bill; this is a long ways back, but he has maintained that reputation down to date—

that puts anything on the free list. You can not have too much of a good thing. I am a free trader from the sole of my foot to the crown of my head.

That comes pretty near taking in the whole anatomy.

That is the doctrine of nature and of common sense.

Speech of Mr. CLARK on the Wilson bill, January, 1894, found on page 833 of the CONGRESSIONAL RECORD of the Fifty-third Congress. Further he said:

I do not propose for any protectionist to define the principles of free trade. I am a free trader and I glory in the fact. I rejoice in the record that we free traders made in the House in 1894, the Fifty-third Congress. Nearly all that was good in the Wilson bill originally was put there by the free traders.

Speech by Mr. CLARK, March 25, 1897, CONGRESSIONAL RECORD, first session, Fifty-fifth Congress, page 269.

During the consideration of the Dingley bill Mr. Linney, Republican from North Carolina, said:

Is there a Member of the House who would have these duties stricken out? The distinguished gentleman from Missouri [Mr. CLARK], who cuts a splendid figure here, would, I undertake to say, like to have them put on the free list, because he would if he could with the arm of a giant tear down every customhouse in these United States, if I understood him correctly.

Mr. CLARK of Missouri. Just exactly so.

That is the speech made in the Fifty-fifth Congress, first session, page 541.

Mr. CLARK of Missouri. Mr. Chairman, after nine days of sore travail at least one truth has been brought forth on the Republican side of this House and that by the gentleman from North Carolina [Mr. Linney] when he said that I would destroy every customhouse in America, which is entirely correct. If I had my way, sir, I would tear them all down from turret to foundation stone.

Well, there is more just like these statements, but that is enough to show that he is a free trader. Now, my friends, let me say, does anyone believe that under free trade we could have built up our great manufacturing industries to maintain our high standard of life and living in this country and be prepared now as we are in the great steel companies of this country to furnish arms and munitions? Could we have built up our great fire-arms institutions in the country under free trade——

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. FORDNEY. In a moment. Could we have built up our explosives and our woolen mills, cotton mills, shoe factories, sugar factories, shipyards, railroad equipments, machine shops, and many others now munition plants? Does anybody believe that under free trade we would have had these industries today to supply us with war necessities? [Applause on the Republican side.] I believe no man will contend that under free trade we could have built up those great industries. My friends, I have gone back and examined the records and speeches in this House made before the Civil War, and I want to do my Democratic friends this justice: To say that the speeches made in those days were correct, they were logical, they were sensible when you consider their foundation.

When the great New England States were demanding a protective tariff that they might build up the woolen and other industries of this country, the Members of Congress from the South said, "No; we have the cheapest labor in the world—slave labor. We are not afraid of the competition of the whole world. Cotton with us is king. Great Britain wants our cotton. We do not raise sufficient food supplies in the South to feed our slave labor. We can under free trade sell our cotton to Great Britain and purchase from Great Britain manufactured products under free trade cheaper than we can ever hope to purchase from New England under a protective tariff law. Therefore, we want the people of the North, instead of becoming a great manufacturing people, to raise more food supplies for our slaves so that we can raise more cotton to send abroad." That was logical, that was correct. But, my good friends, conditions have changed. You do not have that cheap labor any more, and we must adapt ourselves to the new conditions.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. SMITH of Michigan. Will the gentleman please explain whether or not it is possible and whether or not it would be profitable for us to raise our own sugar in the United States?

Mr. FORDNEY. Yes; I thank the gentleman for that question. We are producing in the United States 25 per cent of

our present consumption of sugar. The sugar industry has been built up under a protective-tariff law. Although the duty is small now, my friends, sugar 96 per cent pure from Cuba pays 1 cent per pound import duty. Cuba has an advantage over all other duty-paying sugars of the world by our treaty with Cuba. The sugars from other countries pay 1¼ cents per pound, and we are producing, as I have said, 25 per cent of our consumption. We are importing from our insular possessions—Hawaii, Porto Rico, and the Philippine Islands—about 25 per cent of our consumption. We are importing very largely from Cuba the remainder of the one-half of our consumption, about 5 per cent of our import coming from other duty-paying countries.

What condition would we be in for sugar to-day in this great war if we were in the situation that Germany is? Our ships driven from the seas, we could not import from our insular possessions or from any other country in the world. Therefore our people would be confined to but 25 per cent of their needs in sugar, which is a very great food supply. My good friends, we can not produce sugar in this country as cheaply as can the people of Cuba and in the southern countries. We must plant our crop every year, whereas in Cuba and in South and Central America and in the West Indian islands as many as 14 or 15 rotation crops are produced from one planting alone.

Cuba can produce 96° sugar in normal times for 1½ cents per pound. We have the land, we have the money, we have the desire to produce all the sugar in the United States our people consume. We send abroad annually more than $100,000,000 with which to buy sugar which we should produce at home. Germany has made herself strong in this war because of her ability to produce at home the things that she must have, and sugar is one of them. Prior to the war Great Britain imported from Germany and from France the major portion of the sugar which she consumed. She imported some from her colonies. Since the war with Germany Great Britain has been compelled to come to us for sugar; or, in other words, to Cuba.

But she does not have the capacity with which to refine the sugar that she imports, and what few refineries she had she has converted into munition factories, and we are importing from Cuba raw sugar, refining it, and sending it to Great Britain. Yet Great Britain, a free-trade country, to-day imposes an import tax of 6¼ cents per pound on refined sugar and we 1 cent a pound. We need money. We are engaged in war. Why not raise a little money on imports?

Mr. SLOAN. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SLOAN. I would like to have the gentleman's opinion about the supply of sugar we would have had during this war if the policy of the House of Representatives in the Sixty-second Congress, which was for absolute free trade, had been carried out?

Mr. FORDNEY. Well, in reply let me say that in the Underwood law there was a provision——

Mr. SLOAN. That was the Sixty-third Congress. But the Sixty-second House of Representatives was a Democratic House of Representatives and stood for absolute free sugar.

Mr. FORDNEY. The gentleman may be correct. But in the Underwood law there was a section which provided that on the 1st of May of 1916 sugar should be admitted free. And during the time from the passage of the Underwood law, in October, 1913, down to March, 1916, when our friends the Democrats saw they needed the revenue and repealed that provision in the law, 40 per cent of the industries in the State of Louisiana engaged in the manufacture and production of sugar went out of existence, and their production of sugar dropped back from something like 425,000 tons to 225,000 tons annually. I am not far from correct in those figures. Possibly my good friend from Louisiana [Mr. MARTIN] has them correctly. But I am not far from being correct in these figures.

Now, our Democratic friends, seeing they needed the revenue, the President recommended the repeal of that provision of the law, and sugar has remained at the rate fixed—1 cent per pound on Cuban sugar and 1¼ cents on other imported duty-paying sugars.

Mr. BAER. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BAER. Does not the gentleman think that we should differentiate between nonessential and essential imports and put a heavy tariff on nonessentials? For instance, I have read—and I do not know whether it is fiction or not—where one firm in Paris has contracted with two American firms to sell them over $3,000,000 worth of millinery during the next year. I think a heavy tariff should be put on those nonessentials.

Mr. FORDNEY. Yes. I am for about everything a lady wants to make her happy and handsome, and if it interferes with the comforts of our good women I would not put an overly heavy tax on milinery. It is a thing we must have—ladies clothing. France is noted for her ability in fashioning millinery and dresses over any other country in the world. But, my friends, in this law we have provided for a tax on those kinds of articles—luxuries so called. We have provided that nonessentials, as you might call them—silks and satins, and such like—costing above a certain sum shall pay a 10 per cent tax on the price paid above that fixed price. For instance, on a suit of clothing for a man at a price above $40 and a lady's hat above $15 the tax is 10 per cent.

Mr. SMITH of Michigan. Ten per cent above $50.

Mr. FORDNEY. Ten per cent above $50, good and well—say $50.

Mr. BAER. I was speaking with reference to the tariff.

Mr. FORDNEY. We have not put a tax on coffee and tea and raw rubber and such other things as we do not produce in this country but must use. The Republican principle has been to admit those things free of duty, because we must have them and do not produce them. It has been our Republican principle to tax the article that comes in competition with our products.

Now, we could, by putting 10 cents a pound tax upon coffee, have raised $130,000,000 this year. Our consumption of coffee is 1,300,000,000 pounds yearly. We consume at the same time 100,000,000 pounds of tea—1 pound of tea to every 13 pounds of coffee. Ten cents a pound on tea would yield $10,000,000, and on tea and coffee the total would be $140,000,000. But I am not in favor of putting an import duty on essentials, things which we must have but do not produce, and let other competitive articles go scot free.

Mr. SMITH of Michigan. My recollection is that for five years last past there have been no sugar plants constructed in the United States of any consequence.

Mr. FORDNEY. There have been no sugar plants of any consequence, my friend, constructed in the United States since we passed Cuban reciprocity.

Mr. SMITH of Michigan. I was going to ask what is the difference in the duty now and the duty on sugar when these mills were in operation all over the country.

Mr. FORDNEY. The duty is lower now than under the Payne law or the Dingley law.

Mr. SMITH of Michigan. Were they constructed under a higher duty on sugar?

Mr. FORDNEY. Yes, sir. They were practically all constructed under a Republican tariff law. We have, in round numbers, I believe, 82 factories in the whole United States. Four hundred of such factories would produce all the sugar we consume annually, and we have plenty of land and plenty of people and plenty of money to establish those 400 sugar factories if capital would be assured that sugar would not be placed on the free list and the value of their property thereby destroyed.

Mr. SMITH of Michigan. Would a person be warranted in constructing a sugar plant now as they did then?

Mr. FORDNEY. Oh, absolutely no, because I believe our Democratic friends, if they are in power when the war is over and do not need the revenue so badly as now, will put sugar on the free list. They believe that the people of the United States are benefited by lowering the value of that article to the consumer and going abroad for it. I believe in producing at home those things that we can produce here and furnish employment to our labor and keep our money at home.

Mr. QUIN. How does the gentleman explain the repeal of the free-sugar clause in the Underwood bill?

Mr. FORDNEY. How is that? I did not understand the gentleman.

Mr. QUIN. According to the statement that you made, how do you explain the repeal of the free-sugar clause in the Underwood tariff bill?

Mr. FORDNEY. We repealed it at the request of the President of the United States. Both Democrats and Republicans voted to repeal the law in that respect.

Mr. QUIN. Every man on this floor except 13?

Mr. FORDNEY. I think so. But your party takes orders from the White House while we follow the principles of good legislation. [Laughter.]

Mr. QUIN. Is that the reason? [Laughter.]

Mr. FORDNEY. That is the reason. My good friend will pardon me. I did not intend to be sarcastic. You needed the revenue and we helped you to get it. That gave you $50,000,000

of revenue that you would have lost if you had put sugar on the free list.

Mr. QUIN. I did not want to interrupt the gentleman, but I did it on this account, that you said they would repeal it when this war was over. Was not one of the reasons why that was done to increase the sugar business in this country?

Mr. FORDNEY. Bless you, no. Your President spoke from the platform there, the Speaker's desk, and said you, the Democrats, needed the revenue.

Mr. QUIN. Did not the scarcity of sugar throughout the country have something to do with it?

Mr. FORDNEY. No. It was the scarcity of revenue in the Treasury that prompted him to make the statement. It was not the scarcity of sugar. [Laughter.]

Mr. HAMILTON of Michigan. They needed money, not sugar?

Mr. FORDNEY. Yes; money. The Treasury then was empty. Now, I am going to conclude my political argument here. I have dwelt too long on it and said too much, perhaps; but I was really forced to make this statement. The other day on the floor of the House a man for whom I have a high regard, Mr. FERRIS, of Oklahoma, made a partisan speech, and he made a very unjust reflection on the Republican Members of this House. I am going to appeal to him to strike those remarks from the RECORD. I looked for several days for his speech, and he did not print it. I hope he does not print it.

Mr. BAER. It is printed.

Mr. FORDNEY. The gentleman from Oklahoma a few days ago, in making a political speech to the House, went out of his way to make a statement as to the good faith and loyalty to the Government of the Republican Members of this House. He stated that the Republican Members supported the Government from fear—not just in those words, but that was the substance of his statement. He intimated and illustrated his meaning by telling a story to the effect that their loyalty in supporting administration matters was due to fear, and not because we were actually loyal; that we voted to support the administration for fear we would "get hell"—his exact words—if we did not do it, and he told an old, threadbare, worn-out story to illustrate his statement.

Mr. CARTER of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CARTER of Oklahoma. When the gentleman from Oklahoma [Mr. FERRIS] was interrupted by the gentleman from Illinois [Mr. MADDEN] with reference to that, I think it was cleared up. The gentleman said, "The gentleman is turning a pleasantry into a serious matter." I am reading now from Mr. FERRIS's speech, which was printed on the 5th of September.

Mr. FORDNEY. I am glad that he modified his statement somewhat, because it must have preyed upon his conscience. My good friend from Oklahoma made an absolute misstatement of facts when he said that the Republicans of this House are supporting war measures because of fear and trembling. The Republican Members of this House have as loyally supported the requests of the administration as have the Democrats, and I want to call the attention of gentlemen to the difference between the loyal support of Republicans to the Government during this war and the lack of loyalty on the part of the Democrats of this House during the Spanish-American War.

The gentleman from Oklahoma quoted from the remarks of ex-President Harrison and ex-President Roosevelt to show that during the Spanish-American War these gentlemen were asking that all the people be loyal to the administration. But the gentleman from Oklahoma failed to state all the facts, and a truth half told is worse than a fib. If the gentleman will go to the RECORD he will find that when the bond issue in 1898 was presented to the House of Representatives providing for $600,000,000 to finance the Government during the time of the Spanish-American War, out of the total membership of the Democrats in the House at that time but six Democrats supported that measure. The names of those gentlemen are Mr. Cummings, Mr. Griggs, and Mr. McClellan, of New York; Mr. Fitzgibbons, of Mississippi; Mr. McAleer, of Pennsylvania; and Gen. Joe Wheeler, of Alabama. [Applause.] Not one Republican has in this war voted against any bond issue.

The statement of the gentleman from Oklahoma, that the Republicans were supporting the administration for fear they would be damned if they did not, brought applause from the Democratic side of the House.

Mr. QUIN. Mr. Chairman, will the gentleman yield right there?

Mr. FORDNEY. Let me finish this sentence, and then I will. Gentlemen, you should erase from the CONGRESSIONAL RECORD the statement made by the gentleman from Oklahoma and the Democratic applause, if you wish to be honest. [Applause on the Republican side.]

Why, even the Kaiser knows that the Republicans are loyal, and we will give him to understand it more clearly from now on. [Applause.] I am as greatly interested in winning this war as any Democrat that ever breathed. My loyalty to the administration is not prompted by fear or criticism. I know the only way to win this war is by both Democrats and Republicans standing shoulder to shoulder in supporting our Government and our Army on the battle fields of Europe. [Applause.]

Mr. QUIN. Of course we all agree with the gentleman on that. I do not know what prompted the gentleman from Oklahoma to make that statement, but it appears from the returns that the Democrats as well as the Republicans who failed to support these war measures in both branches of Congress have got "hell" back home when the people voted. The record so shows.

Mr. FORDNEY. I regret that any man should get "hell" on this earth, whatever he deserves hereafter. But the President of the United States said from this desk a few months ago that during the continuance of the war "politics was adjourned." You remember. So far as the Members of this House are concerned, he is correct; but he alone of all men in the land has shown partisan politics by his activities in the campaigns that have taken place throughout the country since the time he made that speech. He has tried to force upon the good people of the State of Michigan a candidate for the United States Senate on the Republican ticket who is now running on the Democratic ticket. [Laughter.] The people of that State have answered at the primaries, and will again answer at the polls in November, in my opinion [applause], and will send to the United States Senate an out-and-out Republican, because the people of the State who are Republicans are in a majority, and they decline to take dictation from an outsider, especially a Democrat.

Now, my good friends, another thing. Here is a little pamphlet that I received. I have received several such. It is An Unofficial Interpretation of the War Aims of the United States, Part II, by Burt Etheridge Barlow. It is very interesting. It goes on to show how many people there are in South America and in the colonies of Great Britain and France, where, if we are properly active, we may obtain some trade for our products. Then it winds up with an absolute free-trade argument on the tariff question. The major portion of the book is devoted to free trade. I wondered where in the name of common sense Burt Etheridge Barlow came from. I turned to the front of the book, and I found a slip pasted in it showing that it is sent out by George Creel. Who is George Creel?

Mr. KNUTSON. Who is paying for it?

Mr. FORDNEY. George Creel is employed by the President, and he is using a $100,000,000 fund set aside for the President to use for any purpose he chooses, taken out of the taxpayers of this country, to send broadcast free-trade arguments to the people before the next campaign comes on.

Mr. SLOAN. Will the gentleman yield there?

Mr. FORDNEY. Let me conclude in a minute. I do not know who is responsible for that publication and many others of its kind, but I want to criticize. The people are called upon to contribute money to the point of complaining, and yet it is spent for that kind of literature—political claptrap, paid for out of the Treasury of the United States. One gentleman stated only a few weeks ago on the floor of this House that this Publicity Bureau had used $5,000,000 worth of print paper, while at the same time the CONGRESSIONAL RECORD was not being sent out by the Government because of the scarcity of print paper, or at least only a few copies were being sent out. For several weeks the distribution of the CONGRESSIONAL RECORD was discontinued for the want of print paper, but no limit to the amount of print paper or to the amount of money to pay for printing and sending out such political stuff as this.

Mr. KNUTSON. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. KNUTSON. That is not the only document of a political nature issued by the Creel Bureau.

Mr. FORDNEY. Oh, no. Many such have been sent out by this same publicity bureau.

Mr. KNUTSON. They are all of a campaign nature.

Mr. SLOAN. That individual named Creel, is he the same Mr. Creel who before a very intelligent audience rendered devout thanks that this country was not prepared for war when we entered it, a condition which we know has continued, especially so far as rifles, heavy ordnance, and aeroplanes were concerned, up until recently? Is that the same Mr. Creel?

Mr. FORDNEY. I do not know him and do not have very much love for him or any other man who spends our money

now for such political stuff when we need the money so badly to carry on this dreadful war. [Applause.]

Mr. BAER. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BAER. I think the gentleman from Minnesota [Mr. KNUTSON] will not want to put the statement in the RECORD that all this literature that was sent out was of a political nature, because I have sent out a good deal of war literature that I am sure is not a Democrtaic campaign document.

Mr. FORDNEY. You do not send out free-trade arguments like that, do you?

Mr. BAER. No.

Mr. KNUTSON. I want to say to the gentleman from North Dakota that the Creel Bureau issued a booklet last summer in the Red, White, and Blue series that was Democratic doctrine from cover to cover, and the gentleman can not deny it.

Mr. QUIN. Will the gentleman yield right there?

Mr. FORDNEY. Yes.

Mr. QUIN. I do not know Mr. Creel. He appeared before our committee once, but I think you are doing the man a great injustice. That was not partisan matter. It was to teach the people of the United States the real causes of this war. A better thing could not have been done by the Government, I do not care who denies it. That stuff that Mr. Creel sent out was worth more to the people of America than all the rest of the newspapers and magazines combined for the time being.

Mr. KNUTSON. You mean more to the Democrats of America.

Mr. QUIN. No; I mean to the people. I know the people down in my country did not understand the war——

Mr. KNUTSON. Probably some of them do not understand it yet.

Mr. QUIN. I think that criticism of Mr. Creel is unjust.

Mr. FORDNEY. If the gentleman can show me that this is good information for the public, except that it is democratic doctrine, purely democratic, then I will show the gentleman white blackbirds.

Mr. QUIN. I do not vouch for all of it, but I am talking about the major portion and the intent and purpose of it.

Mr. FORDNEY. Yes. He shows how many people there are down south of us to whom we can sell goods. Well, that is uninteresting to me and to the average layman at the present time. And, so far as the manufacturers are concerned, they know that already. The census reports show that. You can get it anywhere on library shelves; but in this book here he goes back and uses the argument that a protective tariff is unsound, because in the early days our people decided that an export duty from one State to another was unconstitutional. That is his argument.

Let me go on. So much for Mr. Creel. My good friend KITCHIN spoke of the importation of hides. Hides were put upon the free list in the Payne tariff law in 1909, and they were continued on the free list in the Underwood tariff law. The price of hides has gone up, but the importations have not increased lately. Only heavy hides, such as weighed more than 60 pounds, were put upon the free list in the Payne tariff law.

Mr. GANDY. Will the gentleman yield?

Mr. FORDNEY. If you are going to read that stuff which you have in your hand, the pamphlet referred to, I will not yield. I will yield to the gentleman. I want to be courteous.

Mr. GANDY. I just wanted to know if the gentleman meant to leave the inference by the statement he made that the publication he referred to, which I have in my hand, was a Government document?

Mr. FORDNEY. I think so.

Mr. GANDY. Will the gentleman look at it.

Mr. FORDNEY. I think it was sent out by George Creel. There is a slip pasted on the first page headed, Committee on Public Information, George Creel, chairman; and I think undoubtedly George Creel induced Burt Etheridge Barlow to write the article.

Mr. GANDY. If the gentleman will look at that statement he will find that it is simply a statement by Mr. Creel that that publication has passed the military censor. It is not a Government publication and does not purport to be a Government document, and it is not sent out by the Committee on Public Information.

Mr. FORDNEY. You can not make me believe that George Creel can send that out broadcast without it costing the Government some money.

Mr. GANDY. That does not say that George Creel sends it out.

Mr. FORDNEY. I do not want to criticize Mr. Creel unjustly, but I know that when he was asked a certain question about Members of the House of Representatives he replied, "Oh, I do not want to go slumming." That is George Creel. I decline to allow Congress to be called a place for slumming; and that statement ought to have raised the indignation of Congress to the point where Mr. George Creel's head would have gone off. He should be kicked out of the position he holds. He has no justification for saying that Members of Congress are slums. He did say it and half apologized for it, but I would not accept his apology.

Mr. MADDEN. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. MADDEN. I want to say, in response to what the gentleman from South Dakota said, that this is not a public document; that it was sent out under a frank; and if it was not a public document and was sent out under a frank by a Government official it is a violation of the law.

Mr. FORDNEY. I do not know the details, but I do know that if it was sent out by Government money some of that money was your money and some was my money and the money of the taxpayers, not raised by taxes or bond issue for such purpose.

I want to call one matter to the attention of my good friend Mr. KITCHIN. He is well informed on this bill. He has given great attention to it, and I have no criticism of him. He and I differed about things that went into the bill, and no member of the committee is pleased with everything in the bill. But there is one particular feature that I want to call his attention to that I had not thought of when we were in committee. Last week it occurred to me that it affected very materially the cotton mills of the South, and I am as much interested in their welfare as is the gentleman from North Carolina or any other man.

Under existing law the normal income tax paid by these corporations is 6 per cent. In this bill the normal tax of the corporations has been increased to 18 per cent. But the bill provides that the earnings of the corporation made during this calendar year and distributed to the stockholders shall pay but 12 per cent. In other words, money earned by the corporation this year and retained in the business by the corporation, not paid out to the stockholders, must pay an extra penalty of 6 per cent. That is the substance of the law.

On that my good friend from North Carolina and I differed. I used this argument. In the first place let me say that the purpose of a majority of the members of the committee was to compel corporations to pay out all their earnings of this taxable year so that the Government can tax that money in the hands of the individual. That is the purpose. Under existing law the earnings of the taxable year retained in the business or used in the business paid no penalty but the normal tax, and nothing more. What is held by the corporation not distributed, for the purpose of defrauding the Government, pays a penalty of 15 per cent. There were no penalties collected, because, I suppose, all the money retained by the corporation was used in the business.

I have contended that the corporations must retain in their business a certain portion of their earnings in order to have money to do business with. First, let me give a comparison by the banks. Banks organize, and each year from their profits they distribute a certain portion of their profits to their stockholders and place the balance to surplus or undivided profits and build up their capital in that way.

Take a bank with $100,000 capital that has built up $100,000 surplus and, say, $25,000 undivided profits. If it places any of the earnings of this year to undivided profits, if this bill becomes a law, as it is now written, that bank must pay 18 per cent on that money placed to undivided profits. The bank will not do it with that extra penalty of 6 per cent imposed; they must pay 12 per cent normal tax anyway.

It is true that every bank in the land has some bad accounts. If that penalty compels them to distribute all of the earnings to their stockholders, when the bank examiner comes along and directs the bank to charge off on their books certain notes or bonds which are declared worthless, they must have something to charge such bad accounts to or they will have to break into the surplus or capital of the bank. A national bank under the law can loan 10 per cent of its capital and surplus to any individual or firm; no more. There is no limit to commercial paper that can be discounted for one customer.

Now, when they must charge off on their books bad notes and have exhausted their undivided profits, they must then break into their surplus and consequently disturb all their loans, where they have loaned up to the limit under the law, and they must call in their customers and make them reduce their accounts. It is a serious thing for the banking interests of the country, because as the population increases the wealth increases and the deposists in the banks increase, and in order to more properly and thoroughly secure the depositors they

must build up a surplus or they will not have adequate security to depositors.

Mr. GOOD. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. GOOD. Take a manufacturing institution, a corporation that has $100,000 capital with which it made last year, say, $30,000. It pays a regular dividend of 8 per cent and so would have $22,000 left. Suppose it owes $50,000 and is called upon to pay the debt. If it pays $22,000 on that debt, if I understand the gentleman, then it must pay the 18 per cent.

Mr. FORDNEY. No; the committee so amended the bill that the interest-bearing obligations of a corporation can be paid out of the earnings without the payment of the extra 6 per cent penalty.

Now, I started to call my good friend's attention to the cotton mills of the South. Yesterday I received this telegram from a dear friend of mine, the proprietor of a cotton mill, to whom I wrote a week ago asking him to inform me how much money is required in his business in that cotton factory now to carry on and do the same volume of business as compared to the amount that was required during normal times.

First, let me say that there are 33,430,000 spindles in the cotton mills of the United States on August 1, 1917, and what applies to this cotton mill applies to all cotton mills in the United States. More than one-half of the spindles in the United States in cotton mills are south of Mason and Dixon's line. That industry is growing in the South like mushrooms in the night. Here is the reply that I received from the owner of this cotton mill:

LAUREL, MISS., *September 6, 1918.*

Hon. JOSEPH W. FORDNEY,
Member of Congress, Washington, D. C.:

Our 22,000-spindle plant here weaves medium-weight brown staple cloth. It costs between five and six hundred thousand dollars. To replace now would require more than $850,000. Formerly we needed for working capital for various items about as follows: For cotton in the machinery, supplies, and unsold cloth about twenty to twenty-five thousand dollars; now it takes for these purposes sixty to eighty thousand dollars. Formerly it required for cotton in the warehouse sixty to seventy-five thousand dollars; now it takes two hundred to two hundred and fifty thousand dollars. At times this year, as we usually contract, we will have three to four hundred thousand dollars in cotton alone. Formerly it took seventy-five to one hundred thousand dollars to carry customers' accounts; now the lowest is $175,000, and from that up to $250,000. Formerly ten to fifteen thousand dollars in bank was sufficient; now, on account of high prices and wide market fluctuations, forty to fifty thousand in bank is little enough to be safe. In other words, where one hundred and fifty to two hundred thousand dollars' working capital was all right, it now requires five hundred to six hundred thousand dollars to handle exactly the same volume of production. Hope this is plain. If not, wire quick and will try to give further information.

WALLACE B. ROGERS.

That telegram came Friday, and I have here a letter which is dated September 6, which I will read in part:

SEPTEMBER 6, 1918.

Hon. JOSEPH W. FORDNEY, M. C.,
Washington, D. C.

DEAR MR. FORDNEY: I must apologize for not realizing that you wanted the information immediately, as asked for in your letter of August 24. The papers seemed to talk as though the revenue bill was not going to be finished before the 1st of November, and this had sort of put me to sleep. I had hoped that one of us would be up there in the next week or 10 days when we could talk to you more fully. Hope the telegram sent will answer the purpose. I inclose a copy. It really contains about all the information to give and is accurate.

It will be a crime if dividends are forced to be paid, as it will weaken the company so that they will not be able to survive competition after the war. Later on there will be a sad price to pay if the action is taken as contemplated. This is a day above all others when every dollar possible ought to be put back in the plant, not for enlargement but for strengthening in every way possible for after-the-war conditions.

My kindest regards and best wishes for your continued success. I know you have a hard job, but we were all glad to know you had been returned as usual.

Very truly, yours,

WALLACE B. ROGERS.

The amount of money needed, as shown, is $25, for every spindle in the plant, dividing his minimum and maximum of accounts.

Mr. GOOD. That is, working capital?

Mr. FORDNEY. Working capital; yes, sir. It figures out, on 33,430,000 spindles at $25 each, $835,750,000. Six per cent is the penalty for keeping this money in the business with which to do business, or $50,145,000 penalty is imposed upon the cotton mills of the United States by that 6 per cent penalty. It is an exceedingly serious situation. I speak now only of the cotton mills; but let me go further. I am engaged in the lumber business and I know more about my own business than another business. It is a wise man who pays attention to his own business. He has the least competition of any man. In normal times selling a given quantity of lumber requires a certain amount of money to manufacture and market the same, and the firm has at least one or two months' sales standing upon its books all the time.

Let me give you an illustration: Suppose you were manufacturing three and one-half million feet of lumber per month, which brought before the war in normal times, say, $15 per thousand at the mill—$52,500 per month would be the average sales. It required of cash in the bank, accounts on your books, and stock in the yard more than $100,000 all of the time to do business in normal times in that proportion. To-day the price of lumber is practically double the price in normal times, and you must have double the amount of money in the business to carry on business of the year that you had in normal times, and to compel a corporation to put out all of its earnings of this year and keep none at all to do business with puts the concern in a most embarrassing position. They must borrow money to do this extra business, with inflated prices and the higher cost of raw material and the higher cost of labor, if they pay out their dividends to their stockholders. I say that 6 per cent penalty is the most serious proposition of the bill, if it becomes a law as now written, and I want you to think that feature of this bill over very carefully. I think that provision ought to be stricken out; but when I am in Rome I am going to do as the Romans do. I helped to frame this bill in committee.

I did not get everything in that I wanted, but I am not going to offer an amendment. It is my duty to stand by this bill and pass it. It is the best that we could get. The majority rules, and I agreed to abide by the majority, and I am going to do so, but it ought to be amended.

There is one feature in the bill that I like. I have taken the position, and so did other members of the committee, that a soldier in the war fighting for you and for me should not be taxed upon his measly income from the Government, and we have inserted a provision that exempts him up to $3,500 if he is in France or if he is on the sea. [Applause.] I wanted to go further, but other gentlemen did not.

I do not believe the definition of capital as found in the bill is correct. I have so contended all the way through from the beginning and took that position last year in the framing of the existing law, but I was voted down. I think this law ought to be amended in that respect, and will tell you why.

This law provides that for the purpose of deductions you can only deduct your 8 or 10 per cent upon the actual capital originally invested—capital, surplus, and undivided profits. People who engaged in business 20 or 30 years ago and have built up a great institution ought to have the benefit of the advanced values of their property, down to a certain time at least. Let me tell you what is done under existing law. In existing law a man engaged in the lumber business—and I speak of the lumber business because I am more familiar with it—in manufacturing is permitted to charge up to cost of production the value of timber as of March 1, 1913, which is the time the income-tax law was held constitutional by the courts, and whatever earnings that timber has made from that time down to the present time is to be considered as income of the year that he converts it into finished product.

But its increased value from the time he purchased it—maybe 40 years ago down to March 1, 1913—can be used as a part of his cost of production. He can not do that in his deduction. He can in the cost of production. I call attention to this. In the manufacture of lumber in the States of Michigan, Minnesota, Wisconsin, on the Pacific Coast, or in the South value of timber in the woods, in the tree—let us take the value. Say the average value of the stumpage March 1, 1913, was $5 per thousand. When the manufacturers convert the timber into lumber they can charge to the cost of production $5 stumpage, and then labor and all other costs, and the price received above that is profit, and on that profit they must pay a tax. That is correct, that is honest, that is justifiable; but when you come to take your deduction before paying the excess-profits tax or war-profits tax, as the case may be, no, no, you do not get the value as of March 1, 1913. The capital invested 40 years ago and from that take your deduction of 8 per cent. That is not right. If it is capital in your cost of production, it ought to be capital all the time and ought to be capital in your deduction.

Therefore, the definition of capital is wrong. I give this illustration; I have given it before. I said to my good friend, Mr. KITCHIN, suppose 20 years ago you and I purchased a property down in North Carolina and organized the Kitchin Lumber Co. You own half and I own half. We put in originally $100,000 each, and from that time down to the present day we have taken out no money except what we must have for ourselves and families to live on. We have built up a great industry. Along comes Bill Jones and says, "Gentlemen, I will give a million dollars for your property." Mr. KITCHIN sells his interest, one-half, to Bill Jones. And he takes half a million dollars and walks out. For any reason whatever I say, "No; I do not care to sell my interest." My capital is $100,000 and Bill Jones's a half million. Is that right? Why is not my capital the same as that of Jones? I could have sold and taken half a

million but I did not. I kept my property. I convert it into money and get more than half a million dollars, and I pay taxes on more than half a million when I convert it into money. I say, gentlemen, the definition of capital, as now in the bill, is wrong.

Now, another thing in the law is wrong. Borrowed capital ought to be capital. Let me give an illustration. Suppose that a body of rich men organize a company with a capital of $1,000,000 and put in the cash and take their stock for it and go on and do business. You and I organize a company in the same business with a capital of $1,000,000. We are poor. We can only put in a half million dollars. We step out and borrow a half million dollars. We put that half million dollars of borrowed money in the business and it is capital in the business. We pay more taxes than the firm that had the cash to put up and borrowed no money. That is not right. We do under the terms of the bill permit them to deduct the interest paid upon the borrowed capital, but that is not sufficient relief. They ought to be permitted to use as capital capital paid out of their pockets or borrowed capital. It is capital in the business, and we ought to let them use it in their deduction. In every instance the firm that borrows money pays more taxes than does the firm that has the money to put in and borrows none. That seems to me decidedly unjust. All laws are based upon justice, gentlemen. When a child at my father's knee he told me that the laws of the land were based upon God's law, the Bible, just and equitable to everybody, and the law that is not so framed, just and equitable to all, is, I have said, not good law. I believe these provisions of this bill should be changed.

Mr. ROSE. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. ROSE. Under the law as it is now framed, would it not be an inducement to corporations to increase their capital stock? I have in mind two corporations, one with $100,000 and another with $200,000 in the same business, and yet the $200,000 capital corporation may only do one-tenth more business than the corporation having $100,000 capital stock. I believe under the present law the tax will not be equalized and will have a tendency for corporations to increase their capital stock in order to get the higher deduction.

Mr. FORDNEY. In order to get the deduction; yes, sir. The more capital you have in your business the less taxes you are going to pay. Let me give you an illustration. It was stated the American Tobacco Co. has a capital of $157,000,000 and paid $80,000 taxes last year because of watered stock, inflated capital, goodwill, camel-back cigarettes, signs, and labels, and so forth, put in at a value—inflated capital. Why, my good friends, on the $157,000,000 they do not make enough money to bring them up to where they must pay the excess-profits or war-profits tax. The larger the capital the better off you are.

Now, there is a firm over at Cleveland, Ohio, situated under peculiar conditions. The father died and left the property to his estate, but provided that for so many years the stock of that company should not be increased. On $25,000 capital they made $1,125,000 profits last year. That is war profit. I will tell you what this bill will do. Their deductions will be 10 per cent on their capital plus $3,000, or a total of $5,500. Fifty-five hundred dollars out of $1,125,000 leaves them, in round numbers, $1,120,000. And the very first whack we take 80 per cent of that $1,120,000 and then take 12 per cent of what is left. Now, if they had a million dollars or two or three million dollars capital they would get 10 per cent deduction on the capital.

Mr. MADDEN. Will the gentlemen yield?

Mr. FORDNEY. I will.

Mr. MADDEN. Suppose most of that profit is stock—that is, in material, supplies which are necessary for the company's business—how is the Government going to get the cash?

Mr. FORDNEY. This law does not give any relief if your business shows a profit in raw material or whatever it is. If it shows a profit during the year, you must distribute that to the stockholders or pay 18 per cent normal tax on it.

Mr. MADDEN. Here is a concern with $25,000 capital. Of course, I do not know how much reserve they have or how much wealth they may have; but presuming they have not got the money and they have their profits in inventory, what is going to become of the concern; is it going out of the business?

Mr. FORDNEY. Borrow money to pay their taxes.

Mr. MADDEN. How can they afford it?

Mr. FORDNEY. There is no other relief that I can see. But, however, let me say to the House that we have provided in this law that if those profits are war profits, or if war profits exceed the sum of $50,000—on limited capital it should be considered war profits—up to $50,000 they are protected from these heavy taxes.

Mr. PLATT. Will the gentleman yield for one question?

Mr. FORDNEY. Yes.

Mr. PLATT. Suppose a concern makes a good profit and has a large debt, and instead of distributing it to the stockholders it pays its debt?

Mr. FORDNEY. You are permitted to pay debts on interest-bearing obligations without that penalty. There is a provision in the law to that effect.

Now, gentlemen, unless there is some question that some one wishes to ask me I want to close. I am getting quite tired. I have talked rather loud in order that I might be heard clearly, and consequently I am quite tired.

I read you this little poem in the beginning to impress upon your minds the duty of every loyal, patriotic citizen. I do not like to mention this, but I can hardly refrain from it. When it comes to sending your own boy to the war, I tell you the heart-strings pull. I went out here, as I have stated, to the Walter Reed Hospital the other day, and there I saw dear, sweet-faced young men with their arms and hands and legs off. I saw one boy with his right leg and left arm off. There are hundreds of them there, who went over to fight the battles for this great Nation. I regret to say, and yet I am proud of the fact, that five of my beloved family are in this war. And it touches my heartstrings to think that my boy may lay down his life over there in this great cause; but if he dies, he dies for a great cause.

I hope God will send the boys back safe; and that meeting will be a most happy one, I assure you. Two of my sons, two grandsons, and a son-in-law are in this war, and three more come under this new draft law—one son and two sons-in-law. I am doing my share, and I am willing to give up my earnings, my wealth. And if it would only bring back to me those boys in their health and strength, how willingly would I give every nickel and start out once more with a woolen shirt and a pair of overalls to make my living at hard labor. [Applause.]

Gentlemen, I thank you for your courtesy. I have talked more than I should, more than I expected, but I want to appeal to you, right or wrong, we are in this war and that we must win. We must win! Oh, what an awful thing it would be to lose the war, to lose our beloved sons, and see our homes destroyed as the people of France have seen theirs destroyed, and as have the people of Belgium, and of Serbia, and of Roumania, and of other parts of Europe.

Oh, what a sad sight it would be to witness all of that! What a sad thought it is that your boy and my boy may be buried in the wake of the army over there! He needs food; he needs clothes; he needs equipment with which to meet his well-equipped foe. I am sorry to say, gentlemen, but it is my honest conviction, that the only way we can win this war is to decrease the number of our enemy by putting them out of commission. [Applause.] Come forward and give to the Government your loyal support, your money, and give your life, if necessary, to defend your wives and your daughters, and your sweethearts!

A FATHER'S PRAYER.

[K. G. Duffield.]

I ain't been much on prayin', God,
Er goin' t' church,
I've tried t' do what I thought wuz right,
A-helpin' my friends an' treatin' 'em white.
I may be sharp on a business deal,
I haven't lied an' I wouldn't steal.
An' so I'm askin' you, God, to-night:
Watch over Bill when we start t' fight.

I know you've a lot uv work t' do
Way over there.
A-watchin' th' Hun at his hellish play,
An' countin' the souls ez they fly away.
Bill's only a boy, but he had t' go,
With mother an' me a-lovin' him so.
An' so we pray, dear God, to-night:
Watch over Bill when we start t' fight.

We're lonely, God, an' want our boy,
Across th' sea.
All we can do is wait an' pray;
It's hard t' bear with him away.
Oh, keep him clean an' brave an' true;
He's fightin' fer mother an' me an' You.
So hear me, God, ez I pray to-night:
Watch over Bill when we start t' fight.

We know it will end somehow, some day,
Ez all things do.
Th' dead will sleep in th' madman's track,
An' only th' strong come marchin' back.
We'll count it lost if th' fight is won,
Th' price uv success—our only son.
An' so I pray, dear God, to-night:
Watch over Bill when we start t' fight.

[Applause.]

I thank you, gentlemen. [Loud applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. GARRETT of Tennessee, having taken the chair as Speaker pro tempore, a message, in writing, from the President of the United States, by Mr. Latta, one of his secretaries, informed the House of Representatives that the President had approved and signed bills and joint resolution of the following titles:

On August 30, 1918:

S. 4527. An act to authorize the payment of indemnities to the Government of Greece for injuries inflicted on its nationals during riots occuring in South Omaha, Nebr., February 21, 1909.

On August 31, 1918:

H. J. Res. 324. Joint resolution making appropriations for certain necessary operations of the Government for the month of September, 1918, and for other purposes;

H. R. 11692. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1919, and for other purposes;

H. R. 12704. An act to authorize the importation without the payment of duty of sundry articles for the American National Red Cross to be donated or used by it solely to or for the benefit of the land or naval forces of the United States or its allies, or for the relief of the civilian population of the United States, or of its allies; and

H. R. 12731. An act amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917.

THE REVENUE BILL.

The committee resumed its session.

Mr. KITCHIN. Mr. Chairman, this side took two days, I think, and the other side has not taken over two hours and a half. So it has a whole lot to its credit.

Mr. MOORE of Pennsylvania. Shall I go on?

Mr. KITCHIN. Go right on.

Mr. FORDNEY. Mr. Chairman, I yield one hour to the gentleman from Pennsylvania [Mr. MOORE]. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, this is the heaviest tax bill ever essayed in the history of the world, and the chief honors attaching to it may readily be conceded to three distinguished gentlemen, none of them Republicans, but all of them striving to maintain the national credit by providing the ways and means to enable the Government to meet the obligations incurred for the purposes of the war.

The hardest working Member of the trio for this purpose was the gentleman from North Carolina, the chairman of the Ways and Means Committee [Mr. KITCHIN] [applause], who, with the assistance of a few faithful experts, has labored industriously, morning, noon, and night, through the worst hot spell Washington has ever known, for a period of three months, to bring up to date the former war-revenue measures and to simplify and, if possible, make them understandable. His work in committee, his researches, and his investigations, limited and handicapped to some extent by varying opinions and suggestions emanating from other high sources in official life, resulted eventually in the present compilation of 190 printed pages (H. R. 12893) and justify the appropriateness of applying the short title, "The Kitchin bill," to this exceptional measure. [Applause.] This compliment is well earned, since no member of the committee, and probably no Member of the House, is so well equipped to explain the bill and make clear to the layman its many intricate provisions as is the gentleman from North Carolina.

Another distinguished official who had much to do with the preparation of the bill is the Secretary of the Treasury, who, apart from his many other arduous duties, found time toward the close of the committee's deliberations to personally appear before the committee with certain suggestions by way of amendment, to which the committee gave its respectful consideration. During his long western tour in the earlier stages of the proceedings, the Secretary was represented by his able assistant, Mr. Leffingwell, of New York, and by Dr. Adams, of the Treasury Tax Advisory Board, whose statements on behalf of the Secretary, being printed in the hearings, speak for themselves.

It was the Secretary of the Treasury who advised the committee in his letter to Mr. KITCHIN, June 5, 1918, that the Treasury would require approximately $24,000,000,000 to keep up with its authorized expenditures and its loans to the allies to June 30, 1919. Of this vast total, the Secretary said it would be necessary, in accordance with the President's recommendations to Congress, to raise at least $8,000,000,000 by taxation, leaving the tremendous balance of $16,000,000,000 to be raised by loans. The committee was obliged, in view of this authorized statement of the necessities of the Government, to conform as nearly as prudence would dictate to the recommendations of the Secretary of the Treasury in order that there might be no adverse suggestions to Congress to endanger or delay the passage of the bill.

THE PRESIDENT'S ADDRESS TO CONGRESS.

More important, however, was the interest of the President of the United States in the preparation of this unprecedented measure. It was no less a person than the Commander in Chief of the Army and Navy who came to the two Houses of Congress on May 27 last and started the legislative machinery, which, operating through the Ways and Means Committee, now permits the presentation of this great bill to the House. In the memorable address then made to Congress the President said:

The present tax laws are marred * * * by inequalities which ought to be remedied. Indisputable facts, every one, and we can not alter or blink them. To state them is argument enough.

And yet—

Continued the President—

perhaps you will permit me to dwell for a moment upon the situation they disclose. Enormous loans freely spent in the stimulation of industry of almost every source produce inflations and extravagances which presently make the whole economic structure questionable and insecure and the very basis of credit is cut away. Only fair, equitably distributed taxation, of the widest incidence and drawing chiefly from the sources which would be likely to demoralize credit by their abundance, can prevent inflation and keep our industrial system free of speculation and waste. We shall naturally turn, therefore, I suppose, to war profits and incomes and luxuries for the additional taxes. But the war profits and incomes upon which the increased taxes will be levied will be the profits and incomes of the calendar year 1918. It would be manifestly unfair to wait until the early months of 1919 to say what they are to be. It might be difficult, I should imagine, to run the mill with water that had already gone over the wheel.

Further on in his address the President, having reminded Congress that "we are at the peak and crisis" of the war, concerning which he said "there can be no pause or intermission," demanded that there should be "an unquestionable supply of money," and said:

That is the situation, and it is the situation which creates the duty; no choice or preference of ours. There is only one way to meet that duty. We must meet it without selfishness or fear of consequences. Politics is adjourned. The elections will go to those who think least of it; to those who go to the constituencies without explanations or excuses, with a plain record of duty faithfully and disinterestedly performed. I for one am always confident that the people of this country will give a just verdict upon the service of the men who act for them when the facts are such that no man can disguise or conceal them. There is no danger of deceit now. An intense and pitiless light beats upon every man and every action in this tragic plot of war that is now upon the stage. If lobbyists hurry to Washington to attempt to turn what you do in the matter of taxation to their protection or advantage, the light will beat also upon them. There is abundant fuel for the light in the records of the Treasury with regard to profits of every sort. The profiteering that can not be got at by the restraints of conscience and love of country can be got at by taxation. There is such profiteering now, and the information with regard to it is available and indisputable.

With this deliverance against the effectiveness of existing revenue laws and the suggestion that Congress should disregard "the lobbies of Washington hotels, where the atmosphere seems to make it possible to believe what is believed nowhere else," the President declared the readiness of the people of the country not only "to win the war," but "to bear any burden and undergo every sacrifice that it may be necessary for them to bear in order to win it."

We need not be afraid to tax them, if we lay taxes justly—

Said the President—

They know that the war must be paid for, and that it is they who must pay for it; and if the burden is justly distributed and the sacrifice made a common sacrifice from which none escapes who can bear it at all, they will carry it cheerfully and with a sort of solemn pride.

And then evincing the willingness of the people to bear their share of the expense and suffering of war, he asked, "Shall we grow weary when they bid us act?"

The President's hand in the preparation of the bill is, therefore, plainly evident. His is the great task of carrying this war to a successful conclusion, and to him must be given ungrudgingly, as he has asked, those ways and means essential to the accomplishmnt of the main purpose.

I submit these three names for special mention in connection with the Kitchin bill, because to them and to their Democratic colleagues in committee should go the lion's share of the credit, if credit it be, for this extraordinary revenue measure.

REPUBLICANS COOPERATED WITH MAJORITY.

The Republican minority was constantly in committee making suggestions and offering advice, and it was treated by the majority with rare courtesy and good will, but many of its recommendations were rejected and much of its advice unheeded. In general terms, the Republican minority stood for equitable and just taxes and urged that they be so adjusted as to permit business to continue, but at no time could it have taken the bill from the hands of the majority, even though it had been so disposed. It is substantially true, therefore, as indicated by the gentleman from North Carolina in his opening address, that party lines played little part in the discussion. With the bill

in the hands of the majority and the administration, apart from disagreements it might have had with the majority, committed to an $8,000,000,000 bill, there was little else for the Republican minority to do but to help in good faith to bring in a bill as free from injustice and inequalities as could be obtained under existing conditions. It was not a case where the Republican minority could do what it would do under ordinary circumstances; there was no alternative except to filibuster and block the majority in the face of an urgent demand from the Commander in Chief for money to support our soldiers in France. Even this recourse, had the minority members entertained it for one moment—which, of course, they did not—would in the end have been futile. While, therefore, it was magnanimous of the gentleman from North Carolina to speak of the "unanimity" with which the committee reported the bill, he would do injustice to his own complete mastery of the situation if he had intimated that at any time on any of the vital issues in the bill they could have unhorsed him. The Republican minority did cooperate with the majority, offering such assistance as it could to tide over a national financial crisis. That much it did faithfully and from a sense of duty. That, however, would yield to the Republican Party so scant a part of the glory attaching to the Kitchin bill that I, for one, would be willing to relinquish most of it. To the gentleman from North Carolina, to the Secretary of the Treasury, to the President of the United States, and to their financial experts and advisers we may graciously concede the principal honors for this extraordinary measure, since theirs, in the last analysis, must be the responsibility.

And here it may be noted that Republicans have been in the minority in the House since war broke out in Europe, August, 1914. They have been in the minority since the United States decided to participate in the war. Nevertheless they have steadfastly supported the President as Commander in Chief of the Army and Navy from the beginning. As a minority, reserving all political rights and conscious of certain overt acts and letters which seem to warrant at least an armed neutrality, since "politics is adjourned," they have cheerfully, and with greater fervor than has been displayed at times by the President's partisan followers, supported every measure the purpose of which was to further our common interests in war and concerning which there could be no hidden or doubtful meaning. For Republican members of the committee, therefore, it is fair to say that while they have agreed to report this bill, that the President, the Secretary of the Treasury, and the chairman of the Ways and Means Committee might be unhampered in presenting it to the House and to the country, and while some of its provisions may be satisfactory and others wholly at variance with their personal and economic views, it is not a minority creation, and would not have come to the House in its present form if the responsibility of raising the enormous sum of $8,000,000,000 had rested upon a Republican administration.

SOME DIFFERENCE OF OPINION.

With this brief "nonpartisan statement" [laughter], may I be pardoned for referring to some points of difference which tended to prolong the committee's deliberations? It may help to throw light upon some of the methods of taxation proposed in the bill which will necessarily provoke discussion. Long ago it was well said that "He that provideth not for his own household hath denied the faith and is worse than an infidel." The modern taxgatherer may be persuaded, with due regard for the "home folks," that there is more truth than poetry in that bit of biblical wisdom. I do not now say that Democrats would be more susceptible, being in power, to take advantage of the course of action thus epitomized than would Republicans being in power. Either party might provide for his own household without unduly offending the other, but they might do it in different ways. Nor is it quite possible to forget another solemn injunction to those who have the power to levy burdens upon their fellow men: "To him that hath shall be given, and from him that hath not shall be taken away even that which he hath." These are apt suggestions, susceptible of penetrating the analytical minds of those who have the power to enter the peoples' vineyard and apportion the fruits thereof. To tax or not to tax is a conundrum. When translated into this simple form, "to tax, but whom to tax," even the immortal Shakespeare might not answer satisfactorily to those who have to pay. Shall we tax those whom we love? Well may those who have the power to tax put to themselves this most absorbing question, for if we tax those whom we love and they turn upon us and smite us, even though the tax be just, will it be wise for us to levy the tax at all? Or, since we must tax, shall we put the tax heavily upon those whom we do not love and lightly upon those whom we do love? These, I say, are problems that sometimes rise in the inner councils of those who, having the power to tax, and who, exercising that power, may tax wisely but not too well. The human instincts, the sense of self-preservation, the squirrel-like habit of laying up stores for the impending winter, or before the squirrels hold their conventions [laughter] are attributes of parties as they are of men, and doubtless will be until the end.

Be that as it may, it is still of interest that the majority was not of one mind upon the very important and troublous questions of excess profits and war profits taxes. It developed during the weary three months about the council table that there were several kinds of Democrats with varying views as to cause and effect. There was an "eat-'em-alive" variety and a "go-slow" brand. There were those who would take all of the war profits and those who had grown conservative through the lapse of years, under the weight of increasing responsibility. It may be said that two distinct kinds of Democrats finally appeared upon the scene: The Administration or Treasury wing, whose radicalism was subsequently tempered by discussion and the passage of time, and Congress Democrats, who entertained the fogyish notion that under the Constitution they were the peoples' representatives. As to these two kinds of Democrats it may be no breach of committee confidence to say that as good Democrats in ominous struggles characterizing their preelection performances usually do, they finally united, revealing to the patient and patriotic Republican members of the committee an unexpected but highly refreshing legislative allegory entitled, "The Lion and the Lamb," at the conclusion of which it was left to the imagination to determine which had been the lion and which the lamb. The result of the compromise will be found on page 54 of the bill, where the plan of the radicals and the plan of the conservatives are quietly tucked away. If the compromise stands as written in the bill, it will be up to the Treasury Department to impose an excess profits tax regardless of prewar profits according to Mr. Kitchin's plan, or a war profits tax based upon prewar earnings after the English system, as insisted upon by the Secretary of the Treasury. "You pays your money and you takes your choice." In token of this compromise, I respectfully bring to bar the Treasury's principal tax expert, Dr. Adams, who, in an article written for the American Academy of Political and Social Science, January, 1918, pointed out some of the inequalities of the existing excess profits law, which inequalities were doubtless in the mind of the President when he made his address to Congress in May last. "This law," says Dr. Adams, "fairly bristles with legal and administrative difficulties"—an admission, as it were, that the business man who has wasted valuable days and nights in a vain endeavor to comply with existing law is not the only one who fails to thoroughly comprehend it.

The difficulty under discussion—

Says Dr. Adams—

is not to be remedied by any substitution of the war profits principle for the excess profits principle, of the English for the American method of computing the tax.

Here are two corporations, each with $1,000,000 capital and each earning $300,000 a year during the war, but whereas corporation X earned $200,000 in the normal or average year before the war, corporation Y earned only $80,000. Under the English law, with its prewar income standard, corporation Y would be taxed very much more heavily than corporation X, which is in reality the stronger corporation. Both corporations earn the same amount during the war, but the one which was more prosperous in the past, the one which had accumulated the larger revenues, the larger surplus against a rainy day, would, under the English law, pay the smaller tax. As a matter of principle, neglecting the practical difficulties of applying the capital standard, it is difficult to see any superiority in the English method of war profits taxation. Does prewar prosperity establish just ground for exemption or immunity during the war? Do not extra war profits added to a high level of prewar profits create an unusual capacity to bear taxes, rather than the reverse? If you and I are equally prosperous to-day, but I have been prosperous much longer than you, is my longer prosperity sufficient reason for levying a smaller tax upon me than you?

There, in brief, is one of the inequalities of existing law. The concern which suffered losses in the prewar years, or whose average profits were small, pays heavily on its profits of 1917 and 1918, while the great corporation, which simply continued in 1917 and 1918 or later to make substantially the same profits it made in the prewar period, escapes taxation altogether. It was contended in the hearings that this peculiar preference would operate in favor of certain of the larger corporations, the Henry Ford concern, for instance, because while a great profit-maker before the war it would not be treated as making war profits under existing law if its profits after the war were no larger than they were before the war. The Secretary of the Treasury assured the committee, however, that his war-profits plan, based upon the English system, would raise more revenue for the Government than would the excess-profits plan without regard to the prewar basis. The war-profits plan, with the excess-profits plan as an alternative, was therefore included in the bill, so that time alone can tell whether the one is more just and equitable than the other or whether favoritism or injustice may be worked by either. Meanwhile, with all respect to the brilliant mental processes of the arithmetical and statistical

experts to whose tender mercy the taxpayers' returns must ultimately go, the average small business man is relegated, as Dr. Adams said in another part of his magazine article, to "distinctions so capricious as to be maddening."

LOANS A BIG FACTOR.

The hearings disclosed a commendable anxiety on the part of the Treasury Department concerning the effects of taxation upon the sale of loans. With $12,000,000,000 already spent and $24,000,000,000 to be raised before the end of June next, a war expense to date of approximately $36,000,000,000, an unheard-of total in the annals of American finance, it is not to be wondered at that the Treasury Department should endeavor to safeguard the loan situation. Speaking for the administration, Mr. McAdoo was frank with the committee about the urgency of loans to supplement taxes. It is suspected that the desire to encourage the sale of liberty bonds had something to do with an apparent change of front by the Treasury Department on the subject of earned and unearned incomes, since the Secretary in his letter of June 5 urged a higher rate for unearned incomes than for earned incomes. It will be recalled that earlier messages indicated that unearned incomes ought to be treated very much as they are in Great Britain. What the Secretary in his letter of June 5 actually said upon this subject was, "There should be a substantial increase in the amount of normal income tax upon so-called unearned incomes." This was at a time when complaint was widespread that under existing law men who worked with hand or brain for what they earned should be preferred above those who clip coupons or sit idly by waiting for their remittances. Because of the loan situation, however, the differential of 3 per cent upon unearned incomes was finally stricken from the bill apparently with the approval of the Secretary of the Treasury. For substantially the same reason the normal income-tax rates were raised and some of the higher brackets were lowered after the committee had decided to increase them to reach the larger incomes.

As with many other provisions of the bill it is difficult to explain these income-tax changes. They were not in the interest of the man with the smaller income, whose taxes under this bill, it is confidently believed, will be more burdensome in proportion to those of the larger taxpayer than it was intended in the earlier drafts of the measure that they should be. The man of small income, say $10,000 a year, will be heavily hit by the new rates, and after meeting the high cost of living will have little left to set aside for investment or for business ventures. The man whose income amounts to a million or more will pay heavily, but the margin of income left to him under the new system proposed by this bill will be able, if he pleases, to invest a comfortable sum in liberty bonds.

That raises the very important question, so ably discussed in his opening speech by the gentleman from North Carolina, whether we are now proceeding with respect to loans and taxes upon a safe and sane basis. It is not altogether popular to advocate a "pay-as-you-go" policy in war times, although it must be admitted that such a policy in a great war like this would be impracticable. If taxes become too burdensome, the loan system is available so long as the people have money to buy bonds, but few economists would contend that this great war should be financed by bonds alone. An overplus of loans might have a tendency to prolong the war and to unduly enrich the profiteers at the expense of legitimate business. If we were inclined to be clever or cunning we might avoid all taxation and permit profits to accumulate by borrowing ad libitum and passing the burden on to future generations. The President thus far and the Secretary of the Treasury have not advocated any such policy. But this bill is brought closer to it, I am persuaded, than it was originally intended should be the case. The belief that future generations should share in the cost of this war is justified by our previous war experience, but it must not be overlooked that future generations include the very men we now send to war for the great sacrifice. The interest-bearing obligations we are piling up for the decades to come must be borne just as much by the men who return from France, the men who are serving their country for a pittance, as by those who do not fight. No one can tell to what extent these loans will go nor to what heights the interest obligations will mount. The present generation, which is profiting by the war while millions of the future taxpayers are fighting to make profits possible, should certainly not be permitted to smugly shift the burden, nor should our laws be so framed as to permit our Government bonds to fall into the hands of so few of the people as to place the interest-paying burden, which is also a tax-paying burden, upon the many. I approve the bond issues thus far made, and shall heartily support the Secretary of the Treasury in his efforts to dispose of the Fourth liberty loan, but I believe there should be a wider distribution of these Government bonds, a desideration that can only be accomplished by encouraging the smaller income earner to invest in them. Upon such a general distribution of bonds might ultimately depend not only the stability of the various issues but the security of the Nation against possible revolution or repudiation.

DEMAND FOR TAX-FREE BONDS.

It is noticeable that large investors have recently forced the 3½ per cent tax-free liberty bonds to a premium, and that the farm-loan issues, which, while not specifically guaranteed by the Government, are tax free, have taken the same course. A tax upon these farm loans was suggested, but the Treasury was not in favor of it, and the committee did not include them in the taxable class.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GREEN of Iowa. Does the gentleman know any reason why those bonds were not included in the taxable class?

Mr. MOORE of Pennsylvania. None, except that after full discussion it was reported that the Secretary of the Treasury had decided it would not be advisable to tax them.

Mr. GREEN of Iowa. So that that was simply another part of the bill that went as the Secretary of the Treasury concluded it should go?

Mr. MOORE of Pennsylvania. To that extent, yes.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. PLATT. Are those the identical bonds that the Federal Farm Loan Board said a few months ago could not be sold, and we had to authorize the Secretary of the Treasury to buy $100,000,000 worth of them?

Mr. MOORE of Pennsylvania. They are the identical bonds now selling at a premium and going into the hands of those who are skilled in investments.

Mr. PLATT. I hope the Members of the House will recall some of the predictions made on this floor in regard to those bonds.

Mr. MOORE of Pennsylvania. Those bonds are to be tax free, and are thus given an exceptional privilege over the Government bonds themselves, and particularly over municipal and county and State bonds, which are now to be taxed.

Municipal, State, and county bonds are included for taxation under this bill. Thus we have exceptions and distinctions in the matter of these war investments which may produce friction and irritation. If this bill, by raising the normal income tax and reducing in proportion the higher surtaxes, will have the effect of preventing the masses from purchasing liberty bonds, it may not be satisfactory to its framers. It is highly important in these strenuous times that encouragement should be given particularly to the small-business man who risks his capital in order that he may keep the wheels turning during the war.

A FEW STATES HEAVILY TAXED.

I desire now to comment briefly upon that portion of the President's address to Congress in which he says:

> The present tax laws are marred * * * by inequalities which ought to be remedied.

Could the President have had in mind that under existing laws, according to "Statistics of Income," compiled by the Commissioner of Internal Revenue from the returns of 1916, and reported to Congress June 1, 1918, that 10 States of our total of 51 States and Territories paid more than 78 per cent of all the corporation and personal income taxes? Let me enumerate these States so that we may better understand where, under existing law, the burden of taxation falls. New York paid more than 35 per cent, Pennsylvania more than 11 per cent, Illinois more than 7 per cent, Ohio and Massachusetts nearly 6 per cent each, Michigan and New Jersey more than 3 per cent, California more than 2½ per cent, Delaware and Connecticut approximately 2 per cent each. There you have the story of the income tax and the corporation taxes in a nutshell. Ten States in 1916 paid approximately four-fifths of all the taxes, while the remaining 41 States and Territories paid but one-fifth.

If we were permitted to discuss politics in this bill——

Mr. HARDY. Mr. Chairman, will the gentleman yield right there?

Mr. MOORE of Pennsylvania. Yes.

Mr. HARDY. The tax is not paid by States. If you take the very States you name, do you not find that these income taxes come from a few of the people of a few cities in those States?

Mr. MOORE of Pennsylvania. They come very largely from the large cities. That is true.

Mr. HARDY. And the main bulk of the people of those States pay no more income tax than the people of other States.

Mr. MOORE of Pennsylvania. The bulk of it falls upon the people of a very few States.

Mr. HARDY. You mean on a few of the people of a few big cities?

Mr. MOORE of Pennsylvania. Upon the industries of the cities and States rather than the raw material.

Mr. HARDY. But the vast multitudes of the people in your State pay no more income tax than the vast multitudes of the people in my State.

Mr. MOORE of Pennsylvania. I do not think that statement is borne out by the facts, as I shall disclose.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes; I yield to the gentleman from Oklahoma.

Mr. HASTINGS. Have you the figures showing what the individuals in Oklahoma pay? Have you the place which Oklahoma as a State occupies in paying the individual income tax?

Mr. MOORE of Pennsylvania. I have not at this moment.

Mr. HASTINGS. I understood it was sixth.

Mr. MOORE of Pennsylvania. I understand that Oklahoma has a creditable record in the payment of taxes.

Mr. HASTINGS. I think Oklahoma stands sixth in the payment of the individual income tax.

Mr. MOORE of Pennsylvania. Oklahoma has a very good record, I will say to the gentleman.

I say if we were permitted to discuss politics in this bill, if we could speak of it as disassociated from the war, we might suggest that the administration in the prewar period received its strongest political support from those States which pay but one-fifth of the taxes. It is a coincidence, and not unworthy of mention at this time, that the expenditure of the funds raised by taxes and by loans has been generally distributed throughout all the States. They have certainly not been restricted to the 10 States which have made so admirable a taxpaying record. We have spent enormous sums for shipyards, nitrate plants, cantonments, training camps, aviation, housing, ordnance plants, proving grounds, warehouses, schools, and a variety of Army and Naval Establishments; and the 41 States and Territories which paid the one-fifth of the income and corporation taxes were treated with equal or greater consideration than those which paid the four-fifths. In the Construction Division, for instance, how were the various States considered in the apportionment of funds? A perusal of 176 contracts amounting to upward of $320,000,000, mostly on the 10 per cent cost-plus plan—and that is but a handful of all the contracts entered into by the War Department through its various bureaus and divisions—enables us to briefly analyze this distribution. The contracts from the Construction Division awarded to stations in Louisiana were four in number and aggregated more than $3,200,000. California contracts numbered 10, amounting to over $7,000,000. Kansas had 4 contracts for over $9,100,000; New Mexico, 5 contracts for over $2,300,000; Oklahoma, 4 contracts for more than $3,300,000; Michigan, 2 contracts for $617,000; Massachusetts, 5 contracts for $12,650,000; Iowa, 3 contracts for $1,500,000; Georgia, 11 contracts, $19,100,000; Illinois, 5 contracts, $9,500,000; North Carolina, 4 contracts, $4,000,000; South Carolina, 9 contracts, $18,000,000; Washington, 9 contracts, $9,500,000; Florida, 6 contracts, $5,700,000; Texas, 23 contracts, $17,400,000; Maryland, 9 contracts, $12,600,000; New York, 10 contracts, $16,300,000; Mississippi, 2 contracts, $3,600,000; Alabama, 7 contracts, $4,900,000; Ohio, 2 contracts, $10,300,000; Kentucky, 3 contracts, $6,900,000; Indiana, 1 contract, $875,000; Arkansas, 7 contracts, $12,000,000; West Virginia, 1 contract, $70,000,000; Wisconsin, 2 contracts, $23,668; Delaware, 1 contract, $31,123; Connecticut, 2 contracts, $223,126; Missouri, 2 contracts, $2,500,000; Pennsylvania, 2 contracts, $3,100,000; Porto Rico, 1 contract, $1,700,000; New Jersey, 14 contracts, $29,200,000; Utah, 1 contract, $349,000. These contracts, as I have indicated, are for the Construction Division only, and cover the period between May, 1917, and June, 1918, inclusive. It may be assumed that the distribution of funds for other important work of the Army and Navy aggregating billions in the matter of Army contracts, and for the construction of nitrate plants, which may be of little or no service during the war, since expenditures have already been stopped with regard to one of them, has been relatively general and unprecedentedly generous.

ARE TAXES FAIRLY PROPORTIONED?

"We need not be afraid to tax them," said the President to Congress, "if we lay the taxes justly." But the President also said that existing tax laws were marred "by inequalities which ought to be remedied." Let us resume our study, then, of the Treasury Department's "Statistics of Income" compiled from the returns for 1916. On page 7 of that interesting volume, which was called for by an act of Congress, some startling figures are presented with respect to personal income-tax returns. Well may the President have said that existing law is marred by certain inequalities. It might with equal propriety be added that something seems to have been radically wrong in the whole income tax-raising scheme. The statistics given on page 7 do not support the theory that taxes, though supposed to be uniform, have been uniformly collected. It may be that the Treasury Department has not had at its service a sufficient number of collectors to properly cover the task assigned to it, but with such facilities as it had the returns made for 22 selected occupations in proportion to the number of persons engaged therein throughout the United States show a weakness of administrative efficiency or a gross contempt for the law. From the official returns it appears that of all the architects in the United States, a total of 16,613, as shown by the census of 1910, only 1,419, or 8.54 per cent, filed income-tax returns. Of authors, editors, and reporters only 2,529 in a total of 38,750 reported. Of clergymen, from a total of 118,018, only 1,671, or 1.42 per cent, reported. Civil employees to the number of 382,138, including mayors and other public officials, exempt as to their official salaries, reported as to their other income only to the extent of 2,992, or seventy-eight one-hundredths of 1 per cent. Evidently the income of military men was higher than that of civil officeholders, since 7.08 per cent reported. In the theatrical profession the returns for all the actors, singers, and musicians—the Carusos, Pickfords, Fairbanks, Harts, and Sousas—were but 914 for a total of 167,607, or fifty-five one-hundredths of 1 per cent. Other of the selected occupations reported higher percentages, but brokers, the highest of them all, reported only to the extent of 20.77 per cent. Of civil and mining engineers, 11.24 per cent made returns; of lawyers and judges, 18.97 per cent; of physicians, surgeons, oculists, dentists, and so forth, 6.97 per cent; of real-estate brokers, 4.88 per cent; of stock and bond brokers, 20.68 per cent; of commercial travelers, 4.57 per cent; of insurance men, 8.19 per cent; of lumbermen, 10.76 per cent; of manufacturers, 10.05 per cent; of mine owners and operators, 17.88 per cent; of theater owners and managers, 2.58 per cent; and of the 1,246,077 merchants, storekeepers, jobbers, commission merchants, and so forth, only 4.36 per cent. Strange as it may seem the income tax caught only 1,311 saloon keepers of a total of 68,215, or 1.92 per cent of the whole number. This amazingly small percentage, oddly enough, was an exact fifty one-hundredths of 1 per cent higher than the percentage of returns by clergymen.

Mr. MADDEN. Mr. Chairman, will the gentleman yield right there?

Mr. MOORE of Pennsylvania. Yes.

Mr. MADDEN. The average salary of the clergymen of the United States is stated to be only $600 a year. Of course a clergyman would not be able to make returns.

Mr. MOORE of Pennsylvania. That may be true. I appreciate the gentleman's interest in the clergymen. I am glad he goes to church once in a while. Let that be put in the RECORD. [Laughter.]

Mr. MADDEN. I hope the gentleman will follow my example. [Laughter.]

Mr. MOORE of Pennsylvania. I try to. This is evidence either of extremely low incomes or very poor service in making returns to the Government.

INCOMES OF BUSINESS MEN AND FARMERS.

Of teachers, including college and university officials, to the number of 614,905, only forty-seven one-hundredths of 1 per cent made returns. The returns from "all other business" not enumerated in the list of selected occupations represented but 18.28 per cent of a total of 101,868. That was the best the Commissioner of Internal Revenue could show by way of income-tax returns for 1916, percentages of collections from big and little business ranging from forty-seven one-hundredths of 1 per cent to 20.77 per cent only. Salaried men and millionaires alike were included within that less than 21 per cent of the business, professional, and manufacturing life of the United States, and 79 per cent of the population so classified and employed paid no income tax at all. The most remarkable figures presented in the commissioner's statement of selected occupations pertained to agriculturists, farmers, stock raisers, orchardists, and so forth. Of these, 6,047,615 were enumerated in the census of 1910, but only 14,407, or twenty-four one-hundredths of 1 per cent of the whole number, were credited with having filed returns in 1916.

Come to think of it, perhaps the only 100 per cent taxpayers in 1916 were the Members of Congress, who have been so often and so ignorantly given a deferred classification. Not a single

Member of the House escaped making a return, since the genial Sergeant at Arms docked the monthly warrants to the amount of the income tax and personally saw that it was turned into the Treasury. The Treasury compilation, however, does not include the Members of Congress in the table to which I have called attention.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GREEN of Iowa. If I understand the gentleman correctly, these statistics were made up at a time when the exemption was much larger than it is now. It was then $4,000.

Mr. MOORE of Pennsylvania. That is correct.

Mr. GREEN of Iowa. And, of course, the gentleman will understand that there is not a very large number of farmers whose net income is $4,000.

Mr. MOORE of Pennsylvania. I think the farmers as a whole were as prosperous in 1916 as they are now. It seems amazing that men who receive the high prices which the public has been paying to the farmer for his product should not have made $4,000 in 1916.

Mr. SLAYDEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. SLAYDEN. Did I understand the gentleman to say that he thought the farmers were as prosperous in 1914 as they are now?

Mr. MOORE of Pennsylvania. I said 1916. At that time the European war had been in progress two years, and——

Mr. SLAYDEN. I will say to the gentleman that the cotton crop made in 1914, which was sold in 1915, was an enormous loss.

Mr. MOORE of Pennsylvania. I am dealing with the figures of 1916. They were the returns for 1915, reported in 1916, and brought to Congress only in 1918.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GOOD. The Department of Agriculture made a survey in three States and published a bulletin on that survey, covering the States of Illinois, Iowa, and Indiana, and in those three States it was found that the average earnings on capital invested by the farmer were about 3.1 per cent profit—an average in those States.

Mr. MOORE of Pennsylvania. Profit?

Mr. GOOD. Yes.

Mr. MOORE of Pennsylvania. I am glad, then, to have raised this question, because it may do good both to the farmer and his customer to find out why it is, if the profit to the farmer is so small, the cost of living to the consumer of farm products is so high. It may lead to an investigation that will be of advantage to both parties.

Mr. HAUGEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. HAUGEN. There is no need of an investigation. It has been investigated already. Dr. Spillman, of the Department of Agriculture, in the Bureau of Farm Management, reports that $402 is the average income of a farmer with a family of six. As to the increase in the cost of living, the cause of that is well known to everybody. The cause of it is that we had $900,000,000 pinned on to the American people in addition to the freight rates we are paying.

Mr. MOORE of Pennsylvania. Does the farmer get more for his eggs to-day than he got in 1916?

Mr. HAUGEN. He does.

Mr. MOORE of Pennsylvania. Eggs are selling now in my city for 70 and 75 cents a dozen. With such very high prices for the consumer to pay, it would seem that the farmer is getting a fair proportion of that very high price. I hope he is.

Mr. HAUGEN. I think he gets part of it.

Mr. MOORE of Pennsylvania. If he does, he ought to pay an income tax along with the men who buy the eggs. He can claim credit in the income-tax return for the high price paid for labor.

HARDSHIPS OF THE FARMERS.

Mr. HAUGEN. But the farmers in some sections of the country are paying $100 for labor where they before paid only $25 or $30. That expense is increasing, and on the wagons——

Mr. MOORE of Pennsylvania. I think he credits that high cost of labor in his income-tax return.

Mr. HAUGEN. The point I want to make is this, that according to Dr. Spillman's statement the farmer gets $402, and according to this bill he is entitled to an exemption of $2,000, provided he is a married man.

Mr. MOORE of Pennsylvania. I understand the intense interest the gentleman from Iowa takes in the farmer. He comes from a great farming State. I am not attacking his constituents. I am bringing this question up because it does seem that the administration has not exercised due diligence in recovering the income tax from all the people of the country, even though it may be that some farmers, because they have not been approached upon the subject, because the matter has not been made known to them, because the revenue collector did not come around, have unconsciously avoided doing their full duty in the matter of the income tax.

Mr. GARNER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Texas.

Mr. GARNER. I want in this instance to congratulate the country on the gentleman's efforts to make the collections more efficient by putting in an appropriation of $7,500,000 in this bill and authorizing the increase of the salaries of collectors of customs in order that this may be done.

Mr. MOORE of Pennsylvania. I think the gentleman from Texas deserves most of the credit for that clause. I think he may be said to be the "father" of the amendment which is now before us, creating 2,500 new offices for men who will serve the Revenue Department in an effort to reach these 6,000,000 farmers and 1,200,000 merchants and others who have not hitherto paid taxes.

Mr. HAUGEN. Can the gentleman give the number employed at the present time—some estimate?

Mr. MOORE of Pennsylvania. The number of farmers employed?

Mr. HAUGEN. No; the number of tax collectors.

Mr. MOORE of Pennsylvania. It is a very large number; but the department says it is wholly insufficient to meet the requirements.

Mr. KNUTSON. What are the requirements?

Mr. MOORE of Pennsylvania. I will say to the gentleman from Minnesota that I am approaching that question rapidly.

Mr. GARNER. I do not think my colleague on the committee ought to detract from the real credit for this very meritorious provision in this bill. If I may state what occurred in the committee, the ranking Republican member of the Committee on Ways and Means [Mr. FORDNEY] made this motion, and instead of increasing the number 2,500 it increases it nearly 2,700. There are now something over 9,000 employees in the Internal-Revenue Department, and my recollection is that this amendment carries it up to about 11,000; and I want to congratulate the Republican side of the House for their generosity in making these new places and for their wise judgment in providing for the enforcement of the law, so that we can get at these farmers, whom my friend from Pennsylvania seems to be very much worried about.

Mr. MOORE of Pennsylvania. It is fair to the gentleman from Texas to say that the gentleman from Michigan [Mr. FORDNEY] and myself, along with the gentleman from Texas, are, and always have been, amongst the real friends of the farmers of the country.

Mr. MADDEN. Will the gentleman from Pennsylvania yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Illinois.

Mr. MADDEN. Did the gentleman, in his efforts on the committee, obtain any intimation as to the proportion of these places which would be distributed among the members of the Committee on Ways and Means on the Democratic side?

Mr. MOORE of Pennsylvania. It was decided in the committee, as I recall, to deal with this question in a wholly nonpartisan spirit [laughter], and to enable the administration to appoint whom it saw fit, since we are informed that the administration now has very great difficulty in getting enough "deserving Democrats" to keep the work current.

Mr. LONDON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from New York.

Mr. LONDON. On the question of the prosperity of the farmer, did not the farmers make very large investments in bonds during the last two or three years?

Mr. MOORE of Pennsylvania. It is said the farmer was one of the best buyers of liberty bonds, for which I congratulate him and the country.

Mr. LONDON. But there was no evidence of his prosperity when it came to the payment of the income taxes.

FEW RETURNS IN MANY STATES.

Mr. MOORE of Pennsylvania. I would not want to say that. It is certainly no reflection upon the farmer whose cotton and grain and food supplies have been going to our allies since the European war began in 1914, and whose products have attained their highest prices in the United States since we entered the war, April 6, 1917, to say that the revenue collectors must have been busy investigating corporations when that heroic band of 14,407 farmers contributed of their incomes to the

needs of the Government in 1916. It is such an interesting study that I shall briefly pursue it into some of the States for the purpose of ascertaining how the Government is assisted by her taxpaying citizens. In Alabama, a great cotton-growing State, which comes first in alphabetical order, I find that 40 agriculturists, farmers, stock raisers, and orchardists made income tax returns for 1916. The lawyers and judges were more numerous than farmers, 142 reporting. In California, a great fruit-growing State, 1,659 agriculturists, farmers, stock raisers, and orchardists reported. In Mississippi the number of farmers reporting was 256; in Connecticut, 67; in Georgia, 123; in Illinois, 1,442; in Louisiana, 250; in Kansas, 716; in Kentucky, 281; in New York, 589; in Florida, 87; in Iowa, 1,287; in Texas, 1,120; in Washington, 952; in Missouri, 244; in Nebraska, 571; in Oklahoma, 101; in Oregon, 414; in Virginia, 151; in Pennsylvania, 266; in South Carolina, 87; in Ohio, 270; in Tennessee, 179; and in the great wheat-growing State of North Dakota, 108. I will not go further into detail. These are the official figures for agriculturists, farmers, stock raisers, and orchardists, including cotton planters, sugar growers, and tobacco producers, a grand total of 14,407 who came within the Treasury's income dragnet in 1916, leaving 6,033,208 to be accounted for. If Josh Billings or David Harum were to take a squint at these statistics and try to harmonize the success of the revenue office in seeing some and blinking others of the country's taxpayers they might appreciate the humor of the situation as presented by this official report. In justice to the Treasury Department, however, it should be stated that the Commissioner of Internal Revenue, Mr. Roper, acknowledged the susceptibility to criticism of these returns and defended their inadequacy only upon the ground that the official force at his command was not sufficient to cope with the emergency.

Mr. KNUTSON. Will the gentleman yield for a question there?

Mr. MOORE of Pennsylvania. The gentleman is so persistent that I will yield; but time is fleeting.

Mr. KNUTSON. The distinguished gentleman from Pennsylvania seems to be very much concerned over the farmers. Is he aware of the fact that the Dupont Powder Co. have increased their earnings 2,000 per cent since the war was declared?

Mr. MOORE of Pennsylvania. The gentleman does not hurt my feelings any by bringing public attention to that fact, if true.

Mr. KNUTSON. It is true, according to the Financial Digest.

Mr. MOORE of Pennsylvania. It may be; but that is a matter of profits; it has no particular bearing upon these returns on income taxes. If the Dupont Powder Co. or any other large concern does not pay its fair proportion of taxes it ought to be made to do so; and one of my contentions is that this bill is so framed that that particular kind of a company will have a better show for its white alley and more chance for its surplus than the man who earns $10,000 or less. As I figure it out, the small-income earner will get the worst of it if the larger surpluses are enabled to absorb the liberty bonds.

Mr. SLOAN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Nebraska.

Mr. SLOAN. Was it not developed in the hearings that the largest increase of personal income taxes to be paid under the reduction of exemptions which the last revenue bill provided would come from the farmers of the United States? Was it not so testified by a representative of the Treasury Department?

Mr. MOORE of Pennsylvania. It was expected that the farmer would be a large purchaser of liberty bonds.

Mr. SLOAN. I mean was it not shown that when they reduced the exemption from $4,000 to $2,000, the largest increase from any class of taxpayers in the country under the income-tax law would be from the farmers?

Mr. MOORE of Pennsylvania. I think the gentleman is right. There was such a suggestion.

Mr. CLARK of Pennsylvania. I want to ask the gentleman if he understands what the average value of a farm in the State of Pennsylvania is?

Mr. MOORE of Pennsylvania. I can not tell at this moment; I have put it in the RECORD on previous occasions. Perhaps the gentleman has the figures.

Mr. CLARK of Pennsylvania. Does the gentleman know? I understand it is something less than $5,000.

Mr. MOORE of Pennsylvania. That may be; all this helps to clarify the situation that I am bringing to the attention of the House. There are certain indisputable official facts, but all of them may be susceptible of explanation. I am putting the situation before the House so that gentlemen having information may elucidate.

Mr. GARNER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

INQUIRY BY THE GENTLEMAN FROM TEXAS.

Mr. GARNER. In view of what the gentleman said about not wishing to be interrupted, may I refer back to the criticism he made on the work of the committee or those responsible for the bill? It is my impression that the gentleman from Pennsylvania had as much to do as any member of the committee outside of the chairman in making up the bill.

Mr. MOORE of Pennsylvania. I helped all I could, but the gentleman honors me overmuch.

Mr. GARNER. His photograph is on nearly every page of the bill, and I congratulate the country that it had the benefit of his services. What I wanted to ask was in what particular, if he would point out, does he disagree with the provisions of the bill? I know of only two propositions which the gentleman did not succeed in putting through, and I can state them if he desires.

Mr. MOORE of Pennsylvania. I am coming to that.

Mr. GARNER. I hope the gentleman will. There were only two propositions that the gentleman really insisted upon that he did not succeed in putting over the committee, and sometimes over my protest and over that of the gentleman from Michigan and the chairman of the committee. Therefore I was a little surprised at the tenor of the gentleman's criticism of the bill because his mark of genius is on every page of the bill, and I would like to have him point out what he disagrees to in detail.

Mr. MOORE of Pennsylvania. Will the gentleman state whether the "genius" to which he refers was on the pro or con side of the question, and on what particular page?

Mr. GARNER. Most of them are included, but some of them I might mention were cut out. There are only two propositions, and I hope that the gentleman will discuss them before he takes his seat.

Mr. MOORE of Pennsylvania. I am now discussing the raising of the normal income tax, which I think was a mistake. It is very far-reaching.

Mr. GARNER. If the gentleman will discuss the two very important points he raised in the committee upon which he did not have his way, I would like to have him do so, because I think the House is entitled to know upon what he bases his criticism. If he will permit me, I will say what they are.

Mr. MOORE of Pennylvania. I will do the best I can.

Mr. GARNER. Does the gentleman want me to name them?

Mr. MOORE of Pennsylvania. I will need a little more time to go fully into the matters that the gentleman wants me to speak about. And at the same time, while opportunity is ripe, I wish to pay a public tribute to the gentleman from Texas [Mr. GARNER]. He seldom makes a speech on this floor, and thus denies the public the benefit of his wisdom, but in committee he is so adroit and skillful a legislator that few can equal him. The people of Texas have reason to be proud of him. [Applause.]

Mr. GOOD. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GOOD. Did those matters the gentleman from Texas speaks about have anything to do with the tax on Angora-goat hair?

Mr. MOORE of Pennsylvania. That is behind us for the present. We dare not discuss the tariff under these auspices.

Mr. HAUGEN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will yield to the gentleman.

Mr. HAUGEN. According to the figures given by the gentleman from Texas we have 18 collectors employed in every congressional district. Does the gentleman seriously believe that it is necessary to increase that number?

Mr. MOORE of Pennsylvania. I would have to ask how the number of collectors compares with the number of farmers. Perhaps you could get at it in that way.

Mr. HAUGEN. You have 18 collectors in each district.

Mr. MOORE of Pennsylvania. Hardly enough to go around in Texas. Under this bill they may get more.

Mr. SIMS. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. SIMS. I want to say that I have had a number of letters from people in my State supporting the dog tax proposed by the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. I am coming to the dog tax, a very important item overlooked by the committee. [Laughter.]

ANOTHER GENTLEMAN FROM TEXAS.

Mr. HARDY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. HARDY. What I want to know is, Are there not men in the towns that own a good deal of farm land? For instance, here is a merchant who pays an income tax and a part of his

income comes from the farm and a part from the merchandise business. Does that show up his income tax as a farmer or is it put down solely to the merchant? In other words, I am a merchant and I carry on also a farm; does the farm get any credit from the officials in the income tax? I think it likely such a man would call himself a merchant and his entire income tax would be credited to the merchant class.

Mr. MOORE of Pennsylvania. I can not answer the gentleman offhand.

Mr. HARDY. Is it not possible that hundreds of thousands of dollars of farm income are in that way credited to other classes?

Mr. MOORE of Pennsylvania. Does the gentleman mean that the different sources of business are classified?

Mr. HARDY. No; but here is a lawyer in Texas and he may own several farms and may pay an income tax, but gives his profession as a lawyer, so that his income-tax payment is credited to him as a lawyer and not as a farmer.

Mr. MOORE of Pennsylvania. In this tabulation he would be reported as a lawyer.

Mr. HARDY. And the farm would get no credit.

Mr. MOORE of Pennsylvania. I think not.

Mr. HARDY. Is the gentleman aware that in most of the agricultural States a good many of the farmers are engaged in other business and are listed as such?

Mr. MOORE of Pennsylvania. That may be; I am not raising any question as to that. I am dealing with a Treasury compilation of specified occupations.

Mr. HARDY. I want to say that as to these men whose business is solely farming, living on small farms, less than one-tenth of 1 per cent make an income of over $4,000, and they are not ashamed of it; they are not capitalists.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the gentleman may have one hour more.

The CHAIRMAN. The Chair understands that the time is in the control of the gentleman from Michigan and the gentleman from North Carolina.

Mr. FORDNEY. Mr. Chairman, I yield the gentleman from Pennsylvania such time as he wishes in which to conclude.

Mr. MOORE of Pennsylvania. Mr. Chairman, I will not dispute the statement of facts made by the gentleman from Texas [Mr. HARDY]. I have no doubt there are numerous small farmers who do not come within the income-tax-paying class, but my information is that there are many small farmers and probably very many included in these 6,000,000 who rely on larger farmers who in turn probably would be able to make an income-tax return.

Mr. HARDY. Mr. Chairman, I would like to have the gentleman yield a little further, because I think he is doing an injustice to the farming industry.

Mr. MOORE of Pennsylvania. I am not hitting at any particular line of business or any particular farmer. This is a general statement. My information is, however, that while there are many small farmers on 40-acre tracts, for instance, who do not make enough themselves by their toil to pay an income tax, yet they are dependent upon larger farmers who do make enough to enable them to pay income tax, and I am rather surprised that only 40 of such farmers made an income-tax return in the great State of Alabama, for instance.

Mr. HARDY. What I wanted to get at was this: Down in the State of Texas the Taft ranch, for instance, no doubt makes a vast income this year. It is not even included as a Texas income. It comes from the owner of it, Mr. Taft, who is in Ohio and who pays that tax. Yet there is a big farm that makes a big income and does not show at all as a Texas tax on the income-tax list, and I have no doubt that that kind of thing occurs all over the West and the South; but when the gentleman speaks of the income tax paid in the big cities, he can find the same illustration in the very States in which those cities are.

Mr. MOORE of Pennsylvania. And we will find in the big cities, also, very many poor men, not farmers, working honestly and hard for a living, who do not make enough to justify an income-tax return, and they may be included with those whom the revenue collector does not see.

Mr. HARDY. So that when the gentleman comes to the fine point it means that the rich pay the income taxes, while the poor, whether in city or country, in his State or mine, do not.

Mr. MOORE of Pennsylvania. To a certain extent there is something in that argument.

Mr. HARDY. All in it.

Mr. MOORE of Pennsylvania. But the rich do not necessarily mean those who are disassociated from large business enterprises that are turning the wheels of industry everywhere and giving employment to those who do not pay income taxes. That should also be considered.

MORE TALK ABOUT THE FARM.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. For one question.

Mr. PLATT. The gentleman knows that the standard western farm is 160 acres, but there are a great many 320-acre and 640-acre and larger farms, and they must make, if they are occupied by anyone who knows anything about farming, more than $1,000 a year, if they count their living expenses.

Mr. MOORE of Pennsylvania. Some of them are very poor farms, but others unquestionably require a great deal of capital for operating expenses. I think the fact is that it takes so much capital to run some of the larger farms, or ranches, or plantations that the farmer probably keeps books and knows exactly where he stands from one year's end to another.

Mr. PLATT. And is it not a fact that a great many of those farmers do not deduct their living expenses?

Mr. MOORE of Pennsylvania. I am sorry to say that the other workingman whose high wages have been referred to is not permitted to deduct his living expenses. His doctor's bills amount to as high as those of the millionaire, and yet he has no right to deduct his doctor's bills. Such expenses are charged against the man of small income and no allowance is made, and yet under this bill the man of larger income will be able to cover his household expenses and keep on a par with everything that is going on in society, and have a large surplus left at the end with which to buy liberty bonds.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. STERLING of Illinois. Did Mr. Roper intimate that he thought that farmers were escaping taxation any more than the people in the city of Philadelphia or in any other city?

Mr. MOORE of Pennsylvania. He did not speak of Philadelphia just as specifically as the gentleman from Illinois has spoken of it, but he did say that the lapses, the inability of the department to reach offending taxpayers, or those who had not made returns, was fairly general.

Mr. STERLING of Illinois. Let me say that the gentleman from Pennsylvania, as I understand his argument, infers that the Secretary said that failures to pay were among the farmers. He did not say anything of the kind.

Mr. MOORE of Pennsylvania. But I have not made any such statement. The gentleman is entirely in error. I took the list of 22 selected occupations compiled by the Treasury Department, including farmers, and the shoe pinches apparently when we touch the farming districts. The facts are submitted by the department. I have not failed to incorporate the men from my own city, I have not failed to include men working in the shipyards, in the factories, men who are working everywhere as hard as the farmer does, and who buy the farmer's product—I have not failed to incorporate them. I have given an unbiased general statement taken from the official returns of the Department of the Treasury. It shows that only 14,000 plus of a total of more than 6,000,000 farmers—agriculturists, orchardists, and cattle raisers, planters, and others in the country—made returns under this administration in 1916.

Mr. STERLING of Illinois. I want to ask the gentleman another question. Is not the fact on which the gentleman bases the insinuation that farmers are to escape——

Mr. MOORE of Pennsylvania. I have not made any insinuation against the farmer as a class. I have simply quoted from the official statistics with which the gentleman is as familiar as I am.

Mr. STERLING of Illinois. Let me ask this question, then: Does the gentleman think that the farmers are more dishonest in making returns of taxes——

Mr. MOORE of Pennsylvania. No; the gentleman can not put that up to me. I tell the farmer the truth, and do not deceive him, and if he can not stand it he is a weaker citizen than I thought him to be.

Mr. HAMILTON of Michigan. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I do not go around my district fooling the workmen about what we do in Congress. I tell them the truth, and if I represented a farming district I would do the same thing. I would let them know the facts; I would not deceive them even so far as to say that if they sent me to Washington I would show "them city fellers where they got off." [Laughter.]

Mr. STERLING of Illinois. Will the gentleman yield for another question?

Mr. MOORE of Pennsylvania. I will.

Mr. STERLING of Illinois. Is the gentleman insinuating——

Mr. MOORE of Pennsylvania. The gentleman from Illinois is insinuating; I am not.

Mr. STERLING of Illinois. The gentleman from Pennsylvania insinuated——

Mr. MOORE of Pennsylvania. The gentleman has used the term; I have not used it. It is not in my mind to use it.

Mr. STERLING of Illinois. That Members representing farming districts do that sort of thing.

Mr. MOORE of Pennsylvania. I think perhaps it has been done. [Laughter.] I think I could quote some very able speeches along that line—none from my distinguished friend from Illinois, however. I now yield to the gentleman from Michigan.

Mr. HAMILTON of Michigan. I only want to ask the gentleman what was the exemption permitted to the Federal taxpayer with relation to the tax of 1916?

Mr. MOORE of Pennsylvania. Three thousand and four thousand dollars according——

Mr. HAMILTON of Michigan. Three thousand for the unmarried men and $4,000 for the married man. To my mind that explains a good deal——

Mr. MOORE of Pennsylvania. It might. I think that is fair.

Mr. HAMILTON of Michigan. Very few farmers throughout the country——

Mr. MOORE of Pennsylvania. But does the gentleman down in his heart of hearts believe that only 40 farmers, agriculturists, orchardists, and so forth, made $4,000 in the great State of Alabama in the year 1916? Does he, really?

Mr. HAMILTON of Michigan. I can say to my friend I am not familiar with agriculture in Alabama.

Mr. MOORE of Pennsylvania. I am sorry the gentleman is not better informed, but I believe down in the gentleman's heart of hearts he will agree with me that if only 40 farmers reported they had earned only $4,000 a year in the great State of Alabama——

Mr. HAMILTON of Michigan. I want to say, to my mind——

Mr. MOORE of Pennsylvania (continuing). Or take a great wheat State, the State of North Dakota. Now, does the gentleman down in that great expansive heart of his believe that only 108 farmers made at least $4,000 in 1916 when Europe was demanding all the wheat that we could raise, and we were raising it out there to beat the band?

NORTH DAKOTA SEES THE POINT.

Mr. BAER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield. The gentleman from North Dakota is certainly entitled to recognition.

Mr. BAER. I think we can relieve this situation. I do not think the gentleman from Pennsylvania is trying to reflect on the farmer; he is a friend of the farmer——

Mr. MOORE of Pennsylvania. Correct. I do not want the gentleman to compliment me; I want the gentleman to ask his question.

Mr. BAER. I want to say this—we can relieve the situation. Does not the gentleman think it is not the question of the farmers not wanting to pay as it is the inefficiency of the Treasury Department to go out and make the returns?

Mr. MOORE of Pennsylvania. The gentleman is getting very close to it. [Laughter.] The gentleman is getting to a point which the distinguished gentleman from Illinois did not grasp. We must pass it up to the gentleman from North Dakota; but he understands that to go further might involve a political discussion.

Mr. GOOD. Will the gentleman yield for a question?

Mr. MOORE of Pennsylvania. The gentleman now seems to see what we are driving at. [Laughter.] We are not permitted to talk politics while this war in Europe is going on. "Politics is adjourned." I yield to the gentleman from Iowa.

Mr. GOOD. The question I want to ask the gentleman is this: Can the gentleman inform the House in these other classes of laboring men how much increased taxes they have reported? Over in Hog Island I am told laboring men get as much as $20 a day. How much do the other classes of laboring men—farmers are laboring men—how much do they report?

Mr. MOORE of Pennsylvania. If what the gentleman says is true, does he not think that there is just a little dereliction on the part of the revenue officers in not getting the income tax from $20-per-day men?

Mr. GOOD. It may be.

Mr. MOORE of Pennsylvania. Does not the gentleman think we should vote more money into the Treasury Department to find more agents to get these $20-a-day men? That is equal to the salary of a Congressman, and they will pay $470 and more under this bill.

Mr. GOOD. I want to know what other classes of labor report. Did Alabama have other classes of laboring men?

Mr. MOORE of Pennsylvania. Well, they have shipyards down in Alabama. Why does the gentleman pick out Hog Island or Alabama?

Mr. GOOD. Tell us how many of those high-priced mechanics in Alabama reported an income tax? I hope the gentleman will answer.

Mr. MOORE of Pennsylvania. I think very few of them.

Mr. GOOD. None at all. The farmer alone, as a laborer, was singled out by the gentleman when all these others did not report at all. [Applause.]

Mr. MOORE of Pennsylvania. I am glad to observe from the enthusiastic applause that greets the gentleman's utterance that the farmer still has a few friends in this House. I was beginning to despair. But so long as the gentleman had made a statement in line with that made by the gentleman from Illinois [Mr. STERLING], whom I esteem highly, but who was mistaken about that, I will say that if the gentleman had been in his seat listening to this speech, which is becoming more eloquent as time goes on [laughter], he would have observed that I have brought in every one of the occupations the Treasury Department reported upon. I made no exception. I read them right down the line. I came to the farmer in due course, and am glad of it, because the farmer actually needs somebody to speak for him in the House of Representatives.

Mr. STERLING of Illinois. Will the gentleman yield?

The CHAIRMAN. Will the gentleman from Pennsylvania yield to the gentleman from Illinois?

Mr. MOORE of Pennsylvania. I can not yield now.

REVENUE SERVICE NEEDS HELP.

And it should also be stated that since the report for 1916, the activities of the Treasury Department have necessarily increased because of new war legislation. It appears from a special report from the Senate forwarded July 19, 1918, that a more systematic effort is being made to reach those who are justly taxable, but who escape taxation. The 1916 report showed that only 437,036 tax returns were received from our total population of approximately 110,000,000 people. The latest available report from the Secretary of the Treasury shows the internal-revenue collections for the fiscal year 1918 to have reached a grand total from all the States and Territories of $3,694,703,334.05. This total includes income and excess-profits taxes and other miscellaneous taxes provided for by law collected since the United States entered the war. It is significant again that approximately half of this tremendous sum, or $1,792,889,000, is collected in three States—New York, Pennsylvania, and Illinois.

That is where you got one-half of your income, corporation, and miscellaneous taxes in the last fiscal year.

Mr. MADDEN. I would like to ask the gentleman if he has any figures to show what percentage of the contracts were let to the three States that paid 50 per cent of the taxes?

Mr. MOORE of Pennsylvania. I will give the gentleman some information on that point in a moment.

During the hearings the Secretary of the Treasury himself admitted that the department was far behind in its collection of income and excess profits taxes. He made that the basis of a plea for a large appropriation, which this bill carries, to provide the Internal Revenue Commissioner with about 2,500 additional employees to audit returns that have not yet been reached and to otherwise systematize and develop the collection service. The Secretary spoke of the possible escape of profiteers and others from taxes imposed by existing law, and ventured the suggestion that if given the additional help desired he would be able to collect at least $1,000,000,000 that would otherwise be lost. The Commissioner of Internal Revenue, Mr. Roper, expressed the opinion that if given the desired employees he could get his work current by July 1, 1919, and could keep it so thereafter. The commissioner further stated that it was his intention to go after the millions of men who appear not to have reported under existing income-tax law and bring them to account. His testimony indicated his purpose to fall in line with the President's suggestion regarding the justice and equity of taxation. He declared it to be the purpose of the department to so reorganize the revenue service as "to get, on one hand, every man who has not made a return, so far as we can, and on the other hand, every man who has made a deficient or defective return." And this he said would include the farmers, stock raisers, and orchardists, as well as the corporations, business men, industrialists, and professional men, whose war incomes would warrant their making financial contributions toward the winning of the war.

I have gone into this matter of collections somewhat in detail, because so much depends upon the administrative features of a revenue law. If in these war times the Treasury can not keep up with its work, or its accounts become confused, the doors may be open to inequities and injustices, not to say favoritism, for which the lawmaking body should not be held responsible. It is a matter of grave concern that so much as $1,000,000,000 back taxes should be outstanding and subject to loss because the administrative officials are incapable of performing the heavy task assigned them, or should be obliged, which is not charged, to permit favorite or scheming taxpayers to avoid their fair share of the war burden. Such evasions of responsibility by those whom the department does not bring within the taxable class, certainly to the extent of the sums uncollected, add to the burden of the patriotic and law-observing taxpayers who do their full duty in this regard. In one particular instance during the committee's investigation it developed—and I refer to this only by way of illustration—that the department had sent out to business men and others, whose establishments throughout the country could be readily located, more than 300,000 notices, and that in consequence of this extensive effort only 30,000 returns were received. That left unaccounted for at least 270,000 individuals and concerns in certain lines of business who apparently gave no heed to the Treasury admonition. It is possible that many of the 270,000 had died or gone out of business, but the deficiency was so marked as to suggest that the Treasury Department was sadly in need of a thorough and more workmanlike system. A continuance of the existing system could certainly not make for justice or equality of taxation.

TAXES NOT WIDELY DISTRIBUTED.

And discussion of these details is permissible for other and more important reasons. If only three States pay half of all the income and excess profits and miscellaneous taxes for the fiscal year 1918, it is perfectly fair to inquire why, when expenditures are generally distributed, taxes should be so sectionalized. It is undeniably true, as a perusal of the returns will show, that the Northern States are most heavily taxed. At the same time it is good to know that the purchase of liberty bonds has been thoroughly well sustained in the Southern States. The inference is that the Southern States, so far as net returns are concerned, are in as fairly good shape in respect to liberty bonds as are the Northern States. I do not raise the sectional question, because I am glad to see the South prosperous, and rejoice that its banks and financial institutions are in better condition now than they ever were in the history of the country. But the President tells us that there is profiteering and that our present tax laws are marred by "inequalities which ought to be remedied." When it appears in the report of the Ways and Means Committee in support of the great bill we now have under consideration that of the more than $8,000,000,000 to be raised $5,576,186,000 must be raised from income, corporation, and excess profits, one-half of all of which are to be raised in three industrial States, one may be pardoned for observing that it does not look equitable or fair, even though it may be. Take up for yourselves the recapitulation on page 40 of the report and the proof of this assertion lies before you. The total sum to be raised is $8,182,492,000, and the three items which are to provide the bulk of it and which fall chiefly, as I have indicated, upon a very few of the 51 States and Territories are as follows:

Individual income tax	$1,482,186,000
Corporation tax	894,000,000
Excess-profits tax	3,200,000,000
	5,576,186,000
Add to this the amount which the administration expects to raise from beverages	1,137,000,000
A total of	6,713,186,000
And we have to raise from other sources, including so-called luxuries, only	1,468,706,000

It will not be denied, I assume, that the States upon which the income and excess profits taxes bear most heavily will share in equal proportion the payment of all other taxes, including those upon liquor, luxuries, and the like. And if the committee shall have miscalculated as to the sum to be derived before the President finally assents to prohibition they will share equally or in greater relative proportion in such new forms of taxation as must be devised to make up the deficiency.

PROHIBITION AND PROFITS.

I will not have time to comment upon it at length, but the prohibition question enters into this revenue bill to such an extent as to occasion concern. It was admitted by the Commissioner of Internal Revenue that it cost more to keep up the revenue establishment under prohibition than it did before prohibitive laws were enacted by certain of the States. Two States were incidentally mentioned in the testimony as being States where no saving to the Treasury Department or in the number of its officials was had because prohibition had been enacted. Representatives of those States were prompt to explain that the increased activity of the revenue officers was due to the fact that large bodies of soldiers had been sent suddenly to the great cantonments in these particular jurisdictions and that the temptation to encourage an illicit traffic had thus been thrust upon them. I refer to this only for economic reasons. If we could transfer the men who have been employed in the investigation of the liquor business to the important work of collecting delinquent taxes and meeting the other requirements of the department much revenue could be saved to the Government. But this recourse was shown to be unsafe. Consider this in connection with the suggestion of the President that there are inequalities in the tax laws "which ought to be remedied."

Whether the present bill, which increases the tax burden everywhere, and particularly where the burdens already fall the heaviest, will operate to remedy the existing inequalities remains to be seen. The able gentleman from North Carolina, the chairman of the Ways and Means Committee [Mr. KITCHIN], seems to think that this bill, to which his name will properly be attached for all time, will iron out the inequalities without unduly embarrassing business or injuring any taxpayer. It gave him satisfaction to make this statement in his long and brilliant argument in explanation of the bill. Conceding his mental integrity and his skill as a lawyer, I am not persuaded that his predictions will be ultimately fulfilled. As a Republican and a member of the Ways and Means Committee, I shall vote for the bill rather than risk a further delay in providing that "unquestionable supply of money" which the President in his address to Congress declared to be necessary for purposes of war.

With appropriations already made for the fiscal year 1919 amounting to upward of $29,791,000,000, as shown by the statement of the chairman of the Committee on Appropriations and verified in full by the Secretary of the Treasury, and with our monthly expenses now exceeding $1,800,000,000, it is no time to withhold support from a measure the early passage of which is demanded by the administration for furthering the war. We are drafting men by the millions to make the awful sacrifice, and we must supply the money to strengthen their arms. As we take them away from their various occupations, unsettling their business and their future prospects, throwing their very lives and the hopes and aspirations of their loved ones into the discard, we must also realize that we are restricting the field of operations from which taxes may be raised and are of necessity compelled to place a greater reliance upon those who are able to continue in the profit-making business. [Applause.]

It is conceded that some safeguards are thrown around small business in this bill, but I can not wholly agree with the gentleman from North Carolina that under the systems of taxation herein proposed smaller concerns may be able to withstand the competition of the greater, or that independent contractors will not eventually be subordinated to those who have the preference of the Government, and who are permitted with Government backing to monopolize the men and material essential to business life. So long as the administration continues, by price fixing, by embargoes, by preferential shipments to favor Government contractors, and by guaranteeing their profits regardless of extravagance and waste or worse, it will not be possible for independent operators to help furnish the sinews of war. [Applause.]

We have ample information now of the effect upon general business of the favoritism thus shown to those who are forthnate enough to utilize the large lump-sum appropriations made by Congress at the behest of the administration, and which are subsequently distributed in enormous amounts under contract conditions which would not be tolerated except in times of war. The committee was unable to make a thorough investigation of Government contracts, as might have been done and as would have been legitimate since the raising of taxes implies that the purpose for which they are raised is worthy and effective, but a Senate committee had been making an investigation of the apparent waste of $640,000,000, which Congress voted to the War Department for aviation, and enough was learned to demonstrate the ease with which Government contracts were framed and the apparent assurance of profits accompanying them. Copies of shipbuilding contracts were brought to the attention of the committee, and it was shown that the same liberal terms were conceded by the Government with respect to cantonments and other large establishments suddenly thrown up by the War Department, and also with respect to housing contracts, about which many independent home builders, whose activities have been checked, have been entering complaint. A sample cost-plus contract, serving to illustrate the Ways and Means Committee's interest in expenditures, is that of the Alabama Drydock & Ship-

building Co., entered into by the United States Shipping Board Emergency Fleet Corporation, July 21, 1917. This contract is referred to in printed hearings of the Senate Committee on Commerce. It is only one of many of like tenor. It provides that the contractor, whose profit is guaranteed, shall charge in as a part of the actual cost of construction, apart from all other overhead and labor costs (and seemingly he can pay as high prices for material, and as high prices for labor as he pleases.)

"A proper proportion of taxes of all kinds accrued and paid with respect to the business or property."

It was denied by Lieut. Col. Charles N. Black, formerly of the New York engineering firm of Ford, Bacon & Davis, but now chief of the Procurement Division of the Bureau of Ordnance, and in charge of contracts for his division, that contracts made by the War Department allowing deductions for "taxes of all kinds" included "income taxes, excess-profits taxes," and so forth, or that they would be allowed by the auditors of the department, but it was of interest to the committee, as it should be to the House, that certain contracts had been made which negative this proposition in such explicit terms as to indicate that it was within the range of possibility that allowances had been made to contractors on this account.

COST-PLUS AND TAX-PAID CONTRACTS.

Mr. MADDEN. Will the gentleman allow me right there, please?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Illinois.

Mr. MADDEN. Now, I wish to call the attention of the gentleman and the committee to the fact that this bill provides that no taxpayer shall be permitted to offset any part of his income by the amount of the taxes that he has paid in the preceding year. That being the case, there certainly should be an investigation of the authorities who permitted any contract to be entered into which would permit the thing which the law itself prohibits.

Mr. MOORE of Pennsylvania. I thoroughly agree with the gentleman, and I am very glad he made that point.

Mr. MADDEN. And I think if that condition exists which has just been described by the gentleman from Pennsylvania, the sooner the investigation begins the better, because it is not only an outrage but an iniquity that can not be justified. [Applause.]

Mr. CRISP. If the gentleman will permit, I want to say, speaking for the committee, that we thoroughly agree with the remarks of the gentleman from Illinois [Mr. MADDEN] that such a practice would be an outrage, and when the matter was called to the attention of the committee we summoned before the committee some of the officers, and they denied emphatically that any such practice had ever been followed by the Government.

Mr. MOORE of Pennsylvania. I am glad the gentleman from Georgia has spoken, because the matter was one of great concern to the committee, although the committee apparently did not have time to investigate the subject as it would have liked to do. I have referred to contracts that provided that income and excess-profits taxes were not to be included as a credit. For instance, contract No. 144, Pensacola Shipbuilding Co., dated December 4, 1917, page 297, Senate Committee on Commerce hearings, provides:

> The contractor further agrees to pay all income taxes, excess-profits taxes, and all other municipal, State, or Federal taxes which may be assessed or assessable on account of this contract.

It is evident from these isolated cases of comparatively small financial concerns that if profits are guaranteed to a contractor on a cost-plus basis, and he is permitted to charge in his material and labor costs at the highest possible rates, and some or all of his taxes as well, it will automatically relieve the average local competitor from doing any business or paying any taxes at all.

There was a different type of contract and apparently a variety of types in these various departments and bureaus, some of them providing that the contractor shall have an allowance for "all taxes incurred incident to the business or the property." The committee was informed that in a certain instance allowances had been made to one contractor for his excess-profits taxes as well as his income taxes, and that resulted in a brief inquiry, which brought Col. Black down to the committee with this disclaimer, so far as his branch of the Government was concerned.

Mr. MADDEN. Right there, what branch would that be?

Mr. MOORE of Pennsylvania. The Procurement Division of the Ordnance Bureau of the War Department. Col. Black had something to do with the earlier stages of the Hog Island business. He was a member of the firm of Ford, Bacon & Davis, of New York, and came into the service along with Mr. Stettinius, the Assistant Secretary of War.

Mr. CRISP. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Georgia?

Mr. MOORE of Pennsylvania. With pleasure.

THE GENTLEMAN FROM GEORGIA.

Mr. CRISP. I know the gentleman from Pennsylvania wants to be fair. Col. Black stated that he was with the purchasing committee of one branch of the Ordnance Department, but that he was also on the general advisory purchasing committee of all the Government activities, and he had never known of a single contract where they had been allowed to present a credit for excess-profits taxes in the contract.

Mr. MOORE of Pennsylvania. I believe that statement was made by the colonel, and the committee proceeded no further.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GREEN of Iowa. The gentleman doubtless remembers—and I say this in connection with the remarks of the gentleman from Georgia [Mr. CRISP]—that Col. Black had with him some blank forms of contract, and I think one that had been actually used, which did provide, just as the gentleman from Pennsylvania stated in the beginning of this subject, that the Government should pay a proper proportion of the taxes.

Mr. CRISP. Did that not have reference to State taxes and municipal taxes, just as everybody else is allowed credit for the payment of any State or municipal tax paid by the corporation?

Mr. MOORE of Pennsylvania. I want to ask the gentleman from Georgia and the gentleman from Iowa to give heed to this, so that the statement I now make may be either affirmed or denied, as they see fit. Col. Black, who was a civilian before connecting with the Department of War, did make a general denial that allowances had been made in any contract of which he had knowledge for payment of income and excess-profits taxes. He said the auditors would not permit that. But Col. Black did produce a contract which provided, so far as allowances or reimbursements to a contractor were concerned, as follows: That "a proper proportion of taxes of all kinds accrued and paid with respect to the business or property" should be allowed. I ask the gentleman if I am correct as to that?

Mr. GREEN of Iowa. The gentleman is perfectly correct. It is on the business.

Mr. MOORE of Pennsylvania. That provision, I may say, was carried in other contracts, in shipbuilding contracts, in this Alabama contract to which I made reference, and in numerous others.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. MADDEN. The gentleman from Pennsylvania considers that provision of the contract sufficiently broad not only to include State and county and city taxes but national taxes as well?

Mr. MOORE of Pennsylvania. It would include whatever taxes are incident to the business or property.

Mr. CRISP. Mr. Chairman, will the gentleman yield again?

Mr. MOORE of Pennsylvania. Yes; I yield to the gentleman from Georgia.

Mr. CRISP. I remember a contract read containing a provision in substance, and maybe literally, just as the gentleman read it. I am not questioning that at all. But the committee was of the opinion, and Col. Black also was, that the allowance for taxes had reference to county and State taxes paid by the corporation, such taxes as are allowable to any and every individual in the conduct of business. But Col. Black further stated that now the Government was not using that blank at all, but was using a contract which absolutely and expressly negatived any proposition or idea that excess profits or income taxes could be deducted.

Mr. MADDEN. Of course, as a matter of fact there is no law against taking credit for the taxes paid to the municipalities, counties, and States. That is allowed anyway.

Mr. CRISP. The law allows that anyway, and the contract allows it.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. With pleasure.

Mr. SLOAN. I was not present at the hearing when Col. Black was before the committee; but, as I recall the reading of the hearing, Col. Black did not assume to have knowledge as to what contracts had been made, but simply stated the fact that, of the contracts he knew, none had been made along the line the gentleman from Pennsylvania suggested; that no representative of the Government stated that of his own knowledge these contracts had or had not been used.

Mr. MOORE of Pennsylvania. Col. Black was the only one who appeared before the committee or who was sent for, so far as I know. He was sent for when the question arose as to whether it was the practice of the department to allow contractors to charge in as a credit their income and excess-profits taxes.

AIRCRAFT PRODUCTION FAILURES.

The saddest case from the viewpoint of national waste is that of the Aircraft Production Board. The House will recall the readiness, even the alacrity, with which it responded to the administration demand in July, 1917, for $640,000,000 to carry out the aircraft program. Members were even cautioned against putting too many interrogatories to the spokesmen of the Committee on Military Affairs, lest secrets might escape and fall into the hands of the enemy. More than a year elapsed, with conflicting reports as to the progress that was being made in aircraft production. We heard that the automobile experts—and they were human, even as they were patriotic—were performing wonders in connection with this vital but more or less secretive work. Congress had no check whatever upon that $640,000,000, and yet it represented a tax of at least $6 upon every man, woman, and child in the United States. I voted for that tax and am disheartened to know that it was wasted. It was as much money taken from the people as was normally necessary to run the Government for a whole year. Much of it was spent in publicity that deceived the people about the progress that was being made. The report of the Senate committee which finally investigated the entire subject was like a thunderbolt from a clear sky. In the hands of those who were permitted to spend it and to make contracts most generous to the contractors, the huge sum passed like water through a sieve. It was a grievous and bitter disappointment to the people of the United States, but, I repeat, Congress had no hand in it except to raise the money by loans and taxes in accordance with the requirements of the administration. A few paragraphs from the report of the Committee on Military Affairs of the Senate will tend, I am sure, to confirm the opinion already held by many Members of the legislative body that there should be closer cooperation between the administration and the Congress. What became of our great aviation fund of $640,000,000? Let the Senate committee speak:

The airplane program was largely placed in the control of great automobile and other manufacturers who were ignorant of aeronautical problems.

So much for that. The committee continued:

The mistakes and errors referred to would probably have been largely avoided if the aircraft program had been under the control of one man.

And then—

Organization under the Aircraft Board was unsystematic and ineffective. * * * Contractors, inventors, material men, everyone having business with this arm of the service, and directed from one official to the other, could not well transact their business and secure results with directness and efficiency.

And again:

A number of plane manufacturers, like the Wittemann-Lewis Co., of New Jersey, and in business years prior to the outbreak of the war, have been unable to obtain contracts; while a number of concerns, like the Dayton-Wright Co. and the Standard Co., have been practically organized since the war, and the former was given enormous contracts before its factories were completed.

And later—

The bulk of these royalties was to be paid to the Curtiss and the Wright-Martin companies as compensation for the use of certain patents until each had received $2,000,000. These were to be charged against cost of production and paid by the Government. The agreement was sanctioned by the Department of Justice and approved by the Secretaries of War and the Navy.

But saddest of all, with our $640,000,000 gone glimmering, we were obliged to read—and this Senate report was printed August 22 last only—the following indictment:

In the opinion of the committee a substantial part of the first appropriation was practically wasted.

While much good work has been accomplished, for which due credit should be given, it must nevertheless be admitted that our aeroplane program has, up to the present, presented many aspects of failure. To some of these we call attention:

While an Army of three and one-half million has been raised, the aircraft situation is as follows:

(a) Six hundred and one De Haviland 4s have been embarked for France up to August 1, 1918.

Of these, 67 had reached the front by July 1.

On August 7 a squadron of 18 De Haviland 4s flew over the German lines. Details of its performance have not been received. The character and construction of the De Haviland 4 is further discussed in paragraph (1) and in the body of this report.

(b) We have not a single American-made chasse (or plane of attack) upon the battle front.

(c) We have not a single American-made heavy bombing plane upon the battle front.

(d) We have not developed and put in quantity production a successful chasse or fighting plane.

Six hundred and forty million dollars gone, and nothing but waste, extravagance, and experience. Is it any wonder that the people sometimes complain of the burdens of taxation?

ONE-MAN CONTROL UNDER DISCUSSION.

Mr. MADDEN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Illinois.

Mr. MADDEN. It was said following that report that the airplane program was about to be put in the hands of one man, who would have full control of the output?

Mr. MOORE of Pennsylvania. Yes.

Mr. MADDEN. Will the gentleman state whether or not the output has been increased since then?

Mr. MOORE of Pennsylvania. I have no information that it has, but I do know that the morning papers report that Secretary Baker has gone to France, and that with him has gone Mr. Ryan, the gentleman whom the President appointed as the one man to look after our aircraft production hereafter.

Mr. MADDEN. But I want to call the gentleman's attention to the fact that since the appointment of Mr. Ryan as sole managing director of the American airplane program he has been demoted to the position of Second Assistant Secretary of War, which is that of a mere clerk, and that he has no jurisdiction over anything as Second Assistant Secretary of War that somebody else does not supervise. Now, I should like to ask the gentleman from Pennsylvania whether as Assistant Secretary of War, without any power except to sign papers delegated to him by superior authority, he is likely to be able to produce any result in the manufacture of airplanes?

Mr. MOORE of Pennsylvania. My information is that Mr. Ryan, placed by the President at the head of the aviation-production service, and who may be Assistant Secretary of War, is the head of a copper company, a man of large affairs and of wide business experience. He comes upon the scene after $640,000,000 of American money raised in taxation from the people has been thrown into the sewer, and the Senate committee reports that after that $640,000,000 had gone a further appropriation of $880,000,000 was demanded to give our aviation program a fighting chance. In this case it will be recalled that after the damage was done the production of aircraft in the United States was put in the hands of a single man; after the horse was stolen the barn door was locked.

Mr. MADDEN. But the gentleman can not forget, can he, that having been put in the hands of a single man, that man has already been demoted by being given a subordinate position as Assistant Secretary of War, in which position he has absolutely no original jurisdiction?

Mr. MOORE of Pennsylvania. If that is true—and I accept the gentleman's statement for the purpose of the argument—it shows more plainly than ever that the President of the United States needs the cooperation of Congress, which up to the present time he has not accepted, to observe how these vast sums of the people's money are being expended by those whom he puts in control. [Applause.]

Mr. KNUTSON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield.

Mr. KNUTSON. What assurance have we that this $880,000,000 that we are going to appropriate will not be squandered in like manner?

Mr. MOORE of Pennsylvania. No one knows but those in control of the administration, those who are managing this war. Congress has not been asked to cooperate with the President or with the department in an inquiry as to why this money was wasted or as to how the new appropriation shall be expended.

Mr. ROSE. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Pennsylvania.

Mr. ROSE. I am much interested in the remarks of the gentleman from Pennsylvania upon the aircraft situation, and I desire to have him state his views as to the exact condition of our airplane service on the battle fields of France, as I have many inquiries from the people I represent.

Mr. MOORE of Pennsylvania. It is deplorable. My information is that we have many aviators in France but that they are idle for the want of machines. They are anxious for the service, but are unable to proceed. They are waiting or using such foreign-made machines as can be obtained. The Senate committee report shows that notwithstanding the expenditure of $640,000,000 we have not a single American-made fighting plane in France. I have been advised by some men returning from the battle field that the airplane hold-up was known to Secretary Baker on his first visit to France, and that he took some

steps to correct it. I also noticed in the newspapers a few days ago that Gen. Pershing had asked for 25,000 planes.

Mr. HARDY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Texas.

Mr. HARDY. Does the gentleman know whether or not Mr. Ryan has been displaced from having charge?

Mr. MOORE of Pennsylvania. I do not know. I only know what the gentleman from Illinois [Mr. MADDEN] stated a moment ago.

WASTE AND EXTRAVAGANCE DENOUNCED.

Mr. MADDEN. I will say to the gentleman from Texas, if the gentleman from Pennsylvania will permit me, that everybody who has an ounce of sense must realize that an Assistant Secretary of War has no original jurisdiction, and that he can not be given original jurisdiction, and that the Secretary of War is the master of the situation; that Mr. Ryan is merely a subordinate, having jurisdiction only to the extent that his superior officer permits him to use it.

Mr. HARDY. The gentleman from Pennsylvania does not seem to know, and I for one do not know. Whether we have an ounce of sense or not is another question.

Mr. MOORE of Pennsylvania. I am accepting the statement of the gentleman from Illinois as to the other matter.

Mr. GARNER. Do you accept the statement of the gentleman from Illinois that if you had an ounce of sense you would know? The gentleman from Illinois said that anybody who had an ounce of sense would know.

Mr. MOORE of Pennsylvania. May I ask how the statement of the gentleman from Illinois would appeal to the gentleman from Texas?

Mr. GARNER. I thought it was rather extravagant.

Mr. MADDEN. I said that anybody who had an ounce of sense must realize that an Assistant Secretary of War has no original jurisdiction, that he is merely a subordinate.

Mr. MOORE of Pennsylvania. If the gentleman from Texas [Mr. GARNER] is willing, I will let the statement of the gentleman from Illinois stand in the RECORD as he made it.

Mr. HARDY. I regarded it merely as an assertion on the part of the gentleman from Illinois.

Mr. MOORE of Pennsylvania. And yet it may be true.

Mr. HARDY. It may be. I do not know. I really think in substance it is not true.

Mr. MOORE of Pennsylvania. To stop waste, to prevent extravagance, to checkmate graft and monopoly, could certainly not be interpreted as hindrances to the administration or to the war. On the contrary, the tolerance of waste and extravagance or the grant of special privileges to profiteers, whether they bask in favor of the War Department, or the Food Administration, or the War Industries Board, or any other of the governmental agencies, encourages the unscrupulous, and adds unduly to the sacrifice of life and property which the American people are compelled to make. There should be no place in the Government, especially at this critical stage of our history, for false patriots or those who would willfully turn their Government privilege to personal profit at the expense of those who are making the personal sacrifice of business opportunities, home ties, and life itself.

When the last loan bill was before the House, September 6, 1917, I offered an amendment in a motion to recommit, providing for the appointment of a joint select committee to consist of six Senators and seven Members of the House, the majority being with the dominant party, "to cooperate with the President and the Secretary of the Treasury in promoting efficiency and preventing waste and extravagance in the loan and expenditure of money authorized for the national security and defense." This general proposition, which had previously been discussed in both Houses, had met with the opposition of the President, who made public a letter, the contents of which were known to the House. The President's opposition to a committee on expenditures was expressed after the aviation expenditures had commenced, but long before the Senate committee began its investigation. But nevertheless the President opposed the creation of a committee, declaring that it could only serve to embarrass the administration. A point of order was made against the amendment by the gentleman from North Carolina [Mr. KITCHIN] and was sustained by the Chair. The proffered cooperation of Congress, therefore, was not considered, and the administration continued to exercise entire control and responsibility with regard to the expenditure of funds. I recall this bit of legislative history because, in view of the enormous contracts that have since been made and of the increasing demand for revenue by loans and taxation, it may have come to pass that the administration will no longer reject a tender by Congress of its willingness to cooperate "in promoting efficiency and preventing waste and extravagance." In any event, if opportunity offers I shall again present for the approval of the House an amendment for this purpose.

WHAT THE BILL OMITS TO TAX.

Returning again to the President's statement that the present tax laws are marred "by inequalities which ought to be remedied," and by way of suggestion to the indefatigable gentleman from North Carolina, and to those who think with him that this bill, which bears his name, will be simpler and more equitable and less burdensome, perhaps, than existing law, and for the delectation of the millions of American voters who will be pleased to know they are not included within the provisions of this bill—and I trust no one will attribute the omission to design—I shall briefly refer to some of the industries and activities of American life which the greatest revenue bill of history has seemingly overlooked.

First and foremost, cotton is not taxed. In 1917 the cotton crop consisted of 11,499,930 bales of 500 pounds each, which, at $3 per bale, would have produced in revenue $34,349,790. A proposition was made in committee to tax cotton, but it received scant support.

Mr. CRISP. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. CRISP. I would like to say that the gentleman from Pennsylvania did everything he could in committee to tax cotton.

Mr. MOORE of Pennsylvania. And I would like the gentleman to say I was making no raid on the farmer.

Mr. HARDY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. HARDY. Did the gentleman make any proposition to tax corn?

Mr. MOORE of Pennsylvania. No; but it was raised as an incident to the proposal to tax cotton.

Mr. GARNER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. GARNER. Has not the gentleman enumerated the second proposition of the two that he failed to get into the bill?

Mr. MOORE of Pennsylvania. It did seem to me, if the gentleman will permit, that inasmuch as we were proposing to tax almost everything else in the country, and cotton was fairly profitable during the war, it might help.

Mr. GARNER. I wish to corroborate the gentleman from Georgia, that the gentleman from Pennsylvania did make a persistent and insistent effort to tax cotton.

Mr. MOORE of Pennsylvania. He made a good fight. [Laughter.]

Mr. GARNER. Yes; he made a good fight. He made a good fight on both propositions that he has discussed. I hold in my hand the bill, and outside of these two propositions is there anything in the bill itself which is not the creature of the gentleman's brain as much as the brain of any member of the committee?

Mr. MOORE of Pennsylvania. I have a little list. [Laughter.]

Mr. BLANTON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes; I will yield to my cotton friend from Texas.

Mr. BLANTON. Did the gentleman from Pennsylvania make an effort to tax steel or coal in connection with cotton?

Mr. MOORE of Pennsylvania. I thought indirectly they were very heavily taxed. I thought they paid a very large proportion of the taxes.

Mr. BLANTON. Is it not a fact that all the northern members of the committee refused to tax cotton?

Mr. MOORE of Pennsylvania. Let me say to the gentleman from Texas that it would be unparliamentary to reveal the secrets of the committee. I will tell the gentleman in confidence. [Laughter.]

COTTON EXPERTS ON THE JOB.

Mr. STEVENSON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes; I will yield to my enthusiastic cotton friend from South Carolina.

Mr. STEVENSON. I want to get the figures that the gentleman gave as to cotton in the first place.

Mr. MOORE of Pennsylvania. The figures that I gave were 11,499,930 bales. Possibly the gentleman from Alabama may be able to correct those figures. I regard him as a cotton expert.

Mr. HEFLIN. The gentleman has given them about right, speaking of the cotton crop of last year.

Mr. MOORE of Pennsylvania. It is correct. I am confirmed by high authority, and being so confirmed I say that if the committee had seen its duty as I thought I saw it on that amount of cotton at $3 a bale, which would have been a reasonable tax, not onerous or burdensome, we would have raised over $34,000,000;

but the committee in its wisdom decided that it would be well to leave cotton out.

Mr. HARDY. Has the gentleman the figures showing the amount of the corn crop?

Mr. MOORE of Pennsylvania. No; but it was very heavy.

Mr. HARDY. One cent a bushel tax——

Mr. MOORE of Pennsylvania. The same Members who stood by cotton also stood by corn.

Mr. HARDY. The gentleman did not propose to tax corn?

Mr. MOORE of Pennsylvania. I would have been willing to consider it in our extremity.

Mr. STERLING of Illinois. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. STERLING of Illinois. The gentleman has stated in reply to one question that steel is heavily taxed. What is the tax?

Mr. MOORE of Pennsylvania. Raw steel; I do not know that there is any tax on it.

Mr. STERLING of Illinois. On manufactured steel?

Mr. MOORE of Pennsylvania. On nearly every article produced from raw steel.

Mr. STERLING of Illinois. Will the gentleman name one except luxuries that happen to have a little steel in them?

Mr. MOORE of Pennsylvania. I think the gentleman has given the answer. Include automobiles.

Mr. STERLING of Illinois. And those things that have cotton in them are taxed.

Mr. MOORE of Pennsylvania. I am glad the gentleman has come to the rescue of cotton, because it is in the same boat with grain. The gentleman will not deny that the steel industry is heavily taxed and that everyone who makes anything out of steel is heavily taxed. The gentleman can not deny the figures given a moment ago that in those States where steel figures largely in industrial life—Pennsylvania, New York, and Illinois—one-half of all the corporation and income tax, which some other people avoid, is paid.

CORN AND COTTON IN THE SAME BOAT.

Mr. STERLING of Illinois. Will the gentleman yield for another question?

Mr. MOORE of Pennsylvania. Yes.

Mr. STERLING of Illinois. I agree that corn is in the same boat, as the gentleman said, with cotton; and so is wheat and so is oats—the things we produce in my district. If the gentleman wants to tax cotton and agricultural products, why does he not move to tax the products that grow on the land in my district, too [applause], the only agricultural products we grow in this country; put a tax on those.

Mr. MOORE of Pennsylvania. The gentleman is consistent on that proposition.

Mr. STEENERSON. Is it not a fact that the price of wheat is fixed by the Government?

Mr. MOORE of Pennsylvania. Yes.

Mr. STEENERSON. And also the price of steel; so that they are not enjoying the competitive market that cotton enjoys?

Mr. MOORE of Pennsylvania. That is true.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. SLOAN. I do not agree with the gentleman from Illinois [Mr. STERLING] that corn is in the same category with cotton. Every means of consumption of corn is controlled by the Government. The price of cattle, the price of hogs, and all the uses to which corn is put are controlled by the Government and the price fixed, and that is not true of cotton. Cotton has been absolutely immune from our taxing, and the products of cotton are immune from the control of price. That is decidedly different from the case of corn.

Mr. MOORE of Pennsylvania. Let that statement stand in the RECORD.

Mr. CRISP. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. I would like to ask the gentleman this, then: Would not the remedy be for the Government to fix the price of cotton, if he wants to put it in the same boat with agricultural products, instead of taxing it?

Mr. SMITH of Michigan. It would be just as good to fix the price on wool.

Mr. MOORE of Pennsylvania. I am glad the farmers' friends are at work. If we get their think tanks going something may result.

Mr. SLOAN. Mr. Chairman, will the gentleman yield further?

Mr. MOORE of Pennsylvania. Yes.

Mr. SLOAN. I desire to suggest, in response to the suggestion of the gentleman from Illinois [Mr. STERLING], that the price-controlling power has fixed the price of cattle and hogs and meat, but it has neglected to fix the price or in any way control the selling value of cotton products.

Mr. STEENERSON. And wool.

Mr. SLOAN. And in the absence of the authorities fixing the price it leaves our only remedy to put a burden on cotton so that it may stand in similar status with corn—to tax it.

PRICE OF COTTON NOT FIXED YET.

Mr. MOORE of Pennsylvania. Answering the gentleman's suggestion, I will say, merely by way of information to the House and all those who are interested in this very important question, that the President of the United States, so far as the newspapers give us information, has for a long time—lo, a full year, at least—been considering the question of fixing the price of cotton, but that up to the present time, although there have been strong influences on both sides of the question, the price of cotton has not been fixed. It is reported from day to day that something may be done in that direction and the market fluctuates.

Mr. STERLING of Illinois. Just one other point——

Mr. MOORE of Pennsylvania. And I am quite satisfied that the gentlemen who represent the cotton belt have sufficient influence at the present time, even though war has laid its heavy hand upon us, to hold up the fixing of the price of cotton if it should be essential to the industry.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman yield?

Mr. CRISP. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Then, again, if the price was fixed, perhaps the cotton planter would not be so well satisfied, and, therefore, it might be unwise for the President to enter this price-fixing field. The farmer who raises grain, whose price was fixed by the President, has not been enthusiastic about it; but still the gentleman who represents grain, the gentleman from Illinois [Mr. STERLING], contends that his man should not be touched, and the gentleman who raises cotton, my friend from Texas [Mr. HARDY], contends his man should not be touched, and those of us who are consumers—we who are paying more for grain and grain products than ever and higher prices for cotton goods than ever—get the hot end of the poker.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Illinois.

Mr. MADDEN. Does the gentleman have any recollection of the President having within the last day or two telegraphed to some convention or meeting of cotton dealers or growers——

Mr. SANFORD. In Georgia.

Mr. MADDEN. That they need not be disturbed about the administration fixing any regulation that will disturb the present attitude of the Government toward cotton?

SENATORIAL CONTEST IN GEORGIA.

Mr. MOORE of Pennsylvania. If the gentleman will permit me, I will venture this far. A great senatorial contest is going on in Georgia now, and I would not be a particle surprised if some letter of some kind or other had gone from the President to assuage the situation.

Mr. CRISP. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I do.

Mr. CRISP. I can state to the gentleman that according to the press there was a telegram from the President to Mr. Harris in Georgia that the War Industries Board was investigating with a view of stabilizing the price of cotton. Now, what "stabilizing" means unless it means fixing the price I can not comprehend. Now, if the gentleman will permit me while I am on the floor——

Mr. MADDEN. If the gentleman will permit me to interrupt——

Mr. CRISP. I would really rather leave this controversy between you gentlemen, but the gentleman from Pennsylvania has stated that steel used in manufacture was taxed, the inference being that cotton was immune. All cotton used in any manufactured goods, if used as luxuries, is taxed. There is no tax whatever on Pennsylvania anthracite coal I have heard of. [Applause on the Democratic side.] Furthermore, there is no tax on wool, and I have not heard anybody proposing to tax wool, except its manufacture. I also want to say to the gentleman I come from the South and my people are just as loyal and as patriotic to this Government as any section on earth, and if it becomes necessary they are not only willing to pay taxes on cotton, but are willing to give all to the Government. [Applause.] But they do not believe that a just Government would practice any such invidious distinction and tax one agricultural product, leaving the others immune. [Applause on the Democratic side.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I highly respect the gentleman from Georgia. He is learned, forceful, and patriotic. He has made a statement, however, upon which I wish to comment. He tacitly admits that the President has forwarded to William J. Harris in Georgia a telegram on the cotton situation. This same Mr. Harris is favored by the President in his candidacy for the Senate in the coming election, and that against a sitting Senator. Proposition No. 2: The gentleman has stated what, I believe, comes from his heart—that the people whom he represents would loyally pay if they felt called upon to pay. I have been of the opinion that if they were included in this great tax scheme they would pay loyally. I offered the suggestion that their products might pay the tax along with those of others who are obliged to pay.

A COINCIDENCE ABOUT REPRESENTATION.

Mr. GARNER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. GARNER. In order that the record may be clear, I want to call the attention of the gentleman to the fact in his criticism of the administration for failing to fix the price of cotton while fixing the price of wheat—or the legislative branch of the Government who did that—that the price-fixing board, the War Industries Board, is composed, I believe, of 17 men. Out of those 17, 1 comes from a cotton-growing State. Now, it does seem like the cotton-growing States could not have such an overbearing influence with 17 men, only 1 of whom comes from such a State. They have gone so far, I will say to the gentleman, as to fix the price on linters and to fix the price on cotton seed, on cottonseed meal, and other products, but they have not so far fixed the price on cotton, and, if the gentleman will allow me to express my individual opinion, I think it very unwise to go into the fixing of the price of cotton, although I have very little in my district.

Mr. MOORE of Pennsylvania. So long as the gentleman has made that statement and has given expression to the thought that the cotton men are not getting a fair deal in the War Industries Board, having only 1 representative among 17, may I be permitted to observe that having sat now these three months on the Ways and Means Committee of the House of Representatives framing a great tax bill which the President indicated should be an equitable bill, I have discovered that but 2 men on that committee of 23 are from big cities, where the people are not producers of foodstuffs, but consumers exclusively. A strange sort of coincidence, is it not?

Mr. STERLING of Illinois. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Illinois.

Mr. STERLING of Illinois. I want to get the gentleman's views on this question now that it has been raised. I think he has not clearly expressed himself. The price of certain foodstuffs has been fixed. Of course, that was for the benefit of the consumer. Now, the price of cotton has not been fixed, and my friend from Nebraska [Mr. SLOAN] suggests as a remedy for the omission on the part of the Government that instead of fixing the price on cotton in lieu of that we put a tax on it. Now, in fixing the price on those things where the price has been fixed the purpose has been to keep down the price to the consumer. But a tax on cotton would tend to increase the price to the consumer. That is a remedy offered by the gentleman from Nebraska [Mr. SLOAN]. [Applause.] Now, does the gentleman agree that would be a remedy for the failure of the Government to fix the price on cotton?

Mr. MOORE of Pennsylvania. I am not inclined to enter this dispute between the gentleman from Illinois and the gentleman from Nebraska. They are both experts in the matters about which they speak. But I am willing, as a consuming Representative of an all-consuming constituency, to say that so far as I have observed the price fixing to date, the man who is producing is guaranteed the price, but the man who is consuming pays a higher price than he ever did before in his life.

Mr. GARNER. And for that reason you insist that the Government ought to fix the price of cotton?

Mr. MOORE of Pennsylvania. I have not insisted on that at all.

Mr. GARNER. You were criticizing and saying that the southern Senators, and so on, had sufficient influence to keep it from being done.

Mr. MOORE of Pennsylvania. I said the price of cotton had not been fixed. I was not advocating it. I want the gentleman to know that I am as friendly to the cotton planter as I am to the farmer. [Laughter.]

Mr. KNUTSON. Then deliver us from our friends! "Beware of Greeks bearing gifts."

SUPPLY AND DEMAND V. PRICE FIXING.

Mr. SLOAN. I desire to say that if our products are burdened in one way by the administration, I think the products in other sections should be burdened, if not by the administration, by Congress, and I ask the gentleman what he thinks about fixing the price of the wool of the Northwest, clothing material, and not fixing the price of cotton?

Mr. MOORE of Pennsylvania. I am inclined to say to the gentleman, as I said to the gentleman from Illinois [Mr. STERLING], that this is a quarrel between gentlemen who are experts. My own judgment is that if we had less price fixing and a little better observance of the law of supply and demand we would all be better off and better satisfied. [Applause.]

And now to our mutton:

Second, consumption taxes are not included in this bill. On such commodities as tea, coffee, and sugar they might be levied at the customhouse without affront to the consumer, but that suggestion also was not approved in committee. It has been estimated that if 2 cents per pound were levied upon coffee as it comes into the country over $26,000,000 of revenue would be raised. A 10-cent per pound levy on tea brought into the United States would produce over $10,000,000. A 1-cent per pound levy on sugar would produce over $84,000,000 of revenue. Is it possible these duties, so levied and publicly understood, would be instrumental in advancing the price of sugar to the consumer? Or would the imposition of this tax upon the importer not tend to regulate the price of this commodity in the United States and prevent the outrageous profiteering that has ensued under Government control between the importer and the badly handicapped consumer? But it was deemed unwise, perhaps impolitic, to impose these taxes.

PROFITEERING AND WASTE IN FOOD SUPPLIES.

Now, as to that sugar situation, let me say this——

Mr. LONGWORTH. Has not the gentleman given his figures wrong?

Mr. MOORE of Pennsylvania. I am using only 1 cent a pound.

Mr. LONGWORTH. The importation last year was 1,500,000,000 pounds.

Mr. MOORE of Pennsylvania. The figures given to me by an expert were 8,464,488,163 consumption in 1917.

Mr. FORDNEY. The gentleman is speaking of consumption and not of imports.

Mr. LONGWORTH. I understood that he was speaking of the duty. I thought he put sugar in the same category as tea and coffee.

Mr. MOORE of Pennsylvania. We can illustrate this in a short way. Mr. Hoover, the Food Administrator, issues his edict and the hotel man very patriotically observes it. He puts up the high sign of patriotism with the coat of arms of the United States on it and says, "Food will win the war. We follow the Food Administration." When you sit down at the table you find you are given two lumps of sugar for your cup of coffee or you are given a little spoonful of sugar in a small envelope. You say to the waiter, "May I have another lump of sugar? You are asking 25 cents for this cup of coffee." But the waiter says, "We are very patriotic, sir; we must follow the advice of the Food Administrator and can give you but two lumps." And then he adds, in confidence, "It is very queer, sir, for we are paying no more for sugar now than we did before the war and we buy less of it; but we must obey the Food Administrator. We are very patriotic, sir."

If this illustration does not suffice, let me recur to grain, upon which the price has been fixed. If the housewife seeks to obtain some wheat flour to make bread that will be suitable for the diet of the growing child, she is blandly told to buy substitutes, and these coarser ingredients are forced upon her at retail prices out of all proportion to their comparative value—higher, perhaps, than wheat itself. Mr. Hoover has a licensing system, and all that, and rounds up a few gentle malefactors once in a while, but the retail price of breadstuffs does not come down, and he is unable to prevent the profiteering that makes a martyr of the average consumer who tries to live up to his rules and limitations. We have given a pretty free hand to the so-called Grain Corporation also, and there is good reason to believe that we have permitted the mixing of flour to an extent that may lead to scandal. So that somewhere between the producer and consumer, or the Food Administrator and the people who pay the increased price for food supplies, whether they be bread or sugar, there is profiteering, and we do not control it in this bill.

It is rather curious, too, that for lack of transportation or by reason of food embargoes potatoes should be allowed to rot in Florida and fruit should go to waste, when the northern market

supply is limited and retail prices are soaring. Or may we apply this illustration to products in other sections of the country that are not shipped to market for similar reasons, thus encouraging waste on the one hand and high prices on the other? This sort of thing may be tolerated while the people are obtaining high wages and high returns for their products, but it certainly can not last forever.

SUGAR EXPERTS TAKE A HAND.

Mr. SLAYDEN. Mr. Chairman, will the gentleman permit a question?

Mr. MOORE of Pennsylvania. Yes.

Mr. SLAYDEN. Did I understand you to say that we are not paying now any more for sugar than we were paying before the war?

Mr. MOORE of Pennsylvania. I think no more substantially.

Mr. SLAYDEN. You mean before the United States entered the war, or before the great war in Europe began?

Mr. MOORE of Pennsylvania. Before we entered the war.

Mr. SLAYDEN. Sugar sold here, to my recollection, at 8 pounds to the dollar.

Mr. MOORE of Pennsylvania. I understand the dealer pays substantially no more for his supplies now than he did before the war. The consumer pays more.

Mr. SLAYDEN. Here is a gentleman representing a sugar district, and he can say that that is a mistake.

Mr. MARTIN rose.

Mr. MOORE of Pennsylvania. The gentleman from Louisiana [Mr. MARTIN] is a member of the Committee on Ways and Means, and knows all about sugar. I would be very glad to have his statement.

Mr. MARTIN. I will say to the gentleman that the price of refined sugar has been raised to 9 cents a pound at seaboard refineries. This does not affect stocks on hand.

Mr. MOORE of Pennsylvania. What was the price before the war began?

Mr. MARTIN. The price was about 5 cents a pound.

Mr. MOORE of Pennsylvania. That was before the European war?

Mr. MARTIN. It has been going up ever since the war started, but not as rapidly as other commodities.

Mr. MOORE of Pennsylvania. I will ask the gentleman from Louisiana, as a sugar expert, this question: Is there any difference between the price of sugar now and the price in 1916?

Mr. MARTIN. Yes.

Mr. MOORE of Pennsylvania. What is it?

Mr. MARTIN. It is now about 25 per cent more.

Mr. MOORE of Pennsylvania. How much per pound would that be?

Mr. MARTIN. A cent and a half or two cents a pound.

Mr. MOORE of Pennsylvania. Does the gentleman think that that increase in the price of sugar would warrant those who dispense sugar in a hotel, for instance, charging 25 cents for a cup of coffee instead of 10 cents, because the price of sugar has gone up?

Mr. MARTIN. I do not.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. HARDY. Does not the gentleman's position amount to this—and I agree with the gentleman as to that—that the right place to begin on the saving of sugar would be as to the price at which it should be sold to the consumer?

Mr. MOORE of Pennsylvania. I think the prices would regulate themselves if they were allowed to, because if they got too high the people would not buy, and then the price would come down.

Mr. HARDY. If we fix prices at all, ought it not to be at the point where the commodity goes to the consumer?

Mr. MOORE of Pennsylvania. Perhaps so.

SOME OTHER TAXABLES UNTOUCHED.

And then it was suggested in committee that the heavy tax on incomes and corporations which, in the last analysis is a tax on business and industry, could be relieved somewhat by a moderate tax on gross sales. It was estimated that $1,000,000,000 could be raised in this manner, and that such a tax known to the consumer would prevent the insolent profiteering by those who pretended to cover the taxes in the retail price. "Administrative difficulties" killed the gross-sales suggestion.

Neither was a tax upon bank checks, estimated to raise $30,000,000, favorably considered. That would not have been a popular tax.

A tax on newspaper advertising and on billboards was also proposed. The tax on advertising would not have been so much against the newspapers as against those who paid for the advertising, but the newspaper situation is a delicate one. And this bill carries no tax upon advertising.

During the committee's deliberations a tax upon dogs was suggested. It was claimed by those engaged in the sheep industry that the raising of mutton and wool must necessarily be limited so long as the prowling dog is permitted to devastate the flock. Statisticians estimated that a $1 tax upon dogs would not only raise $10,000,000 of revenue but would greatly encourage an essential war industry and save food for humans. But the dog was too popular to permit of this tax innovation.

Another field which the Ways and Means Committee did not enter was that relating to the greater number of people in the United States whose net incomes are less than $2,000 in the case of married men and $1,000 in the case of single men. It must be admitted that this is a dangerous field to enter from the political as well as from the economic point of view, but Great Britain, from which the Treasury Department has derived much inspiration in the matter of taxation, imposes a tax upon incomes as low as $600 per annum, while during the Civil War a percentage tax was paid upon such incomes. We hear a great deal now about high wages paid in shipyards, in manufacturing establishments, upon the farms, and in the cotton fields. And it is estimated that there are at least 17,000,000 persons in the United States, single men and single women included, engaged in gainful occupations, who at so low a rate as $5 each would contribute an annual revenue of $85,000,000. But this bill does not include these 17,000,000 in the taxable class. They may be included amongst those who pay the high cost of living and whose incomes are necessarily reduced thereby, but that is a tribute to the profiteer; it is not an aid to the Government conducting the war.

THE PRESIDENT REJECTED COOPERATION.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. MADDEN. While the gentleman from Pennsylvania is on the profiteers I would like to be permitted to ask him a question, if he will allow it. Was any consideration given by the committee during its deliberations to the question of the propriety and advisability and necessity of a committee of Congress inquiring into the extravagant expenditures made by the various departments as the result of this profiteering?

Mr. MOORE of Pennsylvania. "The gentleman from Pennsylvania" offered an amendment to the bill providing for the creation of a committee on expenditures to cooperate with the President and the departments "to prevent waste and extravagance" and to facilitate the financial business connected with the war. But the committed voted that down.

Need it be said that the tariff was suggested in these three months' deliberation? The gentleman from Michigan, the ranking Republican on the committee [Mr. FORDNEY], was very faithful in attendance. He raised the question and argued that the Underwood tariff law had failed to produce sufficient revenue to run the country prior to the war. He admitted that the war itself, in lieu of a tariff, had given the United States a temporary kind of protection, but he insisted that foreign goods that ought to pay duty were coming in free, and that hundreds of millions could be raised by the party in power to relieve the burden of direct taxes if a reasonable tariff law should be passed. But his suggestion got no further than the speech of the gentleman from Michigan, except that a committee, bipartisan to be sure, was appointed to investigate and report. The chairman of that committee was the distinguished gentleman from North Carolina, and up to date he has not assembled the committee nor has there been a report. Nor is it highly probable that there will be one in time to be of service in the consideration of this bill. [Laughter.]

Having referred to some sources of taxation that might have been tapped by the committee, but which are not included in the bill, I shall leave this subject, with the general statement that a perusal of the bill will show that the tax line is very tightly drawn as between production of raw material and the manufacture or fabrication thereof. The burden of taxation falls upon those who manufacture, manipulate, or consume the products of the sea, the soil, or the air, or who engage in the marketing or distribution thereof. This, in large measure, may account for the concentration of taxes where industry, commerce, and finance are most in evidence.

TAX OVERSIGHT DURING THE CIVIL WAR.

Before closing, I again recur to the propriety of justice and uniformity in the matter of taxation. The expenses of the war should be borne in fair proportion by every citizen according to his ability to pay. There should be no profiteering and no favoritism. [Applause.] The taxpayer, upon whom the burden

falls heaviest, is still preferred above him who falls in the trenches. If life is worth anything, taxes or no taxes, it is better than dissolution, and, as President Wilson said, "We need not be afraid to tax them, if we lay taxes justly." This was the spirit of the Civil War. Congress and the people were a long time coming to it, but they finally assumed their every responsibility. The chairman of this committee has sounded his warning against the hoarding of loans and has given the House his estimate of annual interest charges if taxes are not paid in fair proportion to the loans issued. As we must tax, the question is to so tax as to be fair to everybody. I am not sure this problem has been solved by the pending bill. I doubt whether it lays taxes justly upon all the people, as President Wilson indicated in his address they should be levied. I question whether that profiteering of which the President said there was ample evidence, and which the Secretary of the Treasury in his fighting letter of June 5 to the chairman of the Committee on Ways and Means said should be curtailed, even if "the Government should take back in taxes all profits above a reasonable reward," has been checked by this bill.

The bill may raise the $8,000,000,000 which the administration demands, but it is still too complicated, too subject to interpretation by administrative officials, to enable anyone to predict whether the expectation of the President and his Secretary of the Treasury, in the matter of profiteering, will be fulfilled.

My personal belief is that a wise cooperative supervision of expenditures by a congressional committee would help the administration to solve this problem and to prevent waste and extravagance of the taxes raised. [Applause.] But the President thus far has set his face against this plan, although it was adopted in a more aggravated form during the Civil War and served a useful purpose. That it would be prudent and helpful in our present great emergency is emphasized by the growing demands upon the Treasury. The $8,000,000,000 we are now raising, stupendous sum that it is, will be sufficient, as demands are now pressing upon the Treasury, to meet expenditures for the short period of four months only. Under these conditions, whether congressional cooperation is welcomed or not, our faith in the ultimate triumph of our cause must continue unabated.

THAD STEVENS AND KITCHIN COMPARED.

A chapter from the history of the Civil War will not at this time, I trust, be amiss. It is 50 years since Thaddeus Stevens, chairman of the Ways and Means Committee and leader of the House of Representatives, died as he wished, "like Nicanor, in harness." An intense partisan but an able statesman, the great Pennsylvanian was fearless in dealing with the problems that confronted the Nation. He chided the Army for its alleged shortcomings when he thought it deserved it. He attacked privilege wherever it appeared, disputed with Cabinet officers who seemed to overstep their authority, and, upon occasion, disagreed with the immortal Lincoln. When Lincoln died he instituted impeachment proceedings against Andrew Johnson, who succeeded to the Presidency. All this and more in his stormy legislative career grew out of his insistence upon the observance of the Constitution by those who were sworn to uphold and defend it. It fell to him and the committee over which he presided to raise the money to prosecute the war, and as that money came from the people, who, under the Constitution, were entitled through their lawfully chosen Representatives to a voice in its direction, he did not hesitate to take to task the high or the low, whether in uniform or civilian clothes, who overstepped the limitations set by the Constitution, or who forgot that the will of the people in matters of war and finance is expressed through the Congress of the United States. The Great Commoner occupied the same relation to the Civil War that the gentleman from North Carolina [Mr. KITCHIN] does to our war with Germany—except that then the committee over which he presided and which raised the revenue was also the Appropriation Committee, which it is not to-day. His tremendous task involved the raising in four years of nearly $4,000,000,000, a sum so great that Mr. McCall, his biographer, a former distinguished Member of this House, sets it in towering contrast with "the aggregate amount raised by loans and taxation by the French people during the wars of the Consulate and Empire, which did not greatly exceed $2,000,000,000." Stevens, like KITCHIN, did not believe too great a proportion of the war cost should be raised by loans, but, says McCall, "after Congress realized that the war was a war of tremendous magnitude" Stevens and his associates on Ways and Means determined upon their policy as to loans and taxes, and "measure followed measure * * * with a rapidity that proved their fixed determination of carrying it out."

And when they finally got down to business—

> The same Members who had opposed the taxes upon tea, coffee, and sugar in July were willing in December to pass almost without debate a further increase of several millions in these taxes. An internal-revenue bill was passed which, with subsequent amendments, covered almost the entire field of industry and consumption.

And I want to say right there, parenthetically, that it covered many things which our committee has left out, and many things that have been discussed on the floor since this debate began. I read further:

> These measures were interesting, not so much from any principle of taxation which they illustrated, as from the ingenuity of Stevens and his colleagues in discerning and exhausting almost every source of revenue. The great burden of taxes fell upon malt and spirituous liquors. Stamps were required upon the most minute as well as the most important transactions of business. The butcher was required to pay a license fee, and in addition a certain sum for every beef or hog or sheep that he killed. The dealer who sold him the animals he slaughtered had also to pay a tax. A license was required for almost every imaginable calling and trade. Horse dealers and peddlers, jugglers and lawyers, doctors and soapmakers, had each to contribute a fixed sum to the Government. The dentist was required to pay $10 before he could pull a tooth, and the eating-house keeper a like sum before he could sell a meal. The manufacturer was compelled to pay a license fee and in addition a specific or an ad valorem tax upon the goods he made. A comprehensive idea of the great variety of pursuits and avocations which were followed in this country in 1862 can be gained by reading the internal-revenue law. If, after paying the multitude of general and special taxes, one was fortunate enough to have more than $600 of annual income left he was asked to pay 3 per cent to the Government, and if the surplus amounted to $10,000, 10 per cent. At the end of the war the internal taxes were producing revenue at the rate of more than $300,000,000 a year. The tariff duties were revised and increased in number and amount until they annually brought to the Treasury $180,000,000.

The biographer adds—

> The achievement not only stands without a parallel, but it stands unapproached.

Mr. Chairman, may I say in conclusion that the great financial problems of the Civil War, involving $4,000,000,000 in four years, are small indeed compared with those which now confront the country when we must raise $8,000,000,000 for four months, but this simple recital of the manner in which they were met carries a lesson which may be of value to the present generation and to the administration conducting the war. [Applause.]

Mr. FORDNEY. Mr. Chairman, I would like to yield 8 or 10 minutes to one other gentleman, unless it is too late.

Mr. KITCHIN. Go ahead.

Mr. FORDNEY. I yield 10 minutes to the gentleman from Pennsylvania [Mr. WATSON].

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 10 minutes.

Mr. WATSON of Pennsylvania. Mr. Chairman, after my distinguished colleague [Mr. MOORE of Pennsylvania] has so intelligently and clearly explained the revenue bill, it gives me pleasure to state that the citizens of Pennsylvania will do their part in meeting the requirements of the measure, but not any more so than the citizens of the land of cotton or the land of coal and of iron. [Applause.]

Friends, war is the most expensive rôle in which a nation can be involved. Its horrors and devastations test the strength, the patriotism, and the morals of its citizens. Upon the declaration of war it becomes the unbounded duty of every subject to make such sacrifices as the Government may demand of him, in order to preserve the honor and the integrity of the country of which he is a part.

The administration has asked Congress to levy a tax of $8,000,000,000 upon the people as a war budget for 1919. I will support the bill because we are at war; if at peace, I would oppose all revenue bills that did not contain a high protective tariff clause. [Applause.] I believe that a protective tariff is most essential for the prosperity and growth of our Republic, and by these principles our resources were developed to that extent that our wealth, perhaps, is greater than that of any other nation.

But this is not a Republican administration; it is for the party in power to raise the revenue in accordance with its philosophy of taxation.

The issue of winning the war is the supreme one of the hour, and every American patriot, regardless of his political views, will sustain the war policies of the Government and meet the urgency of the times with unquestionable loyalty. We will have to make a great many more sacrifices before the Kaiser raises his flag of truce or the tree of liberty extends its branches over the civilized world to let fall its ripened fruits of democracy. We will be called upon to make more sacrifices before the Bolsheviki is silenced or the Siberian peasant breathes the breath of liberty. We will make more sacrifices before our allies consecrate upon their political altars the birth of a new democracy.

These things must be before we sheathe the sword or before victory is complete for America. Sometimes I think that the prophecy of Tom Moore, the words he placed in the mouth of the Veiled Prophet of Khorassan, may yet come true through the world's war of carnage:

From the lips of truth one mighty breath
Shall, like the whirlwind, scatter in its breeze
The whole dark pile of human mockeries,
Then shall the reign of mind commence on earth.

The $8,000,000,000 of taxes will be paid by the American people with a war spirit and with but one thought in mind: Victory for America.

On motion of Mr. GARNER the committee rose; and the Speaker having resumed the chair, Mr. HAMLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. BOOHER for four days, on account of the death of his brother.

PUBLIC-SERVICE FRANCHISES, PORTO RICO (S. DOC. NO. 274).

The SPEAKER laid before the House the following message from the President of the United States, which, with the accompanying documents, was ordered to be printed and referred to the Committee on Insular Affairs:

To the Senate and House of Representatives:

As required by section 38 of the act approved March 2, 1917 (39 Stat., 951), entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith certified copies of six franchises granted by the Public Service Commission, Porto Rico. The copies of the franchises inclosed are described in the accompanying letter from the Secretary of War transmitting them to me.

WOODROW WILSON.

THE WHITE HOUSE, *9 September, 1918.*

UNITED STATES RAILROAD ADMINISTRATION (S. DOC. NO. 275).

The SPEAKER laid before the House the following message from the President of the United States, which with the accompanying documents was ordered to be printed and referred to the Committee on Interstate and Foreign Commerce:

To the Senate and House of Representatives:

I transmit herewith for the information of the Congress report of the Director General of Railroads of the work of the United States Railroad Administration for the first seven months of its existence ended July 31, 1918.

WOODROW WILSON.

THE WHITE HOUSE, *9 September, 1918.*

ADJOURNMENT.

Mr. GARNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Tuesday, September 10, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of Commerce, transmitting part 2 of the Annual Report of the Commissioner of Lighthouses for the fiscal year ended June 30, 1918; to the Committee on Expenditures in the Department of Commerce.

2. A letter from the Acting Secretary of Commerce, transmitting an estimate in the sum of $9,600 supplemental to the appropriation of $380,000 for salaries, Lighthouse Service, 1919 (H. Doc. No. 1271); to the Committee on Appropriations.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

The bill (H. R. 11570) granting an increase of pension to James C. Burwell; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

The bill (H. R. 11860) granting a pension to Margaret Holly; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

The bill (H. R. 12110) granting an increase of pension to Alexander B. Davis; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

The bill (H. R. 12111) granting an increase of pension to Henry Parrish; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ANDERSON: Resolution (H. Res. 429) requesting the Secretary of Agriculture to furnish the House of Representatives with certain reports or recommendations touching the price of wheat; to the Committee on Agriculture.

By Mr. KNUTSON: Joint resolution (H. J. Res. 328) to authorize the President, in time of war, to supervise or take possession and assume control of any packing, canning, or refrigerating plant or any part thereof and to operate the same in such manner as may be needful or desirable for the duration of the war, and to provide just compensation therefor; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARNHART: A bill (H. R. 12906) granting a pension to Andrew J. Bierce; to the Committee on Invalid Pensions.

By Mr. BENJAMIN L. FAIRCHILD: A bill (H. R. 12907) for the relief of Charles W. Johnson; to the Committee on Military Affairs.

Also, a bill (H. R. 12908) for the relief of Zachary T. Heal; to the Committee on Naval Affairs.

By Mr. HAWLEY: A bill (H. R. 12909) granting an increase of pension to John T. Martin; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BYRNS of Tennessee: Papers accompanying H. R. 12901, granting an increase of pension to Louis Sickenberger; to the Committee on Invalid Pensions.

By Mr. FESS: Petition of the Woman's Civic League, Harveysburg, Ohio, for war-time prohibition; to the Committee on Agriculture.

By Mr. KAHN: Petition of many citizens and residents of Los Angeles, Cal., and vicinity, urging the passage of H. R. 5407, permitting osteopaths to enter the Medical Reserve Corps; to the Committee on Military Affairs.

By Mr. RUBEY: Petitions of Mrs. J. S. Smotherman, Sunday school temperance superintendent for Wright County, Mo., and many other members of Wright County Sunday schools, urging immediate national prohibition; to the Committee on the Judiciary.

By Mr. SNYDER: Petition of the Rome (N. Y.) License League against change in the existing liquor laws of the United States; also, a petition of various persons residents of Little Falls, N. Y., favoring prohibition of the liquor traffic during the period of the war and demobilization; to the Committee on the Judiciary.

By Mr. TAGUE: Telegrams from certain reputable business concerns in Boston protesting against the Gore amendment to House bill 11945; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES.

TUESDAY, *September 10, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, Almighty God, our Heavenly Father, for the onward march of civilization apparent everywhere in the intellectual, moral, and spiritual life of men, which promises the final victory of good over evil in spite of the cruel war thrust on the civilized nations of the world by the barbaric hosts who would check advancing civilization and turn the world into a veritable hell.

Inspire us as individuals and as a Nation to press toward the mark for the prize of the high calling of God in Christ Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

SPEAKER PRO TEMPORE FOR TO-MORROW.

The SPEAKER. The Chair appoints the gentleman from Tennessee, Mr. GARRETT, to preside as Speaker pro tempore to-morrow.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. GOODWIN of Arkansas, for the day, on account of illness; and

To Mr. MILLER of Washington, for to-morrow, September 11, on account of delivering an address in Massachusetts.

ENROLLED JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 172. Joint resolution authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 3439. An act for the relief of certain homestead and desert-land entrymen;

S. 3646. An act to grant rights of way over Government lands for reservoir purposes for the conservation and storage of water to be used by the city of San Diego, Cal., and adjacent communities; and

S. 3522. An act to amend an act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following title were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3439. An act for the relief of certain homestead and desert-land entrymen, to the Committee on Public Lands; and

S. 3522. An act to amend an act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, to the Committee on the Judiciary.

REVENUE LEGISLATION.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, to provide revenue, and for other purposes.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.

The question was taken; and on a division (demanded by Mr. WALSH) there were 43 ayes and 2 noes.

Mr. FOSTER and Mr. WALSH made the point of order that no quorum was present.

The SPEAKER. There is no quorum present, and the Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 244, answered "present" 2, not voting 184, as follows:

YEAS—244.

Alexander	Candler, Miss.	Dent	Fordney
Almon	Cannon	Denton	Foster
Anderson	Caraway	Dewalt	Frear
Ashbrook	Chandler, N. Y.	Dickinson	Freeman
Austin	Chandler, Okla.	Dill	French
Ayres	Church	Dixon	Fuller, Mass.
Bacharach	Clark, Pa.	Dominick	Garner
Baer	Classon	Doremus	Garrett, Tenn.
Bankhead	Claypool	Doughton	Gillett
Barnhart	Cleary	Dowell	Glass
Beakes	Collier	Dyer	Glynn
Beshlin	Connally, Tex.	Eagle	Good
Black	Connelly, Kans.	Edmonds	Gordon
Bland, Va.	Cooper, W. Va.	Elliott	Green, Iowa
Blanton	Cooper, Wis.	Ellsworth	Greene, Vt.
Borland	Cox	Elston	Gregg
Bowers	Crago	Esch	Hadley
Brodbeck	Crisp	Evans	Hamill
Browne	Currie, Mich.	Fairchild, B. L.	Hamilton, Mich.
Buchanan	Dale, Vt.	Fairfield	Hamlin
Burnett	Dallinger	Ferris	Hardy
Butler	Darrow	Fess	Harrison, Miss.
Byrns, Tenn.	Decker	Fields	Harrison, Va.
Campbell, Kans.	Denison	Flood	Hastings
Haugen	Lesher	Pratt	Steenerson
Hawley	Little	Quin	Stephens, Miss.
Hayes	Lobeck	Rainey, H. T.	Stephens, Nebr.
Heflin	Lonergan	Raker	Sterling, Ill.
Helm	Longworth	Ramsey	Sterling, Pa.
Helvering	Lunn	Ramseyer	Stevenson
Hensley	McArthur	Rayburn	Stiness
Hersey	McClintic	Reed	Sumners
Hilliard	McCulloch	Robbins	Sweet
Holland	McKenzie	Roberts	Taylor, Ark.
Hollingsworth	McKeown	Robinson	Taylor, Colo.
Houston	McKinley	Rogers	Temple
Hull, Iowa	McLaughlin, Mich.	Romjue	Thomas
Hull, Tenn.	McLemore	Rose	Thompson
Humphreys	Madden	Rowe	Tillman
Hutchinson	Magee	Rucker	Tilson
Igoe	Mansfield	Sanders, Ind.	Timberlake
Ireland	Mapes	Saunders, Va.	Towner
Jacoway	Martin	Scott, Iowa	Treadway
James	Merritt	Scott, Mich.	Vestal
Johnson, Wash.	Miller, Minn.	Sears	Voigt
Kahn	Miller, Wash.	Shallenberger	Volstead
Kearns	Montague	Sherley	Waldow
Kehoe	Moon	Sherwood	Walsh
Kelley, Mich.	Moore, Pa.	Shouse	Walton
Kennedy, Iowa	Moores, Ind.	Sims	Watson, Pa.
Kettner	Morgan	Sinnott	Weaver
Key, Ohio	Morin	Slayden	Welty
Kincheloe	Nolan	Sloan	Wheeler
Kinkaid	Norton	Smith, Mich.	Williams
Kitchin	Oldfield	Snell	Wilson, La.
Kraus	Osborne	Snook	Wingo
Kreider	Overmyer	Snyder	Wood, Ind.
La Follette	Park	Stafford	Woods, Iowa
Langley	Parker, N. J.	Steagall	Young, N. Dak.
Larsen	Phelan	Stedman	Young, Tex.
Lazaro	Platt	Steele	Zihlman

ANSWERED "PRESENT"—2.

Parker, N. Y. Rouse

NOT VOTING—184.

Anthony	Farr	Lee, Ga.	Rubey
Aswell	Fisher	Lehlbach	Russell
Barkley	Flynn	Lever	Sabath
Bell	Focht	Linthicum	Sanders, La.
Blackmon	Foss	Littlepage	Sanders, N. Y.
Bland, Ind.	Francis	London	Sanford
Booher	Fuller, Ill.	Lufkin	Schall
Brand	Gallagher	Lundeen	Scott, Pa.
Britten	Gallivan	McAndrews	Scully
Browning	Gandy	McCormick	Sells
Brumbaugh	Gard	McFadden	Shackleford
Burroughs	Garland	McLaughlin, Pa.	Siegel
Byrnes, S. C.	Garrett, Tex.	Maher	Sisson
Caldwell	Godwin, N. C.	Mann	Slemp
Campbell, Pa.	Goodall	Mason	Small
Cantrill	Goodwin, Ark.	Mays	Smith, Idaho
Carew	Gould	Meeker	Smith, C. B.
Carlin	Graham, Ill.	Mondell	Smith, T. F.
Carter, Mass.	Graham, Pa.	Mott	Strong
Carter, Okla.	Gray, Ala.	Mudd	Sullivan
Cary	Gray, N. J.	Neely	Swift
Clark, Fla.	Greene, Mass.	Nelson	Switzer
Coady	Griest	Nicholls, S. C.	Tague
Cooper, Ohio	Griffin	Nichols, Mich.	Talbott
Copley	Hamilton, N. Y.	Oliver, Ala.	Templeton
Costello	Haskell	Oliver, N. Y.	Tinkham
Cramton	Hayden	Olney	Van Dyke
Crosser	Heaton	O'Shaunessy	Vare
Curry, Cal.	Heintz	Overstreet	Venable
Dale, N. Y.	Hicks	Padgett	Vinson
Davis	Hood	Paige	Walker
Delaney	Howard	Peters	Ward
Dempsey	Huddleston	Polk	Wason
Dies	Husted	Porter	Watkins
Dillon	Johnson, Ky.	Pou	Watson, Va.
Donovan	Johnson, S. Dak.	Powers	Webb
Dooling	Jones	Price	Welling
Doolittle	Juul	Purnell	Whaley
Drane	Keating	Ragsdale	White, Me.
Drukker	Kelly, Pa.	Rainey, J. W.	White, Ohio
Dunn	Kennedy, R. I.	Randall	Wilson, Ill.
Dupré	Kiess, Pa.	Rankin	Wilson, Tex.
Eagan	King	Reavis	Winslow
Emerson	Knutson	Riordan	Wise
Estopinal	LaGuardia	Rodenberg	Woodyard
Fairchild, G. W.	Lea, Cal.	Rowland	Wright

So the motion of Mr. KITCHIN was agreed to.

The following pairs were announced:

Until further notice:

Mr. OLNEY with Mr. WARD.

Mr. BOOHER with Miss RANKIN.

Mr. JOHN W. RAINEY with Mr. GREENE of Massachusetts.

Mr. WILSON of Texas with Mr. FARR.

Mr. EAGAN with Mr. PARKER of New York.

Mr. GALLIVAN with Mr. KIESS of Pennsylvania.

Mr. NICHOLLS of South Carolina with Mr. BRITTEN.

Mr. OLIVER of Alabama with Mr. PETERS.

Mr. TALBOTT with Mr. BROWNING.

Mr. SANDERS of Louisiana with Mr. MUDD.

Mr. PADGETT with Mr. HICKS.

Mr. RANDALL with Mr. FOSS.

Mr. VINSON with Mr. MOTT.

Mr. MAHER with Mr. GRAY of New Jersey.

Mr. HOWARD with Mr. COPLEY.

Mr. RIORDAN with Mr. TINKHAM.

Mr. GALLAGHER with Mr. LUFKIN.
Mr. SABATH with Mr. LEHLBACH.
Mr. GOODWIN of Arkansas with Mr. WINSLOW.
Mr. DOOLITTLE with Mr. SIEGEL.
Mr. LEA of California with Mr. SANFORD.
Mr. OLIVER of New York with Mr. SWITZER.
Mr. SCULLY with Mr. STRONG.
Mr. TAGUE with Mr. KENNEDY of Rhode Island.
Mr. DALE of New York with Mr. DUNN.
Mr. O'SHAUNESSY with Mr. WILSON of Illinois.
Mr. ROUSE with Mr. FRANCIS.
Mr. LEE of Georgia with Mr. GOODALL.
Mr. BYRNES of South Carolina with Mr. NELSON.
Mr. CALDWELL with Mr. CARTER of Massachusetts.
Mr. BELL with Mr. GOULD.

The result of the vote was then announced as above recorded.

A quorum being present, the doors were opened.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the revenue bill, with Mr. SAUNDERS of Virginia in the chair.

The Clerk reported the title of the bill.

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, I do not rise at this time to discuss at any length the revenue bill, for I agree that it is the duty of every Member of the House to make as good a bill as possible, and upon the final vote to vote for the bill, which I shall do. I wish to speak for a moment or two, however, upon the bill so far as it relates to the conduct of the war.

Maine had an election yesterday—a sort of nonpartisan affair. [Laughter and applause on the Republican side.] We had our primaries in June. They were very quiet. There were no fights. Each political party nominated its candidates without any opposition. The Republican State committee met and agreed, so far as the Republicans were concerned, that they would not have any speaking campaign. The Democrats said nothing, but immediately commenced a speaking campaign throughout the State, in every school district, in every schoolhouse, from every automobile that they could hire or borrow. Their candidate for governor, with candidates for Congress, with the candidates for every office upon the Democratic ticket, went into their speaking campaign. Upon the part of the Democratic Party in Maine it was the most unfair campaign ever conducted—an attempt to prejudice the governor and to prejudice every Member of Congress and every man who was running for office upon the Republican ticket. I need not go into the issues of the campaign—issues of prejudice, not against the governor of Maine because of anything done by his administration, because it was admitted that it had been a good administration, the best so far as business was concerned, in Maine; not on the ground that any Member of this House or of the Senate had been unpatriotic, that they had not stood by the administration, because it was admitted everywhere that they had; but outside of prejudice and local fights here and there, every candidate from the smallest, most insignificant office on the Democratic ticket made the issue that a vote against the Democratic candidate was a vote against the administration and in favor of Germany. Let me show you just a moment about that campaign. The Democratic candidate for United States Senator a few days before the election said:

> I only ask you to send to Wilson your vote of confidence in him and in his splendid leadership. Do not by your vote in September send any confidence to Germany. Defeat the Huns and the governor.

The following was scattered all over the State, put in all of the Democratic newspapers and in editorials:

> SUPPORT THE ADMINISTRATION—DISCOURAGE GERMANY.
>
> Our opponents, the Germans, are very quick and "cute" about catching onto little things by which to encourage their people in time of discouragement and distress, like the present. Don't you suppose that the German authorities and newspapers, if the Democrats get the worst of it in the congressional elections this fall by the Republicans, in this country, will at once proclaim the news from the housetops that the American administration, which has been conducting the war so vigorously against Germany, has not been backed by the United States, but on the contrary has been rebuked, and that, if the Germans will only hold on a few months longer, America may be out of the war entirely, as evidenced by the result of the election?
>
> Of course they will do just that thing, and thus a Republican victory in the election this fall would probably mean months longer of war, bloodshed, and terrible sacrifice and agony.

The fight, outside of the governorship, centered in the second congressional district of Maine, the seat now occupied by my colleague [Mr. WHITE]. [Applause on the Republican side.] A very unfair campaign was carried on against Mr. WHITE, who had supported the administration and administration measures, who had a clean record everywhere, and against whom there could be no fault found. He was opposed by Mr. McGILLICUDDY, who two years ago was left at home by the people of the district that once sent to this Congress William P. Frye and Nelson Dingley. Mr. McGILLICUDDY came before the people again for election, basing his claim upon the statement that a vote for Congressman WHITE would be a vote for the Kaiser. His record in Congress had been a record against every measure of preparedness while he was here, and my colleague [Mr. WHITE] put his record against that of Mr. McGILLICUDDY. The governor of my State, in speaking at Lewiston the last night of the campaign, said:

> I didn't come over here on my own account altogether. I came to urge the people of this district to return to Congress my friend, Congressman WALLACE H. WHITE, a clean, faithful, efficient, honest man, every inch a gentleman, for whom none of you will ever feel the necessity of apologizing to anyone for having sent to Washington. [Great applause.] I want to call your attention to the fact that you have seen no one from Washington here urging the election of his opponent. Two years ago there were Cabinet officials here and prominent Democrats of national reputation trying to help Mr. WHITE'S political opponent. They are not here to-day. This is a most significant fact. No one in Washington urges Mr. WHITE'S defeat, and for good reasons. They know his record there. They know how he stands, together with the other Maine Representatives and Senators, for the winning of the war. Mr. WHITE is loyal, as are all the other men from Maine. You have reason to be proud of him and of them. What reason is there for changing your Representative in Congress from this district? I have heard of none. No one in Washington has a reason to advance, because there is none, and they know it.

At that meeting my colleague [Mr. WHITE] said:

> He [Mr. McGILLICUDDY] says that my election will please the Kaiser and that his election will be a blow to the Kaiser. To be honest about it, I don't believe the Kaiser ever heard of either Mr. McGILLICUDDY or myself, or is ever likely to.
>
> [Laughter.]
>
> But if he has heard of Mr. McGILLICUDDY it was because he helped the Kaiser keep this country from preparing itself to fight when it ought to have been preparing, as every man with any vision at all should have seen.

I want now to call your attention, in closing, to the following telegram sent by Senator FERNALD:

> Republicans elect governor, Senator, four Congressmen. Milliken's majority, 8,000; FERNALD'S, 12,000; WHITE'S, 2,000. Vote light, but Republican gains in every county.
>
> (Signed) BERT M. FERNALD.

[Great applause.]

Mr. Chairman, two years ago Mr. WHITE'S majority was 537, now it is 2,000. I wish to say, in closing, that great credit is to be given to the President of the United States for not interfering in the Maine elections. There has been great pressure brought upon the President. He has refused to send into Maine letters advocating the election of Mr. McGILLICUDDY in the second district.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. HERSEY. Yes.

Mr. FORDNEY. The President tried his interference in Michigan and found it failed. Therefore he let Maine alone.

Mr. HERSEY. Whatever the reason was, I think the President understands now that the people of this country are going to take care of their own elections from now on, and I think this will be a good omen for every man who goes into the campaign in the ides of November. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield 30 minutes to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, in the latter part of May of this year the President came before Congress and asked us at once to take up the matter of additional taxation, which he deemed necessary to be imposed in order to carry on the war. Pursuant to his request, this bill is now before us. Upon it the Ways and Means Committee have spent months of arduous labor. In its most important features it reflects the views of the administration. The President said that we should turn to war profits, incomes, and luxuries for additional taxes, and the committee has done so. The President said that enormous loans, the proceeds of which were freely spent in stimulation of industry, caused inflation and extravagance, and rightly he concluded that the amount raised by taxation must be greatly increased. The bill provides for the amount desired by the administration. The President has since stated that profiteering existed to a large extent and that the bill should be so framed as to reach profiteers. I am of the opinion that it would be better to use more efficient methods to prevent profiteering at the expense of the Government in the first instance, but I believe that if this bill does not reach the profiteers it will either be because of some lack in administration or because it is not possible to reach them after the profits have reached their pockets.

Speaking broadly, the only important change in the plan of the bill from the present law is the tax on what is called war profits, and the establishment of an advisory board to adjust and equalize the assessments.

Early in the deliberations of the committee plans for a war-profit tax of 80 per cent were suggested. One plan brought

forward by the gentleman from Georgia [Mr. CRISP] proposed the levying of this tax as an alternative in cases where it would return the greater amount to the Government. The other, proposed by myself, used the same percentage as a superimposed tax upon the excess-profit tax where the excess-profit tax failed to take the same proportion of the war profits. I shall not stop to give details of my plan, which can be found in the hearings of the committee. The plan was, in fact, rejected before ever being considered, by reason of the Treasury announcement that it favored the alternative method. The alternative plan has its merits and also, as I believe, its defects. It would be futile to discuss them now, but my objections to it will be also found in the hearings.

I believe there are many excellent features connected with the bill. It unites in one law all the internal-revenue statutes which it will be necessary for the ordinary citizen to consult. By taking the individual and copartnership away from liability to the excess-profit tax it has greatly relieved the farmer, the small merchant, and other concerns which did not maintain an accurate and detailed system of bookkeeping covering matters which they usually do not find necessary to include in their accounts. At the same time, by reason of the increase in the income taxes, and especially surtaxes, these parties will pay their proportionate share of taxes. The language of the income tax has been simplified as much as possible. The retention of what is called the normal tax on incomes and its distinction from the surtaxes which it seemed necessary to preserve prevented stating the income tax by mere gradation of rates, but it will be easily understood in the form now presented. The vast sum raised by this bill will be procured without touching necessaries or taxing the consumer except in a very slight degree. Thus the bill avoids adding to the high cost of living, which already bears so hard upon a large portion of our citizens who have not seen their incomes rise in proportion to their necessary expenses. Never did any nation raise such a huge sum by taxes which so largely came from those best able to pay and which so little burdened the masses of the people. This much, and it is much indeed, can be said for the bill; but it does not mean that I concur in all its details, and perhaps no member of the committee does. I voted, however, to report the bill and shall vote for its passage. Money we must have to carry on the war, nor can we take our time in debating how it should be obtained.

Let me say in this connection that the fact that the Committee on Ways and Means, composed of such diverse elements and, I might say, opposing forces, were able to unite in reporting this bill was largely due to the ability, the tact, the fairness, the unfailing good humor, and, above all, to the unquestioned integrity of purpose of the distinguished chairman, the gentleman from North Carolina [Mr. KITCHIN], who presided over that committee. [Applause.]

I shall not at this time go into a discussion of the details of the bill, which are already thoroughly reviewed. Before considering its details the country will want to know something with reference to the enormous amount which it carries. I believe the patriotic citizen will be inclined to accept the decision of Congress and the administration as to how he shall pay his taxes, but he will want to know first why it becomes necessary to tax the people an amount greater than the total cost of four years of the Civil War, bonded indebtedness and all. He will want to know why it is necessary for us to raise a greater amount by taxation in one year than any other country ever did before in the history of the world. He will want to know why, when we are only in the second year of the war, our expenses should follow closely upon those of England for four years of war. It is no answer to these questions to say that our total expenditures for the next fiscal year are estimated at twenty-four billions of dollars, not including contract authorizations, and that this bill proposes to raise one-third of that amount by taxation. Our citizens still have a right to ask whether it is necessary that we should expend such a vast sum and whether our expenses may not properly be lessened. I feel it my duty to give them a candid answer and to state the facts as they are.

Do not misunderstand me here. Neither I nor anyone who has supported the war would ever think of imperiling its success by stinting the money which would be necessary to the end in view. The issues involved are of such importance that we must win the war whatever the price may be. A nation which has, like ours, so freely offered its best blood to be shed in order that a military autocracy might not dominate the world will not for a moment hesitate to pay any taxes necessary to enable it to put forth the greatest military effort that its resources, either of men or materials or credit, will permit. But just as a great expense is necessary to win the war, so the careless expenditure of funds on so vast a scale may be the way to lose it. Lloyd-George once said that the last shilling would win this war, and I much mistake the temper of the American people if they will not spend their last dollar rather than lose it; but it becomes necessary that we should make certain that in this mighty struggle, where financial strength counts so much, that we so husband our resources that we shall have the last dollar to spend. [Applause.] If this be conceded, and it must be, then we ought not to bring in a bill taxing the people of this country $8,000,000,000 without any provision insuring that it will be properly expended.

Ever since the war began, economy has been the last word spoken and the practice least observed among us. Some may say that this is but natural, that war is always wasteful, and necessarily so. I grant it, and will even go further and say that we are the most extravagant and wasteful of all people, but we are in the position of a runner starting upon a marathon race. If we exhaust our strength and vigor by needlessly expending them on the first few miles, we can not expect to win. Are we husbanding our resources and avoiding waste? I shall undertake to show that the contrary is true, and if true it follows that provision should have been made in the bill for ascertaining the amount of this waste, and for finding out when, where, and how it has occurred in order that we may avoid its repetition. What this provision should be I will state after I have first shown its necessity.

Let us for a moment compare our situation with that of Great Britain. Great Britain has an enrollment in its army more than double the number of men that we have. Its navy is more than three times the size of ours. Like us, it is fighting in the war abroad. Like us, it has transported men vast distances to bring them into the fight. It has had vastly more men on the battle line and is compelled to expend vastly more for munitions and other war materials. Yet, although our Army is less than half the size of that of Great Britain, our Navy only about one-third as large, our need of munitions and supplies not one-tenth, the war is costing us daily 50 per cent more than it costs Great Britain, and for the fiscal year will cost us 100 per cent more. I know, as everyone knows, that we are paying our soldiers and sailors much more. I know that we would naturally expect the cost of production of materials in this country to be much higher than in England. But after making all due allowance for such matters, who can deny that our war expense is far out of all proportion as compared to that of Great Britain? It is clear that if we corrected our methods, we would obtain the same results with a decrease of expenditures so great that our success or failure in the war might depend upon our having obtained it. Why, then, should we not correct them?

Where is the fault? Primarily right here in Congress itself, which has practically abdicated its duties with reference to war expenditures. We do not know how the Nation's money is being spent and with a few exceptions we have not taken the means to find out. Where we have made inquiry the results of the investigation have been both astonishing and mortifying. Rumor has it that most of our materials cost us ten times as much as they do in England and twelve times as much as in France. Is this true? Probably an exaggeration, but how much of an exaggeration no one knows, although it could easily be found out. We have only to look around us to see on every hand hand the evidence of waste. Indeed, waste is unavoidable under the system, or rather lack of system, which now prevails.

I concede that in the stress of war we can not always use the ordinary legislative methods in making our appropriations. Emergencies will arise which will not permit of delay and the procedure of times of peace, but it does not follow that Congress can not keep a watchful eye upon expenditures and correct them. On the contrary, this is just what it should do and just what it has not done except in few and rare instances. I do not expect to find actual criminality in the legal sense. So far as actual and literal stealing is concerned, I think there have been few wars in which there has been so little in proportion to the amount of money handled as in this. There are abundant opportunities for making unjustifiable profits without running any risk of a term in the penitentiary. Petty thievings have occurred of a kind that are found in every class of business, but I believe that he who seeks to find malfeasance on a large scale which will subject some person to the operations of our criminal laws is chasing a will-o'-the-wisp, whether it be in relation to the construction of aircraft or elsewhere. While enormous waste can be found, I do not anticipate criminality will be proven.

It may be said that our accounts are all audited by competent and honest officials. True; but these auditors have only to find that the money has not been expended in violation of law. They have nothing to do with the question of whether it has been wisely used. So, also, the General Staff, which controls our

military policy, do not find it part of their functions to consider the cost of any policy which may be proposed. Of course, any official who has any proper sense of his duty and who has charge of the expenditure of money will endeavor to obtain as much for the money as is possible, but unfortunately, as all of us know, many of those who make contracts for the Government are inexperienced in the matters with relation to which they deal. Competition has arisen between various departments, so that one department has bid against another. When one department is enlarged, there is a disposition on the part of each other department to enlarge its functions; to extend its operations into fields already occupied by other departments; to undertake operations which can far more economically be carried on under private management; to increase the number of its employees and to see that they are paid at least as high as those in any other division; to ask for increased and enlarged quarters, and in a thousand and one ways either increase of multiply expenses. All this is but natural, and will inevitably exist as long as no proper supervision by Congress is maintained.

The system of purchase under which the greater part of our material is obtained is altogether faulty and can not result but in the Government being greatly overcharged. Instead of inducing economy, it tends directly to waste and extravagance. With respect to many contracts, the vicious cost-plus system still prevails. Testimony given in the hearings before our committee shows that contracts for war materials are being made with wide margins, intended to cover all conceivable losses which the contractor might eventually be found to have sustained. In other words, the contractor puts a figure on the cost to cover every conceivable contingency of loss and adds what he considers a reasonable percentage of profit. Some of these contracts actually contain a clause which might be considered to grant reimbursement for taxes which might eventually be paid on the profits of the transaction. In some of the later contracts it should be said that these faults have been corrected by having a reasonable cost fixed as well as the profit by the contract. In case the reasonable cost is exceeded, a deduction is made from the profit. If the estimated cost is lowered, a premium is given on the profit. Thus the profit rises as the cost decreases and is lessened as the cost becomes higher. Thereby a strong inducement is held out to the contractor to make the cost as low as possible. Why this method was not used in the beginning instead of the cost-plus plan is one of those things that no one will ever find out.

Everyone who has any personal knowledge of the building of the cantonments, shipyards, and ships under the cost-plus contracts knows of the immense waste that occurred. There is gross waste in our navy yards and arsenals, where men are used to do work which ought to be done by machinery. The same waste occurs in the Bureau of Engraving and Printing. We are building ships regardless of cost, and wastefully paying any price for labor that may be demanded, with the result that the shipyards increase the pay of all other classes and the cost of the production of all kinds of food and necessaries. Why should you expect a man to work on a farm for less than $7 a day if any man who can handle a saw and a hammer can get a larger amount in the shipyard? And so we go on. As costs of production increase the cost of living increases. New demands for increases of wages are then made, and we travel in a vicious circle, which never ends but ever widens, affecting all classes of the people, and most of all the Government, which pays first 50 per cent more, then 100 per cent more, then 200 and 300 per cent more for what it obtains than it did before the war. If labor costs and contractors' profits had been handled with half the firmness and decision used in England, the home of the labor unions, we would have had no such a situation, but when the workingman sees his work used for profiteering, what can be expected but that his demands will increase. Out of all this arise such conditions as the malodorous Hog Island scandal, which smelled to heaven, with contractors, subcontractors, owners of land, and employees of every kind gouging the Government at every opportunity, until at last it took the management entirely into its own hands, as it should have done in the first place and should do in all cases where the Government furnishes all the money with which to carry on the operations. Whenever the Government furnishes all the capital it should take full control and responsibility and not leave the payment of salaries, commissions, rates, construction charges, and price of land to be determined by the cost-plus plan or anything similar to it.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. MOORE of Pennsylvania. Is it not a fact that the farmer is very much handicapped at the present time by the withdrawal of labor from the farm by shipyards and other large operations of the Government where high wages are paid?

Mr. GREEN of Iowa. It is a fact. Farm wages have risen beyond anything that was believable. The gentleman from Nebraska told me the other day that he was paying—how much?

Mr. SLOAN. Eighty dollars a month.

Mr. HAUGEN. A hundred dollars a month in Iowa.

Mr. GREEN of Iowa. And board, of course.

Mr. MOORE of Pennsylvania. I want to say, so long as the gentleman puts that in his speech, that the same difficulty is experienced by manufacturers and employers of labor near by the cities where they have great difficulty in holding labor on account of the high prices offered by contractors under the 10 per cent cost-plus plan. I take it the same thing operates against the individual farmer.

Mr. GREEN of Iowa. And out West we are trying to run the farm with the old men, the women, and girls.

Mr. TILSON. Will the gentleman yield right there?

Mr. GREEN of Iowa. Yes.

Mr. TILSON. The gentleman speaks of the Government taking over these works under certain conditions. Is there any indication after the Government takes them over it is any different in regard to wages?

Mr. GREEN of Iowa. Not as far as wages are concerned, but they have abolished some kinds of graft which prevailed when the Government took them over.

Every department of the Government has been enormously increased without any effort to ascertain whether the employees which it already had were working to full efficiency. Waste. Millions are voted for new buildings in Washington, while the big Maltby Building, owned by the Government, stands unoccupied, and no examination is made as to whether the buildings we have recently constructed are fully occupied. Waste. The newspapers are filled with advertisements for stenographers and typists, and no investigation is made as to the amount of work which those already employed are doing. If there was it would be found that a large number of them are not fully employed. Waste. The Treasury Department buys lands and constructs buildings. When Congress refuses to approve the transaction as wasteful, it is paid for out of the special fund in the hands of the President. The Shipping Board is given millions upon millions to build houses practically as it pleases, and the Secretary of Labor is given millions upon millions more to build houses and recreation centers practically as he pleases, with other things that might be admirable in time of peace for the local governments themselves to build, but which is waste on the part of the Government to build for suburbs which may lack inhabitants after the war. A $500,000 warehouse is built on an aviation field in Ohio to hold material manufactured in the extreme East, which must be sent back to eastern ports for shipment. Troops are shipped from the North to the South and from the South to the North, from the West to the East and back again to where they started. A hundred and sixty so-called conscientious objectors are shipped from western Kansas to central Iowa to meet three commissioners who are to classify them. Waste. Everywhere waste. Millions upon millions are voted for a water-power nitrate plant in the South ostensibly for war purposes, although it can not be completed until after the war is over, and can not then be profitably operated. Waste. Accordingly more millions are spent to erect a steam-power plant for the same purpose and in the same locality, although the expert engineers report that there is a far better and more economical way of obtaining this material. Waste. Enormous waste. This, you say, is congressional waste. It is, although Congress is not responsible for the construction contracts of this project which will enable a single concern to profit to the extent of a million dollars with only a nominal investment in the way of capital.

In fact, if comparisons are made it must be admitted that Congress is one of the worst of the sinners in this respect. It has created boards and commissions galore, and when it could think of no more subjects or departments in which to create commissions, as the gentleman from Mississippi [Mr. HUMPHREYS] well remarked the other day, it has created a new commission to do exactly the same things which form part of the powers and duties of a commission already created. We have boards or commissions on everything that could possibly be invented, thought or dreamed of, except a commission on economy and efficiency.

It is a poor excuse, but the fact is that little of the waste in this line was originated by Congress itself. Rather, it has been brought about by the persistent and continuous demands of the various departments, to which Congress has most unwisely yielded. In the Agricultural bill recently pending in the Senate we have appropriated nominally for the benefit of the farmers millions of dollars for all sorts of things that they did not want and would not use, including instructions how to make cottage cheese and how to put in crops. The crops are already har-

vested, but I have no doubt the money will be spent. Waste, more waste.

Mr. SLOAN. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. SLOAN. The gentleman complains about not having had a committee on economy and expenditures. With whom does the fault lie that such a committee was not established? Is it with the Ways and Means Committee, with the House of Representatives, the Senate of the United States, or some other body or power?

Mr. GREEN of Iowa. The gentleman, I think, will have to go on still higher up to find the reason why such a committee has not been established—a committee on expenditures.

Mr. SLOAN. I hope the speaker will lead me as high up as is necessary so as to get the information.

Mr. GREEN of Iowa. I will endeavor to do so before I get through.

Mr. SLOAN. I accept the gentleman's promise.

Mr. GREEN of Iowa. I have never been one of those who joined in the attack on the Food Administration, but I am clearly of the opinion that a large portion of its employees might be safely dispensed with. Its work is carried on here when it ought to be carried on in Chicago, and as a result we are unnecessarily constructing in Washington buildings in which to house its employees or the employees of other departments. Waste, eternally waste. I do not know what these buildings will be, but I have seen some of the houses constructed by the Shipping Board in one of its newly constructed towns. There I saw beautiful six and seven room houses, each one different from any other, turreted and gabled in the most expensive style, the architect having never for a moment considered the expense of construction for houses that after the war will be inhabited by bats and owls. I wish that the ordinary Congressman could find in Washington in war times such living accommodations.

What is the result? It is this: We have been in the war a year and a half and spent about as much as England in three years, although, as I have said, during most of the time they have had an army twice the size of ours and a navy three times as large. But some say we have incurred a large expense in the way of preparation and that our appropriations will decrease. Do not deceive yourselves. We have merely entered on the threshold of the war, so far as expenses are concerned. So far we have only had about 200,000 to 300,000 men on the fighting line. We expect to have five times as many and our total enrollment to be more than twice what it is now. Where we are now using shells by the thousands or the millions we shall be using them by the tens of thousands or the tens of millions. Judging from the past, I speak to some who will not hear, but I warn the country that we can not go on this way indefinitely, and if we could, there is no justification for placing such burdens either on the present generation or those of the future.

Competitive bidding is not made use of to the extent it should be and competition is often on the wrong side, the Government bidding against itself. The system adopted by the Navy is highly commendable, and if it were better coordinated with the War Department, so that one department would not bid against the other, little improvement could be suggested in it; but the War Department has, for the most part, proceeded upon plans that enormously increased the cost of what it purchased. At first the Quartermaster's Department would neither make public its needs in such a way that they would generally be known and competition result, nor would it make public the prices which it paid. Time and again contracts were let at prices far above those at which other parties stood ready to furnish the same goods, and even yet it takes no proper methods to insure competition.

The aircraft construction section, which, it should be understood, is not a part of the Army, has been conspicuous for its waste, but we know it is conspicuous only because it is the only one that has been investigated by Congress.

The testimony on the hearings before our committee shows that at the outbreak of the war the piano manufacturers, whose business was dull and whose factories were already fitted to make everything in connection with frames for airplanes, desired to put their works at the service of the Government. Instead of accepting their proposal the Aircraft Board erected costly buildings which, according to the testimony before our committee, are being little used to-day. This was waste, pure waste, and the board continued to waste money in building machines that were experiments when models could be obtained of machines whose success had been demonstrated. The report issued by the Senate committee shows that practically all of the $680,000,000 given to this board has been wasted. Nearly $3,000,000 was put into buildings located in a swamp which is sooner or later to be flooded, as it is part of a drainage reservoir.

Mr. SLOAN. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. SLOAN. Was not that field designed for the construction, the use, and practice of submarines rather than airplanes?

Mr. GREEN of Iowa. In the future it will be better adapted for that purpose, I think.

But the hundreds of millions that have been wasted in this connection are not the greatest waste. That occurred on the field of battle. Oh, the pity of it! Oh, the shame of it! that the lifeblood of America's young men should have been poured out upon the battle field because of lack of airplanes for proper scouting work and for defense against the German aircraft that, flying low, raked their lines with a storm of bullets from machine guns and dropped bombs upon them during the advance from the Marne.

Some say that this is of the past and "let the dead past bury its dead." I am willing, provided along with the past we could bury those who are responsible for such conditions. [Applause.] But unfortunately it is not of the past. The same conditions still continue. In the Evening Star of day before yesterday I find the following item:

GERMAN FLIERS BUSY.

The German aviators contributed materially to the rear-guard defense. Every yard the French and Americans advanced was noted by the enemy aviators, who also took an active part in the efforts to stop the allied progress, but in the long run their efforts were as ineffectual as those of the line of machine-gun nests. The airmen repeatedly bombed the Americans and let loose with their machine guns while flying low. The light forces advancing, however, were never more than momentarily checked, as, after disposing themselves for defense in a way their mobile formation made possible, their progress would be resumed after a moment or so.

Does some one ask how long such reprehensible conditions are to continue? I answer that they will continue as long as an attempt is made to conceal them and cover them up.

With proper supervision by Congress no such follies and blunders which approach a crime would have been permitted and the repetition of the mistakes and blunders in other quarters would be prevented. Only a management which has something which it wishes to conceal is afraid of investigation. We know now why such persistent efforts were made to suppress an investigation with reference to aircraft construction until the greater portion of the facts had leaked out through sources that could not be stopped up. Rightly or wrongly, the effort to suppress investigations elsewhere must inevitably give to the American people the opinion that investigations are needed because they are obstructed and disapproved.

Everyone admits that waste is going on, and from high quarters has come the suggestion that a budget system should be adopted. A budget system in time of peace would doubtless be much improvement over our present procedure, but no country ever found a budget system practical in time of war. England has been compelled to abandon it, and no statements are now presented by the war department to the House of Commons or budgets by the chancellor of the exchequer. The special feature of a budget system is the fixing in advance of the amount which may be expended by a department for the current year, but it is obvious that if Pershing says that new airplanes must be sent him because the old ones are worthless, or that he has not artillery enough, or that material has in some way been lost, worn out, or destroyed in the course of the war and must be replaced, that he can not be told that the estimates for the year are made up and that the War Department can spend no more. The vicissitudes of war absolutely preclude determining in advance the amount which will be expended to carry it on. Our own War Department has been compelled again and again in the course of the last year to come to Congress and ask for additional appropriations. The requirements in the Army and Navy are constantly changed with new developments and the fortune or misfortune with which the war may be carried on. It is obvious that however advantageous the budget system may be in time of peace it is unworkable in time of war.

For the same reason we can not always avoid voting sums in bulk. War requires decisions to be made instantly, and urgent matters can not wait for the passage of a special authorization with the cost of every item specified.

What we need is congressional supervision through a joint committee on expenditures and less disposition on the part of Congress to constitute merely a rubber stamp to be impressed upon measures that are presented to it. [Applause.]

No other nation proceeds as we do. From the first England has been far more economical than we have, but it soon found it necessary to appoint a committee on expenditures of over 20 members, which has been divided into various subcom-

mittees and has presented a voluminous report. Through this committee careful supervision is kept of whatever that nation expends. Great savings have already been made through this committee, and the effect of its watchful eyes has been very apparent. Certain kinds of artillery are now actually being obtained cheaper by England than in the early part of the war, and numerous instances where great savings could be effected have been pointed out and the suggestions acted upon.

At the outset of the war I proposed the appointment of a joint committee on expenditures taken from the House and Senate and a provision for it ought to have been carried in this bill, and I doubt not it would have been carried had it not been for the opposition from the White House. The committee should, as proposed by the gentleman from Pennsylvania [Mr. MOORE], be made up equally of Republicans and Democrats taken from the House and Senate. Its findings would be non-political and would everywhere be accepted by the country. Why should anyone but those who fear exposure be afraid of it? It would have nothing to do with military operations, but it would greatly lessen the amount carried by bills like the one we now have before us, and no step that Congress could now take would more contribute to the winning of the war. The sooner it is appointed the less will be the regret that it was not established earlier.

I do not now expect that such a provision will become a part of this bill, but I do expect that the march of events will ultimately compel its adoption.

Mr. Chairman, we can make no greater mistake, nor one that is more likely to prove fatal to our success in this war, than to fail to take a correct view of our surroundings. We should neither reverse the glass, so that we are looking through the wrong end of the telescope, nor should we use one that unduly magnifies our difficulties. Our task is heavy but we are strong and our resources so great that if we do not waste them victory is certain. What we need, what we must have for ultimate success, is the truth, always the open, naked truth. Pitiless publicity is ever the greatest enemy of waste and inefficiency. Where resources are evenly balanced the side that turns on the light will win. To stifle publicity is but to insure that the mistakes and the blunders which have heretofore been perpetrated will continue unabated.

There is no lack in spirit or performance on the part of our Army. Its glorious record has been further extended upon the fields of France. The names of Cantigny, Chateau-Thierry, and a score of other battles will forever live in our history. While our soldiers have been struggling and conquering, fighting and dying, the slimy trail of the profiteer has marred our record on this side of the ocean and the slacker has been permitted to use their heroism for his own protection. Every day the blood-soaked soil of Europe gives new proof of the valor and devotion of the men who have willingly responded to their country's call and offered their lives that freedom might not perish from the earth. It is our duty to see that their lives are not wasted through waste and inefficiency at home, and we shall play an ignoble part, indeed, if we lack the courage to strike at the root of those evils which may render all their noble sacrifices in vain. [Applause.]

Mr. HASTINGS. Mr. Chairman, I make the point of order there is no quorum present, and I think we ought to have a quorum in the House when an important bill like this is being discussed.

The CHAIRMAN. The gentleman from Oklahoma makes the point of order there is no quorum present, and evidently there is none. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anthony	Costello	Foss	Heaton
Aswell	Crago	Francis	Heintz
Barkley	Cramton	Fuller, Ill.	Hensley
Blackmon	Crisp	Gallagher	Hicks
Booher	Dale, N. Y.	Gallivan	Holland
Borland	Delaney	Gard	Hood
Brand	Dempsey	Garland	Howard
Britten	Denison	Glass	Husted
Brodbeck	Dies	Godwin, N. C.	Johnson, Ky.
Burroughs	Dillon	Goodall	Johnson, S. Dak.
Butler	Dooling	Goodwin, Ark.	Jones
Byrnes, S. C.	Doolittle	Gordon	Juul
Caldwell	Drane	Gould	Kahn
Caraway	Drukker	Graham, Pa.	Keating
Carew	Dunn	Gray, Ala.	Kelly, Pa.
Carter, Mass.	Dupré	Gray, N. J.	Kennedy, R. I.
Cary	Eagan	Greene, Mass.	Key, Ohio
Chandler, N. Y.	Emerson	Gregg	Kiess, Pa.
Church	Estopinal	Griest	King
Clark, Fla.	Fairchild, B. L.	Griffin	Knutson
Claypool	Fairchild, G. W.	Hamilton, N. Y.	Kraus
Cleary	Farr	Hamlin	LaGuardia
Coady	Ferris	Haskell	Lea, Cal.
Cooper, Ohio	Fess	Hayden	Lee, Ga.
Copley	Flynn	Hayes	Lehlbach
Lever	Oliver, N. Y.	Sanders, N. Y.	Tinkham
Linthicum	Olney	Sanford	Van Dyke
London	O'Shaunessy	Saunders, Va.	Vare
Lufkin	Overstreet	Schall	Venable
Lundeen	Paige	Scott, Pa.	Vinson
McAndrews	Peters	Scully	Walker
McCormick	Polk	Shackleford	Ward
McFadden	Porter	Sherley	Wason
McLaughlin, Pa.	Powers	Shouse	Watkins
Maher	Pratt	Slemp	Watson, Pa.
Mann	Price	Small	Watson, Va.
Martin	Ragsdale	Smith, Idaho	Welling
Mason	Rainey, H. T.	Smith, C. B.	Whaley
Mays	Rainey, J. W.	Smith, T. F.	Wheeler
Meeker	Randall	Snyder	White, Me.
Mondell	Rankin	Stephens, Miss.	White, Ohio
Montague	Reed	Sterling, Pa.	Wilson, Ill.
Mott	Riordan	Stevenson	Wilson, Tex.
Mudd	Roberts	Strong	Winslow
Neely	Rodenberg	Sullivan	Wise
Nelson	Rowland	Swift	Woodyard
Nicholls, S. C.	Rubey	Switzer	Wright
Nichols, Mich.	Russell	Tague	
Nolan	Sabath	Talbott	
Oliver, Ala.	Sanders, La.	Templeton	

Thereupon the committee rose; and the Speaker having resumed the chair, Mr. FLOOD, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, finding itself without a quorum, he had caused the roll to be called, and that he presented therewith a list of the absentees for insertion in the Journal and RECORD.

The SPEAKER. Two hundred and thirty-three Members are present, a quorum. The committee will resume its session.

The committee resumed its session.

Mr. FORDNEY. Mr. Chairman, I yield one hour to the gentleman from Ohio [Mr. LONGWORTH]. [Applause.]

Mr. LONGWORTH. Mr. Chairman and gentlemen of the House, I wish to say at the very outset that I speak here to-day not as a Republican, but as a willing worker in the cause and as a Representative responsible to all of the people of my district, regardless of party. [Applause.] There is no one here, I think, more interested in the welfare of my party than I. I confess that I rejoiced at the welcome news from Maine this morning, but in a crisis like this I subordinate that interest entirely to what I conceive to be the welfare of all the American people and the winning of this war.

Never before in my 14 years' service in this House have I approached the consideration of any measure with such a sense of heavy responsibility. We are about to impose upon the American people taxes far higher than they have ever borne; we are about to burden them as no peoples in the history of the world have been burdened; we are about to cause them to pay in taxes a sum which would have financed the entire cost of the Civil War for both sides, and then left something over. Such huge taxes as these, my colleagues, are not to be imposed without the most solemn deliberation, and each one of us should be fully alive to the grave responsibility that rests upon him.

Is it too much to hope that gentlemen will not attempt to materially amend this bill except only after the most careful thought and the most thorough consideration? Not that it is perfect, by any means, not that it may not develop that amendments may be found advisable; but at least this can be said of it, that it represents the final compromise and meeting of minds of 23 men of all shades of economic thought and after three months' work, who, if gifted with no uncommon wisdom or ability, have at least proceeded deliberately, cautiously, and conscientiously, and without a thought or suggestion of partisanship. [Applause.]

The gentleman from Michigan [Mr. FORDNEY] and the gentleman from Pennsylvania [Mr. MOORE] yesterday both criticized and criticized very properly from their point of view certain features of this bill, but their criticism was constructive and not destructive, and was animated not by partisanship, but by a sense of their responsibility as Members of this House. Any man who would seek in this solemn hour to obtain partisan advantage or make political capital for home consumption out of such a bill as this is, to my mind, a creature so infinitesimally small that when he shall retire to private life, as he speedily will if he meets his deserts, his neighbors may well say of him, "There goes nothing."

In the imposition of taxes such as these we must always keep in mind two principal considerations: First, not to reduce or destroy the revenue-producing power of the country; and, second, not to impair its capacity to absorb the coming issues of liberty bonds. Both of these things would inevitably happen from injudicious or over taxation. I need not elaborate the point that excessive taxation would impair the country's ability to buy bonds. That is self-evident. But why it should destroy revenue

is perhaps less clear and may deserve a word of explanation. To persons who have not given the question the most serious thought it might seem axiomatic that higher taxes will always mean higher revenues. Such, however, is emphatically not the case, for two reasons:

In the first place, if you impose too high a tax on incomes, and those particularly of the larger class, you will inevitably drive the capital from which these incomes are derived into nontaxable securities, and, in the second place, if by excessive taxes on business profits you destroy the human initiative and ambition to engage in those businesses, you will thereby destroy the sources from which these revenues may be derived. You may by taxation take from a man all he made this year, but you can not force him to remain in business, nor can you prevent his putting his capital where its returns can not be taxed next year.

There are outstanding in this country to-day something over $8,000,000,000 worth of Federal, State, and municipal securities, the proceeds of which are not subject to Federal taxation. Under this bill we are endeavoring to reach those State, county, and municipal securities which may be hereafter issued, though I admit that there is some doubt as to the constitutionality of that course. This, however, will in no wise affect those already issued and outstanding. These nontaxable securities would offer a tempting and fruitful field for investment for those whose incomes we may overtax, in which case no one will be the loser except the Treasury of the United States.

This bill imposes a flat tax of 80 per cent on war profits; a tax running as high as 70 per cent on excess profits, and a tax running as high as 77 per cent on incomes. This, I think, is high enough. In fact, I am not sure but that it is mighty near the danger mark. We must remember that this is a bill to raise revenue, not a bill to reorganize society. The question as to what some of us may think is a proper amount for a rich man to live on in war time is subordinate now to the amount we can properly and effectively exact from wealth for the support of our military program.

Mr. MADDEN. Would it interrupt the gentleman if I asked him a question?

Mr. LONGWORTH. I would be glad to yield to my friend.

Mr. MADDEN. The gentleman has just stated that this bill imposes 77 per cent tax on incomes in some cases. Does the gentleman know that the average State, county, city, and school taxes collected by the political subdivisions indicated already amount to about 31 per cent on the incomes, and that this added to it would make it 108 per cent?

Mr. LONGWORTH. Well, the gentleman is hardly correct about that. I do not know exactly what the average of State taxation may be, and I should think that 30 per cent is not much out of the way; but that is deducted from the income before the Federal tax is imposed, and therefore the total tax could never reach 100 per cent.

Remember this, gentlemen, that just so surely as you impose a tax which amounts to plunder, just so surely will you overshoot the mark and render difficult, if not impossible, our task of furnishing the money necessary to effectively prosecute the war.

Mr. FESS. Mr. Chairman, will my colleague yield to me?

Mr. LONGWORTH. Yes.

Mr. FESS. To a question that grows out of the question asked by the gentleman from Illinois [Mr. MADDEN]: In comparing the rates of tax that this bill entails upon the country with the rates of tax in England, would the rates carried in this bill represent all the tax that the country pays, as would be the case in England, where they do not have the subdivision taxes?

Mr. LONGWORTH. No. In England, as I understand, the only taxes outside of the national tax are some local municipal taxes. There are there no such things as State or county taxes.

Mr. FESS. But there are people claiming that we are not laying as high a tax as European countries are laying. Is it not possible that we may lay an even higher tax than European countries when you take into consideration our local taxes?

Mr. LONGWORTH. We are not laying as high a tax on certain classes of incomes as does Great Britain, but on the larger incomes we are imposing a decidedly larger tax.

Mr. MADDEN. How would it be when it is combined with the local taxes that I have been talking about?

Mr. LONGWORTH. Probably the taxes provided in this bill on incomes of almost all kinds will, if added to the taxes that must be paid in the States, represent a higher rate of taxation than that levied in Great Britain.

Mr. HAMILTON of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. HAMILTON of Michigan. Is a municipal bond that is nontaxable under the laws of the States taxable under this bill?

Mr. LONGWORTH. No municipal bonds are taxable under this bill except those hereafter to be issued.

Mr. GARNER. And then only the income from the bond.

Mr. LONGWORTH. Yes; then only the income from the bond. Of course they are to be taxable as a part of the income of the holder.

Even more important than the question of the effect that this bill will have upon the revenue is the question of the effect it may have on the coming issue of liberty bonds, and I ask every Member of this House during the consideration of this bill to keep that fact uppermost in mind, because at least two-thirds of the revenue that we must raise in the coming year is to be by bonds.

This tax bill, huge as it is, represents only one-third of that amount. Nothing could be more disastrous to our cause than that the bond issue should be a failure, and we should be scrupulously careful therefore that nothing we do here shall prejudice its success. Most of the bonds will be purchased by individuals, and their purchasing power will be directly affected by the taxes on their incomes.

Let us examine, therefore, the income tax provided in this bill to see how it may affect the salability of these bonds. First, let me lay it down as an axiom that the higher the normal tax and the lower the surtax the more attractive will be the liberty bonds as a field for investment. That is self-evident, it seems to me, because the income derived from liberty bonds is liable only to the surtax and not to the normal tax. Therefore the higher the normal tax the more valuable the bond is as an investment.

It seems to me self-evident also that these bonds must be made at least a fairly attractive investment if five or six billions of them are next month to find a ready market. England, with a 30 per cent normal tax and about a 50 per cent maximum surtax, is in a much more fortunate position, so far as the bond question is concerned.

The gentleman from Pennsylvania [Mr. MOORE] yesterday thought that our income rate, our tax rate on the lower incomes—and he particularly spoke, I think, of incomes from $5,000 to $50,000—was too high. Now, let me contrast those lower income rates with the rates now imposed in England, keeping in mind always the fact that England has a 30 per cent normal tax while we have only a 12 per cent normal tax. The tax provided in this bill on an income of $5,000 is $180. In England it is $937.50. In this bill the tax on incomes of $10,000 is $845; in England, $2,625. On $15,000 in this bill, $1,795; in England, $4,812. On $25,000 in this bill, $4,245; in England, $8,937. The two taxes are gradually approaching each other, as you will see. On an income of $50,000 in this bill the tax is $12,495; in England, $20,937. And it is not until we get to incomes of $300,000 that the tax provided in this bill is higher than the tax provided in England.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. MOORE of Pennsylvania. My criticism yesterday was directed more particularly to the raising of the normal tax from the 4 per cent that it is now and from 10 per cent that we had in the bill originally to 12 per cent, as in the bill as it is now presented; and my argument, while it applied also to these lower surtax brackets, was directed particularly to the fact that the men of small means paying this normal tax would be less able to buy the liberty bonds than heretofore and would be at a disadvantage in the general financial arrangement laid down in this income-tax provision.

Mr. LONGWORTH. I hope to be able to show that the question of the size of the normal tax is more important with regard to the attractiveness of liberty bonds as an investment than it is as to the question of revenue or the amount of tax that it may raise. With our normal tax at 12 per cent and a 65 per cent maximum surtax upon the higher incomes, we are not in a position in this respect so fortunate as Great Britain.

Personally I should have been willing to vote for a normal tax of 15 per cent, or even higher. But I think probably 12 per cent will be enough if the surtaxes remain substantially as they are. At best, though, we are treading on mighty dangerous ground, my colleagues, and a single misstep may bring disastrous consequences.

Mr. GARNER. Will the gentleman yield?

Mr. LONGWORTH. With pleasure.

Mr. GARNER. The normal tax as levied in this bill will make the liberty bonds equal to 4.85, if I make the calculation

correctly, whereas, if we had a 15 per cent normal tax, the liberty bond would equal a municipal bond at 5 per cent interest; because for each 1 cent that you levy in the normal tax, you equal 0.005 per cent interest of a municipal loan or other security; so the higher the rate you make on the normal tax which the liberty bond is exempt from, that much more desirable becomes that security as compared with other securities in the country.

Mr. LONGWORTH. The gentleman from Texas is absolutely right. In other words, the raising of the normal tax accomplishes precisely the result that you would accomplish if you raised the interest on the bond. Congress has not authorized any higher rate. I hope we may never have to raise the interest rate on the liberty bonds, but certainly we can not avoid the raising of that rate unless we keep the normal tax as high or perhaps a little higher than it is in this bill.

Mr. SMITH of Michigan. Will the gentleman yield there?

Mr. LONGWORTH. Yes.

Mr. SMITH of Michigan. Does the rate of interest have anything to do with the value of the bonds, and is that the reason that the bonds are selling at a discount now, because the interest is not high enough in the gentleman's estimation?

Mr. LONGWORTH. I think that is one of the reasons, under our present low normal tax. Of course, another reason why the bonds are not selling at par is that many men the moment they buy a bond immediately sell it on the market. We have also heard of instances of men in small country towns, the storekeepers in small country towns, who advertise that they will pay $95 cash for a $100 liberty bond, and it may be that in many cases poor farmers or others who have bought these bonds and feel temporarily embarrassed are glad to get that $95 cash. All these things have a tendency to depress the bonds, and with the normal tax in this country of only 4 per cent and the high rate that we have to day in surtaxes, the liberty bond is by no means as good an investment as the average municipal bond, and you have got to ask men to be very patriotic, particularly the rich men, to buy these bonds with a normal tax of only 4 per cent.

Mr. GARNER. Will the gentleman yield?

Mr. LONGWORTH. Yes; with pleasure.

Mr. GARNER. There are three ways by which we can hold a greater inducement to people to buy liberty bonds. One of them is to increase the normal tax, say, to 15 or 20 per cent, another is to increase the rate of interest, and the third is to increase the Cannon amendment, so called. Those three methods make it more desirable. For instance, if you increase the normal tax to 15 per cent you would have a 5½ per cent liberty bond. If you increased the Cannon amendment, say to $20,000, you relieve everyone owning $20,000 worth of bonds from any taxes whatever, and is not either one of these methods the better remedy to make them more attractive than it is to increase the rate of interest and carry that on through 20, 30, or 40 years?

Mr. LONGWORTH. I agree absolutely with my friend from Texas, and I will say that if the proposal comes to us to increase the amount of the so-called Cannon amendment even as high as $25,000, I shall favor it. It stands now as I recall it at $5,000. I will ask the gentleman from Illinois if that is not so?

Mr. MADDEN. Five thousand dollars.

Mr. LONGWORTH. As I recall it, the original amendment proposed $10,000, but the House cut it to $5,000.

Mr. CANNON. I do not recall that, but the House passed it at $5,000.

Has the gentleman noticed, as I know he has, that the 3½ per cent bonds of the first liberty loan which were nontaxable for any purpose, either State or National, are now selling at a premium, whereas the 4¼ per cents are selling, I think, at about 94 or 95. I am not sure about that. Has the gentleman considered the proposition, for a successful liberty drive, of legislation that would authorize, say, 3½ per cent without being subject to taxation, as against the 4¼ per cent bonds that are subject to surtaxes?

Mr. LONGWORTH. I will say to the gentleman that I have given a good deal of consideration to that subject. I was rather disinclined at the beginning to vote for a provision which would make the 4 or 4½ per cents subject to a surtax, but I dislike to put my opinion on questions like this as against the opinion of the Secretary of the Treasury and his advisers. They are emphatically of the opinion that these bonds should be subject to a surtax, and as I say I am perfectly willing to go along, though I am ready at any moment to vote for any measure, whether in the direction of the raising of the normal tax or of the raising of the amount of bonds that can be held by an individual not subject to the surtax to a substantially larger amount provided in the amendment originally offered, and most wisely, I think, by the distinguished gentleman from Illinois [Mr. CANNON].

Mr. PLATT. I want to say that when the last liberty bond bill was up I made a proposition to increase the Cannon amendment to a sum which would yield an income equal to the minimum amount exempt from taxation under the income tax; that is to say, to increase the amount of bonds that a man could hold to an amount that would produce $1,000 income. If the rate is 4 per cent, that would be $25,000. If the rate is raised to 4½ per cent, it would be $22,500, and 5 per cent $20,000, and so on. The capital sum exempted would decrease with each increase of interest rate. I wrote a letter in regard to that to the Federal Reserve Board, and they expressed considerable interest, and did not make any opposition to it. There did not seem to be any opportunity to present the amendment for a vote at the time. I simply proposed it in a brief speech. Such an exemption could arouse no resentment, and I think that is the way the Cannon amendment should be raised.

Mr. LONGWORTH. Perhaps that would be the best way. At any rate I am willing, as I say, to vote for any proposition of that kind which will make the coming liberty bond an attractive investment. It may be absolutely necessary, gentlemen, with a tax bill like this confronting the American people, to do what we can to make the liberty bond a more attractive investment than it now is to the men of wealth of this country. I shall not be surprised if before this session of Congress adjourns we will be called on to pass legislation of that nature.

We must keep steadily in mind always the fact that the bulk of our war expenditures must inevitably be financed by the sale of bonds. Just what the relative proportion should be between bonds and taxes it would not be valuable now to discuss. It is bound to depend on circumstances and conditions as they may hereafter arise.

I was unwilling at the outset to subscribe to the program advocated by the Secretary of the Treasury that our war expenditures should be financed on a fifty-fifty basis. I am unwilling now to subscribe to the proposition that it shall be now financed on a two-thirds and one-third basis. I am willing to vote for this $8,000,000,000 tax measure, not because it happens to be one-third of $24,000,000,000 but because I think a tax of at least $8,000,000,000 is necessary, for I am firmly of the opinion that the amount of $24,000,000,000 estimated for the expenses of next year is an underestimate rather than an overestimate.

My belief is that a larger proportion of the war expenditures than two-thirds ought to be borne by coming generations. I subscribe, therefore, to the statement in our report that the adoption temporarily of the one-third plan does not commit Congress to that proportion in the future. I would not have joined in any report which could be regarded as committing me in the future to any definite percentage.

I did not believe at the beginning of the formation of this bill, nor did I think any member of the Ways and Means Committee did, that it would be possible to raise by taxation $8,000,000,000 without resorting to consumption taxes.

But we have succeeded, for there is no doubt that this bill will raise $8,000,000,000 and more, if the sources from which the revenues are being derived remain unimpaired. I shall not stop to debate here whether it might not have been wise to raise a portion of the revenue by tariff duties and internal-revenue taxes on articles of daily consumption. Under the conditions it was thought inadvisable and impracticable to do so.

Tariff duties and consumption taxes remain as a field to fall back on in case we shall have to raise more taxes, or in case some existing sources of revenue are destroyed by legislation or otherwise.

This bill remains as it stands a tax on wealth pure and simple. But in my belief it taxes wealth pretty nearly to the straining point, and any further taxes must be borne by people purchasing articles of daily necessity.

The main revenue-producing features to this bill in relative order are these:

War and excess-profits taxes, $3,200,000,000.
Individual-income taxes, $1,500,000,000.
Taxes on beverages containing alcohol, $1,066,000,000.
Corporation taxes, $900,000,000.
Tobacco taxes, $350,000,000.
And the rest, taxes on luxuries or near luxuries.

In my judgment, this is about the limit that can be raised from any of these sources. If you should attempt to tax higher you would lose revenue, and, correspondingly, if you should by legislation destroy any one of them you will have to make up the deficit by taxes on articles of daily consumption.

Even since this bill was reported to the House a source of revenue estimated at $240,000,000 has been destroyed, or will shortly be destroyed, by Executive order. The real loss of revenue in this bill will be considerably larger, because con-

nected with the industry about to be destroyed are incomes and profits which are taxable under this bill, and various incidentals which will probably bring the loss of revenue up to between $400,000,000 and $500,000,000. It thus seems that we may be forced to consumption taxes sooner than any of us expected, and the raising of even so comparatively small a sum as $240,000,000 by consumption taxes is no light task. The obvious thing to do, it seems to me, would be to resort, in the first place, to the tariff and to choose a few articles which will obviously be high-revenue producers. Those which most prominently stand out are coffee, tea, rubber, wool, hides, and sugar.

Now, if we were to put a tax of 7 cents a pound on coffee, 25 cents on tea, 10 per cent ad valorem on rubber, 20 per cent on wool, and 15 per cent on hides, and an extra cent on sugar, you barely raise $240,000,000. And yet these particular duties are higher than I have ever heard suggested:

A duty of 7 cents a pound on coffee would produce approximately	$91,000,000
A duty of 25 cents a pound on tea would produce approximately	25,000,000
A duty of 10 per cent ad valorem on rubber would produce approximately	19,500,000
A duty of 20 per cent ad valorem on wool would produce approximately	20,000,000
A duty of 15 per cent ad valorem on hides would produce approximately	32,000,000
A duty of 1 cent a pound on sugar would produce approximately	53,000,000
Total	240,500,000

This is offered simply as an illustration of the difficulty we are bound to encounter in raising substantial revenue by consumption taxes. If the entire schedule from which this $240,000,000 is derived is destroyed our difficulties increase immeasurably.

No matter what our opinions may be as to the wisdom and justice of the case, let us not deceive ourselves and let us not deceive the country as to the revenue aspect of this question. We owe it to ourselves and we owe it to the country to speak with perfect frankness about the ultimate cost of prohibition. It is estimated that taxes imposed on the sale of beverages containing alcohol will produce a revenue of $1,066,600,000. It is obvious, therefore, that if this source of revenue is entirely destroyed we lose over a billion dollars; but that is not all by any means. The experts of the Treasury Department have estimated that the special taxes on dealers and manufacturers and the income taxes and excess-profits taxes that will be derived from persons engaged in this industry would amount to over $400,000,000. Besides this the loss of revenue to the various States would have to be supplemented by taxation of some sort by the States, which would be deductible from the incomes of citizens of these various States, and which would reach such a large amount that the Treasury estimates that the probable revenue to be derived under this bill, instead of being $8,000,000,000, will be only a little more than $6,000,000,000. The problem of raising these extra $2,000,000,000, involving as it does immense taxes to be imposed on necessaries of life, is one that we must face, and its solution will demand the best thought of the best statesmanship in this country.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. SMITH of Michigan. Has the gentleman ever considered a sales tax or know how much that will bring?

Mr. LONGWORTH. A general sales tax is a consumption tax, pure and simple. It bears with equal force upon the poorest man in the country and upon the richest. The gentleman from Michigan and I probably drink just as much tea as John D. Rockefeller, and probably more, because I imagine our digestion is better, but we will pay just the same tax or more than Mr. Rockefeller, and that is the difference between the system of taxation in this bill and the system of consumption taxes. Under the bill as it stands now—and I am not defending every provision of it—it does tax throughout those best able to pay the taxes. The moment we come to consumption taxes, whether by revenue tariffs on noncompeting articles or by a sales tax, just at that moment we begin to tax those who are least able to pay. That is the problem we have before us, because, as I have endeavored to point out, we have gone the absolute limit consistent with any degree of safety in taxing wealth as such, and hereafter we must, when we have to raise revenue, be forced to consumption taxes on necessities.

Mr. YOUNG of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. YOUNG of North Dakota. A sales tax is also very difficult to administer, is it not, and requires a lot of time of business men and their clerks, and also the customers who stand at the counters. I believe that is the system they have in France now. They have to stand around and wait while there is prepared a receipt which must be put on a certain form and be numbered. It takes not only the time of the clerk but of the purchaser.

Mr. LONGWORTH. The gentleman is correct. Even in France to-day they have no general sales tax. They have a sales tax on luxuries and near luxuries, and also a tax upon which the plan adopted in this bill is modeled, of taxing an article which, per se, is a necessity, as a luxury when its sale price reaches a certain point. The Treasury Department has told us that such a general tax on sales would be tremendously difficult to administer.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. HARDY. Along that line, I would like to know if the gentleman has ever considered the question of what might be derived from a sales tax on real estate sales, and let me elaborate a little upon that. You have in section 201 a definition of income, in which you state that an income is the amount received for the sale of real, personal, or mixed property over and above what was paid for it, if it was purchased after March 1, 1913, or over and above what its estimated value was if you owned it before that time. The result is that under that definition every man who sells any kind of property must account as a part of his income for the proceeds of that property over what he gave for it or over its value March 1, 1913—a very difficult proposition, it seems to me—making it absolutely necessary to see what every article was sold for, and at the same time a very unjust proposition. The whole unearned increment which pays no taxes without a sale is thrown into the scale and must pay a tax, if a sale of real estate or any other property occurs. Would it not be more equitable to select such articles as you wish to put a sale tax on, as, for instance, real estate, and impose a straight tax of so much upon the proceeds of every real estate sale? Could that not be easily done?

Mr. LONGWORTH. Of course, as the gentleman has indicated, we do now indirectly tax sales of real estate in the sense that we compel any man who sells real estate at a profit to return that profit as income, and in that way we tax it. If you tax the sale direct of a piece of real estate, I am inclined to think that would be equivalent to taxing the real estate itself as property, which, in my belief, is unconstitutional. I agree with the gentleman upon the general sales tax. Of course, we shall have to come to it eventually, perhaps, but so long as we can avoid it I hope that we will not tax the sale of overalls in exactly the same way that we tax the sale of diamonds. [Applause.]

Mr. HARDY. Will the gentleman allow me to call his attention to the fact that under this very bill you do tax sales of real estate, only you tax them for a very small amount—50 cents on $500?

But it seems to me that the principle is the same, that you can make a more equitable tax by taxing sales of real estate, not taxing real estate, but just as now you call it a tax on deeds and conveyances, call it a tax on the privilege of executing a deed, and you can make it equal, exact, and just, and not just call a man's income this year the unearned increment as for the five years; it may be that you can sell it for more in 1920, and that is eight years, and 1921 will be still further. You add the increased value on, not the value, for it is admitted universally the dollar has gone down and property you paid $50 for in 1913 is worth $100 to-day, and yet if a man sells that property at market value to-day he pays an income tax as if on the profit, whereas if we treated every transaction alike and taxed all sales of real estate a certain per cent, say 1 per cent, you would get much more revenue and be much more equitable in the distribution of the tax.

Mr. LONGWORTH. The gentleman's suggestion is interesting; I confess I have not given it very much thought——

Mr. HARDY. I would like the gentleman to roll that over in his mind.

Mr. LONGWORTH. I shall be glad to do so.

Mr. GRAHAM of Illinois. Will the gentleman yield for a question?

Mr. LONGWORTH. I will.

Mr. GRAHAM of Illinois. I do not know whether this is breaking in on the thread of the gentleman's argument or not, but inasmuch as the gentleman has been interrupted, perhaps he can answer now. This bill provides a basis of ascertaining war profits and excess profits, the prewar period of 1911, 1912, and 1913, as I understand it. Now, does the gentleman think that the profit that a man made in business in 1911, 1912, or 1913 is a proper basis to go on in estimating what his profit in the same business ought to be now, considering the depreciated

value of the dollar now as compared with what it was then? In other words——

Mr. LONGWORTH. If the gentleman will be so kind as to postpone his question, I will answer it when I get to the excess and war profits tax.

Mr. GRAHAM of Illinois. Very well.

Mr. LONGWORTH. On the whole, this bill, in my judgment, is a vast improvement over the present law, not only in construction, but in principle. With regard to the new system of taxes on profits, particularly, a radical change has been made. In the first place the excess-profits tax no longer applies to individuals. Not only is this a wise policy on broad economic grounds, in my opinion, but more important still it automatically wipes out that monstrosity in the present law known as section 209, under which a man who derives his income from personal effort and personal service pays a higher tax than a man who derives his income from invested capital. That, to my mind, was an utterly indefensible proposition, and most of you will recall that I had no hesitation in saying so. Under this bill I rejoice to say that in no case will salaries and professional incomes be taxed at a higher rate than incomes derived from capital.

I wish we could have gone even further. I wish we could have provided under the income tax that incomes derived from personal effort and personal service should have been taxed at a less rate than incomes derived from invested capital. This is a principle that I have been contending for in Congress and out for a good many years, and I was delighted to find it recommended by the Secretary of the Treasury in his communication sent to the chairman of the committee on the 5th of June. The chairman of the committee has done me the honor to say that I contended for the principle of a differential between earned and unearned incomes from the beginning of the formation of this bill, but the difficulties, both in the drafting of such a provision and in its administration seemed to be insuperable, and it was only at the very last moment and at the final conference between the subcommittee of the Ways and Means Committee, of which I was a member, and the Secretary of the Treasury and his advisers that I felt forced to abandon my contention. I am comforted, however, to know that we have made substantial progress in that direction and I feel confident that a way will sometime, and I hope speedily, be found to enact into law a differential in favor of earned as against unearned income.

I am glad, too—and now I am going to proceed to answer in some degree the question of the gentleman from Illinois—I am glad, too, that the principle of the war-profits tax has been adopted in this bill. I have been opposed to the principle of the excess-profits tax from the time of its inception, and I have only supported it, as I am supporting it to-day, as a war measure producing a very great revenue, because it does catch some very rich corporations that made large profits before the war which, under the war-profits system, would go entirely untaxed. Gentlemen will recall that when the excess-profits tax was advanced here as a revenue measure in time of peace, that being in the January before the war—January, 1917—I opposed it on the floor and offered an amendment to strike it from the bill. I hope you will pardon me now if I quote a sentence or two from what I said on that occasion, merely for the purpose of showing for my own satisfaction that my criticism at that time seems in the light of subsequent events to have been justified. I said this:

> You propose a tax upon business, a tax upon the business of the country, big and little, and particularly little; a tax based not upon magnitude of operation but upon economy of operation; a tax to be imposed simply and solely upon efficiency of production. You propose a tax which will be borne in the main not by men of large capital but by men of small capital. You propose to tax the American citizens who by intelligent, progressive, and economical management of their resources have done a prosperous business and to let those of larger capital but whose methods have been wasteful, extravagant, and unprogressive go free.

A few weeks ago the Secretary of the Treasury appeared before the committee and said this of the excess-profits tax, after an experience of something more than a year in its administration.

> The excess-profits tax must rest upon the wholly indefensible notion that it is a function of taxation to bring all profits down to one level, with relation to the amount of the capital invested, and to deprive industry, foresight, and sagacity of their fruits. The excess-profits tax exempts capital and burdens brains, ability, and energy. The excess-profits tax falls less heavily on big business than on small business, because big business is generally overcapitalized and small business is often undercapitalized.

I hope it may be pardonable in me to take some satisfaction in that statement of the Secretary of the Treasury in justifying, at least to some extent, my predictions of the effect of the excess-profits tax.

In principle, to my mind, war-profits tax is the fairest of all taxes in time of war. The only trouble about it is that it does not catch, as does the excess-profits tax, the profits of some of the richest corporations in the country. But it is anticipated that nine-tenths of all the corporations of this country will fall this year under the war-profits tax, and it will therefore raise enormous revenue.

Responding more specifically to the question of the gentleman from Illinois, I can see no possible injustice in subjecting corporations who were going along fairly well, we will say, before the war, and have made tremendous profits since the war, to a tax imposed upon the difference between their prewar profits and their war profits.

It is possible that some gentlemen may not understand exactly what the war-profits tax is, as provided in this bill. To my mind it is absolutely extraordinary that the expert draftsmen of the Ways and Means Committee have been able to put in a page and a quarter what it takes under the British law something like 45 pages to cover. A page and a quarter of this bill, gentlemen, covers the whole question of the war-profits tax, a tax which will raise something like $2,000,000,000. If the question of the gentleman from Illinois were based on the proposition that, no matter what or how small the average prewar profits of a corporation were, 80 per cent of their present profit should be taken, I would say that it was not a just tax. But when, as in this law, no matter how unsuccessful a corporation may have been before the war, it is entitled to a deduction of at least 10 per cent upon its invested capital, to my mind no more fair or just tax could be conceived of in time of war.

And there is another feature of it, gentlemen, which I think of at least equal importance, and that is the effect it will have upon the speeding up of war supplies, because it will protect those Government officials whose business it is to make contracts on the part of the Government. Some of the most important contracts that these officials, high and low, are called upon to make must be made without any basis whatever of actual knowledge. A corporation, for instance, may be called upon to produce some article for the use of the Government which it has never manufactured before.

It must, of course, take tremendous risks, and if everything goes well it will probably make a profit so enormous that it would be regarded as an excessively bad contract from the Government's point of view. If, however, it is understood in advance that the Government is going to get back 80 per cent of its profits, if it is successful, the Government is not a loser and the corporation ought not to complain. I think our experience has proven that if we had had a large war-profits tax at the beginning the production of many war necessities which has sadly lagged behind would have been greatly speeded up, because then there would have been no necessity for a long period of haggling as to the costs of material and other details which has worked to the very serious disadvantage of the country.

Let me illustrate a moment. Suppose the gentleman from Kansas [Mr. CAMPBELL], who sits in front of me, was a manufacturer of machine tools and I the director of munitions? I want the gentleman from Kansas to make me some machinery for boring big guns. The gentleman from Kansas has no factory suitable; he has no machinery suitable; but he is perhaps the only man who has an organization which could by any possibility produce these absolutely necessary things. Without a war-profits tax I am in this position: The gentleman from Kansas very justly says, "I shall have to risk an immense amount of capital; I shall have to build a factory; I shall have to build new machinery; I shall have to develop processes, and I can not afford to take that contract unless you leave me a big leeway."

I, as a Government official, do not feel justified in giving him all the leeway he asks, because if everything turns out right he will make a profit so huge that I will be in the position of having been responsible for the waste of an enormous amount of the Government's money. But if we have a war-profits tax of 80 per cent I can say to the gentleman from Kansas, "Go ahead; I will not haggle with you about the details or the cost of your materials. We want these big guns, and we want them now. Go ahead and make a big profit and we will take 80 per cent of it away from you after you have performed your contract." If we had had that from the beginning, gentlemen, in my judgment we would be far more up to date in the absolute necessities of our war program than we are to-day.

Mr. DEWALT. Will the gentleman permit an interruption?

Mr. LONGWORTH. I will; with pleasure.

Mr. DEWALT. The gentleman has been informing upon this subject and there came to my mind a thought. It seems that this system as proposed is in the alternative, is it not?

Mr. LONGWORTH. Yes, sir.

Mr. DEWALT. Now, would it interrupt the gentleman's trend of thought to give a concrete illustration as to how it works out in the alternative? That has been a puzzling question to quite a number of people.

Mr. LONGWORTH. I will be very glad to do so. I think I can make it clear in a few words. Let me say, in the first place, that I do not at all disagree that an excess-profits tax has been necessary as a war measure. My criticism against it was as to its principle, and particularly directed against it as a peace measure. I have, for instance, thought that when we shall have won this war, and when we return to a more normal basis and taxes can be reduced, the first tax that we ought to repeal will be the excess-profits tax.

But the excess-profits tax does catch that class of corporations whose earnings before the war were very large. Assume that under this bill the provision is that there shall be both methods in force, the excess-profits tax and the war-profits tax; that all corporations shall make returns under both systems, and then shall pay to the Government the highest rate that can be exacted by either.

It is apparent that those corporations which have run along pretty evenly and which were making good profits before the war, and which have been making good profits since the war began, will, in all probability, come under the excess-profits tax, because there is no surplus in the war year over the earnings in the prewar year. However, the corporation which was making only a small amount—say, for instance, 6 per cent—before the war, and either through enhancement of material or through a contract for providing supplies to the Government they have made 25 per cent since the war, it would come automatically under the war-profits tax and be so assessed. I think that makes it clear.

Mr. CRISP. Mr. Chairman, will my colleague permit a suggestion?

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from Georgia?

Mr. LONGWORTH. Yes.

Mr. CRISP. According to the statement of Treasury officials, about 90 per cent of the corporations that would pay a tax would come under the war-profits tax and about 10 per cent would come under the excess-profits tax.

Mr. LONGWORTH. Yes. The department furnished us with a lot of very interesting data. They took 22 corporations, among the very largest corporations in this country, typical corporations, some that had been doing very well before the war and some that had been doing not so well before the war; and they found that out of those 22 corporations 18 would pay under the war-profits tax and 4 under the excess-profits tax; and that probably would be a pretty fair estimate of all the corporations in the country.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. GRAHAM of Illinois. I, for my own curiosity, made some computations under these schedules myself, and my results seemed to indicate that if the earnings of the corporations were less than the amount of their capital stock, the greater tax would be imposed under the war-profits system, but if the earnings were largely in excess of the capital stock they would come under the excess-profits system. That is, the excess was found under that system. I think the computation will show that to be generally true.

Mr. LONGWORTH. I do not think the gentleman has the right way of basing his figures. In the first place, the capital stock has nothing whatever to do with it. It is only the question of the actually invested capital. And so far as the invested capital is concerned, the same rule exactly applies to the excess-profits tax and the war-profits tax, and the only difference is that under the excess-profits tax we allow only 8 per cent deduction, and under the war-profits tax we allow 10 per cent deduction. That is the only practical difference.

Mr. DEWALT. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes; I yield to the gentleman from Pennsylvania.

Mr. DEWALT. Would not this seem to follow, too, that by the war-profits system of taxation those parties who have been making large amounts of money by the manufacture of munitions of war out of contracts obtained during the war period would of necessity pay the larger proportion of this tax?

Mr. LONGWORTH. They will; and it is the only way we could get at them, I will say to the gentleman. We could not get at them properly and exact a sufficient amount of tax under any other method than the war-profits tax.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. LONGWORTH. Will the gentleman from Michigan yield me some time?

Mr. FORDNEY. How much more time does the gentleman want?

Mr. LONGWORTH. Half an hour, I think.

Mr. FORDNEY. I will yield such time as the gentleman desires.

Mr. LONGWORTH. I thank the gentleman.

Mr. TREADWAY. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes; I yield to my colleague on the committee.

Mr. TREADWAY. You have spoken of the example with reference to the 22 very large corporations that would come under the war-profits rather than under the excess-profits tax. Would the gentleman be kind enough to give some information or illustrations relative to the small corporations, the $50,000 to $100,000 corporations, where they would naturally be affected by the class of tax?

Mr. LONGWORTH. That would be very hard to tell. The worst feature of the excess-profits tax has been with reference to that small corporation, the corporation with a comparatively small capital, where the brains and the energy and the ability of the management have been responsible for their profits. Those corporations are at a disadvantage as compared with other corporations, larger ones, which in various ways have been able to pad, either properly or improperly, their capital; and hence the tendency has been to tax under the excess-profits tax the small corporation, which depends, as I say, upon efficiency of management, higher relatively than larger corporations not so efficiently managed.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes; I yield to the gentleman from New York.

Mr. PLATT. The gentleman has said that a large part of the war-profits tax will come from the manufacturers of munitions, and so forth, under Government contracts. Of course the Government can not enhance itself much by the money it pays out itself. That is like trying to pull yourself up by the bootstraps.

Mr. LONGWORTH. I do not know just what the gentleman means.

Mr. PLATT. You say that a large proportion of the excess profits are made by manufacturers of munitions who have Government contracts. How much is that expected to figure in the revenue to be derived from the war-profits tax?

Mr. LONGWORTH. I would say to the gentleman that that would be utterly impossible to estimate. Of course I assume that a good many corporations have made large profits out of Governments contracts; but an immensely larger number have made even larger amounts of money during the war who were under no contractual relations directly with the Government.

Mr. PLATT. I have no doubt that is true, but a good many people seem to think that the Government can finance itself out of money which it itself is paying out, which is absurd.

Mr. LONGWORTH. Of course it is absurd. But it has little to do with the question now under consideration.

Mr. SHERLEY. Mr. Chairman, if the gentleman will permit, the reverse of it would be more absurd. It would be manifest that the Government, spending the money which it is spending, could not hope to raise revenues sufficient to conduct its affairs unless it got a return out of the large profits which come out of governmental activities.

Mr. LONGWORTH. The gentleman from Kentucky is exactly right. Under this war-profits tax the war profiteer will no longer be able to revel in his entire gains, for now comes the Government and exacts from him 80 per cent of his profits, which the Government's demand for war materials has made possible.

There is another item of this bill to which I want to devote a moment. The tax imposed by it is so insignificant and the proposition seems so simple that one unacquainted with the situation might very well pass it by without realizing its immense importance to the successful conduct of the war. It appears in the jewelry section and provides simply that in addition to the tax of 10 per cent on all jewelry there shall be a tax of 10 per cent on jewelry composed in whole or in part of platinum, to be paid by the buyer, with the further provision that the seller shall make a return, giving the name and address of the buyer of each article, a description of the article sold, and the value of the platinum contained therein.

Now, what is the reason or necessity for this provision? Many of you will recall that when the last revenue bill was before the House I offered an amendment to put a prohibitive tax on the sale of platinum jewelry. The reason why that amendment was offered on the floor was because the informa-

tion which I received as to the seriousness of the situation came after the bill was reported, and I was unable therefore to bring it to the attention of the committee. In spite of this, the amendment came very near being adopted, and in the light of subsequent events, in my judgment, it would have been most fortunate if it had been adopted, because since that time an immense amount of platinum has been manufactured into jewelry and sold to heaven knows whom. If there was a need then, gentlemen, for an ample supply of platinum for the use of this Government there is an infinitely greater need now. Platinum is a unique and peculiar metal. It has qualities inherent in no other metal. Its ductility, for instance, is almost inconceivable. Experts tell us that it is theoretically possible to draw out an ounce of platinum into a wire 1,800 miles long. I can not prove that of my own knowledge, but I have heard it so stated by competent authorities. If that be true, conceive of a platinum wire weighing 1 ounce which would reach from here to Denver.

It seems absolutely unbelievable, but this and other qualities have made platinum a most desirable metal for jewelry setting, for which during the last 20 years it has become more and more extensively used. It was not until 1900 that platinum came into general use in making jewelry. In 1900 platinum was selling somewhere around $15 an ounce. In 1914, at the beginning of the war, it was selling around $45 an ounce. It had gone up 300 per cent in 18 years, and it seems fair to conclude that the great increase in value of platinum has been due in the main to the demand for its use in jewelry. Since then its enormous increase in price has been principally due, of course, to the demand by all countries for it for war purposes, and it is selling to-day for about $105 an ounce. The Government some time ago bought a small quantity of platinum for $105 an ounce. We heard in the committee that platinum scrap was being bought in the market as high as $200 an ounce, and to-day, gentlemen, you can not get platinum in any but insignificant quantities at any price. It is becoming increasingly difficult to obtain it day by day.

Mr. TILSON. Will the gentleman yield?

Mr. LONGWORTH. I yield to the gentleman from Connecticut.

Mr. TILSON. Will the gentleman describe briefly the uses to which the Government puts this metal?

Mr. LONGWORTH. Yes; and I shall be very glad if the gentleman from Connecticut, who has wide knowledge on this subject, will confirm what I say.

Mr. HAMILTON of Michigan. Will the gentleman also state for our information where platinum is mostly found?

Mr. LONGWORTH. I will. I come now to the very crux of the situation. While platinum is desirable and convenient for making jewelry, it is absolutely indispensable to any government in making war. The belligerent nations from the beginning have been literally combing the earth for it, and since the debacle of Russia, from which most of it comes—practically all, except a small quantity from Colombia—it is becoming ever harder to procure. Why, it is said that in Germany they are taking platinum fillings out of people's teeth for the use of the Government.

Platinum is an absolute necessity for aeroplane engines, for automobile engines, and the like. It is a necessity for the manufacture of T. N. T. and other high explosives as they are being manufactured to-day. There has been some difference of opinion, as illustrated in the hearings before the committee, as to whether substitutes can not be obtained for platinum in the manufacture of some high explosives. It may be true that it is possible to do so, but it would also be theoretically possible to carry army supplies from San Francisco to New York on mule back. At the very best it would add immensely to the cost of making modern high explosives, and it is an absolute necessity for the making of nitrates by the process that is to be used in all Government nitrate plants.

Mr. HAMILTON of Michigan. Then, the tax on platinum jewelry ought to be practically prohibitive?

Mr. LONGWORTH. That was the amendment I offered a year ago. It is being said by some members of the jewelry trade that it is through machinations of the gentleman from Illinois [Mr. RAINEY] and myself that this unjustifiable and onerous tax of 10 per cent has been imposed on platinum jewelry. As a matter of fact, the Ways and Means Committee have adopted this tax unanimously, and it is going to stay in this bill. The great advantage of it is that, while it will produce probably only a small revenue, the main thing is that it will give this Government absolute knowledge of where any platinum bought for jewelry purposes will be from now on.

Only two or three days ago the Director of the Mint sent out a prayer to all the women in this country who own platinum jewelry to bring their platinum to the mint and the Government would pay them for it at the current rate. We do not know where the platinum is to-day, and the main thing that this provision will accomplish is that hereafter we will know where the platinum is, so that we can get it if we want it, and the chances are we may soon get hold of it all.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. GRAHAM of Illinois. I would like to ask the gentleman from Ohio whether the query of the gentleman from Michigan [Mr. HAMILTON] is not a pertinent one? If a person wants to pay $250 for a platinum setting in a ring, then 10 per cent would make that $275. Does the gentleman think that would have a deterring effect on the person who wanted to pay that much for a ring? Would it not be better to impose the higher tax that the gentleman from Ohio suggested when the first bill was up?

Mr. LONGWORTH. I have been in some doubt about that, but it seems to me that the desired effect will be accomplished by this provision, because people are put on notice hereafter, having paid the tax at the time of purchase, that the Government will have their names and addresses, which will be immediately furnished to the collector of internal revenue in the district in which they live, and to that extent it will tend to deter large sales. This is not a case of absolutely destroying the industry. It is a case of putting the people of the country on notice.

Mr. GARNER. Will the gentleman yield?

Mr. LONGWORTH. Certainly.

Mr. GARNER. Did not the committee have in view also the thought that the executive branch of the Government now had sufficient power to take over the platinum, and that this gave them an additional facility of knowing where it is located?

Mr. LONGWORTH. Yes; that is the theory on which we ought to legislate wherever possible, not to use the tax necessarily to destroy industry, to so regulate it as to give the Government all necessary information to enable it to control the situation.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. LONGWORTH. I yield to the gentleman from Indiana.

Mr. FAIRFIELD. Had the committee any information as to how nearly Germany would be able to secure control of the Russian mines in which the platinum is mined?

Mr. LONGWORTH. The question the gentleman from Indiana has asked is impossible to answer with any real definiteness, but it is generally understood that Germany has had almost complete control of the platinum industry of the world. I wish the gentleman from Illinois [Mr. RAINEY] was here, because he could answer that question more specifically; but we understand that Germany is in control of that part of Russia in which the platinum mines are situated. Practically the only way in which we can now obtain platinum is from people who are smuggling it out of Russia, and that is the only way any country can get it, except Germany.

There has been some question as to the necessity for platinum in making nitrates. That arose from the testimony of a gentleman who appeared before the Ways and Means Committee, a member of the platinum section of the Council of National Defense, who made the statement that 99 per cent of the nitrates made in this country were made without the use of platinum at all. That was literally true, in a sense. But it was based solely on the fact that the Government has not so far made any nitrates except out of nitrate of soda imported from Chile, which does not require the use of platinum.

The reason why we are spending such enormous sums to provide Government nitrate plants is because we are now deprived of a large portion of our former supply of Chile nitrate, and we are forced now to make our nitrates as Germany makes her nitrates, by the use of platinum. We could not produce nitrates at the Muscle Shoals plant or the two Ohio plants now being built, or any Government plant without the use of platinum.

Mr. HAMILTON of Michigan. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. HAMILTON of Michigan. What progress is the Government making in those nitrate plants?

Mr. LONGWORTH. Well, I would like to talk about that; I enjoy the discussion of that subject, because it brings up my old friend, the Muscle Shoals project; but I shall not go into it to any extent to-day. In that connection, the gentleman from Pennsylvania [Mr. MOORE] was not absolutely accurate when he said yesterday that the work on the nitrate plant at Muscle Shoals had been given up. The plant is going ahead. It is the work on the dam that is stopped, because the dam has been officially declared to be a nonessential.

Gentlemen will recall that several years ago Congress authorized the expenditure of $20,000,000 for Government nitrate

production. The law provided that it could only be spent for a Government owned and operated nitrate plant or plants. About $6,000,000 of that was spent, mostly in experimentation with smaller nitrate plants, and it was only just after the Government had taken some $45,000,000 out of a fund which was not even remotely contemplated to be used for making a nitrates plant that the rest of the $20,000,000 fund was drawn on.

The $14,000,000 that remained was taken out of the fund and used for building dam No. 2 of Muscle Shoals water-power project, the theory being that this was to furnish the power by which the big nitrate plant would be operated. I pointed out at the time that the War Department had stated that it was utterly impossible to have this dam completed within four years and that it would cost very much more than the $14,000,000.

The effect was, as I tried to point out, you were building a nitrate plant at a place where the power could not be developed for more than four years, a ridiculous proposition as a war measure. Therefore, I confess that when I saw that the Secretary of war had declared that the work upon this dam should stop because it was a nonessential for war, I was very greatly pleased, not because I am opposed to the building of nitrate plants—on the contrary, I have vigorously advocated them, but in locations where there was power in actual existence to operate them. The two Ohio plants have been located where they have the power and the power is ready. The Muscle Shoals plant was located where there could be no power for four years at the earliest to make nitrate for use in this war. Therefore this plant will have to operate when it is finished partly by the use of steam power, for which the Government is building a large plant, and partly by use of water power generated by a private corporation upon another river 90 miles away. That is the situation in regard to the Government nitrate plant at Muscle Shoals, for which we are expending over $45,000,000 and for which we will have to expend a good deal more if the plant is ever to be operated by water power developed there.

Mr. DEWALT. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. DEWALT. Granting that it is true, as it undoubtedly is, that platinum is an absolute necessity for the manufacture of nitrates and also in aeroplane construction, is it not also true that the jewelers can get along without platinum in their process and use gold and other metals?

Mr. LONGWORTH. Oh, absolutely.

Mr. DEWALT. Then is it not clearly an injustice for them to complain about the provisions of this bill?

Mr. LONGWORTH. To my mind there is no justice in their complaint whatever, and yet it is a very lively complaint, I will say to the gentleman.

Mr. KREIDER. Is the gentleman from Ohio prepared to give an idea as to the quantity used by the jewelers in the trade?

Mr. LONGWORTH. I can not get that for the very reason that it has never been kept track of. We do not know. I will get along a little bit further and come more directly to that point, however. In view of its absolute necessity for war purposes, it is pertinent to inquire whether the Government now has in its possession or under control a sufficient supply of platinum for its war needs. Far from it, gentlemen. The fact is that to-day, according to the admission of responsible Government officials, we are something like 20,000 ounces short of the supply necessary for the war program, and that not counting the extra needs which will develop when the Government nitrate plants begin to operate. The Government has taken some cognizance of the situation, but from the beginning it has been slow to act, and, in my judgment, has not gone nearly far enough. The manufactured platinum in the hands of a few jewelers has been commandeered, and very recently the use of platinum in the manufacture of jewelry has been prohibited, but nothing yet has been done to discourage the sale of existing stocks or to ascertain into whose hands these stocks go, so that we will be able to commandeer it there, if necessary. You must choose, therefore, between the interests of a few platinum jewelers who represent some 300 or 400 concerns only out of over 35,000, and the interests of your Government. I shall not stop now to debate whether or not it is the highest essence of patriotism to buy expensive jewelry at all during the war. The Treasury Department advised a tax of 50 per cent upon jewelry for the avowed purpose of discouraging its sale, but we did not go so far. Admitting it to be proper that the fair sex should have new gems and precious stones during the war, is it asking too much that those gems be set in gold or some other metal at least until the war is over?

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. PLATT. I am interested in hearing the gentleman say that platinum is perhaps the best metal in which to set gems. Is it not the fact that it is the ugliest thing that can be used for that purpose, and is not the only reason for its use the fact that it is so expensive?

Mr. LONGWORTH. The only reason men buy it is because their wives or sweethearts want it, but I do not want to debate with the gentleman its aesthetic qualities.

Mr. PLATT. It is just as ugly as lead, and women would use lead if it cost as much as platinum.

Mr. LONGWORTH. Nevertheless, it is fashionable as a setting for jewelry, and from the beginning of the formation of this bill, in fact from the beginning of the war, there has been a determined effort here in Washington and elsewhere to prevent the enactment of any legislation or of any regulation which shall in any way interfere with the sale or production of platinum jewelry. There is much more to be said on this subject, but so far as I am concerned I shall reserve until we come to the platinum section in case any one may have the temerity—I think that is the right word—to move to strike it out. I hope that no such effort will be made, but as I have said, these platinum jewelers are well organized and insistent and they may find a champion, but if I know the temper of this House we will never at this stage permit the financial interests of a few men to run counter to the interests of the American people in our war program. [Applause.] To my mind, there is no more essentially antiboche paragraph in the entire bill. No one thing could happen which would bring greater joy and comfort to the enemy than the knowledge that the Government of the United States had found itself short of platinum.

Mr. DENISON. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. DENISON. If it is as important as the gentleman stated, why did not the committee adopt the schedule proposed by the Treasury Department and make it 50 per cent?

Mr. LONGWORTH. That was 50 per cent on all jewelry. It made no discrimination as against platinum jewelry.

The passage of this bill, my colleagues, means sacrifice, sacrifice to be borne to a more or less extent by a very large mass of the American citizenship. It means a reduction of unproductive expenditure, a diminution in the scale of pleasant living, a renouncement to a great extent of many luxuries which have come to be necessities almost to many of us. It means a return to the graver and more sedate mode of living of our fathers in the times of the earlier struggles and perils of the Republic. I feel confident that the American people are ready to make these sacrifices. If complaint comes it will come only from those who are not yet awake to the gravity of the situation or whose love of luxurious ease is paramount to their love of country. The vast majority of us have arrived at the point where we believe that no sacrifice that we can make is too great if only it shall speedily result in bringing the enemy to his knees and compelling him to sue for peace upon terms to be dictated by ourselves and our brave allies. [Applause.]

The American giant is now wide awake. He is anxious to do penance for his lethargy and his failure to arm himself when danger imminently threatened and he is prepared now to strip even to the buff to win the fight. We know now full well, if we were slow to realize it at first, that the triumph of the Hun would mean death not only to the pride and prosperity and prestige but to the very soul of the American Republic. [Applause.] I ask you, my colleagues, to look upon two pictures, one of American origin of more than half a century ago, the other of German origin and brand new. I ask you to contrast the two and say whether the first does not accurately reflect the soul of America from the beginning of our existence as a Republic and the second the soul of Germany since her enthrallment by the dynasty of the Hohenzollerns.

In the early sixties Abraham Lincoln, hearing that the five sons of a woman in Massachusetts had been killed in battle, wrote her the following letter. Of course it is familiar to all of you, and yet I will read it, because so sublime are its sentiments, so lofty its inspiration, that its words can not be too often repeated, and especially in times like these. Lincoln wrote:

> I have been shown in the files of the War Department a statement of the adjutant general of Massachusetts that you are the mother of five sons who have died gloriously on the field of battle. I feel how weak and fruitless must be any words of mine which should attempt to beguile you from the grief of a loss so overwhelming. But I can not refrain from tendering to you the consolation that may be found in the thanks of the Republic they died to save. I pray that our Heavenly Father may assuage the agony of your bereavement and leave you only the cherished memory of the loved and lost and the solemn pride that must be yours to have laid so costly a sacrifice upon the altar of freedom.

Thus speaks the chief by popular suffrage of a great Nation. Thus speaks the man of tender heart, the man bowed down with woe for the sufferings of his countrymen. Does it not seem to

you in these few simple but wonderfully beautiful sentences lies revealed the very soul of America?

Contrast with this a letter sent by direction of the Kaiser to a German mother, nine of whose sons had perished in battle, a woman who is now destitute and begging for food, they say, on the streets of Delmenhorst-Oldenburg. This letter runs as follows:

His Majesty the Kaiser hears that you have sacrificed nine sons in defense of the fatherland in the present war. His Majesty is immensely gratified at the fact, and in recognition is pleased to send you his photograph, with frame and autograph signature.

Thus speaks the chief by divine right, as he blasphemously calls it, of a great nation. Thus speaks a man with heart of flint, whose selfish lust for power dims all thought and care for the sufferings of his people. Not a suggestion, not a word of sympathy for the bereaved mother, but only the arrogant assumption, bred by his sublime egotism, that the photograph of him whose insane ambition to rule the world has brought these woes upon her and upon the whole human family would be ample compensation for what she had suffered for the fatherland. From this letter it seems to me is reflected most accurately the soul of that modern Germany whose people, gagged and bound, pay bloody tribute to the insatiate ambitions of the house of Hohenzollern.

Look upon these two pictures, my colleagues, the American mother of Lincoln's time and the German mother of Wilhelm's and reflect what the triumph of German arms and kultur would mean to all the fathers and mothers of America. I wonder whether the "All Highest" smiled in his sleeve when he sent that precious reward to the mother of the nine dead sons at the cynical reflection that he had thus placed her under an obligation which she could never return in kind; for if there is one thing certain about this war it is that, come what may, the six sons of the Kaiser will be preserved undamaged for posterity. [Applause.]

If any one of them has been on the actual fighting line we do not know it. If any one of them has been in a position of real peril we have yet to hear of it. Certainly not one of them bears a scratch. No citizen of the embattled nations, not even the son of the great pacifist, Henry Ford, is more immune from bodily harm than these six young Huns. [Applause.] Come what may, this much is certain, that last of all the Wilhelms in Germany to give his life for the fatherland will be Wilhelm, the kronprinz; the last of all the Fritzes to go will be Eitel; so with the Adelberts, the August Wilhelms, the Oskars, and the Joachims.

The sons of Presidents of the United States have been less timorous. Their love for the land of their fathers has impelled them farther toward the battle front. I hope you will pardon me if it seems lacking in taste—but I am mighty proud of them [applause]—when I say that all four sons of a former President of the United States have been on the real front, three of them married men with children, and under no conceivable obligation to go. One of them has perished gloriously on the field of honor. Two have been severely wounded, one so severely that he has been invalided home. The other, while unwounded, has been decorated for conspicuous gallantry in action. [Applause.] The son of the only other living ex-President of the United States is on the battle front. If Woodrow Wilson, President of the United States, had been blessed with sons of anywhere near fighting age, they would be on the battle front. [Applause.] And if they had been unharmed so far it would not be because they sought or obtained immunity by reason of the exalted position of their father.

When the war is over and Germany is brought to her knees the heir of the throne of Hohenzollerns and his brothers will be held to a strict accounting by those who still remain out of the millions of Germans who have given their lives—to an odious cause, it is true, but still the cause of their fathers.

Our boys at the front are doing magnificently. If anyone doubts it, let him ask Wilhelm, the kronprinz, or Hindenburg, or Ludendorff. They have more than lived up to the expectations of the most sanguine. Man for man, the American soldiers in Europe have proved themselves to be the best fighters in the world. [Applause.] Every American, at home or abroad, has his duty to perform. By most of us it can be performed more effectively in some other sphere of action than in the line; but we must not for a moment forget that the success or failure of our cause depends upon the men who do the actual fighting. It is our duty to see to it that every resource of the country shall be placed behind them. For this the prime requisite is money, money in quantity so vast that it can not be procured unless every American citizen shall sacrifice and save.

This the American people must do to pay the taxes imposed in this bill. This they must do if the approaching issues of liberty bonds, and others to follow, are to be successful. This they will do. Who can doubt it? For a wave of patriotic fervor is sweeping over this country, unexampled in our history, a wave which has already engulfed some men in high places whose hearts were suspected, at least, of not being wholly in this war, and which in the near future will have swept away many another. A wave which, best of all, only a few days ago forced the conviction and severe punishment of that sinister band of plotters against the welfare of the United States who call themselves the I. W. W. [Applause.]

Let this high spirit of patriotism animate us here in this House in whatever we do. Let it continue to banish all selfish and partisan spirit from our deliberations and make us as brothers in the cause, so that we may stand shoulder to shoulder, Northerner and Southerner, Republican and Democrat, united indissolubly by the passionate resolve that government of the Kaiser, by the Kaiser, and for the Kaiser shall perish from the earth. [Applause.]

Mr. KITCHIN. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. CARAWAY].

Mr. CARAWAY. Mr. Chairman and gentlemen of the committee, taxes are said to be unpopular, but that is only true where the purpose for which they are raised is unjust or the manner in which they are levied is unfair. The American people do not object to paying taxes if they approve the purposes for which they are assessed and the manner in which they are levied. Therefore I want to congratulate—I started to say the committee that drafted this bill—but, rather, I congratulate the country, that in framing this present tax measure the purposes for which the taxes are to be raised are patriotic and the manner in which they are distributed is just. I shall support the bill without apology.

I should not have said anything at this time if it had not been for the remarks yesterday of the gentleman from Pennsylvania [Mr. MOORE] and the gentleman from Nebraska [Mr. SLOAN], who went out of their way in order to, I take it, make political capital in their own sections by asserting that they wanted a special tax levied on cotton. I am constrained to believe that there is no man in this House of the two or three who have advocated that form of a tax and the two or three others who have introduced bills looking toward the taxation of cotton that expected such a measure would become a law or that any respectable number of the Members of this House would support it. I take it that from whatever section the gentleman may come he realizes there are certain fundamental, underlying principles of fairness and justice that would not warrant the laying of a special tax upon a special product of a special section of this country.

Mr. BAER. Will the gentleman yield?

Mr. CARAWAY. Yes.

Mr. BAER. How about fixing prices on a special product raised in a certain section and not on other products?

Mr. CARAWAY. That never happened. That is the answer to that.

And the only thing that I regret is that this agitation for such a tax discloses this, that there must be some sentiment, however insignificant, in the respective districts of those gentlemen that persuades them to believe they may make political capital and advance their own interests by advocating a tax on cotton.

To start with, I want to make this assertion, that there is no section of our country that has profited so little in a financial way by this war as the cotton-growing section. There is no section of this country where the people have felt the burdens of this war so heavily individually as the cotton-growing people. The cotton crop of 1914, the second largest crop this country ever grew, was produced at a cost of 10 to 12 cents a pound and sold at 5 or 6 cents a pound. The cotton growers of the South lost in 1914, on account of the conditions incident to this war, more money on that one crop than this tax bill will cost the people of their States.

The cotton growers appealed to the Government for one of two things. They wanted transportation to move the crop or they wanted money to enable them to carry the crop until conditions would make it possible to market the crop at something near the cost of its production. They were denied both. I know of many men whose every dollar, the accumulations of a lifetime, was swept away in that one crop, because they could get neither transportation to move the crop nor money to carry it over until conditions should be such as would enable them to market it.

Now, I want to answer the gentleman [Mr. BAER] right here who asked me about fixing the price of products in one section and not fixing the price of products in other sections. A long time ago, without any excuse on earth except the desire to

benefit the people of another section, a tax was laid on oleomargarine, a food substance made almost exclusively of cottonseed products. It has cost the cotton growers more than a million dollars a year. Whatever returns it yielded went into the pockets of the dairy people of another section. I never thought it was quite fair, but I never had any patience with anybody who would whine about a discrimination in one section as against another section and seek political advantage thereby, although for years and years we have been burdened by a tax that nobody on God's earth would undertake to say had any excuse for its existence except to keep cotton products from coming into competition with dairy products of another section.

Again, the Food Administration last year fixed the price of cotton seed, that is grown exclusively in our section. Cotton seed was then selling for more than $80 a ton when this price was fixed. I know it, because I am a grower of cotton and I had sold cotton seed at that. It was then selling for more than $80 a ton; but, as I say, the Food Administration fixed our cottonseed price at $60 a ton.

The Food Administrator, I repeat, fixed the price of cotton seed at $60 a ton. Cotton seed was selling at $80 a ton or more then, and that was at the opening of the season. The cotton seed goes up in value as the season goes on, because the seed becomes drier. Last year's crop was the second shortest this country ever produced. It is fair to say that at the time the Food Administrator fixed the price of cotton seed at $60 it was worth in my section $100 a ton. I paid $100 a ton for cotton seed in the past spring to plant.

There was a loss to the cotton grower of at least $40 a ton. Ordinarily you get half a ton of cotton seed out of a bale of cotton weighing 500 pounds. There was a loss in the value of cotton seed to the extent of $20 a bale. That $20 was taken out of the value of every bale of cotton that the cotton people of the South grew on account of the fixing of the price on cotton seed, and when you stop to consider that that represents a loss of $20 per bale of practically the only crop grown by the majority of the people of our part of the country, you will see what an enormous toll it took from the products of the people living in the South, and it was given to the people of all the country as a food product.

We are not complaining about it. The price of cotton seed has again been fixed at from $61 to $72 a ton. If it were not for that price fixed by the Government cotton seed would bring what I paid for it myself last spring, $100 a ton. Still I have yet to have the first man from my section write me a letter complaining of this burden. The people of the South are willing to make this sacrifice to help win this war, and, the gentleman from Pennsylvania [Mr. MOORE] to the contrary notwithstanding, they are not shirkers, considering the amount of money that they have. I make the assertion that they have bought more liberty bonds and more war-savings stamps and have made a fairer return on their income taxes than some men who live in other States, because the records of the Treasury will disclose that those men have had their accounts recast for them, and one concern in the gentleman's State was short in its accounts to the Government, as I recall, more than $20,000,000. [Applause.]

Mr. YOUNG of Texas. Mr. Chairman, will the gentleman yield?

Mr. CARAWAY. Yes.

Mr. YOUNG of Texas. As to fixing the price of linters, out of which explosives are made, linters were selling at 8 cents a pound and when they made the contract with Dupont they reduced the price and fixed it at 4.67 a pound.

Mr. CARAWAY. Yes. And the committee appointed by the administration to agree with the spinners of cotton on a price for the finished product recently came to an agreement, and either the effect of that agreement or the threat made by gentlemen on this floor to fix the price or to tax cotton took $22.50 out of the price of every bale of cotton the farmer had to sell. Now, the crop is estimated at 11,500,000 bales. Multiply that by $22.50, and you will see something of the loss resulting from the sectional talk or what fixing the price of cotton at less than its cost or taxing out of existence has cost the cotton growers of the South this year.

Let me say this one thing further and I am through: Seventy per cent of the cotton is grown by Southern negroes. I have always thought the North looked upon the negro as its special ward. He certainly swears allegiance to the gentleman's party, and if he takes the trouble to pay a poll tax he votes the gentleman's ticket; and this loss of $350,000,000 last week to the cotton growers came very largely out of the negroes of the South. The gentleman has rewarded them for 50 years of loyalty to his party by taking practically every cent they have.

Now that is not all. If you gentlemen really imagine you can destroy the cotton growers of the South without reacting injuriously upon the people of the North, you are mistaken. The cotton growers, of whom I happen to be one, spend all they get, because we want to go into the spring in debt. Every dollar that we get is used to buy the things that you produce, either on your farms or in your factories, and we have always paid you all the products were worth. You never ran any eleemosynary institutions when it came to selling down our way. Now the more we get the more you get. That has always been true, but if you want to drive us out of growing cotton, bless your hearts, we can grow corn cheaper than you can, we can grow cattle cheaper than you can, because you feed six months each year and we only feed but two. We can grow wheat, and we can grow everything that you produce and grow it cheaper than you do. If you make it impossible for us to grow cotton, your great market will be gone. We will be doing better than we have done before, our bank accounts will show it. You alone will suffer. And that is not all.

There is a very strong agitation going on now all throughout the South among the negroes to leave the plantations and go North, where the wages in the factories and mines and workshops are infinitely greater than the profit from the growing of cotton. That condition has become so acute that in my own section now the planters are trying to get Mexican labor to gather this present crop. The negroes are going to your section and are going into the cities, where they are ill fitted to cope with the conditions that will confront them there. They are going to disturb labor conditions in every factory in your section, and bring to your white people infinite trouble because you do not understand them nor they you. If you want to invite that struggle, if you want to destroy a whole race and in destroying them destroy yourselves industrially, why bless your hearts, go ahead with this agitation to tax what little profit there is out of cotton growing, because, as I say, 70 per cent of it is grown by negroes, and they are infinitely less prosperous than the people who work in factories and mines in your section. When you pull down the temple on our heads, you destroy yourselves with it. Now just stop and think seriously. I have no fear of this proposition passing. I know it is not going to pass. I know there is too much patriotism in this House for any considerable number of its Members to vote for such an outrageous proposition as to tax the special product of one section. I do not believe the gentlemen who advocated it had any expectation of its passage, or really believed that it ought to pass. But you can do as much harm by agitation as you can by legislation. You have already agitated $350,000,000 out of this cotton crop, and most of it falls upon the helpless negro race, who have repaid your acts of neglect by half a century of unswerving loyalty. [Applause.]

Mr. KITCHIN. I yield to the gentleman from Tennessee [Mr. HULL] such time as he desires. [Applause.]

Mr. HULL of Tennessee. Mr. Chairman, I have listened with a little surprise to the criticisms that my colleagues on the committee have been making against certain official activities of the administration during the present war. I was reminded, however, that while it may be that no government is as good as it might be, no critics of governments are as virtuous as they pretend to be. I do not desire at this time to undertake to make reply to certain criticisms which I think could well be answered, and portions of which I do not think were in good taste unless the entire facts had been gathered and presented, along with a helpful suggested solution of whatever evil was complained of.

Mr. Chairman, I ask unanimous consent to append to my remarks a memorandum on the publicity of income-tax returns.

The CHAIRMAN. The gentleman asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

Mr. HULL of Tennessee. Mr. Chairman, Congress is now confronted with the solemn duty and the unusual responsibility of considering a measure which would levy a larger amount of taxes than has ever been imposed in the history of any nation. This tremendous undertaking on the part of the American people has been made necessary by the war for the suppression of rampant German militarism. The people of the United States, acting as a unit, are capable of doing big things, of meeting big responsibilities, and they will patriotically and unflinchingly shoulder this war-tax burden—one that no other country, past or present, could undertake. Next to fighting in the front lines, there is no better test of patriotism than the willingness of the citizen cheerfully to pay the maximum amount of taxes for the support of the Government in its prosecution of the war. On the other hand, the lack, or the degrees, of patriotism can no more quickly be detected than in the person who complains of, or resents, the payment of his fair share of an imperatively high war-tax levy. Especially since the stupendous plans and pur-

poses of the German autocracy to dominate first Europe and Asia, and then the Western Hemisphere, industrially, financially, commercially, socially, and politically, have so fully and clearly unfolded themselves, no intelligent person with a spark of patriotism or with the slightest love of liberty will hesitate to place both life and property at the disposal of his Government in this time of supreme crisis. [Applause.] Even the casual reader now knows that from the day of the Potsdam conference on July 5, 1914, world conquest and world domination were deliberately decreed by the ruling powers in Germany, and have since been vigorously prosecuted by the German and its allied armies. The most ignorant person is now familiar with the uncivilized, savage, and barbarous methods employed by the German Government in waging this unholy, outrageous, and unspeakable war of conquest. For brutality and inhumanity, for duplicity and false pretense, for rape and robbery, for piracy and fiendish cruelty, for the malicious destruction of innocent lives and property, for the deliberate violation of the inalienable rights of both nations and individuals, for the utter and contemptuous disregard of every vestige of right, justice, honor, fair dealing, and moral sense, the conduct of the German overlords from the day they plotted and precipitated this world war has been without parallel and without comparison, and has brought upon their heads a universal judgment of criminal infamy which a million years of atonement can not remove. [Applause.] Talk about "peace by negotiation"! How can you negotiate any question with scoundrels and villians, with assassins and freebooters, with highwaymen and desperadoes? They must first either be killed or disarmed, and then let honorable men speak and act for their nation at the peace table.

Mr. Chairman, the Government of the United States has thus far financed the war on sounder and wiser lines than any other nation. It is true that in so doing we had the benefit of the experience of other countries which had previously entered the war. It is a matter of keen satisfaction that the Treasury has so ably and efficiently met its share of these great war responsibilities, which are the most difficult of all financial responsibilities. Our great Secretary of the Treasury and his able assistants and aids are entitled to unstinted praise for the faithful and highly capable manner in which they have met and solved in the most practical way every problem of war finance coming within the Treasury's functions which has arisen. Congress has likewise promptly, earnestly, and patriotically formulated along the soundest and most constructive lines and enacted into law every fiscal measure, and all others, in fact, that would be helpful or necessary to the most vigorous prosecution of the war.

When a nation once finds itself obliged to enter a war, a few belated critics generally make their appearance and condemn the country for not having placed itself on a strict war basis years before. This class of criticism is really an indictment of democracies everywhere. Experience has definitely shown that in democracies the people, whether right or wrong, have never been disposed to pay enormous taxes for the purpose of building up great armies and navies in time of peace and in anticipation of the possibility of war in the future. England, notwithstanding the severe drawbacks and delays in the prosecution of the Boer war on account of the almost utter lack of army preparations in advance, made no effort later to organize and train an army of any substantial proportions. France and other European countries pursued the even tenor of their way while Germany, before their very eyes, feverishly exerted herself for some years in expanding and developing her great armies and navy to the highest point, and even constructing the well-known network of railways along the French border for military purposes. Notwithstanding, none of these countries made any special or unusual preparation to meet the war for which Germany, in this open and notorious manner, was daily preparing herself. It is true that France was better prepared than other European nations, but she was not at all fully prepared.

Mr. Chairman, it must be admitted that where a country is obliged to enter a war without real preparation the expenses are more or less augmented, for the reason that the demand for supplies and munitions is so urgent that the paramount consideration necessarily becomes one of time rather than one of expense. This unavoidable condition, however, is not the fault of the Government, but is naturally incident to the policy universally pursued by democracies in the past. It is difficult to forecast the probable policies of this and other countries as to the maintenance of large armaments in the future. It is plain, however, that what the world desires hereafter above all else is security against future wars. It is equally plain that if some efficient agency, other than armed force, which will accomplish this greatly desired end most, can be devised, the policy of national disarmament would be most wise and welcome. This problem will doubtless be measurably determined, as it should, at the peace table. In any event, the "gospel of force" must be forever uprooted and repudiated. It may be said that if general disarmament should fail of adoption, and I hope it may not, the expenses of maintaining substantial armies and navies after the war by the various important countries will aggregate $4,000,000,000 to $5,000,000,000 annually. This amount would pay off the world's war debt within one generation.

Mr. Chairman, the question of taxation, difficult enough in time of peace, becomes increasingly so in time of war. In peace times the people expect and demand both equitable and scientific taxation, whereas in time of war, owing to the far greater revenue demands, the artificial business conditions, and the briefness of the existence of strictly war taxes, the same degree of strictness as to equity or scientific accuracy is neither possible nor entirely expected. It is a matter of congratulation, however, that since our entry into the war all political parties have agreed as to the general scope, nature, and extent of our war-revenue legislation.

In discussing the war-revenue measure in 1917, I said:

In view of the fact that we may be entering a somewhat long war, too much careful investigation and consideration of the principles of sound taxation and all phases of each item proposed to be taxed and the formulation of an equitable and comprehensive initial revenue measure can not well be given. With a basis of taxation thus established on lines broad and sound, one story after another of taxation can be added, if necessary, as the war progresses and our revenue needs increase, without disturbance of business or economic conditions and without the necessity of constantly readjusting or patching up our tax structure. * * * The real and chief ground of complaint against past and present tax laws is not due to high taxation but to inequitable taxation.

In drafting the first war-revenue measure during the spring of 1917 the Ways and Means Committee outlined the general policy, since pursued, of imposing taxes for war purposes as much as possible on wealth, luxury, pleasure, and seminecessities. This is upon the principle that those able to pay must of necessity bear the chief tax burdens, while those more unfortunate persons who hover over the brink of starvation as they go through life can only fight when needed and can not be expected to pay a very substantial amount of taxes.

The income and excess-profits taxes are the backbone of our financial system. For many years the income tax was placed under the ban of the Constitution by the Supreme Court. Lucky it was that during the years preceding the war the protracted fight made to revive the income tax forced an amendment to the Constitution and resulted in the enactment of a comprehensive system of income taxation which had reached an efficient stage of development when the United States entered the war and thereby became the ready agency for raising the chief portion of our war revenue. For the present fiscal year the income tax and excess-profits tax, levied on the same principle, are expected to yield $5,500,000,000 of our estimated total yield of $8,000,000,000. I shall always be glad of the part I took in the long and oftentimes discouraging fight for the restoration of constitutional income taxation in this country, the success of which prepared the Nation promptly to meet our great war-revenue emergency. The income tax and the Federal reserve act have given the United States a fiscal system everywhere conceded to be far superior to that of any other country. Each is indispensable to the satisfactory and successful financing of a war of this magnitude.

Mr. Chairman, there are so many kinds and methods of taxation it is inevitable that not even any two people would entirely agree as to all phases of the same. The pending bill comprises a large number and variety of tax proposals. My individual view as to the relative amount of bonds and taxes which should be utilized for the prosecution of the war was expressed in this House on April 17 and May 22, 1917, when I said:

My own view is that no fixed rule can be established for all governments or for even one government. * * * The magnitude as well as the probable duration of the war are important factors; the probable cost of the war both to the home Government and the foreign Governments which it is helping to finance and the extent of its aid to them are necessary to consider; our general business and economic conditions and prospects, both national and international, should receive consideration; the amount of our prewar indebtedness and taxation, the country's resources, and our consequent ability to raise money from bonds and taxes is still another factor. * * * As to the amount of war taxes the Government should impose, I would say as large an amount as can be levied without materially injuring or seriously handicapping any important phase of our commercial, financial, and business affairs would be justifiable. This rather than arbitrary figures should be the criterion.

This view contemplates the policy of paying as we go.

The wisdom of this policy is universally recognized and practiced by each nation at war, except Germany, to a large extent. True, these large tax levies call for sacrifice and self-denial on

the part of the citizen. But when disposed to grumble at war taxes let him recall how his brothers and sons are defying death in the trenches and the mine fields and he will feel ashamed that his contribution to the war is so trivial. Let every person produce more and consume less and we shall cope with all war burdens without serious difficulty. One effect of the war will be to convert ours from the most extravagant into an economic Nation. We had better pay the proposed taxes than to run the risk, through a lax or inefficient prosecution of the war, of paying a far greater tax in the nature of an indemnity to Germany. The people of Belgium, Serbia, Roumania, and portions of other countries under German occupation, who are groaning under these huge indemnities levied each month, would rejoice to exchange places with any American citizen and pay all war taxes imposed by the Government. After all, it is a question of production of the necessary amount of supplies for war and domestic consumption. Since there is no other country from which we can purchase them, they must be produced here. Money to the Government, therefore, becomes a matter of secondary consideration, since it would avail little unless the people first produce the commodities to meet our war needs. In this connection we should not overlook the fact that a tax levy of $8,000,000,000 now only amounts in buying power to a tax levy of $4,000,000,000 under normal conditions before the war.

It is thus far the consensus of opinion among those best able to judge that for the present fiscal year a total levy of $8,000,000,000 would not be repressive or seriously handicapping to production or to the continuance and development of business enterprise. The United States is in a far stronger attitude to bear the enormous burdens of war than any other country. Our home production of unlimited quantities of coal, oil, gas, lead, iron, steel, cotton, copper, corn, wheat, and most other products and supplies necessary for the prosecution of the war, as well as our self-sustenance, places us in a position of untold advantage. The best part of industrial France is occupied by the enemy. England must import the chief portion of her raw materials, with the result that the balance of trade against her for this fiscal year will probably be $4,000,000,000. Since the outbreak of the war the balance of trade against England amounts to $8,500,000,000, while the balance of trade in favor of the United States amounts to more than $9,500,000,000. It is now $3,000,000,000 annually. To meet the largest possible amount of our war expenses as we go is not only sound financing in that we avoid hard tax levies during future years when they will be more difficult to pay, in order to meet both principal and interest, but by pursuing this wise policy and avoiding an oppressive load of debt in the future the United States is placed in the strongest possible attitude to meet competition in foreign trade after the war. Each country at war will later strive to pay off the chief portion of its war indebtedness with favorable trade balances which it hopes to create in the field of international commerce.

Some gentlemen would naturally turn to the customhouse and provide a general additional scale of customs duties. The difficulty, and, in fact, the utter futility of deriving any considerable amount of additional revenue through customs duties, except from such articles as sugar, coffee, cocoa, tea, silk, and rubber, must be painfully apparent to those who would advocate such action. While it is true that our imports have apparently increased to a large extent, yet at least one-half of this increase is clearly due to mere increase of values and not of quantity. Besides, the chief imports are foodstuffs and crude raw materials, most of which are kept on the free list at all times by all nations. Of our imports for the year ending June, 1918, valued at $2,946,000,000, crude raw materials constituted $1,227,000,000 and foodstuffs $750,000,000. The value of manufactures imported for this period was $394,000,000—and it is to these we look for revenue, in the main—and they are now no greater than the value of those imported for a similar period under the Payne tariff law, while the quantity would not be more than one-half. We should also keep in mind the fact that when each country entered the war, or soon afterwards, all foodstuffs and essential raw materials that were not already on the free list were promptly placed there, and in addition, embargoes were imposed against other large classes of imports as well as exports. No statesman in the legislative branch of any Government at war who has the slightest regard for his reputation for judgment or ability denies the patent fact that customs revenues are wholly unreliable and utterly inadequate in time of war. It is true that England now levies $472,000,000 at the customhouse, but it is also true that $412,000,000 of this sum comes from tea, tobacco, sugar, and coffee. It must be clear from universal experience that we can not later in normal conditions expect a maximum customhouse levy of more than $500,000,000 for any year, while our after-war expenditures will be near $4,000,000,000. This is upon the assumption that the war will end in the autumn of 1819. Our customs taxes averaged less than $70,000,000 during the Civil War. On this point may I read an extract from a memorandum sent to the President on May 15, 1918, urging war-revenue legislation during the present session of Congress, a course about which, if there was ever any doubt, that doubt has since been removed by every subsequent fact and development. I said, among other things:

The controlling question for determination at this time, I think, is whether it is deemed wise and necessary to make an additional tax levy on profits arising during the calendar year 1918. * * * The United States will probably find itself carrying a debt of not less than $40,000,000,000 at the close of the war. If the amount we are loaning and shall loan to the allies, together with the interest they are expected to pay on it, should be treated as a sinking fund, the Government would then pay 4½ per cent interest on a total debt of $40,000,000,000 during the years following the war. Pensions and similar compensations to soldiers and sailors will then doubtless exceed $500,000,000. The amount of our prewar expenditures for material, supplies, etc., will, on account of the increase in prices, be considerably augmented after the war. New expenditures growing out of the war, such as those for reconstruction work and the maintenance of new agencies created during the war which can not be discontinued at least for some time, will involve several hundred millions additional. These sums added to our normal prewar expenditure of a little over $1,000,000,000 will make the total annual expenditures after the war not less than $4,000,000,000, in my judgment.

If we can only levy $4,000,000,000 taxes during the war, when war profits are swollen and when the people are disposed to accept forms of taxation they will not accept in times of peace, how can we expect in a satisfactory way to raise $4,000,000,000 from taxation after the war, when profits have largely declined and there is demand for repeal of more or less war taxation? It is true, furthermore, that the great war expenditures contracted in inflated prices of about 100 per cent should be met as fully as possible in similar inflated values, otherwise a much larger amount of commodity values will be required to pay off a given amount of bonded debt some years after the war than at present. The principle now recognized as sound finance by every country at war is that the maximum amount of taxation which can be levied during the war without material injury to business should be imposed.

Mr. Chairman, while the Government is undertaking to raise the largest amount of taxes possible without material hurt or injury to the taxpayer, whether a business or individual, and in so doing it is now proposed to impose a maximum levy on the profits of business, it would not be unsound war taxation to impose a war-customs tax on such articles as silk, rubber, sugar, coffee, cocoa, and tea, coupled with an excise tax on sugar. This action would contribute to a better belanced system of war revenue legislation. These taxes are honest and every dollar would go into the Treasury. They would not be seriously felt by the public, and they would be as little expensive to the public as any other form of tax it may be required directly or ultimately to bear under our system of war taxation. Since the American people are abstaining in a measure from the normal consumption of such articles as flour, beef, and sugar in order that our gallant soldiers and sailors and destitute allies may receive a necessary share, what violence to public sentiment or to sound, honest taxation would result if the Government should utilize the articles mentioned as an agency for the distribution of a substantial tax levy, not at all burdensome to any one, for the purpose of securing money with which to pay for clothing, munitions, and other indispensable supplies for the soldiers in the trenches. When Russia abolished the use of vodka she struck down 94 per cent of her revenue, but Russia could then borrow from other nations, whereas there are now no nations from which we can borrow. When the war is over and Congress repeals some of the temporary and cruder classes of war taxes we shall then be obliged to find suitable substitute methods.

We should during the war embrace in our system of war and other taxation sufficient sound and equitable permanent tax methods as may be necessary to retain for the purpose of meeting our greatly augmented normal expenditures for many years following the war.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HULL of Tennessee. I will.

Mr. GREEN of Iowa. I agree to a certain extent to what the gentleman said about the difficulty of raising revenue by custom duties at this particular time during the war, and in enumerating the conditions that will prevail after the war I think the gentleman gave an accurate and instructive summary in relation to that matter. Does he not think at that time it would be possible after the war to increase the revenue we derive from customs?

Mr. HULL of Tennessee. I unquestionably do. When the war broke out the gentleman, I am sure, knows well that the countries which maintained the highest possible tariffs proceeded at once to repeal the tariffs on all foodstuffs and many other articles, and at the same time placed stiff embargoes on large classes of other articles, both as to imports and exports.

Mr. Chairman, in connection with tariff views we hear much discussion of trade conditions and prospects. There are many suggestions on every hand that we should now proceed in every way to prepare to meet after-war conditions. While the after-war problems are but secondary in importance to the war problems, and will probably be more complex, we should not become enough engrossed in our preparation to meet after-war conditions as to neglect some of the important and urgent things we could and should now do to bring the war to a speedy and successful termination. This is the question of present paramount and supreme importance. After-war conditions will be greatly affected by the peace terms. The time when the war ends will also be a factor. We are already sure of a great merchant marine, an unprecedented gold reserve, and adequate foreign banking facilities. We will have available our immense resources, including raw materials, to be manufactured and sold everywhere when the war closes. Europe will be greatly deficient in raw materials. The shelves of the business houses in all European and far-eastern countries will be empty, and if our manufacturers are well stocked with goods at that time they should have enormous foreign sales after the close of the war. The United States has now gone from third to first place as exporter of manufactured goods, or from a valuation of $1,099,000,000 to $4,019,000,000. Our growing export trade will retain our gold at home. Prior to our entry into the war last year we had paid $3,000,000,000 of our indebtedness to Europe and loaned $3,000,000,000 over there. This does not include Government loans of over six billions since made to allied nations. Another after-war handicap to Europe will be that the cost of her physical reconstruction will amount to $5,000,000,000.

Individually I have never shared in the persistent advocacy of the "war after the war" of which we have read so much during the past two years. Economic wars are but the germs of real wars. Trade retaliation and trade discrimination, from boycotting down, inevitably produce friction and irritation between nations, and have, in fact, been one of the chief underlying causes of most wars of the past. Should the present German rulers control the affairs of Germany as heretofore I should, of course, favor economic and every other kind of warfare against them in the future, but our success in the present war, which is certain to come within a year, presupposes the elimination of these overlords and the lodgment of power in the hands of the people. Believing as I have that the best antidote against war is the removal of its causes rather than its prevention after the causes once arise, and finding that trade retaliation and discrimination in its more vicious forms has been productive of bitter economic wars, which in many cases have developed into wars of force, I introduced a resolution in the House of Representatives during the early part of last year which would provide for the organization of an international trade agreement congress, the objects of which should be to eliminate by mutual agreement all possible methods of retaliation and discrimination in international trade. This course should tend greatly to diminish the dangerous possibilities of economic warfare and to promote fair and friendly trade relations among all the nations of the world. Dealing with the subject of competition through the tariff is another and different question. In my judgment the country that will prosper greatest after the war will be that country which develops the highest state of utility and efficiency in its production; that country which encourages invention and scientific and industrial education and training in the largest measure; that country in which capital and labor in a friendly spirit mutually work out a relationship just and fair to both with respect to each important industry. Antiquated machinery, worn-out methods, and inefficient management will have to be abandoned.

Mr. Chairman, the United States is now at a maximum capacity of production. It is in a far better position to meet war burdens under these conditions than it will be to defer them to later years, when the ability of the country to pay the high level of taxes that would then be necessary will be much less than it now is. Values and production in each line of industry can not be expected to be so high then. England expects a revenue yield of $4,500,000,000 for a full year from her present schedule. We are in a better position to raise $8,000,000,000 than England is the amount contemplated. Some one may say that the American people pay more State and local taxes than the English. It may be replied that they have county and municipal taxes to pay in England, whereas in this country more than one-half our State taxes, for example, are paid largely by those who are not subject to appreciable income or excess-profits taxes. This ratio in measurable proportions runs through the county and municipal tax payments. It will be noted that England levies comparatively few taxes, but they are general in their application. My opinion is that tax methods in any important commercial country should be as few and as general as possible, because they are more productive, less expensive to collect, frequently more equitable, and far less confusing and irritating. The big question now is to levy the maximum of revenue for war purposes, and at the same time make the most equitable adjustment and distribution possible with respect to all persons, businesses, and industries in the light of ability to pay.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HULL of Tennessee. I will.

Mr. GREEN of Iowa. It is often said that England levies no local taxes; but, as the gentleman is aware, that is an error. I made some investigation of that matter, which led me to believe that the local taxes amount to more than $500,000,000.

Mr. HULL of Tennessee. That corresponds with the figures I have been able to obtain.

While it is true that not quite 10 per cent of the total war expenditures incurred by all nations has been met by war-tax revenue, it is also true that, with the exception of Germany, all countries have striven to make the largest levies consistent with their resources and domestic conditions. Canada has increased her revenue from $120,000,000 to $230,000,000; England, which is more representative in this respect than any other foreign country, has increased her levy from near $1,000,000,000 to $4,500,000,000. Her total expenditures for four years of war have been $39,650,000,000, of which $10,105,000,000 were raised from taxation. Deducting normal taxes and normal expenditures and allowing for the value of permanent assets, apart from loans to allies and dominions, leaves an actual war expenditure of $35,650,000,000 and war revenue of $6,105,000,000. Estimating her loans to allies at one-half value, she figures her total recoverable assets at $8,980,000,000. This would make the proportion of net war cost raised by revenue 23.04 per cent.

Mr. LONGWORTH. Will the gentleman yield?

Mr. HULL of Tennessee. I will yield to the gentleman from Ohio.

Mr. LONGWORTH. How much, if the gentleman can state, is the total revenue raised by customs duties?

Mr. HULL of Tennessee. Under the recent increase in the last finance bill introduced in April they estimated that the amount to be derived is $472,000,000, but I may say that $412,000,000 of that amount is expected to be derived from tea, coffee, sugar, and tobacco.

Mr. GARNER. They are really consumption taxes.

Mr. HULL of Tennessee. The customhouse collects the tax on those particular articles that I have named.

Mr. GARNER. But they are really consumption taxes.

Mr. HULL of Tennessee. To be sure.

Mr. LONGWORTH. And so would they be in this country consumption taxes.

Mr. GARNER. Yes; on those articles.

Mr. LONGWORTH. How high have they gone on tea, coffee, and sugar?

Mr. HULL of Tennessee. I have not glanced at the rates during the last few weeks, and I could not be accurate in regard to it. I think sugar is 5¾ cents a pound, and tea 24 cents a pound. There is now considerable demand for increased war taxation there. Our loans to allies are much better placed than those of England. Russia owes her $2,840,000,000, and the smaller States $595,000,000. France, on account of German occupation, has only been able to levy new annual taxes of $449,000,000. Italy has more than doubled her prewar revenues, so that they now yield over $800,000,000. Germany has financed the war chiefly through loans, indemnities, and fiat money. It is impossible to secure accurate figures as to the exact amount of war revenue she has imposed. Her different votes of credit show general Government expenditures of $34,750,000,000 during the war. The German States have also met considerable war expenditures. The general Government there has only sought to increase taxes to meet normal expenditures, including the interest on war debt. They have failed even in this respect and have been obliged to issue bonds in a number of instances to meet interest on war loans. The total new taxes collected by Germany since the outbreak of the war aggregate $2,876,000,000. Only $1,000,000,000 of this levy, however, is a permanent tax. This amount added to her normal revenue of $750,000,000 before the war only gives her an aggregate permanent peace tax of $1,750,000,000 with which to meet fixed annual post-war expenditures of $3,500,000,000.

Mr. Chairman, the United States entered the war on April 6, 1917. Our ordinary revenue receipts for the fiscal year ending June 30, 1917, were $1,118,174,000. No receipts from the war-revenue act of 1917 reached the Treasury within this

period. On the other hand, the Government was obliged to expend from April 6 to June 30, the end of the fiscal year, $1,218,502,000. To meet this expenditure the ordinary revenue receipts of $567,438,000 and the proceeds of the first liberty loan, $1,466,335,000, both of which amounts came into the Treasury during this period, were utilized. Of the amount expended during this time, loans to our allies comprised $885,000,000. It will thus be seen that both war and normal expenditures in this country for the latter portion of the fiscal year 1917 only amounted to $333,000,000.

Adding to the $885,000,000 loaned to the allies the amount expended by this Government for the war or for other than normal purposes from April 6 to June 30, 1917, shows $954,000,000 as the total war expenditures of the United States from April 6 to June 30 of that year. During the fiscal year ending June 30, 1918, the total ordinary and war expenditures of the Government were $12,696,702,000. Of this amount $4,738,029,000 were loaned to the allies, which would leave remaining a total expenditure of the Government for this fiscal year at $8,714,000,000. The aggregate amount of expenditures just stated were met by revenue receipts of all kinds amounting to $3,664,581,000, by proceeds of the first, second, and third liberty loans of $7,566,034,000, war savings certificates and thrift stamps of $307,019,000, or a grand total of $11,537,706,000, to which was added a sufficient amount of the proceeds of certificates of indebtedness to meet the total expenditures, as stated, for the fiscal year.

Mr. STAFFORD. Will the gentleman yield?

Mr. HULL of Tennessee. I will.

Mr. STAFFORD. Has the gentleman before him the percentages of amounts raised by taxation as compared with the total war expenses?

Mr. HULL of Tennessee. I will say that I asked the Treasury Department to furnish me with the figures that would most nearly show the war expenditures from April 6, the day of our entering into the war, as distinguished from the normal expenditures on the one hand and the normal and war-tax revenues on the other. I have undertaken to insert the figures here, but I have not computed the percentages.

Mr. STAFFORD. As I glean from the figures stated by the gentleman, during the fiscal year 1918 we raised more than 40 per cent by taxation.

Mr. HULL of Tennessee. A computation on the face of the figures will show, but I have not computed the percentages. During the months of July and August, 1918, the total expenditures of the Government were $3,413,795,000, and of this amount loans to the allies represented $622,735,000. The receipts of the Treasury for these two months were $785,087,000 from ordinary revenues, $929,187,000 from the first three liberty loans, and $334,000,000 from war savings and thrift stamps, or a total of $2,123,365,000. This amount was supplemented by the proceeds of certificates of indebtedness to meet the current expeditures stated. It will thus be seen that the total expenditures of the Government for all purposes since April 6, 1917, to August 31, 1918, aggregate $17,329,000,000, while the total receipts from normal revenues, liberty loans, and war savings sources for the same period aggregate $15,699,766,000, the total revenue receipts being $5,017,100,000, total proceeds from liberty loans $9,961,559,000, and the total proceeds of war savings and thrift stamps $641,097,000. Certificates of indebtedness are utilized for the purpose of anticipating both bonds and tax payments, and if necessary, to meet any temporary deficiency of either or both. The total loans to the allies from April 6, 1917, to August 31, 1918, were $6,245,764,000.

In computing the cost of the war from year to year or from period to period the terms "authorization," "appropriation," and "expenditure" should not be confused with each other. The fact also should be kept in mind that an immense portion of our total expenditures instead of being lost to the Government will constitute permanent assets. Such items as the $6,245,000,000 loaned to the allies prior to September 1 of this year and the additional sums we are now loaning to them during the present fiscal year, together with such other items as the appropriations for the Director General of Railroads, for the War Finance Corporation, for the purchase of farm-loan bonds, for the Shipping Board to construct merchant vessels, for nitrate plants, for the Alaskan Railway, and numerous other important items which will constitute permanent assets, the combined total of all of which will now approach $7,500,000,000.

The payment of war loans and taxes thus far has in no sense dislocated business or finance, and has caused even no perceptible disturbance. Business conditions are inherently sound. The failures for the first six months of this year show liabilities of only $70,000,000, which were the smallest since 1907. The total aggregate net income returned by individuals and corporations subject to income tax for the years 1915, 1916, 1917, and the estimated amount for 1918 is near $45,000,000,000 after all the usual allowances for expenses of every kind, depreciation, temporary repairs, and so forth. From this entire amount the Government has derived in income and excess profits taxes thus far less than $3,500,000,000. The added income and excess profits tax levy for 1918, estimated at $5,500,000,000, would make a combined levy from these sources of $9,000,000,000 for these four years, leaving to the taxpayers of the country $36,000,000,000.

Mr. Chairman, it has been the intention and controlling effort of the committee to apportion taxes equitably in reporting this bill. The bill contains many safeguards against any inequities that may arise from its operation. While these are intended to be comprehensive, I think some additional provisions may be necessary to carry out the general purposes of the bill with the degree of equity and efficiency desirable. I wish here to compliment in the highest terms the able and distinguished chairman of the committee and also each member for the honest, earnest, and painstaking labors they underwent in their zealous and patriotic endeavors to evolve a measure which would be acceptable to the entire country. I was somewhat surprised at one or two of my colleagues on the committee who talk on the floor so differently from the tone in which they talked in the committee. If gentlemen desire to share in the more agreeable work of prosecuting this war, they ought to be willing to share in the more disagreeable work which embraces in part the levying of war taxation. While I feel that the committee has in most respects splendidly succeeded in its purpose, yet it is but natural that in a measure of such magnitude opportunities to make an improvement here and there suggest themselves. In commenting on the concrete provisions of the bill I feel constrained, without any disposition to be critical, to call attention to certain provisions wherein some modification or addition would, in my judgment, prove helpful.

To one familiar with our present tax laws little difficulty in grasping and readily understanding this bill will be experienced. The bill in its chief effects does four things: First, in a general way practically doubles most of the existing tax rates; second, inserts a war-profits provision in the alternative with the present excess-profits law; third, codifies the income and estate tax provisions; fourth, adds a so-called luxury schedule of taxes. There are, of course, minor administrative changes or insertions here and there in the bill, as well as certain other additional or modifying provisions, but which are not generally of a fundamental nature. It will be seen that the language of the income and estate tax statutes is retained almost entirely intact.

In making a huge levy of $8,000,000,000 on the American people in one year, I can not too strongly emphasize the extreme importance of adjusting and balancing the burden with the greatest possible intelligence and care. Unless this is done, injustice and hardship will be inflicted in many cases, while on the other hand, numbers of taxpayers will escape their proper proportion. The great problem, therefore, is to adjust and apply the law to every taxpayer in such manner as will permit no one to escape nor require anyone to pay more than his just and relative share. Under a levy of this kind the country could pay $8,000,000,000 taxes with far less injury than it could pay $7,000,000,000 under a law not carefully and accurately adjusted in the manner just stated. This is the crucial problem to be solved.

The income tax comes first in the bill. Almost all civilized countries now have an income tax. Its underlying principle is that every citizen should pay in proportion to his ability, and that net income is the best measure of such ability. In the very nature of things, however, it is not designed as an exclusive tax method. By reason of the difficulties of administration when applied to the large class of persons with small incomes, another or other tax methods are necessary. It does not in any event reach the unearned increment; it does not reach estates passing by death; it does not tax consumption; it does tax wealth, which hitherto has not been reached for its fair share. It can and should distinguish between income from labor and income from capital. This would more fully carry out the theory of ability to pay. In my opinion the largest possible income-tax levy should be made for war purposes at this time. This tax is intended to deal with all gains and profits derived from normal business. The fact that for administrative reasons the exemption is made higher here than in most other countries, does not admit of as large a proportionate levy on the smaller incomes as is generally made elsewhere. Near two-thirds of the total net income of the country is comprised of those of $4,000 and under. It would probably have been wiser to have made a larger income-tax levy, and possibly to have made slightly more liberal allowance to exceptional businesses in case of hardship under the war or excess-profits levy, in view of the fact that the income levy is much

more equitable. The law as codified in this bill is concededly the best income-tax law to be found in any country.

Many complain of the complicated nature of an income-tax law. Equity and simplicity should be the prime requisites of any tax law. To secure equity it is necessary, on account of our complicated business conditions, to insert numerous saving provisions, exceptions, and qualifications in the general provisions of the law. These produce the principal complications complained of. The taxpayer must realize, therefore, that in the endeavor of Congress to make his tax burdens equitable it has proceeded as far as possible to secure the maximum of equity with the minimum of complexity, notwithstanding the fact that in this endeavor complexities increase as the equities increase. There has been some confusion in the minds of many as to the meaning of profits computed under the income-tax law as compared with commercial profits. The truth is that income-tax profits and commercial profits are, and should be, the same, except to the extent prohibited by provisions of the income-tax act. Commercial profits should be the basis of taxation, provided capital expenditures of certain kinds are excluded. A statute, however, can not define just what items should or should not be deducted in computing income in each instance. It does not, in fact, undertake to do this, but oftentimes leaves the question of income to be determined on commercial principles. No fixed definition of income can be given either by Congress or by the courts. Accounting methods are different. In order to apply a comprehensive income-tax law to our somewhat intricate business situation, the cooperation of the legislative, administrative, and judicial departments in the performance of their respective functions is necessary. With no desire to criticize, I have been slightly disappointed by some of the court decisions construing and applying certain provisions of the income-tax law, because it seemed that they did not make a broad practical application, within sound judicial range, to our economic conditions, in some respects. The intimation of the court on the so-called stock-dividend question creates some apprehension in the minds of the friends of this tax. While I can not defend the stock-dividend provision of the present law in so far as it would tax a stockholder on the profits derived from the sale of his stock, which are attributable to an increase of undistributed profits, and at the same time tax the purchaser on a distribution of such profits immediately after in the form of so-called stock dividends, neither can I defend the intimated attitude of the court to the effect that when the profits of a corporation are by appropriate action transferred to capital account and new shares issued therefor they become capital and are immune from income taxation imposed on the stockholder with respect to the profits when being so transferred. It is not feasible to gauge and tax him on such profits until they are in the act of being transferred. A broad decision, as intimated, would work the most serious injury to income taxation and would go counter to a long line of English decisions on this question. It may be that the inventory provisions will meet these conditions, however. A thoroughly satisfactory tax method of dealing with the undistributed profits of corporations presents a grave problem. Many persons entertain the erroneous view that because profits of a taxable year are retained for even bona fide employment in the business, that should exempt them from taxation. If this view were sound, there would be but a relatively small amount of profits available for taxation. The problem is to levy, in effect, a proportionate amount of income taxes on profits accruing to individuals, from whatever source or through whatever agency.

The theory of the tax is that a sufficient amount of profits, whether primarily accruing to a person, corporation, or association, will and should be left, after the imposition of the tax, for all reasonable business purposes. Certainly there could be no impairment of capital, as often is the case under our general property tax laws, and it is equally certain that a substantial amount of current profits will be left undisturbed in every case. Corporations in England pay the 30 per cent normal tax on their 33⅓ per cent of undistributed profits.

A small income-tax problem, not yet satisfactorily solved, relates to the taxation of profits from the sale of property purchased many years prior thereto and not in line of business. Many income-tax laws do not undertake to reach profits other than those derived from a trade or business. In view of the tremendous number of collateral transactions in this country, however, it has been deemed important to develop along the most practical and workable lines this phase of income taxation. I think some additional legislation, both necessary and possible, should be had in this respect. While losses arising from and immediately connected with transactions which do not constitute a trade or business are proper allowances, I fear the relief offered in this respect may enable taxpayers hopelessly to blend trade losses or expenditures with those of a capital nature which have no recognition under any income-tax law. The insurance provisions need readjusting. The subject of depreciation in its application to some classes of business should, in my opinion, be given lengthy consideration and our statutes in this respect readjusted along more practical and definite lines. Some persons think all profits used in business should be exempt. Others think they should have a full return of capital before being taxed on profits. Still others think that the owner of his own capital should be allowed to deduct interest on it. The income tax, however, only looks in theory to commercial profits. Gifts, especially during the war, should be taxed at the normal income rate, but not subjected to supertax. They were made a part of the definition of income under the act of 1894. The exemption as to gifts might properly be $1,000 and $2,000. A possible danger to the successful and permanent operation of an income-tax law, as is true of all tax laws, is the disposition even of its friends to insert additional exemptions here and there and to add liberal qualifications, thereby opening many doors to those who would evade or avoid their full share of taxes. Unless the Supreme Court modifies its decisions it will declare invalid the provisions taxing the agencies and instrumentalities of the States. As to the normal tax, I think the bill could well have fixed it at 15 per cent and allowed the superrates to commence correspondingly higher on the income. The committee has rendered a splendid public service in codifying the present scattered provisions of the income-tax law. It is to be earnestly hoped that Congress will hereafter leave the body of the law intact instead of taking out entire pages for the sake of adding some slight amendment. While a distinction between income from labor and income from capital would involve some complications in the administration, I am unable to see wherein they would be at all serious. The basic normal rate agreed upon could be prescribed for all income with a proviso that income from labor, including offices, and so forth, and resonable compensation for personal services actually rendered where labor and capital are combined, should be subjected as to the amount above the personal exemption to a rate derived by deducting one-fifth of the basic normal rate. This provision was written in the first draft of the income-tax measure of 1913, but it has not thus far remained in the bill.

Mr. Chairman, I am gratified to see a so-called war-profits provision go in this bill. From the beginning of the war I have exerted my humble efforts to this end, upon the theory that if it was intended to reach war profits in the fullest and most accurate measure and at the same time avoid many serious inequities which would arise under a so-called excess-profits provision a war-profits measure should be enacted in the very beginning. I readily agree, as everyone must, that neither of these tax methods is a scientific, equitable method in the ordinary sense. The principal feature of equity which attaches to them is that it is entirely justifiable for the Government to take the chief portion of abnormal profits arising during the war for the payment of war expenditures. No intelligent, patriotic person has yet questioned this principle. There is some confusion of terms in defining these two tax methods. The pending bill defines the method contained in our present law as an "excess-profits tax" and the method contained in the English law as a "war-profits tax." The fact is that if the subject of the tax is to control the definition of the tax method, the English law itself is an excess-profits tax measure, and our present law is a graduated supertax on the income of corporations above a prescribed exemption and corresponding to the supertax on the income of individuals above the prescribed exemption of $5,000. A strict war-profits tax is, of course, a tax imposed on profits exclusively due to the war. A strict excess-profits tax, as the English law is officially designated, applies to the portion of profits in excess of those earned during a corresponding period called the prewar period, without inquiry or concern as to whether such excess profits had any connection with the war. Our present excess-profits law does not consider or inquire whether more or less profits were derived by a taxable concern after or before the war, but prescribes a fixed exemption of $3,000 plus 7 to 9 per cent of what is defined as "capital invested," and imposes a graduated supertax alike on the profits of all corporations above the exemption. I have always viewed each of these tax methods as somewhat inequitable, temporary war measures, which have their chief support in the policy, which no one can successfully challenge, that during the war the Government should demand and take most of that category of abnormal profits which have arisen over and above normal profits of the prewar period and apply them to the expenses of the war. The effect of this policy is to classify increased income during and under war conditions and, under somewhat

unscientific methods, transfer most of it to the Treasury. In its chief features the plan this bill proposes is the best that could be offered to this end.

This general tax could not be expected to continue permanently after the war. The tax had its origin in the Scandinavian countries early in the war, when it was discovered that certain firms were making abnormal profits from the sale of foodstuffs to Germany and that certain shipowners were realizing like profits from war shipping. It was soon deemed good public policy to classify these war profits and apply a special tax to them.

As the war progressed and increased profits above those of the prewar level became general in the various industries, whether engaged directly in activities contributory to the war or not, the term "war profits" was gradually applied to this higher category of profits arising during the war and under war conditions from whatsoever source. Some 14 countries have since adopted a tax designed to reach these swollen profits. These laws vary in many important respects. The English law, which has been far more successful and produced a much larger revenue than any other, lays generally a tax on the profits in excess of the prewar profits of a given business concern, whether conducted by an individual, partnership, or corporation. I have always favored this comprehensive plan. The secret of the success of this law has been the fact that such provisions have been made as would permit each individual business to have a fair, not to say liberal, prewar deduction as a basis for a heavy tax on the profits above the deduction. As to normal business, which comprises the overwhelming number of cases, the general provisions of the law operate with fair satisfaction both to the Government and the taxpayers. The great problem is to deal in the same spirit satisfactorily with exceptional business, which, it is true, comprises a minority of cases. The English law contains special provisions for this purpose, and to this end confers on the treasury such discretion as it needs in making assessments to deal equitably with taxpayers whose methods of capitalization, income-producing factors, previous abnormal losses, prewar trade depressions, or hazards of industry bring them within the class of exceptional business.

Any war-profits tax method must contemplate and deal with normal and exceptional business. Equality in this kind of taxation can only be obtained by making various modifications of the general rules applicable to normal business in order to meet the difficulties of exceptional cases. This is due to the complexities of modern business. By no other means can the same approximate standard of relative fairness in a tax levy be reached or closely approached. The only feasible way of accomplishing this end is by conferring on the Treasury what is in the nature of judicial discretion, to enable it by different methods of computation in exceptional cases to apply the law alike to normal and exceptional business. A board of tax advisers were found necessary in this connection in the administration of the present law. I strongly urged the creation of such board by statute last year. I am gratified that it was recognized in this bill. I think our bill should go some further in allowing discretion to the Treasury. Individually I have always opposed, as Congress generally opposes, any delegation of authority where it is not absolutely necessary, but I think it can do so without an undue delegation of power. On this subject former Justice Charles E. Hughes has said:

> The legislature can not delegate its power to make a law, but it can make a law to delegate a power to determine some fact or state of things upon which the law makes or intends to make its own action depend.

In my opinion, discretion should be given to the Treasury to accept or require consolidated returns in given instances or classes of cases. A recent holding of the Supreme Court indicates that the court may hold that a parent corporation owning the entire stock and directing and controlling the activities of a subsidiary may have the right in law to make such return and be taxed accordingly. Greater latitude in exceptional cases of industries which suffered an abnormal depression during the three-year prewar period should be allowed in order that the normal profits of a representative concern may be ascertained and, if necessary, taken as a basis. Authority should also be given the Treasury to make reasonable allowances where a business has suffered an abnormal loss during the one or two years preceding the taxable year. A concern may lose 80 per cent of its capital in one year and during the taxable year make it back, but it would be subjected to an 80 per cent tax. No excess-profits law now in existence contemplates hardships of this character. Authority likewise to deal, within certain limitations, with the situations of hazardous business concerns should be given the Treasury if the spirit and purpose of war or excess-profits taxation are to be closely followed. There will inevitably be some hardships and injustices in any event, many more, in fact, than would rise under tax laws applicable to normal business conditions.

Another provision authorizing a taxable concern to allocate profits and deductions to the years of accrual in cases of contracts extending over a period of years, in a law carrying extremely high rates such as the proposed bill, would avoid more or less hardship in this class of cases. Section 302, limiting the tax according to the amount of capital, is a commendable effort to limit harshness and injustice in certain cases of small corporations. Since there is no real relationship between profits and the capital employed, because the earnings are due primarily to the activities of the principal owner, the relief contemplated may not prove as accurate and comprehensive as may be found justifiable. The English law exempts profits of husbandry, offices, and professions, when the latter have little or no capital.

I am unable thus far to see just what variety of effects, if any, the provision imposing 20 per cent on corporations rendering professional services may have. Clause 2 of subdivision A, section 326, relating to invested capital, will work injury to corporations which have been conservatively capitalized in that property of considerable value has been turned in for stock or shares of nominal, or materially less, value than that of the tangible property at the time of payment. The administration of the present law under a regulation which allows the Treasury to ascertain the true facts in a given case has been entirely satisfactory and occasioned no abuse nor an excessive number of applications for recognition in this respect.

As to the flat 10 per cent deduction allowed in exceptional cases or classes under the war-profits provision, my opinion is that this is too much in some cases and not enough in others. Variable rates from 7 or 8 per cent to 12 per cent, which would correspond to the normal percentage of earnings of each important industry during the prewar period would better fit in on business conditions. It is true this might occasion some loss of revenue, but much of it would be made up under properly adjusted income-tax rates.

In the administration of the present law, where some have conservatively capitalized a valuable piece of property for far less than its worth when taken in terms of the capital stock, to now deny them the privilege of showing the true facts often results in serious injustice and hardship. The present law is being administered in that way. The Treasury tells me they have not had an excessive number of applications for relief, but at the same time, by reason of that provision, they have saved some hardships that would otherwise have occurred.

Mr. LONGWORTH. Mr. Chairman, does the gentleman believe it would be possible to legislatively define invested capital in such a way that it would not bring hardships in some cases.

Mr. HULL of Tennessee. As I have been saying, it is utterly impossible to put terms and designations in either of these two methods of levying war taxes that will not result in more or less inequity and injustice. There will be many cases of injustice at the very best, with Congress doing the best it can do, and with the departments under as full latitude as the statute can offer, doing the best they can do. There will still be injustices.

Mr. GARNER. Mr. Chairman, will the gentleman yield there?

Mr. HULL of Tennessee. Yes.

Mr. GARNER. Would the gentleman mind putting into the RECORD his definition of capital, which he would propose to be substituted for the section he speaks of?

Mr. HULL of Tennessee. The present Treasury regulation is absolutely explicit upon the particular point I refer to, and if the gentleman will turn to that he will find it in operation now as it has been since last year.

Mr. GARNER. Regulations applying to present statutes?

Mr. HULL of Tennessee. The present Treasury regulations on that particular point.

Mr. GARNER. Does the present bill change the section?

Mr. HULL of Tennessee. Yes; the present bill does.

There are two sides to the controversy relative to the manner of taxing the profits of concerns earning high profits before the war and like profits during the taxable year. It can justly be contended that they should pay war-profits taxes on their higher category of profits even though common to both peace and war conditions. On the other hand, the imposition of a graduated supertax on them, as provided by the present law, does serious injustice to those stockholders who have purchased stocks on the basis of these high peace earnings. My individual view is that this class of business and its owners should be taxed a corresponding additional amount for war purposes, but that perhaps a different method which, while getting the desired amount of revenue, would not so materially break into the business structure or so greatly affect the values of stocks held by purchasers, would be advisable. No complaint on this score has

arisen under the operation of the combined system of taxation in England.

The two distinguishing characteristics of a war-profits tax are that it would reach profits over and above normal profits which have arisen during the war and under war conditions, and second, its many equitable reliefs which are indispensable to its practical and efficient operation, both from the standpoint of the taxpayer and of the Government. Establish a reasonable and fair prewar standard, deal equitably with special cases, and the Government can take most of the remaining profits without injury or complaint.

Coming to the estate tax, I doubt the wisdom of the provision which is designed to impose the tax on the total amount of the net estate, heedless of the effect of similar State taxes. This action will result either in subjecting estates to a tax on a tax or in obliging the States to make their levies on the remainder after deducting Federal taxes. I quite agree that if the intention is practically to absorb inheritance taxation into our Federal system of taxes the proposed course is free from objection. I believe that property passing by death should pay much larger taxes than it has in the past, but I think there should be some definite plan of effecting an equitable apportionment between the States and the General Government. It is true that the States have been exceedingly slow in developing this tax, and it may be necessary for the General Government to take the initiative in the future. The fact that the General Government will be obliged in the future to turn to internal taxes for the major portion of its revenue raises sharply and acutely the problem of determining to what extent and from what sources the General Government and the States and their subdivisions shall secure the requisite amount of taxes for their respective needs and at the same time avoid conflicting and vicious double taxation. This presents one of the serious and important questions for solution at an early date, in the interest of the general and local governments and that of the taxpayers. Certain it is that each can not proceed to levy taxes indiscriminately and without any regard to the burdens being imposed by the other, if serious injustice and inequity to the taxpayer are to be avoided.

When the incidence of the estate and inheritance tax in this country is considered in the light of the combined effects of our State and Federal laws, my view since the present estate tax was enacted in 1916 has been that the most satisfactory general system of estate or inheritance taxation could be developed by stopping the highest Federal estate tax rate at 20 per cent or 25 per cent and combining it with a well-balanced system of graduated share taxes. This plan would take care of the revenue and at the same time would avoid the serious and harsh inequities which will arise under estate tax rates alone which run as high as 30 per cent or 40 per cent. The Federal estate tax rate should begin on estates of $25,000 and carry the minimum rate up to $50,000.

In conclusion, while this bill will offer a real test of the patriotism of the American people and will measurably tax the financial ability of the country, yet I feel that the people will meet every test just as our gallant soldiers and sailors are meeting every test of patriotism and courage. We must remember that this is not a war of the American Government within itself, but is the war of every individual citizen, whether he be in the trenches, or on a torpedo destroyer, or in the mine, or the field, or the factory. To wage the war most successfully requires the concerted efforts of each, exerted to the very maximum in his respective line. No more cheering message can be sent to our soldiers at the front than the news that the American people are cheerfully, willingly, and even gladly undertaking to shoulder and carry through our revenue and bond programs aggregating $24,000,000,000 for this fiscal year. With every citizen pursuing a true, steady course, under the matchless leadership of our great President, peace will soon crown our efforts, and it will not be a peace of negotiation with unprincipled German rulers, but a real, lasting peace—a peace by military decision. [Applause.]

APPENDIX A.

PUBLICITY OF INCOME-TAX RETURNS.

WASHINGTON, D. C., *June 1½, 1918.*

MY DEAR SIR: May I venture to offer limited comment on the subject of the publicity of income-tax returns, which course has been rather vigorously urged from time to time by certain phases of sentiment in the country? I am not quite sure whether the chief reason advanced is that publicity would secure fuller and more accurate returns of taxable income, or whether it is based on the desire which has manifested itself more or less during recent years for unrestricted publicity of the affairs of business generally to the end that any improper trade policies, methods, or conduct might be exposed.

If the demand for publicity rests on the former ground, I should like to set out some of the points of the opposing views; if it rests on the last ground, without regard to the effect of publicity on the success of the tax, I should like in this connection to suggest that, however desirable and necessary this character of publicity may be—and I strongly favor it to the fullest extent suggested by the public interest—the plan should not be coupled with and made a part of the general tax law unless it were calculated to sustain, rather than materially to injure the operation of, the tax law.

Attention may be called to the enactment of the Federal Trade Commission act, one of the prime purposes of which was publicity of the inner affairs, private-trade methods, trade practices, and conduct of business concerns whenever deemed to be in the public interest. This act, however, imposes penalties on any officer or employee of the Federal Trade Commission for divulging any facts of this character developed by the commission, unless first authorized to do so by the commission itself. The commission is only authorized to make public such portions of the information obtained by it "as it shall deem expedient in the public interest," and it is entirely prohibited from making public "trade secrets and names of customers." The report of the commission after an investigation of a business concern on charges of antitrust practices can only be made public in the discretion of the commission. It will thus be seen that careful restrictions against any general publicity are contained in the law, one of the underlying purposes of which is to expose to the condemnation of the public and, by appropriate official proceedings, to curb certain business practices, methods, or conduct, including that prohibited by antitrust and other legislation.

What is, or at least what should be, the main ground on which the policy of publicity of tax returns is urged, is to secure fuller and more accurate returns of taxable income. The controlling purpose of any tax statute designed to secure a large revenue yield should be such satisfactory and effective administration as would secure the maximum yield, and no other plan or purpose should be allowed materially to hamper or handicap the law operating to this end.

In the abstract and at the first blush it seems most natural that these tax returns might or even should be subjected to any and every kind of publicity at all times. Assuming, as I have, that the Department of Justice, the Federal Trade Commission, and numerous other governmental agencies and authorities have been given ample statutory authority to deal effectively with any and all acts, trade practices, methods, or other conduct on the part of any citizen or business concern which the Federal laws have thought it wise to suppress or prevent, I have investigated and reached my individual conclusion with respect to the proposed general publicity of income-tax returns solely from the standpoint of the most satisfactory and successful administration of the income-tax law and the securing of the largest possible yield of revenue. Viewed from this standpoint I have been unable to bring myself to the conclusion that publicity would secure the most desirable revenue results. I may first refer to the experience of some governments which have tried out income taxation for the longest periods. England after 75 years' experience with her present income-tax law retains her policy of keeping the results secret. There is no demand from any source, so far as I am advised, for publicity of English income-tax returns. Holland retains secrecy under her income-tax law, which has been in operation some 25 years. Denmark pursues the same policy of secrecy under her income-tax law, in operation for 14 years; Austria pursues the same policy under her law, enacted some 75 years ago; Canada's recent income-tax law contains the same provision; France in her recent law has some form of secrecy, the exact nature and extent of which I am not definitely informed. This policy of these different countries, after many years' trial, is controlled entirely by the question of the most satisfactory administration and the largest revenue yield of their respective laws. They evidently have not felt justified in allowing considerations of collateral or other government policies, however strongly and plausibly urged, to effect a change of this policy.

Let us now turn to the United States. The first Civil War income-tax acts did not prohibit publicity. The Commissioner of Internal Revenue early recommended a provision of secrecy to Congress. This was disregarded, however, until the income-tax act of 1870 was enacted. A lengthy debate on this act occurred in Congress, during which Garfield referred to one feature of the income tax "which has made it very odious in many parts of the country," namely, publicity of returns. The outcome of the discussion was the insertion of a provision in section 11 requiring secrecy, and it became a law. The view on which this provision was inserted was that it would meet the complaint that income-tax laws are inquisitorial, and also that publicity often discloses secret trade processes, methods, etc., even though ever so legitimate, and that therefore a taxpayer would be more encouraged to make a full and complete return when he had the assurance that his trade secrets, processes, etc., would not be exposed to his competitors.

The strength, stability, and perpetuity of the income tax is based on the rather fixed opinion among the people generally that in both theory and practice it accomplishes relative fairness among the taxpayers more accurately than any other tax method thus far devised. Both now and after the war it is extremely vital that a tax method productive of a larger revenue than any other should be safeguarded by the most effective means. Whatever may be thought or said to the contrary, there is a phase of human nature which, while entirely willing to make full and complete return of income and pay taxes accordingly in the belief that all taxpayers are receiving equitable treatment, is at the same time utterly averse to the idea or general publicity of private business methods and private business affairs. The States and the Federal Government can provide for investigations and full publicity of business methods, practices, and affairs generally by separate enactment, as has already been done to a measurable extent. Publicity at this stage, when business conditions and methods have become far more complicated and consist of a far greater variety than those in existence during and following the Civil War period, would be resented by the taxpayer to a correspondingly greater extent than it was during the operation of the Civil War acts. I strongly favor any and every kind of publicity needed with respect to all phases of our financial, commercial, and industrial activities, but I think it unwise in the light of almost universal experience in the past to discredit or break down the income-tax system or seriously jeopardize it by utilizing this law instead of some separate law or laws for publicity purposes.

The Federal income-tax act of 1894 in section 34 reenacted section 3167 of the Revised Statutes, containing secrecy of returns, and without special opposition, so far as I now recall. In this connection it is my recollection that when this act was declared invalid by the Supreme Court the Treasury directed that all income-tax returns on file be burned. The Federal corporation excise act of 1909 contained a provision that the returns filed in the office of the Commissioner of Internal Revenue should constitute public records and be open to inspection as such. It was soon deemed wise in the interest of the more successful administration of the law to adopt secrecy, with the result that an appropriation bill which passed Congress in June, 1910, among

other things provided that these corporation excise-tax returns should be open to inspection only upon the order of the President, under rules and regulations to be prescribed by the Secretary of the Treasury and approved by the President. The Treasury later in the year issued a regulation, which the President approved, restricting inspection of these returns virtually to certain officials of the Government under certain conditions and to stockholders of a given corporation which had filed its return. This regulation also provided that returns could only be inspected in the office of the Commissioner of Internal Revenue. This policy of secrecy was followed without particular objection or complaint until the repeal of the law.

The Federal income-tax act of 1913 contains secrecy as to individuals, but allows inspection of corporate returns upon the order of the President, under rules and regulations prescribed by the Treasury and approved by the President, which was the same provision as that contained in the amendment to the corporation excise act of 1909. It contained the additional provision, however, that the proper officers of any State imposing a general income tax may, upon the request of the governor, have access to said returns or to an abstract thereof showing the name and income of each corporation, at such times and in such manner as the Secretary of the Treasury may prescribe. The President accordingly approved a Treasury regulation under the act of 1913 for the benefit of State officials whose States have a general income-tax law. This regulation also allowed Federal officials and stockholders to make inspections under certain conditions very similar to the Treasury regulation allowing inspections under corporation excise act of 1909. The States, however, are only allowed, I believe, to secure the name of the corporation and its income. The character and extent of publicity of income-tax returns above described practically represents the present policy of publicity of the Federal Government under existing income-tax law.

Wisconsin has the most modernized, successful, and comprehensive income-tax law of any State. It contains a provision requiring secrecy of returns. A new, progressive income-tax law of Massachusetts requires secrecy except as to the name and address of the taxpayer. It will thus be seen from the proven experience of foreign countries, of our Federal Government, and of the States, which have had the most successful revenue-producing income-tax laws and which has been able most successfully to overcome the objection of inquisitorialness, that secrecy of returns has been found essential to this result.

Another consideration and object lesson which arises in connection with the publicity proposal under our Federal law relates to the general property tax systems in most of the States. It is a fact generally recognized that the general property-tax systems of most of the States have measurably broken down in their administration, with the result that personalty, and especially intangible personalty, almost entirely evades or avoids taxation. Some of the States, such as Connecticut, New York, Pennsylvania, Maryland, and New Hampshire, have always maintained the widest publicity of tax returns under their general property-tax systems, but this system has fallen down just as rapidly and extensively in those States as it has in other States where publicity was not practiced or permitted. This experience of the States with publicity proves, at least, that it was powerless to increase or even maintain the revenue yield, or to prevent the breaking down of the laws. This experience but illustrates that phase of human nature which discourages and gives but little credit to the informer, no matter how good or worthy his intentions. No tax or penal law, the successful operation of which is dependent upon facts voluntarily furnished by informers, with or without pecuniary reward, can expect more than a precarious existence.

With respect to the question of securing information, the present income-tax law specifically requires, under severe penalties, every citizen who has personal knowledge of the receipt of income by his neighbor or another citizen, by reason of having paid it, to transmit such information in writing to the Commissioner of Internal Revenue, in all cases where the amount of fixed income exceeds $800, and in case of interest from corporate bonds without regard to amount. This provision, therefore, really provides for and requires all direct information, except what might be rumor or hearsay, save as to isolated items or as fixed income under $800.

There is still another condition arising from the operation of the present general property tax systems of the States which should be considered by the Federal Government in determining the policy of publicity. It is a well-known fact that when a citizen undertakes to make a full return of his property at its full value the present general systems of the States impose a most severe penalty on his honesty by levying practically confiscatory rates, which amount to near 40 per cent of his income on the average. The result is that most citizens in the various States by general consent give in their real property at figures substantially below its value and their personalty, on the average, at almost a nominal value. The tax rates of the States are now almost confiscatory when applied to full values, for the reason that they have been raised to considerable heights in order to secure adequate revenue from greatly scaled valuations of property which the citizens are now in the habit of giving in for taxation. From past experience it would appear but natural that if the citizen should make a full and complete return of his income for Federal taxation this would be equivalent to making a like full return to his State in many cases, and the result would be that he would undertake to make the same inadequate return to the Federal Government that he now makes to the States rather than to have the full value of his property subjected to the present practically confiscatory rates of the States. If it would assist the States in rehabilitating their present general-property tax systems and equalizing their tax burdens under these systems I should strongly favor any reasonable sacrifice on the part of the Federal Government in aiding to bring about this situation; but if instead of revitalizing and putting into successful operation the grossly inequitable and broken-down general-property tax systems of the States the effect of publicity would be likewise to discredit and more or less break down the Federal income-tax system, I am unable to discover any advantage or benefits which could be reaped either by the States or the Federal Government from such course.

Whenever the States reform their general-property tax systems, or whenever they adopt general income-tax laws similar to the Federal law, there could and should be the fullest and freest cooperation between the States and the Federal Government in the successful administration of their respective laws, just as there is cooperation now with respect to State and Federal income tax on corporations.

My individual opinion is that the only effective method by which either the States or the Federal Government will ever be able to reach for taxation in full measure the income from personalty, and especially intangible personalty, will be under a system of so-called collection or retention at the source.

In conclusion, I may call attention to the course of the Treasury Department under authority now given it by statute to compile and make public income-tax statistics. Under this statute the Treasury will give amount of the individual and corporate income as a whole, by States, by industries, by classifications as to the number of taxpayers, amount of income and taxes paid as to classes of individuals, the percentage of the income of each to the total amount, as well as the percentage of taxes paid to the total, etc. This information, which will come out annually as to each preceding tax year, should meet practically every requirement, expectation, or desire of the public in considering and dealing with economic conditions, apportioning the tax burdens, and properly curbing or regulating any practice, method, or conduct of general business or any class of business.

Very respectfully, CORDELL HULL.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 12863, the revenue bill, and had come to no resolution thereon.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 3439. An act for the relief of certain homestead and desert-land entrymen; to the Committee on the Public Lands.

S. 3522. An act to amend an act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917; to the Committee on the Judiciary.

CALENDAR WEDNESDAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that the business in order to-morrow, Calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) the House adjourned until to-morrow, Wednesday, September 11, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. HAMILTON of Michigan, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 12773) to authorize the construction of a bridge across the Little Calumet River, in Cook County, State of Illinois, at or near the village of Riverdale, in said county, reported the same with amendment, accompanied by a report (No. 773), which said bill and report were referred to the House Calendar.

Mr. SANDERS of Louisiana, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 4598) further extending the time for the commencement and completion of the bridge or bridges authorized by an act entitled "An act to amend an act to authorize the Dauphin Island Railway & Harbor Co., its successors or assigns, to construct and maintain a bridge or bridges, or viaducts, across the water between the mainland, at or near Cedar Point, and Dauphin Island, both Little and Big; also to dredge a channel from the deep waters of Mobile Bay into Dauphin Bay; also to construct and maintain docks and wharves along both Little and Big Dauphin Islands," approved June 18, 1912, as extended by an act approved June 30, 1916, reported the same without amendment, accompanied by a report (No. 774), which said bill and report were referred to the House Calendar.

Mr. DEWALT, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 12786) to authorize the Philadelphia, Harrisburg & Pittsburgh Railroad Co., its lessees, successors, and assigns, to construct a bridge across the Susquehanna River, from the city of Harrisburg, Dauphin County, Pa., to the borough of Lemoyne, Cumberland County, Pa., reported the same without amendment, accompanied by a report (No. 775), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII,

Mr. KAHN introduced a bill (H. R. 12910) to amend section 24 of an act entitled "An act for making further and more effectual provisions for the national defense and for other purposes," approved June 3, 1916, as amended, which was referred to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ELLIOTT: A bill (H. R. 12911) granting a pension to Lewis M. Strain; to the Committee on Pensions.

By Mr. FIELDS: A bill (H. R. 12912) granting an increase of pension to L. C. Bohannon; to the Committee on Pensions.

By Mr. KAHN: A bill (H. R. 12913) for the relief of Edna R. Brady; to the Committee on Claims.

By Mr. SHOUSE: A bill (H. R. 12914) granting an increase of pension to Orceneth F. Smith; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Memorial of the Chamber of Commerce of the United States of America, submitting a report of the Federal trade committee of the Chamber of Commerce of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. GREEN of Iowa: Petition of Frederick W. Evans, for enactment of war-time prohibition; to the Committee on the Judiciary.

By Mr. LINTHICUM: Memorial of the Board of School Commissioners of Baltimore, Md., favoring "The Star-Spangled Banner" as the national anthem; to the Committee on the Library.

By Mr. SNOOK: Petitions of H. H. Miller and 35 others, of West Unity, Ohio, and of A. C. Schantz and 66 others, of Archbold, Ohio, protesting against the proposed rate of taxation on the sales of automobiles; to the Committee on Ways and Means.

By Mr. VARE: Memorial of the White Haven Sanitarium Association, favoring House bill 9223; to the Committee on Ways and Means.

By Mr. YOUNG of North Dakota: Petition of the Women's Christian Temperance Union of New Rockford, N. Dak., urging war-time prohibition; to the Committee on the Judiciary.

SENATE.

WEDNESDAY, *September 11, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we have committed our way into Thy hands. Our national problem is to know and to do the will of God. We pray Thee to give the inspiration of Thy Spirit that we may discern the path of duty and right and by Thy grace maintain the ideals that have been committed to us as a Nation. Grant us Thy guidance and blessing this day. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of Monday last, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

SENATOR FROM NEW HAMPSHIRE.

Mr. LODGE. Mr. President, I present the credentials of Hon. IRVING W. DREW, appointed by the governor of the State of New Hampshire a Senator to fill the vacancy in the Senate created by the death of the late Senator GALLINGER.

The VICE PRESIDENT. The Secretary will read the credentials.

The credentials were read, as follows:

STATE OF NEW HAMPSHIRE,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of New Hampshire, I, Henry W. Keyes, the governor of said State, do hereby appoint IRVING W. DREW a Senator from said State in the Senate of the United States until the vacancy therein, caused by the death of JACOB H. GALLINGER, is filled by election, as provided by law.

Witness: His excellency our governor Henry W. Keyes, and our seal hereto affixed at Concord, this 2d day of September, A. D. 1918.

HENRY W. KEYES, *Governor.*

By the governor:
[SEAL.]

EDWIN C. BEAN,
Secretary of State.

The VICE PRESIDENT. There being no objection, the newly appointed Senator will present himself at the desk for the purpose of taking the oath of office.

Mr. DREW was escorted to the Vice President's desk by Mr. LODGE; and the oath prescribed by law having been administered to him, he took his seat in the Senate.

PRODUCTION AND CONSUMPTION OF GASOLINE (S. DOC. NO. 277).

The VICE PRESIDENT laid before the Senate a communication from the United States Fuel Administrator, transmitting, in response to a resolution of the 9th instant, a statement relative to the production, consumption, and exportation of gasoline, which, with the accompanying paper, was ordered to lie on the table and be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the Speaker of the House had signed the enrolled joint resolution (S. J. Res. 172) authorizing the President to establish zones in which intoxicating liquors may not be sold, manufactured, or distributed, and it was thereupon signed by the Vice President.

RESOLUTIONS.

Mr. CURTIS presented resolutions adopted by the Pecos Valley Water Users' Association, of El Paso, Tex., favoring the enactment of legislation for the reclamation of arid and swamp lands for the use of soldiers returning from the war, which were referred to the Committee on Public Lands.

WOMAN SUFFRAGE.

Mr. PHELAN. Mr. President, 1,050,000 citizens, North, South, East, and West, have petitioned the Senate of the United States in favor of equal suffrage. The petitions were circulated by the Hearst newspapers, and I desire to present them to the Senate. The petition of the 1,050,000 is as follows:

To the Senate of the United States:

The President says that the suffrage amendment should be passed as a just recognition of the work American women have done for the support of the war. We agree with the President.

The President says that this suffrage amendment is a necessary war measure; that it will help to win the war.

Senators, that alone is surely reason enough why you should vote for the amendment.

Senators, your petitioners urge you to stand by the President and to heed his advice and vote for the suffrage amendment, both as a war measure that will help us to win victory sooner and as an act of high justice to the patriotic women of the United States.

The women in my State have long enjoyed suffrage, and as a result of that experiment I am free to state that it is an example worthy to be followed by the other Commonwealths of the country and by the country itself.

The VICE PRESIDENT. The petition will be referred to the Committee on Woman Suffrage.

ELECTION OF PRESIDENT AND VICE PRESIDENT.

Mr. SHAFROTH. For the Senator from Tennessee [Mr. SHIELDS, from the Committee on the Judiciary] I submit the views of the minority on the joint resolution (S. J. Res. 12) proposing an amendment to the Constitution of the United States providing for the election of President and Vice President without the intervention of the Electoral College, establishing their terms of office from the third Tuesday of January following their election, and fixing the time when the terms of Senators and Representatives shall begin, and I ask that they be printed as part 2 of Senate Report No. 165.

The VICE PRESIDENT. The report will be received and printed.

RESURVEY OF TOWNSHIP LINES.

Mr. NORRIS. From the Committee on Public Lands I report back favorably without amendment the bill (H. R. 8004) authorizing the resurvey and retracement of lands heretofore returned as surveyed public lands of the United States under certain conditions, and I submit a report (No. 566) thereon. I ask unanimous consent for the present consideration of the bill.

Mr. SMOOT. Let the bill be read.

The VICE PRESIDENT. The Secretary will read the bill.

The Secretary read the bill, as follows:

Be it enacted, etc., That upon the application of the owners of three-fourths of the privately owned lands in any township covered by public-land surveys, more than 50 per cent of the area of which townships is privately owned, accompanied by a deposit with the United States surveyor general for the proper State, or if there be no surveyor general of such State, then with the Commissioner of the General Land Office, of the proportionate estimated cost, inclusive of the necessary work, of the resurvey or retracement of all the privately owned lands in said township, the Commissioner of the General Land Office, subject to the supervisory authority of the Secretary of the Interior, shall be authorized in his discretion to cause to be made a resurvey or retracement of the lines of said township and to set permanent corners and monuments in accordance with the laws and regulations governing surveys and resurveys of public lands; that the sum so deposited shall be

held by the surveyor general or commissioner when ex officio surveyor general and may be expended in payment of the cost of such survey, including field and office work, and any excess over the cost of such survey and the expenses incident thereto shall be repaid pro rata to the person making said deposits or their legal representatives; that the proportionate cost of the field and office work for the resurvey or retracement of any public lands in such township shall be paid from the current appropriation for the survey and resurvey of public lands, in addition to the portion of such appropriation otherwise allowed by law for resurveys and retracements; that similar resurveys and retracements may be made on the application, accompanied by the requisite deposit, of any court of competent jurisdiction, the returns of such resurvey or retracement to be submitted to the court; that the Secretary of the Interior is authorized to make all necessary rules and regulations to carry this act into full force and effect.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

LANDS IN WASHINGTON.

Mr. MYERS. From the Committee on Public Lands I report back favorably with an amendment the bill (S. 4886) providing for the sale of certain lands in the original town site of Port Angeles, Wash., and I submit a report (No. 565) thereon. I call the attention of the Senator from Washington [Mr. JONES] to the bill.

Mr. JONES of Washington. This is a short bill, and is in the nature of an emergency act to authorize the sale of a very small tract of land to a mill company that is constructing a mill to be used in spruce production in connection with the airplane work. I ask for its present consideration.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The amendment was, in line 4, to strike out the name "Gerbaugh" and insert "Kerbaugh," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized to sell to the Siems, Carey & H. S. Kerbaugh Corporation, a corporation organized under the laws of the State of Washington, that part of United States hospital reserve in the original town site of Port Angeles lying north of the Northern Pacific Railroad tract as now located thereon at such a price as may be agreed upon between said company and the Secretary of the Treasury, and that the Secretary of the Interior is authorized and directed to issue patent therefor upon payment of the sum agreed upon.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EMPLOYMENT OF ADDITIONAL CLERK.

Mr. JONES of New Mexico, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate resolution 300, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Committee on Finance be, and it is hereby, authorized to employ an additional clerk, at the rate of $150 per month, for a period lasting from September 14, 1918, until the end of the present session of the Sixty-fifth Congress, to be paid out of the miscellaneous items of the contingent fund of the Senate.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WALSH:

A bill (S. 4919) authorizing the Secretary of the Interior to issue patent to George Van Voast (with accompanying papers); to the Committee on Public Lands.

By Mr. PENROSE:

A bill (S. 4920) granting a pension to Isaac D. Hamilton; to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 4921) to provide relief for the drought-stricken portions of the United States; to the Committee on Agriculture and Forestry.

By Mr. SMITH of Georgia:

A bill (S. 4922) to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment; to the Committee on Education and Labor.

By Mr. SHEPPARD:

A joint resolution (S. J. Res. 173) directing the Court of Claims to investigate claims for damages growing out of the riot of United States negro soldiers at Houston, Tex.; to the Committee on Claims.

THE REVENUE.

Mr. RANSDELL submitted an amendment intended to be proposed by him to the bill (H. R. 12863) to provide revenue, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

PRODUCTION AND CONSUMPTION OF MINERAL OILS.

Mr. LODGE submitted the following resolution (S. Res. 301), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Bureau of Mines be directed to send to the Senate any information in their possession in regard to the production and consumption of crude petroleum and other mineral oils in this country, the amount required for export, and the estimated stocks on hand at the present time.

REPORT OF DIRECTOR GENERAL OF RAILROADS (S. DOC. NO. 275).

Mr. SMOOT. Mr. President, the other day there was presented to the Senate a message from the President of the United States transmitting the report of the Director General of Railroads, and in that report the Public Printer finds a diagram of the States of the Union indicating the railways that have been operated by the Director General. I ask that the Public Printer be authorized to print this diagram in connection with the report.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. FLETCHER. I wish to ask the Senator from Utah if there are any extra copies of that report ordered printed?

Mr. SMOOT. I will say to the Senator there are not. I do not know how many will be wanted.

Mr. FLETCHER. I have had some requests myself, and I imagine there will be quite an extended demand for the report.

Mr. SMOOT. That will develop.

Mr. FLETCHER. I understand the committee will print extra copies.

Mr. SMOOT. The committee can print them if they are desired, up to a thousand copies.

Mr. FLETCHER. It was ordered printed by the Senate?

Mr. SMOOT. It was ordered printed by the Senate.

Mr. FLETCHER. And extra copies will be ordered printed by the committee if there is a demand for it?

Mr. SMOOT. Yes.

Mr. FLETCHER. I think it is an important report and extra copies ought to be printed.

PRINTING OF ADDRESS BY SENATOR PHELAN.

Mr. PITTMAN. Mr. President, I have here a copy of an address by the junior Senator from California [Mr. PHELAN] published in the record of the Commercial Club of San Francisco, which was delivered before that club August 17, 1918, on the occasion of a reception gotten up for M. Albert Metin, of the French cabinet, who was on a mission to Australia and who died after having reached San Francisco. The intended reception was really in the nature of a memorial exercise, and on that occasion Senator PHELAN delivered an address dealing with the relations between the United States and France, which, I think, is worthy of being published in the RECORD.

Mr. SMOOT. There was so much confusion in the Chamber that I did not hear who delivered the address.

Mr. PITTMAN. Senator PHELAN. It was in the nature of a memorial exercise at what was intended as a reception to M. Albert Metin. M. Metin died and it was turned into a memorial exercise. The address largely deals with the life of the deceased and with the relations between this country and France. I ask that it be published in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The address of Senator PHELAN referred to is as follows:

Mr. President, ladies, and gentlemen, your meeting has been turned into a memorial. There is nothing so common as death, and yet, when it comes in all its suddenness, there is nothing so surprising and so appalling. In view of the tragedy which is being enacted on the fields of France there is a strange significance given to the words of Bryant, that all who walk the earth are but a handful to those who sleep within its bosom.

Verdun, the Marne, and now Chateau-Thierry are a graveyard. Men there are giving up their lives every moment for a great cause, while we pause in wonderment at death. It cometh as a thief in the night, we are told. And, perhaps, it is because of the sudden and unexpected character of the death of the great statesman, whose loss we mourn, that we are making account of it. Perhaps it is because, as a guest of our city, he came in the fullness of his vigor to render important service to his country that we feel the shock of his taking off. It has come home to us. We read of casualties but we see the grim image of death stalking in the streets of a peaceful city and striking down men not engaged in warfare, not engaged in actual fighting or needlessly exposing themselves, but men following the even and orderly pursuits of life.

The loss of M. Metin will be a great one to his country. He was distinguished in the sciences. He was a student of public affairs and economics. He served as a member of the French cabinet, with the portfolio of labor, and it was in the interest of the industrial welfare of the people that he had taken up this mission to go to the remotest corners of the earth and to come back and inform his Government and inform the world of those conditions necessary for a full comprehension of our duty to-day in preparing for that period after the war which will engage the highest attributes of statesmanship. So his loss is not only a loss to his friends, it is a loss to the cause in which he was engaged, and to that extent it is our loss.

This man, student, statesman, engaged in the constructive work of administration and reform in his own land, found time, we are told, in common with his gallant compatriots, to enlist in the Army, and he bore upon that breast, now silent forever, the decoration of France—the Croix de Guerre, won by the exercise of superb courage upon the field of battle.

And so he dies crowned with glory.

Since all must life resign
Those sweet delights which decorate the brave,
'Tis folly to decline
And steal inglorious to the silent grave.

So he wore with pride the decoration put upon his breast by the President of the Republic; and in giving up his life he leaves behind him the example of a soldier and a statesman, and so it may be said he has not died in vain.

It can not be said that great men die in vain, because it is still true that they rule as from the grave. The example they set, the researches they have made, the study they have given to the great problems of life, remain a permanent record. His thought is embalmed in 12 volumes, we are told. So it can not be said that his passing—a great personal loss to his friends, a great present loss to his country—is necessarily an irreparable loss to the world. He might have accomplished much more, but what he has accomplished belongs to us. Christ is stronger after these thousand years than He was when He gave up His life for humanity. Washington, dead a hundred years, is our leader to-day.

I often think of the men who are dying on the fields of battle. What have they accomplished in the face of an implacable foe?

Few survive to tell the story,
Few survive to share the glory;
How they vanquished side by side,
How they conquered, how they died;
But the land which gave them birth,
Crowns them monarchs of the earth.

That is a poetic tribute and prophecy and relates to the men who die in battle. Quoth the poet in his wisdom, "the land that gave them birth crowns them monarchs of the earth." That is to say, whatever they have done by way of sacrifice for us is an impelling and irresistible force requiring us likewise to serve. They rule us because we can not in good faith, honor, and decency suffer them to have died in vain. When you are told that your boy has died in a noble cause his voice, though still, is imperative. You take up the sword which he has laid down and carry it to a final victory. So, indeed, we are still ruled from the grave.

This man, I told you, was not only a statesman but a soldier. Then the command came to him to go across the perilous sea, beset with submarine danger, and over the sea he came and over the continent he came. The perils and hardships of travel are greater now than ever before; and yet, obedient to the command, no matter what was his physical condition, he came, and his death in the service of his country is just as glorious as though he had died upon the field of battle.

The cause for which he died—the cause of France, if you please, is America's as well. His death has unified, if such a thing were necessary, the hearts of Americans and French in this community. Indeed, we are bound in a cause from which we can not be separated even by death. The cause of France and America is so indissolubly associated not only by the historic traditions of the past but by present service that what Benjamin Franklin said as a mere sentiment now has become an actuality, with our million men upon French soil, that every American has two countries—his own and France. [Applause.]

It was a Californian, my friend Col. Stanton, who, when unexpectedly called upon to address the multitude before the statue of Lafayette given to the French by the school children of America—there, close to the Louvre, I remember it well—he looked about him for an inspiration; and, not being a man of speech, he simply uttered the words than which none could be more eloquent, "Lafayette, we are here!" And so, wherever there is a call from France, wherever their people are in distress, wherever honor is due them, as in our community to-day, every American will respond lovingly and affectionately, for the love which we have for France is something we received in the very hour of our birth, because without France we would not have been able to have asserted our independence and our sovereignty and be a nation at all. We are brothers, blood kindred, France and America.

I remember my earliest school experience was in San Francisco, where I went to a little French school conducted by Madame Maum, on old Powell Street; and I have preserved in a very feeble and poor way the instruction which I received at that time. I remember—and I will repeat to you—the story of Mary, Queen of Scots, who, after spending her honeymoon—the ladies will remember it—at Chenonceaux in the beautiful region of Touraine, like in many respects our own beloved California, was sent out of the country and soon gave up her life. And in leaving the shores of France she said:

Adieu, charmante pays de France,
Que Je dois tant cherir
Berceau de mon hereuse enfanee
Adieu, adieu, te quitter c'est mourir.

Good-by, most charming and lovely France, to whom I owe everything that is dear and sweet in my life; the cradle of my girlhood, good-by, good-by. To leave thee is death.

And every true Frenchman feels that same sentiment, that to leave his beautiful France—his Paris, the capital of the world, and come into a strange land, no matter what may be its attraction, is to him death; and M. Metin, in leaving France, indeed, left to die.

The affection which that country has for its own people is shared by our people, and the reasons are manifest. We go there and find a hospitable people, who open to us the doors of their superb galleries and museums, their public places, and they confer upon our boys and the young women every opportunity which their own children enjoy in pursuing the arts. Their Ecole des Beaux Arts is free to all Americans, and our people have gone there and profited by the instruction given them in that great land. It is a land of creative genius—music, painting, sculpture, everything in the highest degree. There thrives as in its native soil, literature, science. Is there anything that France does not possess, or possessing has not generously given it to the world? And yet, the Germanic autocrat has stated—in view of the circumstances it is hardly credible—that the object of German ambition is to impart its "kultur" to the people of the world. The idea of giving German kultur to France, or to England, or to the United States, which has absorbed from France and England and Italy the best that they have in the domain of science and art and statesmanship! It is the most presumptuous claim that was ever made for a cause, seeking to justify it, that they were giving something better than we have. The fact is that the genius of France is for man and for humanity and for fellowship. The genius of Germany is for superman, for autocracy, for domination. France—humanity; Germany—superhumanity, if I might coin the word. And that means that the German idea is that there is no love and affection and giving in the world, no gentle grace, no generous disposition. Everything is based upon force and the survival of the fittest, right in the face of Christian teaching for 2,000 years; right in the face of the practice of France and the Latin countries who believe in humanity and believe in fellowship and believe in sharing what their genius has created and endowed with their neighbors less endowed.

And you find that the spirit of Germany is opposed, as illustrated by its autocrats—is diametrically opposed to the spirit and genius of France, and hence irreconcilable. There is no way of overcoming the danger of world domination by the Hun, with its false civilization based upon force and the survival of the fittest, than to put him down by his own weapons; and our great President, a man of peace, hesitated long before he declared that the only way to meet this grave danger is by force, and by more force, and then still more force, putting upon our population, as Congress is doing to-day, to the last man, if necessary, the duty to save the world, humanity, civilization, and democracy, for the generations that are yet to come, for that precious possession handed down in trust to us by our French revolutionary sires, as well as by our American revolutionary sires, and by our English revolutionary sires, justice and freedom!

The charter won from King John at Runnymede was really the foundation of the American Constitution. It was a deadly blow hurled at the head of autocracy. I was at a Fourth of July celebration in Washington recently, and the Declaration of Independence, as customary, was about to be read in the very presence of the British Ambassador—which seemed to me a most embarrassing moment, but the chairman of the committee said, "Now, I am going to read, as customary, the Declaration of Independence; and I wish to remind the audience that it is directed against a German who was temporarily seated upon the throne of England." [Applause.]

Why, France saved civilization. Theodoric stopped Attilla's Hunnish invasion at the Battle of Chalons, 451 A. D., and saved civilization. Charles Martel, at Tours, 732 A. D., drove back the hordes of Saracens and Arabs which would have overwhelmed Europe and destroyed her civilization, just as the Goths had overwhelmed the Roman Empire, wiping it out, utterly destroying it, leaving no stone upon stone, and only what survived was carefully gathered together by a few men of the Middle Ages, which bridged over the last gap between the great Roman Empire and the modern world. Those few men deserve all praise for preserving the learning and art of the past that they would be handed down to us; but the Hun would have razed every fragment of them to the ground, and had almost succeeded in doing it. The French drove back these invading tides, and Sobieski, at the gates of Vienna, performed the same service, and Poland, the country now suffering on account of German aggression, saved civilization from the Mongols.

And hence, when we are told that the purpose of the autocrat of Germany, or Prussia, is to give us a civilization, we must recall the fact that we have a civilization and that what civilization we have was saved by the French, and the Poles, the very people against whom he is directing his shafts. France is responsible for the birth of European freedom. Her sons, longing for liberty, suffered long also from the autocrats—from the Louises who ground the people in the dust. Read the story of Young—a narrative of the time. See the deplorable condition in which these good French people were under their ornamental and tyrannical monarchs. And finally, they arose and threw off this burden of falsely representative government, because, who dare say, in the light of history, that the reign of the Louises in any way reflected the genius and character and liberty-loving purpose of the French? I think the German people, released from the autocracy of the Hohenzollerns, will show that same spirit; because, did they not show it in 1848, before the organization of the German Empire? And did they not come in vast numbers to this country and settle and become exemplary citizens? I have no sympathy with the criticism of the German people, and I dislike—and I share the dislike of the administration, in seeing them taunted with the fact that they are Germans. Most of them are rebellious Germans, and would be willing, were it in their power, to overthrow that dynasty and establish a government more representative of the people. And that thing is going to come inevitably, because that is the purpose of our warfare. The President has said that in the council of nations after the war Germany may be admitted provided the Hohenzollern dynasty and its methods be repudiated by the German people. He has made that declaration. [Applause.]

But we all love the French, because they are men of red blood, inspired with patriotic fervor. We love the Marseillaise, the greatest national song of the world, because it is a call to arms arousing the people to defend their rights. The French Revolution was a horrible thing. It destroyed right and left every obstacle in its way, but it was a necessary thing. Just as war on the vast scale which we see it to-day is necessary for the purpose of reestablishing democracy, so was the French Revolution necessary to create democracy. Long held down, the people broke in their fury and destroyed their tyrants. And the Russian people are undergoing such an evolution to-day; and though whatever may be its forbidding aspects, we must always parallel it with the French Revolution, and the horrors may continue until they find at last their level, and realize, under the leadership of wise men who are sure to arise, that their duty is to respect the lives and property of one another in order that they may enjoy peace. But they do not want peace unless they have at the same time an assurance of reward for their labor, and of the enjoyment of their political rights which have been outraged by the Romanoffs all these centuries. We must put ourselves in the place of these people and not condemn them on account of the atrocities of which we hear. We must realize that we possess everything worth having, and we are fighting to preserve it. The stake is so great that we are willing to make the supreme sacrifice, and they are fighting simply to enjoy what we have so long possessed. And they will win.

A great writer has said that democrats and aristocrats, patricians and plebeians, have alike dyed their hands in blood in working out the problems of politics; but impartial history declares that the crimes of the popular party have been lighter in degree, whilst they have more in themselves to excuse them. And if the violent acts of the revolutionists have been held up the more conspicuously for condemnation, it is only because the fate of gentleman and nobleman is more impressive to the imagination than the fate of the peasant and the artisan. [Applause.]

And so this "First Moloch, horrid king, besmeared with blood of human sacrifice and parents' tears"—this Hohenzollern chief, bent upon forcing dominion upon the world, including the United States of America, he will realize inevitably before a very long time that the power of an aroused people fighting for their rights and for their soil is invincible, and will be triumphant over the forces of those men who are lashed like galley slaves to the ranks of war. I do not believe there is any heart in the rank and file of the German Army. They are driven under a policy of that same fearfulness which they sought by submarine warfare and by atrocities to put upon us. They know that if they do not fight they will die anyhow, so they move as a machine would move, under the direction of the military caste.

But inevitably a warfare conducted for selfish purpose must yield before a land and before a people bent upon preserving their own territory undefiled, bent upon maintaining their rights which are theirs by law divine, the enjoyment of their own homes and of their own political independence won so dearly by sacrifice in the past.

It was a general going to battle who said, "Oh, Lord, be neutral. If we are sinners, they are not saints." And if the Lord will only remain neutral there is no doubt whatever about the triumph of Franco-American forces.

I do not believe that there is a partnership between the Kaiser and God, although he has said so; but he has said many things that are not true; he has signed many treaties, and his word is of no worth and value. [Applause.]

They say that the lowest form of honor is commercial honor, which you people here all understand. It is an honor between men buying and selling, and you know that anyone who violates his word, although not written—the spoken word—is a pariah and an outcast. He might as well give up business, as there can be no business, no credit, no confidence, without honor. And so commercial honor is not only a sacred thing but is a necessary thing. But the Kaiser has not even got commercial honor. He lacks practical sense. It would be good business for him to respect his own obligations, but he and his ancestors from Frederick the Great down have regarded treaties as of no value, and have violated them at will, relying upon superior force; and he comes into an enlightened world with principles of that kind and seeks domination! He sought in America the winning of public opinion by a most subtle and corrupt propaganda. He went into our cities and towns and purchased organs of light and leading. He corrupted public men so far as he was able, but his ability to do that has been singularly poor in results, because no one has been accused in this country of having betrayed the cause in which we are engaged. I do not believe a public man has been involved in any scandal, which is highly creditable to the morals of our people. But he has invaded the offices of newspapers, as evidenced the other day in the matter of the Evening Mail, of New York, purchased outright for the very object of polluting and poisoning the sources of public opinion. How did we meet that?

I have been asked if life in Washington is agreeable. Not always, I should say. We have been obliged, by reason of the character of warfare, to adopt methods which, to say it mildly, strain the Constitution, which is the charter of our liberties. We have put restrictions upon trade, upon the habits and the lives of people; we have put restrictions upon the liberty of the press and the freedom of speech. And all this is made necessary by that insidious propaganda to which I referred, where men are hired to pervert public opinion and create defection. Sometimes it is in the form of pacifism, where men declare that they are opposed to war at any time and for any purpose. And they say, "That is our principle." There is always a grave doubt in cases of that kind whether or not they have been induced by somebody to take that stand. And when they take measures by speech or print to discourage men from entering our Army to meet the overwhelming danger which confronts them, then it is safe to say that they have been induced improperly to take that stand.

The American people are of one mind. They do not want war, they want peace; but they do not want peace on the terms proposed by the Kaiser, whereby America will be a vassal State. We want peace with our honor unstained. We want peace with our institutions intact, with our freedom and our rights unimpaired, owing homage to no foreign State whatever. We want, in the words of our leader, "the reign of law with the consent of the governed and sustained by the organized opinion of mankind." And the President has proclaimed it from the housetops that he is willing, as a result of this war, to see that every other nation enjoys the same immunity from interference, enjoys its independence, its domestic rights and privileges and property, and that there is no selfish purpose whatever in the

campaign of the allies, except to maintain the status quo and to hold on to that which has been won so dearly for us by the heroes and martyrs of the past. We can not surrender it. We shall not yield.

No one underestimtes the power of the military machine of Germany, but Germany seems to have either underestimated the resources of America or believed that it would be impossible to make those resources available. We are now sending men over to the other side at the rate of 100,000 a week. We have over a million men there now. We have defied the submarine warfare, which has utterly failed. No outgoing transport has been torpedoed. It is a most phenomenal thing, reflecting enormous credit upon our administrators, men of all parties and of all ranks, drawn to service in Washington. The whole country has been organized, and as one man we are moving for the accomplishment of a common purpose. It is impossible to believe for a moment that we shall fail. Our resources are so great, in combination with those of our allies, that it is only a matter of time, and we all pray that that time shall soon come, when the horrors of war shall only be a recollection of the past.

But we are making every sacrifice. We are willing to give, and have given, our sons, not to speak of our means. We have actually given up our cherished ideals in restraining the press and speech, restraining the trade of our merchants, imposing burdens almost too heavy to bear; but these are the sacrifices we are making, and willingly make.

In Washington now they are devising a measure of taxation which will be additionally burdensome, but you understand it. Nobody wishes to impose a burden upon the American people—certainly not its own Congress—and it is only the stern necessity of the occasion that requires this to be done. And when you make your payments, although it probably hampers you in your business and curtails you in your domestic relations, do it as a part of the sacrifice, and you will easily reconcile yourself to it when you think that there are a million Americans over there ready and willing to give up their lives, while you are only asked to give up your comfort and your accumulations.

We must prepare for the future war period by training our men—I think we will have to come to that—so that we will always have a great potential army in case the peace of the world is disturbed. [Applause.]

And our merchants must tighten their lines and look out for the preservation and enlargement of our trade. Now, that does not mean the asserting of world dominion, although we will probably have in our hands that power. If we thought on the lines of Nietzsche, Bernhardi, and the Kaiser we would exercise such power. "It is a splendid thing to have a giant's strength, but it is tyrannous to use it like a giant." We will have 30,000,000 tons of merchant shipping. We will have a Navy unparalleled. In the State of California the Federal Government is spending to-day $500,000,000 in building merchant ships and naval vessels. And that is what gives us the appearance of prosperity, because this money is being circulated and the workers are receiving it in large measure. And in that regard our community is more fortunate than other communities, where they are not spending Federal money for great public works. But we must look out for our trade and get a share of it by the education of our boys in the methods of trade and seamanship. Commerce is vitally necessary for national prosperity, but you can not have a conversation by doing all the talking yourself. You must allow the other fellow his share of that commerce. France can produce some things better than we can. Australia can produce some things better than we can. England can manufacture certain goods better than we can, and so Italy. And when the time comes to sit around the council board, if there be such a council on such a subject—and, indeed, Lord Robert Cecil, of the British House of Commons, has announced that 24 nations are now in alliance to sit around the council board and distribute, as it were, the commerce of the world—we must be ready to act. We have to go in with the same spirit of fraternal feeling, standing by our allies, as far as possible, in order that they may recuperate from their overwhelming losses, countries less resourceful than ours.

We have already advanced them vast sums of money. Selfishly, even, we are interested in the recovery by them of their trade and business. And so the world will be better off. There will be a better understanding and less fierce will be the rivalry, and certainly we will see to it that no rivalry shall so go out of bounds as to precipitate war. People have gone to war to get more business and to get more territory. Under the plan of our President that is barred. And he says, as I repeated before, that Germany will only be admitted to that council, sharing the trade of the world, when she has disciplined her Government; when the people, as the base in this country and in France, must tell the so-called rulers what the policy shall be, and that no longer shall decrees come down from the Kaiser, who claims his authority from God. His is a reversal of democracy, and that inverted cone must return to its rightful position and rest upon its base. Now it is standing upon its apex, and necessarily it is bound to topple over and fall. So we will have scotched the Kaiser; we will have reestablished democracy, the rule of the people, from the base up, when we have won this war, and then, in that event, if Germany conforms she will be admitted to this council of nations. That is the President's program. It is a just program. The only thing in the world is justice. The strong can take everything by force. They could do it in our community were there not courts. Why should not there be an international court to curb the greed and avarice of the strong? Why should not we have ideas—American, French, and English—forcibly antagonistic and overwhelming to the Kaiser's idea that only the strong are entitled to anything and only those who are the strong are entitled to survive? That is a damnable doctrine. Furthermore, it would eliminate most of us. I could not stand up for a minute beside some of those giants of physical strength. I have no respect for their physical strength. They must have good reason for their arguments. You will reason and argue a thing out in a court on lines of justice with even your most hated competitor, but what you want is justice. You do not want to be overthrown either by physical force or by corruption. In this country I think we have driven corruption out of public life. I think we are singularly free in this generation from any accusation of that kind, and that a man has a fair chance now in the courts, and he certainly should not be the victim of force—and is not. Nor should he be held up. And by the expansion of that idea we will find something approaching the millenium, but a practical Utopia, something well within our reach. Human society was once one of force in the days of the cave man. It is now orderly and organized. The very same thing can be done by willing nations, and, as Lord Robert Cecil says, this war has brought 24 of the great nations of the world together for the purpose of organizing to protect themselves against the wild attacks of madmen among the nations who, as soon as they show their poisonous purpose, shall be impounded and destroyed. [Applause.]

I am glad to say in closing that the world's liberty is safe, because liberty has been so thoroughly ingrained in the Anglo-Saxon, American, French, Italian, and Celt peoples that it can not be eradicated.

I love to quote Edward Dickinson Baker, who, after he went from California and Oregon to the Senate, said, at a time when people were scoffing at freedom during the Civil War:

> I rejoice in her power. I march beneath her banner. I glory in her strength. I have seen her stricken down on a hundred chosen fields of battle. I have seen her friends flee from her. I have seen her enemies gather around her and I have seen them bind her to the stake. I have seen them gather her ashes that they might scatter them farther yet, but when they turned to exult I have seen her meet them again face to face, full clad in complete steel and brandishing in her strong right arm a sword red with insufferable light.

She is indestructible. And that is why I believe and you believe that there is no danger in this world to-day from an autocrat, however strong, to eliminate American ideas and French and English ideas. It can not be done. He may temporarily gain his point; he may temporarily create the impression of victory; friends may flee away, as described by Baker, and the cause appear to be abandoned; but inevitably, because it is born in the human breast, the light of independence and liberty will flare up again and again until it ultimately triumphs. So the autocrat on his throne is not safe, no matter how he may be panoplied in power against that spirit of liberty. And that is just what the Kaiser is fighting. We have seen him drive back the gallant French at the Marne, but we have seen old Joffre, emulating Charles Martel and Theodoric, saving civilization at the Marne by holding fast against the incursions of the Hun. And now we see the great Foch, with Pershing by his side, driving the Huns far beyond. [Applause.]

And, suffering France, thou art not conquered. "Beauty's ensign yet is crimson in thy lips and in thy cheeks, and death's pale flag is not advanced there!"

Here is the tricolor, the same colors as our own. We are as one people, our flag is one, the Red, White, and Blue.

Then—

> Here's to the red of it,
> Precious blood shed for it;
> Here's to the white of it,
> All know the right of it;
> Here's to the blue of it,
> Heavenly hue of it;
> Here's to the whole of it,
> Stars, stripes, and pole of it;
> Here's to the roul of it,
> Red, white, and blue.

[Great applause.]

GIFT OF THE GOVERNMENT OF FRANCE (S. DOC. NO. 276).

The VICE PRESIDENT. The Chair lays before the Senate a communication from the President of the United States, together with a letter from the ambassador from France to the United States, which will be read.

The Secretary read as follows:

To the Senate and House of Representatives:

In compliance with the request of the French Ambassador I transmit herewith, for the information of the Congress, a letter from the ambassador expressing the desire of his Government to offer to each of the two Houses of Congress a vase from the National Manufacture of Sevres.

WOODROW WILSON.

THE WHITE HOUSE, *11 September, 1918.*

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AMBASSADE DA LA RÉPUBLIQUE FRANÇAISE
AUX ÉTATS-UNIS,
Washington, le September 9, 1918.

DEAR MR. PRESIDENT: Anxious to show their profound appreciation of the way in which Congress received the Viviani-Joffre mission when it came to express France's sisterly gratitude for America's timely help, my Government is desirous, if so allowed, to offer to each of the two Houses a vase from our National Manufacture of Sevres.

Our hope is that those products of French craftsmanship may be kindly accepted and preserved as a token of what France feels toward the representatives of the American States and citizens, whose manly resolutions, suggested by yourself, each of them meeting the country's warmest approval, will have had such a decisive influence on the severest conflict, and the greatest by its consequences, the world has ever known.

I should be very much obliged to you if you were so good as to inform the Senate and the House of Representatives of the intention of the Government of the French Republic and of its motives.

I have the honor to be, dear Mr. President,
Very respectfully and sincerely, yours,

JUSSERAND.

The VICE PRESIDENT. The message and accompanying letter will be referred to the Committee on Foreign Relations and printed.

REPORT OF FEDERAL TRADE COMMISSION.

Mr. BORAH. Mr. President, I desire to ask the Joint Committee on Printing what has been done, if anything, with reference to the printing of the report of the Federal Trade Commission which was submitted some weeks ago.

Mr. SMOOT. The chairman of the Joint Committee on Printing is not in the Chamber, but I will say to the Senator from Idaho that up to the present time there has not been a meeting of the joint committee.

Mr. BORAH. There are a great many calls for this report and I am very anxious to have some action taken with regard to printing it. We have put into the RECORD replies to the report and criticisms on the report and there is no report printed. It is a matter that I think ought to have the attention of the committee. Does the Senator contemplate a meeting of the commitee very soon?

Mr. SMOOT. I will say to the Senator there should be a meeting about Friday or Saturday of this week, and I think there will be one held.

Mr. BORAH. I presume it will be taken up at that time.

Mr. SMOOT. Yes; at the first meeting of the committee.

Mr. KENYON. I should like to ask the Senator from Idaho if the report was not printed in the RECORD. I understood the Senator from Utah to say that it had been printed in the RECORD.

Mr. BORAH. I have never seen it in the RECORD, and I do not think it has been printed in the RECORD. The Senator from Utah is in error, I think, with regard to that.

Mr. SMOOT. It was printed in the House proceedings.

The VICE PRESIDENT. The Federal Trade Commission report was printed in the RECORD.

Mr. SMOOT. I think, as I said before, it was printed in the RECORD in the House proceedings.

The VICE PRESIDENT. It is in the RECORD.

Mr. BORAH. The report which was made to the President?

Mr. SMOOT. I think the same report which the Senator from Idaho offered to have printed as a public document was printed in the proceedings of the House.

The VICE PRESIDENT. The report contains an account of the salaries paid certain directors of the American Metals Co.

Mr. NORRIS. No; that is not the report.

Mr. BORAH. That is not the report. The report about which I am making inquiry was made to the President. The report which came in in response to the resolution offered by myself was printed in the RECORD.

The VICE PRESIDENT. That is the one the Chair referred to.

Mr. BORAH. The report in response to the President's request, I am informed, has not been printed in the RECORD. I have never seen it.

CREDITS AND ADVANCES TO INDUSTRIES.

Mr. JONES of New Mexico. Mr. President, I should like to secure unanimous consent for the present consideration of Senate bill 4855, which passed the Senate as an amendment to the Agricultural bill, but apparently the prospects are that some time will probably elapse before the Agricultural bill becomes a law. The situation which this bill was designed to meet is of very urgent character, and I should, therefore, like to get the Senate to pass the bill, so that it may travel along as rapidly as possible and perhaps become a law before the Agricultural bill may become a law. I see no objection to that course being pursued. I was authorized by the Finance Committee to report the bill favorably, and I hope there will be no objection to its immediate consideration.

The VICE PRESIDENT. Is there any objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4855) to amend an act approved April 5, 1918, entitled "An act to provide further for the national security and defense, and for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes," which had been reported from the Committee on Finance with an amendment, on page 2, line 7, after the words "live stock," to strike out "having, in either case, a maturity of not exceeding 12 months," so as to make the bill read:

Be it enacted, etc., That the proviso to paragraph 2, section 7, of the act approved April 5, 1918, entitled "An act to provide further for the national security and defense, and for the purpose of assisting in the prosecution of the war to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes," be, and is hereby, amended to read as follows:

"*Provided*, That every such advance shall be secured in the manner described in the preceding part of this section, and (except in the case of an advance secured by a loan for agricultural purposes or a loan based on live stock) in addition thereto by collateral security, to be furnished by the bank, banker, or trust company of such character as shall be prescribed by the board of directors of a value at the time of such advance (as estimated and determined by the board of directors of the corporation), equal to at least 33 per cent of the amount advanced by the corporation. The corporation shall retain power to require additional security at any time."

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EXECUTIVE SESSION.

The VICE PRESIDENT. Morning business is closed.

Mr. MARTIN. Mr. President, I move that the Senate proceed to the consideration of executive business. I will explain that in the case of the confirmation of certain young naval officers who are about to sail from this country some errors or inaccuracies occurred, and it is very desirable that those errors should be corrected, in order that those officers may receive their commissions.

The VICE PRESIDENT. The question is on the motion of the Senator from Virginia that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After seven minutes spent in executive session the doors were reopened.

MINERAL PRODUCTS.

The VICE PRESIDENT. Morning business having been concluded, the calendar, under Rule VIII, is in order.

Mr. SMOOT. I know that the Senator from Nevada [Mr. HENDERSON] desires that the Senate shall begin the consideration of House bill 11259. He told me at the close of the morning business, before the executive session, that he intended to call up that bill.

Mr. HENDERSON. I move that the bill, which is the unfinished business, be laid before the Senate and proceeded with.

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 11259) to provide further for the national security and defense by en-

couraging the production, conserving the supply, and controlling the distribution of those ores, metals, and minerals which have formerly been largely imported or of which there is or may be an inadequate supply.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. FALL. Mr. President, I have several amendments which I desire to suggest to the bill under consideration, as to which I have conferred with the chairman of the committee having the bill in charge, and which, I think, will not be objected to, as they are simply intended to perfect and, as I understand, to make clear and to carry out the intention of the committee reporting the bill. The first amendment which I desire to offer, and which I send to the desk, is to section 2.

The VICE PRESIDENT. The amendment proposed by the Senator from Nevada to the committee amendment will be stated.

The SECRETARY. In section 2, page 21, line 16, before the word "enter" and after the word "to," it is proposed to insert the words "purchase such necessaries and to," so that, if amended, it will read:

SEC. 2. That the President is authorized from time to time to purchase such necessaries and to enter into, to accept, to transfer, and to assign—

And so forth.

Mr. FALL. Mr. President, the object of that amendment is simply to allow the President the power to purchase. Under the provision as it stands the President simply has power to enter into contracts for purchase.

Mr. HENDERSON. I see no objection to the amendment to the amendment. It seems to me that the amendment is very appropriate and well drawn.

Mr. KING. Mr. President, I should like to ask the Senator from New Mexico what is the necessity of this proposed amendment? As I understand, the various war activities or other departments of the Government which may require any of the necessaries mentioned in the bill for governmental purposes would now be authorized to purchase them. Does the Senator from New Mexico desire to give additional powers and to permit the executive departments to engage in the buying and selling of any of the necessaries herein provided for?

Mr. FALL. Mr. President, possibly I should have gone further in my opening remarks and explained my personal position more fully. I do object, under any ordinary circumstances whatsoever, to the Government of the United States entering into private business and buying and selling anything whatsoever. Of course the Government has the power and has the right through its proper officers to purchase any governmental necessities, anything which is necessary for the support of the Army or the Navy or any of the forces of the United States. Under any ordinary circumstances, I would as strenuously as any other Member of the Senate fight any proposition allowing the Government of the United States to go into the general mercantile and trading business, which is exactly what this bill does along certain lines. However, the purpose of the bill is good; there is no question about that, and it is presented here as a war necessity. It may be absolutely necessary that the Government should not only have the right to purchase for itself the minerals actually needed, but, to assist the Government in that purpose, that it should have the right to purchase the ores or the minerals, and then to allocate them to different private individuals by sale. It is necessary for the Government to have the power to dispose of these minerals and substances so purchased by sale to private individuals. Adopting that as the line suggested by the committee, and upon which they ask the Senate to legislate, I have simply devoted myself to an attempt to so word the bill by a few changes as to carry out and restrict that purpose. It is almost impossible for me to explain the proposition which I have in mind fully until all the various amendments I have in mind have been offered.

I will call the attention of the Senator to section 2 of the bill. If it is amended by the Senate, as I propose to amend it, it will then read:

SEC. 2. That the President is authorized from time to time to purchase such necessaries and to enter into, to accept, to transfer, and to assign contracts for the purchase of same, to provide storage facilities for and store the same, to provide or improve transportation facilities, and to use, distribute, or allocate said necessaries, or to sell the same at reasonable prices above the purchase or production cost thereof.

I shall offer that amendment following the word "prices," so that the Government will be restricted in offering for sale any such mineral or mineral products to a sum above the cost, or, in other words——

Mr. JONES of New Mexico rose.

Mr. FALL. I will yield in just a moment, if my colleague will allow me to explain the amendment. So that the Government would not be in a position where, through its taxing power, it could waive all costs and sell mineral products at a lower price than it would be possible for the individual engaged in the production to sell the same at. Otherwise, of course, without limitation of this kind, there would be an instrument placed in the hands of the Government through which the Government could monopolize the purchase or sale of every ounce of minerals mentioned in this bill. I now yield to my colleague.

Mr. JONES of New Mexico. Mr. President, I wanted to suggest an amendment to the amendment just offered by my colleague—where he has "above the purchase or production cost thereof," to insert the word "average"—for this reason:

It is contemplated that as to certain of these metals, and perhaps a great many of them, the Government will buy at different prices, depending upon the cost of transportation and other factors; and it was in the contemplation of some of us who were connected with the framing of the bill that the Government should have the power to buy at different prices, and then sell to the industries using the metals at the average cost or at an average reasonable cost. I think that meets with the idea which my colleague has suggested, but would give the latitude which I think ought to be permitted.

Mr. FALL. I think possibly we might get together, then, by striking out the word "above," which is in the amendment which I have not yet offered, but which I intend to offer, and saying "at not less than the purchase or production cost thereof." I do not think my object, at any rate, would be achieved by allowing the Government to purchase manganese at so much per ton and radium at so much per gram and then taking the cost price of the minerals between manganese upon the one extreme and radium upon the other to average the price, because that would put all the producers of clay and of every other material out of business.

Mr. JONES of New Mexico. I am quite certain we are both thinking along the same lines and want to accomplish the same purpose.

Mr. FALL. I think so. The first amendment has not yet been adopted, as I understand.

The VICE PRESIDENT. No; the question is on agreeing to the amendment.

Mr. KING. Mr. President, I desire to call the attention of the senior and the junior Senators from New Mexico to this proposition to see whether or not we are prepared to accept what I regard as a very radical departure from the ordinary methods, not only of doing business by private individuals, but the ordinary methods of doing business on the part of the Government.

As I understand the suggestion of the junior Senator from New Mexico, not only made this morning but very strikingly presented when this bill was under consideration a day or two ago, the idea is to enable the Government to pay to one producer of manganese or any article mentioned in this bill a given price and to another producer of the same article an entirely different price, and then the amendment of the Senator will be to average, in the sale of the article, the high and the low price paid to those two individuals. Now, do the Senators think—and I ask this question of both the Senators from New Mexico—that that is the only way in which we can practically handle the proposition, namely, to authorize some instrumentality of the Government to pay different prices to different individuals for the same product and then to put all of those prices, so to speak, into one class and then strike an average and sell upon that average?

It seems to me that is a very dangerous plan to pursue in handling the business of the country. It permits the Government to pay an enormous price to A because his business is unprofitable or because he labors under disadvantages in producing the article and to pay only a reasonable price to B. A might get $150,000 a gram for radium because it was difficult for him to produce it; B might get only $10,000 a gram because he is geographically so situated as to be able to produce it very cheaply.

Has the Senator thought of the problem that is presented in handling the public business in this way?

Mr. FALL. I had offered exactly that objection in answer to the suggestion of my colleague, who is assisting in placing the bill before the Senate, and for that reason I stated before offering it, before the first amendment was disposed of, that I should offer an amendment, to follow the word "prices," in line 21, that the Government should not dispose of any of these products so bought by it for anything less, at any rate, than the cost price to the Government of the product, which would prevent the Government absolutely monopolizing the product by averaging the prices and doing away with the individual barter and trade in like products.

I have finally forced myself into the condition of mind where I will agree that if it is necessary for the Government to have these extreme powers of a trading company, as a war measure, I will vote for it; but I do not want to destroy all individual initiative or competition. I think, if I may be allowed to express my views a little beyond the present measure, that this Government would be in a great deal better business if it were offering inducements for the initiative of the individual, rather than through insidious methods, continually insisting upon going into competition with the individual itself, and necessarily taking over, sooner or later, all business in the United States.

Mr. KELLOGG. Mr. President——

Mr. FALL. I yield to the Senator.

Mr. KELLOGG. Does the Senator know whether the committee has gone over with the heads of the departments or Cabinet officials these various metals and products, so as to know whether it is necessary to have this power to produce these identical things; or is this a catch-all, put in here to take in everything they can think of?

For instance, I notice here sodium and potassium. We have already provided by legislation for them. How many more things are there here that we have provided for, or that are not necessary?

Mr. FALL. Mr. President, without assuming to answer for the committee, I think I can say that they have gone over the list of these minerals with the heads of the departments; and if the Senator will examine the House bill he will discover that the Senate committee has excluded from the list a very large number of minerals which were inserted in the House bill. I want to say that in my judgment the Senate committee has not only worked very faithfully, but has finally arrived at a compromise such as I can force myself to accept, when I never could have supported anything along the lines of the original House bill at all. I think the committee has done its best; but it is impossible for individual Senators to understand what work they have done and what they are willing to agree to do now in strengthening their work, unless we take up the entire bill and see what it means. If it is necessary, I will go through it first, without offering the amendments which I propose to offer, with the permission of the members of the committee, and undertake to explain it as I go along.

First, Mr. President, the purpose of the bill is to allow the Government of the United States to trade in the minerals mentioned here. It is said that it is necessary for the Government of the United States to have that power of purchase and sale and contract, so that they may make a contract, for instance, two years ahead, justifying the producer of these minerals or the miner or the prospector producing the ores in devoting his time to the production, with the knowledge that he will receive a remunerative price for the product, and that it will not be subject to monopoly at the hands of private individuals, through which, after expending great time and large amounts of money, he might find himself in the situation that has resulted in the case of the molybdenum production, for instance, and in the production of one or two other minerals. I refer to cases where, stimulated by a great price, miners have invested thousands of dollars not only in opening up the ore bodies and producing the minerals themselves, but also in erecting reduction plants for reducing the minerals, for concentrating, or for reduction in other ways, and then have found that the price has slumped 100 or 200 or 300 per cent, and that it was impossible for them to pursue the industry. There are wrecks of such mining enterprises now in the States of Arizona, New Mexico, and other of the mining States of the Rocky Mountain region.

These are the facts: The committee has undoubtedly sought to avoid exactly that result as it is now and may be through the monopolization of the production by a few individuals, by allowing the Government to offer inducements to these miners and prospectors, or the smelter or reduction men, or capitalists, who must put their money in before the minerals can be produced, allowing them a price which will justify them in continuing their production and reduction of the minerals. Now, this is the object of the bill. It has been thought best by the committee to give the Government trading power to enable them to do that, because otherwise they would not have the power to allocate to the different individual enterprises in this country the proportionate amount, for instance, of manganese or of other minerals which would be necessary for the continuous operation of such private enterprises. In other words, the Government in taking over the mineral will see that through no individual monopoly shall one firm or corporation or aggregation of firms or corporations secure the advantage, and put out of business the others. Under ordinary circumstances, I am as bitterly opposed to the general principle of the bill as any Member of the Senate could be—that is, that the Government should become an ordinary trading enterprise.

Mr. KELLOGG. Mr. President, if that is the object of the bill, of course I shall not object; but take manganese: I am informed—I do not know whether the information is correct or not—that since the war broke out, and the necessity has arisen, we are now producing enough manganese in this country, and that it will not be necessary to import much more, if any more. As I say, I do not know whether that is correct or not.

Mr. FALL. I do not think that is entirely correct. The production of manganese has very largely increased in this country; there is no question of that; but we are still dependent to some extent on Brazilian manganese, and the very fact that a delegation from a certain other South American country is here now, engaged in an attempt to make a commercial treaty with this country, speaks for itself. If the Senator will look into the matter, I think he will find that the manganese mines of Uruguay are being considered at this time. I do not think we have yet arrived at the point where we produce anything like enough manganese in this country.

Mr. JONES of New Mexico. Mr. President, the evidence before the committee is that we have not yet nearly reached the point where we produce all the manganese that we require, but that the supply is increasing quite rapidly; and it is hoped that in a short time we may be producing all that we require. As I say, however, that point has not yet been reached, by considerable; and one of the very important purposes of this bill is to assure an ample supply of manganese.

Mr. FALL. Mr. President, to reiterate what I have said, the purpose of section 2 of the bill is to allow the Government of the United States not only to go into the open market and purchase but to allocate and sell the goods purchased to individuals, and also to allow the Government to enter into long-time contracts which will stimulate such production and guarantee the producer against loss. This is the purpose, generally speaking, of section 2; and I have simply sought to amend it in words, to make it—as I thought, and as I think, the committee agree—convey the meaning of the committee a little more clearly. Therefore the next amendment which I should offer would be to strike out the word "necessaries," on line 17, page 21, and insert the words "the same," and then to follow that by inserting, after the word "prices" and before the colon, on line 21, the words "not less than the purchase or production cost thereof." I shall offer those amendments at the proper time.

Section 3 is the section which undoubtedly caused the committee more thought than any other portion of the bill, and one which gave me more trouble than any other in my consideration of it, because, in my judgment, it is the most important part of the bill. Section 3 was intended to give the President authority to requisition and take over any of these minerals, and then to take over any lands or deposits of such minerals which were idle, and then to take over any plants of any kind or character for the reduction of such ores and the production of such minerals as were not being operated or were being only partially operated, so that he might commandeer and take over the plants, take over the idle mines and deposits, and might then also requisition the minerals, at a price to be fixed by him, when he saw fit, and if it were necessary.

I shall offer amendments to section 3 as follows:

On page 22 to strike out, after the word "necessaries," down to and including the word "same" on line 17—in other words, to strike out "to provide storage facilities for and to store the same"—because exactly that power is given a little farther along in the same section. The words "and to use, distribute, allocate, or sell the same" would be left in; likewise the words "and also to requisition and take over any undeveloped." After the word "undeveloped" insert the word "or," so as to read "undeveloped or insufficiently developed or operated." Strike out the word "or," in line 20, the first word in the line, so as to read "insufficiently developed or operated idle land." Strike out the word "or" after "land" and insert a comma, and insert the word "or" between the words "deposit" and "mine," so as to read "deposit or mine." Following the word "mine" insert the words "and any idle or partially operated," so that it would read "deposit or mine, and any idle or partially operated smelter, or plant, or part thereof, producing or, in his judgment, capable of producing said necessaries, and to develop and operate." Strike out the words "the same" and insert the words "such mine or deposit and such smelter or plant." Then the committee amendment proceeds "either through the agencies hereinafter mentioned, or under lease or royalty agreement, or in any other manner, and to store, use, distribute, allocate, or

sell the products thereof." After the word "thereof," line 1, page 23, is the principal amendment, which I think should be adopted, in the nature of a proviso, and which I shall offer:

Provided, That no ores or metals, the principal money value of which consists in metals or minerals other than those specifically enumerated in section 1 hereof, shall be subject to requisition under the provisions of this act.

That practically completes the suggestions which I would have to offer to the bill, with the exception——

Mr. WALSH. Mr. President——

Mr. FALL. If the Senator will allow me to make one further statement, I will yield. With the exception that unless there should be stricken from the next paragraph of section 3 all power of any kind or character to regulate wages, there should be adopted certain words which would make it plain and clear as to what wages might be regulated by the Government. Therefore I have prepared an amendment after the word "thereof," on line 25, page 23, to insert the words "so requisitioned or taken over," striking out "articles or substances" and inserting the word "necessaries," so that it would apply generally to articles or substances used directly. It would read:

Of necessaries used, manufactured, produced, or mined therein, and the employment, control, and compensation of employees.

After the word "employees" and before the period I would insert the words "therein or thereupon," so that it would be perfectly clear that the Government would not have the power to regulate the wages of employees in these mining industries generally, but only the power, which, of course, would necessarily follow even without this provision, to regulate the wages in the commandeered or requisitioned plants or mines. I now yield to the Senator from Montana. I will yield the floor, simply offering the amendments.

Mr. WALSH. I was about to suggest to the Senator that the expression "partially operate" a smelter would not be a very definite term.

Mr. FALL. No.

Mr. WALSH. I rather imagine the Senator did not intend to authorize the commandeering of a smelter that was in operation but not operated to its full capacity.

Mr. FALL. I was simply attempting, I may say to the Senator, to make a little more clear the language of the bill, and my purpose was to change it just as little as possible. However, smelters, as the Senator knows, as well as concentration and other reduction plants, are often built in units. Now, suppose the private operator is only operating one unit, for instance, of a half dozen units of a concentrating plant, and many of these ores are treated by concentration. Suppose the President finds that there is a capacity for the treatment of a thousand tons of ore per day of antimony or of other minerals, and that the unit in use by the owners will only treat 100 tons, should he stand and allow the 900 tons to go untreated or be compelled to provide through the appropriation here for the construction of a smelter or a concentrating plant with a capacity to treat the 900 tons per day, when the plant is there lying idle or only partially operated?

Mr. WALSH. I can suggest to the Senator another condition. Not entirely in separate units, not capable of utilization as a distinct entity, a man might be operating a dozen furnaces. The owner for his own purpose would be operating only nine of them, or he might be operating ten or allow one to lie idle. The bill with the amendment suggested by the Senator would authorize the Government to take them over.

Mr. FALL. Of course, it is almost impossible to word a general law so that it will cover and specifically care for every particular case. I assume that Mr. Baruch or the Bureau of Mines or whoever administers the law would not take over nine-tenths of the unit because one-tenth was lying idle, but would simply say to the operators, "We will furnish you with the ore, if you have it not; we will furnish you by priority orders with the coke necessary for you to operate, and if you do not accept this proposition then we will be compelled to take over the other units and operate them." It would conduce to economy, and possibly that may be the economy referred to by the Secretary of the Interior in the letter upon the table.

Mr. KING. Mr. President——

Mr. FALL. I yield to the Senator.

Mr. KING. I wish to ask the Senator from Montana, if the Senator from New Mexico will pardon me, if the construction which he places upon the amendment suggested by the Senator from New Mexico would not be applicable to the bill as it is drawn; that is to say, under the bill would not the President or the instrumentality selected for the exigencies of this act when it shall be enacted into law have the authority to requisition a smelter that was not in operation? I was wondering, if the Senator was offering a criticism upon the amendment suggested by the Senator from New Mexico because it permitted the requisition of a smelter that was not in operation, whether the same criticism would not apply to the bill itself.

Mr. WALSH. I dare say the words "insufficiently operated" would cover it.

Mr. FALL. Those words would be stricken out if my amendment were adopted. Any "idle or partially operated smelter" would be the wording of the section if my amendment were adopted.

Mr. WALSH. Those are qualifying words.

Mr. FALL. The "insufficiently operated" would only apply to mineral deposits and the "partially operated" would apply to smelters.

I proceed in order then, having made this explanation to offer the amendments. The first amendment I believe is pending.

Mr. SHAFROTH. What is that amendment?

The VICE PRESIDENT. It will be stated.

The SECRETARY. In section 2, page 21, line 16, before the word "enter" and after the word "to" insert "purchase such necessaries and to."

The amendment to the amendment was agreed to.

Mr. FALL. In line 17 I move to strike out the word "necessaries" and insert in lieu thereof the word "same."

The SECRETARY. In line 17, page 21, strike out the word "necessaries" and insert the word "same," so that if amended it will read:

That the President is authorized from time to time to purchase such necessaries and to enter into, to accept, to transfer, and to assign contracts for the production or purchase of same.

Mr. FALL. That is simply to make it comply with the amendment already adopted.

The amendment to the amendment was agreed to.

Mr. FALL. After the word "prices," and before the colon, in line 21, I move to insert the words "at not less than the purchase cost or production cost thereof."

Mr. JONES of New Mexico. I do not suppose there will be any immediate reason why that could not be done. I may, however, suggest that at the conclusion of the war the Government may have on hand some of these minerals which can not then be sold for such prices. Might we not leave it as it is worded in the bill and say "reasonable prices"?

Mr. FALL. I could not agree, as far as I am concerned, to leave it "reasonable prices," because that puts the Government in precisely——

Mr. JONES of New Mexico. I am willing to accept the amendment presented by my colleague. We can take care of the after-war situation when it comes.

Mr. FALL. Congress can see to that.

Mr. JONES of New Mexico. If it thinks best to do so.

Mr. FALL. I very much fear the result unless you do provide that the Government shall not have, through its power to raise funds, the power to produce minerals to its advantage in the market and put every individual producer out of business.

Mr. JONES of New Mexico. The purpose of my colleague is highly commendable, and I agree to the amendment.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 21, line 21, after the words "reasonable prices" insert the words "at not less than the purchase cost or production cost thereof."

The amendment to the amendment was agreed to.

Mr. FALL. In section 3, page 22, after the word "necessaries," in line 16, I move to strike out the comma and the words "to provide storage facilities for and to store the same."

Mr. SHAFROTH. Mr. President——

Mr. FALL. It is there in two or three places, I will say to the Senator from Colorado.

Mr. SHAFROTH. Very well.

The amendment to the amendment was agreed to.

Mr. FALL. In line 19, after the word "undeveloped," I move to strike out the comma and insert the word "or."

The amendment to the amendment was agreed to.

Mr. FALL. I move to strike out the first word "or," in line 20.

The amendment to the amendment was agreed to.

Mr. FALL. I move to strike out the word "or" between the word "land" and the word "deposit" in line 20.

The amendment to the amendment was agreed to.

Mr. FALL. After the word "deposit" I move to insert the word "or," and after the word "mine" to insert the words "and any idle or partially operated."

The amendment to the amendment was agreed to.

Mr. FALL. I wanted to suggest to the committee that where they have used the words "smelter or plant" we ordinarily in mining terms use the term "or other reduction plant," but I do not offer that as an amendment. It is simply a suggestion to the committee in case the committee thinks best to make the amendment.

In lines 22 and 23 I move to strike out the words "the same," and in lieu of such words to insert: "such mine or deposit and such smelter or plant."

Mr. SHAFROTH. I should like to have the Secretary report that amendment.

The SECRETARY. On page 22, beginning with the word "the," at the end of line 22, strike out "the same" and insert "such mine or deposit and such smelter or plant."

Mr. FALL. I should like to modify that by striking out the word "and" after the word "deposit," and before the word "such" and insert "or," so as to read:

And to develop and operate such mine or deposit or such smelter or plant, either through the agencies hereinafter mentioned, or under lease or royalty agreement.

The amendment to the amendment was agreed to.

Mr. HENDERSON. I understood the Senator from New Mexico had an amendment to offer on page 22, line 22, after the word "necessaries" by inserting "or either of them."

Mr. FALL. I thank the Senator for reminding me of that. After the word "necessaries," in line 22, I move to insert the words "or either of them."

The amendment to the amendment was agreed to.

Mr. FALL. The next amendment is, after the word "thereof," in line 1, page 23, to insert a proviso.

The SECRETARY. On page 23, line 1, after the word "thereof," insert the following proviso:

Provided, That no ores or metals the principal money value of which consists in metals or minerals other than those specifically enumerated in section 1 hereof shall be subject to requisition under the provisions of this act.

The amendment to the amendment was agreed to.

Mr. FALL. I think the chairman of the committee having in charge the bill has some amendments to the next paragraph, on the same page or on the following page. I will only suggest at the present moment that on page 24, line 1, the words "articles or substances" be stricken out and the word "necessaries" be inserted in lieu thereof.

Mr. SHAFROTH. Before that is reached I wish to offer an amendment.

Mr. FALL. I have another amendment.

Mr. SHAFROTH. It is right at this point that the amendment I desire to offer comes in.

Mr. FALL. I understand, but I thought the chairman had a general amendment to it. If there are to be any other amendments to be offered now, I have another amendment that I will offer, coming before this present amendment.

On page 23, after the word "thereof," in line 25, I move to insert the words "so requisitioned or taken over and."

The amendment to the amendment was agreed to.

Mr. FALL. The words "articles and substances" should be stricken out and the word "necessaries" inserted in lieu thereof, because it is evidently the intention of the committee to confine the materials to those mentioned specifically in the bill, which are covered by the generic term "necessaries."

The VICE PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 24, line 1, strike out the words "articles or substances" and in lieu insert "necessaries."

The amendment to the amendment was agreed to.

Mr. FALL. On page 24, after the word "employees," in line 3, and before the period, I move to insert the words "therein or thereupon."

The amendment to the amendment was agreed to.

Mr. FALL. Mr. President, that concludes the amendments I desire to offer.

Mr. SHAFROTH. Mr. President, I desire to offer an amendment, to be inserted on page 23, line 1. I desire that it should be placed after the word "thereof"; but if the proviso of the Senator from New Mexico has been inserted, it would come after that. The amendment which I offer reads:

There shall be established such headquarters and offices for the administrative force authorized herein at such point west of the Missouri River as he may deem proper.

That is, the President, as it refers to the power of the President.

I want to say, Mr. President, that this will not only relieve, to some extent, at least, the congestion which exists in Washington by having so many employees located here—and, as I understand, there are 500 arriving every day—but the principal object in proposing the amendment is to have these officers in the part of the country where the miners may see them and talk with them, and not have to get on a train and travel two or three thousand miles in order to contract and agree with them.

Mr. FALL. Mr. President, will the Senator from Colorado yield for a moment?

Mr. SHAFROTH. Yes.

Mr. FALL. Does not the Senator think it would be best to have his proposed amendment attached to section 5, which is the administrative section of the bill?

Mr. SHAFROTH. I thought the amendment should be inserted at the point where the authority is proposed to be conferred; but I have no objection to having the amendment placed at any point where it is appropriate—at the end of section 5, if necessary, and if that is the proper place for it.

Mr. FALL. That is the administrative proviso, and the Senator's amendment might come as an addition to that section.

Mr. SHAFROTH. Very well. I move that the amendment be inserted at the end of line 6, on page 25.

Mr. JONES of New Mexico. I wish the Senator would again state his amendment.

Mr. SHAFROTH. The amendment I propose is to insert:

There shall be established such headquarters and offices for the administrative force authorized herein at such point west of the Missouri River as he may deem proper.

That is, as the President may deem proper.

Mr. President, I want to explain that amendment a little further before proceeding on another line. In the first place, the operation of this bill is going to be confined to the Rocky Mountain region; nine-tenths, yes, probably ninety-nine one-hundredths of that which is to be done in the way of execution of contracts, in the examination of mines, the taking over of mines and smelters, is going to have its base of operation in the Rocky Mountain Region, for there is located really the great mineral wealth of our country; that is where these minerals are found. A man of ordinary means may have a prospect which gives promise of the production of some of the metals; he may have a partially developed mine or he may have closed down his mine because of the fact that prices were not such as would justify him to work it. All of these things mean that those men are poor, that they can not afford to get on the train, come down to Washington, and probably spend weeks and weeks for the purpose of getting an agreement with the Government as to the taking over of their mines. For that reason it seems to me that the President ought to be authorized to designate some central place in the mining region, or, so far as that is concerned, several central places, because I think that there ought to be some way of administering this law economically. The only way it can be economically administered would be by having a central place, and then such subsidiary places as the department might deem best.

Mr. KIRBY. Mr. President, will the Senator yield to me?

Mr. SHAFROTH. I yield to the Senator from Arkansas.

Mr. KIRBY. Would it not be better to have a branch of the service in each of the mining States?

Mr. SHAFROTH. I do not know that that is necessary; but I am perfectly willing that that may be done if found to be needed.

Mr. JONES of New Mexico. Mr. President, I am in hearty sympathy with what the Senator from Colorado suggests, if it should be necessary; but I am inclined to believe that what is intended to be accomplished by the amendment proposed by the Senator is now provided for in the bill. If the Senator will look at the language in lines 5 and 6, on page 25, he will find that it reads: "Both in the District of Columbia and elsewhere, as the President may deem essential."

Mr. SHAFROTH. I know, Mr. President, but we are continually lacking in the proper amount of activities in our western country, while Washington is overcrowded; so I think it would be better to adopt this amendment. It is not imperative upon the part of the Government or upon the part of the President to do this, but it would be a suggestion that Congress thought it was wise that some at least of the administrative offices should be located in the section of country where the miners are located, so that they could personally communicate and do business with the officers of the Government.

I have not any doubt that it would conduce to expedition; I have no doubt it would work to the benefit of all concerned. Take an ordinary miner, who probably has not a hundred dollars, but who has a prospect; he may have a mine which may develop into a very valuable property; he wants to present its merits to the Government, and the only means that he has of doing so is to sit down and write to the authorities. What can such a man describe in writing? Of course, that might work properly if the authorities took proper interest in the matter, but the chances are that there will be thousands of such cases. The

manner in which a man talks to a Government employee, the manner in which he can tell him the facts of the case, is not the same as putting it in writing. All men are not gifted in the art of writing.

Mr. President, it seems to me that we ought to have the headquarters close to the section of country where the mines are to be taken over or aided or assisted by the Government, or where contracts are to be made with relation to the production of the mines. I think this clause should be inserted at the point where the language reads: "Both in the District of Columbia and elsewhere, as the President may deem essential."

It would be a suggestion to the President, at least, that would expedite the operation and secure more efficient working of the bill.

Mr. KING. Mr. President, the Committee on Mines and Mining has, in my opinion, performed a difficult task in an eminently satisfactory manner and is entitled to the thanks of the Senate and the country. There was referred to it a bill which had passed the House which was devoid of any redeeming features. Indeed, the measure called for the condemnation of the people. Instead of being a bill for the "national security and defense and to encourage the production and the conservation of ores, metals, and minerals," which it pretended to be, it was a measure which weakened the national security and obstructed the national defense, and discouraged production of ores, metals, and minerals, and also in its operations would have prevented the conservation of the same.

There is a class of people who entertain the view that the National Government must enter into all private concerns and control the domestic and business lives and activities of the people. This view finds expression in measures which occasionally find their way into both branches of Congress.

For a number of years there has been a propaganda carried on in the United States having for its object the withdrawal of all public mineral lands from entry by private persons. The scheme contemplated that the Government should either directly engage in mining operations, and, of course, in the smelting and reduction of the ores, or that it should establish a system of leasing under which the mineral lands should be worked.

The folly of any attempt by the Government to engage in the mining business is so obvious that it is incomprehensible how any rational person could entertain a view of that character. The experience of our Government, as well as other nations that have engaged in the leasing of mineral lands, ought to have been so illuminating as to successfully combat the efforts of the proponents of the leasing system. I regret to say that there have been and still are persons in official positions who have been and still are enthusiastic advocates of this obnoxious form of paternalism. Within a very recent period a very strong effort was made by the Interior Department to embark the Government upon the plan of working mining claims containing radium ores. The plan also contemplated the erection by the Government of the necessary works and plants for the reduction of the ores and the manufacture of the finished product. Certainly the evidence brought to our attention, the governmental inefficiency in business matters and in the conduct of the business affairs committed to its care, ought to lead the people, and certainly public officials, to a very careful scrutiny of measures which have for their object the embarkation of the Government upon the sea which has been properly and justly recognized as belonging to private endeavor. The Government has a broad field for the exercise of its legitimate functions. Our Nation is combating a system which has been developed under a school of thought that recognized the Government as omnipotent in all things, and which did not differentiate between the rights of the people and the powers and functions of the Government.

Germany has suffered from Prussian absolutism, from the theory that the Government has the right to engage in every line of industry and treat the individuals as mere pawns to be used for the Government's aggrandizement. Centralization of power in a monarch or in a bureaucracy means the stripping of the people of power, rights, and privileges inherent in them. The reign of democracy does not mean the triumph of bureaucracy or the consolidation of power in the hands of a limited few. There can be no democratization of a people without the possession by the people of power. It is important to keep in mind always the distinction between legitimate and proper governmental powers and the authority and rights reserved to the people. It is easy to find pretexts for depriving the masses of their liberties or invading in any way their reserved rights.

These observations are rather general in their character and may not be quite germane to the bill under consideration. They have been prompted by the House bill, which the measure reported by the Senate Committee on Mines and Mining is a substitute for, and by the clamor of some that the Federal Government shall ignore the States and the reserved powers of the people, strike down the police powers of the States, and take over not only the governmental functions of the States but also become the proprietor of the business enterprises and the industries of the people. Under some strange malady there are those who feel that the Government could run the factories, operate the mines and mills and smelters and the industries and enterprises that have made this a rich and mighty Nation, better than could the people themselves; and yet when we come into contact with the bureaus and departments of the Government we see the inefficiency, the enormous cost measured by the results, and the failure of the Government to handle business affairs with the same ability and success that characterize private individuals. It would be an unfortunate condition, in my mind, to have only one employer, and that the Government, and to have it the owner of all property, the determiner of the lives and callings of the people.

The House bill subjected the mining and smelting business of the country to the control of governmental agencies and bureaus. It provided for a comprehensive and destructive licensing system. It imposed pains and penalties that were vicious. It was altogether an unworthy, reactionary, and dangerous bill. The Senate bill which we are now considering gives ample evidence that it was drawn with broader vision and with a clearer recognition of the spirit and genius of our Government and the American people, and upon lines far more sane and progressive. Nevertheless, I regret that it was felt necessary that a measure of the character of the one under consideration should be reported.

I dislike to set up my judgment against the judgment of the members of the committee and those who have given so much thought and attention to this question. And it can be truthfully stated that those who have not participated in the hearings of the committee and are not familiar with the facts brought to the attention of the committee are not in a position to speak so authoritatively upon the question involved as the members of the committee. This bill proceeds upon the hypothesis that without some governmental interposition metals needed by the Government or in the production of the war necessities will not be available. The theory seems to be that because some rare metals have not been produced in the United States, but have been imported from foreign countries, they will not be available for use during the war unless the Government becomes interested in some fashion in their production.

No one denies the right or power or duty of the Government to acquire wherever possible whatever is necessary to prepare the Nation for its duties as a belligerent. The war, of course, must be won, and every power of the Government must be brought into play for the purpose of winning the war. If the Government requires ships, it is its duty to requisition ships where they can be found or to build them with all possible dispatch. If it lacks powder, it is its duty to procure it, and, if necessary, to build powder factories. If it needs sulphur, or graphite, or manganese, or any of the minerals or metals referred to in this bill, it possesses ample authority to make contracts for the purchase of the same. No one could criticize a measure that conferred upon the administration authority to buy whatever metals or minerals or other things that it needs in order to equip the Nation for this great undertaking, and by various bills the President and various departments and governmental agencies have been authorized to take possession of not only personal property but of real estate when needed for governmental purposes. There has been no hesitation upon the part of the legislative branch of the Government to give to the Executive ample authority to requisition whatever property was needed in the prosecution of the war. Nor has there been any withholding of appropriations for all such purposes. I have been inclined to the view that ample authority has been given to the executive branch of the Government to procure either or all of the metals described in this bill; that is, all that were necessary for governmental purposes.

And when I say for governmental purposes I mean not only such as would be used directly by the Government or some employer or some arm of the Government, but such as might be necessary by private individuals or corporations who were producing munitions or other supplies needed by the Nation. The Government now has the authority to go into the market and contract for any of the ores or minerals or metals described in this bill. In my opinion the President or agencies of the Government have the authority now to enter into contracts for the purchase of any of the necessaries described in

section 1 of this bill if those necessaries are required by the Government or in the production of articles which the Government needs in the prosecution of the war.

The dangerous and disturbing feature of the bill is that which authorizes the Government to take over any undeveloped or insufficiently developed or operated or idle land or deposit or mine, smelter, or plant and to develop and operate the same. As stated, the Government can acquire, in my opinion, all that our country can produce of the metals and minerals referred to by paying a suitable price therefor. We all know that the prices paid for some of these rare metals has increased very much during the past year and that the increase in the price has greatly increased production. Sulphur is mentioned in this bill. We know that a number of sulphur properties have been shut down for years because of the limited demand and the small price paid for the same. With increased demand and with a rising price many of these sulphur properties are being resuscitated and the output is being largely increased. The same is true of manganese. The demand for manganese ores has greatly increased because of the increased production of steel, particularly steel for ordnance purposes.

Because of our lack of shipping and the difficulty of securing manganese from Spain and other foreign countries attention has been attracted to the manganese deposits in our own country, and the result is that thousands of tons of manganese are now being produced in the United States where formerly only hundreds of tons were mined, and, if an adequate price is paid, the output of manganese ores will be sufficient within a very short time to meet all demands, not only of the Government but of the people of our country. Because the demand for tungsten has increased and the importations have decreased, already the result is the development of tungsten properties, and, with prices sufficiently high to justify increased production, there will be growing activity, and within a short time the needs of the Government and the people satisfied. High prices stimulate production in the products of men's genius and labor. There is no contention that these rare metals do not exist in the United States. Indeed, the theory of the bill is that they are to be found in our country, but that their development has been restricted and the output has been insufficient to meet current demands. The law of supply and demand has a field for operation in the matter of the metals under consideration. If these minerals and metals are in the United States and they can be produced, then it would seem that their production depends solely upon the question of the price of the same. If a price sufficiently high is paid for these metals, they can be procured. We all know that the history of our country has demonstrated that our mineral output has depended upon the demands of the people. No matter how limited the supply of lead or zinc or any other metal or mineral, if the price was sufficiently inviting to induce capital to engage in its production, then the necessary capital was forthcoming and the requirements of the people were met.

The view of Senators who have spoken in advocacy of this bill seems to be that without this or some similar measure of relief we can not procure the minerals and metals which the Government needs and which the people at this time require. As I have indicated, I do not share this view. In my opinion, if the Government or those who require these metals will state what is needed, they will have no difficulty in contracting for the required products, providing that they are willing to pay an adequate price therefor. The owners of sulphur, or radium, or tungsten, or graphite properties will develop the same if they are assured of a profitable market for their products.

Senators have stated that it was not the intention of the Government to operate mines and smelters, that the power conferred by section 3 would not be exercised except in some extreme cases.

As stated, I shall vote for this bill, but I shall do so reluctantly and with misgivings. I am afraid that it will prove a very expensive experiment and fail in the accomplishment of the beneficent results which are prophesied as the fruits of its enactment. I am so anxious that nothing shall be done to impede in any possible way the war work which our country is performing that I hesitate to withhold assent to measures which executive departments aver are contributory to the successful prosecution of the war. I can see that the enforcement of this bill along rational and conservative lines may be of some benefit. In the hands of unwise administrators or selfish or incompetent persons it could be made an engine of oppression as well as a breeder of confusion and discord.

The confidence that we have in the President, in his broad vision, and in his sagacious plans and policies, leads to the enactment of measures that in peace times would be regarded as extraordinary and startling in their nature. A confidence which we have exhibited so often, let me say in passing, is justified, and the wisdom and sagacity and greatness of the President become more apparent as the responsibilities placed upon him are multiplied.

I have found it difficult to adjust my views upon all occasions to the situation which the war presents. Withdrawn from the field of carnage and legislating here far removed from the sounds of shot and shell, it is not always easy to remember that this Nation is engaged in the greatest war that has ever visited the world. The Constitution of our Government contemplates that war will call for the exercise of powers upon the part of the Federal Government which may be regarded, in the absence of a better term, as dormant or latent. So there are many measures which the exigencies of the war demand and which would be repugnant to our views in times of peace that we are now called upon to consider. I appreciate that this is a war measure, and can be constitutionally supported as such. As stated, I shall support it, but with apprehensions as to the results, but with the sincere hope that it will be even more successful and beneficent than its most earnest champions anticipate.

Mr. President, one of the reasons compelling me to support this bill is the high character of the members of the committee reporting it and also my knowledge of the patriotic and intelligent investigation which they have conducted in order to ascertain the facts relating to the question with which it attempts to deal. The House bill, as I have indicated, was so imperfect, defective, and oppressive, it would, if enacted into law, have produced such baneful and destructive consequences, that it deserved condemnation and defeat. The provisions of this bill that are most obnoxious to me are those permitting leasing and also authorizing the Government to engage in mining and smelting and all of the pursuits connected with the production of the ores, minerals, and metals described in this bill. The progress of our Nation has been so great under the stimulus of our democratic form of government and the competitive system that I look with profound concern upon the enactment of policies that change so radically our economic and industrial life. I do not mean to express approval of all of the conditions that have attended our industrial growth. There have been evils which needed correction, and wrongs, particularly to labor, that the future must prevent; but I am persuaded that the destruction of private business and the taking over by the Government of the industries, activities, and business concerns of the people will prove the destruction of our democratic form of government, and materially retard the progress and development, economically, industrially, politically, and in every other way, of our Nation and the American people. It will paralyze the genius of the American people. It will produce an atrophied condition, an economic stupefaction, so serious and deadly as will drag our Nation from its high and splendid station.

There is nothing in what I have stated that is expressive of the view that the Government may not exercise proper and legitimate power, particularly over interstate commerce; nor do I want to be understood as contending that there may not be enterprises or concerns so clearly national and governmental in character as to justify their control and, indeed, ownership by the Federal Government.

Mr. JONES of New Mexico. Mr. President——

Mr. KING. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I would like to say to the Senator from Utah that I think every member of the committee in ordinary times would violently oppose any such legislation as is proposed in this bill, and it is only tendered as a war measure.

Mr. KING. As I have indicated, Mr. President, one of the serious objections to the bill is that which authorizes the agency or instrumentality created by this measure to take over and operate mines, mills, smelters, and all instrumentalities employed in the production of the metals and minerals mentioned in the bill. The administrative agency carrying out the terms of the measure will be subjected to pressure by the owners of idle mining properties or mines which never have and never can be operated at a profit. Unless there is the greatest vigilance and care employed, the Government will be subjected to heavy and irreparable losses. On the other hand, there will be the temptation upon the part of those enforcing the terms of the bill to increase their power and activities. The feeling will be that, backed by the Government, they can make unsuccessful mines, smelters, and mills paying and profitable ventures. It is human nature to seek to increase one's authority and power, and where the results would probably be beneficial if success were achieved, the inclination to exercise granted authority will be stronger. So, without in any way impugning the motives of those who may administer this bill, it, I think, can be said that there will be danger upon

their part of engaging in the pursuits permitted by the bill and the following of a policy which will commit the Government to an invasion of the fields of private business, with consequent serious financial losses.

I concede the wisdom, and indeed the necessity, of the Government protecting itself as well as corporations and individuals engaged in producing ordnance and war munitions and other things required by the Government in the prosecution of the war, and for that purpose and to that end entering into contracts for the purchase of articles whether they be metals or woolen or leather products. And I think it would be not only justifiable but prudent to extend those contracts for such a period of time as would insure with certainty and definiteness whatever the Government imperatively needs. It would be prudent for the Government, if it requires either or all of the metals mentioned in this bill, to make contracts for the purchase of the same; and if, in order to obtain satisfactory terms, it became necessary to make the contracts for a period of one or two years, such a course would not only be warranted but demanded.

Nor can I see any impropriety in creating an agency or bureau for the purpose of acquiring the metals needed by the Government. It is not against policies of this character that I venture any criticism. It is when war measures are enacted that contemplate or authorize the Government engaging in purely private enterprises that I venture a most respectful dissent.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Utah yield to the Senator from Montana?

Mr. KING. I yield to my friend from Montana.

Mr. WALSH. Mr. President, I am really very curious to know what the Senator would do in the circumstances. He is not a member of the committee, although we would have been very glad to have had his help; but now what would the Senator do? Take manganese, for instance. We are gathering the greater proportion of our supply of that ore from Brazil and have got to take ships that ought to be engaged in the transport service and send them to Brazil for manganese. We can not spare those ships; we need them for the transport service, and so we ought to get every pound of manganese ore that we can possibly secure in this country. How would the Senator do it?

Take pyrites. We bring enormous quantities of pyrites from Spain. They are utilized in the manufacture of sulphuric acid. It is a tremendous task to take ships from the work that we should like to have them engaged in, the carrying of troops and the carrying of supplies over to our men, and send them to Spain for pyrites in order that sulphuric acid may be produced for use in the manufacture of munitions. We have got to keep our steel manufactures going or we will not be able to make cannon or shells, and we have got to have the manganese. So on down the list. Take platinum, take chromium, take the whole list of these things, and we have got to have them. We are at war; these are not peace times; and what would the Senator do now in war conditions to keep going the industries of our country essential to the prosecution of the war?

Mr. KING. Mr. President, the inquiry propounded by the Senator is a fair one. I think I have already answered his question by showing that there would be production of the metals and minerals covered by this bill, providing there was a sufficient demand and the price paid by the Government or those requiring the same were sufficiently high to induce private capital to enter the field of production. But, further, by way of reply, let me call attention to one or two of the metals referred to in the bill. But first permit me to say that Senators who are not members of the committee have not had the advantage of the extensive investigations made by the committee and the testimony of the numerous witnesses who appeared before the committee and gave the result of their experiences and investigation. Senators not of the committee are compelled to give their impressions based upon their own experiences or their judgment resulting from such information as they may possess. The testimony taken is found in a large volume consisting of several hundred pages. I only saw a copy of the testimony for a few minutes this morning. I hastily read the first 80 pages, and found frequent references therein to manganese, tungsten, and graphite. Mr. McBeth, who appeared before the committee, stated that there are numerous tungsten deposits in the United States, and that private enterprise will produce a sufficient supply to meet all of the demands of the Government and of the trade. I insist, and that I think is a fair deduction from this testimony, that all that the Government needs to do in order to obtain the required amount of tungsten is to pay an adequate price therefor.

Mr. WALSH and Mr. JONES of New Mexico addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. KING. I yield first to the Senator from Montana.

Mr. WALSH. Suppose the Government offer an adequate price; suppose they offer to pay a great big price for tungsten; and suppose a man has an undeveloped tungsten property. He understands perfectly well that he could get that price only while the war lasted, and the war may come to an end to-morrow; the war may come to an end next week, or it may come to an end in six months from now. Will he be justified in spending a couple of hundred thousand dollars to develop his property, to put a plant upon it, when he knows that the ore is of such low grade as that under all ordinary conditions he will not be able to market his product at a profit?

Mr. KING. Mr. President, in my opinion there is no mineral or metal mentioned in this bill which can not be found in the United States in sufficient quantity for the Government's need but what the Government can obtain it within a reasonable time, provided that it is willing to pay a fair and reasonable price. Of course, what would be a reasonable price in peace times, or if the metals were being mined and produced, would not be a reasonable price in war times, or if the mineral or metal were not being mined and suitable machinery for reducing ore when taken from the ground were not in existence. Any person owning property containing one of the rare metals mentioned in this bill will, of course, demand a sufficient price for the product to justify him incurring the risk and hazard incident to the developing and opening up a property and erecting the necessary machinery to reduce and smelt the ore. But the American business man has always been willing to take a hazard. We are constantly meeting with parallel situations. Many articles are being produced as a result of the war which prior to the war we imported. The high prices which the articles command in the market led the keen American business man into the unknown fields. He took his chances, but realized that the prices which he could command for the product when finished would amply reward him, and he therefore cheerfully subjected himself to the risk and danger that defeat would have produced.

Take the question of radium. The domestic production is sufficient for the Government. It is not only procuring what is needed by our Government, but it has arranged that Great Britain and others of our allies shall get a portion if not all that they need.

Mr. WALSH. Mr. President, it seems to me the reference made by the Senator is rather unfortunate for his argument. Radium in peace times has extensive uses, and in peace times it commands an extraordinary high price because of its use in the arts and in medicine. I have not any late information about the current price of radium, but I do not think the price to-day is in excess of what it was in peace times; so that there is a constant demand there, and yet I dare say there are many deposits of carnotite ore that are of such low grade that it would be unprofitable to work them in peace times.

Take manganese, for instance. By reason of the higher prices of manganese prevailing our production is increasing very gratifyingly, but we are still away below the needs of this Government.

Mr. HENDERSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nevada?

Mr. KING. I yield to the Senator.

Mr. HENDERSON. In that connection I should like to state—and it will also answer the question propounded by the Senator from Minnesota [Mr. KELLOGG]—that the production of manganese in the United States in 1917 was approximately 115,000 tons, and we imported 655,885 tons; so that there was used in the United States in 1917 770,885 tons of manganese. The estimated production in the United States in 1918 is something above 200,000 tons. Now, the demand has increased; the uses are greater than they were before the war, and greater than they were in 1917; so that we will still be short in the production in the United States over 570,000 tons of manganese. If we can, through this bill, encourage the production in this country, which I understand in Montana is being worked out very satisfactorily now, we can put the United States on a self-sustaining basis in a few years, perhaps, in regard to that very metal.

Mr. KING. Mr. President, the Senator from Montana stated that I was unfortunate in mentioning radium. I mentioned radium because that is one of the so-called necessaries which is placed in this bill; and, doubtless, the purpose of the bill is to subject radium to the same control as every other article mentioned in the bill. Therefore, I was justified in adverting to radium. I say again that there is no necessity of including radium in the bill. This bill will not improve the market con-

ditions with respect to radium, and will not increase the production. Whatever the market demands are, if the radium is in the country it will be produced. Men have been engaged in the production of radium for a number of years, and have produced large quantities of radium, sufficient for the ordinary uses of our country, and they have radium now for exportation.

Mr. SHAFROTH. Mr. President, I should like to call the attention of the Senator to the fact that the carnotite fields that exist in the western part of Colorado and the eastern part of Utah are now practically not being mined at all. As I understand, there is no production going on. The last sales that I heard anything about were at $80,000 a gram.

Mr. KING. Does the Senator think that the Government ought to go into the business of working the fields when there is no demand for the product?

Mr. SHAFROTH. No; that is not the object, unless there is a demand.

Mr. KING. If there were a demand, will not the Senator admit that the fields, if they have the ore, would be yielding it?

Mr. SHAFROTH. It would depend entirely on whether or not it promised to be a durable demand. That would be a necessary feature, because there are a great many of these mines, and they are not worked at all at the present time, as I understand. There is not any production whatever. There has been some radium produced for a period of three or four years, but I doubt whether in all the world there is as much as 40 grams. That is a limited quantity. Of course it goes far; it is high priced; but it is not produced at the present time, as I understand. I think, as a matter of fact, that instead of the passage of this bill being a detriment to these mines, instead of its being a detriment to the production, if the demand exists, if the Government desires it, if it is essential to the Government, it would have a tendency to stimulate the industry instead of to depress it.

Mr. KING. I do not believe in the Government performing the part of an eleemosynary institution and resuscitating a business that the needs of the public do not warrant. If there is no necessity for the business, then the Government ought not to take the money of the taxpayers and make contributions to the individual who may be engaged in a losing business.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Montana?

Mr. KING. I yield to the Senator.

Mr. WALSH. Speaking for the committee, I want to assure the Senator from Utah that no such idea actuated them or moved them to report this bill in these terms. The aid that this bill will give to miners is a mere incident, of no persuasive force with any member of the committee that I know anything about. We were constrained to report this bill because these things are necessary for the conduct of the war. It was in order that the industries of the country may be supplied, and that the war may go forward, the stimulation to the industries, so far as the miners are concerned, being but incidental.

Mr. KING. Oh, Mr. President, I did not need the assurance of my distinguished friend from Montana to convince me of that fact; but the observation to which the Senator has just replied was rather in answer to the statement of the Senator from Colorado [Mr. SHAFROTH], and I did deduce from his remarks the idea that the purpose of this bill, or at least one of the effects of the bill, might be to stimulate this waning industry.

Mr. SHAFROTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Colorado?

Mr. KING. I yield.

Mr. SHAFROTH. I will state to the Senator that as this bill was introduced in the House, or as it came over to us, I regard it as a great detriment. I do not like to see people in my State or in the western part of the country damaged or injured by reason of any legislation whatever. Consequently, we have attempted to guard it so that those injuries will not take place. That is all there is to it. If the Government does not need these metals, nobody desires to force them on the Government. There is nothing of that kind in any part of this bill. The Government is expecting to have extraordinary demands for certain rare metals, and under the present conditions they can not be produced. That being the case, the Government wants in some way to aid in getting that production; and that was our sole purpose in reporting this bill.

Mr. KING. The difference between the Senator and myself arises from this fact: He asserts here very vehemently that without this bill the Government could not procure the rare metals described in this bill.

In my judgment, as I have stated, the Government could procure within a reasonable time any or all of the metals, ores, and minerals mentioned in this bill that can be found in the United States; and, in my opinion, it could procure them for a less price than under the plan contemplated by this bill. It is a matter of common knowledge that many of the metals and minerals mentioned in the bill have been produced at various times in the United States, but because of the lack of market their production has fallen off and, perhaps, in some cases practically ceased. In the hearings Prof. Leith, one of the witnesses who testified before the committee, stated that some of the producers of graphite have closed down their property because of the uncertainty of the market. He further stated that there is an ample supply of graphite in the United States, and that "it is just a question of bringing it out." There has been but a limited market for arsenic, and the domestic production therefore has not been great. There is no necessity for the Government to engage in the production of arsenic. All that is required is to pay a suitable price and the Government will obtain all and more than it requires. The sodium deposits in the United States are ample and a suitable price will produce all that is required. The same can be said of phosphorus, potassium, sulphur, and others of the metals and minerals mentioned in this bill. It is improper to say that some of these metals and minerals are rare.

The reverse is true. They exist in great abundance in the United States, but since the market has been restricted the production has been likewise limited. Moreover, those engaged in the mining industry have been more concerned in producing gold, silver, lead, copper, and zinc, and also coal. With an increasing demand for other metals, unquestionably there will be great development and a marked increase in production.

In our dealings with other nations we have imported some of these metals. They were produced cheaply in other nations, and with the activity of the American miner and mineral and metal producer in other fields there was but slight attention paid to the production of some of these imported minerals and metals. But, as stated, conditions have changed, and we can look for great activity in the mining centers of the United States, and particularly with reference to the minerals and metals mentioned in this bill.

We have produced metals in an abundance whenever there was a demand for their production and there has been the greatest activity where there was the least interruption or interference by the Government.

Further replying to the Senator from Montana, permit me to say that I can conceive of a situation where preliminary outlay would be so enormous as to debar ordinary private enterprises from engaging in the production of a given product. However, it can not be said, in my opinion, that any of the minerals or metals covered by this bill would come within such a class. Indeed, Senators who are championing this bill have stated that there was no intention to have the Government go into the mining business or operate smelters or reduction plants.

The statements of Senators are to the effect that this bill is to enable the Government to enter into contracts running over a considerable period for the purchase of some or all of the minerals and metals mentioned in the bill. It is claimed that with contracts of that nature private individuals will be willing to engage in their production. This position is in effect the attitude which I have taken. I have insisted that the American miner and the American business man with a sufficient inducement will undertake the production of these minerals and metals. The inducement is the payment of a price sufficiently high to warrant the investment and the risk and hazard involved.

Some of the Senators speak as if it were a national calamity to import any article into the United States. This is the old-fashioned Republican view. It is the basis of Republican tariff legislation; and acting upon that view the apostles of high tariff have sought to erect a wall so high as to prevent importation. It was urged that by compulsion there should be domestic production of everything consumed. This extreme doctrine does not meet my approval. We will always have a tariff, a tariff for revenue, a tariff so adjusted as to not discriminate against any section or class. The junior Senator from Alabama has announced a tariff view which has commended itself to many people of our land.

I do not regard trade with other nations as an evil. Whenever we export, of necessity we must import; and the more we export the richer our Nation will become. The trading nation is the prosperous and the progressive nation. I like to see exportations. I should like to see our country export not only manufactured goods and agricultural products but minerals.

And exportations mean reciprocity, the importation of the products of other lands.

The Senator said that we imported a considerable quantity of manganese. Doubtless we paid for the manganese with farm or manufactured products which Spain required; but it is not my purpose to engage in a discussion of the tariff or the question of exports or imports. Now that there is a demand for manganese, and importation is restricted because of the lack of ships, there is at once an increase in the domestic production, and everywhere in the mining districts of the United States there is a great increase in the output of manganese. It is the same with graphite and practically every other mineral or metal that is mentioned in this bill. My opinion is that without legislation of this character, with the Government paying what is a fair price under all the circumstances for the metal, the Government would get whatever metals might be required.

As I stated, however, I shall not oppose this bill. The committee have given it great consideration. They affirm very solemnly that it is needed. It is stated by those who have the conduct of the war that it will greatly increase the production of metals required in the war. I have no doubt but that under this bill mining can be stimulated, and the output of metals increased. But the price will be, I am afraid, too great and the policy established too dangerous. It will give to men, to bureaus, to those who view everything from the bureaucratic standpoint opportunity for the extension of bureaucracy. It will give to those who want to embark our Government in extreme socialistic schemes and enterprises increased fuel for the fires which may be lighted. It will encourage those measures of like or similar character extending the powers of the Federal Government into the private concerns and into the field of private endeavor. If we are not careful, nothing will be immune from the omnipotent touch of the Federal Government. We will next seek to take over the smelters, the copper, lead, and coal mines; and later, perhaps, the manufacturing plants and the mills, and all of those great enterprises that have tended to enrich our country, and that are the product of the initiative, the splendid genius, the prudence, and sagacity of the American people. We should be careful lest the day come when we will have nothing to tax and all the fountains of wealth shall have been dried.

Mr. KENYON. Mr. President——

Mr. KING. I yield to my friend from Iowa.

Mr. KENYON. I do not want to interrupt. I thought possibly the Senator was in his peroration.

Mr. KING. I do not "perorate." I leave that to other distinguished Senators.

Mr. KENYON. I make very few perorations myself, I know; but I should like to ask the Senator, as he has studied the bill, a question in regard to section 5, which appropriates $500,000 "for the payment of all administrative expenses under this act, including personal services," and so forth, "both in the District of Columbia and elsewhere." Has the Senator any estimate as to how many employees are to be used in carrying out the administrative features of this act?

Mr. KING. Mr. President, I have thought of that. The Senator from North Carolina [Mr. OVERMAN] a few days ago, when this bill was under consideration, invited the attention of the chairman of the committee to this large amount and stated that it was in excess of the appropriation annually made for the entire Bureau of Mines.

Mr. KENYON. Further, I suggest to the Senator that these employees are to be both in the District of Columbia and elsewhere. We are doing everything we can to get employees out of the District of Columbia. I should like to know from somebody the number of employees there will be under this act, and the number of those who are to be in the District of Columbia. I can not understand why we should spend $500,000 to administer this act.

Mr. KING. I do not think that anybody—not even the distinguished chairman of the committee or the members of the committee—can give any evidence as to the number of employees that will be required under the operations of this bill.

Mr. KENYON. I suppose, now, that the matter of $500,000 or the number of employees is rather an immaterial matter.

Mr. KING. We do not know the agency that will be selected or created, if it is not already in existence, for the purpose of enforcing this law. It may be some bureau that is already in existence. It may be that an entirely different agency will be created. My opinion is that the latter policy will be pursued. Of course, with a new agency the number of employees is purely conjectural, and the Senator can guess upon that matter far better than I can. I have no doubt that the appropriation will be exhausted, and perhaps we will have a deficiency appropriation. If the Government attempts to operate mines or smelters, then this appropriation will be entirely too small. If an existing bureau administers the bill, the appropriation carried by the bill for administration purposes will, I believe, be sufficient.

Mr. President, this bill seems to commend itself to the judgment of the Senate. It seems to provoke not even a ripple of discord. I appear to be the only "fly in the ointment."

Mr. KENYON. Will the Senator allow me to ask him another question? Does the Senator think his statement is accurate about the judgment of the Senate? Does he believe that over a dozen Senators take any interest in the bill or know anything about it?

Mr. KING. I would not want to sit in judgment upon my colleagues. I shall give them the presumption of innocence and assert that they have bestowed upon the bill the most unusual attention and the profoundest thought and that they are so satisfied with it that they have absented themselves from the Chamber.

Mr. STERLING. Mr. President, in reference to the inquiry made by the Senator from Iowa, I may say, being a member of the committee, that I hardly think a great part of the appropriation of $500,000 will be expended here in Washington for clerical assistance or help; but the bill contemplates that the Government may take over partially developed or partially worked or even neglected mines. It is expected, as there is no other fund than that provided in the bill, that much of the $500,000 will be expended in that way, in field and survey work and in estimates made of the productivity of the different mines contemplated in the bill.

Mr. KENYON. May I ask the Senator what is contemplated as to the number of additional employees or agents to be used under the bill in the District of Columbia? Was there any information given to the committee on that point?

Mr. STERLING. I hardly think any definite statement was made before the committee as to the number of employees who might be required in the District of Columbia.

Mr. KING. I should like to ask the chairman of the committee whether he will accept an amendment to the bill to the effect that the salaries and compensations paid under the bill shall be no greater than the salaries and compensation paid for like or similar services in other departments of the Government?

Mr. HENDERSON. Mr. President, I see no objection to that whatever, but it was not the intention of those who would administer the bill—because I have talked with them—to go to any unnecessary expense in this matter. I might state, for the benefit of the Senator from Utah and the Senator from Iowa, that the plan under which the bill will be administered is not fully worked out, but there was a plan proposed whereby they would zone the United States and have a competent mining man in each zone. They thought that under a system of that kind they probably would not have more than a hundred employees, or something of that kind. They will have to send men out to examine property, and assays will have to be made, and things of that kind will have to be carried on. They may also have to send an agent to some foreign country to get contracts with people there for various of these metals. It is hard to tell just what their expenses will be; but what is the use of having a bill unless you can operate under it successfully and have the money to carry on the operations? They may not expend half that amount; I hope they will not; but if it is necessary, they should have it, so that they can go right ahead.

Mr. KING. Mr. President, I wish to state to the Senator in charge of the bill the reason why I suggested that amendment. The attention of Senators has repeatedly been called to the fact that many of the departments, and particularly some of the new agencies and instrumentalities being created, are bidding against each other for employees. Yesterday one of the chief executive officers of one of the most important departments of the Government complained to me about the situation and stated that men who had been in the department for years had been taken away by some of the new governmental agencies. The employees so taken away were promised much larger salaries. It developed yesterday in the Committee on the Census that men had been taken from the Census Bureau by the Emergency Fleet Corporation and by other newly created agencies, the higher compensation being the lodestone attracting them. In one case mentioned the employee in the Census Bureau received $2,500 but is now getting $5,000 from the fleet corporation. If the agencies and instrumentalities that we are constantly creating are permitted to invade the fields occupied by the departments and take away from them their employees without restriction the work of the departments will be demoralized and serious harm will come to the Government.

Therefore, I have felt that in all agencies hereafter created there ought to be some provision that will prevent a repetition and continuation of this evil, so harmful in its consequences.

Mr. FALL. Mr. President, I think if we go into this business the people of the United States will understand a good deal more about the mining business when they get through with it than they understand now. They will know that the development of the great mineral wealth of this country is the most important business that could occupy the attention of the people of the country at this time. Of all the wealth accumulated in the United States to-day there is more added wealth due to the development of the natural resources of rock, the mines, than from all other sources combined.

Mining is a business requiring experts, Mr. President. I know that is contrary to the general supposition which is that a waiter at a hotel gets a tip from a copper king of Kamskatka or somewhere else and makes a fortune in a mine. That is the general idea, I think, that is held by a great many of the people of the United States about mining.

I can say that the fears of the Senator from Utah are groundless, if this bill is properly administered, as to the expenditure of this $500,000 interfering with any other bureau I know of in the United States Government to-day. It will not interfere in the very slightest degree, because there is scarcely a man in the Government employ in any department, unless it be Barney Baruch himself and Replogle, his assistant, who knows anything about the mining business of to-day. If you were to pay Mr. Replogle, in charge of this bureau, what his services are worth, instead of the dollar a year which he is now serving his country for, $100,000 of it at the very least estimate of the $500,000 would go for his service alone. You have been enabled to secure, through the patriotism of men of this kind, the services of men whom, if you undertook to employ them simply to operate the $50,000,000 appropriation that is contemplated here, you could not secure for twice $500,000. You must send a man to examine an ore body who knows something about the cubic contents of ore. For instance, if you want to estimate as to how much ore there is in a given body before you can handle it at all you must know what the general analysis of that ore is, because, although it may be 50 per cent manganese, it may have a combination of such other alloys or minerals that it will be necessary to treat it in a certain way, making it cost twice as much as another deposit 500 yards away or a mile away? You must have an expert who knows how to do this business. You have not a man employed in the United States to-day, except in the high positions to which I have referred, who has any knowledge whatever upon this subject.

Bear in mind that no geologist in the employ of the United States Government or any private corporation, so far as I am aware, ever discovered or developed a lode or body of minerals. We have geologists, but they are not practical miners or mining men, and by the time one of them completed a geological survey where some brogan-shoed miner had discovered a deposit, and told you how the particular mineral happened to be deposited, by the time he had arrived at his conclusion and put it down upon paper, to tell how that mineral was deposited, the war would have been over.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Does the Senator from New Mexico yield to the Senator from Colorado?

Mr. FALL. I yield.

Mr. THOMAS. I think the Senator might add that some of the most valuable mineral products of the land were discovered by the prospectors in the identical regions where the scientists said no minerals existed.

Mr. FALL. Certainly; they said that gold could not exist there. Half a dozen geological reports were made that in the Cripple Creek district gold could not exist, and at White Oaks, N. Mex., because of the filling of the veins with gypsum, and that gold could not exist in gypsum. Yet the geologists later found that there were nuggets weighing as much as a pound or 2 pounds in the gypsum itself.

Mr. McCUMBER. Let me ask the Senator, will not the geologists and the scientists be the very people who will be employed under this bill?

Mr. FALL. Not if Barney Baruch or Replogle run the business. I say that unhesitatingly, because they are business men. One of them for years has been buying and selling minerals and the other one's business has been that of producing iron and steel economically, and he knows more about that business than any other man in the United States, I presume.

Mr. McCUMBER. Then, the Government will reverse what has been its policy for the last 40 years.

Mr. FALL. I do say—and I say very frankly to the Senator—if I did not believe the men now in charge of the metals purchasing division of the United States Government would entirely reverse the policy of the Government I would never vote to create such a bureau, nor one cent of money to form such a corporation as is contemplated here.

Mr. KING. Will the Senator permit me?

Mr. FALL. I yield.

Mr. KING. Does the Senator believe that Mr. Barney M. Baruch will have anything to do with the administration of this bill?

Mr. FALL. I think it would clearly come within his province, and I voted for the Overman bill with the idea that the President of the United States might allocate Mr. Baruch to do exactly such work as this.

Mr. KING. I think he is one of the ablest executives who can be found in this country, and if he were selected for the administration of the agency created by the bill it would be a most fortunate thing for the Government?

Mr. FALL. Undoubtedly.

Mr. McCUMBER. What assurance has the Senator that he would be selected?

Mr. FALL. I can not give any assurance. I am simply speaking as a practical mining man in answer to the suggestions made that $500,000 is too much. I say that you must have expert men in every branch of this service if you are going to make a success of it. For instance, I happen to know that the Government of the United States, operating, I think, under direct orders from Mr. Baruch in its attempt to secure manganese, for example, has been compelled to say to the purchasers of manganese from the mines in the southwestern country, "take our analysis, take our percentage, and settle with this man," because the particular purchaser at this time objected to or refused to accept the assays made by the producer and his experts, and insisted upon basing the payment for the carloads of manganese shipped to them upon their own assays, and the difference was about two-thirds of the total value per car. The Government had to step in and secure the production of manganese and say to the purchaser, "Take our assays and settle upon our assays"; and an expert Government agent was necessary, as an expert Government agent will be necessary in every line of this business. This is peculiarly a high-place expert business.

Then there is nothing but the principle involved. Does the Senate of the United States care to see the Government go into this business? If you do, your corporation will be, if properly handled, such a corporation as we knew in the old days of Ladenburg, Thalman & Co., with their agents all over the world engaged in handling, buying, and selling and the disposition of minerals, a corporation such as we know now has been created and operated by the different metal selling agencies which handle the product of the great copper mines of the West. Of course, the ordinary impression is that the producers of the ore handle the product of the ore. That is an entirely erroneous impression. It is handled by the smelter selling company. Through their methods of handling and selling they have been enabled to keep the different mines running. One pound of copper might cost in one mine 7 cents to produce and in another mine 13 cents to produce, and the price would be only 13½ or 15 cents. It has been possible to do that through the metals purchasing and selling companies, and that is the purpose of this bill.

I can say to you very frankly, Senators, that you will not find, in my judgment, if you intend to go into the business at all, that $500,000 is too much. It is evidently the purpose to establish a new bureau here, because it is provided in a paragraph of this appropriation itself that none of this money shall be used for paying present employees any addition to their present salaries.

Mr. SHAFROTH. Mr. President, I wish to say just a word in answer to the junior Senator from Utah [Mr. KING]. He is assuming that the Government is going to take over the mines and operate them and operate the smelters and everything that is necessary to get these minerals to market. The object of the committee was not to frame such a bill, and it is not expected that that will ever occur. There are certain powers that are given which if necessary would produce something of that result, but so far as the operation of the bill is concerned it is expected that the Government will stimulate as far as it can the individual efforts of the miners for the purpose of getting out these ores. The information came to us, as members of the committee, that these minerals are indispensable to our success in the prosecution of the war, and that these are minerals that must be had.

As the Senator knows, the bill as it was first introduced in the House made entirely different provisions. It provided that there should be maximum prices fixed for these minerals, and then after amendments were made it provided for minimum

prices only. Our experience has not been good in fixing maximum prices. Even the fixing of a minimum price, if it happened to be too high, might result in there being produced from the mines of the United States hundreds of millions of dollars worth of these ores which the Government might not need at that time. You have to contract for a period of time over which these minerals shall be produced or else the miners will not undertake their production, no matter what the price may be.

I believe in the principle of supply and demand. In normal times you can count upon practically the same demand existing. I have always believed in the principle of supply and demand as controlling transactions in commerce; but when a condition arises which necessitates the production of a certain quantity of ore within a certain time, and you know that you can not get the ore within that time unless you stimulate its production, it becomes a different proposition. In order to induce a miner to produce ores he has to have an assurance that the price that is to be paid to him shall remain fixed and permanent for at least such a period of time as will permit him to reimburse himself for the outlay which he must make in order to develop the property. A man is not going to spend $100,000 in developing a mine and take the chance of the bottom falling out of the market price of his product within a year. He has to have a certain amount of profit to justify him within a period of time to produce the metal.

It is a great deal better that we should have a contract system, which is the system provided by the bill, than to give a blanket guaranty that all the material that shall be produced shall be sold to the Government at a guaranteed price. The result of that system would be that there might be upon the part of the Government a liability of hundreds of millions of dollars. We have wiped out those provisions. We have gone to the contract system as well as it can be defined and as well as it can be made applicable and workable.

It seems to me, Mr. President, that the bill is so eminently fair that we ought to pass it.

There is pending an amendment which I proposed and upon which I would like to have a vote.

Mr. THOMAS. Mr. President, just a word upon this bill. In ordinary times there is no feature of this measure that would commend itself to the approval of my judgment. I think that as regards a number of the so-called necessaries recited in the bill there ought to be in the ordinary course of production even in war times an abundant supply for the uses of industry and of commerce and for military purposes. But as to that my information is not specific.

The dependence of the United States upon other countries for a large number of the materials which are recited in the bill has been due to the fact that in this country their deposit is comparatively sparse and also to the fact that production in foreign countries and importations into America of these materials has been economically profitable. Much of this material comes from neutral countries, and if we had an abundance of tonnage the difficulty now confronting the Government would not exist. There is no trouble about the supply. The difficulty is in the means of transportation. Hence we are obliged to look to ourselves for the production of these minerals as far as possible, and while some of them have been produced in a profitable quantity in the United States a very considerable number of them have not. The average individual, however enterprising, is unable at present to secure capital for any new enterprise. Here and there there may be an exception, but speaking broadly and generally the Capital Issues Committee will not sanction the issuance of securities to companies designed to promote and develop minerals of the several sorts mentioned in the bill.

Mr. McCUMBER. Mr. President——

Mr. THOMAS. I yield.

Mr. McCUMBER. Right there will the Senator inform us why such persons can not get the credit under our general corporation law, where we appropriated $500,000,000 for the very purpose of assisting these needed industries?

Mr. THOMAS. I can give the Senator the reason assigned in an individual case. My colleague and I had occasion to go with a couple of our constituents from Boulder County to the Capital Issues Committee within the past two weeks. The gentlemen are engaged in the production of tungsten, one of the materials mentioned in this bill. They have been engaged in tungsten mining and ore treatment for some time, and are producing a fairly large quantity of the metal, but owing to the price of labor and of materials needed for the reduction of the ores they must increase the quantity of their product if they are to make any profit under prevailing prices. Hence they enlarged the capitalization of their company and came to Washington and asked permission to float their securities to the extent necessary to enable them to double their capacity and at the same time open a sufficient number of mines known to contain tungsten. The proposition was turned down upon the ground that the industry contemplated in the enterprise was of a speculative character. Of course, all mining is speculative, some of it extremely hazardous, but I think that the construction given the enterprise was erroneous, because it affected a growing concern whose purpose was to increase its capacity and supply the Government with a much-needed alloy. The statement was made—not in my presence; I speak on second-hand information—that the rule applicable to this instance is made general and applicable to all instances of a similar character, and is one of the reasons for the appearance of this bill.

In that particular instance I am very sure that if those gentlemen can obtain the needed aid from the Government or from some other source they can very largely increase the percentage of our local tungsten supply. Whether they can get it from this bill is, I presume, a matter of administration, on which I do not propose to enter.

Mr. McCUMBER. Will the Senator allow me again? Of course I do not know to what extent tungsten is a war necessity.

Mr. THOMAS. It is absolutely necessary as an alloy for the best qualities of steel.

Mr. McCUMBER. But I do know that we created this corporation for the very purpose of rendering whatever assistance was necessary to any company or institution that was producing war necessaries. If that corporation is not performing its intended functions, we ought to know it. I can not see why it is necessary to introduce another bill to create some other force to do that which we authorized and directed them to do.

Mr. THOMAS. I am not sufficiently familiar with the modus operandi of the Capital Issues Committee to sit in judgment upon it. I only speak from the knowledge which I possess, and that is embodied in the illustration that I have just given. I quite agree with the Senator that in instances of this kind, where no money is asked from the Government, but merely the privilege to raise it outside, every doubt should be construed in favor of the individual, provided his record and reputation warrant it, so as to enable him to proceed in the ordinary way that business follows in time of peace.

Mr. SMOOT. Mr. President——

Mr. THOMAS. I yield to the Senator.

Mr. SMOOT. In further answer I wish to say to the Senator from North Dakota that the War Finance Corporation under the act is restricted to certain classes of loans; or, in other words, under section 7 of the act——

Mr. THOMAS. That is true, but if the Senator will permit me, this application was not for a loan at all. All they wanted was permission to float their securities and take their chances in the financial markets of the country.

Mr. SMOOT. That comes before the Priorities Board.

Mr. THOMAS. It came before both. The Priorities Board sent this question to the Capital Issues Committee.

Mr. SMOOT. Does the Senator say that they refused?

Mr. THOMAS. I so stated. It was refused.

Mr. SMOOT. And it was for the production of tungsten?

Mr. THOMAS. For the enlargement of the plant, an enterprise that had been in existence and had produced it for some time.

Mr. SMOOT. I will say right now in this connection, I think we can take $25,000,000 and encourage the miners to produce an increased amount of tungsten and some of the other minerals mentioned by direct means rather than through an organization such as proposed under this bill.

Mr. THOMAS. Speaking of that particular mineral I have no doubt of it. If the price of tungsten could be increased 10 or 15 per cent above what it now commands, I think it would have that effect, undoubtedly.

Mr. SMOOT. All that the Colorado producers of tungsten have asked is $1.35 a unit.

Mr. THOMAS. The Senator means an increase of that amount.

Mr. SMOOT. No; not an increase, but $1.35 a unit.

Mr. SHAFROTH. Oh, no; it sells now for $23 a unit.

Mr. THOMAS. The Senator from Utah must be mistaken in his figures.

Mr. SMOOT. The War Industries Board has placed a price upon it of $1.25 a unit, making——

Mr. SHAFROTH. The Senator will find that a unit of tungsten is not a pound; it is a great deal more than that. I think it is 20 pounds; that is my impression. That would make the price very nearly as the Senator has stated. At $23 a unit of 20 pounds the price would be, as the Senator can see, around $1.15 a pound.

Mr. SMOOT. One dollar and twenty-five cents a unit is what the price is fixed at to-day. The Colorado producers of tungsten ask for $1.35.

Mr. THOMAS. With 20 pounds to the unit and $1.35 a pound, the price per unit would be above $25.

Mr. SMOOT. It would be about $25 a unit.

It seems to me that an increase of 10 cents a unit ought to have been granted, because that is what the producers ask for and what they said would be required to insure an additional amount of tungsten from the mines of Colorado; and I know that it would have done so in the State of Utah. How much easier it would have been to have even paid $1.75 a unit for the 8,000 tons of tungsten which are needed in this country over and above what there is in sight. If the Government had paid that price there would have been no need of any such organization as that provided for in the bill.

Mr. THOMAS. It would have had that result so far as concerns that mineral.

Mr. KING. Mr. President——

Mr. THOMAS. I yield to the Senator from Utah.

Mr. KING. I should like to ask my colleague by what authority that price was fixed by the board or organization to which the Senator has just referred?

Mr. SMOOT. All I desire to say is that Mr. Baruch frankly admitted, as I understand, that there was no direct authority, but it was so vitally necessary that there were $3,000,000 set aside for the purpose of buying tungsten, and the price was fixed at $1.25 a unit.

Mr. THOMAS. Mr. President, I shall not detain the Senate any longer than to observe that this bill has received unusual consideration from the committee having it in charge. I know personally that the committee have been laboring with it, have investigated this subject, and have conferred with all and everyone who could give them any information whatever on the subject. I think I can say without hesitation they have done as much work and as good a work upon this bill as has been done upon any bill that has emanated from a committee since I have been a Member of the Senate. Hence I hesitate to criticize its inclusion in the various materials of minerals and mineralized subjects which I know exist in great abundance in different parts of the United States.

Let me close as I began by saying that the only justification for this bill, in my opinion, is the present necessitous condition generated by the existence of war. I do not think that it is necessary to take care of producing materials of this sort after the war shall have been concluded; I think that is largely imaginary, because when peace returns to a war-stricken world and when industries once more make the effort to stand erect the demand for labor and material of all sorts will, in my judgment, exceed, if that be possible, the existing demand for them during times of war. The period between the end of the war and the ultimate reestablishment of economic conditions will be the period in which all materials of commerce and labor will enjoy a prosperity not vouchsafed to them during these times of extraordinary and feverish demand.

Mr. SMOOT obtained the floor.

Mr. HENDERSON. Mr. President, may I ask the Senator from Utah a question?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nevada?

Mr. SMOOT. I yield.

Mr. HENDERSON. I understood the Senator from Utah to say in regard to tungsten that a unit was a pound.

Mr. SMOOT. Twenty pounds.

Mr. HENDERSON. As I understand, a unit is 20 pounds of tungsten trioxide.

Mr. THOMAS. If the Senator will permit me, I think the difference between the Senator from Utah and myself arose from the fact that I confounded a unit with a pound, and possibly the Senator from Utah also did. He spoke of a valuation that covered a pound when I supposed he meant a unit.

Mr. SMOOT. Mr. President, is there an amendment pending?

Mr. KING. I was about to offer an amendment.

The PRESIDING OFFICER. The junior Senator from Colorado [Mr. SHAFROTH] has an amendment pending.

Mr. SMOOT. Then, I should prefer first to have that amendment acted upon before I take the floor for the purpose of offering an amendment.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from Colorado [Mr. SHAFROTH] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

Mr. SMOOT. Mr. President, I offer an amendment to the amendment, on page 21, line 7, beginning with the word "and," to strike out the following: "and of such other rare or unusual elements."

Mr. President, that amendment to the amendment is offered because in section 1 of the bill are enumerated all the rare metals the United States needs in the prosecution of the war. A number of the minerals mentioned are not rare in any sense of the word, and I expect to offer further amendments to take out the very common minerals. I believe that if we are going to act favorably upon this bill, we ought to specifically state the metals that are to be covered, and not have a basket clause which could be construed to cover all of the metals which may be produced in the United States. I do not think there will be an objection to this. I think that every rare metal is mentioned that ought to be.

Mr. HENDERSON. Mr. President, I will state that I have no objection to the amendment proposed by the Senator from Utah. As I said the other day, it was not the intention of the committee so to draw the bill as to include anything else except the metals mentioned here.

The PRESIDING OFFICER. The question is on the amendment to the amendment proposed by the Senator from Utah to the amendment.

The amendment to the amendment was agreed to.

Mr. FLETCHER. I desire to suggest that if we are going to enumerate the minerals which we desire covered, it ought to be done with considerable care——

Mr. KING. They are enumerated.

Mr. FLETCHER. For there are a number of these minerals with very peculiar names; they are very technical, and they are being developed all the while.

Mr. SMOOT. I will say to the Senator that even paper clay is classed as a rare mineral, and I am quite sure that there is nothing in the way of rare minerals that can be found in the dictionary that is not included.

Mr. FLETCHER. I would not venture to pass upon the matter myself, but if the experts have passed upon it I am quite satisfied.

Mr. KING. Mr. President, I offer an amendment to the amendment, as a new section, on page 26, line 11, after the word "law," to insert:

That no person employed under the provisions of this act shall be paid any salary or compensation in excess of that paid for similar or like services rendered in executive departments of the Government.

The PRESIDING OFFICER. The question is on the amendment to the amendment proposed by the Senator from Utah [Mr. KING].

The amendment to the amendment was agreed to.

Mr. HENDERSON. Mr. President, I move to strike from the bill all after the word "act," on line 23, page 23, down to the words "The fund," on line 3, page 24.

Mr. SMOOT. That is to conform to the amendment which was offered by the Senator from New Mexico?

Mr. HENDERSON. Yes.

The PRESIDING OFFICER. The question is on the amendment to the amendment offered by the Senator from Nevada.

The amendment to the amendment was agreed to.

Mr. SMOOT. Mr. President, on line 1, page 21, I move to strike out the word "chalk." I do not think that can possibly be called a rare mineral, for it is found in many of the States of the Union. I have not heard any reason why it could not be produced in such quantities as may be required by the United States.

Mr. HENDERSON. Mr. President, will the Senator from Utah yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Nevada?

Mr. SMOOT. I do.

Mr. HENDERSON. The degree of independence of chalk as shown to the committee is as follows: That in 1917 the production in this country of chalk was 8 per cent out of a consumption of 100 per cent.

Mr. SMOOT. I will say to the Senator that that is absolutely true; and the reason of it is because chalk can be produced in foreign countries a great deal more cheaply than it can be produced here. Chalk is not a rare mineral. What we have got to do as to chalk is to pay a price for it which will enable miners to produce it in this country. I do not believe that we ought to put the Government of the United States into producing the common minerals that can be found almost anywhere and which, under the operation of the bill, will cost the Government more than if a fair price was put upon them, so that they can be produced by the individual owners of such properties.

Mr. HENDERSON. I understood that there was no true chalk obtained in the United States; that we got it mostly from England. Therefore we included it in the bill. Now, as I understand, none of the various rare metals or minerals of which we have a sufficient supply or are getting a sufficient supply will

be affected by this bill. It is only those that we actually need in the prosecution of the war.

Mr. SMOOT. The Senator should have said "refined" chalk rather than "pure" chalk.

Mr. HENDERSON. I said "true" chalk.

Mr. SMOOT. Oh, "true" chalk. There is plenty of true chalk, Mr. President. I think the bill ought to be confined to the rare minerals that are required in the production of munitions of war, steel, and other commodities required for war purposes. I think the Senator from Nevada ought to accept the amendment I have suggested.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Dakota?

Mr. SMOOT. I yield.

Mr. McCUMBER. I know nothing about these minerals, and I wish to ask a question of the Senator from Utah. The Senator has just suggested that we can get chalk, and perhaps get it easily, if we will pay a price which will justify its production. The Senator from Colorado or the Senator from Utah—I do not remember which—said that we could get tungsten mined in sufficient quantities if we would pay a sufficient price. It will cost the Government just as much as it will private individuals, and probably 50 per cent more, at least, to accomplish the same result. Is there any one of these metals that we can not obtain just as well if we will pay a price that will justify their mining; and why should not the Government, instead of appropriating the vast sums carried by this bill, say to the miner, "We will pay you such a price and contract with you for such a price as will enable you, even with the present high cost of labor, to produce the article and sell it to the Government"?

Mr. SMOOT. Mr. President——

Mr. SHAFROTH and Mr. HENDERSON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Utah yield; and if so, to whom?

Mr. McCUMBER. I asked the question, of course, of the Senator from Utah.

Mr. SMOOT. There are metals enumerated in this bill that can not be produced in that way. Certain of the metals named—I am not going to take the time to specifically enumerate them—are rare metals which the Government wants quickly, and therefore it desires the power to produce them at the very earliest date possible. This can be done by the Government quicker than by the individual owners. They are to-day found in small quantities; and I doubt whether any individual would undertake, or could secure assistance to undertake, to produce certain of these metals at any reasonable price and get them out in time to meet the Government's requirements.

Mr. McCUMBER. Then, the Senator from Utah thinks that the Senator from Colorado is in error in his assumption that the Government itself will not go into the mining business?

Mr. SMOOT. I am quite sure the Government will; I have no doubt of it as to certain of the metals named.

Mr. McCUMBER. I have not any doubt, if I may say so, that the Government will go into all of these lines, and probably go into them to as great an extent as it has gone into the telegraphic field; and the first result will be that it will enormously increase the wages of all employes, and then it will produce, if it produces at all, at a cost three or four times in excess of the price it is paying to-day.

Mr. SMOOT. I want the Senator to understand that I am not enamored of this kind of legislation. If the conditions were other than they are to-day, I do not believe that this bill would receive 10 votes in this body. Before we get through I wish to move to take out of the bill the common minerals, so that it may be understood in the future, if the bill becomes a law and is ever referred to as a precedent, that it only covers rare metals. If we put in the bill chalk, fuller's earth, fluorspar, mica, and sulphur it will appear as if we did want the Government to go into the mining business and into the production of metals not for any special purpose, but for the mere purpose of engaging in the business. Take sulphur, for instance——

Mr. NELSON. Mr. President——

Mr. SMOOT. Just a moment. I wish to say, Mr. President, that in the State of Utah we have mountains of sulphur. The sulphur in my State is not in veins, as rare metals are generally found.

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. SMOOT. In a moment. It is a question of transportation. What we ought to do in order to get sulphur in certain remote places is to provide transportation at low rates for it. Then it could be handled beyond a doubt. In the State of Wyoming there are great fields of sulphur which are being worked to-day; and, of course, we all know that in Louisiana great quantities of sulphur are produced. I might say the same thing is true of Nevada and also of almost every Western State. I think there is more real necessity for including sulphur in the bill, perhaps, than any of the other common minerals I have named; and yet we can produce all the sulphur that is necessary, if we will furnish the shipping facilities and pay a price that will justify the producer in paying the freight, for it is not so much a queston of getting the sulphur as it is a question of transportation.

Now I yield to the Senator from Minnesota.

Mr. NELSON. The Senator said a moment ago that there were a few items which he thought were of a peculiar or scarce character that could not be obtained quickly enough for the necessities of the Government unless the Government took hold of their production. Will the Senator point out some of those items?

Mr. SMOOT. I will name bismuth, bromine, chromium, cobalt, corundum. Then there are molybdenum, mercury, potassium, pyrites, and tungsten. Those are the rare minerals that the Government must have. We have got to have them if they are to be had in the world. If the shipping facilities were such that we could send all over the world for these minerals, then there would be no necessity for this bill. In that event, I should say let the ships go to the countries in which these minerals are produced and bring them to this country, as has been done in the past; but the shipping facilities are such that the ships can not be spared. Therefore, Mr. President, we must produce these minerals in this country, and the manner provided in this bill is about the only way that we shall be able to secure them.

Take, for instance, kaolin. Kaolin is not in any sense a rare metal. Kaolin is found in great beds in many of the States, particularly in the West. Of course, we all know a little about mica, which is produced in New Hampshire and in North Carolina. I have heard of no special demand which has been made for mica. I can not see why we are not able to produce in this country all the mica that is necessary for war purposes. The known deposits now are owned by companies which are producing mica, and if the price were sufficient they could increase their production to supply all that is needed for the requirements of the United States, because the substance is found in large quantities in the United States.

Mr. HENDERSON. Mr. President——

Mr. SMOOT. I yield.

Mr. HENDERSON. I wish to state, as showing the degree of independence of mica in the United States, that out of 100 per cent consumption the domestic production is only 38 per cent.

Mr. SMOOT. I think that is about right.

Mr. HENDERSON. The object of the bill is to encourage production and to bring it up to the full requirements and needs of the Government. So far as mica is concerned, we do not use a great deal; I presume about 6,000 tons a year is used.

Mr. SMOOT. That is the very maximum. Mr. President, how often have we heard it stated upon the floor of the Senate that if we wanted to produce a certain commodity required by the people or the Government all we had to do was to put a tariff upon it? I recognize the fact that the Senator from North Carolina [Mr. SIMMONS] had slight leanings toward an adequate tariff upon mica, as it is produced in North Carolina; but I say now that, with a fair tariff upon mica, every ounce that might be required at any time in this country could be produced in the single State of North Carolina.

Mr. FALL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Mexico?

Mr. SMOOT. I yield to the Senator.

Mr. FALL. I think the Senator is correct; and it is due largely to the fact that there has been no stabilization of prices with reference to mica and some of the other substances to which he has referred by a proper protection of American industry that we now find ourselves in the position where we have not these articles and must go to some extraordinary end to achieve the same result which if the policy of the Senator and mine had been followed we would have achieved long ago in times of peace. However, those are questions of opinion. Now, we are confronted with a war condition; and I am supporting the bill—and I think the Senator and I are together upon that at least—upon the theory that this measure will allow a stabilization of prices. For instance, the price of tungsten has been going up and down at such a rate that almost every man who is engaged in the production of tungsten or attempting to uncover bodies of tungsten has gone broke because one day he would be told that he could get so much money for it, but after he had expended thousands of dollars in uncovering a body of ore and was ready to produce, then he found

that the market for the commodity had gone into the hands of one or two parties, and he lost his money. This bill will enable the Government to offer him a stabilized price for the continuance at least of the term of the contract into which he enters.

Mr. SMOOT. Mr. President, in connection with what the Senator says, I want to call the attention of the Senate to a mining district in the State of Utah called the Gold Hill district. Tungsten was discovered there in considerable bodies and has been produced in limited quantities, but when it was shipped to the smelter the smelter said, "We do not know what price we can pay you for it; tungsten changes in price so rapidly that we can not afford to buy tungsten unless we buy at a price which we know will involve no loss to us."

Mr. McCUMBER. Mr. President, could not the Government, without this bill, make a contract for such a price? What is there to prevent the Government from making such a contract?

Mr. SMOOT. I will tell the Senator, although I do not know that it ought to be made public. We are short many thousands of tons of tungsten for the year 1918; even if the full amount of tungsten is produced, as estimated by the Bureau of Mines. We *must* get tungsten in some way in order to make the steel necessary to build our ships and for other purposes. I wish to say now that, as much as I dislike the bill, as much as, in my opinion, it is absolutely contrary to all principles of legislation that ever I thought would be presented to Congress, I must not vote against it if for no other reason than that it may get the necessary quantity of tungsten.

Mr. McCUMBER. Let me ask the Senator if he himself does not believe that if we would pay a price sufficient to justify the miners in seeking out and finding tungsten we would in the end get it very much cheaper than we will after we have appropriated this $50,000,000?

Mr. SHAFROTH. If the Senator from Utah will allow me right there I will state that it is a question of time. The stability of the market is what controls the miner as to whether he is going to put $50,000 in a mine and thereby produce at a price at which he knows he can make some money.

Mr. McCUMBER. Yes; and my opinion is—and it is justified by the arguments that have been made by Senators from the mining States for years—that a good western miner in point of time will find mines very much more quickly than will a Government expert.

Mr. SHAFROTH. I have no doubt of that.

Mr. SMOOT. If he has the capital.

Mr. SHAFROTH. If he has the capital to develop the mine; but the difficulty is that the price, while high to-day, may be low by the time the miner opens up his mine. Tungsten has varied from $108 a unit of 20 pounds down to $23.

Mr. McCUMBER. That could be overcome by a stabilized price on the part of the Government.

Mr. SHAFROTH. That is what we are trying to get by this bill.

Mr. McCUMBER. It can be done without the bill.

Mr. FALL. Mr. President——

Mr. SMOOT. I yield to the Senator.

Mr. FALL. The Government can undoubtedly buy tungsten for governmental purposes, but the Government now has no authority to buy tungsten needed by the independent or other steel makers in the United States and sell and turn it over to them, unless you do give it legislative permission. That is exactly the proposition of this bill—to enable the Government to buy and sell and allocate these minerals, because it is from private individuals that the Government is getting its steel. The Government is not in the business of making steel, but is buying its steel, and tungsten is needed in certain classes of steel. The Government, unless it were itself making steel, would have no use for tungsten after it bought it, and yet it is absolutely necessary in the production of steel.

Mr. McCUMBER. I understand that; but I think, if the Senator will look over the laws we have passed, he will find that there is ample authority on the part of the Government to purchase any of these articles that may be needed and sell them to producing companies, even though they are private companies.

Mr. FALL. I do not think so.

Mr. SMOOT. The trouble is that there is no appropriation; and, as I just answered my colleague [Mr. KING], they virtually set the law aside and set aside $3,000,000 for the purpose of purchasing tungsten and stabilizing the price.

Mr. HENDERSON. Mr. President, all through the discussion of this bill I have refrained from giving facts and figures in connection with some of these rare metals, for the reason that I have regarded them as confidential and not advisable to give out to the world at this time. However, the condition as to tungsten has now been brought out. The production, imports, and requirements of the United States for 12 months, beginning May 1, 1918, in regard to tungsten are as follows:

Estimated requirements, 16,000 tons.
Domestic production, 4,500 tons.
Imports, 7,000 tons.
Additional requirements, 4,500 tons.

We must have that tungsten. In order to keep pace with the United States consumption, domestic production and imports must be increased 365 tons monthly.

That is the situation to-day with regard to tungsten.

The prices were spoken of a little while ago, and, as the Senator from Colorado said, they have varied greatly. In 1914 the ore concentrates, based on 60 per cent of tungsten, were $400 per ton; in 1915, $1,800 per ton; in 1916, $2,100 per ton; in 1917, $1,200 per ton; and in 1918, $1,500 per ton.

That shows just how the market has fluctuated in regard to tungsten.

Mr. SMOOT. Mr. President, I have a committee meeting that I must attend. I had hoped to be able to offer the amendments referred to. I will say that if there are any other amendments, or anybody else desires to speak upon them, I shall not be gone more than half an hour, and I can offer the other amendments when I return.

The PRESIDING OFFICER. The question now is on the amendment of the Senator from Utah.

Mr. HENDERSON. Mr. President, just one word there. I realize that there may be a few of the metals mentioned in this bill produced in sufficient quantity at this time, but after a careful consideration of the whole subject matter the committee decided that it was better to have them in the bill, so that in the future if any action was necessary it could be taken without coming back to the Congress for more legislation. It is not the intention of the committee to have any of these metals interfered with in the least as long as the production is sufficient to meet the needs and requirements at this time. Next year, however, a new situation may be presented, whereby some of them that we leave out now might need to be controlled by the Government. That is the only reason why it is thought best to include all of them.

Mr. SMOOT. Mr. President, in answer to that I want to say to the Senator that if at any time the War Industries Board should intimate that they wanted this bill amended by adding a certain rare metal to it, I am sure the amendment could pass Congress within a week. I am looking out for the future. I am looking out for the time, 10 or 15 years ahead, when some proposition may be made in this Chamber or in Congress asking for just such powers as these, covering not only these items, but all of the mining industries in the United States, and having this pointed to as a precedent established by Congress. If I thought my amendment was going to interfere in any way with the object of the bill, I would not insist upon it; but I know you western Senators are just as deeply interested in this question as I can possibly be, and you want to protect the mining industries just as much as I do. I believe, therefore, that it is the wiser thing to take out chalk, fluorspar, fuller's earth, kaolin, and mica.

Mr. SHAFROTH. Mr. President, I hope the Senator will not insist upon his amendments. Each one of these minerals has been investigated closely and carefully, and the amount of present and possible product determined as near as can be. There has been every endeavor to include only those rare minerals which the Government will likely need. The Senator from Utah may have peculiar knowledge as to a few items, but there are many mentioned there that he probably does not know the facts concerning. On that account, it is safer to rely upon the experts who came before the committee and testified as to the necessity of each one of these rare metals, than it is to rely upon a Senator who rises and says, "I do not think the Government needs this or that mineral."

Mr. President, that is not a safe way to legislate. If this were a bill under which a wrong might be perpetrated on somebody, it would be well to watch each item, and insist upon the improper items going out. If it were a bill which provided that there should be a maximum price fixed, it seems to me we ought to examine each item carefully and resolve the doubts in favor of the miner. Under this bill, however, no harm can be done to him. For that reason it seems to me we ought to approve the bill as given to us by the experts with relation to each one of these items, instead of amending it as suggested by the Senator.

The PRESIDING OFFICER. The question is upon the amendment of the Senator from Utah to the amendment of the committee.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question is upon the amendment as amended.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. HENDERSON. I move that the Senate request a conference with the House of Representatives upon the bill and amendment and that the Chair appoint the conferees upon the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. HENDERSON, Mr. WALSH, and Mr. POINDEXTER conferees on the part of the Senate.

MINIMUM WAGES IN THE DISTRICT OF COLUMBIA.

Mr. KENYON. I move that the Senate proceed to the consideration of House bill 12098.

Mr. SHAFROTH. Mr. President, I should like to have the title of the bill stated.

Mr. KENYON. The bill is what is known as the minimum-wage bill for the District of Columbia. It has passed the House and has been reported unanimously from the District of Columbia Committee of the Senate.

The PRESIDING OFFICER. The Senator from Iowa moves that the Senate proceed to the consideration of House bill 12098.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 12098) to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum-wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes.

The bill was reported to the Senate without amendment.

Mr. KING. Mr. President, I move that the Senate adjourn.

Mr. MARTIN. Mr. President, I hope the Senator will withdraw that motion. We ought to have an executive session. There are five or six hundred nominations here. They are routine, but they ought to be disposed of.

Mr. FLETCHER. There is a bill here also from the Commerce Committee that has no opposition. It has been recommended by the department. It is in pursuance of a convention that has been entered into.

The PRESIDING OFFICER. Does the Senator from Utah withdraw his motion?

Mr. KING. I will withhold it for a moment.

Mr. MARTIN. I want to have an executive session.

Mr. JONES of Washington. Mr. President, I want to suggest to the Senator that this bill has passed the House. It has been considered twice by the Senate Committee on the District of Columbia. That is, the Senate committee reported a Senate bill that is almost identical with this. I think about the only change is that in the Senate bill we provided for compensation to the board of $5 a day for actual services, and expenses. That was left out of the House bill when the Senate committee reported it, and that is substantially the only difference between the two bills.

Mr. KING. Let me say to the Senator that there are one or two Senators, I know, who were speaking about some amendments. I have no objection to the bill being made the unfinished business, and I think we can pass it very quickly when we convene again.

Mr. JONES of Washington. I suggest that the bill has gotten out of the Committee of the Whole and is now in the Senate.

Mr. KING. I did not understand that.

The PRESIDING OFFICER. The bill is in the Senate and open to amendment.

Mr. MARTIN. Mr. President, as there seems to be some opposition to the bill and there are very few Senators present, I suggest that it be temporarily laid aside, without losing its place as the unfinished business. The Senator from Florida [Mr. FLETCHER] has an uncontested matter, which probably can be disposed of in a very few minutes. If that is agreeable to the Senator in charge of the bill, it will facilitate the business of the Senate.

Mr. KENYON. Mr. President, I will say that I made the motion in the absence of the Senator from Florida [Mr. TRAMMELL], who is in charge of the bill and who is here now. He and I are deeply interested in the bill. If it is satisfactory to him that it be temporarily laid aside and not lose its place as the unfinished business and not lose its present place on the calendar, I have no objection.

Mr. TRAMMELL. Mr. President, under the circumstances that will be agreeable, with the understanding that the bill is not to lose its position as the unfinished business, but is merely temporarily laid aside.

The PRESIDING OFFICER. The Senator from Florida and the Senator from Iowa ask unanimous consent that the bill may be temporarily laid aside and made the unfinished business. Is there objection? The Chair hears none, and it is so ordered.

Mr. KING. I withdraw my motion, Mr. President.

PROTECTION OF TRADE-MARKS.

Mr. FLETCHER. I ask unanimous consent that the Senate proceed to the consideration of Senate bill 4889.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4889) to give effect to certain provisions of the convention for the protection of trade-marks and commercial names, made and signed in the city of Buenos Aires, in the Argentine Republic, August 20, 1910, and for other purposes.

The Secretary read the bill, as follows:

Be it enacted, etc., That the Commissioner of Patents shall keep a register of all marks communicated to him by the international bureaus provided for by the convention for the protection of trade-marks and commercial names, made and signed in the city of Buenos Aires in the Argentine Republic, August 20, 1910, in connection with which the fee of $50 gold for the international registration established by Article II of that convention has been paid, which register shall show a facsimile of the mark; the name and residence of the registrant; the number, date, and place of the first registration of the mark, including the date on which application for such registration was filed and the term of such registration, a list of goods to which the mark is applied as shown by the registration in the country of origin, and such other data as may be useful concerning the mark.

SEC. 2. That whenever any person shall deem himself injured by the inclusion of a trade-mark on this register, he may at any time apply to the Commissioner of Patents to cancel the registration thereof. The commissioner shall refer such application to the examiner in charge of interferences, who is empowered to hear and determine this question, and who shall give notice thereof to the registrant. If it appear after a hearing before the examiner that the registrant was not entitled to the exclusive use of the mark at or since the date of his application for registration thereof, or that the mark is not used by the registrant, or has been abandoned, and the examiner shall so decide, the commissioner shall cancel the registration. Appeal may be taken to the commissioner in person from the decision of the examiner in charge of interferences.

SEC. 3. That any person who shall willfully and with intent to deceive, affix, apply, or annex, or use in connection with any article or articles of merchandise, or any container or containers of the same, a false designation of origin, including words or other symbols, tending to falsely identify the origin of the merchandise, and shall then cause such merchandise to enter into interstate or foreign commerce, and any person who shall knowingly transport such merchandise or cause or procure the same to be transported in interstate or foreign commerce or commerce with Indian tribes, or shall knowingly deliver the same to any carrier to be so transported, shall be liable to an action at law for damages and to an action in equity for an injunction, at the suit of any person, firm, or corporation doing business in the locality falsely indicated as that of origin, or in the region in which said locality is situated, or at the suit of any association of such persons, firms, or corporations.

SEC. 4. Any person who shall without the consent of the owner thereof reproduce, counterfeit, copy, or colorably imitate any trade-mark on the register provided by this act, and shall affix the same to merchandise of substantially the same descriptive properties as those set forth in the registration, or to labels, signs, prints, packages, wrappers, or receptacles intended to be used upon or in connection with the sale of merchandise of substantially the same descriptive properties as those set forth in such registration, and shall use, or shall have used, such reproduction, counterfeit, copy, or colorable imitation in commerce among the several States, or with a foreign nation, or with the Indian tribes, shall be liable to an action for damages therefor at the suit of the owner thereof; and whenever in any such action a verdict is rendered for the plaintiff, the court may enter judgment therein for any sum above the amount found by the verdict as the actual damages, according to the circumstances of the case, not exceeding three times the amount of such verdict, together with the costs.

SEC. 5. That it shall be the duty of a registrant under this act to comply with the law of the country in which his original registration took place, in respect to giving notice to the public that the trade-mark is registered, in connection with the use of such trade-mark in the United States of America, and in any suit for infringement by a party failing to do this, no damages shall be recovered, except on proof that the defendant was duly notified of the infringement and continued the same after such notice.

SEC. 6. That the provisions of sections 15, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, and 29 of the act, approved February 20, 1905, entitled "An act to authorize the registration of trade-marks used in commerce with foreign nations or among the several States, or with Indian tribes, and to protect the same," as amended to date, are hereby made applicable to marks placed on the register provided for by section 1 of this act.

SEC. 7. That written or printed copies of any records, books, papers, or drawings belonging to the Patent Office and relating to trade-marks placed on the register provided for by this act, when authenticated by the seal of the Patent Office and certified by the commissioner thereof, shall be evidence in all cases wherein the originals could be evidence, and any person making application therefor and paying the fee required by law shall have certified copies thereof.

SEC. 8. That the same fees shall be required for certified and uncertified copies of papers and for records, transfers, and other papers, under this act, as are required by law for such copies of patents and for recording assignments and other papers relating to patents.

On filing an appeal to the Commissioner of Patents from the decision of the examiner in charge of interferences, awarding ownership of a trade-mark, canceling or refusing to cancel the registration of a trade-mark, a fee of $15 shall be payable.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD, in connection with this bill, a communication from the Acting Secretary of the Treasury, which explains the purpose of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none.

The matter referred to is as follows:

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, July 2, 1918.

MY DEAR SENATOR FLETCHER: I learn with much pleasure of the introduction of a bill seeking to execute the convention concerning trade-marks signed at Buenos Aires on August 20, 1910, and ratified by the United States in the following session of Congress. The fundamental principle of the protection of prior use rather than of mere formal priority of registration is assured to the merchants and manufacturers of those Republics of America that have ratified this convention. It is to be hoped that in a relatively short time all the Republics will have so acted; to date the convention has been ratified by the United States, Cuba, Dominican Republic, Guatemala, Honduras, Nicaragua, Panama, Costa Rica, Brazil, Ecuador, Paraguay, and Bolivia.

After a number of attempts, the American Republics arrived at a simple but effective statement of this principle in the convention adopted in 1910. The convention provides for two international trade-mark registration bureaus—one at Habana, which will receive applications for registration from the countries of North and Central America and the West Indies, and one at Rio de Janeiro, which will receive applications for registration from the countries of South America. The two bureaus are intended to exchange each week statements of the applications received and the registrations granted. The regulations concerning the procedure of application and registration will be prepared by two international bureaus with due care and after consultation with the trade-mark registration authorities of the participating countries.

After waiting several years, and in part I think we may fairly say, as a result of the deep interest in the protection of industrial and literary property taken by the International High Commission at its meeting in Buenos Aires in April, 1916, enough ratifications were secured in the northern group of countries to make possible the inauguration of the bureau destined to serve that group. His Excellency the President of Cuba, upon receiving official notice of this fact, was able in December last to establish the International Trade-mark Registration Bureau at Habana, appointing a well-known and competent trade-mark authority of Cuba as the first director general. In the time that has elapsed since his appointment, Dr. Mario Díaz Irízar, Director General of the Bureau, has vigorously taken steps to be in a position at a very early date to receive applications for registration. The bureau may now count upon a generous appropriation toward its initial expenses made by the Cuban Congress, and, what is more noteworthy, an ample appropriation for the erection of a permanent building upon a site donated by the Cuban Government. The respective quotas of the other countries of the northern group which have ratified the convention for the first year of the operation of the bureau can be readily settled as soon as Dr. Mario Díaz Irízar comes to Washington to consult the Department of State and the Patent Office.

The legislation, the enactment of which is now thought necessary, will enable the Commissioner of Patents fully to carry out the convention in the spirit in which it was formulated at the fourth international conference of American States, in Buenos Aires, in 1910. The power of preliminary examination is essential if the Patent Office is to have the right to refuse to grant registration (so far as the United States is concerned) of trade-marks registered in the International Bureau; while provision is necessary for civil suits to prevent the use of false designations of origin, as well as for broader powers of cancellation of registration. The enactment of legislation of the character suggested—the result of long and careful study on the part of technical authorities in this special field—will enable the United States quickly to put into effect so far as depends upon the Government the provisions of the convention of 1910 and thus directly to promote the successful operation of the Habana bureau, in turn stimulating the further ratification of the convention by enough countries of South America to make possible the opening of the bureau at Rio de Janeiro. With that final step the protection of trade-marks and commercial names throughout this hemisphere will be put upon an enduring and effective basis.

I trust, my dear Senator FLETCHER, that your committee will consider this matter favorably, and I beg to remain,

Very sincerely, yours,

L. S. ROWE,
Acting Secretary of the Treasury, and Secretary General of the International High Commission.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington.

EXECUTIVE SESSION.

Mr. MARTIN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

ADJOURNMENT UNTIL FRIDAY.

Mr. MARTIN. I move that the Senate adjourn until Friday at 12 o'clock.

The motion was agreed to; and (at 3 o'clock and 25 minutes p. m.) the Senate adjourned until Friday, September 13, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate September 11, 1918.

TARIFF COMMISSION.

Edward P. Costigan, of Colorado, to be a member of the United States Tariff Commission, his present term having expired September 8, 1918.

ASSISTANT ATTORNEY GENERAL.

Claude R. Porter, of Centerville, Iowa, to be Assistant Attorney General, vice William C. Fitts, resigned.

SUPREME COURT OF HAWAII.

William S. Edings, of Honolulu, Hawaii, to be associate justice of the Supreme Court, Territory of Hawaii, vice Ralph P. Quarles, whose term has expired.

John T. De Bolt, of Honolulu, Hawaii, to be second judge, first circuit, Territory of Hawaii, vice William S. Edings, nominated to be associate justice, Supreme Court of Hawaii.

UNITED STATES MARSHAL.

John F. Short, of Clearfield, Pa., to be United States marshal, western district of Pennsylvania, vice Joseph Howley, whose term has expired.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

INFANTRY.

To be captains with rank from July 16, 1918.

First Lieut. Daniel M. Cheston, jr. (subject to examination required by law).

First Lieut. Kirke B. Everson (subject to examination required by law).

To be captains with rank from July 19, 1918.

First Lieut. John C. Daly.

First Lieut. Paul E. Peabody.

First Lieut. Albert F. Christie (subject to examination required by law).

To be captains with rank from July 20, 1918.

First Lieut. William S. Maxwell (subject to examination required by law).

First Lieut. Ernest H. Burt (subject to examination required by law).

First Lieut. Ray M. O'Day (subject to examination required by law).

First Lieut. Alan Pendleton (subject to examination required by law).

First Lieut. Merritt E. Olmstead (subject to examination required by law).

To be captains with rank from July 21, 1918.

First Lieut. Benjamin F. Caffey, jr.

First Lieut. Hadyn P. Mayers (subject to examination required by law).

To be captain with rank from July 22, 1918.

First Lieut. Rogers M. Wilson (subject to examination required by law).

To be captain with rank from July 23, 1918.

First Lieut. Albin K. Kupfer (subject to examination required by law).

To be first lieutenant with rank from May 21, 1918.

Second Lieut. William E. Bergin.

To be first lieutenant with rank from May 22, 1918.

Second Lieut. John O. Crose.

To be first lieutenant with rank from May 26, 1918.

Second Lieut. Samuel R. Epperson.

To be first lieutenant with rank from May 29, 1918.

Second Lieut. Leslie F. Tanner.

To be first lieutenant with rank from June 4, 1918.

Second Lieut. Frederick L. Bramlette.

To be first lieutenant with rank from June 5, 1918.

Second Lieut. Benjamin W. Venable.

To be first lieutenant with rank from June 7, 1918.

Second Lieut. Myron E. Bagley.

To be first lieutenant with rank from June 13, 1918.

Second Lieut. John L. Murphy.

To be first lieutenants with rank from June 21, 1918.

Second Lieut. John W. Freels.

Second Lieut. Eugene V. Gillespie.

To be first lieutenants with rank from July 16, 1918.

Second Lieut. George W. Setzer, jr.
Second Lieut. James B. Mudge.
Second Lieut. Earl L. R. Askam.
Second Lieut. Irvin L. Swanson.
Second Lieut. Philip D. Richmond.
Second Lieut. William W. Timmis.

To be first lieutenants with rank from July 19, 1918.

Second Lieut. Gayle McFadden.
Second Lieut. Burt E. Skeel.
Second Lieut. Henry Brickley.
Second Lieut. Thomas P. Barry, jr.
Second Lieut. Roger Wisner.
Second Lieut. Merril V. Reed.

To be first lieutenants with rank from July 20, 1918.

Second Lieut. A. Pledger Sullivan.
Second Lieut. Douglas O. Langstaff.
Second Lieut. Ralph W. Hickey.
Second Lieut. George K. Page.
Second Lieut. Thomas L. Reese.
Second Lieut. William B. Yancey.

To be first lieutenants with rank from July 21, 1918.

Second Lieut. Leo J. McCarthy.
Second Lieut. Griffin D. Vance.
Second Lieut. Earl Franklin Paynter.

To be first lieutenant with rank from July 22, 1918.

Second Lieut. Joseph M. O'Grady.

To be first lieutenant with rank from July 23, 1918.

Second Lieut. Clifford R. Wright.

To be first lieutenant with rank from July 26, 1918.

Second Lieut. Donald McG. Marshman.

To be first lieutenant with rank from July 27, 1918.

Second Lieut. John S. Coleman.

TRANSFER TO THE ACTIVE LIST OF THE ARMY.

FIELD ARTILLERY ARM.

Capt. John W. Rafferty, retired, to the grade of captain in the Field Artillery with rank from May 15, 1917.

APPOINTMENTS AND PROMOTIONS IN NAVY.

The following ensigns of the United States Naval Reserve Force to be ensigns in the Navy, for temporary service, from the 18th day of September, 1918:

Frederick Brueton Philbrick,
George Daniel Old, jr.,
Charles Francis Hemenway,
Charles Melcher Butterworth, jr.,
Kenneth Cartwright,
Oliver Cromwell Morse, jr.,
George Goddard Barclay,
Harlan Haviland Grover,
Leland Probasco Laning,
Emil Peter Schlichtmann,
Herbert Vinton Hotchkiss,
Thomas Spicer Eichelberger,
Paul Renshaw,
Randolph Ingersoll,
Walter Jacob Wolf,
Donald Robb Cochran,
Wallace Henry Huelster,
Carol Willard Wright,
Alfred Williams Anthony, jr.,
Arthur Littleton,
Merwin Ryan Irish,
Donald George Sherwin,
Glen Ray Bedenkapp,
William Storrs Hoyt Hamilton,
Gilbert Shulman,
James Russell Willison,
Charles Seffens Dodge,
Ralph Louis Wetzel,
Charles Alfred McNeill,
Augustus Victor Saph,
John Barrett Emmert,
Ralph Sadler,
Donald Drought Dewart,
Lewis Ross Madison,
Arthur Henry Christian,
James Sheldon Butler,
Clarence Alexander Wray, jr.,
Cedric Erroll Crawford,
Frederic Sykes Rosenheim,
Courtney Lee Moore,
Charles Wyatt Williams,
Raymond Corbin Hunt,
Oscar Rodney Doerr,
Earle Adair Crellin,
Albert Lorch,
Frederic Bliss Read,
Arthur De Witt Alexander,
Edson W. Forker,
John Hinton Lopez,
William Raymond Yorkey,
Andrew Carnegie,
DeForest Loys Trautman,
Harry Brandenburg,
Patrick Brett O'Sullivan,
Robert Sanford Cornish,
Arthur Edward Raynor,
John William Lane,
Winthrop Drew Ford,
Edwin Ray Hardie,
John Parsons Campbell,
Rudolph Lorenz Weber,
Clay Brawn Eddy,
Harold Raymond Fleck,
Adolph Andrew Gazda,
John Lewis Taylor,
Hiram Liggett Gray,
Junius Parker Fishburn,
William Barclay Kerr,
Joseph George Enzensperger, jr.,
Henry Peter Dockstader,
Robert Corey Deale,
Albert Percival Cushman,
Howard Arthur Stevenson,
Albert Henley Sturgess,
Neville Levy,
Mortemir Charles Simons,
Fordham Clark Russell,
Eugene Nicholas Ehrhart,
Halsey Emery Crosby,
Robert Ferdnand Angel Benson,
Roy Brodhead Meredith,
Malin Thomas Langstroth,
Joseph Henry Davis,
James Howe Colton,
Harold Irving MacKen,
Ernest Watts Summers,
Elden Ivan Staples,
Robert Dallas McManigal, jr.,
Harry Heckman Brakeley,
Meyer Goldfarb,
Dean Benjamin Webster,
William Reveille Feller,
Ephraim Herriott Lewis,
Rae Crampton Nichols,
Harold Kilpatrick Patterson,
Chester Williams Peterson,
Wilburn Patrick Hughes,
John Waldrip Kelliher,
William Joseph Haley,
Harold Stebbins Davis,
Edgar Douglas Wunder,
Lawrence Talbert Thomas,
Harry Curby Jamerson,
William Harold Van Wart,
Caleb Rawn Crandall,
Earle Barclay Earhart,
Herbert Anthony Lassen,
Harold Edmund Walter,
John Callan,
David Le Fevre Dodd,
George Allan Burchell,
Walter Edward Andrews,
William Carrothers Landis,
Jean Edward Witbeck,
Elisha Barclay Powell, jr.,
William Ernest Batty,
Lawrence Irving Scott,
Julian Tully Lett,
Wellington Sidney Morse,
Starr Lewis Bruce,
Carl Frederick Lindstol,
Ernest Carroll Morgan,
Frank Everett Kennedy,
Harry West Hirshheimer,

Alexander Salley Herbert,
Hobart Bigelow Emerson,
Earl Gilbert Martin,
Arthur Howard Daniels,
Donald Jacob Brightman,
Talbot Jones Taylor, jr.,
John Perry Sturges,
Robert Pierson Dodds,
Arthur Wallace Johnson,
Joseph Damian Ceader,
James Earl Arnold,
Palmer Scott Mock,
Henry Earle Knowlton,
Lowry Talman Gardner, 2d,
Frank Van Inwagen,
Harold Francis Reed,
Edwin Westerman Holden,
Adam Andrew Sutcliffe,
Dean Weigand Taylor,
Milton Edward Earle,
Francis Fowler McKinney,
Siegel Wright Judd,
Harrison Braxton Smith,
George Robert McNally,
Orlando Joseph Olgiati,
Robert Jacob Mailhouse,
Harry Herbert Rawson Spofford,
Harold Jay Schaetzle,
Hugh Richard Partridge,
John Lewis Matthews,
Conrad Seymour Ham,
William Cheesborough Holmes,
Walter Bayard Holder,
Harold Osborne Johnson,
Edwin George Metcalf,
Samuel James Burris, jr.,
Fletcher Holland Dutton,
Linn Dow Shipman,
Roger Hunt Blake,
William Clifford Chapman,
Donald Hudson Frew,
Clifton Marvin McAfee,
Arthur Charles Dunn,
Alfred Selman Garrison,
Leon Henry Snyder,
Alex William MacNichol,
David Milton Yoder,
Richard Webster Hubbard,
Daniel Henry Else,
Adolph Gottlob Ruff,
Henry Rapelyea Lake,
Curtis Eugene Chillingworth,
Joseph Ernest Hanahan,
Carl Spencer Couchman,
Wallace Irving Atherton,
Arthur Hamilton Adams,
Lester Thurston Forbes,
Harold Reed Preston,
John Adam Robinson,
Wallace Burdett Curtis,
John Reames LeVally,
Anthony Francis Soukup,
Richard Arthur Whitney,
Jesse Silverman,
Everett Francis King,
Loring Paul Jones,
Paul Stanley Harmon,
Olin Winthrop Blackett,
Wallace Rhodes Chandler,
John Willard Buttrick,
Raymond Earl Farnsworth,
Roland Stoddard Bailey,
Ralph Sargent,
Frederick Spruance Bailey,
James Monroe Buchanan,
Charles Howe Westaby,
Halsey Boardman Horner,
John Ross Adams,
Frank Aloysius Mullen,
George Jesse Hawk,
Raymond Henry Bowers,
William Henry Ryan, jr.,
Bernard Aloysius Sullivan,
William Drummond Gallier,
Allen Edmond McMahon,
Cleaveland Muir Hunt,
Edward Boyd Luckie,
William Vincent Lynch,
Reginald Crawford Ramsay,
John Goldsborough Easton,
Lewis Bonsall Beatty,
Iver Oscar Liljeros,
Lester August Krahe,
Franklin Malcolm Doolittle,
Philip Hope Weinberg,
Clarence Dunn Williams,
Frederic Grater Burk,
Ellsworth George Reynolds,
Harold Wilson Scott,
William Joseph Atwell,
Clinton Irvin Sprout,
Douglas Lannin Hooker,
Phillip Lane,
Walter Bowne, jr.,
John Richmond Alexander,
Robert Ingersoll Mayorga,
Paul Allison Thompson,
Christopher Avery Schellens,
James Edward Murphy,
Donald Randolph Lowry,
William Jeffery Shackelford,
John Benedict McGovern,
Edward Daniel Porges,
Harlow Bradley,
Burton Louis Barofsky,
Paul Dean Clyde,
John Winthrop Loman,
Adlai Stevenson Coble,
John Fishel Sprenkel,
Arthur Russell Griffin,
Emerson Bigelow,
Roger Putnam Adair,
Tillman Frank Lynch,
John Jacob Atwater,
Benjamin Blanchard Williams,
George Richard Paradies,
Frederick McIntyre Scribner,
Robert Johnston Hare Powel, jr.,
Elliott Fielding Pettigrew,
Robert Kennedy Jefferies,
Ralph Joseph Crosby,
Harrison Alexander Jones,
Morris Henning Kleban,
William Kennell Paton,
Frank Edward White,
Harvey Thomas Collins,
Clarence Edward Murrell,
Herbert Vincent Nussey,
Lester Ware Preston,
Frederick Newton Whittemore,
Gardner Clinton Derry,
Lester Arthur Bill,
Harry Francis Parks,
Leroy Morgan McCluskey,
Leon Herbert Lavalley,
John Price Gaines,
Harrison Elmer Small,
Frank Howard Baxter,
Levi Porter Denny,
Newell Sloss Knight,
Sidney Otis Cowles,
Ellis Lehr Jenkinson,
Elmer Lincoln Deane,
John Fulton Grimm,
Dudley Kincade,
Howard Barker Lee,
William Poyntelle Downing,
Gerald Albert Lee,
Edward Alexander Magill,
Donald Esplen Robertson,
Edward Philip Bruch,
Robert Jackson Horne,
Robert Ellsmere Crowley,
Winfred Henry Stueve,
Gurth Williams,
Edwin Fiske Thrall,
Joseph Blanchard Carr,
Jay Frederick Roth,
Samuel Loftin Oliver,
William Schack,

George Clarence Lindeberg,
John Thurston Roach,
Carl Theodore Jacobson,
Edwyn Tingey McHenry,
Charles Stanley Allen,
Ward Frank Higgins,
Eugene Clifford Hawkins,
John Walter Beatty, jr.,
Erwin William Roemer,
Edgar Maurer Anderson,
James Cropsey Lott,
Frederick Henry Stecher,
John Manderson McDonald, jr.,
Milton Kawin Arenberg,
Joel Snow Fawcett,
Lewis Fletcher Leventhal,
George August Chatel,
William Wallace Deal,
Paul Francis Christopher,
Leland Henry Chase,
Sherrod Emerson Skinner,
Hugh Lounsbury Hudson,
Eldred Westwood Christie,
Frank Maxson Hill,
Richard Francis Prendergast,
Charles Lee Cheetham,
Harry Maclean Hood,
Harrold Philip Connelly,
David Beaty, jr.,
Alfred Charles Moysey,
Wallace Shirley Wharton,
Ralph Thomas Brengle,
Harris Birdsill McIntyre,
Curtis Harold Cutter,
David Watts Tibbott,
James Lewis Hinds,
Rowland McKim Stover,
Thornton Hamlin,
Albert Zabriskie Skelding,
Harry Nicholas Paradies,
John Drummond Kennedy,
William Lyle Weber,
Alfred Martin Geis,
Joseph Cohen,
Roy Howard Cunningham,
Arthur Gibbes Crafts,
Clarence Ford Eddy,
Rea Cambridge Newman,
Robert Beahm Ryder,
Hibbert Wallace Moss,
John Little Burt,
Henry Stanley Ackerman,
Roy Victor Ahlstrom,
Roy Alexander Craig,
William Larimer Jones,
Earl James Garey,
Henry Kennedy Barwick, jr.,
James Fulton McKillips,
John Ernest Dingwell,
Henry Victor Jacobson,
George Fulton, jr.,
Ransdell Matthews,
William Thomas McCargo,
William Mount Klein,
Howard Waldo Kitson,
Thomas Marshall Duff,
Albert Bisbee Bennett,
Donald Francis Wilson,
Wilbur Clyde Dyer,
Eli Burton Parsons,
Frederick Rowe Avery,
Eddy Earle Ellwood,
Harry Roberts Eaton,
John Gardner Coffin,
Harry Francis Ogden,
Czar James Dyer,
Joseph Beaudette,
Jacob William Stirzel,
Frank Eggert,
Robert Cleeland,
Ansley "J." Strom,
William Lee Dickson, jr.,
Jesse Samuel Blumenthal,
Leo Aloysius Redmond,
Norman Ellwood Millar,
Edward Andrew Eisele,
Russell Eliot Vanderbilt,
Arthur Hill Gilbert,
Walter Valentine Fackler,
Winston Rogers Wheatly,
Richard Buckminster Fuller,
Leslie Edward Gehres,
John Gordon Clark,
Ralph Leon Chisholm,
Edmund Louis Cook,
George Carlton Rohrs,
Robert Louis Gill,
Louis Sebastian Walsh,
Ralph Atlee Light,
Charles Leroy Northridge,
Marshall Charles Doolittle,
James Hadley Hatch,
John Lawrence Flynn,
William Thomas Rutherford,
Leon Earland Robinson,
James Thomas Wrightson,
Fred Eugene Kyle,
Warren Sadler Moore,
Ronald Walter Hunt,
Gerald Decker McKeever,
Kier Charles Ferguson,
Robert Fulton Gifford,
Arthur Otto Spierling,
Camillo Frederick Jacobsmeyer,
Charles Henry Eglee, jr.,
Charles Walter Scribner,
Alwyn Charles Litsinger,
Walter Hershey Sheffield,
Wendell Thomas Applebee,
John Hunter Lesesne,
Perry Roberts Green,
Thomas Holland Hunter,
Weston Whittemore Hill,
Max Von Shrader,
Louis Lee Burden,
Charles Gilbert Reynolds,
Raymond Alfred Gore,
Leonard Augustine Page,
William Hector Mackay,
Otto Kupfer, jr.,
Willis Albert Kingsbury,
Maurice Aiken Hall,
John Morrell Foster,
James Raymond Morton, jr.,
Albert Walker Liddle,
Irvin Kenneth Stevenson,
James Benton Harvey,
Jes Jessen Dall, jr.,
John Adolph Mayer,
William Bailey,
Clarence Elmer Dimmitt,
Aaron Mandel,
Edward Joseph O'Toole,
Harold William Kephart,
Kenneth John Van House,
Daniel Tompkins Duncan,
Llewellyn Kempf Winans,
Ward Frederick Joseph Odenwald,
Milton Adolph Gethmann,
Frederick Overand Wilson,
Clarence Gold Wakeman,
Carroll Ridgely Sanders,
Gilbert Frank Metz,
Otto Ernest Matter,
Earle Gardner Brooks,
Alan Hardy Townsend,
Henry Arthur Shepherd,
Gordon McSwain Lupo,
James Dunlevy Bowman,
William Stevens Howell,
Arthur James Jacobs,
Hugh Hayes Jones,
Albert Tarrant Sibley,
Samuel Judson Mealy,
William Joseph Hudson,
Allen Wilbur O'Connell,
Henry Hueitt Roberts,
Anthony Lockwood Arnold,

Thomas Edison Lake,
Ralph Schofield Thompson,
Harold Eugene Simmerer,
Ernest Knorr Henderson,
Erie Heywood Bradley,
Benjamin Lubic,
Charles Edward Peterson,
Stephen Cornell Huestis,
Coe Austin Boardman,
Albert Kendrick Rumsey,
George Washington Riley,
Charles William Marlow,
Pendleton Scott Clark,
Alexander Campbell Hooker,
John Knox Duncan,
Altus Potter Croucher,
William Clifton Eubank,
Selden Harold Oviatt,
Walter Herman Barthel,
Lloyd Champlin Eddy, jr.,
Harold John Dunne,
Kenney Albert Burgess,
Benjamin Seaver Blanchard, jr.,
Charles William Proctor,
John Sanderson Salom,
John Roy Brokenshire,
Carl Shepard,
Richard Francis Richardson,
Martin John Jukich,
John Daniel McCrea,
John Joseph Cooney,
Harold Blaine Summers,
Roscoe Willard Babcock,
John Kenneth Haviland,
Richard David Davis,
Lester Bryan West,
David Weinstein,
Howard Barry Porterfield,
Frederick Silas Treat,
Edmund Brewer Montgomery,
William Harold Cree,
Thomas Ambrose O'Connor,
Harold Evan Richardson,
Cecil Glenn Simpson,
William Gould Gould,
Ermin Douglas Baker,
Elmer Jerome Tiernan,
Isadore Chaplowe,
Ned Hamilton Chase,
Stanford Leonard Luce,
Andrew Livingstone,
Walter Wakefield Miller,
Hugh Murray Kitchen,
Whitney Wisner Miller,
Albert Prettyman Short,
Rowland Bowne Haines,
Edward Martin Hope, jr.,
John Battice Ford, jr.,
Mark Wayne Thackaberry,
David William Jones,
George Oliver Johnston,
David Lewis,
Harold Ash Phillips,
Joseph Benson Stevens,
William Foster Whitlow,
Ambrose George Osborn,
Ernest Wolcott Bacon,
Ralph Sylvester Maugham,
Howard Barrington Sawtell,
Howard Grover Wheaton,
Ellis Stanford Sharp,
Carl Clayton Chandler,
James Abram Lewis,
William Gordon Reed,
Francis Gregory Minor,
Clinton Lindren Nelson,
Arthur Fenwick Morash,
Wilbur Martland McKay,
Howard William Neely,
Franklin Holmes Swift,
William Oakley Van Blarcom, jr.,
Edward Raymond Powell,
Julius Carl Kinsky,
Carl Richard Brick,
Lester James Calender,
Lawrence Kirk Beaver,
Robert Huntley Edgerton,
Robert Hamilton Persons,
Benjamin Swallow Brown,
Lewis Harry Clemmer Johnson,
John Jay Bradley,
Solomon Thomas Sutton,
Howard Eldred Morse,
Henry Allen Lincoln,
William Weber,
John Orla Jenkins,
Earle Carpenter Peterson,
Horace Douglas Secor,
Franklin Reinhardt Uhlig,
Edward Raymond Legg,
Milton Pendleton Hall,
Benjamin Harry Corning,
Francis Edgar Matthews,
John Joseph Leo Manning,
Joseph William McColl,
Daniel Gerald O'Connor,
James William Shipman,
Richard Joseph Mackey,
Lawrence Ascraft Rice,
Mortimer Bybee Carraher,
Henry Skinner Baldwin,
Leo Vincent Harrison,
Carlton Morhous Hammond,
Dudly Boynton Coe,
Richard Warner Clarke,
Alden Church Goodnow,
William Parker Angle,
John Alden Loring,
Edmund Gilbert Joseph Dale,
William Porter Durkee,
Leonard Beekman,
Edwin Stewart Underhill, jr.,
Harold Dwight Scott,
Hugh Ross Mack,
Donald Graham Davis,
Donald Luey,
John Conklin Conger,
Lewis Preston Harris,
Charles Patrick Moriarty,
Christopher Peter Schlachter,
William Francis Burton,
Mark Randall Thompson,
Daniel Howard Kane,
Myron Griffin Tucker,
Leo Bernard McNulty,
Charles Cameron Beck,
Irving Sinclair Blunt,
Henry Meyer Robinson,
Joseph Price, jr.,
Gale Douglas Wheeler,
Paul Longstreth Hughes,
Luther Christopher Henry Beighey,
William Dudley Digges Morgan,
Warren Marsh Toomey,
Karl Lester Sneath,
Christian Wolff Seward Slagle,
Louis Franklin Edelman,
Roy Chapin Mould,
Russell Newton Copeland,
William Joseph O'Hara,
James Allyn Pentz,
Henry Anson Bates,
Willis Carl Doane,
Fred Orlando Cullar,
Raymond Edwin Daniels,
Charles John Naumilket,
George Lawrence Hart,
Carl Axel Soderstrom,
Stanley Nelson Minor,
John Lester Koch,
Jonathan Woodnutt Acton,
Allyn Ward Maxwell,
Jesse Earl Schelling,
Armour McKibben Willson,
Leslie Thompson McKinnon,
Gerry White Cox,
George Clarence Wrentmore,
Ervin Chester Latta,
Reginald Gustavus Seger,
Frank Raymond Strayer,

Leonard Patrick Kane,
Raymond Francis Tillman,
Elie Augustus Frederick LaVallette,
Harrison Cassel Pugh,
Henry Clay Hunt,
James Kenneth Eisaman,
Cleophas George Harris,
Asher Atkinson Howell,
George Wood Merritt,
William Henry Jones,
Lawrence Cornelius McEnerney,
Carroll Ross Stearns,
John Pierce Bretherton, and
Ellwood Lorenzo Houtz.

Second Lieut. David L. Ford to be a second lieutenant in the Marine Corps, for temporary service, from the 13th day of August, 1918.

Second Lieut. Josephus Daniels, jr., to be a second lieutenant in the Marine Corps, for temporary service, from the 13th day of August, 1918.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service, from the 14th day of August, 1918:

David L. Ford and
Josephus Daniels, jr.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 11, 1918.

APPOINTMENTS AND PROMOTIONS IN THE NAVY.

The following ensigns of the United States Naval Reserve Force to be ensigns in the Navy, for temporary service:

Frederick Brueton Philbrick,
George Daniel Olds, jr.,
Charles Francis Hemenway,
Charles Meleher Butterworth, jr.,
Kenneth Cartwright,
Oliver Cromwell Morse, jr.,
George Goddard Barclay,
Harlan Haviland Grover,
Leland Probasco Laning,
Emil Peter Schlichtmann,
Herbert Vinton Hotchkiss,
Thomas Spicer Eichelberger,
Paul Renshaw,
Randolph Ingersoll,
Walter Jacob Wolf,
Donald Robb Cochran,
Wallace Henry Huelster,
Carol Willard Wright,
Alfred Williams Anthony, jr.,
Arthur Littleton,
Merwin Ryan Irish,
Donald George Sherwin,
Glen Ray Bedenkapp,
William Storrs Hoyt Hamilton,
Gilbert Shulman,
James Russell Willison,
Charles Seffens Dodge,
Ralph Louis Wetzel,
Charles Alfred McNeill,
Augustus Victor Saph,
John Barrett Emmert,
Ralph Sadler,
Donald Drought Dewart,
Lewis Ross Madison,
Arthur Henry Christian,
James Sheldon Butler,
Clarence Alexander Wray, jr.,
Cedric Erroll Crawford,
Frederic Sykes Rosenheim,
Courtney Lee Moore,
Charles Wyatt Williams,
Raymond Corbin Hunt,
Oscar Rodney Doerr,
Earle Adair Crellin,
Albert Lorch,
Frederic Bliss Read,
Arthur De Witt Alexander,
Edson W. Forker,
John Hinton Lopez,
William Raymond Yorkey,
Andrew Carnegie,
DeForest Loys Trautman,
Harry Brandenburg,
Patrick Brett O'Sullivan,
Robert Sanford Cornish,
Arthur Edward Raynor,
John William Lane,
Winthrop Drew Ford,
Edwin Ray Hardie,
John Parsons Campbell,
Rudolph Lorenz Weber,
Clay Brawn Eddy,
Harold Raymond Fleck,
Adolph Andrew Gazda,
John Lewis Taylor,
Hiram Liggett Gray,
Junius Parker Fishburn,
William Barclay Kerr,
Joseph George Enzensperger, jr.,
Henry Peter Dockstader,
Robert Corey Deale,
Albert Percival Cushman,
Howard Arthur Stevenson,
Albert Henley Sturgess,
Neville Levy,
Mortemir Charles Simons,
Fordham Clark Russell,
Eugene Nicholas Ehrhart,
Halsey Emery Crosby,
Robert Ferdnand Angel Benson,
Roy Brodhead Meredith,
Malin Thomas Langstroth,
Joseph Henry Davis,
James Howe Colton,
Harold Irving MacKen,
Ernest Watts Summers,
Elden Ivan Staples,
Robert Dallas McManigal, jr.,
Harry Heckman Brakeley,
Meyer Goldfarb,
Dean Benjamin Webster,
William Reveille Feilor,
Ephraim Herriott Lewis,
Rae Crampton Nichols,
Harold Kilpatrick Patterson,
Chester Williams Peterson,
Wilburn Patrick Hughes,
John Waldrip Kelliher,
William Joseph Haley,
Harold Stebbins Davis,
Edgar Douglas Wunder,
Lawrence Talbert Thomas,
Harry Curby Jamerson,
William Harold Van Wart,
Caleb Raum Crandall,
Earle Barclay Earhart,
Herbert Anthony Lassen,
Harold Edmund Walter,
John Callan,
David Le Fevre Dodd,
George Allan Burchell,
Walter Edward Andrews,
William Carrothers Landis,
Joan Edward Witbeck,
Elisha Barclay Powell, jr.,
William Ernest Batty,
Lawrence Irving Scott,
Julian Tully Lett,
Wellington Sidney Morse,
Starr Lewis Bruce,
Carl Frederick Lindstol,
Ernest Carroll Morgan,
Frank Everett Kennedy,
Harry West Hirshheimer,
Alexander Salley Herbert,
Hobart Bigelow Emerson,
Earl Gilbert Martin,
Arthur Howard Daniels,
Donald Jacob Brightman,
Talbot Jones Taylor, jr.,
John Perry Sturges,
Robert Pierson Dodds,
Arthur Wallace Johnson,
Joseph Damian Coader,
James Earl Arnold,
Palmer Scott Mock,
Henry Earle Knowlton,

Lowry Talman Gardner, 2d,
Frank Van Inwagen,
Harold Francis Reed,
Edwin Westerman Holden,
Adam Andrew Sutcliffe,
Dean Weigand Taylor,
Milton Edward Earle,
Francis Fowler McKinney,
Siegel Wright Judd,
Harrison Braxton Smith,
George Robert McNally,
Orlando Joseph Olgisti,
Robert Jacob Mailhouse,
Harry Herbert Rawson Spofford,
Harold Jay Schaetzle,
Hugh Richard Partridge,
John Lewis Matthews,
Conrad Seymour Ham,
William Cheesborough Holmes,
Walter Bayard Holder,
Harold Osborne Johnson,
Edwin George Metcalf,
Samuel James Burris, jr.,
Fletcher Holland Dutton,
Linn Daw Shipman,
Roger Hunt Blake,
William Clifford Chapman,
Donald Hudson Frew,
Clifton Marvin McAfee,
Arthur Charles Dunn,
Alfred Selman Garrison,
Leon Henry Snyder,
Alex William MacNichol,
David Milton Yoder,
Richard Webster Hubbard,
Daniel Henry Else,
Adolph Gottlob Ruff,
Henry Rapelyea Lake,
Curtis Eugene Chillingworth,
Joseph Ernest Hanshan,
Carl Spencer Couchman,
Wallace Irving Atherton,
Arthur Hamilton Adams,
Lester Thurston Forbes,
Harold Reed Preston,
John Adam Robinson,
Wallace Burdett Curtis,
John Reames Le Vally,
Anthony Francis Soukup,
Richard Arthur Whitney,
Jesse Silverman,
Everett Francis King,
Loring Paul Jones,
Paul Stanley Harmon,
Olin Winthrop Blackett,
Wallace Rhodes Chandler,
John Willard Buttrick,
Raymond Earl Farnsworth,
Roland Stoddard Bailey,
Ralph Sargent,
Frederick Spruance Bailey,
James Monroe Buchanan,
Charles Howe Westaby,
Halsey Boardman Horner,
John Ross Adams,
Frank Aloysius Mullen,
George Jesse Hawk,
Raymond Henry Bowers,
William Henry Ryan, jr.,
Bernard Aloysius Sullivan,
William Drummond Gallier,
Allen Edmond McMahon,
Cleaveland Muir Hunt,
Edward Boyd Luckie,
William Vincent Lynch,
Reginald Crawford Ramsay,
John Goldsborough Easton,
Lewis Bonsall Beatty,
Iver Oscar Liljeros,
Lester August Krahe,
Franklin Malcolm Doolittle,
Philip Hope Weinberg,
Clarence Dunn Williams,
Frederic Grater Burk,
Ellsworth George Reynolds,
Harold Wilson Scott,
William Joseph Atwell,
Clinton Irvin Sprout,
Douglas Lannin Hooker,
Phillip Lane,
Walter Bowne, jr.,
John Richmond Alexander,
Robert Ingersoll Mayorga,
Paul Allison Thompson,
Christopher Avery Schellens,
James Edward Murphy,
Donald Randolph Lowry,
William Joffery Shackelford,
John Benedict McGovern,
Edward Daniel Porges,
Harlow Bradley,
Burton Louis Barofsky,
Paul Dean Clyde,
John Winthrop Loman,
Adlai Stevenson Coble,
John Fishel Sprenkel,
Arthur Russell Griffin,
Emerson Bigelow,
Roger Putnam Adair,
Tillman Frank Lynch,
John Jacob Atwater,
Benjamin Blanchard Williams,
George Richard Paradies,
Frederick McIntyre Scribner,
Robert Johnston Hare Powel, jr.,
Elliott Fielding Pettigrew,
Robert Kennedy Jefferies,
Ralph Joseph Crosby,
Harrison Alexander Jones,
Morris Henning Kleben,
William Kennell Paton,
Frank Edward White,
Harvey Thomas Collins,
Clarence Edward Murrell,
Herbert Vincent Nussey,
Lester Ware Preston,
Frederick Newton Whittemore,
Gardner Clinton Derry,
Lester Arthur Bill,
Harry Francis Parks,
Leroy Morgan McCluskey,
Leon Herbert Lavalley,
John Price Gaines,
Harrison Elmer Small,
Frank Howard Baxter,
Levi Porter Denny,
Newell Sloss Knight,
Sidney Otis Cowles,
Ellis Lehr Jenkinson,
Elmer Lincoln Deane,
John Fulton Grimm,
Dudley Kincade,
Howard Barker Lee,
William Poyntelle Downing,
Gerald Albert Lee,
Edward Alexander Magill,
Donald Esplen Robertson,
Edward Philip Bruch,
Robert Jackson Horne,
Robert Ellsmere Crowley,
Winfred Henry Stueve,
Gurth Williams,
Edwin Fiske Thrall,
Joseph Blanchard Carr,
Jay Frederick Roth,
Samuel Loftin Oliver,
William Schack,
George Clarence Lindeberg,
John Thurston Roach,
Carl Theodore Jacobson,
Edwyn Tingey McHenry,
Charles Stanley Allen,
Ward Frank Higgins,
Eugene Clifford Hawkins,
John Walter Beatty, jr.,
Erwin William Roemer,
Edgar Maurer Anderson,
James Cropsey Lott,
Frederick Henry Stecher,
John Manderson McDonald, jr.,

Milton Kawin Arenberg,
Joel Snow Fawcett,
Lewis Fletcher Leventhal,
George August Chatel,
William Wallace Deal,
Paul Francis Christopher,
Leland Henry Chase,
Sherrod Emerson Skinner,
Hugh Lounsbury Hudson,
Eldred Westwood Christie,
Frank Maxson Hill,
Richard Francis Prendergast,
Charles Lee Cheetham,
Harry Maclean Hood,
Harrold Philip Connelly,
David Beaty, jr.,
Alfred Charles Moysey,
Wallace Shirley Wharton,
Ralph Thomas Brengle,
Harris Birdsill McIntyre,
Curtis Harold Cutter,
David Watts Tibbott,
James Lewis Hinds,
Rowland McKim Stover,
Thornton Hamlin,
Albert Zabriskie Skelding,
Harry Nicholas Paradies,
John Drummond Kennedy,
William Lyle Weber,
Alfred Martin Geis,
Joseph Cohen,
Roy Howard Cunningham,
Arthur Gibbes Crafts,
Clarence Ford Eddy,
Rea Cambridge Newman,
Robert Beahm Ryder,
Hibbert Wallace Moss,
John Little Burt,
Henry Stanley Ackerman,
Roy Victor Ahlstrom,
Roy Alexander Craig,
William Larimer Jones,
Earl James Garey,
Henry Kennedy Barwick, jr.,
James Fulton McKillips,
John Ernest Dingwell,
Henry Victor Jacobson,
George Fulton, jr.,
Ransdell Matthews,
William Thomas McCargo,
William Mount Klein,
Howard Waldo Kitson,
Thomas Marshall Duff,
Albert Bisbee Bennett,
Donald Francis Wilson,
Wilbur Clyde Dyer,
Eli Burton Parsons,
Frederick Rowe Avery,
Eddy Earle Ellwood,
Harry Roberts Eaton,
John Gardner Coffin,
Harry Francis Ogden,
Czar James Dyer,
Joseph Beaudette,
Jacob William Stirzel,
Frank Eggert,
Robert Cleeland,
Ansley "J" Strom,
William Lee Dickson, jr.,
Jesse Samuel Blumenthal,
Lee Aloysius Redmond,
Norman Ellwood Millar,
Edward Andrew Eisele,
Russell Eliot Vanderbilt,
Arthur Hill Gilbert,
Walter Valentine Fackler,
Winston Rogers Wheatly,
Richard Buckminster Fuller,
Leslie Edward Gehres,
John Gordon Clark,
Ralph Leon Chisholm,
Edmund Louis Cook,
George Carlton Rohrs,
Robert Louis Gill,
Louis Sebastian Walsh,
Ralph Atlee Light,
Charles Leroy Northridge,
Marshall Charles Doolittle,
James Hadley Hatch,
John Lawrence Flynn,
William Thomas Rutherford,
Leon Earland Robinson,
James Thomas Wrightson,
Fred Eugene Kyle,
Warren Sadler Moore,
Ronald Walter Hunt,
Gerald Decker McKeever,
Kier Charles Ferguson,
Robert Fulton Gifford,
Arthur Otto Spierling,
Camillo Frederick Jacobsmeyer,
Charles Henry Eglee, jr.,
Charles Walter Scribner,
Alwyn Charles Litsinger,
Walter Hershey Sheffield,
Wendell Thomas Applebee,
John Hunter Lesesne,
Perry Roberts Green,
Thomas Holland Hunter,
Weston Whittemore Hill,
Max Von Schrader,
Louis Lee Burden,
Charles Gilbert Reynolds,
Raymond Alfred Gore,
Leonard Augustine Page,
William Hector Mackay,
Otto Kupfer, jr.,
Willis Albert Kingsbury,
Maurice Aiken Hall,
John Morrell Foster,
James Raymond Morton, jr.,
Albert Walker Liddle,
Irvin Kenneth Stevenson,
James Benton Harvey,
Jes Jessen Dall, jr.,
John Adolph Mayer,
William Bailey,
Clarence Elmer Dimmitt,
Aaron Mandel,
Edward Joseph O'Toole,
Harold William Kephart,
Kenneth John Van House,
Daniel Tompkins Duncan,
Llewellyn Kempf Winans,
Ward Frederick Joseph Odenwald,
Milton Adolph Gethmann,
Frederick Overand Wilson,
Clarence Gold Wakeman,
Carroll Ridgely Sanders,
Gilbert Frank Metz,
Otto Ernest Matter,
Earle Gardner Brooks,
Alan Hardy Townsend,
Henry Arthur Shepherd,
Gordon McSwain Lupo,
James Dunlevy Bowman,
William Stevens Howell,
Arthur James Jacobs,
Hugh Hayes Jones,
Albert Tarrant Sibley,
Samuel Judson Mealy,
William Joseph Hudson,
Allen Wilbur O'Connell,
Henry Hueitt Roberts,
Anthony Lockwood Arnold,
Thomas Edison Lake,
Ralph Schofield Thompson,
Harold Eugene Simmerer,
Ernest Knorr Henderson,
Erie Heywood Bradley,
Benjamin Lubic,
Charles Edward Peterson,
Stephen Cornell Huestis,
Coe Austin Boardman,
Albert Kendrick Rumsey,
George Washington Riley,
Charles William Marlow,
Pendleton Scott Clark,

Alexander Campbell Hooker,
John Knox Duncan,
Altus Potter Croucher,
William Clifton Eubank,
Selden Harold Oviatt,
Walter Herman Barthel,
Lloyd Champlin Eddy, jr.,
Harold John Dunne,
Kenney Albert Burgess,
Benjamin Seaver Blanchard, jr.,
Charles William Proctor,
John Sanderson Salom,
John Roy Brokenshire,
Carl Shepard,
Richard Francis Richardson,
Martin John Jukich,
John Daniel McCrea,
John Joseph Cooney,
Harold Blaine Summers,
Roscoe Willard Babcock,
John Kenneth Haviland,
Richard David Davis,
Lester Bryan West,
David Weinstein,
Howard Barry Porterfield,
Frederick Silas Treat,
Edmund Brewer Montgomery,
William Harold Cree,
Thomas Ambrose O'Connor,
Harold Evan Richardson,
Cecil Glenn Simpson,
William Gould Gould,
Ermin Douglas Baker,
Elmer Jerome Tiernan,
Isadore Chaplowe,
Ned Hamilton Chase,
Stanford Leonard Luce,
Andrew Livingstone,
Walter Wakefield Miller,
Hugh Murray Kitchen,
Whitney Wisner Miller,
Albert Prettyman Short,
Rowland Bowne Haines,
Edward Martin Hope, jr.,
John Battice Ford, jr.,
Mark Wayne Thackaberry,
David William Jones,
George Oliver Johnston,
David Lewis,
Harold Ash Phillips,
Joseph Benson Stevens,
William Foster Whitlow,
Ambrose George Osborn,
Ernest Wolcott Bacon,
Ralph Sylvester Maugham,
Howard Barrington Sawtell,
Howard Grover Wheaton,
Ellis Stanford Sharp,
Carl Clayton Chandler,
James Abram Lewis,
William Gordon Reed,
Francis Gregory Minor,
Clinton Lindren Nelson,
Arthur Fenwick Morash,
Wilbur Martland McKay,
Howard William Neely,
Franklin Holmes Swift,
William Oakley Blarcom, jr.,
Edward Raymond Powell,
Julius Carl Kinsky,
Carl Richard Brick,
Lester James Calender,
Lawrence Kirk Beaver,
Robert Huntley Edgerton,
Robert Hamilton Persons,
Benjamin Swallow Brown,
Lewis Harry Clemmer Johnson,
John Jay Bradley,
Solomon Thomas Sutton,
Howard Eldred Morse,
Henry Allen Lincoln,
William Weber,
John Orla Jenkins,
Earle Carpenter Peterson,
Horace Douglas Secor,
Franklin Reinhardt Uhlig,
Edward Raymond Legg,
Milton Pendleton Hall,
Benjamin Harry Corning,
Francis Edgar Matthews,
John Joseph Lee Manning,
Joseph William McColl,
Daniel Gerald O'Connor,
James William Shipman,
Richard Joseph Mackey,
Lawrence Ascraft Rice,
Mortimer Bybee Carraher,
Henry Skinner Baldwin,
Lee Vincent Harrison,
Carlton Morhous Hammond,
Dudley Boynton Coe,
Richard Warner Clarke,
Alden Church Goodnow,
William Parker Angle,
John Alden Loring,
Edmund Gilbert Joseph Dale,
William Porter Durkee,
Leonard Beekman,
Edwin Stewart Underhill, jr.,
Harold Dwight Scott,
Hugh Ross Mack,
Donald Graham Davis,
Donald Luey,
John Conklin Conger,
Lewis Preston Harris,
Charles Patrick Moriarty,
Christopher Peter Schlachter,
William Francis Burton,
Mark Randall Thompson,
Daniel Howard Kane,
Myron Griffin Tucker,
Leo Bernard McNulty,
Charles Cameron Beck,
Irving Sinclair Blunt,
Henry Meyer Robinson,
Joseph Price, jr.,
Gale Douglas Wheeler,
Paul Longstreth Hughes,
Luther Christopher Henry Beighey,
William Dudley Digges Morgan,
Warren Marsh Toomey,
Karl Lester Sneath,
Christian Wolff Seward Slagle,
Louis Franklin Edelman,
Roy Chapin Mould,
Russell Newton Copeland,
William Joseph O'Hara,
James Allyn Pentz,
Henry Anson Bates,
Willis Carl Doane,
Fred Orlando Cullar,
Raymond Edwin Daniels,
Charles John Naumilket,
George Lawrence Hart,
Carl Axel Soderstrom,
Stanley Nelson Minor,
John Lester Koch,
Jonathan Woodnutt Acton,
Allyn Ward Maxwell,
Jesse Earl Schelling,
Armour McKibben Willson,
Leslie Thompson McKinnon,
Gerry White Cox,
George Clarence Wrentmore,
Ervin Chester Latta,
Reginald Gustavus Seger,
Frank Raymond Strayer,
Leonard Patrick Kane,
Raymond Francis Tillman,
Elie Augustus Frederick La Vallette,
Harrison Cassel Pugh,
Henry Clay Hunt,
James Kenneth Eisaman,
Cleophas George Harris,
Asher Atkinson Howell,
George Wood Merritt,
William Henry Jones,
Lawrence Cornelius McEnerney,

Carroll Ross Stearns,
John Pierce Bretherton, and
Ellwood Lorenzo Houtz.

The following-named second lieutenants to be first lieutenants in the Marine Corps, for temporary service:

David L. Ford and
Josephus Daniels, jr.

Second Lieut. David L. Ford to be a second lieutenant in the Marine Corps, for temporary service.

Second Lieut. Josephus Daniels, jr., to be a second lieutenant in the Marine Corps, for temporary service.

POSTMASTERS.

SOUTH DAKOTA.

Frank Dennerly, McLaughlin.
Charles H. Peckham, Alexandria.
Patrick J. Donohue, Bonesteel.
Thomas McAllen, Bristol.
Lloyd L. Truesdell, Burke.
George C. H. Kostboth, Canastota.
Frank P. Gannaway, Chamberlain.
F. Bonifice Boyle, Corsica.
Patrick Holland, Fort Pierre.
Sigurd E. Olsen, Frederick.
William S. Small, Gettysburg.
Harry Donovan, Hecla.
Charles S. Eastman, Hot Springs.
Nels C. Andrews, Irene.
Frank C. Fisher, Lead.
Frank Junge, Leola.
Matthew F. Ryan, Mobridge.
Charles P. Dahlen, Oldham.
Stephen Donahoe, Sioux Falls.
Albert P. Monell, Stickney.
William Galvin, Sturgis.
Ephraim W. Babb, Wakonda.
George W. Turley, Willow Lake.
Mathew F. Cummins, Wilmot.
Martin K. Nolan, Winner.
Mark M. Bennett, Yankton.
Marshall Coffman, Dallas.
Edward J. Engler, Ipswich.
Mary M. Cullen, Reliance.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *September 11, 1918.*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore [Mr. GARRETT of Tennessee].

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Almighty Father, we approach Thee in faith and reverence, praying for Thy sustaining grace and the light of Heaven to guide these Representatives of a great people; that they may be wise in their preparations to uphold and sustain our brave boys at the front; that every means shall be provided for the speedy prosecution of the war; that militarism and autocracy may be swept from the face of the earth; that democracy may advance to the good of all Thy children, in liberty, justice, righteousness; to the glory and honor of Thy Holy Name, in Christ Jesus our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

REVENUE LEGISLATION.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863.

The question was taken.

Mr. DYER. Mr. Speaker, I ask for a division.

The SPEAKER pro tempore. The gentleman from Missouri demands a division.

The House divided; and there were—ayes 42, noes none.

So the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, the revenue bill, with Mr. SAUNDERS of Virginia in the Chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. DYER. Mr. Chairman, will the gentleman from North Carolina yield?

Mr. KITCHIN. I do.

Mr. DYER. I desire to ask the gentleman a question with reference to this bill. I, perhaps with a number of other Members, would like to know about the time the Committee of the Whole House on the state of the Union will take this bill up for reading under the five-minute rule—in other words, when general debate will cease. We want to be here. I know I myself and all Members would like to be here when this bill is taken up to be read. There is not much interest in general debate, it appears from the division just had, which shows there are some 40 Members present now, and I think that is about the average who have listened to the general debate, and I would like to get some idea as to when we will really start the consideration of this bill under the five-minute rule. I think the Members are entitled to that information, if it can be had.

Mr. KITCHIN. I think the gentleman is a bad counter; I think there are a good deal more than 40, maybe twice as many now.

Mr. DYER. I asked for a division, and the Chair counted.

Mr. KITCHIN. But a good many have come in since. I was in hopes we could finish general debate to-day, but it seems impossible, and I am pretty certain we will finish to-morrow and go into the consideration of the bill under the five-minute rule on Friday.

Mr. FORDNEY. I will say to the gentleman I have requests for six or seven hours under general debate on this side.

Mr. GILLETT. I understood the committee would take to-day, at least.

Mr. KITCHIN. No; there is only one other gentleman on our side who desires considerable time, and several will want 20 or 30 minutes.

Mr. GILLETT. The gentlemen on the committee ought to have an opportunity to discuss it.

Mr. KITCHIN. Not over three or four on our side on the committee will speak in all, and I think we can get through by 6 o'clock to-morrow; have all day to-day and all day to-morrow. I am not inclined myself, and I do not think any man on our side is, to shut off any debate. We believe it ought to be fully debated, but I hope to get through by to-morrow by adjournment. I now yield to the gentleman from Indiana [Mr. DIXON].

Mr. DIXON. Mr. Chairman, our country is now engaged in the greatest war in the history of the world.

To win this war is the fixed purpose of our Government. To help win it is the highest duty of every citizen.

Money is essential and necessary for the vigorous prosecution of the war to an early and successful termination.

The Secretary of the Treasury recommended and requested that $8,000,000,000 in taxes be raised in this fiscal year for the partial payment of the expenses of the war and of the Government during said year.

This bill is the response by Congress to that recommendation. It will yield the full amount requested, and several millions in addition. The response is not a partial fulfillment of the request, but a complete compliance with it.

Every request for money by the Government has been promptly responded to; there has been neither hesitancy nor delay, and Congress will continue to furnish all that may be requested to make certain and complete the success of our cause and the victory of our forces.

This bill provides for raising over $8,000,000,000 by taxation during this fiscal year ending June 30, 1919. The amount is enormous, but the expenses of war are great, and necessity demands the money. It is the largest tax bill ever presented to a legislative body in the history of the world, but we have a country richer in its resources and greater in its wealth than any other country. While there are no tax bills of other countries of such magnitude, so we have no other country with such resources and wealth. Our people are prepared to meet it and will pay the taxes gladly. They only ask that the taxes be equitably levied and the burden placed where they can be carried without too great an injury. Some of the taxes in this bill are large, very large, but it is believed that there is not a single American industry that can not pay the taxes and have sufficient money left to provide for extension of their business and pay good returns upon their invested capital.

Men should not expect or want to accumulate large fortunes or abnormal profits drawn from our people during this war. Men should not be allowed to profiteer, and the Government has not only the right but it is its duty to see that all profits above reasonable ones, based on equity and fairness, should either remain in the pockets of the people or be paid to the Government

in the way of taxes. Good conscience and justice demand it, and our business men and our people approve it.

Last year a $4,000,000,000 tax bill appeared large, but we are progressing, and an $8,000,000,000 tax bill receives but little unfavorable comment from those who are to pay it.

While this bill was unanimously reported, and every item received a majority vote in committee, yet there are taxes contained therein not approved by individual Members and, in fact, objectionable to some, yet, as a completed bill, will no doubt be supported by each Member. This bill was prepared after extensive hearings, conferences with Treasury officials and experts, and long and earnest consideration by the committee.

As to the proper and best method of financing the war honest and sincere men differ. The proportion to be raised by taxation and by bonds is one upon which men may sincerely differ. I think it a wiser policy to pay as we go, as far as it is possible, and without too heavy a burden on the people. After the war heavy taxes must continue to be levied, and the more we pay the expenses by bonds the greater the interest charges must be and paid for an uncertain time in the future. It would also impose upon our soldiers fighting in this war, and who are to bring us the victory, the additional burden of paying in a large measure the expenses of the war.

The committee was advised by the Secretary of the Treasury that the estimated expenses of the Government for the present fiscal year ending June 30, 1919, would be about $24,000,000,000. This amount included the usual monthly loans to our allies of $500,000,000, or $6,000,000,000 during the year. Our contract with the allies provides for the repayment of this money with interest at the rate of at least what we pay upon our bonds. This reduces our own expenses to $18,000,000,000, but the amount will be increased before the end of the year. If this amount represents our entire expenses, we will raise by taxation about 45 per cent of the entire sum.

Our war expenses are necessarily very large, but instead of being discouraged by the magnitude of the figures our people courageously and gladly respond to the demand. The plans, enormous in their magnitude, for pushing this war to an early and successful termination, have inspired the people to meet every demand made by the President, and those charged with the responsibility of carrying on this war, and mere money will not be considered in the unchangeable purpose to win it.

The resolution declaring the existence of a state of war pledged all the resources of the country to its successful termination. We voted for that resolution, and we will not hesitate to carry out its promises and pledges. Our people have not hesitated or delayed in the part they have been called upon to do, and while this bill imposes great burdens, they will be assumed with cheerfulness and fulfilled with fidelity.

The money raised by this bill will be used to equip, provide, and care for our soldiers and sailors, and will carry cheer and encouragement to them. They will know that their every need will be promptly supplied. They are brave, courageous, and valiant, and have won the love, respect, and admiration of the world by their strength and fighting qualities on the bloody battle fields of France. They are the best soldiers in the world. They are the best fed, best clothed, best equipped, and best cared for soldiers in the war, and this bill will give them ample assurance that those conditions are to continue and that their wants and needs are uppermost in the thoughts of the people back home.

They are making the real sacrifices of the war, giving their lives for their country—the supreme sacrifice. How small indeed is the sacrifice we are laying upon the people when we seek only money, and that, too, from those who are able to pay. We are taking only from the earnings and profits of business, and leaving the capital and a reasonable profit intact. How many mothers and fathers of the boys over there would cheerfully give all their property for the absolute certainty that their son would return in safety, strong and loving as he left them a short time ago.

We believe the profits of those who are piling up dollars by reason of the war should first be reached before we invade the small earnings of those less able to pay. We have gone on the theory that the great mass of the people with small earnings should not be called upon in large numbers until those who have made abnormal profits have contributed a fair proportion of what they have made. Those who have profited financially by reason of this war must make liberal contribution under this bill, but justice and equity demand it, and the people will approve it.

This bill will take, through the individual income tax, from their incomes and earnings $1,482,186,000 during this fiscal year. It provides for liberal credits, and gives an exemption of $2,000 to a married man and $1,000 to a single man, with an additional $200 exemption for each dependent. The rate upon incomes of $4,000 and under is but 6 per cent, and these taxes will be paid by a very large number; the amount of taxes in the aggregate will be large, yet comparatively small in each individual case. Above this amount the normal tax is 12 per cent, and the supertaxes begin at $5,000.

The following table shows the income tax levied under existing law and levied under the proposed bill for specified incomes of married persons without dependents and without dividends from corporations or interest from tax-free securities:

Incomes.	Tax under—		Per cent of tax to net income.	
	Existing law.	Proposed bill.	Existing law (per cent).	Proposed bill (per cent).
$2,500	$10	$30	0.40	1.20
$3,000	20	60	.67	2.00
$3,500	30	90	.86	2.57
$4,000	40	120	1.00	3.00
$4,500	60	150	1.33	3.33
$5,000	80	180	1.60	3.60
$5,500	105	220	1.91	4.00
$6,000	130	260	2.16	4.33
$6,500	155	330	2.38	5.03
$7,000	180	400	2.57	5.71
$7,500	205	470	2.73	6.27
$8,000	235	545	2.93	6.81
$8,500	265	620	3.12	7.29
$9,000	295	695	3.28	7.72
$9,500	325	770	3.42	8.11
$10,000	355	845	3.55	8.45
$12,500	530	1,320	4.24	10.56
$15,000	730	1,795	4.87	11.97
$20,000	1,180	2,895	5.90	14.48
$25,000	1,780	4,245	7.12	16.98
$30,000	2,380	5,595	7.93	18.65
$35,000	2,980	7,195	8.51	20.53
$40,000	3,580	8,795	8.95	21.99
$45,000	4,380	10,645	9.73	23.65
$50,000	5,180	12,495	10.36	24.99
$55,000	5,980	14,695	10.87	26.72
$60,000	6,780	16,895	11.30	28.16
$70,000	8,880	21,895	12.69	31.28
$80,000	10,980	27,295	13.72	34.12
$100,000	16,180	39,095	16.18	39.10
$150,000	31,680	70,095	21.12	46.73
$200,000	49,180	101,095	24.59	50.55
$300,000	92,680	165,095	30.89	55.03
$500,000	192,680	297,095	38.54	59.42
$1,000,000	475,180	647,095	47.52	64.71
$5,000,000	3,140,180	3,527,095	62.80	70.54

The following table shows the supertax levied under existing law and the proposed bill:

Incomes.	Surtax rates under—	
	Existing law (per cent).	Proposed bill (per cent).
$5,000–$7,500	1	2
$7,500–$10,000	2	3
$10,000–$12,500	3	7
$12,500–$15,000	4	7
$15,000–$20,000	5	10
$20,000–$30,000	8	15
$30,000–$40,000	8	20
$40,000–$50,000	12	25
$50,000–$60,000	12	32
$60,000–$70,000	17	38
$70,000–$80,000	17	42
$80,000–$90,000	22	46
$90,000–$100,000	22	48
$100,000–$150,000	27	50
$150,000–$200,000	31	50
$200,000–$250,000	37	52
$250,000–$300,000	42	52
$300,000–$500,000	46	54
$500,000–$750,000	50	58
$750,000–$1,000,000	55	58
$1,000,000–$1,500,000	61	60
$1,500,000–$2,000,000	62	60
$2,000,000–$5,000,000	63	60
Over $5,000,000	63	65

The Treasury Department estimates that in 1917 there were about 615,000 individuals with an income above $4,000 per annum and 2,440,000 with taxable incomes of $4,000 or less.

The total taxable income was $7,400,000,000 and of income subject to normal tax, $4,700,000,000. It is estimated that the individual normal income tax will yield $414,000,000 and the surtaxes $1,068,186,000, making the total individual income tax $1,482,186,000. This will allow the individuals paying said

taxes the sum of $5,917,814,000, or nearly 75 per cent of their total taxable incomes. This tax is taken entirely from incomes and the burden in paid in proportion to the incomes and the individual's ability to pay. In the calendar year ending December 31, 1916, personal returns in the number of 437,036 were filed, showing an aggregate income of $6,298,577,620. The income tax amounted to $173,386,694. More than one-fourth of the total net income reported was returned by persons with incomes of from $3,000 to $10,000, nearly one-half by those with incomes from $3,000 to $30,000, and more than three-fourths with incomes less than $150,000. While 98½ per cent of the returns filed showed incomes less than $100,000, the 1½ per cent showing incomes of $100,000 and over represented nearly one-third of the total net incomes and nearly three-fourths of the total tax. This bill does not impose an income tax on partnerships, but provides that each partner will pay his income tax upon his share of the profits of the partnership, whether the same are distributed or not.

This bill provides that more than one-half of its total of $8,000,000,000 will be in taxes from the earnings and profits of corporations. These corporations are allowed reasonable profits and liberal deductions before the taxes are imposed upon the net income. They deduct all the ordinary and necessary expenses in carrying on the business, including reasonable salaries for personal services actually rendered, rental, and all other necessary expenses; all interest paid or accrued within the taxable year on its indebtedness; taxes, except income taxes and war or excess-profits taxes, paid or accrued within taxable year; losses sustained and charged off, worthless debts, dividends from other corporations, allowances for wear and tear of property, amortization in case of buildings, machinery, or other factories constructed for the production of articles contributing to the prosecution of the present war, special deductions for mines, oil and gas wells. Then certain credits are allowed before the corporation tax is levied: Amount of interest upon bonds or obligations of the Government, or any State, Territory, or political subdivision, which is included in their gross income, also the amount of any war profit or excess-profit taxes, and in addition $2,000.

Under the act of 1916 the corporation tax was 2 per cent upon the net income, with no allowance for deduction of dividends received from another corporation. The act of 1917 levied an addditional tax of 4 per cent on corporations, but allowed a corporation to deduct amount of dividehd received from other corporations. This bill allows similar deductions to the law of 1917 and levies a tax of 18 per cent upon the net income after allowance for credits and deductions, and provides the tax shall be 12 per cent upon that portion of said net income that does not exceed the sum paid in dividends during the taxable year, and in addition the amount paid during the taxable year out of the earnings and profits in discharge of bonds and other interest-paying obligations outstanding prior to the beginning of such year. It is estimated from this corporation tax the Government will receive $894,000,000.

In addition to the corporation income tax, this bill provides for an excess-profits tax or a war-profits tax. Each corporation subject to its provisions must file a return which will show the amount of taxes it would be liable to pay under each method of calculation, and must pay the tax computed according to that method which yields the highest amount of taxes. The war-profit method provides for a tax of 80 per cent upon the amount of the net income in excess of the average net income for the prewar years 1911, 1912, and 1913 and a credit of $3,000. In case the average net income of a corporation for the prewar years was less than 10 per cent of its invested capital, a corporation will be allowed to deduct from its net income an amount equal to 10 per cent of its invested capital, plus $3,000, before applying the 80 per cent rate.

In cases where this method of calculation is used and the taxes to be paid are less than when calculated under the excess-profit method, the latter method is used, and the taxes are to be paid under its provisions. The method of determining the taxes under the excess profits is as follows: A credit of $3,000 plus 8 per cent of the invested capital of the corporation for the taxable year is allowed. This amount is to be deducted from the net profits, and the tax will be computed on the following basis: Thirty-five per cent of the amount of the net income in excess of the excess-profit credits and not in excess of 15 per cent of such invested capital for the taxable year; 50 per cent of the amount of the net income in excess of 15 per cent of the invested capital and not in excess of 20 per cent of the invested capital; and 70 per cent of the amount of the net income in excess of 20 per cent of such capital. The corporate net income from 1909 to 1918 is as follows:

Corporate net income, 1909 to 1918.

Year.	Net income.
1909	$3,500,000,000
1910	3,761,000,000
1911	3,593,000,000
1912	4,151,000,000
1913	4,714,000,000
1914	3,940,000,000
1915	5,310,000,000
1916	8,765,900,000
1917 (estimated)	10,500,000,000
1918 (estimated)	10,000,000,000

It is estimated that the revenue from the excess-profits and war-profits taxes for 1918 will be $3,200,000,000 and from income taxes on corporations $894,000,000, in all $4,094,000,000. This will leave in the treasury of said corporations after payment of taxes $5,906,000,000. This amount is larger than the total net incomes of corporations for either 1914 or 1915 or any year prior thereto. In other words, after the payment of these taxes proposed in this bill the corporations will have larger profits than any year from 1909 to 1915, inclusive.

While the taxes are large, very large, yet the corporations will pay these out of profits, after allowing most liberal deductions and credits, and when paid will have $1,966,000,000 more than their total income in 1914 and $596,000,000 more than they made in 1915, when their profits were abnormally high by reason of the war. They will retain about 59 per cent of their net profits after all salaries and expenses, including income, excess-profits, or war-profits taxes.

There have been a number of changes in the provisions of the estate tax for the purpose of simplification and clearness, and the rates have been increased 50 per cent to estates of $8,000,000 and under and slightly above that per cent for larger estates.

The rates on transportation of freight and express have not been changed nor have the rates upon the transportation of persons. The rates on telegraph and telephone messages have been changed. Under the present law a tax of 5 cents is levied upon messages where the charge is 15 cents or more. Under this bill messages where the charges are more than 14 cents and not more than 50 cents are taxed 5 cents. Where the charges are more than 50 cents the tax is 10 cents.

The tax on beverages has been greatly increased; on distilled spirits for beverage purposes from $3.20 to $8 per gallon and on spirits for other purposes the present rates are doubled. The rates on beer and wines were doubled.

For the purpose of securing a larger revenue from soft drinks there is imposed a tax of 30 per cent upon the manufacturer's price of cereal beverages and 20 per cent upon the manufacturer's price of other soft drinks. Under the proposed bill a tax of 2 cents for each 10 cents of the selling price will be imposed upon soft drinks mixed at the place of retail sale and upon ice-cream sodas and other similar articles of food. Upon sales amounting to 7 cents or less the tax is 1 cent. It is estimated that from beverages alone the taxes will yield $1,137,600,000.

The taxes upon tobacco, cigars, and cigarettes have been doubled in some cases and increased in all cases, and it is estimated that from these sources the Government will receive in taxes $341,204,000, an increase of about $130,000,000 over existing law.

The tax on admissions and dues have been doubled and the estimated revenue increased from $50,000,000 to $100,000,000.

The excise taxes proposed in this bill are levied upon articles that are either luxuries in themselves or become a luxury in the opinion of the committee when bought at more than the fixed price named in the bill. There is necessarily a difference of opinion as to many of these articles. What is a luxury to one person may be regarded as a necessity to another. These selections were made for the purpose of revenue, and when applied to articles selling above the fixed price it is the opinion that the tax will have a tendency to curtail purchases and reduce extravagance. Many of the articles enumerated under excise taxes are of absolute necessity, yet as the tax upon those articles only applies to the prices in excess of the reasonably high figures proposed in the bill it is not believed that the great mass of the people will be affected by the tax. Those who will be called upon to pay will be those who can afford to pay. Most of us buy these articles for amounts less than the exempted figures.

In addition to the excise taxes, there are a number of special taxes levied in this bill simply for revenue purposes. The money is needed, and the people who are called upon to pay it can well afford to contribute to their Government from their

profits. Many new items are incorporated in this bill. These special taxes, it is estimated, will yield the Government about $165,000,000.

The stamp taxes provided for in this bill simply reenact the existing law, the rates remaining the same except as to playing cards, and these rates were fixed at what was estimated to be the largest revenue-producing rate, the money to be collected therefrom being alone considered in fixing the rate.

One of the most important provisions of the bill was the creation of an advisory tax board, to consist of five members, appointed by the President, confirmed by the Senate, and the tenure of office fixed to terminate one year after the termination of the war. This will provide a means whereby any taxpayer can have his individual case submitted to this board upon any question relating to the interpretation or administration of the internal-revenue laws, and this board will report its findings and recommendations to the Secretary of the Treasury or the Commissioner of Internal Revenue. This provision will give to the business man an opportunity to present his case in full to a board clothed with authority to report its findings and recommendations, and no doubt the recommendations will be approved. This will assure business men of a hearing and that justice and equity will be applied in their cases where appeal to this board is made. These are the main features of this bill. Many administrative provisions have been inserted, some changing existing and many being new provisions, but all intended to simplify the administration of the law. This bill seeks to correct the inequity in the operation of the present law, repeals most of the revenue acts of 1916 and 1917, and incorporates most of their provisions therein. The administration features make the collection of the taxes simple and easy.

This law, made necessary by reason of the war, would not be enacted in times of peace. It is, in fact, a war measure, and with peace will come the repeal of many of its provisions and modification and radical changes in those that remain in the law.

Revenue receipts during the fiscal year 1918 and estimated receipts during the fiscal year 1919 under existing law and under the proposed bill.

	Revenue receipts.		
	Fiscal year 1918.	Fiscal year 1919 under existing law (estimated).	For 12-month period under proposed bill.
Income tax:			
Individual	[1] $930,000,000	$930,000,000	$1,482,186,000
Corporation	[1] 528,500,000	528,500,000	894,000,000
Excess-profits tax	[1] 1,791,000,000	1,791,000,000	3,200,000,000
Estate tax	47,453,000	75,000,000	110,000,000
Transportation:			
Freight	30,000,000	75,000,000	75,000,000
Express	6,459,000	20,000,000	20,000,000
Persons	24,306,000	60,000,000	60,000,000
Oil by pipe lines	1,453,000	3,500,000	4,550,000
Seats and berths	2,237,000	5,000,000	5,000,000
Telegraph and telephone	6,299,000	14,000,000	16,000,000
Insurance	6,492,000	12,000,000	12,000,000
Admission	26,357,000	50,000,000	100,000,000
Club dues	2,259,000	4,500,000	9,000.000
Excise taxes:			
Automobiles, etc	23,981,000	41,000,000	123,750,000
Jewelry, sporting goods, etc	13,000,000	35,000,000	80,000,000
Other taxes on luxuries, at 10 per cent			88,760,000
Other taxes on luxuries, at 20 per cent			184,795,000
Gasoline			40,000,000
Yachts and pleasure boats			1,000,000
Beverages	300,000,000	500,000,000	1,137,600,000
Stamp taxes	18,815,000	32,000,000	32,000,000
Tobacco:			
Cigars	30,909,000	41,700,000	61,364,000
Cigarettes	66,000,000	100,000,000	165,240,000
Tobacco	48,000,000	63,700,000	104,000,000
Snuff, etc	10,000,000	6,000,000	9,100,000
Papers and tubes	325,000	750,000	1,500,000
Special taxes:			
Capital stock	24,996 000	25,000,000	70,000,000
Brokers	333,000	850,000	1,765 000
Theaters, etc	865,000	1,070,000	2,143,000
Mail order sales			5,000,000
Bowling alleys, billiard and pool tables	1,086,000	1,100,000	2,200,000
Shooting galleries			400,000
Riding academies			50,000
Business license tax			10,000,000
Manufacturers of tobacco	538,000	37,000	69,000
Manufacturers of cigars		440,000	850,000
Manufacturers of cigarettes		120,000	240,000
Use of automobiles and motorcycles			72,930,000
Total	3,941,663,000	4,417,267,000	8,182,492,000

[1] Assessed but not collected in 1916.

Income tax based on total individual income of (taxable)	$7,400,000,000
Corporation excess profits and income tax on net income of	10,000,000,000

Mr. FORDNEY. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. SLOAN].

Mr. SLOAN. Mr. Chairman, I desire to ask leave to revise and extend my remarks.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. SLOAN. Mr. Chairman, I ask this leave at this time for the reason that I have no formal address prepared to present to the membership of this House. I expect, as do the other members of the Ways and Means Committee, when this bill is finally considered, to vote for its passage. I shall vote for it as a completed war measure, as I have voted for every completed war measure presented since the declaration of war.

Three months the Ways and Means Committee, during the heated season, labored in the production of this stupendous measure. There were those who likened their labors to the mountain in travail. But there were none hardy enough to suggest that out of that great travail of the mountain a mouse was brought forth. There may be those, and probably are, who claim that a monster was produced. But it is not of such frightful mien but that we can accept it. It is a measure somewhat in harmony with the events and conditions of the world. This is a day and age when we talk of men numbered in millions. We talk of money counted in billions. Races are at war and continents contend. The underseas have become the lair of the enemy, while the domain of the eagle has become the battle field of the world. So the bill we present, large in its terms and perhaps grievous in its burdens, is in entire harmony with the progressive movements of the world in this its most critical epoch.

I shall not hold you long, for the reason that the bill and its many features have been well explained and ably discussed. I shall devote myself to but a few features which appeal to me. The speech of the minority ranking member [Mr. FORDNEY] opened with an American poem inspiring to all of us. It depicts a son, whom the writer called "Bill," typifying the American soldier as a unit of America's fighting force. The unit of America's fighting force is now the effective significant unit of the fighting force of the world.

He spoke of him as "Our Bill." This great measure, laying its stupendous burden upon the people, is to provide for "Our Bill" that "Our Bill" may do the other "Bill." It is a mighty, golden sword placed in the hands of "Our Bill" with which to slay that worse than dragon, the other Bill. [Applause.]

Two serious breaks have occurred over on the western front recently. One was a break of the Hindenburg line, inspired by "Our Bill." The other was led by the other Bill, a break for the banks of the Rhine [applause], all inspired by "Our Bill." And the Teuton monarch is being followed, mind you, by the Teuton hordes toward safety beyond the Rhine. Speed to the pursued, but greater speed to the pursuer. [Applause.] Because just in that kind of a situation we find an opportunity for the slaughter or the capture of an army, which is necessary before there will be a decision in this war. We are wagering the amount of this bill on "Our Bill" beating the Hun Bill, and I do not believe the Reichstag will cover it.

Now, then, this bill which we have for consideration might be taken up in a great deal of detail. For two days the eloquent, witty, logical—sometimes—chairman discussed the measure which is partly the product of his creative brain. I thought, after listening to him for those two days, and recalling that one of the bases for the production of revenue was talking machines, that this would lead me to approve the tax in this bill on talking machines.

Mr. MOORE of Pennsylvania. Mr. Chairman——

The CHAIRMAN. Will the gentleman from Nebraska yield to the gentleman from Pennsylvania?

Mr. SLOAN. I yield to the genial gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. I am very sorry the gentleman has given this trend to his remarks, because we have very high authority for the statement at this time "politics is adjourned."

Mr. SLOAN. Yes. I, too, thought that politics was adjourned. I think it is adjourned up here on the Capitoline hill, but not so on the Palatine. They are as active over on Palatine as they were since 1913, and that is strong tribute for political activity.

Mr. MOORE of Pennsylvania. The gentleman was dragging the gentleman from North Carolina [Mr. KITCHIN] into politics. That is what I objected to.

Mr. SLOAN. I was about to prophesy that, in a measure, he would be dragged out of politics. I assume the gentleman's objections are purely Pickwickian.

I shall confine myself largely to two features of the bill, both of which are features of absence and exclusion rather than features present. I refer first especially to the fact that there is no impost duty levied in this measure.

I can not understand what degree of prejudice, because I can attribute it to nothing else, led to this feature of a revenue measure being omitted, unless we are to look over our glorious past, in every war that we have had, and the mighty men who controlled our financial affairs, and condemn them as proceeding without political wisdom and without financial acumen. During every war that America has waged up to this time a substantial part of our revenues has been from collections at our ports. This is the first war, as it is the mightiest, when we find import duties practically neglected. Of course, we have the Underwood tariff law, which produces a beggarly amount of money. Did you ever think that during the course of this war that of the many slackers within our borders the Underwood tariff bill stands indicted as the worst slacker in America, considering the functions that it was supposed to perform? Last year our tariff law, known as the Underwood tariff law, produced only $179,000,000. That was a law said to be for the production of revenue, but it never had any such function. It was simply a legislative device for the suppression of revenue, an aid to the foreigner, and encouragement of the issuance of bonds in time of peace as well as war. [Applause on the Republican side.]

We financed the war of 1812 by revenues consisting of 92 per cent collected at the ports and the internal revenues of three one-hundredths of 1 per cent. Yet up to this time I never heard anybody complain of the financial management of those in authority during 1812, 1813, and 1814.

In the Mexican War—and we remember who were in power at that time—we collected at the ports 89 per cent of all our revenues and in internal revenue fifteen one-hundredths of 1 per cent. Up to this time the financial management of that war I have never heard condemned. No political convention condemned the system of financial management of the affairs of state during our war with Mexico.

During our own Civil War—the mightiest struggle in the world up to the one in which we are now engaged—of the revenues collected 61 per cent were collected at the ports, 31 per cent internal revenue, and the remaining portion, of course, being from public lands, and so on. And yet we look back with approval of the financial management of this Nation during the Civil War. In fact, it was the amount of money, the gold or its equivalent, collected at the ports that gave such stability as we had to our financial and monetary conditions in that eventful period of American history.

In 1898, during the Spanish-American War, the revenues collected at the ports amounted to 36 per cent of all the revenues collected during that famous struggle. But now, engaged in a great war, when theoretically a tariff for revenue would have been given its greatest opportunity, we are to collect at the ports this coming year, assuming that the collections will be equal to the past fiscal year, 2½ per cent of our national revenues. I call your attention to the relative percentages of duties collected on all goods during former wars. For instance, during the Civil War, four years, the average duty on all goods shipped into this country amounted to 31 per cent. In the Spanish-American War the average duty on all—and that includes the dutiable and those that came in free—was 27.13 per cent. But for the year 1918 the average rate paid at our ports upon all goods imported, free and dutiable, amounted to 6.28 per cent. And yet this year past we had the largest importations of foreign goods in all the history of the Republic, amounting in value, in round figures, to $2,946,000,000. We did not find the burden of the tariff during the Civil War grievous. If we had applied the average rates during the Civil War upon the goods that have just been shipped into this country, we would have collected $900,000,000 instead of $179,000,000, so that there has been loss to the American Treasury through the inexcusable prejudice of those in power of $721,000,000. We find considerable fault, and justly, that an administration that handled the aeroplane fund with such misfortune—to call it nothing baser; with such lack of wisdom and prudence, to call it nothing worse—should have recommended that the House of Representatives and the coordinate body sit quietly by here in America and, in the interest of the foreigner, against the best interests of the American people, and to the prejudice of the Treasury, which needed the money, collected only $179,000,000 duties when we should have collected more than $900,000,000.

It was said by the chairman that that would place a tax upon the consumers of this country. That would seem quite an argument against many tariff planks we used to read in a great many presidential platforms. But in this case it is not correct. Who thinks for one moment that a tariff, whether it is a protective tariff or a tariff for revenue only, now collected at the ports, finds it way, in nearly all cases, to the consumer? Prices of articles sold now are not measured by items of cost such as the tariff collected at the ports. Prices are fixed now in the purchase and sale of articles largely upon the necessities of the purchaser and the opportunity of the seller. Who for one moment thinks that the hotel man here, with the prices he exacts, considers for one moment any duty he might have paid upon any importation or upon any article in competition with any imported article? No more does he think of it than did two men with whom I had a recent experience. Coming from New York to Washington, I had two mishaps, pretty nearly the same. I stopped at the wayside garages to have them adjusted. In the case of the first it was adjusted, and the price was $1.30. Fifty miles farther on a similar mishap to the twin part of the machine occurred, entailing the same amount of work, and the charge there was $5.50. It was not a question of figuring costs. Men do not figure those matters entirely on items of cost. They embrace the opportunity, based upon the necessity of the purchaser and the opportunity of the seller. So that we, with all our machinery for the collection of duties at the ports, are simply collecting $179,000,000 when we should collect $900,000,000. We lose $720,000,000 on this basis.

Before the committee—and I violate no confidence, of course, in speaking of such matters in general terms—the discussion was all revenue. The chairman said something about the matter of protection. Protection was not mooted, so far as I knew. Revenue collected at the ports was urged. We did not propose at this time to cast our protective pearls before the members of an adverse Ways and Means Committee, but we did insist upon raising revenues. We did that because we thought of America first and Americans first, and not in the interest of the foreign laborer, the foreign producer, or anyone outside of the United States.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield there for a question on that subject?

Mr. SLOAN. I shall be pleased to.

Mr. SMITH of Michigan. I understood the gentleman's statement was that we now raise 6 per cent, on the average, upon imports.

Mr. SLOAN. Six and twenty-eight one-hundredths per cent for the last year.

Mr. SMITH of Michigan. And under the duty of the Payne bill we would raise $900,000,000?

Mr. SLOAN. No; that was during the Civil War. That would be 31 per cent, which was the average rate upon all importations, free and dutiable, during the Civil War.

Mr. SMITH of Michigan. How much did the gentleman reckon the rate would be to raise the amount he suggested—$900,000,000 upon imports?

Mr. SLOAN. Now?

Mr. SMITH of Michigan. Yes.

Mr. SLOAN. Thirty-one per cent. That is, if we were to adopt the average rate which was in force during the Civil War we would raise now instead of $179,000,000 over $900,000,000.

Mr. SMITH of Michigan. Well, in spreading that rate of 31 per cent over articles that might be imported, it would add a very small amount, would it not, to the price of the articles if it were added?

Mr. SLOAN. If it were added it would amount to very little, and would probably, in nearly all the cases, have no account taken of it. It is a free gift that we are making to the world now, whereas we should bring the money into the Treasury.

Mr. SMITH of Michigan. In the case of shoes, to give a concrete example, as I understand it, hides came in free and shoes have increased in price from two to three times. Can the gentleman tell us what is the cause of such an increase as that?

Mr. SLOAN. I can. I think I have given it twice. That is, they have fixed the price not upon the cost of production, but they have fixed it largely upon the necessity of the purchaser and the opportunity of the seller.

Mr. SMITH of Michigan. Arbitrarily?

Mr. SLOAN. Arbitrarily during these war times. There never was such a time or such an opportunity for a tariff for revenue only to work out according to the theory that we have listened to now for 50 years as there is now, and yet we could not induce the members of the Ways and Means Committee to take their own political medicine.

During the Spanish War the average duty spread over the dutiable and undutiable list was 27.13 per cent. If we were to adopt the same plan now that we did then we would be saving each year $620,000,000. More than that, the average rate on all the goods imported into this country in the 20 years from 1898, after the repeal of the Wilson tariff bill, up to the present time is 24.29 per cent. If we were to adopt that and spread it over

the imports of 1918 we would have saved the people of the United States over $500,000,000.

But it was remarked in a colloquy between the chairman of the committee and the gentleman from New York [Mr. LONDON] that if we put on these duties we would be putting them on against our allies. Well, if that be true, I am sorry that the same tender consideration has not been exercised by those whom we term the allies, because Britain collected last year of its revenues 13 per cent in import duties, more than twice the rate that we collected. Over here in Canada 58 per cent of their collections are made at the ports. So that as a matter of experience in American history in all our wars and in that period of our Nation's history where at least the greatest prosperity occurred the duties collected at the ports bore the large burden of paying the expenses of the Government.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. SLOAN. I do.

Mr. SNYDER. Based on the figures that the gentleman just stated, the United States to-day is the greatest free-trade country in the world?

Mr. SLOAN. The greatest that I know anything about, because France, we know, and Germany—although, of course, it is interfered with by war—are strongly protective countries. So is Italy. Of all the civilized nations on earth the United States comes the nearest to being a free-trade Nation.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. SLOAN. Will the gentleman from Michigan yield to me 20 or 30 minutes?

Mr. FORDNEY. I yield to the gentleman 20 minutes more.

The CHAIRMAN. The gentleman from Nebraska is recognized for 20 additional minutes.

Mr. SLOAN. In the face of America's more than a century of experience in financing peace measures, as well as those of war, we practically reject the best means of financial grace that are held out to us and throw into the sea multiplied millions when we need the money.

We have had in recent years a legislative and executive iconoclasm which finds expression in the aphorism, "Whatever is is wrong." A careful inventory of our last five years of legislation will amaze Americans on the extent to which the foregoing policy has been followed. On some other occasion I shall go into details; but for the purpose here it is sufficient to allude to the complete reversal of all the policies proven in a century and a third to be sound and the adoption of policies which, however glittering and seductive, carry much danger to the welfare and even life of the Republic.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. SLOAN. I yield to the gentleman from Illinois.

Mr. GRAHAM of Illinois. I have been unfortunate in not having heard all of the gentleman's remarks, and therefore he may have covered this matter. Has the gentleman paid any attention to the statement made by the chairman of the committee [Mr. KITCHIN] that most of the additional imports that we have had in the last two years have been articles that were free listed under both preceding tariff bills?

Mr. SLOAN. I paid considerable attention to that, but it was fully answered by the gentleman from Michigan [Mr. FORDNEY] in his elaborate discussion of that precise point. So I did not prepare and do not care to present any figures on that. I refer the gentleman to the answer to that precise question by the gentleman from Michigan [Mr. FORDNEY], which fully answers it.

Mr. GRAHAM of Illinois. Even conceding that to be true, as the chairman of the committee said, is it also true that there would have been approximately $900,000,000 taken in, even if there had been large additional imports of free-listed articles?

Mr. SLOAN. There would have been a very large amount. I desire the gentleman to understand my precise statement, that spreading the duties over all the imports as they were during the Dingley and Payne tariff régimes, it would average 24.29 per cent on all articles, free and dutiable. Assuming that we would make the same general spread now, I multiplied it and found the result as I have stated, a loss of more than $500,000,000. That $500,000,000, I will say to my friend, would go a long way now toward taking the place of that which we are going to lose by reason of prohibition. But whether we give it that place or use it elsewhere we could have collected from the foreigners these multiplied millions, and we would not have had to resort to a heavy tax on the chewing gum of the children or the soap of the family. Nor would we have been required to take advantage of dead men in order to collect taxes from their estates, taxes which distinctively belong to the States and not to the Federal Government.

The other proposition that I desire to address myself to, and the absence of which from the bill I desire to criticize, is this: It is one matter to lay a heavy taxing hand upon the American people and compel them to pay heavy tribute from that which they have or may earn. It is another and just as important—a really more important—thing to see that that money is properly expended and that criminal waste is not indulged in by those whose duty it is to expend. For that reason it has been urged in season and out of season by the minority members of the Ways and Means Committee that we ought to have a bipartisan committee on war expenditures.

I do not violate any confidence when I say that a year ago it was the will of this side of the House and the concession of the leadership of that side of the House that such a committee should be authorized and appointed. It was provided for at the other end of this Capitol. But one of those anticipatory vetoes came in. So we have no such committee. As a result of not having it we have the delectable memory of Hog Island and the aircraft fiasco. I venture to say that if such a committee had been organized, made up from both sides of this House and the Senate, the great aircraft fiasco, which is now the major tragedy and the premier scandal of the war, would never have occurred.

One serious trouble in not having such a committee during these times is, first, that all the people of the United States who contribute to these vast exactions and who bear these great burdens want to know that they are represented somewhere effectively by their friends in seeing that the money is not extravagantly disposed of. [Applause.] More than that, they want to know that hereafter when they pay taxes or when they invest otherwise in response to Government appeal, that money shall be husbanded and not wasted.

Another reason for it is personal to Members, and that is that had we such a committee it would relieve Members of this body from calling attention to important facts which are as distasteful to us as to those whom we criticize.

Mr. SNYDER. Will the gentleman yield?

Mr. SLOAN. Yes.

Mr. SNYDER. A few moments ago the gentleman stated that he thought that the prices of to-day were based upon the necessity of the consumer and the opportunity of the producer.

Mr. SLOAN. Very largely; not entirely.

Mr. SNYDER. I think that is a pretty broad statement.

Mr. SLOAN. I intended it to be so.

Mr. SNYDER. My judgment is that a vast amount of the business that is being done in this country to-day is still being done on the basis of a fair profit to each man who handles the product as it moves along from the producer to the purchaser. I do not think things have quite got into the state of affairs that the gentleman means to indicate. My statement is in defense of the large number of business men in this country who, I believe, are honest and patriotic.

Mr. SLOAN. I make no charge against the honesty or patriotism of any business man, and especially not against the gentleman, who is an excellent business man, and those whom he represents. But men make their charges largely with reference to the charges that they expect to submit to when they meet the next man, as well as the large feature of cost.

Mr. SNYDER. I can readily understand the personal experience that the gentleman had in coming over from New York in his automobile, but I do not think that is a fair comparison to apply to the great business of this country to-day.

Mr. SLOAN. Well, I am willing to leave the statement as it is modified. What I desire to call attention to is that the largest monetary asset of America now—that is, of the Treasury—is the evidences of indebtedness held by the United States against foreign countries. These do not appear in the daily report of the Treasury, although some of us think they should be scheduled there as are the other national documentary assets. This Congress authorized munificent loans to be made to those who are fighting with us against the common enemy. I voted for it. It seemed necessary and wise. This applies not only to what has been done but what may be done; but it is a fact that in the history of this legislation we first authorized the establishment of credits in the sum of $3,000,000,000. The authority which I shall furnish for the RECORD is in section 2 of Public Document No. 3, Sixty-fifth Congress:

SEC. 2. That for the purpose of more effectually providing for the national security and defense and prosecuting the war by establishing credits in the United States for foreign governments, the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to purchase, at par, from such foreign governments then engaged in war with the enemies of the United States, their obligations hereafter issued, bearing the same rate of interest and containing in their essentials the same terms and conditions as those of the United States issued under authority of this act; to enter into such arrangements as may be necessary or desirable for establishing such credits and for purchasing such obligations of foreign governments and for the subsequent payment thereof before maturity, but such arrangements shall provide that if any of the bonds

of the United States issued and used for the purchase of such foreign obligations shall thereafter be converted into other bonds of the United States bearing a higher rate of interest than 3½ per cent per annum under the provisions of section 5 of this act, then and in that event the obligations of such foreign governments held by the United States shall be, by such foreign governments, converted in like manner and extent into obligations bearing the same rate of interest as the bonds of the United States issued under the provisions of section 5 of this act. For the purposes of this section there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,000,000,000, or so much thereof as may be necessary: *Provided*, That the authority granted by this section to the Secretary of the Treasury to purchase bonds from foreign governments, as aforesaid, shall cease upon the termination of the war between the United States and the Imperial German Government.

It provides for establishing credit with foreign governments; it also provides for taking bonds of the foreign countries at the same rate that we then loaned our money and under practically the same terms. No provision is made for short-time loans in this act and none were contemplated. Loans have been made, as I am advised, by the Treasury Department, September 4, 1918, of $6,337,764,750. There have been authorized $7,098,706,666. The Assistant Secretary of the Treasury makes this statement:

TREASURY DEPARTMENT,
Washington, September 4, 1918.

DEAR MR. SLOAN: Your letter of August 28 has been duly received. At the close of business September 3 credits had been established in favor of foreign governments, and cash advances made, as follows:

	Credits established.	Cash advances.
Belgium	$154,250,000	$144,030,000
Cuba	15,000,000	5,000,000
France	2,065,000,000	1,780,000,000
Great Britain	3,745,000,000	3,482,000,000
Greece	15,790,000	
Italy	760,000,000	730,000,000
Roumania	6,666,666	
Russia	325,000,000	187,729,750
Serbia	12,000,000	9,005,000
Total	7,098,706,666	6,337,764,750

The obligations received from foreign Governments are in the form of, or are held as, demand notes, carrying interest at rates not less than those borne by the respective issues of liberty bonds of the United States, and the Treasury Department receives assurances from the Department of State as to the authority of the foreign representatives to execute the obligations on behalf of their respective Governments.

Very truly, yours,

R. C. LEFFINGWELL,
Assistant Secretary of the Treasury.

Hon. CHARLES H. SLOAN,

I think it is the general understanding of the American people, and has been up to this time, that bonds for these loans have been taken. The facts are that we now hold the diplomatic notes of the various nations for that amount and have no bonds.

Mr. COOPER of Wisconsin. Will the gentleman please state those amounts again?

Mr. SLOAN. The authorization is $7,098,706,666. The actual cash advanced was $6,337,764,750, making that the largest asset of our National Treasury, nearly 50 per cent more than all the gold and silver and other valuables held in the Treasury of the United States.

I believed it was good policy then, and I believe it is good policy now, that when we take securities from other countries we demand the same formalities from those other countries that every purchaser of an American bond demands from this Government in the purchase of every American bond. There should be connected with it a statement not only of the amount but the period for which it will run, the legislative authority for which the obligation was contracted, and the funds from which payments may be made during the course of years. If we issue a bond for 30 years and invest in a foreign bond, which is entirely proper under my view, we should have a bond similar in terms as to time, amount, and rate of interest. As the report of the chairman of the Ways and Means Committee in recommending that bill which became a law on the 26th of April, 1917, said:

The bill as heretofore stated authorizes the Secretary of the Treasury, with the approval of the President, to extend credits not to exceed $3,000,000,000 to foreign governments. It authorizes the purchase with the proceeds from the sale of these bonds, by the Secretary of the Treasury, with the approval of the President, of the obligations of foreign governments bearing the same rate of interest and containing essentially the same terms and conditions as the bonds issued under authority of this act. It provides, however, that should any of the bonds of the United States issued and used for the purchase of such foreign obligations be converted into United States bonds bearing a rate of interest higher than 3½ per cent, that in that event the obligations of the foreign governments held by the United States shall be converted into obligations bearing the same rate of interest as the like bonds of the United States. It will, therefore, be observed that the $3,000,000,000 credit proposed to be extended to foreign governments will take care of itself and will not constitute an indebtedness that will have to be met by taxation in the future.

In a later enactment, which I shall supply in the RECORD, there was given the Secretary, on account of the fact that it took some time to obtain these securities, authority to take short-time notes and provided for the conversion of those short-time notes into long-time notes.

[Act of Sept. 24, 1918.]

SEC. 2. That for the purpose of more effectually providing for the national security and defense and prosecuting the war the Secretary of the Treasury, with the approval of the President, is hereby authorized, on behalf of the United States, to establish credits with the United States for any foreign governments then engaged in war with the enemies of the United States; and, to the extent of the credits so established from time to time, the Secretary of the Treasury is hereby authorized to purchase, at par, from such foreign governments, respectively, their several obligations hereafter issued, bearing such rate or rates of interest, maturing at such date or dates, not later than the bonds of the United States then last issued under the authority of this act or of such act approved April 24, 1917, and containing such terms and conditions as the Secretary of the Treasury may from time to time determine, or to make advances to or for the account of any such foreign governments and to receive such obligations at par for the amount of any such advances; but the rate or rates of interest borne by any such obligations shall not be less than the highest rate borne by any bonds of the United States which at the time of the acquisition thereof shall have been issued under authority of said act approved April 24, 1917, or of this act, and any such obligations shall contain such provisions as the Secretary of the Treasury may from time to time determine for the conversion of a proportionate part of such obligations into obligations bearing a higher rate of interest if bonds of the United States issued under authority of this act shall be converted into other bonds of the United States bearing a higher rate of interest, but the rate of interest in such foreign obligations issued upon such conversion shall not be less than the highest rate of interest borne by such bonds of the United States; and the Secretary of the Treasury, with the approval of the President, is hereby authorized to enter into such arrangements from time to time with any such foreign governments as may be necessary or desirable for establishing such credits and for the payment of such obligations of foreign governments before maturity. For the purposes of this section there is appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $4,000,000,000, and in addition thereto the unexpended balance of the appropriations made by section 2 of said act approved April 24, 1917, or so much thereof as may be necessary: *Provided*, That the authority granted by this section to the Secretary of the Treasury to establish credits for foreign governments, as aforesaid, shall cease upon the termination of the war between the United States and the Imperial German Government.

SEC. 3. That the Secretary of the Treasury is hereby authorized, from time to time, to exercise in respect to any obligations of foreign governments acquired under authority of this act or of said act approved April 24, 1917, any privilege of conversion into obligations bearing interest at a higher rate provided for in or pursuant to this act or said act approved April 24, 1917, and to convert any short-time obligations of foreign governments which may have been purchased under the authority of this act or of said act approved April 24, 1917, into long-time obligations of such foreign governments, respectively, maturing not later than the bonds of the United States then last issued under the authority of this act or of said act approved April 24, 1917, as the case may be, and in such form and terms as the Secretary of the Treasury may prescribe; but the rate or rates of interest borne by any such long-time obligations at the time of their acquisition shall not be less than the rate borne by the short-time obligations so converted into such long-time obligations; and, under such terms and conditions as he may from time to time prescribe, to receive payment, on or before maturity, of any obligations of such foreign governments acquired on behalf of the United States under authority of this act or of said act approved April 24, 1917, and, with the approval of the President, to sell any of such obligations (but not at less than the purchase price with accrued interest unless otherwise hereafter provided by law), and to apply the proceeds thereof, and any payments so received from foreign governments on account of the principal of their said obligations, to the redemption or purchase, at not more than par and accrued interest, of any bonds of the United States issued under authority of this act or of said act approved April 24, 1917; and if such bonds can not be so redeemed or purchased the Secretary of the Treasury shall redeem or purchase any other outstanding interest-bearing obligations of the United States which may at such time be subject to redemption or which can be purchased at not more than par and accrued interest.

It will be observed that the act of April 24, 1918, contemplates only the taking of bonds corresponding in terms with those the Government sold, the proceeds of which were to be loaned to the foreign Governments.

The act of September 24 authorizes in a manner constituting practically a command that the short-term loans to other countries should be converted into bonds. There were no short-term loans so authorized in the act of April 24. They were taken, however, and the excuse sufficient probably under the circumstances to meet the mechanical difficulties of completing the transfer of credits. A year and a half should be more than ample time for the purpose of completing the transaction.

In any event the $3,000,000,000 loan authorized and made under the first act should have this permanent evidence of indebtedness in the highest form of international financial paper in the possession of our Treasury. So that, as we have issued our long-term obligations for the purpose of making these loans, and will have to pay them in the future years, we should then have the foreign similar bonds with which to meet them.

As to those loans made under the act of September 24, 1918, and later, I consider the intent of the legislation was to take bonds similar in term to those we issued. I further deem it sound financial policy so to do.

I believe it is proper to say at this time that the American people will expect the conversion of these diplomatic notes and

I. O. U.'s into formal bonds, executed with due formality, backed up by the legislative authority of the borrowing nation. It is nothing more than right. It is good business, because short settlements between individuals make long friends, and short settlements undoubtedly in this new departure of business between nations will tend to make long friends. For that reason I call the attention of the House that it would undoubtedly have been an important fact for a by-partisan committee of the House and Senate to have taken cognizance of and given it attention and publicity in the country, so that the original intent of the Congress of the United States, especially as to the first three billions of foreign loans, would have long before this been carried out.

This is a large measure, the largest measure which in a financial way was ever brought before this or any other legislative body. It involves $8,000,000,000, which is equal to all the money gold of the world. It involves half of the gold produced in the world since Columbus discovered America. It involves three times the amount of silver produced in the world in the last 500 years. If we were to reduce the $8,000,000,000 to gold and then to double eagles, it would pave Pennsylvania Avenue from the Anacostia River to the Georgetown bridge. If reduced to gold and distributed along the translucent path of the heavens, it would make the Milky Way look like a golden street. The interest upon it, if we were to borrow it at the current rates, would amount to twice the amount of collections that we get from the Underwood bill in a year. It is hard to conceive the real magnitude of the bill. All that we can do is think of the necessities and the successful prosecution of the war, vote for it, and then take such steps later on, if we can not in this bill, to see to it that the $8,000,000,000 collected from the American people are not in any way wasted. [Applause.] I know no better method of making this a popular tax measure than to incorporate in it a provision for a bipartisan committee of the House and Senate with authority, not to hamper the administration but to aid it, not to interfere with the conduct of the war but to look after the great expenditures of the war. It will inspire a confidence in the American taxpayer that will be worth billions to the country.

The CHAIRMAN. The time of the gentleman from Nebraska has again expired.

Mr. LONGWORTH. Mr. Chairman, does the gentleman desire more time?

Mr. SLOAN. I would like to have 10 minutes more.

Mr. LONGWORTH. I will yield the gentleman 10 minutes more.

Mr. SLOAN. I believe no better provision could be adopted, in view of the mighty liberty-bond drive that is soon to begin, than to set aside some of our flaming posters, dispense with some of our spectacular "movie" stars, that entertained but did not reassure the public in the last drive, cancel some expensive meetings, and advertise throughout America that the Congress of the United States has determined that there shall not be any waste, has elected six of its best business Senators from both sides of that historic aisle and seven of the ablest business men who grace this great Chamber, representing both sides of this aisle, and has endowed them with authority to examine into the large expenditures of money collected by taxation and money obtained through the sale of bonds. The American people would be inspired by that pillar of security, if I may so call it, and they would buy with more freedom the fourth liberty bonds than they have purchased the first, second, or third. Confidence can best be inspired in the American people when it is known that not only are all of the American people called upon to pay, but, more than that, that all the people of America are represented among those who shall see how the money is expended.

This measure calls for sacrifice. It calls for sacrifice on the part of those who have and those who earn. Ungrudging financial tribute should not be difficult to obtain even though inequities may appear in a bill written with imperfect information, by imperfect men, using imperfect language. But the great sacrifices are not by those who pay nor by those who buy. The great sacrifices are made by the givers of men, the mothers; not by the bank presidents, by the wives; not by the railway magnates, by the sweethearts and sisters; not by the recipients of great incomes. The precious gifts in this war are the millions of the images of their Maker, moving in militant wrath over the fields of France to a decisive victory and a lasting peace. [Applause.] When their valor has made of Europe what it should be, a continent of composed nations and not an armed camp, I trust that they may return to their own country and find it as it was and in possession of all its liberties and independence, as it ever should be. [Applause.]

Mr. SMITH of Michigan. Mr. Chairman, I am authorized by the gentleman from Michigan [Mr. FORDNEY], who has charge of the time upon this side, to yield to the gentleman from Illinois [Mr. STERLING] 40 minutes.

Mr. STERLING of Illinois. Mr. Chairman, it is not my purpose to discuss the details of this bill. That has been done so thoroughly by the gentleman from North Carolina [Mr. KITCHIN] and the gentleman from Michigan [Mr. FORDNEY] and by other members of the committee that I am sure every Member who has cared to know the details of the bill has had ample opportunity to learn them. I shall content myself with a few general observations concerning some of the things in the bill and concerning some things not in the bill.

It is not strictly true for us to say this is a nonpartisan revenue bill. The general policy of the bill is the policy of the Democratic Party. It is the policy of the party in power. The President indicated to Congress that the revenues should be raised by a tax on incomes, on excess profits, and on luxuries.

The majority of the Committee on Ways and Means accepted that as the policy that should be pursued in raising this needed revenue. I think every member of the minority realized that the majority had the right under our form of government to lay down the general financial policy of the country, and in that view and in that spirit the minority members of the committee accepted the plan that is in this bill as the plan on which we would undertake to produce eight billions of revenue. But when we have passed that point I am sure that this bill is nonpartisan. I think I am safe in saying that the Republican members of the committee worked as diligently and had as much to do with arranging the details and fixing the plans of the bill under that general policy as had the Democrats, and suggestions from Republican members were given the same fair consideration by the chairman and by the committee as were the suggestions of Democratic members. Every suggestion and every idea coming from either side of the table was treated by the committee purely in a nonpartisan spirit and with the sole aim of giving to the House the best possible bill for its consideration.

I think if the Republicans had been in the majority the general policy of the bill would have been somewhat different. I have no doubt that much of this money would have been raised under a Republican administration from the very same sources that this bill raises it, but a Republican administration would have incorporated into the bill other features that would have been of vast importance to the American people and to American industry.

The Treasury Department estimated that it would be necessary to produce revenue to the amount of $24,000,000,000 for this current year and suggested that 33⅓ per cent of it be produced by taxation. There has been a great deal of discussion on the floor of the House as to just what is the fair and proper proportion of the needed war revenue that should be raised by taxation and what proportion by the sale of Government bonds.

At the last session of Congress Members were greatly concerned about apportioning the revenues properly between cash payments of the war expenses and borrowed money. We have now reached the point where we must raise all we can by both methods if Congress is to be limited to the sources of revenue laid down by the President. I agree with the gentleman from Ohio [Mr. LONGWORTH] when he stated yesterday that the rates of taxation on incomes and profits prescribed in the bill had reached the maximum. We have reached the point where if Congress should cut much deeper into the earnings of business and industry we might destroy the very sources from which we are seeking these great revenues. If Congress would go beyond the sources prescribed, and accepted by the majority, as the proper and only sources of revenue, we could raise a great deal more tax and not seriously interfere with the business of the country. If we would resort to a tariff on imports, a tariff both for protection and revenue, we could produce a great deal in addition to the $8,000,000,000 without disturbing business stability.

There is another source of revenue, which this bill scarcely touches, from which two or three billions of dollars could be realized and business go on unharmed. If we would impose a sales tax, a small sales tax of 1 per cent, on sales of every kind and character, it would produce a prodigious revenue. If the purchaser would pay to the seller, in addition to the purchase price, 1 per cent thereof, as a tax to be returned by the seller, each month or quarter to the collector of internal revenue, the income to the Government would be enormous, and the burden would always be fitted to the ability of the taxpayer to pay. Indeed, every person could in a measure regulate his own taxes. The extravagant and wasteful would pay more, the conservative and

careful person less. Everyone could, by the exercise of economy and discretion, so regulate his purchases as to save the amount of his tax, and thus the Government would realize a large amount of revenue from what is now unnecessary waste and thoughtless extravagance. I do not know how much revenue the Government would derive from such a tax.

Last year there passed through the clearing houses $320,000,000,000. No doubt a vast majority of that business represented sales; but the business that goes through the clearing house does not represent by any means nearly all the transactions that are had in the country. Many millions of cash transactions are had in the United States every year. Millions of transactions are had where checks are given that never reach the clearing house but are presented directly to the bank on which they are drawn. Many millions more are cleared through local bankers and these local transactions never appear in the large clearing houses of the great money centers of the United States. So it seems to me that it would be a very conservative estimate to say that by a tax of 1 per cent on all sales the Government would realize $3,000,000,000 every year.

Mr. LONGWORTH. Will the gentleman yield?

Mr. STERLING of Illinois. I will.

Mr. LONGWORTH. Does the gentleman estimate that there could be as much as $300,000,000,000 sales in a year?

Mr. STERLING of Illinois. I think so; I think more. I think I am conservative in my estimate, but I am free to say I base my estimate largely on clearing-house business. That means only the clearing houses between the banks in large cities. It is true all that does not represent sales, but I have no doubt that a very large per cent of it does, and add to that the sales which are paid by local checks and the cash transactions that are had throughout the country I dare say that $300,000,000,000 of sales underestimates the real facts.

It is not nearly of so much importance as some gentlemen seem to think as to whether we create a large or a small bonded debt. I think a great deal of sympathy has been wasted on the future in connection with this subject.

It is not of much importance to the future generation whether we pay all war expenses as we go along or whether we borrow money and leave some of it for the next generation to pay off. We must be careful, if we really have the interest of the future at heart, not to leave the country bankrupt when we pass it on to the next generation. If in our enthusiasm to relieve the future war debt we exhaust and destroy the business interests of the country, if we use up all of the income and all of the earnings of the country from year to year so there will be nothing to pass on to the future generation, it would be far worse for them and far more detrimental to their interests than it would to leave it as a going business, an actual earning concern, with some debt for them to pay.

Mr. LA FOLLETTE. Will the gentleman yield?

Mr. STERLING of Illinois. I will.

Mr. LA FOLLETTE. How would it be possible for us to leave the country in that condition unless the money is sent away from home and went away permanently?

Mr. STERLING of Illinois. If we tax industries more than they can stand, if we take away from the business of the country all of its income, or more, so that they can not operate, so as to leave them prostrate, we will commit an offense against the future far worse than leaving some war debts for it to pay.

Mr. LA FOLLETTE. Will the gentleman yield further?

Mr. STERLING of Illinois. Yes, sir.

Mr. LA FOLLETTE. How would it be possible for the Government to expend this money unless it went out of the country without going into the hands of the other citizens and other lines of business? In a sense it is being taken away, but it is being left in the country eventually, anyhow.

Mr. STERLING of Illinois. Well, if it is the gentleman's idea to take away from industries of the country their capital, so they can not do business, and distribute it throughout the country, we would have a prostrate country. We would have no active and important business enterprises to engage capital and employ labor, and the country would be bankrupt.

Mr. LA FOLLETTE. It is not the gentleman's idea at all. I can not see how, unless all money would leave the country, and if it is still here, how we could become bankrupt.

Mr. STERLING of Illinois. Here is my idea, if I can make it clear to the gentleman. Suppose we tax the great industries of the country—I do not care what industries they are, the steel industry, the manufacturing industries, if you please, the banking industry—and suppose we cut so deep that we take more than their earnings; suppose we take away from them their capital; suppose we take away so much that they can not make extensions to meet the expanding needs of the country, or suppose we cripple them so they can not go, then they must cease business. The shops and factories will close, the employees will be discharged, and we would pass to the future a hulk instead of a working moving ship.

Mr. SMITH of Michigan. Will the gentleman yield for a question?

Mr. STERLING of Illinois. Yes, sir.

Mr. SMITH of Michigan. The bill proposes to raise $8,000,000,000. How much of that is raised by tax on industry?

Mr. STERLING of Illinois. Well, the gentleman can see from the report just what tax is raised on all different incomes. These incomes come from industries. On the last page of the report the gentleman will find a table that gives the amount of revenue that comes from different sources.

Mr. SMITH of Michigan. I did not happen to see it here, and I did not know but that the gentleman had it in his mind.

Mr. STERLING of Illinois. Another thing about this idea of a tax on sales which seems to me important is this. The ultimate consumer would pay it, of course. He would pay every cent of tax collected in that way, just as he eventually and ultimately will pay the tax that is levied on the incomes of the rich and on war profits. Only under a sales tax he will pay it a little more directly. He will see and know just where and how he pays it. If it increases his cost of living he will know why and how much, and the dishonest salesman could not add more than the tax under false pretenses. If a year ago, when we passed the revenue law, any of us entertained the idea that the income and excess-profits tax would not be passed on to the consumer that delusion has now been dispelled. Do we not know when we pay twice as much for a pair of shoes as we did two or three years ago that we are paying the tax of the manufacturer? When we buy a suit of clothes at a greatly increased price, do we not know that we are paying the income tax of the maker of those clothes? When we pay these greatly increased prices on everything, on necessities and luxuries alike, we are paying the war revenue imposed in the present law, and we will pay that which is imposed in this law. It is better, in my judgment, that the consumer be permitted to pay directly, so that he may know and measure his burden and the sacrifice he is making for the winning of the war.

There was one statement made by the gentleman from North Carolina [Mr. KITCHIN] to which I wish to call the attention of the committee.

He said that he had seen it stated that if the Payne-Aldrich law was now in force it would produce between $500,000,000 and $600,000,000, and proceeded to disprove that statement. Now, I think the gentleman must have been mistaken as to what he read. I do not know that anyone pretends that the Payne-Aldrich law, if it was in force now, would produce between $500,000,000 and $600,000,000. But this statement has been made frequently, that if the same average rates on imports were now in force that were in force under the Payne-Aldrich bill, they would produce between $500,000,000 and $600,000,000. And that is easily demonstrated.

The average rate on all imports collected at our ports of entry under that bill was a fraction more than 18 per cent. The average rate collected now on all imports is only 6 per cent. Last year we imported $3,000,000,000 worth of goods on which we imposed a tax, and that produced $180,000,000. This Underwood tariff bill produced $180,000,000 at a 6 per cent average rate on all imports, and at 18 per cent it would produce three times that much, or $540,000,000. So that if the average rates of the Payne-Aldrich bill were now in force we would be receiving at the ports of entry revenues for war purposes to an amount of between $500,000,000 and $600,000,000.

As the gentleman from Nebraska [Mr. SLOAN] said, we have become absolutely the free-trade Nation of the world. Last year England collected import duties amounting to $8 per capita for every one of its citizens and we collected $2 per capita. England has again increased her import duties, and during the current year will collect $10.25 per capita, and we will collect $1.68 per capita. If we would impose on imports coming into this country a rate that would produce revenues to the amount of $10.25 for every person in the United States, we would produce $1,127,000,000.

Now, I am insisting that it is of very great importance at the present time that we have a protective tariff. It may not be very effective for the immediate present, while the war is on, but the industries of the country are entitled to know now what their fate is to be when the war closes. They are entitled to know whether their Government will protect them or whether they will be exposed to the ruinous and destructive influences of the Underwood law.

England, France, Italy, all the allied countries, have their eye on the future, and are preparing to raise their rates on imports that they may rehabilitate and build anew their industries after the war closes. The commercial bodies of England and France are passing resolutions and demanding at the

hands of their legislatures laws to that end. But there comes to us from the head of this administration a demand that when this war closes all economic barriers shall be swept away. Shall we open our markets to the world when the world is closing her markets to us? We ought to give assurances now to American capital and American labor that they will be given at least an even chance in our own American markets when the protection afforded by war conditions has disappeared at the coming of peace. It is our duty to look ahead. We ought to prepare now for the great readjustment.

The people ought to realize that policies are being reversed, that European countries are adopting protection, and America is adopting free trade. For 50 years we enjoyed the blessings of a Republican protective tariff. The country grew rich and prospered. We vastly raised the standard of American living. The people were better fed, better clothed, better sheltered, and better educated than those of European countries. We have produced an army of the strongest, bravest men the world has ever known. It pays a nation to protect its citizens in time of peace. They will protect it in time of war.

I submit, when we have changed policies, when Europe has adopted protection for European capital and European labor, and we have adopted the policy of free trade—when these policies are reversed, then conditions will be reversed, and the American standard of living will be reduced and the European standard will be exalted. I do not believe the American people will close their eyes to the fact that this administration is leading us in that direction. [Applause on the Republican side.]

I desire to call attention to another thing: There has been much said on the floor at this session and at the last session about certain sections of the country paying an undue proportion of these taxes. New York, Pennsylvania, and Illinois pay more than one-half and 10 States pay four-fifths of the revenue produced from incomes and excess profits. That is an interesting economic fact, but it is not an argument for nor against the legislation. Taxes must be levied on wealth, not on persons. They must be imposed according to property, not according to area. Much of the wealth of the country centers in the great cities around and in which great manufacturing and commercial enterprises have gathered. Large income and excess-profits taxes will never be derived from agricultural sections. We need not expect it. Profits from agriculture are not great. The farmer is a producer of raw material, and he who produces raw material never becomes extremely rich. The nation that confines itself to the production of raw material is always a poor nation. The great profits are made in manufacture and trade, and in those centers these taxes must be had in the first instance. New York, Pennsylvania, and Illinois should not regret, but should rejoice in the fact that they possess the great wealth from which the revenue is derived. Their burden is no greater to them than the burden of Iowa, Alabama, and Texas is to them.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes, sir.

Mr. MOORE of Pennsylvania. Does not the gentleman take issue with the President of the United States in that statement, considering the message the President delivered in this House on May 24, when he indicated that the present laws were susceptible of injustice and inequality, that they were marred by these inequalities, which should be remedied?

Mr. STERLING of Illinois. Well, if the gentleman from Pennsylvania construes the message of the President to mean that it was an inequality because New York and Pennsylvania and Illinois paid more tax than other States, he wholly misconstrues the meaning of the President's message.

Mr. MOORE of Pennsylvania. Well, I construed the meaning of the President's message to be that the taxes should be equitably distributed throughout the country. I would like to read that portion of the President's message. It will take but a minutes—that portion with which the gentleman from Illinois takes issue. Referring to the people generally, the President said:

> They know that the war must be paid for, and that it is they who must pay for it; and if the burden is justly distributed and the sacrifice made a common sacrifice from which none escapes who can bear it at all, they will carry it cheerfully and with a sort of solemn pride.

Now, in the address that I made day before yesterday, to which the gentleman from Illinois took exception, I used certain statistics which had been prepared by the Treasury Department, in which it appeared that a very large proportion of the people of the United States were paying no taxes at all.

Mr. STERLING of Illinois. I agree exactly with what the President said, and I have no doubt but that the gentleman from Pennsylvania agrees with him also. The President suggested that the legislation be such that it would distribute these burdens equitably. The gentleman is making this mistake: He thinks it would be equitable for the man who is earning $1,000 or $2,000 to be required to pay the same amount of revenue as the man pays who is earning $10,000 or $15,000. That is evidently his idea of equity. He thinks the poor man should pay the same as the rich man.

Mr. MOORE of Pennsylvania. Oh, no; if——

Mr. STERLING of Illinois. Let me finish. Or is it his idea that Alabama, which has no great business enterprises and which is largely an agricultural State and has not nearly as much wealth as some of these Northern States—is it his idea that it would be equitable to make Alabama pay the same amount as Illinois? Is that the gentleman's notion of equity?

Mr. MOORE of Pennsylvania. Not at all. If the conditions do not compare, then the reasoning of the gentleman would not apply. If Alabama, for example, has a shipyard and contractors are building ships and paying high wages, and the same condition prevails in Pennsylvania, and those who make the profits are taxed, then I say the taxes should be levied in equal proportions upon those that are making profits in Alabama as upon those who are making the profits in Pennsylvania. That is the general trend of the argument of the gentleman from Pennsylvania.

Mr. STERLING of Illinois. I would state for the gentleman's information that is what the present law does, and it is what this bill does.

Mr. MOORE of Pennsylvania. I am inclined to think, from the statistics I read day before yesterday, that that very thing has not been done heretofore. I said during the discussion that I questioned whether this bill covered that situation, seeing how our revenue laws are enforced at the present time.

Mr. STERLING of Illinois. Of course, you can not expect a State or a locality that has not great wealth to pay great revenues. Now, the reason New York and Massachusetts and Pennsylvania and Illinois are rich is because they have been engaged in the kind of business in which men get rich. Men engaged in commerce, in manufacture, in transportation are the men who have grown rich in this Republic. It is because there are greater profits in business of that kind than there are in agriculture.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FORDNEY. How much more time does the gentleman want?

Mr. STERLING of Illinois. Fifteen minutes.

Mr. FORDNEY. I yield to the gentleman from Illinois 15 minutes additional.

Mr. STERLING of Illinois. There are greater profits in enterprises of that kind than there are in agriculture. That is why these localities have grown strong and wealthy, because the people there are engaged in other pursuits than agriculture. The occupation that pays the least profit is the occupation of the farmer. It is the manufacturing nations, the commercial nations, in which men grow immensely wealthy, and not on the farms. That is why New York and Pennsylvania and Illinois pay more than these agricultural States.

And let me call the attention of the gentleman from Pennsylvania to this fact: I lay down to him this plain proposition, that the American farmer pays more of this revenue, according to his means, than do the rich men of the country. It is true that not a very great per cent of the farmers make tax returns, but they are paying very much of the income tax that is assessed against these gentlemen in Philadelphia, New York, Boston, and Chicago. None of the income tax that the farmer himself pays is passed on to the consumer. He can not do that. He does not fix the prices which he receives for his products. The man who buys of the farmer fixes the price, and the farmer can not pass his income tax on to the next man. But when this farmer buys shoes and pays three prices for them, or when he buys plows at two prices, or when he buys harness at two or three prices, or when he buys twine at four prices, or when he buys anything that he needs, he is paying the income tax of the manufacturer, the income tax of the man in commerce, the income tax of the man who transports the goods to the farmer. The farmer sells at the buyer's price and he buys at the seller's price. He can not add his tax to the price at which he sells, but the man who sells to him can and does add his tax, and the farmer pays it.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. STERLING of Illinois. Yes.

Mr. MOORE of Pennsylvania. I submit that these increased prices that he pays for the things he buys occasionaly are compensated fully and completely by what the consumer pays in

higher prices for the farm products that he must have every day of the year.

Mr. STERLING of Illinois. Well, the gentleman is wrong again.

Mr. MOORE of Pennsylvania. I think not. The needs of the consumer require a daily expenditure for foodstuffs at the highest price that the world has ever known.

Mr. STERLING of Illinois. It is true that the farmer is getting more to-day for his grain and his pork and his beef than he ever did before, or more than he did during peace times, and if he did not get more he would not be producing these things. You have got to pay him more under the circumstances to keep him going. He could not pay these high prices for things with which he operates his farm. He could not pay these high prices for hired help, if he did not get more. And yet he does not get the price that the gentleman pays in Philadelphia for the butter and eggs and other things that he has on his table. The profiteer, the middleman in Philadelphia gets much more than half of the difference between the cost of production and what the gentleman from Pennsylvania pays to put the food on his table.

Mr. MOORE of Pennsylvania. The gentleman and I come together again, because there is no real difference between the producer and the consumer except that the consumer pays the highest possible price and the farmer gets his price, a price which he thinks is not commensurate with the service that he gives to the consumer.

Mr. STERLING of Illinois. It is very evident, I think, to all who heard the gentleman from Pennsylvania speak the other day that he is not much of a farmer himself.

Mr. SMITH of Michigan. Will the gentleman yield there for a question?

Mr. STERLING of Illinois. Yes.

Mr. SMITH of Michigan. Is it not true that when the farmer sells his product he sells it in a market where the price is fixed by somebody else?

Mr. STERLING of Illinois. Yes.

Mr. SMITH of Michigan. And when he buys his machinery and other implements, and whatever he needs, the prices of those things are fixed by somebody else?

Mr. STERLING of Illinois. Yes; that has always been the history of farm life.

Mr. SMITH of Michigan. So he gets it going and coming.

Mr. MOORE of Pennsylvania. If the gentleman will permit me, in answer to the gentleman from Michigan, I wish to suggest that the farmer buys his tools once in five years, possibly. He buys his shoes once in six months, whereas we have to buy the products of the farm every day of our lives. We use eggs constantly, and we buy them at the highest price.

Mr. STERLING of Illinois. Is the gentleman complaining because the middle man can hold up the farmer only once in five years?

Mr. MOORE of Pennsylvania. No, I am anxious that they shall both have fair play, but my point is that we must buy of the farmer continuously.

Mr. STERLING of Illinois. I am just coming to that, and I want the gentleman to listen to a few facts that will help him greatly. They will help to dispel some delusions from which some city people are suffering.

Mr. MOORE of Pennsylvania. I wish the gentleman would base his test on the ownership of automobiles. I should like to ask him if it is not true at the present time that his own constituents have more automobiles per population than my constituency in the city of Philadelphia have?

Mr. STERLING of Illinois. I do know about that. Many of the farmers in my district have automobiles, for which they paid large profits to the manufacturers, including the manufacturers' excess-profit tax.

Mr. MOORE of Pennsylvania. I do know; and I know that the gentleman's constituency is far better off than mine in that regard.

Mr. STERLING of Illinois. But the gentleman ought not to begrudge the farmer an automobile ride now and then. He can only use it on Sunday or after nightfall. He works 12 or 14 hours a day. It seems to chafe the gentleman if he sees a farmer driving out with his family in the evening for a little recreation after 10 or 12 hours' hard work in the harvest field.

Mr. MOORE of Pennsylvania. No; I like to see it; but I will match the gentleman's farmer constituent, riding around with his family in his automobile, with my workman constituent leading his children out by the hand and walking along the sidewalk.

Mr. STERLING of Illinois. The gentleman's workman constituent?

Mr. MOORE of Pennsylvania. Yes; the workmen whom I represent, whose labor I will compare with that of the gentleman's farmer constituents.

Mr. STERLING of Illinois. The gentleman's workmen constituents—does he refer to those at Hog Island, some of whom get as little as $10 a day for an eight-hour day? [Laughter.] The farmers in the United States work 12 and 14 hours a day, and the average family of four, working together, earns a dollar a day and nothing for overtime. The farmers in my district, however, do better than that.

Mr. MOORE of Pennsylvania. He has to go back and forth in a crowded trolley car or walk. May I say to the gentleman that a great deal has been said about the high wages at Hog Island? They prevail, if they are high, in every shipyard at the present time under Government auspices and Government direction. I happen to have a list of the wages paid, handed to me by the Shipping Board, and I find the lowest rate of wages is 40 cents an hour and the highest $1.35, and eight hours prevail. So it seems untrue that these men are obtaining $10 per day or $20 per day—the wages that have been spoken of.

Mr. SMITH of Michigan. How much do they get for extra time? I understand they get as high as $30 or $40 a day.

Mr. MOORE of Pennsylvania. They may get something for extra time; but it was admitted on the floor yesterday that the farmers, who are supposed to be badly treated, are doing so well to-day that they can afford to pay $100 per month for a laborer in the field and give him board besides. I think our men would be glad to obtain that job.

Mr. STERLING of Illinois. Now, Mr. Chairman, I have been very kind to the gentleman and allowed him to make several speeches in my time, and I must proceed.

Mr. MOORE of Pennsylvania. The gentleman will remember that I yielded two or three times to the gentleman when I had the floor.

Mr. STERLING of Illinois. I am not here to champion the cause of the farmer. I say emphatically that I represent the best agricultural district in the United States. In my district they produce year after year more agricultural products than in any other district in this great country. [Applause.] I state that as a challenge; I am not bragging.

I will say, further, that I believe they have done it for the last 20 consecutive years. I am not here to champion his cause. I never thought the farmer was entitled to that distinctive appellation of "the honest farmer." He is not any more honest than anybody else, but he is just as honest. He is no more honest than the merchant or the banker, or the lawyer, or the wage earner, but he is just as honest.

When we make the mistake of picking out whole classes of men and denounce them as slackers or as cheaters or as being dishonest we make a grave mistake, and we ought not to do it. If we are going to classify men according to their merits we ought to go among all the occupations and all the professions, pick out the good men and the bad men, and classify them according to their merits. We ought not say that the farmers of America are slackers or that the farmers of America are shirkers; it is not fair to say that the lawyers are dishonest as a class; it is not fair to say that the merchants as a class cheat their customers. The man that undertakes to characterize any occupation, or any class of American citizens, as being more disreputable, or more reputable, than any other class simply does not understand human nature and does not know how to estimate the merits of men. He speaks from prejudice.

I was born and grew up on a farm. I have associated and dealt with farmers all my life. I know something of their joys and sorrows, something of their hopes and aspirations. When I hear reflections cast upon them as a class I resent it. When the statement is made on this floor, either directly or by inuendo, that farmers do not make their tax returns as honestly and faithfully as any other class I challenge the statement. I know they do not deserve to be picked out and charged with shortcomings that do not belong to all other occupations. If we Members who represent farming communities do not speak for them when they are assailed nobody else will. They do not keep special representatives in the lobbies of the legislative halls to speak for them.

I am going to give the gentleman from Pennsylvania a few facts. You know the average size of the American farm is 138 acres, and only half of this is improved. The average amount of improved land in the farms of the United States is 75 acres. That is a great deal less than many of you thought. But the average improved acreage of the American farm, as I say, is 75 acres. The averge size of the farmer's family is 4.6 grown persons. Now, remember, I say grown persons. The average number of grown persons of the American farm family is 4.6,

and I am not saying anything about the babies and school children. This average farm family of 4.6 on this farm averaging 75 acres make gross every year an average of $1,236. It takes $532 to operate the farm, leaving a net income to the farmer, after he has paid his operating expenses, of $724.

But he is entitled to a little allowance for income on his investment. Do you know at 5 per cent the average income of the American farmer on his investment is only $322? So you take away from $724 5 per cent for the return on his investment and you leave him the magnificent sum of $402 as the net income of the average American farm family consisting of 4.6 persons. So you see the average American farm family, consisting of father, mother, and at least two grown children, and sometimes more, all together, for everybody works on the farm, including father, receive for their year's labor the average sum of $402, or about $1.35 per day for the four of them, and they work 12 and 14 hours a day in the busy season. The tax law in force at the time the statistics from which the gentleman quoted on yesterday were made up gave to every married man an exemption of $4,000. Nearly every man operating a farm is married. Considering the average net income of the farmer to be $402, it is not strange that only a small per cent of them pay an income tax. Yet the gentleman complains that only 14,000 of them out of 6,000,000 made tax returns under that law. I will agree with the gentleman. When one reads in the statistics that only 14,000 American farmers out of 6,000,000 made tax returns, that one must come to one of two conclusions—either that the American farmer is a slacker and has not made honest returns to the tax collector or that he has a very meager income. The trouble with the gentleman from Pennsylvania [Mr. MOORE] is that he drew the wrong conclusion, because he did not know the facts. My advice is that he should not come to any conclusion until he has ascertained the facts.

Mr. MOORE of Pennsylvania. Mr. Chairman, the gentleman ought not to make that statement, and I ask that he permit me to say in his time, because this is going in the RECORD, that that statement is not justified either by the belief or the feeling of the gentleman from Pennsylvania, or from anything he said.

Mr. STERLING of Illinois. I do not want the gentleman from Pennsylvania to think that I have made the statement with any ill feeling toward him. I have done it to give him light on a subject on which he needed light.

Mr. MOORE of Pennsylvania. No one in this House, nor in the country, has a higher regard for the American farmer than I, notwithstanding all of the jesting that may have been done upon this floor. I believe thoroughly in our interdependence as between the farm and the city, but I was pointing out from certain statistics furnished by the Revenue Office that it happened in this country that only 14,000 out of 6,000,000 farmers reported income taxes, and that the percentage of reports was equally small with regard to the merchant class of the country and with regard to 20 other occupations which the Treasury itself selected.

Mr. STERLING of Illinois. As the gentleman from Pennsylvania in the statement just made has revised the statement made yesterday, I will modify my statement. I shall modify it in this way, and say that the gentleman made the statement not knowing the truth about the condition of the American farmer. Is that satisfactory?

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. STERLING of Illinois. Mr. Chairman, I would like to have a little more time.

Mr. FORDNEY. Mr. Chairman, I yield the gentleman 10 minutes more.

Mr. MOORE of Pennsylvania. The gentleman will permit me to say in his time still, I hope, that I said during the discussion that I was seeking information; that the Internal Revenue Office facts were so startling and strange as to be susceptible of explanation. The gentleman from Illinois is giving his explanation and I am listening attentively.

Mr. STERLING of Illinois. I am sure the gentleman will not make the mistake again. I have given him the facts from the very best authority, on the things I have stated, that there is in the United States. He knows the truth about it now, and I undertake to say that in his opinion it is a wonder as many American farmers did make tax returns as actually did.

Mr. MOORE of Pennsylvania. And yet the gentleman, being on the committee and having heard the testimony of the Commissioner of Internal Revenue, Mr. Roper, will recall that he said he wanted $7,500,000 for twenty-five hundred additional employees to go out among the farmers and others to secure the returns he had not yet been able to obtain.

Mr. STERLING of Illinois. Yes; but the Commissioner of Internal Revenue did not have the same idea that the gentleman from Pennsylvania did.

Mr. MOORE of Pennsylvania. He coincided with the gentleman from Pennsylvania.

Mr. STERLING of Illinois. The gentleman should not interrupt me until I complete my answer.

Mr. MOORE of Pennsylvania. He coincided with the gentleman from Pennsylvania.

Mr. STERLING of Illinois. But for a different purpose.

The CHAIRMAN. The gentleman from Pennsylvania will not interrupt the gentleman from Illinois without his permission.

Mr. STERLING of Illinois. The gentleman from Pennsylvania very cheerfully voted for that increased revenue so that the Internal Revenue Commissioner could investigate the farmers.

Mr. MOORE of Pennsylvania. Not necessarily farmers.

Mr. STERLING of Illinois. But the internal-revenue collector wanted the money, not to investigate the farmers, but to investigate the profiteers in Philadelphia.

Mr. Chairman, the statement which I have here is taken from a hearing before the Committee on Agriculture the 15th day of February, 1916, and was made by W. J. Stillman, Chief of the Office of Farm Management of the Department of Agriculture. He says in this statement that it is based on investigations made by that bureau and on the reports made by the Census Bureau. They found that their independent investigations and the report made by the Census Bureau correspond, and both of these sources of information bear out the information which I have given here, and I ask leave to print this at this point in my remarks in the RECORD.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The matter referred to is as follows:

The following is a verbatim statement, taken from the evidence of Mr. W. J. Spillman, Chief of the Office of Farm Management in the Department of Agriculture, at a hearing before the Committee on Agriculture, February 15, 1916:

"Perhaps the central idea in the Office of Farm Management is to find out how much money the farmers are making, how they make it, and why they make it. We have been able, by using census data and factors worked out in our research work, to determine the following facts:

"The average farmer in the United States produces crops to the value of $511, exclusive of crops fed to live stock.

"The value of the live-stock products on the average farm is $177.

"The value of animals sold and slaughtered is $288.

"The value of the house rent, food, and fuel consumed by the family and not reported by the census is $260.

"The gross earnings of the farm and farm family—that is, of the capital and labor—is $1,236. The expenses total $512, made up of maintenance charges, and miscellaneous items amounting to $430, making the net earnings of the farm and farm family $724. Estimating that the property should earn 5 per cent, the property earnings are $322, and deducting that from the earnings of the average farm and farm family—$402—including what the farm furnishes toward the family living.

"The CHAIRMAN. The family, I believe, consists of five members, does it not?

"Mr. SPILLMAN. It is the equivalent of about 4.6 grown people—that is, the equivalent of about 4.6 grown people—having an income for their labor, including what they get from the farm in the way of vegetables, milk, and things of that character, of $402. In addition to that, they get $322, which represents the interest on their investment, out of which a considerable number of them who have mortgages must pay the interest on their mortgage.

"The CHAIRMAN. Let us see if we get what you mean. Your figures, then, show that the net earning capacity of the average farm family in the United States is how much?

"Mr. SPILLMAN. $402.

"The CHAIRMAN. $402?

"Mr. SPILLMAN. Yes.

"Mr. CANDLER. And the farm family consists of 4.6 grown people?

"Mr. SPILLMAN. The equivalent of 4.6 grown people.

"Mr. CANDLER. That is an average of $100 for each one, then?

"Mr. SPILLMAN. Just about.

"Mr. RUBEY. You have just used the term 'net earning capacity.' That might indicate that they did not do any better than that.

"Mr. SPILLMAN. I did not mean, Mr. RUBEY, that that was their earning capacity.

"Mr. RUBEY. You mean that that is what they have done?

"Mr. SPILLMAN. Yes, sir; that is what they have earned.

"Mr. HOWELL. And you have deducted from that their living expenses?

"Mr. SPILLMAN. No; that is included in that $402.

"Mr. HOWELL. You have charged them up in this with all they have consumed off the farm?

"Mr. SPILLMAN. Yes; that is counted as part of the salary and included in that $402.

"Mr. HAWLEY. Have you taken it for granted that every farm furnishes the family with wood?

"Mr. SPILLMAN. Yes; and with vegetables and milk and things of that kind. That is all included in this $402, and that is the wages that they get.

"Mr. HAWLEY. Does every farm furnish the family with wood?

"Mr. SPILLMAN. Not every farm, but a good many farms furnish a great deal more. We have a bulletin, which I will take up a little later, in which it is shown that the amount of food, fuel, and house rent furnished by the farm is $421.

"Mr. REILLY. Then the average farmer does not make anything?
"Mr. SPILLMAN. The average farmer, for his wages——
"Mr. REILLY. Gets nothing.
"The CHAIRMAN. Less than nothing.
"Mr. SPILLMAN. No; he gets a good deal to eat and a house to live in.
"Mr. REILLY. I mean he gets nothing above his living?
"Mr. SPILLMAN. He does not get quite that. His living is $420, and he gets $402.
"Mr. REILLY. I do not know where you get these statistics, but in my section of the country they would not hold true.
"Mr. SPILLMAN. There are many sections where they would not hold true.
"Mr. LESHER. Have you given out that information to the public? If you have, I do not believe you will induce many people to go back to the farm.
"Mr. SPILLMAN. We do not want to induce people to go back to the farm. We believe it is a mistaken idea to induce city people to go back to the farm—people who have more to learn than would the farmer who goes to the city to be a lawyer or a banker. This idea of getting city people to go out on the farm, from the viewpoint of the Office of Farm Management, is a serious error.
"The CHAIRMAN. You are promoting the stay-on-the-farm movement?
"Mr. SPILLMAN. Yes, sir; the stay-on-the-farm movement, and not the back-to-the-farm movement. I have the facts here. It is true that there are a great many people who do not believe these facts, but they are facts, nevertheless.
"The CHAIRMAN. I want to ask you a few questions in that connection. This is a little against our rule, which is that the gentleman be allowed to complete his statement before asking questions, but this is so very interesting. How do your figures compare with the figures of the Census Bureau?
"Mr. SPILLMAN. They are mostly Census Bureau figures. Most of the figures here are taken from the Census Bureau.
"The CHAIRMAN. In your investigations in the field, have those investigations verified to a large extent the accuracy of the census figures?
"Mr. SPILLMAN. Yes, sir; to a very large extent. I have an instance right here in which I can show you how nearly they verify the census statistices. This is a farm-management pamphlet for Chester County, Pa., which I took the liberty of sending to each of you gentlemen some two weeks ago, because it shows particularly the most important type of work we are doing. I knew you had to consider this work, and I thought you would appreciate it."

Mr. STERLING of Illinois. Now, the gentleman from Pennsylvania is the exclusive possessor of another delusion. [Laughter.] I want to refer to that, too. The gentleman has had for 20 years the idea that we ought to tax cotton. I do not know whether he is aiming this blow at the cotton grower of the South or the cotton wearer of the North. Wherever it is aimed, we know where it will fall. It will fall on those who wear cotton. The consumer will pay it all in the long run, whether it be the workmen in the district represented by the gentleman himself or whether it be the farmer in my district. Why, cotton is as essential in clothing as wheat is in foodstuffs. Tobacco is the only agricultural product that is taxed and cotton does not belong to that class. He told you the other day how I would go out among the farmers in my district and tell what a splendid fight I made for the honest farmer. I will certainly not conceal from them anything I have done. He will never tell the downtrodden mechanics at Hog Island how he tried to raise the price of their cotton shirts and their overalls. [Applause.] Will he tell them in the coming campaign that he urged a tax on cotton so as to increase the price to those poor fellows who are getting only $1.35 an hour and $2.70 for overtime of the cotton they wear. But I can see him now—although the campaign is far off—I can see him appealing to these voters, telling them how he went forth single handed and assailed this great octopus, the American farmer, and made him divulge to the tax collector these stupendous and magnificent incomes of $402 per year for a family of 4.6 persons. [Laughter and applause.]

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, I am not going to indulge in any language that will get me into a controversy with any of my colleagues to-day. I have made no preparation whatever to speak on this bill, but I think I ought to say a few words expressing my opinion of the responsibility of Americans in connection with the taxation and purchase of bonds to enable the country successfully to conduct the war. I doubt if I would even have said a word except for the fact I am not to be here when the bill comes up for a vote, and I want those who are here to understand that I am heartily in favor of doing all that can be done to aid in the accomplishment of the great task upon which we have entered. [Applause.] My understanding is we are obligated to expend about $24,000,000,000 during the fiscal year 1919; that one-third of that amount is to be levied in taxation upon the American people, and this sum is provided for in the pending bill. It is a gigantic sum, one that the mind can not conceive of; and yet we are engaged in a gigantic enterprise. We are engaged in an enterprise such as no people ever entered upon before. Every home in America will have given its sons before the contest is over. Some will survive and others perish. All should feel the need to make every sacrifice. Some can go to the front, others must remain behind. Men are making the supreme sacrifice, buckling on their armor, going forth where battle rages, offering for the life of the country the lifeblood of their hearts; and we who are unable to do this should not complain, no matter how burdensome the taxation may be. Every dollar, every man, should be contributed to the success of the war. We can not compromise with this question. We must fight the war to a successful conclusion. It must not be a around-table settlement; it must be victory on the battle field. We might possibly compromise with those who are living, but under no circumstances must we ever think of compromising away the honor of those who have laid down their lives on the battle field in defense of America's honor; and the more of our men who die there the greater our obligation will be to fight on, and fight on to victory, and the more enthusiastic will the American people become in their insistence upon a successful warfare against Germany, the more readily will they permit the imposition of the burdens of taxation upon them, even to the last dollar.

And so in giving expression to the few words that I have to say here to-day, I want it to be understood that never before, as I see it, has America been so unified as it is to-day. There is no division as to what we ought to do. There may have been at the beginning of the war, but that no longer exists. Everybody now who is anybody, and living under the American flag, is in favor of doing the last thing that must be done, no matter what sacrifice it takes, to win victory for America and for the world.

We ought to be proud that we speak for a united people, with a fixed determination to preserve this as the land of freedom, to insist that no matter what may be necessary to be done, we shall do it in order that the institutions under which we live may be perpetuated and handed down to a grateful posterity.

Great as the sum is, beyond the conception of the mind of man, America will meet it. It will meet it cheerfully. The American people will smile while they pay. Some inequalities will appear in the bill. Taxation never can be uniform. It will fall unequally somewhere. Contentions are made here and there throughout the country that certain lines of endeavor are being unjustly imposed upon, but all of these contenders will admit that they are willing to pay their share, that they will pay it without complaint, and that they want to be understood as being patriotic. They do not want anyone to get the notion that they are finding fault even though they may be doing this.

I wish we could find some means for levying taxes so that they would fall equally everywhere, so that the burden would be felt alike by everyone; but it does not make any difference how honest you may be in an effort to raise either this vast sum or any other sum, you never succeed in meeting the expectations of everybody. That can not be done, and when you have done the best that it is possible to do with the light before you, that human agency is able to do, you have the right to say that you have met the reasonable expectations of the American people; and if there are those among them who will complain after that, let them complain. No man will be called upon to pay taxes who has no income. Many people will find themselves without incomes, but that is not the fault of the tax-levying body. They will find themselves without income because the line of business in which they are engaged is not essential to the war; and it will go out of existence. It can not be converted into a war activity. And many people will fail. They will lose all they have. They are not all profiteers. They can not be. And I hope that when this bill is finally enacted, although we have thus far not been able to criminally prosecute the profiteers, it will have provisions in it that will take all their profiteering income away and put it back into the Treasury of the United States. [Applause.]

Mr. HELVERING. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. HELVERING. Just along the line of the gentleman's argument, does he not think that this spirit has been exemplified from the fact that during the seven or eight weeks the committee was considering this bill there was no class that complained of the rates or the amounts they have to pay?

Mr. MADDEN. I think the people of America have reached that point where they really understand we are in the war. They were slow to realize it at first. They were slow to rise in anger. But they have now fully realized that we are in the war. Their boys are on the other side. Many of them are buried there, and many others of them will return home crippled, as many have done already. It does not make any difference what their nationality may be, as I see it, for every nationality has come to realize that this is, above all nations of the world, the land of opportunity. Look at the names of the men who have died or have been wounded on the battle field. People say that the Germans are unfriendly to America—that is, the Germans who live in America—but we see as many German names among

the dead and wounded as we see of those of any other nationality. And the German women over in my section of the country have organized associations to knit and sew and provide for the soldiers across the sea. They are loyal. They may not have wanted war against the fatherland. Who can blame them for that? But since the war has come they are loyal to America, and they will stand beside the Americans as well as the Americans themselves stand beside each other. I am proud to see the unanimity that prevails all over the land. I am proud to see the determination on the part of the American people to win the war, to sustain the Commander in Chief in every effort that he may make. I am proud that all have expressed the willingness to bear their burden, to pay their share, to give their lives and their limbs, to spill their blood, if need be, that America may live under the freedom which has prevailed here from its foundation.

I am for the bill in its present form or any other form that may be needed to raise the money. We will all pay our share. We may feel it. It will compel us to economize. But it will make us better men. We will be compelled to do things ourselves that we formerly employed others to do. We will learn a lesson in good citizenship. We will come down from the higher level in the clouds to the level of the man on the street. We will realize that we are only made of common clay, no matter how good clothes we wear or how much money we have. The son of the millionaire and the son of the poorest man in the land will sleep in the same cot, will shoot side by side at the foe of America, and die on the same battle field. They will experience a comradeship that they never knew before.

Better things will happen at the end of the war. We will have a rejuvenation of the citizenship of America that will make for the good of the future. We will then see what we have never dreamed of seeing before, namely, the men who have gone to fight America's battles come back home to run America. And they will be entitled to run it. They fought to save it. Some of them died that we might live in peace and happiness and freedom. But those who survive will be at the council table shaping the future policies of America when they come back to us. [Applause.] They will make for conservatism. They will make for better government. They will make for cleaner things. They will make for a more harmonious people, and they will make for less distinction between wealth and labor and race and creed.

I believe the future of America is bright as the result of this war, although we hate the war. All that we have, all that we love and are able to fight, are in the war. I would be glad to be beside mine over there if I were young enough to fight and able to do so. That would be the first thing I would do. But since I can not do that, I can by my voice, and my work, and my vote, and my pay, to the extent of my ability, do my share, and that I will do with the greatest pleasure in all the world, for I love America. [Applause.] I love her institutions, and I want to see her maintain the freedom that has been the admiration of all the world. I want to see the Army and Navy of America stand foremost of all the armies and navies of the world. We have done wonderful work since the war began. And we will achieve greater accomplishments as the days go by. We are proud of them, but we will be still prouder, and America everywhere, from coast to coast, and lakes to gulf, will be able to continue to sing the praises of the American Army and the American Navy as victory is accomplished upon the battle fields of France and on the high seas, and the world is free to maintain that independence for which we fight. [Applause.]

We owe allegiance to the flag. We owe it to the country. We are for America; and because we are for America, regardless of what our political affiliations may be, we are for the Commander in Chief of the American Army and Navy, no matter what his politics may be. We are for him, because he leads our forces. We want him to lead them victoriously. We are proud of the Commander in Chief of the American Army and Navy, and we pledge our support to him now and until the end of the war, in order that we may bring victory to the American arms and honor to the American flag. [Applause.]

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. SHALLENBERGER having taken the chair as Speaker pro tempore, a message, in writing, from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries.

THE REVENUE BILL.

The committee resumed its session.

Mr. KITCHIN. Mr. Chairman, I yield 20 minutes to the gentleman from Texas [Mr. CONNALLY].

The CHAIRMAN (Mr. LONERGAN). The gentleman from Texas is recognized for 20 minutes.

Mr. CONNALLY of Texas. Mr. Chairman, the consideration by the House of Representatives of the revenue bill of 1918 marks an era in the legislation of the world. Never before since the beginning of organized government has any lawmaking body been called upon to enact a measure providing for the levy of taxes of the magnitude provided for in the present bill. The Constitution wisely provides that the initiation of revenue legislation shall rest with the direct representatives of the people, and in agreement with the responsibility that the Constitution imposes, the world witnesses the splendid spectacle of the people of the United States voluntarily and cheerfully, through their chosen agents, imposing upon themselves an annual tax burden of $8,000,000,000.

The Ways and Means Committee of the House and its distinguished chairman merit and will receive the gratitude of Congress and the country for their arduous and diligent labors in preparing the bill now before us. Confronted by the necessity of drafting a measure raising such a stupendous sum, and likewise conscious of an obligation to so lay the taxes to be levied as not to disrupt the business and industrial activities nor cripple the productive agencies of the country, the committee has discharged its task with ability and impartiality.

In the face of Treasury estimates that the national expenditures for 1919 will total $24,000,000,000, the committee and the Congress have wisely concluded that it is the duty of the present generation to pay as large a proportion of the expenses of the war as may be possible. With one-third of such expenditures discharged by taxation, two-thirds may be safely met by the issuance and sale of Government bonds. The increase in tax levies is principally laid upon excess and war profits and incomes. Those whose profits have been largely increased by reason of a state of war will justly be required to pay the Public Treasury 80 per cent of such profits and earnings. Taxation of incomes, war profits, and excess profits will place the burden upon those most able to bear it—upon those best able to make the sacrifice. This system is a "selective-draft" plan of taxation. It is that plan best calculated not only to meet the immediate burdens of taxation but to anticipate the economic problems with which the United States will be confronted when peace shall come again. The history of wars discloses that in the past huge fortunes have been amassed by reason thereof. The extraordinary and sudden demand for war supplies greatly enhances prices. This enhancement of price, as well as the multiplied production, rapidly enriches war industries. The committee and the Congress have wisely determined that in America the profiteer shall not fatten at public expense but that war and excess profits shall be paid into the Federal Treasury. It is not only a just and equitable policy but one founded upon a wise economic basis.

The justice of income taxation has been recognized by the American public for many years; its wisdom has been sanctioned by an amendment to the Constitution, and more and more has public attention been directed to this source of revenue. It is but fair that both individuals and corporations receiving incomes above the exemption provided should contribute a liberal share to the Public Treasury. If the young manhood of the land gladly rushes to arms in the Nation's hour of need, ready to make any sacrifice, surely there should be no grumbling when extravagant profits are drafted for the service of country.

The necessities of the times in which we live have compelled resort to many sources and objects of taxation that in times of peace and under normal conditions have been immune from the Federal tax gatherer. The bill is the composite result of somewhat divergent views of those of differing political faith. In each and all of its various provisions the bill does not, perhaps, reflect the exact ideas of any individual Member of this House, but in its entirety, in its whole scope, it is a measure upon which Democrats and Republicans alike may forget their partisan differences and give to it hearty and harmonious support. [Applause.] We are not living in normal times; this is the time neither for partisan platitudes nor political preachment. We can not hesitate or quibble over minor differences as to taxation or tariff when billions of dollars are imperatively required to prosecute America's participation in the mightiest struggle that ever stained the soil of Europe or snatched from the brow of conquered kings the despot's crown.

I shall vote for the bill and this House will vote for it as a measure necessary to promote the giant enterprise in which our country has embarked.

There was a time when the policy of the entrance of the United States into the conflict could with propriety be discussed, but that time passed away when the German Government, breaking its solemn assurances, announced that ruthless submarine

warfare upon American shipping, upon American citizens, and upon American women and children would be resumed on February 1, 1917. There was a time when America still hesitated to plunge into the miseries and agonies of war, when she viewed with horror the tragic consequences that would surely follow such a step, but that time came to an end when Germany filled our land with spies and conspirators and armed them with bomb and torch with which to wreck and destroy munition plants and factories and the lives of employees engaged therein. [Applause.] There was a time when America reluctantly contemplated appeal to the sword, but that time was terminated when Germany sought to incite the Mexican Republic, in whose behalf the United States had unselfishly and in a spirit of international friendship contributed so much toward pacifying its turbulent factions and substituting tranquillity for anarchy, to make war upon us under the fatuous lure and inducement of the dismemberment of the Union and the delivery to Mexico of the fairest and most promising States of the Republic. When repeated outrageous violations of international law, continual insults to our national honor, and treacherous betrayals of solemn assurances could no longer be tolerated by a brave and self-respecting people, the Nation, under the leadership of its great President, Woodrow Wilson, turned in righteous wrath, and, hurling at the enemy a defiant challenge to her self-assumed dictatorship of the civilized world, began to prepare to defend upon the field of battle what she had been unable to successfully maintain through the channels of diplomacy and peace. America, with grim determination, resolved that to the high purpose of vindicating our national rights, of disputing the desire of an impudent Emperor to substitute for the well-established canons of international law his own will, of preventing the conquest and dismemberment of weaker nations and the political slavery of their people by a despotic military power knowing no law save force and no rule of conduct save cruel and criminal aggression, she should pledge all her might and men and money, and, setting her heart with inflexible resolution, should give all that is hers, save liberty, to secure the triumph of her cause. [Applause.]

Let us for a moment pause to examine the basic causes that underlie the immediate provocations which involved America in the war.

Since the days of Frederick the Great, Prussia, and since the days of Bismarck, the German Empire, have been obsessed with the idea that destiny has ordained that Germany, under the leadership of Prussia, shall dominate the world and by the prowess of her sword impose upon all peoples German kultur and German institutions. Since the Franco-Prussian War of 1870, systematically and unhaltingly Germany has sharpened her sword, has armed and drilled her sons, has educated the youth in the belief in and practice of war, has filled her schools and universities with the philosophy that might makes right, that German blood is superior to all other, that the German race is predestined to master mankind, and has filled her arsenals and storerooms with ordnance and supplies and all the equipment and panoply of war, awaiting an opportune and propitious pretext to turn her engines of destruction upon her unprepared neighbors.

Such doctrines and schemes could only find lodgment and fruitage in an autocratic political system such as that of the Hohenzollerns—they could never find congenial soil in a Republic like our own, where the ideals of the people find expression in and give form to public affairs and where the Government is directed and controlled by the people rather than the lives and fortunes of the people being ordered and directed by a sovereign. And here at last lies the point of difference that, even though the United States might have been able, by the sacrifice of national honor, to avert the immediate issues that impelled her with drawn sword to step into the theater of war, sooner or later would inevitably have brought America, the great champion of free institutions, into armed conflict with the empires that still desperately cling to the fetich of absolutism and the divine right of kings.

Here is a parallel that is presented to the twentieth century—upon one side or the other must be ranged the peoples of the earth—this day—the day of our struggle with the enemy:

America is ruled by the people; Germany by the Kaiser; the one's institutions are those of a democracy; the other's, the apotheosis of a hereditary autocracy. America bows in reverence before the Deity and in humility beseeches His blessings and approval; Germany counts God as the "good old German god," and the Emperor with blasphemy on his lips claims partnership with God while directing his submarines to torpedo hospital ships and his aviators to bomb hospitals filled with helpless wounded soldiers and marked with the sign of the Red Cross. Our enemy is devoted to militarism; our own country is warmly attached to peace and its triumphs—the one hungering for conquest and imperial sway, the other covetous of none of her neighbor's land, but championing the cause of the wronged against the aggressor.

Two such systems, the one seeking to crush the liberties of the world, and the other, the foremost example of what a great people may accomplish under institutions of their own making, quickening in the hearts of the peoples of all nations aspirations for liberty and equality, could not and can not both long endure, side by side, in peace.

This is forcibly illustrated by a conversation which Mr. Gerard, the American ambassador at Berlin, had with the Emperor on October 22, 1915, in which the Emperor said: "America had better look out after this war," and "I shall stand no nonsense from America after this war." Thus spoke an insolent monarch to the representative of a great free people. Thus spoke a self-appointed arbiter—a censor of the conduct of sovereign peoples and nations—thus spoke a pretentious potentate who derived his right to rule by favored birth, to the representative of a mighty people who derived their right to rule themselves from bloody sacrifices upon the fields of battle of the American Revolution, and have preserved it through the years by sleepless vigilance and shall preserve it against the armies of this haughty Hohenzollern by their fortunes and the heroic blood of their hardy sons.

Though the central powers comprise Germany, Austria, Bulgaria, and Turkey, the former dominates all the rest so completely that the armies and resources of all are at the disposal of the war lords of Germany. So abjectly have Austria, Bulgaria, and Turkey subordinated the interests of their people and governments to those of their powerful ally that those kingdoms have become merely the instruments of German will. They are but the physical members of a political and military alliance, whose mind and will reside at Berlin. Vienna and Sofia and Constantinople may attempt to flatter themselves into the belief that they are still the capitals of kings, but each of them "knows his master's voice," and that voice is at Berlin. Each has sunk to the level of a dependency in an economic, political, and military sense. Lured to enter such an alliance by promises of territory and prestige, they so linked their fortunes and future with Germany that they can not be disengaged without incurring disaster. By the force of circumstances, which they can no longer control, they are being hastened to their doom. In the hope of attaining her plans for the establishment of "Mittel Europa" and her own primacy therein and the extension of her influence through Asia to the Persian Gulf, Germany saw that the subserviency of Turkey was necessary, and without scruple joined common cause with a nation whose record of outrage and butchery has stained European history for more than four centuries. In greedy Bulgaria dangling German promises of new frontiers appealed to an appetite that had hungered since the Balkan War. That Germany was able to secure the assistance of Bulgaria and Turkey by tempting offers to share the loot is cumulative evidence that her primary purpose in waging war was and is to forcibly annex to her territory all that she may be able to subjugate by arms.

Had the Kaiser and his allies vanquished the allies and left them stricken and despoiled, he would have attempted to lead his triumphant armies against our own soil, here to gorge his appetite with the spoils of our cities and to wring from America staggering indemnities. The conflict lay in our pathway; it could not be averted without the surrender of all that we hold most dear.

Germany initiated the war with the same defiant disregard of the rights of neutral nations as signalized her later conduct toward the United States. Coincidentally with the declaration of war, in a bold and rapid stroke at the French capital, she poured her legions into Luxemburg and Belgium, both of whose independence and neutrality she had solemnly guaranteed to protect. The former was helpless and unresisting, but the latter was as brave and courageous as a good woman fighting desperately to the last breath to save her honor. The story of Liege and her valiant defense will thrill every reader of that tragic story. Malines, Antwerp, and Brussels speedily fell; courage alone could not prevail against hundreds of thousands of rough and brutal soldiers, and the greater part of that unhappy country was overrun and occupied by the armies of the Kaiser. Trampling the helpless Belgians under foot, they pressed on into northern France and laid waste its fair fields and pillaged and destroyed its villages and cities. On rushed the tidal wave until, at the Marne, the heroic French, stirred by the memory of the Maid of Orleans, put to flight the violator of the soil of France. [Applause.]

The central powers were not idle in other theaters of war. Their rumbling artillery rolled through the mountains of Serbia

and Montenegro and two kingdoms crumbled, and their subjects were driven from their homes and scattered like grains of dust. They hurled their bolts against Roumania, and a whole nation, hungry and naked, was left trembling at their power. Against the Russian armies, deficient in arms and munitions, they sent their swarming minions, well armed and equipped, and seized a large territory in the domain of the Czar. When no longer able to make headway against Russia on the battle field, when the Muscovite armies, at last at bay, doggedly disputed the invader's further advance, resort was had to intrigue and Russian treachery to destroy the morale of the soldiery and effect the destruction of organized opposition to Germany's dream of ambition and eastern conquest. Anarchistic agitators and ranting reformers, with gilded promises upon their lips and German gold in their pockets, deluded the poor Russian people and handed them over like chattels to German slavery. At Brest-Litovsk the crowning infamy of this chapter of shame culminated. There was consummated a false peace, a peace purchased at the price of Russian dishonor and betrayal, a peace that shall not bring the fruits of happiness, but instead a most burdensome bondage—not a peace that permits the Russian people to turn to profitable industry and commerce and to devote their energies to the cultivation of garden and field and lowing herds to satisfy their own wants, but a peace that requires them, as slaves, to supply the sinews of war that other nations may be similarly enslaved—a peace that crushes and oppresses the spirit of the conquered until such a time as their smoldering resentment shall burst into flame and with a terrible revenge shall punish their heartless oppressors. At Brest-Litovsk the curtain went down on a shameful and disgraceful tragedy; the bleeding body of Russia lay writhing like a mighty giant convulsed and gripped by an insidious and deadly poison, with features distorted and drawn with the pain and agony of death.

The Central Empires wheeled their forces and their armies burst through the mountain passes of Italy, and by the strength of numbers and the machinations of conspirators, who deceived and seduced the Italian soldiery, captured many thousands of men and much booty and supplies. From this front the assuring news comes that the drooping Italian spirit has revived, and already in a brilliant allied campaign the intruder has been thrown back across the Piave with frightful loss in life and prisoners.

With the armies on the Russian front released, Germany renewed activity on the west, and in March, 1918, made a determined and powerful drive for the channel ports and for Paris, and, though gaining ground, was prevented by the French, British, and Americans from attaining her objectives. Encouraged by temporary success on this front, the enemy launched another formidable and dangerous attack in May, 1918, and drove the Rheims-Soissons salient far toward Paris to the Marne, where once before her armies had been brought to a halt. At this critical and fateful juncture American troops and marines, at historic Chatteau-Thierry, with dauntless daring and superb spirit, not only halted but hurled back the Hun in disaster and ignominious flight. Just as America entered the war at the moment when the fortunes of the allies were growing desperate, so American soldiers arrived on the battle field just in time to turn seeming Germany victory into utter defeat—just at the moment when the German wave, at its crest, was about to engulf the allied armies, American soldiers, standing like a granite wall against the savage storm, met the enemy's armies, vanquished his choicest shock troops, and scornfully scattered the ragged remnants that survived. [Applause.]

Heroic little France, worn and weary with four years of heartbreaking sacrifice, with her lands harried and torn by the shell and shrapnel of the invader, with a million of her bravest sons sleeping in shallow graves from the Belgian border to the Marne and Verdun, with much of her territory in the foreigner's grasp, with Paris, her pride, her ancient capital, almost in the conqueror's hands, witnessed with wonderment and marvelous admiration this valiant and fearless conduct of American troops, and, inspirited and heartened—yea, thrilled—by the superb spirit and dash of her newly arrived ally, turned an expected German offensive into an allied offensive and forced the armies of the Central Empires to retire from the Marne-Soissons salient in utter confusion and dismay, leaving behind vast stores of supplies and many thousands of prisoners, and marking their retreat by thousands of dead.

The British attacked on the sectors held by their armies, and in a series of brilliant attacks the Americans, French, and British have now driven the enemy almost to the old Hindenburg line; but he will not be permitted to rest there for long. In a little while an American army will be pounding his trenches with artillery and raking his flanks with machine-gun fire so galling that another retreat will be inevitable.

Now that American troops in force are in France giving battle to the enemy may we not inquire how this great army was prepared and placed in the field? Is it not well to ask, How has America met the challenge of the enemy? What has she done to meet the shock of the foe? For answer let us for a moment inquire as to how this great Nation, busy with the pursuits of peace, with her sons engaged in industry and agriculture, with commerce and traffic and the various trades and professions of a thrifty and prosperous country, quickly converted this vast army of peace into a formidable implement and agency for war.

On April 6, 1917, the day upon which the United States stepped out upon the stern stage of war in defense of our right to live and in defense of the lives and safety of her citizens upon the high seas, she had a Regular Army of 5,791 officers and 121,797 men; on June 27, 1918, she had 11,365 officers and 514,376 men. At that time the National Guard in Federal service numbered 3,733 officers and 76,713 men, while on June 27, 1918, there were 17,070 officers and 417,441 men. The Reserve Corps in actual service has grown from 4,000 enlisted men to 131,968 officers and 78,560 enlisted men. The entire Army had grown from 9,524 officers and 202,510 enlisted men to approximately 160,400 officers and 2,010,000 enlisted men on June 27, 1918. Since June 27, 1918, additional calls by draft boards have increased the total strength of the Army to approximately 3,000,000. By the draft act of August 31, 1918, it is estimated that 2,000,000 additional men will be called to the colors as rapidly as facilities for training and equipment will permit. With an army of the magnificent proportions of 5,000,000 men in the field there can be in the "bright lexicon" of American achievement no such word as "fail." Its mighty tramp will be heard around the world, and its cadenced footsteps, like thunder, will shatter the stained glass of the palace at Berlin. Already an army of approximately 1,500,000 men is in France, and soon we may expect the major portion of this great army to strike the enemy a telling blow.

To train and qualify officers to lead the new armies 16 officers' training camps were held at military camps. In the first series, beginning May 15, 1917, there were 27,341 officers graduated; in the second, beginning August 27, 1917, there were 17,237; in the third, beginning in January, 1918, there were 11,657; while in the series beginning May 15, 1918, there were about 14,000 officer candidates in attendance. The War Department has recently inaugurated a series of continuous central officers' training camps which will accommodate thousands of officer candidates.

The War Department prepares and preserves a statistical record of each of the 3,000,000 men now composing the Army and will prepare and preserve such a record of those yet to be called, in which detailed information as to occupation, training, home address, nearest relative, and other data are contained.

For the United States to place in Europe an effective Army something more than the assembling and drilling of millions of men is required—armies must be fed, clothed, armed, equipped, and transported across 3,000 miles of ocean, infested with submarines, lurking in the darkness to assassinate the unwary, and skulking away to the safety of the deep when battle is offered—brave and bold against unarmed passenger ships laden with women and children, but craven and cowardly in the presence of an armed and alert foe.

To clothe our vast forces there had been provided by June 27, 1918, among hundreds of articles, the following: 43,922,000 cotton undershirts, 104,333,000 woolen stockings, 2,340,000 rubber hip boots, 103,028,000 yards of denim cloth, 4,010,000 pairs of arctic overshoes, 27,249,000 pairs of shoes.

To feed the Army supplies of food almost too vast to comprehend have been mobilized and transported to camps and to storehouses in France. There have been purchased 339,593 horses and mules, 18,000 Army trucks, and many other motor-driven vehicles. Among other articles provided are the following:

Hardware and metals.

Articles:	Quantity.
Hammers	2,567,000
Axes	5,121,729
Files	10,870,000

Vehicles and harness.

Articles:	
Halters	1,700,000
Escort wagons	129,000
Combat wagons	26,000

Up to May 18, 1918, more than 1,800,000 rifles of all types had been produced by the Ordnance Corps. There are now on hand sufficient rifles for an Army of more than 2,000,000, allowing wastage for a year. Of this number more than 1,000,000 are of the new 1917 model. More than 80,000 machine guns have

already been produced and 350,000 have been ordered, as well as 35,000 tractors for hauling heavy cannon.

To provide shells for ordnance, the Government is operating 4 immense plants and 14 private plants are engaged by the Government. Great nitrate and powder plants are being constructed by the United States at an expense of $90,000,000. Private plants are manufacturing for Government account large amounts of powder and other explosives.

Five billion rounds of small-arms ammunition, 80,000,000 projectiles, 1,500,000 pistols, 1,000,000,000 pounds of explosives, 35,000,000 hand grenades, and 18,000,000 rifle grenades have been provided for use against the enemy.

The Medical Corps is operating in the United States 72 base and general hospitals and in France hospitals of a capacity sufficient to accommodate 5 to 10 per cent of the strength of the American Expeditionary Forces.

Against the deadly gas attack first employed in civilized times by the Germans the Medical Corps has developed a gas mask, the best in use.

To house the Army during training 32 cantonments and camps have been constructed in the United States, at which new troops have been and are now being organized and trained.

In France vast storage houses and depots have been erected. These camps at home and abroad represent an expenditure of $1,170,619,040.

The Department of Military Aircraft established in various parts of the United States 28 flying fields. At these fields there have been trained and are now in training thousands of aviators, while many are training in France, Italy, and England. These "American eagles" will drive the enemy from the air and carry the war into Germany. Almost each day brings tidings of some daring and successful exploit of American aviators, and when the temporary delay in production of planes shall have been overcome we may, with confidence, look for splendid service from this branch of the Army.

To provide for office space required by the rapid expansion of departments the Government has erected many immense temporary structures in Washington—houses for clerks to cost $10,000,000 have been authorized, and $50,000,000 have been authorized to build homes for workers in the shipyards.

To construct ships to carry food and supplies to the Army and transport our troops, Congress has authorized the expenditure of more than $2,000,000,000, and the Shipping Board and Emergency Fleet Corporation on March 5, 1918, had in operation or employed under their direction 151 plants, 85 of which were engaged in wooden construction and 66 on steel ships. Under authority of law 112 German and Austrian ships have been taken over, repaired, and are now in operation. To accommodate our shipping, great docks and terminals have been required at French ports, and lines of railway from ports to the fighting front have been reconstructed and equipped by the United States. These works have necessitated immense outlays, but their need was imperative, and it was the duty of Congress to provide the necessary funds.

The Navy in the first year of the war in officers and men increased more than threefold, having now nearly half a million. There are now, including destroyers, and submarine chasers, and chartered vessels, more than four times as many vessels in the naval service as there were previous to April, 1917. Six new battleships are designed which will be the largest in the world.

The number of men in France or en route to France, including all units that go to make up an entire army, is practically 1,500,000. These troops have been transported by the aid of naval convoys in spite of U boats. Only one transport has been sunk, with a comparatively small loss of life.

This record of preparation for war is a marvelous one, it compels the admiration of the world. It pleases us beyond measure to know that a great democracy in an hour of stress and necessity may arm quickly and effectively when its heart and mind are resolutely set to the task.

It is not without staggering outlays of public money that such prodigious preparation has been made. For the fiscal year 1917 public expenditures, including loans to the allies, amounted to $12,696,702,000. It is estimated that of these expenditures $7,500,000,000 represents permanent assets of value after the war. The aggregate of Government expenditures for all purposes since April 6, 1917, to August 31, 1918, was $17,329,000,000. Treasury estimates forecast an expenditure for the fiscal year, June 30, 1918, to June 30, 1919, for all purposes, of $24,000,000,000.

Thus has America answered the challenge to fight. The Kaiser thought we loved our dollars too much to spend our gold for war. He thought we loved the ways of peace too dearly to leave its pleasant haunts for the rough and rugged road that leads through the land of Mars, but he has found that America is ready to spend the treasure of her wealth and to spill the greater treasure of her blood rather than endure his violation of the sacred rights of her citizens. America's answer to his sneers and jibes will be uttered by the cannon's iron mouth, lips of steel, and tongues of flame will make America's reply.

Our dollars will be molded into shot and shell that shall be sent hurtling into his lines on the western front.

Over against his unholy claim to the divine right of one man to rule we place the divine right of every man to rule his own destiny and his own life under the ordinances of society. To this point at least all the causes and motives of the war find their way—back through all the tangled web of intrigue and diplomacy may be traced the soiled and slimy thread of imperial cunning. To the Emperor's wish to rule the world must be laid all of the tragedy and sorrow and waste and misery that war has wrought.

For this vain dream Belgium was destroyed; for this, that once happy land was filled with the wails and weepings of orphaned childhood and peopled with premature widowhood; for this little children were maimed and butchered, and women were dishonored and despoiled; for this kingly chimera harmless old men, already far on the journey that leads to death, were speeded on their way.

What a contrast between a political system that inspires such an imperial ambition and that of these United States. The Kaiser sees arrayed against him the conscience and the spirit of the civilized world. He knows that his name and that of his Government are execrated and despised in the four corners of the earth. Already he can see beyond the grave and realize how his memory will be linked with authorship of the greatest crime of all the centuries—accursed and damned.

On the other hand, let us turn our eyes for a moment to the tomb of Washington, the great American for whom kingly prerogative possessed no charm and whose only ambition was for his country's weal. On July Fourth it was my privilege to stand at that devoted shrine at Mount Vernon, where lies the dust of him who in life wrote with the sword what had been written with the pen on the day whose anniversary we were celebrating. I saw the ambassadors, ministers, and diplomats of many nations of the globe come like pilgrims to pay honor to the memory of that peerless patriot, to acknowledge the debt of all peoples and races to the greatest of the great, and to cover the vault with flowers in token of gratitude that such a man lived to save and serve the great Republic, which in turn shall save and serve the world. [Applause.] With such a setting and with the civilized nations as an audience, Woodrow Wilson, the splendid spokesman of America and the most commanding figure on the planet [applause], delivered an eloquent and thrilling address that embalmed in matchless language the significance of the day, the forces that centered in the life of Washington, and their recognition and appreciation by the representatives of the nations of the earth.

Between the ideals of Potsdam and those of Mount Vernon the irrepressible conflict has begun, and it shall not end until the former feels the might and strength of the latter—not until the shade of Washington startles the Emperor from his distempered dreams to the realization that the world has passed beyond the era of divine right to rule—that the period of imperial tyranny has vanished with the spectered ghosts that fear to walk where freemen dwell. [Applause.]

The spirit and heart of America are stirred by this war to their very depths; with unbending purpose the people are set upon waging the war to a speedy and successful issue. To the Government's call to war service the country has responded with superb patriotism. There rushed to the colors hundreds of thousands of the finest youth of the land, and other thousands above the age limit begged for permission to enlist.

Government loans of each issue of liberty bonds have been and in the future will be oversubscribed by the people of the United States, willing and anxious to make sacrifices to meet the Nation's demands. Thousands of committees of public-spirited citizens have devoted their time and energies in conducting liberty loan campaigns, thrift stamp sales, and other war activities. Millions have been gladly contributed to the Young Men's Christian Association in order that this organization may go with the boys to France and keep before them the sign of the cross and around them the wholesome influences of home.

With a glad generosity the country has poured millions into the treasury of the Red Cross. Every appeal of this great instrument of mercy has been more than met.

The women of America have met the tasks of war with nobility and unselfish service. [Applause.] They have flocked to Red Cross rooms in city and village and hamlet and rural community, and with needle and yarn and with bandage and

dressing have toiled unremittingly. Inspired by the thought that each sock or sweater or cap might bring comfort to some lad in a damp and dark trench in France, they have mingled their love and tenderness with the fabric formed and fashioned by their busy fingers. With a fortitude that excels the traditions of Sparta, they have sent their husbands and sons to the fighting lines. [Applause.]

With straining vision that reaches to the battle fields of Europe, strewn with maimed and wounded, they have made hundreds of thousands of bandages and surgical dressings to bind up the wounds and stanch the blood of the brave troops that are to fight our battles on foreign soil; their hearts are in France with the colors, their spirits are keeping watch and guard over the men with the flag. [Applause.] The same spirit of determination pervades every branch of our fighting forces, and by that token the American Army will be resistless when its full strength is put afield.

A few days ago I chanced to be at the Union Railway Station in Washington, and there witnessed a scene that shall not soon fade from the canvas of memory. Troop trains were departing for embarkation ports and companies and regiments were entraining. Column after column of fine, athletic, alert young soldiers, with heads erect and quickened step, cheered as they marched with military precision to embark upon a journey which they welcomed with joy; cheering because theirs is the task to cross 3,000 miles of turbulent sea, where the stealthy and crafty assassins of the deep lie in wait, with deadly torpedo poised, to strike in the dark, that they may vindicate upon the plains of Picardy and the fields of Flanders the principles and ideals for which the United States was at last forced to fight. [Applause.]

There can be nothing more inspiring, nothing that offers greater promise for the future, than the marvelous spirit of our troops; not there the furtive or slinking gaze of one afraid; not there the hesitant or halting steps of one reluctant to go where the fighting is fiercest; not there the faint heart that trembles and quakes before the "baptism of fire"; but with uplifted, determined faces, with resolute and steady step, with confident and unwavering purpose, they go to meet the enemy in the red arena of battle. That they shall fitly and nobly acquit themselves there is no fear; to their prowess and bravery, in the faith that their performances will comport with the finest and most heroic traditions of American arms, the United States has confided all that she is and all that she hopes to be—yea, has confided the very safety and life of the Republic. That new and thrilling chapters will be added to the glorious annals of America on both land and sea will follow "as surely as the night the day."

While our enemy is still strong and powerful; while he is yet able to marshal millions in the field; while he is yet in possession of much of the territory of the allies, victory approaches nearer as each day wheels into night—our final triumph is hastening as the weeks and months are unwound from the reel of time. Our sacrifices of men and money, the anguish and tears of American womanhood—these things shall not be spent in vain. The God of Justice will not permit the Hohenzollerns to trample into the lifeless and listless dust the liberties of the whole world; civilization shall not be again plunged into the impenetrable gloom of the Dark Ages. The clock that strikes the hours of destiny, that records the struggles by which man has climbed from savagery to enlightenment, that marvelous chronometer that is moved by mystic forces which we can not always fathom, shall not turn its hands backward a thousand years. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CONNALLY of Texas. Mr. Chairman, can the gentleman from North Carolina give me two minutes more?

Mr. KITCHIN. I yield to the gentleman two minutes.

The CHAIRMAN. The gentleman from Texas is recognized for two minutes more.

Mr. CONNALLY of Texas. The astrologer can not find it written in the stars, the soothsayer can point neither to omen nor augury, it can not be discovered graven upon cabalistic stone or tablet that "kultur" shall extinguish the "light of the West."

Twenty-four hundred years ago the Persian kings overran and conquered Asia and, sweeping westward with vast forces, sought to crush the liberties and civilization of Greece and of Europe, but Miltiades and his little band of Greeks hurled the oriental horde back upon the shores whence it came. In 451 A. D. there emerged from the wild plains and savage fastnesses of Central Asia a countless swarm of barbarian Huns that rushed across southeastern Europe like a blistering blight, ravaging and wasting lands and cities and leaving in its wake nought but monuments of its vandalism and barbarity.

Attila, like his German imitator, claimed intimate contact and relation with God—he was the chosen conqueror Almighty. The Romans and their allies met him at Chalons and, though Rome was weakened and tottering to her fall, she was spared long enough to drive back with frightful slaughter the Hunnish host and add a crowning contribution to the "glory that was hers." [Applause.] The Fates had not so ordered the future that Attila's poisonous breath should wither and kill the culture of Greece on whose mystic mountain tops they had dwelt. In 723 A. D. the turbaned Arabs from the parched deserts of Africa poured through the passes of the Pyrenees and dashed across what is now France with the scimetar in one hand and the Koran in the other, with the one enforcing homage to the other and to Allah, but Charles of the Hammer shattered and scattered the frenzied fanatics and saved Christianity from conquest by the Crescent.

The same wild lust for power and dominion that generated these invasions of the past inspires the central powers in the mighty struggle in which we are grappling; now no less than in former times courage and patriotism shall halt the millions of the enemy and rescue the peoples of the earth from conquest, their liberties from destruction, and shall preserve their lives and the lives of their children from oppression by the most insupportable political bondage of modern times and shall save the institutions and agencies of self-government from prostitution to the selfish tyranny of imperial mastery.

The light is breaking through the clouds that have frowned and lowered upon the fortunes of the allies. We saw a glimmer of light at Seicheypres when American troops first went into action; we caught a vision of it when the drive for Paris and the channel ports was halted before Amiens; when the Austrians were thrown across the Piave, through the Italian sky it shot a brilliant shaft that brightened and cheered our lines from the Adriatic to the North Sea.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. KITCHIN. Mr. Chairman, I yield one more minute to the gentleman.

The CHAIRMAN. The gentleman from Texas is recognized for one minute more.

Mr. CONNALLY of Texas. It grew brighter and clearer at Bellieu Wood and Chateau Thierry, and in the German retreat to the Hindenburg line it dazzled us with its gladsome rays.

As each American lad dons the uniform of his country, as each one drop the implements of industry or agriculture, as each one leaves store or office to grasp the rifle and bayonet, that light in the heavens shall grow in power until its splendor is greater than ever "beat upon a throne." [Applause.] There it is. Can not you see it now—the light of victory set in the arching azure as pledge that the God of Battles "is with us yet, is with us yet." [Prolonged applause.]

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. MERRITT].

The CHAIRMAN. The gentleman from Connecticut is recognized for 10 minutes.

Mr. MERRITT. Mr. Chairman, I agree with all the complimentary things which have been said about the Committee on Ways and Means, both as to the skill with which they have drawn this bill and as to the nonpartisan character of the committee. I appreciate that they had a tremendous task to draw a bill which would produce $8,000,000,000, and so I think that criticism should be very sparing in connection with any of the items.

I agree also that in considering the bill the interests of the United States should be in all respects paramount. I do not believe that the interests of any individual or any class should stand in the way of the bill or any provision thereof, unless such provision would have a broad effect and a detrimental effect on the United States itself, and on the raising of future revenue. But I shall take the few minutes which I have to call attention to two matters in the bill which, it seems to me, are detrimental and will be detrimental to the business interests of this country. The first relates to that provision of the bill taxing net incomes of corporations at the rate of 18 per cent and exempting so much of the income as is paid out in dividends, which results, of course, in a punitive tax of 6 per cent on all the income of the corporation which is not paid out in dividends. Of course the result of that is to tempt all corporations to pay out all their earnings in dividends.

Now, so far as manufacturing is concerned, with which I am most familiar, it is an axiom which is well known and the result of generations of experience that any corporation which

does pay out all its earnings in dividends is sure, sooner or later, to fail. Because, naturally, fluctuations of business will bring about lean years, in which it is absolutely necessary to have the reserves of good years in order to keep the corporation on its feet.

It is also true that the goods which all corporations produce—or all manufacturing corporations, at least—are apt to get out of style at times, and the so-called inventory of the corporation will shrink. You have to provide for that. In other words, it is really a profligate way of doing business to pay out all of your earnings in dividends. It seems to me also that if that is done with the notion that the Nation at the present moment is going to get more of an income tax, it will be fallacious, or if it is done with the notion that the Government is going to get more subscriptions to bonds, that will be fallacious; because I think it will be found that those corporations which have not paid out all their earnings in dividends and have retained some as a surplus have been inclined, and are still inclined, to put that surplus into United States bonds, both from patriotism and on account of the fact that the bonds are the surest investment we know of, and the most easily convertible into cash when cash is wanted.

I think a provision could easily be put into the bill so that 6 per cent might be waived if the undivided surplus is put into United States bonds; and I am sure that will produce a greater sale of bonds than if it were paid out in dividends and divided among the small stockholders, who may or may not purchase bonds.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. MERRITT. With pleasure.

Mr. LONGWORTH. I want to ask the gentleman a question, because he is a student of this subject. I myself have some doubt as to the wisdom of this provision; but the committee was largely influenced by the fact that there seemed to be a large number of corporations in this country controlled in some cases by very rich men who want to avoid at all hazards the payment of taxes, and who will not therefore favor the distribution of dividends. From that point of view does not the gentleman think it is perhaps a wise policy to give a bonus for the distribution of dividends?

Mr. MERRITT. I think the number of such corporations must be very small compared to the number of legitimate corporations, and I do think it is a very decided detriment to try to force—I do not suppose that is exactly the right expression—to try to tempt them to pay out their earnings; but I should think the kind of corporations that the gentleman speaks of might be reached in some way, such as I mentioned, by making the tax dependent on whether or not they invested their surplus in United States bonds. That is what I think could be done. But I do think it tends toward an uneconomic use of the earnings of corporations to insist, at the risk of a penalty, that they shall pay them all out in dividends in the year in which they are earned.

Mr. PLATT. Is there not a provision in the present law under which their surplus can be invested in United States bonds?

Mr. MERRITT. There is, but I think it is taken out of this bill.

Mr. PLATT. There ought to be such a provision.

Mr. MERRITT. There is one other matter contained in the bill——

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. MERRITT. Yes.

Mr. COOPER of Wisconsin. Do I understand the gentleman from Connecticut to say that the pending bill contains a provision which is mandatory, requiring the paying out of all earnings in dividends?

Mr. MERRITT. It does not require it, but it provides that if they are not paid out the undivided profits shall be subject to a supertax of 6 per cent.

Mr. COOPER of Wisconsin. Does the gentleman think that would force the paying out of all earnings?

Mr. MERRITT. I do not think it will force it in all cases, because the very prudent ones would retain it and pay the tax, but, of course, the tendency would be to save that 6 per cent by paying out all earnings.

There is one other provision to which I will allude very briefly, that has to do with the so-called estate tax, which, it seems to me, differs from almost all the rest of the bill in that it is really not strictly a tax, but rather a confiscation of principal. Now, of course, in considering the great estates we are apt to think of the get-rich-quick estates, those that have been made in a short period of time, but all through New England, where I come from, there are a great many large estates which have been built up by the prudent accumulations of years, and it seems to me that you are going into a new field when you confiscate a large part of those great estates. The highest bracket is 40 per cent. Even as to that I should hold to my principle that if this were solely to the advantage of the United States it could be defended, but I do not think it is. It seems to me that this is what might be called profligate taxation. Of course, capital is something which can not be put away in a pigeonhole or in a safe deposit box and be inert and still be of any use to the man who holds it.

It must be used, and the reason why it is capital is because it is savings from previous earnings. Now, if the United States reaches out and takes those savings for a war tax, of course they are going to be dissipated, so that you will diminish the capital of this country by that much, so diminishing the earning power of the country by that much and diminishing possible future taxation by that much. It strikes me, gentlemen, that it is exactly the same thing as we have seen happening in Russia, where the Bolsheviki have used the seed wheat and eaten it up, and so can not plant their crop. It is like going to a mechanic and saying, "We are going to take your tools away from you." He will say, "All right, if that is for the interest of the United States; but if you do, I can not do any more work." If you go to the capitalist, to the bank, to the estate and say, "I am going to take your savings of years and spend them on the manufacture of munitions of war," or anything else, so that they will disappear, you will take away from capital its tools, so that in future it can not do its work and can not help the United States as otherwise it would. [Applause.]

Mr. KITCHIN. I yield 30 minutes to the gentleman from Texas [Mr. McLEMORE].

Mr. McLEMORE. Mr. Chairman, I shall support this large revenue bill as it is reported from the committee, and I will also take advantage of the time allotted to me to make a few observations which I think should be made.

Much has been said in condemnation of the McLemore resolution during this campaign year, but as long as these words of condemnation and misrepresentation came from a prejudiced, a perjured, and a paid press and from the so-called National Security League and the American Defense Society, of New York City, I had nothing to say. Since, however, the Democratic national congressional committee has deemed it expedient to quote the language of the National Security League in a circular letter which it has sent to the Democratic Members of this House I feel it my duty as an American citizen and as a Democratic Member of this House to resent the imputation which emanates from that grafting concern known as the National Security League and whose chief ambition now, it seems, is to asperse the character of those who do not subscribe to its views. The language used by the National Security League occurred in what is called a chart showing the "Americanism" or "patriotism" of each Member of Congress, and its language, as quoted by the Democratic national congressional committee in its circular letter, is as follows:

McLemore resolution: This resolution was to the effect that American citizens should forego their natural, legal, and constitutional rights to travel on the high seas.

Mr. Chairman, a more malicious falsehood or a more willful misrepresentation was never uttered than is contained in these words sent out by the National Security League, so called, and repeated in a circular letter sent out by the Democratic national congressional committee to the Democratic Members of this Congress. It is a lie out of the whole cloth, and I need no better refutation of the malicious slander than the resolution itself, which is as follows:

Resolved, That the House of Representatives of the Sixty-fourth Congress of the United States do, and it hereby solemnly does, request the President to warn all American citizens, within the borders of the United States or its possessions or elsewhere, to refrain from traveling on any or all ships of any and all of the powers now or in future at war, which ship or ships shall mount guns, whether such ship be frankly avowed a part of the naval forces of the power whose flag it flies or shall be called a merchant ship or otherwise, and whether such gun or other armament be called "offensive" or "defensive"; and in case American citizens do travel on such armed belligerent ships that they do so at their own risk.

Mr. Chairman, this resolution was introduced in the House on the 17th day of February, 1916, and it was based on a note issued by the Secretary of State the 27th of January, 1916, and which note questioned the right of a belligerent nation in time of war to arm its merchant vessels. I was also guided in part by a warning issued by England to her subjects in the Far East during the war between Russia and Japan, which warning was sent out to British subjects, judging from the copy I have in my possession, through the English consulate at Shanghai. That warning read as follows:

All subjects of the Crown are notified that the British Government will not undertake to be responsib e for the safety of any British subject leaving this port on a ship of either of the belligerent nations.

This is the common-sense warning England issued through her consulate at Shanghai, and, it is presumed, the same warning was sent to her consulates of other Far East ports. When I introduced my resolution we were at peace with Germany, the sinking of the *Lusitania*, which was a good cause for a declaration of war, having been recognized by our Government as "a closed incident." We had warned our citizens to get out of Mexico, although they had gone there and invested their all under treaty rights and a guarantee of the Mexican constitution and laws. More than 500 of them—men, women, and children—were ruthlessly murdered by the Mexicans and their property destroyed, but we afforded them no protection whatever, our only answer to their appeals being to "get out." Mr. Speaker, I could not by any stretch of my imagination, bring myself to believe that American citizens traveling on the armed boats of the nations then at war and in belligerent waters, and seeking pleasure or business, had rights that were any more sacred than the rights of those Americans who went to Mexico and invested their money under treaty rights and a guaranty of the Mexican constitution and laws, and nothing has happened to shake me in that belief.

My resolution did not prohibit any American from traveling on any boat on which he might secure passage. It did propose, however, that if he took passage on an armed boat of any one of the nations then at war, sailing in belligerent waters, that he would do so at his own risk and without involving this country in war, in case the boat on which he sailed was attacked, and perhaps sunk, by an enemy submarine. My resolution was tabled, as the easiest way of getting rid of it, yet of all who spoke against it—and there were many—not one had the courage to say that the resolution was wrong in principle. Their excuse was that they did not wish to interfere with the President's foreign policy, and yet about the only foreign policy, at that time, on which the President was outspoken was his policy toward Mexico—a policy that but few men in this House indorsed, although they may have said little in this regard outside the cloakroom. The only intention of the resolution was to prevent the United States from becoming entangled in the European conflict, and it was furthest from my desire to interfere with the President's foreign policy. After the resolution was tabled the supporters of the President that year used the slogan, "He kept us out of war," and it was this slogan that caused the women of California and Kansas to vote for Mr. Wilson.

Mr. Chairman, it is a fact not generally known that shortly after the tabling of the resolution the State Department issued an order which virtually put into effect all that the McLemore resolution was intended to do.

At the time the resolution was introduced we were not at war with Germany nor did the people generally dream that we would soon be sending troops to Europe to put down German autocracy. There was one concern, however, that did dream of war with Germany, and it did everything in its power to force the United States into the conflict. I speak of the National Security League, an institution that was organized long before the United States entered into the war and whose sole object was to get this country involved in the European struggle—an institution that was financed by the war profiteers.

The founder of this institution, Mr. Chairman, was an Englishman by birth, and how well he succeeded in his efforts time has only too well proven. And after war had been declared by the United States against Germany the next move of this so-called National Security League was to force upon the country conscription and compulsory military training, and in this work it was assisted by the so-called American Defense Society, and both managed to work, in some way, through the commercial organizations of the different States of the Union, which held so-called mass meetings at their respective cities or towns and then sent telegrams, paid for by the two New York institutions, to their Congressmen expressing the wish of the mass meetings, so called.

Mr. Chairman, it may not be out of place to state that the National Security League is composed of as big a bunch of grafters as ever operated in any country, if we except the Anti-Saloon League, and the league is financed by war profiteers. I understand that the Navy League, since it was put out of commission, and righteously so, by the Secretary of the Navy, is affiliated in some way with this National Security League, which would be only natural, as birds of a feather are known to flock together, and there is usually a common cause between grafters.

But, Mr. Chairman, let me get back to the McLemore resolution. That resolution was introduced in all sincerity, and, as I have previously stated, its sole purpose was to keep this country from becoming involved in the European war, especially after we had passed up the *Lusitania* incident. That resolution lay in the House Committee on Foreign Relations for more than a week, nor was it reported until the President demanded it, and then it was reported in its entirety to the Rules Committee without a chance being given me to amend it by cutting out the "whereases"—which are a resolution's arguments—and with the recommendation that it "do not pass." The same thing occurred in the Rules Committee, which reported it in its entirety, and this committee, so fearful that it would pass the House, reported it with a rule that it was to be debated a certain number of hours and at the end of that time that it be tabled under the previous question, which precluded any chance of amending it, the Rules Committee, as the Committee on Foreign Relations had done, reporting the resolution in full and precluding any chance to amend it.

It was the intention of the gentleman having the time in charge on the floor, and the intention was pretty well adhered to, to run the steam roller over the resolution and in this he was ably assisted by the Rules Committee. The time was equally divided between the Democrats and Republicans, the gentleman from Virginia [Mr. FLOOD] being in charge of the Democratic time and the gentleman from Wisconsin [Mr. COOPER] being in charge of the time allotted to the Republicans.

Having introduced the resolution, I naturally supposed I would be granted a little time to speak to it, but when I asked for time from the Democratic manager I was coldly turned down, and I met with the same result from the Republican manager, both of whom, I presume, were acting under orders from higher up. The only Democrat, as I now remember, who favored the resolution and was given any time was the gentleman from Missouri [Mr. DECKER], who got 10 minutes from the Republican manager. When the gentleman from Mississippi [Mr. SISSON] learned that I had been denied any time he went in person to the manager of the time of the Democratic side, so he informed me, and told him that it was an outrage that I should be denied time in which to defend my resolution. According to Mr. SISSON, this gentleman, out of the goodness of his heart, and, presumably, in violation of his instructions from higher up, agreed to give me four minutes. When my name was called, however, I was informed that the time allotted me was only two minutes, and, of course, I could do nothing more in this short period than thank the gentleman from Virginia for his generosity in granting me so much time and returning to him the unused portion of it, and which he most graciously accepted, as they all do when acting under orders.

But, Mr. Chairman, this is not all. The Atlanta Journal of August 18, 1918, printed a speech of Congressman HOWARD, then a candidate for United States Senator, in which the Congressman is quoted as follows:

> It is pretty hard to have yourself treated worse than * * * disloyal MCLEMORE.

Mr. Chairman, knowing how unreliable some newspapers are I wrote Mr. HOWARD, as follows:

WASHINGTON, D. C., *August 19, 1918.*

Hon. W. S. HOWARD,
Atlanta, Ga.

DEAR SIR: In your speech, as published in yesterday's Atlanta Journal, you refer to me as the "disloyal MCLEMORE." In view of the friendly relations that have existed between us since our first acquaintance, and because of the falsity of the charge, I am loath to believe that you were quoted correctly, nor will I believe so until I hear from you.

Very truly, yours, JEFF: MCLEMORE.

This letter was written on August 19, but so far I have not heard from Mr. HOWARD. I propose, however, to make the paper which published the statement prove its charge, and I suppose Mr. HOWARD will answer my letter as soon as he gets the time from his campaign, which has no doubt been absorbing all of his time. The Atlanta Journal further quotes Mr. HOWARD, as follows:

> I stood on the floor of the House and denounced the supporters of the cowardly and infamous McLemore resolution.

Mr. HOWARD occupies the floor of the House so often when he is here that nobody takes seriously anything he may say, and his denunciation of the supporters of the McLemore resolution, if he did denounce them, attracted no attention out of the ordinary. However, the CONGRESSIONAL RECORD of March 7, 1916, the day the resolution was debated and tabled, fails to show that Mr. HOWARD opened his mouth against the resolution save to vote to table it, but the CONGRESSIONAL RECORD of March 8, the day following, does show an "extension of remarks" on the McLemore resolution, by Mr. HOWARD, although I fail to find in the "remarks" any special denunciation of those who favored the resolution. In fact, I think Mr. HOWARD was bamming those to whom he spoke in his speech which is printed in the Atlanta Journal of the date heretofore mentioned, and for a bammer Mr. HOWARD is equal to all occasions. I suppose, how-

ever, he will answer my letter now that his campaign is at an end, or will be after to-day.

Mr. Chairman, I have been charged by a prejudiced, a perjured, and a paid press with being a critic of the President. I deny the imputation most emphatically. I regard the President as a great man who is doing his best for this country; but I do not feel that he is infallible, and I have differed from him on some of his policies. I did not subscribe to his Mexican policy, and I still think he made a mistake when he withdrew our troops from Mexico after once landing them at Vera Cruz. I had an idea when I first came here as a representative of the people that Congress was a coordinate branch of the Government, but I had not been here long before I discovered that I had made a mistake, and that, instead, it was subordinate and not coordinate. I still have an idea, however, that it is a coordinate branch of the Government, or should be, and for so thinking some people charge that I am disloyal—that is, they charge it when they are striving for administration favors, although their opinion, privately expressed, may be very different.

Mr. Chairman, since war has been declared I have been with the administration on practically everything it has declared for, with three exceptions, namely:

First. I voted against conscription, and in doing so I stood with the majority of the Military Committee and cast my vote with Chairman DENT, of the committee, Speaker CLARK, and Mr. KITCHIN, chairman of the Ways and Means Committee, and all three of whom are good men, honest, old-time Democrats, and men who have the courage of their convictions on the floor as well as in the cloakroom, and I had rather err with these men than shine with some others that I know of. All of our wars have been won with volunteers, and I thought it a good idea to first give those a chance to show their patriotism who were anxious for war and were shouting for it on every occasion. I also thought it proper to conscript incomes as well as human lives, but when I offered an amendment to that effect I failed to get anywhere with it.

Second. I voted to let Col. Roosevelt raise an army of volunteers and go to Europe. I thought such an army would have a good effect on our allies and a depressing effect on our enemies; but my wishes in this respect were of no avail, and Col. Roosevelt could do nothing more than send his four sons to the battle front, one of whom has died a hero's death, and the others—at least two of them—have been wounded.

Third. I voted against the bill creating Herbert Hoover food dictator and placing at his command $162,500,000 of the people's money to do with as he pleased. Mr. Hoover had not been a resident of the United States for 23 years, had never in his life voted in this country, and was not a qualified voter when he was created food dictator and given $162,500,000 of the people's money to use as he saw, or may see, proper. He is a mining engineer, a resident of London, England, where he owns a home and where his business interests are established, and I thought if we were to have a food dictator we should select him from our own people—a man who knows something of American conditions and who has the interests of the American people at heart, especially the farmers of the country, of whom Mr. Hoover is now the dictator.

Mr. Chairman, the law under which this food dictator was created explicitly says that the dictator must file a monthly report with the Speaker and the Clerk of the House. I can not find, however, that he has ever filed but two reports, and these about the same time, which shows the contempt he has for the law under which he was created.

But I had still another reason for voting as I did on this food-dictatorship proposition. Shortly before Mr. Hoover was made food dictator the Secretary of Agriculture published over his own name a letter, of which the following are excerpts:

There is nothing in the food situation of the country which justifies hysterical thinking or action.

The department and all agricultural agencies of the country are giving definite and careful attention to these problems. The Federal Government, through several of its departments, is giving continuous consideration to the immediate problems presented and to the possibility of remedial legislation.

The solution will certainly not involve a Federal dictatorship, and ft is highly unlikely that it will involve a dictatorship in any State or community

America does not take kindly to dictators. The difficulties in any event would be very nearly insuperable. We have a continent to deal with, and there are difficulties of double jurisdiction.

Consider, for instance, the matter of fixing a minimum price. The Federal Government could deal only with commodities passing into interstate commerce. The States might be hampered in attempting to fix prices.

We are maintaining a Department of Agriculture at a cost of some $30,000,000 a year to the taxpayers of the country. The department has agricultural experts of all kinds, and it seems to me that, as the Secretary of Agriculture intimated in his published letter, these paid experts could have looked after this food situation and thus saved to the contry $162,500,000 of the people's money, and perhaps more before it is over with. In casting my vote on the food-control bill, I voted with the gentleman from Virginia, Hon. CARTER GLASS, and I am sure no one has charged Mr. GLASS with being disloyal.

With these three exceptions, Mr. Chairman, I have stood with the administration on practically all of its war demands, and I have voted with the administration on some measures which others did not—others who had as good a right as I had, if not a better one, to stand by the administration, but who preferred to curry favor with the newspapers on the occasions of which I speak rather than with the President.

But getting back to the McLemore resolution I wish to state that that resolution was introduced in the best of faith and for no other purpose than to keep us out of the European war. It meant no reflection on the administration, and among its supporters were such men as Uncle JOE CANNON, Minority Leader JAMES R. MANN, Mr. LENROOT, since elected United States Senator, and many others, Democrats as well as Republicans, and whose Americanism is beyond questioning. A prejudiced, a perjured, and a paid press has had much to say in condemnation of this resolution, and I have been made the victim of all manner of slander and misrepresentation by this same press. But "thrice armed is he who hath his quarrel just," and I have survived the slander and misrepresentation, although it may have done me some harm among those people who do not know me personally. I did not wish to see my country become involved in foreign entanglements that will cost thousands of the lives of the country's manhood and billions of dollars which future generations will have to pay, and in introducing my resolution I tracked pretty closely President Washington, who, on the 22d of April, 1793, issued the following proclamation:

Whereas it appears that a state of war exists between Austria, Prussia, Sardinia, Great Britain, and the United Netherlands on the one part and France on the other; and the duty and interests of the United States require that they should with sincerity and good faith adopt and pursue a conduct friendly and impartial to the belligerent powers, I have therefore thought fit by these presents to declare the disposition of the United States to observe the conduct aforesaid toward those powers, respectively, and to exhort and warn the citizens of the United States carefully to avoid all acts and proceedings whatsoever which may in any manner tend to contravene such disposition.

And I do hereby also make known that whosoever of the citizens of the United States shall render himself liable to punishment or forfeiture under the law of nations by committing, aiding, or abetting hostilities against any of the said powers, or by carrying to any of them those articles which are deemed contraband by the modern usage of nations, will not receive the protection of the United States against such punishment or forefeiture; and, further, that I have given instructions to those officers to whom it belongs to cause prosecution to be instituted against all persons who shall within the cognizance of the courts of the United States violate the law of nations with respect to the powers at war, or any of them.

So careful was President Washington to avoid getting this country involved in foreign entanglements that he not only issued this proclamation, but he also declined to ask for the liberation of Lafayette, who was confined for several years in the prison of Olmutz. As soon as Napoleon came into power, however, he not only asked for but demanded the liberation of Lafayette. Napoleon's demand was at once acceded to, and the Austrians gave Lafayette his freedom. After that, however, Lafayette was never Napoleon's friend and showed his French nature by doing Napoleon harm whenever he could. In this respect he was not different from the Frenchmen of to-day, who charge our soldiers two or three times as much as they do French or English soldiers for the same articles, although the American soldiers have been the saviors of France. Mr. Chairman, show me a Latin country and I will show you a manhood that thinks first of itself.

Before I close these observations let me call attention to the fact that of 18 Congressmen from Texas, 8 voted against tabling the McLemore resolution, 7 voted to table it, and 3 are recorded as not voting. I only mention this to show that I did not stand alone among the Texas delegation in supporting the resolution.

One thing more, Mr. Chairman. I would like to call attention to before I conclude. A few days ago a gentleman in a high official position, in a very partisan speech, took occasion to criticize the President and one of his friends, the Hon. E. M. House. This spokesman, of course, was a Republican, and his idea was to make political capital out of his speech. What he said, however, in criticism of these gentlemen gave more honor to himself than it reflected discredit on the gentlemen he attempted to criticize. In fact, he was more honored in the breach than in the observance. As far as the President is concerned, he is in a position to defend himself and can do so in a more able manner than I can. I can not resist the temptation, however, to say to the gentleman that in abusing the President he elevated himself. The other gentleman he saw fit to abuse, being a private citizen, has no way to defend himself from the aspersions of this bully, who takes advantage of his official position to asperse the

character of a man who is in every respect his superior. Col. E. M. House is one of the most unassuming of men. I have known him long and intimately, and I can say in all candor that no truer gentleman or better citizen ever lived. He is the least obtrusive of men, he wants no official job, and those who know him best love him most. He never gives his advice unless it is asked for, and in having him for a friend and adviser the President is certainly to be congratulated. Even Col. George Harvey, in a recent issue of his War Weekly, spoke in high praise of some of the advice Col. House had given the President, and praise from Col. Harvey is praise indeed. Col. House is a man among men, and I am sure if the gentleman who spoke hastily and slanderously of him had known him as I do, his language referring to Col. House would have been the reverse of what it was. I have been told that for a Member of the House to take issue with a Member of the higher body is improper and out of place. But, Mr. Chairman, when a Member of the Senate for a political purpose indulges in slander of a President and of a good citizen of the United States he should be told so in plain and unequivocal language. If all men in this country—and this includes Members of the United States Senate—were honest with themselves and their fellow men, the country would be that much better off. Col. House is my friend, and as such I throw back the contumely that has been wantonly and without cause or provocation thrust upon him by one who shields himself behind the cloak of the United States Senate, but who would not personally dare indulge in the language he used on the Senate floor, for fear of getting called down, as he deserves to be.

In concluding my speech, Mr. Chairman, let me call attention to the fact that Hon. William Kent, of California, voted against tabling the McLemore resolution, and yet after that Mr. Kent was appointed by the President to a high official position, which is conclusive evidence, in my mind, that the President did not regard a vote for the McLemore resolution as an unpardonable sin. A Democratic Member of the Senate, who is regarded as a spokesman for the administration in that body, and who recently went to Europe on a mission for the administration, said to me shortly after we had declared war against Germany, that he had made a mistake in opposing my resolution and that Congress had made a fatal error in not adopting it. This was said to me in the presence of others and without any solicitation on my part. This Senator is a candidate for reelection and has the support of the administration.

Mr. Chairman, I was the first member of the Texas delegation to come out unreservedly for preparedness. That was before the President had changed his views on this proposition, and for so announcing my preparedness ideas I was criticized by some of my colleagues. This criticism ceased, however, as soon as the President announced that he thought preparedness was the proper thing. I did not want preparedness for offensive purposes, but rather that we might be in a position to defend ourselves against the encroachment of any foreign power. But since then times have changed—changed in a way I did not anticipate, nor did many others anticipate differently. But we now have a war to prosecute, and I am in favor of prosecuting that war to a successful and speedy termination, and in every way that we possibly can, both with man power and with money power, and prosecuting it to the bitter end, nor stop to count the result until our victory is won.

In speaking of a prejudiced, perjured, and paid press, I did not mean to convey the impression that all of our newspapers come under this class. I am an old newspaper man myself, and I would not, under any consideration, asperse the character of my fellow newspaper men as a whole. But, Mr. Chairman, we have a lot of newspapers and newspaper men that are out for the money they may make, and it is no difference to them how this money may come in. We also have a lot of clean newspapers and newspaper men that could not be deterred from the course of honesty by all the money in the land, and they would be a credit to any country. In the Sixty-fourth Congress, on page 3321 of the CONGRESSIONAL RECORD, appears the following remarkable statement:

Mr. CALLAWAY. Mr. Chairman, under unanimous consent, I insert in the RECORD at this point a statement showing the newspaper combination, which explains their activity in this war matter, just discussed by the gentleman from Pennsylvania [Mr. MOORE].

"In March, 1915, the J. P. Morgan interests, the steel, shipbuilding, and powder interests, and their subsidiary organizations, got together 12 men high up in the newspaper world and employed them to select the most influential newspapers in the United States and sufficient number of them to control generally the policy of the daily press of the United States.

"These 12 men worked the problem out by selecting 179 newspapers, and then began, by an elimination process, to retain only those necessary for the purpose of controlling the general policy of the daily press throughout the country. They found it was only necessary to purchase the control of 25 of the greatest papers. The 25 papers were agreed upon; emissaries were sent to purchase the policy, national and international, of these papers; an agreement was reached; the policy of the papers was bought, to be paid for by the month; an editor was furnished for each paper to properly supervise and edit information regarding the questions of preparedness, militarism, financial policies, and other things of national and international nature considered vital to the interests of the purchasers.

"This contract is in existence at the present time, and it accounts for the news columns of the daily press of the country being filled with all sorts of preparedness arguments and misrepresentations as to the present condition of the United States Army and Navy and the possibility and probability of the United States being attacked by foreign foes.

"This policy also included the suppression of everything in opposition to the wishes of the interests served. The effectiveness of this scheme has been conclusively demonstrated by the character of stuff carried in the daily press throughout the country since March, 1915. They have resorted to anything necessary to commercialize public sentiment and sandbag the National Congress into making extravagant and wasteful appropriations for the Army and Navy under the false pretense that it was necessary. Their stock argument is that it is 'patriotism.' They are playing on every prejudice and passion of the American people."

Mr. Chairman, my recollection is that this statement followed a resolution introduced by a Member from Pennsylvania to investigate these newspapers that sold themselves and their influence to the highest bidder, but nothing ever came of the resolution and it did not even get out of the committee to which it was referred. I do not think it yet too late to investigate this bunch of slanderers and crooks, although, to keep down a sensation, the friends of honest endeavor may deem it best to keep down the investigation until the war is at an end. It will, I presume, be then so late that the miscreants will claim exemption from investigation by pleading the statute of limitation. These newspapers have been unmerciful in their criticism of Postmaster General Burleson and Mr. George Creel because these men sought to curb these paid newspapers in their wilful and malicious misrepresentations. I think Mr. Burleson and Mr. Creel were both right, and I think Congress showed its lack of courage when it failed to give them the powers they asked for, that they might have made this misleading press at least halfway decent.

Mr. Chairman, there is another matter to which I wish to call attention. We have at work for our Government a lot of dollar-a-year patriots. Some of these patriots are members of big firms that get big Government contracts, while others are allowed expense accounts that are larger than any salaries they ever received in their lives. These matters should be looked into, although I am sure, judging from the past, and which is the only way we can judge the future, that nothing will be done and that this riot of spending the people's money will continue until the end of the war and then nobody will be to blame, as it will be too late to then bring the matter up for consideration, and to bring the matter up now might cause one to be charged with disloyalty. One of these dollar-a-year patriots, who is a Wall Street operator, made a tremendous sum of money not long ago because of a certain leak which is still fresh within the minds of the public; and it is presumed that his firm also made a large sum of money when, a few days ago, his official statement caused the price of cotton to fall more than $20 a bale. These are the class of individuals that have been called in to run our Government, and I do not believe there is any other country under the sun save the United States that would stand for them for even a moment. Instead of being on the firing line they are given positions far away from danger, and when this war is ended there will be so many multimillionaires that a millionaire will be regarded as a very ordinary person. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. HAMILTON].

Mr. HAMILTON of Michigan. Mr. Chairman, on October 1, 1915, William II, King of Prussia and German Emperor, sent this message in reply to a message of congratulation by the Prussian Ministry:

"My warmest thanks to the Ministry of State for its inspiring words by which it renewed on the day of the 500th anniversary of the reign of my House over Brandenburg, its vow of loyalty.

"In reviewing half a thousand years of Brandenburg-Prussian History, God's guidance appears to have been wonderful. Across the depths and the heights, my House has been raised from the Electoral hat to the Imperial Crown; and a small Mark to the center of the German Empire, whose strength and power have been so brilliantly proved to friend and foe in the present War of the Nations, the greatest of all times."

What he calls the greatest War of all times is a War of reasoned cruelty and horror unparalleled in human history. When he claims God's guidance, he slanders God.

Here are three orders illustrating the Prussian idea of "Strength and Power" under "God's Guidance."

1—"With my authorization the General commanding these troops has reduced the town to ashes and has had 110 persons shot." (Proclamation by General Von Bulow Aug. 22, 1914.)

2—"In future, the inhabitants of places situated near railways and telegraph lines which have been destroyed will be punished without mercy whether they are guilty of this destruc-

tion or not. . . . the hostages that have been taken in all such places will be shot immediately." (Proclamation by General Von Der Goltz, Brussels, Oct. 5, 1914.)

3—"Beginning with today, no more prisoners are to be taken—all prisoners are to be put to death. The wounded, whether armed or not, are to be put to death. Prisoners, even when they are organized in large units, are to be put to death. No living man is to remain behind us. (Orders of the day by General Stenger, Commander of the 58th Brigade, Aug. 28, 1914, in France.)

THE HOLY ROMAN EMPIRE

Let us examine the historic evolution of this Mark Brandenburg and the House of Hohenzollern.

The Holy Roman Empire, which Voltaire said was neither Holy nor Roman nor an Empire, was the name given originally to the Empire erected by Charlemagne in Western Europe, after his Coronation in 800.

Technically, it is the name applied to the Roman Empire of the so-called German Nation inaugurated in 962 by Otho the Great.

From that time on, some German King was generally Emperor and after 1438, all the Emperors but two belonged to the House of Hapsburg.

The early Kings were elected by the chief men of their respective Kingdoms and the Kings in turn elected the Emperor, but finally the Emperor was chosen by Electors and the Margrave of Brandenburg was made one of seven Electors of the Empire in 1356 by the Golden Bull of Charles IV.

THE KINGDOM OF PRUSSIA.

In 1415, Frederick of Nuremberg, a Count of the South German House of Hohenzollern, received from the Emperor Sigismund the small and sterile Electorate of Brandenburg.

Two hundred years later (1618) Prussia, a Duchy lying northeast of Brandenburg, now known as East Prussia, was joined to Brandenburg and in 1701 Prussia, together with Brandenburg, became a Kingdom.

FREDERICK I AND FREDERICK WILLIAM I.

Frederick, the new-made King of the new-made Kingdom, whom Frederick the Great his grandson called great in small things and small in great things, incurred "the envy of the class he quitted, and the scorn of the class into which he obtruded himself."

Of Frederick William, who succeeded him, Macaulay says he was "a prince who must be allowed to have possessed some talents for administration, but whose character was disfigured by odious vices and whose eccentricities were such as had never before been seen outside of a madhouse."

He had two enthusiasms, one, economy amounting to penuriousness, the other, tall soldiers. His agents ransacked every country for tall men and in spite of his economy, in other directions, no price was thought too high to pay for them.

He picked up a seven-foot Irishman on the streets of London and paid him a larger salary than the Prussian Ambassador at St. James was receiving.

His reign is an epoch in the history of military training and his troops were the best disciplined in Europe.

FREDERICK THE GREAT.

He died in 1740 and left his Kingdom and his 90,000 soldiers to his son Frederick afterwards called The Great, whom he had abused and beaten in public; whom he had caused to be tried and convicted for desertion, because he had planned to flee from Prussia to marry; and whom he had forced to witness from the window of his cell the cruel execution of the friend who had aided him.

Frederick the Great came to the throne with an enthusiasm for French literature and the reputation of a voluptuary, but began at once to exhibit military and executive talent of a high order and the traits of a tyrant.

He had a harsh and bitter tongue, played the flute, aspired to a place in literature, and gathered around him a brilliant cosmopolitan society of free thinkers, wits, philosophers, and poets whom Voltaire kept in a continual ferment of jealousy, bickering and strife after his arrival.

Soon after Frederick became King, the Emperor of Austria died, leaving no son, and to secure to his daughter, Maria Theresa, and her descendants "the many crowns of the House of Hapsburg" he had promulgated the Pragmatic Sanction to maintain which the other Monarchs, including Frederick, had bound themselves by treaty.

But Frederick asserted a claim to Silesia, on which the statute of limitations had run for a hundred years, and without a declaration of war, proceeded to plunder a woman of her possessions in the dead of winter.

This piece of Hohenzollern rapacity started a war that spread beyond the confines of Europe and the qualities that made Frederick great shone against a background of adversity for which he himself was largely responsible.

After the peace of Aix-La-Chapelle in 1748, there was a lull for a time and Frederick applied himself to the affairs of his Kingdom, to literature and sarcastic commentaries upon his contemporaries in power, three of whom were women.

Maria Theresa plotted revenge for Silesia and enlisted the cooperation of Elizabeth of Russia who hated Frederick because she knew "her gallantries had afforded him a favorite theme for ribaldry and invective" and of Pompadour who was an obvious mark for the King's talents, as the mistress of Louis XV.

There was a shifting of alliances upon the map of Europe and the stage was set for the Seven Years' War which left to history, such names as Rossbach, Luthen, Zorndorf, and Minden, cost a million lives, and loaded every State in Europe, except Prussia, with debt.

Frederick returned to his Kingdom at last gray, furrowed with care, and bowed with bodily ills, to find the currency debased, fields uncultivated, homes destroyed, and whole villages without a living soul, but he held Silesia, participated in the first partition of Poland, and lived long enough to see with dim eyes, the beginning of the age of steam, and to send his sword to Washington, soon to be the President of a Republic destined in time to sway the balance against the transmitted Autocracy of Prussia.

Dr. McElroy of Princeton has recently extracted from the works of Frederick some expressions of his philosophy which illustrate the Prussian idea of "God's guidance," in Frederick's time and now.

Among them are these—

"There is only one person in the Kingdom—that is myself."

"If there is anything to be gained by it, we will be honest; if deception is necessary, let us be cheats."

"One takes when one can; one is wrong only when one is obliged to give back."

"Foreign alliances only in order to sow animosities."

"Do not be ashamed to make interested alliances in which you, yourself, can derive the whole advantage. Do not make the foolish mistake of not breaking them when you believe your interests require it."

At the end of the eighteenth century there were in Germany no less than 300 independent sovereignties, ecclesiastical States and Free Cities.

When serfdom ended in Germany I have not been able to ascertain, but according to DeTocqueville "at the close of the eighteenth century there was hardly any part of Germany in which serfdom was completely abolished. Generally speaking, peasants still formed part of the stock on land as they had done during the Middle Ages. Nearly all of the soldiers in the Armies of Maria Theresa and Frederick were absolute serfs."

"In 1788 the general rule with regard to German peasants was that they should not leave the seigniory and if they did, that they should be brought back by force. . . . They could not rise in their calling or change it or marry without leave from their master." DeTocqueville's "Old Regime" p. 38.

FREDERICK WILLIAM II.

Frederick the Great was succeeded in 1786 by Frederick William, his nephew.

The old Empire of Charlemagne and of Otho was on the edge of dissolution.

It was a time of strange pseudo scientific investigations. "Attempts were made to create men by chemical processes, to find the philosopher's stone that would turn everything to gold and to provide an elixir of youth."

When the French Revolution started, philosophers like Kant and Fichte defended the right of the people to change their form of Government by violence, and when the Bastile fell, Mainz, Hamburg, and some other towns put up liberty poles, but the Revolution soon got beyond philosophic theorizing.

Marie Antoinette was the sister of Leopold of Austria who induced Frederick William to join in an alliance and they met at Pillnetz and issued a declaration that they considered the affair of Louis XVI the common concern of all Sovereigns.

The reply of Leopold to the French ultimatum to renounce his plan of a European Alliance and support France started a war, the gravity of which Germany did not at first appreciate.

Louis XVI was guillotined in 1793 and Leopold died and was succeeded by Francis II, a weaker man.

On the plea that French Revolutionary ideas were taking root in Poland, Catherine II of Russia arranged a second partition of Poland, to which Austria was not invited.

Then Kosciusko led a revolt of what was left of Poland; Poland was divided a third time and this time Austria par-

ticipated. Meantime the war with France had proceeded without energy.

Prussia and Austria were at odds, Prussian resources had dwindled, her zeal had burned low and she signed a treaty of peace with France at Basle which Treitschke has characterized as "An error that had to be atoned for through two decades of unparalleled misery."

Prussia stood aside now while Austria continued the war against five French armies, one of which, was commanded by Napoleon.

In October, 1797, Napoleon negotiated a treaty with Austria which Stein called "The black and complete treachery of Campo Formio," by which Austria took the dismembered Republic of Venice and France ultimately moved over to the left bank of the Rhine.

Since it was claimed that Austria had no right to convey territory of the Holy Roman Empire, a Congress of the German States was called to meet at Rastadt which sat for more than a year in an ignoble squabble among the petty German Princes whose lands were to be taken for the common enemy.

The Congress broke up in confusion, the treaty was not confirmed, and the War went on.

The second coalition was formed. Marengo and Hohenlinden brought Austria to the Peace of Lunéville (1781) by which the terms of Campo Formio were repeated.

FREDERICK WILLIAM III.

In 1797 Frederick William II died and Frederick William III, timid, ill-trained, and obstinate succeeded him.

The German States were fawningly subservient to Napoleon and the Princes who had lost possessions on the West bank of the Rhine and had fallen in with Napoleon's scheme to compensate them with ecclesiastical possessions on the East bank, flocked to Paris as suppliants.

Treitschky compares them to "a swarm of flies feasting on the bloody wounds of the Fatherland."

They compared Napoleon to Charlemagne and desired to be remembered when there should be any further lands to be divided.

Prussia "went so far as to accept for herself five times the amount of territory she had forfeited" and later remained inactive while Napoleon plundered her neighbor, Hanover.

On August 6, 1806, Francis II abdicated as Emperor of the Holy Roman Empire and it became a part of "yesterday's seven thousand years."

Prussia had "gone to sleep on the laurels of Frederick the Great" and when she finally entered the War, she entered it ill prepared.

The surviving officers of Frederick the Great had grown old and fat, the army suffered from arrogant overconfidence and at Jena and Auerstadt as Napoleon said, "the great and beautiful army of the Prussians vanished like an autumn mist before the rising of the sun."

The Rhine principalities, Saxony and Bavaria, joined the French. Napoleon entered Berlin, took down the figure of Victory from over the Brandenburg gate and stored it in a shed on the bank of the Seine.

After the Treaty of Tilsit, on a raft in the River Nieman, the humiliation of Prussia was complete but Stein, Scharnhorst, Blucher and Gneisenau not one of whom was Prussian born, lived to redeem the country.

The Revolution in Spain (1808) led men to question whether Napoleon was indeed invincible.

Stein was proscribed by Napoleon and fled to Austria with a price upon his head. But Austria was no refuge, Wagran was yet to follow, Josephine was to be put away, and Metternich was to negotiate the marriage of Napoleon and Marie Louise.

In 1811, the Czar, Alexander, having expressed the fear that the world was not big enough for both of them, Napoleon started for Moscow with 650,000 men to settle the question of space.

Stein went to Russia, after Napoleon's retreat, and entered East Prussia as the Czar's agent to rouse the Prussian people.

The wavering Prussian King joined Russia. Lützen, Dresden, Katzbach, Dannewitz, and Leipzig were fought, Napoleon was pursued to Paris, sent to Elba, and Prussia carried her figure of Victory back to Berlin.

A Congress of the powers of Europe, except Turkey, called at the moment of victory to meet at Vienna to rearrange the map of Europe which Napoleon had disarranged, was thrown into confusion, in the midst of its deliberation, by the news of Napoleon's escape from Elba and of the expulsion of Louis XVIII.

The Congress thereupon resolved that Napoleon was an outlaw and an enemy of mankind; each of the Powers agreed to furnish 150,000 men, and four great armies, under Wellington, Blucher, Schwarzenberg, and the Czar prepared to invade France.

Waterloo followed Ligny, Blucher arrived in time and the Congress of Vienna resumed its deliberations, the result of which, as to the German States, which now numbered 39, was a mere Act of Confederation providing for a Diet with no coercive power, to meet at Frankfort-on-the-Main.

"But the very weaknesses of this German confederation were to conduce to the aggrandizement of Prussia and lead to her final triumph." (Henderson Vol II p. 223.)

Meanwhile, day after day, a lonely figure looked out to sea from St. Helena.

Liberal ideas were in the air now. France was about to do away with the principle of Monarchy and her influence was spreading.

Student secret societies, the supposed ultimate object of which was the overthrow of Monarchy, spread among the German Universities.

A system of espionage and repression led to Revolutionary demonstrations.

The attention of Europe was concentrated on Prussia and Otto von Bismarck began to be known.

FREDERICK WILLIAM IV.

On the death of Frederick William III (1840) the question of a Constitution for Prussia, which had been allowed to slumber during the last years of his reign, was renewed but the new King temporized and evaded.

A Diet called in 1847, which was thought to portend a Constitution, found itself convened for the purpose of a loan for a railroad, and when the delegates spoke of the rights of the people, the King made a speech, the peroration of which became historic.

"No written sheet of paper" he said "shall ever thrust itself like a second Providence between the Lord God in Heaven and this land."

In the smaller German States the Revolution had been accomplished without bloodshed.

Petitions for Constitutions, for Trial by Jury, for the Freedom of the Press, for the right of the people to bear arms, had been granted (Henderson Vol II P/ 345).

fanned by Kossuth.

The spirit of Revolution spread to Austria where it was

In the midst of violent demonstrations, the Emperor Ferdinand was forced to grant a Constitution and Metternich joined Louis Phillippe in exile in England.

The Vienna Revolution brought on a crisis in Berlin. After a barricade war of thirty-six hours, during which he was subjected to the utmost humiliation, the King called an assembly to meet in May, but in May, the crisis having passed, he prorogued it to meet in November, and in November, it was dissolved without action, the King having announced that he would impose his own Constitution, the clauses of which were to be revised by the Representatives themselves, and, in January, 1850, the work was completed.

A reaction set in and Austria abrogated her Constitution. Meanwhile a Parliament had met at Frankfort to settle the question of a Constitution for all Germany, which, after thirteen months of discussion as to the form of Government and the terms on which Austria with her non-German dependencies should be admitted, dispersed without action.

Prussia remained neutral during the Crimean War and, in 1859, refused to join Austria in her war with France and Sardinia.

WILLIAM I.

In 1861 Frederick William IV died and was succeeded by his brother, William I then sixty years old, who had been Regent during the four years of insanity that preceded the Kings death.

In the midst of the crisis resulting from the refusal of the Prussian Parliament to grant money for the support of an enlarged army, and when the new King was contemplating abdication, Bismarck "undertook the task of ministerial government without a majority, without a budget, and without a programme." (Henderson Vol. II p. 382.)

The issue for the next four years was whether the Crown or a majority of the House of Representatives should govern Prussia, and in a historic speech, Bismarck declared that "Germany does not look to Prussia's liberalism but to her Power. . . . The great questions of the day are not decided by speeches and majority votes—therein lay the weakness of 1848 and 1849—but by blood and iron."

The differences between Austria and Prussia culminated in the war of 1866 over the Schleswig-Holstein affair which, Lord Palmerston once said only three persons ever understood, one of

whom was dead, one crazy, and the other, himself, had forgotten what it was all about.

The gist of it is, as stated by Lowell, that "Bismarck persuaded Austria to join Prussia in wresting Schleswig and Holstein from Denmark and then contrived to quarrel with her about their disposition." ("The Governments of France, Italy and Germany"—p. 171.)

Then followed Königgrätz and the treaty of Prague by which the old German Confederation was to be dissolved and, in its place, two new Confederations were to be created in neither of which Austria was to have a part.

"Bismarck had originally intended to compel all the States, except Austria, to form a Federal Union, but the intervention of Napoleon III forced him to abandon the plan." (Lowell, p. 172.)

Prussia therefore annexed Hanover, Hesse-Cassel, Nasau and Frankfort besides Schleswig Holstein "while with the other states north of the Main a new Federal Union was formed under the name of The North German Confederation."

"Austria was excluded from all participation in German politics; while the four States south of the Main,—Bavaria, Wurtemburg, Baden, and Hesse-Darmstadt—became independent and were expressly left at liberty to form a separate union for themselves." (Lowell, p. 173.)

Meanwhile Napoleon III had conveyed word to Bismarck that he desired to have it understood that the consent of France to Prussia's annexations presupposed a compensation to France to be determined thereafter.

The Austrian War made the King, Bismarck, Moltke, and Roon popular.

In all essential matters, Bismarck drew the Constitution of The North German Confederation and he invented the name Bundesrath for the Federal Council which was to represent the interests of the individual States. (Henderson Vol. II p. 414.)

The Reichstag was to represent the whole Confederation and be composed of members chosen on a numerical basis of one for each 100,000 of population. The President was to be the King of Prussia.

Bismarck constantly urged haste. "Set Germany in the saddle," he said, "and she will soon know how to ride."

The Constitution was adopted in less than two months and, in the fall of 1867, the first regular Diet of the North German Confederation was convened.

Napoleon III had insisted that one of the conditions of the partition of the Old Confederation should be that the South German States should be allowed to form their own union over which he hoped to exercise controlling influence, but the North and South Confederations bound themselves together by secret Treaties and commercial ties which excluded Napoleon's influence and he was delayed and baffled by Bismarck in his expectation of compensation in connection with Prussia's terms of peace with Austria.

He had demanded the left bank of the Rhine including Mainz in 1866 and gained nothing; (Henderson Vol II p. 415) he had abandoned Maximilian in Mexico; he had failed to arrange for the Luxemburg purchase; French public opinion was running against him and he desired to propitiate it by war with Germany which the French newspapers were demanding, but the immediate cause of the Franco-Prussian War was the celebrated Ems telegram.

In the fall of 1869 the throne of Spain became vacant by revolution and the news that the Spaniards had offered the throne to Prince Leopold, a Hohenzollern of remote relationship to the King of Prussia, added apprehension to hostility in France where the War Party began to talk about "a new Charles V on his double throne."

The craft of Bismarck was behind this Spanish offer which was finally rejected, but Benedetti, the French Ambassador, instructed by impatient telegrams from Paris, demanded of the King of Prussia, who was then at Ems, that he should bind himself not to give consent "if the Hohenzollerns should revert to their candidature."

This the King declined to do and caused an account of what had happened to be transmitted to Bismarck (Henderson Vol. II, p. 421) who condensed the incident into a telegram, copies of which he sent to all Consuls and Envoys in the German Capitals so worded as to fan international resentment and distrust into a blaze of open warfare.

Sedan was fought Sept. 1, 1870, 42 days after the official French Manifesto of War, July 19, and resulted in the surrender of "the largest army ever known to have been taken in the field," the capture of an Emperor, the dethronement of a Dynasty and the change of the form of Government in France from a Monarchy to a Republic.

A tumultuous assembly in Paris headed by Leon Gambetta declared Napoleon III deposed and appointed a Committee of National Defence.

Later a Provisional Government was established at Tours and negotiations for peace having failed, the siege of Paris began.

To hasten the raising of new armies for the relief of Paris, Gambetta escaped from Paris by balloon, "which had been tried with some success for reconnoitering and for sending dispatches," (Henderson Vol. II, p. 440) and reached Tours in safety. October 27 Bazain surrendered Metz.

Paris was starving in the bitter cold of winter when the armistice known as The Convention of Versailles was arranged pending which an election was held to choose an executive head of the French Republic to conduct negotiations with Germany, and Thiers was chosen.

A Treaty of Peace was finally signed at Frankfort, May 10, 1871, by which Germany gained Alsace, "a portion of Lorraine with Metz" and a war indemnity of five billion francs.

The Franco-Prussian War not only dethroned a dynasty in France and changed her boundary line, but it consolidated the German Empire and on January 1, 1871, the anniversary of the first coronation of a Prussian King, William I, King of Prussia, was crowned "German Emperor."

In 1884 Germany entered upon a policy of Colonial expansion and began to ransack the world for islands and out-lying territory.

In 1890, in a Treaty in relation to certain Zanzibar and other African apportionment of territory and influence, England committed what has been called "one of the supreme acts of folly in her diplomatic history" by surrendering to Germany The Island of Helgoland in the North Sea (Henderson Vol. II p. 474).

FREDERICK III AND WILLIAM II.

The old Emperor died March 17, 1888, and his successor, Frederick III, came to the throne a dying man, reigned three months and was succeeded by William II, who in May, 1889, wrote Bismarck "I pray God that in my difficult and responsible position as ruler, he may preserve you to me as a faithful and true advisor these many years to come" and ten months afterwards demanded his resignation.

Then he telegraphed the Grand Duke of Weimar "My heart is as heavy as though I had once more lost my grandfather, but it is the will of God and I must bear it, though it kill me. I am the officer on watch in the ship of State. The course remains the same—Full steam ahead!"

Since that time the world has become familiar with the Kaiser's identification of the will of God with his own inclinations.

At the time of Bismarck's dismissal, Punch published a cartoon by Sir John Tenniel called "Dropping the Pilot" which will be associated for all time with the incident in which the old Pilot, who had never slumbered at the helm, and had almost single handed braved the storms, was seen slowly descending the ship's side and leaving it to lesser hands.

INDUSTRIAL GERMANY.

In conformity with the tradition that each ruler should add territory to the hereditary Hohenzollern possessions, the Kaiser started early with the acquisition of Kiauchau (1898) and two Samoan Islands.

It is not good sense to minimize the strength and training of an adversary. In governmental supervision, scientific investigation, and individual training within the present generation, Germany has reached high efficiency.

Twenty-five years ago, her agricultural outlook was almost desperate, but the duty on grain which had been lowered under Caprivi was raised and scientific cultivation was encouraged until shortly before she commenced this war her "agricultural products, counting the industries directly dependent on them, such as sugar refineries, distilleries, and potato-drying establishments had a yearly value approximating twelve billion marks."

Her sugar beet production had increased from six and a half million acres in 1887 to ten millions in 1912, and her old hand labor agricultural methods had been replaced by machinery.

In 1913, she was producing 95% of her meat consumption, which had doubled since 1870. She had trebled her output of coal over that of 1886, she had trebled her tonnage of ocean-going ships, had more than doubled her railroad mileage, was producing more and better iron than any other nation in Europe, and had four thousand public electric plants supplying 17,500 communities with electricity.

She had great chemical plants, with libraries and laboratories, great institutions of technology, great trade schools, and "industrial continuation schools."

SOCIAL SCIENCE AND MENTAL SUGGESTION.

Nowhere had social science been more thoroughly applied. Human beings were under governmental guidance from birth to death as material for the use of the State.

There were Elementary Schools for normal children, Aid Schools for mentally defective children, Observation Stations for physically defective children, "Middle Schools" for those of moderate means, and Gymnasia for the well-to-do where the classics were taught.

Germany's autocracy reached down through all professions, through all industries, through all grades of society, controlled the people in their occupations, recreations, and social relations, and by operation of the laws of mental suggestion and thought transference, controlled their thinking.

Most men never originate anything, but most men think they think what some one else has stolen from some one else and said or written. Prussianism understands this.

Under German autocracy, her philosophers, teachers, preachers, military writers, newspapers and periodicals have loaded the waves of thought with claims of German greatness, superior rights, divine direction, and the glory of war.

Her constitution was framed to create and foster a powerful military state, whose social and industrial organization should be the shaft behind the spear-point.

The power of Prussia is the power of a hereditary, military despotism, which has trained the minds and bodies of its subjects to use the tools of industry and of war precisely as directed.

THE GOVERNMENT.

The German Empire was founded by Princes, not by the people. The constitution gives power to the Emperor and the shadow of it to the people.

Treitschke declared that "the conditions are such that the will of the Empire can in the last instance be nothing else than the will of the Prussian state." (Treitschke's "Political Thoughts" pp. 104–106) and the will of the Prussian state is the will of the Emperor.

In 1888, when the Crown Prince Frederick took the throne, Bismarck made it a condition of his continuance as Chancellor that there should be "no parliamentary government." (Bismarck's "Reflections and Reminiscences," Vol. 2, p. 330). And the condition of "no Parliamentary Government" has existed from the beginning of the Empire.

The Empire consists of 23 states, 3 Free Cities, and 1 Imperial Territory, Alsace-Lorraine.

In the language of the constitution "the presidency of the Union belongs to the King of Prussia, who bears the title of German Emperor."

"His functions as Emperor and as King are indeed so interwoven that it is very difficult to distinguish them. As Emperor, he has supreme command of the Army, and appoints the highest officers. As King of Prussia, he appoints the lower officers and has the general management of the troops over most of Germany."

"As Emperor, he instructs the Chancellor to prepare a bill. As King, he instructs him to introduce it into the Bundesrath and directs how one-third of the votes of that body shall be cast."

"Then the bill is laid before the Reichstag in his name as Emperor, and as King he directs the Chancellor what amendments to accept on behalf of the Bundesrath, or rather on behalf of the Prussian delegation there." (Lowell, p. 208.)

THE POWER OF PRUSSIA.

1. Prussia has a veto on all changes of the constitution. She has 17 votes in the Bundesrath, and 14 are enough. (Const., Art. 78) Lowell, 178.

2. She has a veto on all changes in the Army, the Navy, and the taxes. (Arts. 5–35–37.) Lowell, 179.

3. She has the casting vote in case of a tie in the Bundesrath. (Art. 7)

4. She has the Chairmanship of all the standing committees of the Bundesrath, except one, Foreign Affairs, the Chairmanship of which would be of no use to her. (Art. 8.) Lowell 179.

5. She has 235 out of 397 votes in the Reichstag. Lowell 185.

THE CHANCELLOR.

There is no Imperial Cabinet, and the only Federal Minister is the Chancellor, who has subordinates, but no colleagues. Lowell, 208.

1. The constitution declares that the Emperor, who is always King of Prussia, shall appoint the Chancellor, who presides over the Bundesrath and arranges its business. Through his hands, "all communications from the Reichstag and all motions and petitions must pass."

2. The Chancellor is always one of the Prussian delegates to the Bundesrath. Lowell, 197, footnote 2.

THE BUNDESRATH.

1. The Bundesrath is composed of delegates appointed by the Princes of the States and the Senates of the Free Cities. (Arts. 6–10.)

Since 1879, Alsace-Lorraine has been permitted to send three delegates who can debate, but not vote. Lowell, 191.

2. The Bundesrath has 58 members, of whom Prussia sends 17; Bavaria, 6; Saxony, 4; Wurtemberg, 4; Baden, 3; Hesse, 3; Brunswick, 2; Mecklenburg-Schwerin, 2; and the remaining 14 States and three Free Cities have 1 each. Lowell, 192.

Prussia actually has 20 votes, because the King bought out the governmental rights of the little principality of Waldeck, including its one vote in the Bundesrath, and because in 1884, he excluded the Duke of Cumberland from the succession in Brunswick and caused a Prussian Prince to be appointed perpetual regent in his place, thereby gaining two other votes.

3. All the delegates of a State are required to vote alike. Their votes are the votes of their State, cast by instruction of their State, and whether they all vote or not, all the votes belonging to a State are counted. The constitution provides that uninstructed votes shall not be counted. (Art. 7.) Lowell, 194.

"The true conception of the Bundesrath is that of an assembly of the Sovereigns of the States who are not indeed actually present, but appear in the persons of their representatives." Lowell, 197.

4. Every law requires the assent of the Bundesrath. "It has the first and last word on almost all the laws * * * and by far the larger part of the statutes, as well as the budget, are first discussed by the Bundesrath. They are then sent to the Reichstag, and if passed by that body, are again submitted to the Bundesrath for approval before they are promulgated by the Emperor." Lowell, 200.

5. Of 7 out of the 8 standing committees of the Bundesrath created by the Constitution, a Prussian member must always be chairman, and the Emperor appoints all the members of the Committees on the Army and Fortresses, and of the Committee on Maritime Affairs. (Lowell, 198.)

6. It has extensive powers of a judicial and semijudicial nature.

7. It can dissolve the Reichstag at any time, with the consent of the Emperor.

THE REICHSTAG.

1. The Reichstag has 397 members, elected for five years by secret ballot of electors who must have reached the age of 25 years. They are chosen from electoral districts created more than 20 years ago on the basis of 100,000 population to a district, and by reason of the growth of population in large cities, these districts have become unequal.

For illustration, Berlin has a population of two and a half millions and is represented by only six members, but Berlin and other large cities send radical members and reapportionment has been purposely delayed. (Lowell, 184–185.)

2. The members of the Reichstag served without pay down to 1906, when the Bundesrath permitted a salary of 3,000 marks a year (about $750).

"The object of withholding pay from the members is, of course, to prevent the power of the poorer classes from becoming too great." Lowell, 189.

3. The Reichstag "can not be said to direct the policy of the State either in legislation or administration." Lowell, 189.

4. Its influence is further reduced by the fact that it can be dissolved at any time by the Bundesrath with the consent of the Emperor.

THE ARMY AND NAVY.

The Constitution provides that the military laws shall be made by the Empire.

2. That the military forces shall be a single Army under the command of the Emperor, whose orders they are bound to obey. (Lowell, 180.)

3. It gives the Emperor the right to inspect and dispose of the troops and to appoint all officers whose commands include the entire contingent of a State. Lowell, 180.

4. It provides also that the selection of Generals shall be subject to his approval.

5. The contingents of the States are recruited, drilled, and commanded by Prussia, and form an integral part of her Army. Lowell, 180.

6. The Army and the Navy are the instruments of Prussian autocracy. All German troops are bound to render unconditional obedience to the Emperor and "if in any part of the Federal territory the public safety is threatened," he has power to declare that such a condition exists, whereupon civil author-

ity is at once subordinated to martial law and the Emperor becomes the Military Dictator. (Art. 68.)

THE EMPEROR.

Here are the Emperor's views concerning his power:

1. "The King holds his power by the grace of God, to whom alone he is responsible."

2. "There is only one master in this country. That am I. Who opposes me I shall crush to pieces."

3. "There is only one law—my law—the law which I myself lay down."

4. "The soldier must not have a will of his own; they must all have only one will and that will mine."

5. "It may come to this—that I command you to shoot down your own relatives, brothers, and even parents, in the streets, which God forbid; but then you must obey my orders without a murmur."

Whether we call this megalomania or mediaevalism projected into the twentieth century, it is becoming more and more evident that the world will never again permit any one man to exercise the despotic power which this Kaiser wields. [Applause.]

"AN INCREMENT OF TERRITORY."

The Prussian lust of power was not satisfied by the domination of Germany.

Speaking of the Schleswig-Holstein affair in his "Reflections and Reminiscences" Bismarck says: "I reminded the King (William I) that every one of his immediate ancestors, not even excepting his brother, had won an increment of territory for the State; Frederick William IV had acquired Hohenzollern and the Jahde district; Frederick II, the Rhine Province; Frederick William II, Poland; Frederick II, Silesia; Frederick William I, old Hither Pomerania; The Great Elector, further Pomerania and Magdeburg, Minden, etc.; and I encouraged him to do likewise." (Vol. II, p. 39.)

Autocracy with the Army as its instrument, Autocracy with the Press as its servant, to teach the people to believe in a State which makes its own morality, unfettered by its own promises, whose sworn oaths are perjuries, whose diplomacy is duplicity, a State devoted to the policy of gaining "an increment of territory" in every reign—that is Prussia.

And this Hohenzollern King with inherited cumulative rapacity, armed with the most gigantic military weapon in history, armed with twentieth century scientific instruments for killing, armed with all the outlawed barbarisms of brute force, bent on an "increment of territory," invaded Belgium, admitting by his Chancellor that his invasion was "contrary to the dictates of international law," and he has since continuously committed crimes which the world can never forget nor forgive.

And what is this "increment of territory" that this last Hohenzollern dreamed of? Not Belgium alone, not France alone, not Mittle Europa alone, but Pan Germany and world power.

Not only did he propose to cut the map of Europe to his own pattern, but to extend his power beyond seas.

At Damascus in 1898 he told his audience that "the 300,000,000 Mohammedans who lived scattered over the Globe may be assured of this, that the German Emperor will be their friend at all times" and on July 3, 1900, he declared "neither on the ocean nor across it, can any great decision be again arrived at, without Germany and the German Emperor."

THE PAN-GERMAN PLAN.

The ultimate object of the Pan-German plan was the domination of territory from the Baltic Sea to the Persian Gulf.

In 1914 Prussia governed the German Empire. Three years later, by consent or by force, it had extended its dominion to territory occupied by 176,000,000 people as estimated by André Chéradame in his "Pan-Germany."

"The result" he says "has permitted the German General Staff to take over at will certain strategic points or regions of the greatest influence before the war. Zeebrugge on the North Sea, for instance; Trieste, Pola, and Cattaro on the Aegean; The Ottoman Straits; The Turkish, Bulgarian, and Roumanian shores of the Black Sea have always been strategic points or districts of exceptional value.

"This value, however, has become vastly greater, now that these points or districts form a part of a single military system under the directing and organizing power of the Berlin General Staff.

"At present (1918) these essential strategic points and districts are the stronghold of the Pan-German frontiers. * * * The internal military organization of Pan-Germany is being carried forward with uninterrupted speed.

"Factories of war material have been judiciously distributed throughout the whole territory with the double object of utilizing raw materials near their source of origin, thus avoiding useless transportation and of making possible the swift dispatch of munitions to any threatened sector of front.

"For this reason, the Krupp Firm at the outbreak of the War established important branch factories, not only in Bavaria, but also in Bulgaria and Turkey." (Chéradame p. 36.)

This Pan-Germany is composed first, of the territory taken from France, Belgium, Russia, Serbia, and Roumania; second, of the Vassal Nations of Austria Hungary Bulgaria and Turkey, but it holds within itself the potential elements of its own dissolution.

Without Austria Hungary there can be no Mittle Europa; without Mittle Europa there can be no Pan-Germany and Cheradame estimates that in the middle of Mittle Europa there are 55,000,000 Polish Lithuanians, Ruthenians, Czecks, Jugo Slavs and Roumanians, who are hostile to Germany and would join the Allies if they had opportunity.

Thousands of these people surrendered to the Russians and to the Serbians to fight against Germany and Austria and thousands of them, who have found homes in America, are now fighting under the Stars and Stripes.

INFAMY ERECTED INTO A RELIGION.

It is four years now since Germany began to sear the face of Belgium and France and the world has grown familiar with the Prussian doctrine that might makes right; that military weakness is a sin; that a Nation makes its own morality; that a treaty is of no binding force after it ceases to be of advantage; that the Kaiser is not bound by the moral obligations of other men, and that he rules by Divine Right over a people chosen of God whose duty it is to impose their civilization upon other nations.

It is four years now since the world began to realize with horror and amazement that a Nation, claiming for itself the highest civilization, could in the execution of a set purpose to enlarge its power, enter deliberately upon a "campaign of frightfulness" involving not only the violation of its treaty obligations, the violation of the law of Nations and the laws of civilized warfare, but the violation of every moral law and, at the same time, claim the inspiration and guidance of God.

It is four years now since Germany invaded Belgium and began to inflict death and torment by the use of poison gas, to murder and maim women and little children, to destroy undefended towns, to drop bombs on hospitals, to murder men, women, and children of neutral nations at sea, to outrage women and to burn noncombatant men, women, and children alive in the flames of their burning homes, under the pretense of a defensive war waged under God's guidance.

Nursed on its own foreordination to conquest, reared and trained in an atmosphere of its own infallibility, educated by a literature glorifying arms, the mailed fist, brute force, and the disregard of moral obligations, Germany deliberately entered upon a war of spoliation and conquest, and measured by the map, Hohenzollern Imperialism has occupied a large "increment of territory."

MAP MAKING.

But outside this black belt of German despotism, widened and lengthened by intrigue, and unspeakable cruelty, the civilized world is in alliance either formal or informal, and a reconstructed map of the Universe is slowly taking shape in human aspiration for better things.

Government, like all man-made material things, is first an invisible thing which takes shape in human thought and is afterwards made manifest in capitals, courts, and legislative bodies.

The old order is passing away—being shot away.

The foundations of things supposed to be permanent are being broken up.

It is difficult to lay premises from which to reason into the future, but when this war is over the changes in geography will not be as great as the changes in social and economic conditions.

The issues involved in this war are the principles upon which human society rests.

We used to bound America on the East by the Atlantic Ocean. It is bounded on the East now by the Hindenburg line.

On the other side of that line, the fundamental principle is to make each man a part of a military establishment, organized to perpetuate a few in power and to plunder and despoil its weaker neighbors.

On this side, we fight for the liberties of the civilized world; the sanctity of treaties; the law of Nations and the honor of womanhood. [Applause.]

On this side, it is not one man who controls, it is not one nation, it is not even one race; it is the spirit of Democracy.

It has never entered into the political philosophy of any American citizen to be a mere instrument for the aggrandizement of any man or set of men.

Every nerve of America is strung with one purpose now. We will talk about terms of peace after our immediate business is finished. [Applause.]

The men of France and Belgium whose women have been outraged, whose children have been impaled on German bayonets, whose homes have been desolated, and the men of England, knowing what Germany intended to do to England, if she could cross the narrow channel and set foot on English soil, will want to make the terms short and the conference short—and the terms ought to be the terms of Grant at Donnelson, "unconditional surrender." [Applause.]

We Americans realize now that what we thought secure—our Constitution, our Government by the people, our Monroe Doctrine, our homes, our families, and our property—might have been swept into the horrible wake of barbaric plunder, devastation, and outrage.

Shortly before his death, Captain Knyvett, of the Australian Intelligence and Scouting Service, contributed an article to the Outlook in which he said: "We are fighting for ourselves in our own defense for every Australian knows that it is in France that Australian home defense is being secured." This also applies to America.

In answer to a French woman's words of thanks that Australians had come to fight for the women of France, he said "M'selle, we did not come here to fight for you; we came here to fight for our own women folk for we know that though you live next door to these brutes, we live in the same street and after they have done with you, it would be our turn and the turn of our women folk if we did not come and fight the fight of Australia's home defense here on French soil." This also applies to America.

On April 12, Marshal Haig issued an order to "all ranks of the British Army in France and Flanders" in which he said: "Every position must be held to the last man. There must be no retreat. With our backs to the wall, and believing in the justice of our cause, each of us must fight to the end. The safety of our homes and the freedom of mankind depend alike upon the conduct of each one of us at this critical moment."

And they stood fast with the blue of the English Channel behind them and the homes of England beyond.

Our boys are there now. We are under way now. We have geared the power of this Nation to the business of war now. And the man who obstructs or delays now will be despised as long as men read history. [Applause.] The thrifty soul who sees only a chance to make money, the politician who gets himself associated with war news for advertising purposes, the patriot who plays safe, will find his place in public estimation.

The issue is even greater than democracy against autocracy. It is Right against Wrong. [Loud applause.]

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. BAER].

Mr. BAER. Mr. Chairman, I desire to speak upon the record of North Dakota in the war.

Mr. FORDNEY. I yield whatever time is necessary for Mr. BAER to finish his address.

Mr. BAER. Mr. Chairman, as we turn our eyes toward Old Glory, the emblem of the greatest Nation in the world, we behold 48 stars, each star representing one of the States in the Union. These States are not necessarily striving to excel each other in their patriotic endeavor. We are a united Nation. It is a united endeavor. To-day we see the sons of the men who wore the gray marching side by side with the sons of the men who wore the blue, fighting for the cause of freedom and justice, each vying with the other to exalt the name above all names—an American citizen. We have met, East and West, in the closest union. We have obliterated class feelings as such and welded our country into the most militant fighting force for democracy the world has ever seen.

In my remarks I shall not attempt to emphasize superiority for my own State in the matter of patriotic effort. I simply wish to show that she is in step with her sister States for the one great purpose of bringing this war to a speedy and successful issue. We want to win the war and win it quickly.

I believe all Congressmen will agree that the pride one has in the achievements of his own State is quite pardonable, especially when it has been intentionally or unintentionally misrepresented. North Dakota stands second to none in its response to every call of our beloved country. She needs no defense.

Many believe North Dakota did not subscribe its full quota to the first liberty loan, when as a matter of fact the subscriptions more than doubled her quota. In the second liberty loan we oversubscribed 70 per cent, which I understand is the highest for any State in the Union. We also have more members of the Red Cross, in proportion to our population, than any other State in this country. Again, the patriotic citizens of both city and country exerted the utmost energy in carrying on the Red Cross campaigns, the campaigns for religious organizations connected with the war, thrift stamps, savings stamps, and all the other war activities. Numerous public-spirited speakers and "four-minute men" have also done their bit for democracy. Members of the legislature and State officials have aided in this great work.

I believe, when the history of the war is written, the reader will find that the loyal citizens in the cities and in the rural districts of North Dakota have done their full share.

WAR RECORD OF NORTH DAKOTA.

The record of North Dakota in aiding and assisting our Government in the prosecution of this great war for democracy has truly been a record of loyal service.

VOLUNTEERS.

North Dakota has sent two volunteer regiments of as splendid men, morally and physically, as ever donned a khaki uniform. In the total number of volunteers, including the National Guard, the Regular Army, the Navy, and the Marines, North Dakota has not fallen below the average for the United States, and this in spite of the fact the Government has constantly pointed out that "soldiers of the soil" are as essential as the soldiers in the trenches.

THE SELECTIVE DRAFT.

When our Government asked for and enacted the selective-service draft law, North Dakota acquiesced and responded readily and without murmur or complaint.

Immediately North Dakota, peopled with a population consisting of farmers to the extent of about 85 per cent, set about to organize its draft boards, and the supplemental auxiliary agencies in aid thereof, in accordance with the regulation and request of the War Department and Provost Marshal General Crowder.

Gov. Frazier, with the active assistance of Attorney General Langer, and with the cooperation and advice of H. A. Bronson, vice president of the American Bar Association for North Dakota; F. T. Cuthbert, president of the State Bar Association; and Andrew A. Bruce, chief justice of the supreme court, immediately set to work to organize the various agencies in the State for full cooperation in order that the selective-draft law in the State might be made effective at a minimum cost.

North Dakota is proud of its record in response to the selective-draft law. The report of Gen. Crowder reveals that in the operation of this part of the selective-service law North Dakota leads the States of the Union in the minimum cost per certified draft man. The record for North Dakota is $1.83 per soldier as against an average of $4.23 for all of the States in our Union.

This record alone speaks volumes for the loyal devotion and ready response of our people to render every aid to our Government and at the minimum cost.

WHEAT CONSCRIPTION.

When our Government asked that wheat for our country and our allies be taken at a governmental fixed price of $2.20 per bushel, and at a time when such wheat was actually worth in the open market over a dollar per bushel more than such fixed price, the farmers of North Dakota, without murmur or complaint, and without sending delegations to Washington to protest, loyally and willingly accepted and received the price so fixed for their wheat and delivered the same to our Nation.

COAL CONSERVATION—PRODUCTION.

Under the able fuel administrator, Capt. I. P. Baker, North Dakota has carried on an efficient campaign for fuel conservation by encouraging the use and development of the coal resources of our own State. In many households and public buildings lignite coal has been used exclusively. This not only encourages the use of our inexhaustible supply of lignite but also relieves the Government from the necessity of shipping coal from eastern points.

LIBERTY LOANS.

Whenever our Government has asked for financial support for our liberty loans, North Dakota, even though impoverished in parts of the State by severe crop losses in the years 1916 and 1917, nevertheless has gone over the top upon every request with magnificent oversubscriptions beyond the allotted quotas, and all this in the face of the fact that such moneys so sub-

scribed pass beyond the borders of the State and are not returned to the State, except as crop production may cause the same to return. For in the State of North Dakota there are no manufacturing industries engaged in war activities, no war manufacturing establishments, and no Army cantonments. Hon. Wesley McDowell is chairman of the liberty loan campaign and has rendered excellent service.

In the first liberty loan the allotted quota for North Dakota was $1,500,000; the subscription was $3,600,000. In the second liberty loan the quota was $6,000,000; the subscription was $10,238,000. In the third liberty loan the quota was $6,500,000, and the subscription was $11,244,000. Furthermore, North Dakota, in the third liberty-loan drive, with Montana, were the first States in the Union to complete their quotas.

RED CROSS.

In active support of the Red Cross, North Dakota has continuously set a record of high devotion and worthy achievement.

In support of the Red Cross magazines, North Dakota leads the entire United States for magazines received monthly per capita of population. Hon. N. C. Young, of Fargo, is the director for our State and has supervised this splendid work.

In the second Red Cross drive, North Dakota leads the States of the Union with an oversubscription of 250 per cent. Furthermore, throughout the State, here and there and everywhere, Red Cross acres may be found donated by farmers.

To illustrate this loyalty of service by one example: A landowner of the State possessed of 320 acres of good virgin soil agreed to donate the same to the Red Cross for two years. Through a member of the State council of defense tractors were secured, labor was furnished, and seed promised. This land so donated by one landowner will be devoted in its crop production for two seasons to the Red Cross, with the added provision that if there be a crop failure in either of these two years it may be used for an additional year for the Red Cross. Many other instances could be cited.

INCREASED FOOD PRODUCTION.

When again our Government requested that every effort be made to increase our crop production in the United States to aid and maintain our boys and our allies at the front, North Dakota again, upon its own initiative, willingly and immediately took action to insure as greatly increased acreage as possible in this State.

Gov. Frazier, realizing that the crop failures in the years 1916 and 1917 in various parts of the State had not only greatly impoverished the farmers, but in many counties of the State had left them without the seed necessary for a succeeding crop and without the money or the credit necessary to obtain the same, unless the State should in some manner render aid and assistance, as a patriotic endeavor called into special session the legislature and proposed that such legislature enact a seed-and-feed act for the benefit of the farmers, so as to enable needy farmers to borrow and secure sufficient seed and feed for purposes of crop production in the year 1918.

This act was adopted unanimously, practically as proposed, without regard to political affiliations. This measure was similar to one introduced by me here, known as the Baer bill, which passed this House by an overwhelming vote of 250 to 67.

And may I call attention here to the fact that the national administration has given substantial effect to the proposals of my measure through the granting of loans to needy farmers out of the $5,000,000 appropriation? This money is being loaned to farmers through the agency of the Federal land banks. Six hundred thousand dollars has been assigned to North Dakota to use, if necessary. I am glad to say that my own district has had a record crop and will not require Federal aid.

John N. Hagen, the commissioner of agriculture and labor in North Dakota, put into force and operation this seed-and-feed act.

Here are some of the results of the operation of this act:

There are 53 counties in the State; 26 counties made application either to bond or to issue warrants for the purpose of securing seed and feed to sell to the farmers of the State upon their notes to be given for the cost of the same, including interest.

These counties authorized the issue of either bonds or warrants in the sum of $3,435,000; the bonds so issued were sold upon the open market by Commissioner Hagen at the rate of 4 per cent.

What is North Dakota's record as a result of the efforts of the State administration in this regard?

I call your attention to the crop report statistics of the Secretary of Agriculture. They are herewith stated for three years, the 1918 report being taken from the August, 1918, bulletin for the monthly crop report:

Crop acreages in North Dakota.
[Compiled from Federal reports.]

Crop.	1916	1917	1918
	Acres.	*Acres.*	*Acres.*
Wheat	7,150,000	7,000,000	7,630,000
Oats	2,500,000	2,575,000	2,520,000
Barley	1,725,000	1,825,000	1,700,000
Flax	790,000	965,000	955,000
Rye	450,000	1,040,000	2,038,000
Corn	510,000	590,000	484,000
Potatoes	75,000	90,000	90,000
Total acreage	13,200,000	14,085,000	15,417,000

An increase of over 2,200,000 acres over 1916, an average year.

Crop production in North Dakota.

	1916	1917	1918, estimated.
	Bushels.	*Bushels.*	*Bushels.*
Wheat	39,325,000	56,000,000	83,548,000
Oats	53,750,000	38,625,000	62,721,000
Barley	26,738,000	22,812,000	35,280,000
Flax	8,135,000	3,764,000	7,922,000
Rye	5,985,000	4,200,000	21,399,000
Corn	13,515,000	5,310,000	11,926,000
Potatoes	6,975,000	3,870,000	9,004,000

Wheat production increased over 50 per cent according to these statistics.

These statistics speak volumes concerning the patriotism of the farmers of North Dakota and the splendid leadership of the State administration.

It should be noticed that the increased acreage is for those cereals used in food for human consumption. In other words, the farmers raised the crops which our Government requested.

FLAX PRODUCTION.

Again, when our Government requested that as much flax as possible be produced this year for governmental needs North Dakota quickly, loyally, and willing responded.

There are thousands of acres of land in our State vacant, tillable, idle, and unproductive. Many of these acres are owned by nonresidents; many by speculators who have been holding these lands as an investment for the natural increment in land values that has occurred and will occur as surrounding lands are peopled by actual farmers, broken up, and made productive.

In North Dakota this same special session of the legislature created an act granting to the governor of the State the authority to appoint the members of a State council of defense, of which the governor should be chairman, and granting to such council of defense broad powers to aid and assist our Government in the prosecution of this war and to protect the families and property of our soldier boys who have gone to the front. This council of defense has taken a noteworthy and advanced step to aid and assist our Government in crop production. Thomas Allen Box is the secretary and an active worker.

It enacted a regulatory order providing that any farmer of our State, upon a showing being made that there were idle, vacant, and tillable lands in the State which he could utilize for crop production for purposes of aiding our Government, could secure a permit of such council of defense to enter upon the same and make them productive for the year 1918 for raising flax and for the year 1919 for raising wheat, providing he would carefully farm the same and had the ability so to do, and providing, further, proper compensation to the owner of the land for its use.

This act has worked out successfully and beyond the hopes of the most sanguine. From every part of the State the willing and loyal hands of the farmers went to work to add to the acreage of North Dakota what had been idle and vacant lands. Some complaints have come from landowners and speculators who desired rather to hold slacker acres and virgin prairie than to make the same productive. Threats have been made of the exercise of unlawful powers by the council of defense, but it has been only as a murmur as against the sounding waves of an incoming tide of patriotic approval. Three hundred thousand of these idle acres have been added to the productive acreage of North Dakota.

SOLDIERS' MORATORIUM.

Furthermore, this same special session of the legislature enacted a moratorium act for the benefit of our soldier boys who are in the service, prohibiting the foreclosure of liens or mort-

gages upon soldiers' property during the period of war, except under necessary circumstances. It also passed an act giving to our men in the service the right to vote whether here or abroad.

Under its broad powers granted the burden has been placed upon our State council of defense to protect the property and the dependents of our military men in the service of our Government.

Well and promptly has it acted in seeing that our men in the service of our Government and fighting for the principles of democracy abroad should be protected and safeguarded here both as to their dependents and their property.

Mortgagees here and there in the State have been made to feel the exercise of the broad powers of this council prohibiting acts not only contrary to the moratorium act but acts that would or might serve to embarrass our soldier boys or their dependent wives.

And, again, when complaints began to come to this council of defense that the greedy desires of some men were impelling them in certain cases to proceed to take farm machinery and farm instrumentalities necessary now to harvest the present crop under liens and chattel mortgages upon the same, this council, in a patriotic endeavor to do everything possible to insure the largest crop production, prescribed that during the harvesting and thrashing season foreclosures upon such farm machinery should not be had, and this moratorium act is being enforced and being obeyed.

WORK OR FIGHT.

And this same council of defense, to conserve our man power and to increase crop production, further decreed that all male persons between the ages of 18 and 50 years of age be usefully employed, thus supplementing the orders and regulations of our War Department through Provost Marshal General Crowder.

And to further set the example of loyalty at this time when every ounce of human energy and power should be directed in aid and assistance of our Government in the prosecution of this war, the governor of the State has requested all State employees able so to do to devote their time as far as possible and their vacation in actual work in assisting the harvesting and thrashing of the present crops, and for some time past he and other State employees have been found in the harvest fields doing actual work and service in the garnering of the present crop in North Dakota, doing what they can to make every resource of our State available for our Government in this great war.

Business men, professional men, and others residing in the cities volunteered their services to help harvest the bumper crop in North Dakota. Many gave all their time. Business men closed their stores at 4 o'clock and went out into the fields and worked until dark helping the farmers. I have a photograph in my office of a wagon load of huskies leaving Fargo to do the work of the farm hands in the field. There is an aroused feeling of patriotism throughout the State which I have not seen manifested in any other part of the country which I have visited.

WOMEN'S ACTIVITIES.

In conclusion I am proud to pay tribute to the magnificent example of patriotism of our North Dakota women in their efforts to win the war. They have, without murmur, met the added responsibilities and successfully carried forward the Red Cross and the many activities growing out of the war. Without complaint they have carried out the regulations of food conservation in their households. Dr. E. F. Ladd, president of the agricultural college and also food administrator for North Dakota, has done excellent work along the lines of conservation of foodstuffs and he had the hearty cooperation of every housewife. The women have gone about this work with hearts saddened by the absence of loved ones that may never return and in the face of conditions requiring as great courage as those who have gone to the front.

With all her sister States, North Dakota has heard from across the waters the Macedonian cry, "Come over and help us," and has nobly and courageously responded by first giving the best of her young manhood and then unstintingly of her means. I am confident she will continue to meet every call made upon her in the same loyal manner in the future as in the past. [Applause.]

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. GARRETT of Tennessee having resumed the chair as Speaker pro tempore, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 12863 and had come to no resolution thereon.

HOUR OF MEETING TO-MORROW.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet to-morrow at 11 o'clock a. m.

Mr. GILLETT. That will be just for general debate?

Mr. KITCHIN. Yes.

The SPEAKER pro tempore. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 6 minutes p. m.) the House adjourned until to-morrow, Thursday, September 12, 1918, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SINNOTT, from the Committee on the Public Lands, to which was referred the bill (S. 3225) to reserve as a part of the Oregon National Forest certain lands that were revested in the United States pursuant to the decision of the Supreme Court of the United States in the case of the Oregon & California Railroad Co. against the United States, reported the same without amendment, accompanied by a report (No. 776), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PADGETT: A bill (H. R. 12915) to provide additional pay for warrant officers on shore duty beyond the continental limits of the United States; to the Committee on Naval Affairs.

Also, a bill (H. R. 12916) to provide for the temporary promotion of commissioned officers of the Marine Corps serving with the Army; to the Committee on Naval Affairs.

By Mr. KINCHELOE: A bill (H. R. 12917) to provide for the establishment of a sanatorium for the treatment of persons discharged from the military and naval forces of the United States, and for other purposes; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWNE: A bill (H. R. 12918) granting an increase of pension to Thomas McBean; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 12919) granting an increase of pension to Ann E. McGrew; to the Committee on Pensions.

By Mr. WHITE of Ohio: A bill (H. R. 12920) granting a pension to Eliza M. Wells; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. DYER: Memorial of Branch No. 3, National Association of Post Office Laborers, urging increased pay for post-office laborers; to the Committee on the Post Office and Post Roads.

Also, petition of Dr. J. R. Haynes, Los Angeles, Cal., urging the passage of House bill 12767; also, resolutions of the Central Trades and Labor Union of St. Louis and vicinity, concerning a minimum eight-hour day, minimum wage scale, and other matters touching the welfare of labor; to the Committee on Labor.

By Mr. ELSTON: Petition submitted by the Northern California Branch of American Committee for Armenian and Syrian Relief (originated by Berkeley branch thereof) with signatures of many hundreds of representative California citizens appealing for American interest and aid in behalf of suffering Armenians in the Russian Caucasus; to the Committee on Foreign Affairs.

By Mr. ESCH: Petition of the Public Ownership Association of California, concerning oil-land legislation; to the Committee on the Public Lands.

By Mr. GALLIVAN: Petition of J. F. Marsten, president of the Taxi Service Co., Boston, Mass., against the proposed tax on taxi companies; also the petition of Charles L. Burrill, treas-

urer and receiver general of Massachusetts, protesting against the proposed tax on municipal bonds; to the Committee on Ways and Means.

By Mr. KAHN: Papers to accompany House bill 12913, a bill for the relief of Edna R. Brady; to the Committee on Claims.

By Mr. LINTHICUM: Petition of the Henry S. Wampole Co. and of Charles T. Kemp, protesting against the proposed $100 tax on brokers; also the petition of H. B. Wilcox, vice president of the Merchants-Mechanics Bank of Baltimore, Md., against the high taxes in new revenue bill; to the Committee on Ways and Means.

By Mr. SHERWOOD: Petition of citizens of the ninth congressional district of Ohio, against the passage of the discriminatory war tax on automobiles; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

THURSDAY, *September 12, 1918.*

The House met at 11 o'clock and was called to order by the Clerk of the House.

The CLERK. The Clerk will read a letter from the Speaker of the House.

The Clerk read as follows:

SEPTEMBER 11, 1918.

Hon. SOUTH TRIMBLE,
Clerk of the House:

I hereby designate Hon. FINIS J. GARRETT, of Tennessee, as Speaker pro tempore for Thursday, September 12.

Yours, respectfully, CHAMP CLARK, *Speaker.*

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Unto Thee, O God, our Heavenly Father, do we lift up our hearts in gratitude and praise for Thy goodness and for Thy wonderful works unto the children of men.

Especially do we bless Thee for a Government of the people, by the people, for the people. Continue Thy favors unto us, our arms and those of our allies in the progress they are making, until a permanent peace shall be established; that all nations shall enjoy freedom, liberty, justice, equal rights for all.

We thank Thee that two thousand eight hundred of our soldiers were saved from a watery grave by the ingenuity and skill of our sailors in sinking the dastardly U-boat.

Hear our prayer in His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4886. An act providing for the sale of certain lands in the original town site of Port Angeles, Wash.;

S. 4855. An act to amend an act approved April 5, 1918, entitled "An act to provide further for the national security and defense, and for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes"; and

S. 4889. An act to give effect to certain provisions of the convention for the protection of trade-marks and commercial names, made and signed in the city of Buenos Aires, in the Argentine Republic, August 20, 1910, and for other purposes.

The message also announced that the Senate had passed without amendment bill of the following title:

H. R. 8004. An act authorizing the resurvey or retracement of lands heretofore returned as surveyed public lands of the United States under certain conditions.

The message also announced that the Senate had passed with amendment the bill (H. R. 11259) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of those ores, metals, and minerals which have formerly been largely imported or of which there is or may be an inadequate supply, had requested a conference with the House of Representatives upon the bill and amendment, and had appointed Mr. HENDERSON, Mr. WALSH, and Mr. POINDEXTER as the conferees on the part of the Senate.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 4889. An act to give effect to certain provisions of the convention for the protection of trade-marks and commercial names, made and signed in the city of Buenos Aires, in the Argentine Republic, August 20, 1910, and for other purposes; to the Committee on Patents.

S. 4855. An act to amend an act approved April 5, 1918, entitled "An act to provide further for the national security and defense, and for the purpose of assisting in the prosecution of the war, to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war, and to supervise the issuance of securities, and for other purposes"; to the Committee on Banking and Currency.

S. 4886. An act providing for the sale of certain lands in the original town site of Port Angeles, Wash.; to the Committee on the Public Lands.

REVENUE LEGISLATION.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the purpose of considering the bill H. R. 12863, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. KITCHIN. Mr. Chairman, I would like to ask the gentleman from Michigan [Mr. FORDNEY] if he has anyone to go on now?

Mr. FORDNEY. I thought Mr. LONDON was going to talk.

Mr. KITCHIN. I am going to yield him 30 minutes.

Mr. FORDNEY. Mr. WOOD of Indiana is here, and I would just as soon go on, but I want somebody to hear him.

Mr. GARRETT of Tennessee. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The gentleman from Tennessee makes the point that there is no quorum present, and evidently there is not. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Fairchild, B. L.	Linthicum	Sanders, La.
Anthony	Fairchild, G. W.	Lobeck	Sanders, N. Y.
Ashbrook	Farr	Lufkin	Sanford
Aswell	Flynn	Lundeen	Schall
Austin	Foss	Lunn	Scott, Pa.
Bacharach	Francis	McAndrews	Scully
Baer	French	McArthur	Sears
Barkley	Fuller, Ill.	McCormick	Shackleford
Bell	Gallagher	McKinley	Sherley
Blanton	Gallivan	McLaughlin, Mich.	Shouse
Borland	Gandy	Madden	Sims
Brand	Garland	Maher	Slemp
Britten	Glass	Mann	Small
Browning	Godwin, N. C.	Mason	Smith, Idaho
Byrnes, S. C.	Goodall	Mays	Smith, T. F.
Caldwell	Goodwin, Ark.	Meeker	Snook
Candler, Miss.	Graham, Pa.	Miller, Wash.	Steenerson
Caraway	Gray, N. J.	Morin	Sterling, Pa.
Carew	Griffin	Mott	Stiness
Carter, Mass.	Hamill	Mudd	Strong
Cary	Hamilton, N. Y.	Neely	Sullivan
Church	Harrison, Miss.	Nelson	Sumners
Cleary	Haskell	Nicholls, S. C.	Swift
Coady	Hastings	Nichols, Mich.	Switzer
Cooper, Ohio	Heaton	Nolan	Tague
Cooper, Wis.	Heintz	Oliver, Ala.	Talbott
Copley	Hicks	Oliver, N. Y.	Taylor, Colo.
Costello	Hood	Olney	Templeton
Cramton	Houston	O'Shaunessy	Tinkham
Crosser	Howard	Overstreet	Van Dyke
Curry, Cal.	Husted	Padgett	Vare
Dale, N. Y.	Hutchinson	Paige	Venable
Dallinger	Ireland	Peters	Vestal
Darrow	Johnson, Ky.	Phelan	Vinson
Delaney	Johnson, S. Dak.	Platt	Voigt
Dempsey	Jones	Porter	Walker
Dewalt	Juul	Powers	Walton
Dies	Kahn	Price	Ward
Dillon	Keating	Ragsdale	Wason
Donovan	Kelley, Mich.	Rainey, J. W.	Watkins
Dooling	Kelly, Pa.	Ramsey	Watson, Va.
Doolittle	Kennedy, R. I.	Randall	Weaver
Doremus	Kettner	Rankin	Welling
Doughton	Kiess, Pa.	Reed	Williams
Drane	King	Riordan	Wilson, Ill.
Drukker	Kraus	Roberts	Wilson, Tex.
Dunn	Kreider	Rodenberg	Wingo
Dupré	La Follette	Rogers	Winslow
Eagan	LaGuardia	Rowland	Wise
Ellsworth	Lea, Cal.	Rucker	Woods, Iowa
Emerson	Lee, Ga.	Russell	Woodyard
Estopinal	Lehlbach	Sabath	Wright

The committee rose; and the Speaker pro tempore [Mr. GARRETT of Tennessee] having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee finding

itself without a quorum, under the rule he caused the roll to be called, whereupon 220 Members answered to their names, a quorum, and he presented the list of absentees to be entered in the Journal.

The SPEAKER pro tempore. The committee will resume its sitting.

The committee resumed its sitting.

STATUS OF MEMBERS UNDER THE SELECTIVE DRAFT.

Mr. GARD. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. GARD. Mr. Chairman, I ask unanimous consent to have read from the Clerk's desk certain short correspondence with the Provost Marshal General concerning the status of Members of Congress who are within the age of the selective draft.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to have the correspondence indicated read from the Clerk's desk. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

SEPTEMBER 5, 1918.

Maj. Gen. E. H. CROWDER,
Provost Marshal General, War Department,
Seventh and E Streets, Washington, D. C.

SIR: Supplementing my privileged personal call upon you of to-day, I respectfully request that as a matter of public importance you advise me of the ruling of your department in interpretation of the langauge of section 4 of House bill 3545, as approved May 18, 1917, and as amended, viz:

"SEC. 4. That the Vice President of the United States; the officers, legislative, executive, and judicial, of the United States and of the several States, Territories, and the District of Columbia; regular or duly ordained ministers of religion; students who at the time of the approval of this act are preparing for the ministry in recognized theological or divinity schools; and all persons in the military and naval service of the United States shall be exempt from the selective draft herein prescribed," etc., in so far as whether a duly elected, qualified, and acting Member of the Congress of the United States between the ages of 18 and 45 years, inclusive, may make waiver of the fact that he is such Member of Congress.

It has been my intention, upon my registration for selective military service, as required by the provisions of House bill 3545, as amended, to make no claim for exemption because of my being a Member of Congress and to waive such if it be classed as an exemption.

Very truly,

WARREN GARD,
Representative in Congress from Third
Congressional District of Ohio.

SEPTEMBER 10, 1918.

Hon. WARREN GARD, M. C.,
House of Representatives.

MY DEAR MR. GARD: I have your letter of September 5, 1918, requesting a ruling in interpretation of the language of section 4 of the selective-service law, relating to the exemption of a Member of Congress of the United States. Your specific inquiry is: "May a duly elected, qualified, and acting Member of Congress of the United States, between the ages of 18 and 45 years, inclusive, make waiver of the fact that he is such Member of Congress?"

In my opinion a Member of Congress may not make "waiver" of the fact that he is such Member of Congress, because by the law itself he is "exempt from the selective draft here provided"; therefore, during the continuance of that status, he is under no responsibility whatever to serve in the military forces of the United States; and, this being true, there can arise with respect to him no right or privilege of exclusion pertaining to such liability to which such waiver could attach.

This exemption, provided by the act, is obviously a statutory exemption; it is, as it is submitted, a relief from the liability to service which the statute imposes (except as the statute itself may modify the exemption), as distinguished from the exclusion from service provided for by the act as to one who is primarily liable.

The statute contains no modification of the exemption, as it applies to persons falling within the class discussed above; as to those the exemption is peremptory, absolute, and fully operative. Since, therefore, the statute imposes on persons belonging to this class no liability whatever for service, such persons can no more waive their exemption from liability than a boy under 18 or a man over 45 can waive his exemption, or a woman can waive hers, and all because such persons have no liability to service to which such an exemption waiver could attach.

Therefore, a Member of Congress, within or without draft ages, can make no waiver.

There are obvious, sound, and indispensable constitutional grounds and considerations for this absolute, statutory exemption from liability to military service, of all legislative and judicial officers of the Federal Government, and of all legislative, executive, and judicial officers of the State government. Without amplifying the argument and taking as illustrative of all a Member of Congress, it is to be noted that if the Member of Congress might waive (in the proper sense) his exemption, he could be inducted into the military service, whereupon either he would ipso facto cease to be a legislative officer, which his constituency might not wish, and which might result in depriving the Nation of a wise counselor; or he would retain his legislative office and also his military status, which would result in placing him completely under the control of the Commander in Chief—a situation pregnant with potentialities wholly destructive of free Government.

A Member of Congress may, of course, resign his office and, if and when he does, his exemption, if he is within the draft ages, automatically ceases, his liability to service at once accrues, and he then takes his place among all other persons of like liability, and becomes subject to the same exemption (discussed under (b) supra) and exclusion rules and, after entering the service, to the same rules of discharge that govern all other persons of like status within the draft ages.

Very truly yours,

E. H. CROWDER,
Provost Marshal General.

EXTENSION OF REMARKS.

Mr. EVANS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing the Labor Day message of the President of the United States issued on Labor Day.

The CHAIRMAN. Is there objection?

Mr. GILLETT. Mr. Chairman, reserving the right to object, has not that been printed in the RECORD?

Mr. EVANS. I think not. I asked the Clerk and he told me it had not.

Mr. GILLETT. If it has not been printed, I shall not make any objection, but if it has I shall object.

Mr. WALSH. Mr. Chairman, reserving the right to object, that is not a proper request to make of the Committee of the Whole, and I shall object temporarily.

The CHAIRMAN. The gentleman objects.

THE REVENUE BILL.

Mr. KITCHIN. Mr. Chairman, I yield 45 minutes to the gentleman from Alabama [Mr. HEFLIN]. [Applause.]

Mr. HEFLIN. Mr. Chairman and gentlemen of the committee, we are living at the most critical time in the history of the world, and there never was a time when complete unity of purpose and concerted action were as necessary on the part of the American people as now. We are facing upon the battle fields of Europe the most desperate, the most tyrannical, the most brutal and barbarous monarch that ever appeared upon the earth. [Applause.]

All that we hold dear is involved and the very life of our Nation is at stake. Human liberty everywhere is in the balance. More now than to any other government the free peoples of the earth look to America and to Woodrow Wilson, the President of the United States. [Applause.] American boys in uniform and following the flag of our country are dying for our liberties and for humanity on the battle fields of Europe.

Mr. Chairman, I regret that there has been sounded at this distressing and critical time a discordant note by a Member of this body. But it has been done by the Republican gentleman from Illinois [Mr. RODENBERG] and a Republican in another body in this city. They have undertaken to discredit and destroy in the estimation of the American people the great man who leads our forces at this hour. It has been the custom of the Republican side for some two or three campaigns to have their keynote speech made by the gentleman from Illinois [Mr. RODENBERG]. I recall his savage attack upon the President at the beginning of the campaign of 1916, and how that speech was circulated over the country by the thousands. Just a little while ago this same gentleman made the keynote speech of his party for the campaign of 1918, and he devoted his time to an attack upon the President of the United States. There could be but one purpose in that speech, and that to belittle and discredit the President of the United States. My God, when men are returning from the battle front wounded, sore, and their comrades are left dead on the battle fields of France, how can any man so far forget his obligations to the boys at the front and his duty to his country as to take this floor and try for an hour to discredit and destroy the chosen leader of the American people?

In another body the same kind of an attack was made by a Republican from the State of Illinois. It seems that there has been an understanding between these two Republican leaders from Illinois. Then later there was a statement attributed to the chairman of the national committee of the Republican Party, assailing the Democratic administration from its head down, seeking to belittle the Commander in Chief of the Army and Navy and to impugn mean and bad motives to those in authority.

While this man in the White House is carrying upon his shoulders the mightiest burden that ever weighted down a public man, bound to his post of duty all the time, and using every ounce of his energy and employing every power of his great mind to win the war in Europe, the gentleman from Illinois [Mr. RODENBERG] seeks to discredit and destroy him here at home. The gentleman from Illinois for one hour assailed and attacked the Commander in Chief of the American Army and Navy. He used only a minute or two of that time in saying that "since war has been declared I am for it, and that we must make any sacrifice now, that the paramount issue is to win the war," and then he immediately turned and commenced a vicious and savage attack upon the very man who is leading the American people in the winning of the war. [Applause on the Democratic side.] For nearly an hour he nagged and criticized this great American leader. "Why," he says, "politics is not adjourned." Well, the President said: "Politics is adjourned." But this Republican leader disputes the statement of the President, and to prove his contention he brings up instances of where the President has given his opinion as to whether this man's or that man's conduct as an American entitled him to be

reelected to Congress. If the officer in charge on the battle field can himself designate who will perform a certain duty in carrying out the war program and reject some that he believes are not as good and trustworthy as some others for that work, why will you deny to the Commander in Chief of the Army and Navy the right to warn the American people against sending back here a man whose conduct has been against and not for his country. [Applause on the Democratic side.]

Mr. Chairman, it is a mean and miserable brand of politics that will cause a man to undertake to discredit and destroy the leader of our Army at a time like this. What is it done for? "Politics is not adjourned," he says. "It lurks about us." He says the President goes to the golf links on Monday, to the movies on Tuesday, to vaudeville on Wednesday, to comic opera on Thursday, and so forth. That is the substance of what he says.

What was the purpose of that statement? Was he trying to strengthen the President of the United States in the minds and hearts of the American people, who are trusting their all to his care, or was he trying to discredit him and to make the people of the country believe that while their boys were fighting and dying at the front this great man was reveling in ease and sporting about the city of Washington? My God! what is Republican leadership coming to in this House? As I said before, no man in our country is burdened as is our great and beloved President. He is confined to the White House with mighty problems, problems that vitally affect not only a hundred million Americans, but the multiplied millions of the earth. [Applause.] The burden of this great war is upon him more than any other one man. And when he goes down to a moving-picture show to take a moment away from his close confinement and to look upon the screen and see the daring youths of America beating back the Hun and going over the top, this Republican leader would have the American people believe that the President of the United States is loafing on the job. The gentleman from Illinois knows better. Just what is it that moves him to make such a misleading and unwarranted attack? There is only one construction that can be placed upon this performance, and that is that the gentleman from Illinois was trying to convey to the country misinformation to the effect that while the war rages in Europe the Commander in Chief was frolicking about theaters here in Washington.

What other impression can you get? What was the purpose of such an attack? I repeat, Was it made for the purpose of helping the President, or was it made for the purpose of hurting him? An attack upon hi mnow is an attack upon the American people; and Mr. RODENBERG and all those like him who make such attacks, long after they have perished in the dust this man will live in the hearts of the liberty-loving people of the world. [Applause on the Democratic side.]

Let me read a line from the gentleman's speech.

He said: "The loyalty of a Republican is not to be determined by a subservient acquiescence in every whim and caprice of an administration which, unfortunately, had never yet overlooked a single partisan advantage." Is that true? Was the President looking to party advantage when he named the ablest Republican living, Elihu Root, of New York, to go over and settle the disturbances in Russia? What would you have said if the President had appointed Mr. Bryan or any other Democrat, and he had made such a miserable failure of the matter as did Mr. Root? I do not say that anybody could have done better than Mr. Root did, but what would such a man as the distinguished mouthpiece of the Republican Party, Mr. RODENBERG, have said if the President had appointed a Democrat and he had left behind him the awful condition that Mr. Root did?

Was the President looking to partisan advantage when he appointed ex-President Taft chairman of the National Labor Board? Was he looking to partisan advantage when he appointed the last Republican nominee for President, Mr. Hughes, special investigator of aircraft production?

No, gentlemen. Various Republicans are holding office in this city now, appointed all through this war work by the President and those under him, and yet such speeches as that of the gentleman from Illinois are sent out to the country to create a different impression and to induce the people to believe that the President has appointed Democrats alone and doing it for partisan purposes. In other words, the impression sought to be made is that while the President says "politics is adjourned." he is using the power of his great office to see to it that partisan politics is not adjourned, so far as the Democratic Party is concerned.

That is the purpose of a speech like that, and I submit that to the patriotic Republicans on that side—and there are a good many of them—some of whom have gone down the line and have supported the war program; some have been weeded out and more must be in the general election.

The people at the polls will attend to the situation in the November election. I know that some gentlemen have become very quiet and docile as the election draws near, like old Bill Smith, in my State, who operated a "blind tiger" in a prohibition settlement, and the evidence was so strong against him that Bill waived trial before the county judge and asked that his case go before the grand jury; but before the grand jury met, Bill joined old Liberty Church, and when court convened Bill was there looking humble and wearing a pious look, and the pillars of the church went down and appeared before the grand jury and said: "Bill has had a change of heart. He has joined the church, and we wish you would dismiss the case against him." They did, and after court adjourned and Bill had gone back, he was not there a week until he was operating a "blind tiger" at the same old stand. [Laughter and applause.]

So, gentlemen, we are not going to take any chances on some of you this time. There is too much at stake. We can not afford to take any chances. We have got to weed you out. Some of you talk low now and keep quiet, and you look humble like and pious, but I know how you have tried to handicap and embarrass the President just as long and just as far as you dared to go, and if you get back here you will do it again. I pray God that in the Sixty-sixth Congress there will not be a single man in either branch who will ever attack, as these Republican leaders have, the Commander in Chief of the Army and Navy. [Applause.]

Mr. PURNELL. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Alabama yield to the gentleman from Indiana?

Mr. HEFLIN. I am sorry, but I can not yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. HEFLIN. Mr. Chairman, Mr. RODENBERG says we can afford to sacrifice, we can afford this and that, in order to win the war. Why did he not refrain from making that vicious attack upon the Commander in Chief of the Army and Navy? Why does he talk in one breath about doing things necessary to win the war and in the next one hundred breaths try to destroy the leader of our war forces?

How many red and striped books did the gentleman from Illinois send to his district showing how war came to America? Did he send any? How many attacks has he made upon this floor against the Kaiser and German autocracy? Not one. He has made two bitter attacks upon the President of the United States, but not one upon the Kaiser. I do not know whether the un-American and Potsdam sentiment in anybody's district has anything to do with a speech like that or not, but I just know that the gentleman in all his attacking has never attacked the Kaiser, and the Bible tells us that "by their fruits ye shall know them." [Applause.] When Woodrow Wilson is leading our cause and the German Kaiser is leading the German cause, and an American Member of Congress attacks Woodrow Wilson, where do you place him? For America's leader or against him?

The Bible says, "No man can serve two masters." "He that is not with Me is against Me." Then, where do you place the gentleman from Illinois? Is he for the President or is he against him? The President and not the Kaiser is our leader. [Applause.] Gentlemen, as an American to Americans, heart to heart, if you had shut your eyes and listened to that speech who would you have thought inspired it? A whole-hearted supporter of the American program, or a man who was making insidious attacks upon it in the effort to weaken it?

In another body a Republican from Illinois makes the same kind of attack just a day or two later. It seems that the plan of attack had been agreed upon. He began by saying that "we of the minority have given support to the administration and we must win the war," and he used this language—listen:

> If we fail in this war the torch of liberty goes out in the savagery of the Hun and the despotism of his king. If we fail, not America alone but mankind will go back into the feudalism of the Dark Ages.

Now, you would not think a man making that statement at the outset would then devote an hour and 50 minutes to an attack upon the very man who carries the torch of American liberty at this hour, and who, more than anyone else, stands between America and the feudalism of the Dark Ages, Woodrow Wilson. [Applause.] That was the attack of another Republican leader, a man from Illinois, in another body—Illinois, Illinois—the home of the martyred Lincoln, the great American. Can it be that these men truly represent your spirit in this hour of the Nation's peril? No; I deny it.

The power of the purse destroyed upon the political field yesterday one of the bravest and best Americans that ever came to Congress, Foss of Illinois [applause], and they did not even mention him in the headlines this morning. He was the best American in the race, but he was a poor man. Thompson, the pro-German, of Chicago, carried the city of Chicago. Think

of it! In the Commonwealth of the great Lincoln, who stood for placing the man above the dollar, McCORMICK, the millionaire, carried off the prize, and FOSS, the statesman, is not even mentioned in the headlines; that brave American, fighting for the flag at all times and loyal to the core, lies prostrate upon the plains of the State of Illinois, not even enjoying honorable mention in the headlines. The headlines are, "McCORMICK beats Thompson." Well, I had rather see McCORMICK nominated than Thompson. BRITTEN, it appears, has been nominated by the Republicans of his district. Do you think that a man who wanted to exempt American citizens of Austrian and German blood from service to that flag on a foreign field, who introduced a measure which would excuse them from battle with barbarian hordes who would destroy this Government, should be recommissioned by Republicans in the State of Lincoln?

A Republican gentleman in another body makes an attack upon the war program of the administration. Gentlemen, you and I know that you have to do things in war times that you would not think of doing in time of peace, and some good Republicans into whose faces I now look know that that is true. It is necessary to mobilize the forces of the country, to call the boys to the colors, and to take over the great public utilities of the country when a strike might paralyze the arm of the Government and render it unable to carry on the war.

Take the case of the railroads, the telegraph and telephone systems. German spies were tapping the wires and up to all sorts of devilment through German propaganda in the United States, and these agencies for the communication of thought from camp to camp and to Commander in Chief and back again were being laid upon by the enemy, and a strike threatened that would have paralyzed the whole Government, and the President said: "We will have to take them over as an emergency measure and have Government supervision." We took over the railroads so that we would have Government supervision. And yet this Republican from Illinois in another body gets up on the floor and invites the attention of the railroad operators and owners, the telegraph and telephone owners, and says: "Let me talk to you." And then he undertakes to frighten all of these interests into believing that there was no necessity from a war standpoint to take over any of these great industries. The thing had already been decided by the Commander in Chief of the Army and Navy, and the law taking them over had been passed, and yet this Republican leader undertakes to stir up opposition to the war program, and he said: "I want to tell you more than that," speaking of the President, "he is not going to turn them back, he has taken them over for political purposes." That is the substance of what he said.

Gentlemen, will the patriotic people of Illinois stand for that unwise and unwarranted attack upon the Commander in Chief of the Army and Navy? Will the rank and file of the Republican Party permit such a charge made at a time like this to go unchallenged at the polls? Why, he says that McAdoo is in charge of the finances, in charge of the railroads, and Burleson is in charge of the agencies of thought and communication, and that Gompers is president in all matters pertaining to labor. All three of them are American patriots rendering splendid service t. the country——

Mr. DENISON. Mr. Chairman——

Mr. HEFLIN. I can not yield.

Mr. DENISON. I am not asking the gentleman to yield.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. DENISON. A parliamentary inquiry. I want to ask the Chairman if it is proper to refer to a Member of the Senate on the floor of the House in the manner in which the gentleman from Alabama is referring to him?

The CHAIRMAN. The gentleman can not propound a parliamentary inquiry; he can make a point of order.

Mr. DENISON. Then I make the point of order that the gentleman is out of order in referring to a Senator from Illinois in his remarks.

Mr. HEFLIN. I have not mentioned the Senator from Illinois and I have called no names. I mentioned a man in another body.

Mr. DENISON. "The gentleman from Illinois" knows that the gentleman from Alabama is referring to a Senator from Illinois.

The CHAIRMAN. The rule on that subject is as follows:

A Member may not in debate in the House read the record of speeches and votes of Senators in such connection of comment or criticism that might be expected to lead to recrimination, and it was even held out of order to criticize words spoken in the Senate by one not a Member of that body in the course of an impeachment trial.

While the Senate may be referred to properly in debate it is not in order to discuss its functions or criticize its acts or refer to a Senator in terms of personal criticism.

Mr. DENISON. Mr. Chairman, I make the point of order that the gentleman is out of order.

The CHAIRMAN. Such references should not be made in this body to another body which would lead to recrimination on the part of other Members and to ill feeling between the two bodies. The gentleman will proceed in order.

Mr. HEFLIN. Then, the gentleman from Illinois [Mr. DENISON] invokes the rule to protect a member of his party who has been attacking the Chief Executive of the Nation.

Mr. GILLETT. Mr. Chairman, I did not understand whether the Chair ruled on the point of order or not.

The CHAIRMAN. The Chair said that the gentleman from Alabama must proceed in order and try to avoid such references to another body as would impinge upon this rule.

Mr. HEFLIN. Well, Mr. Chairman, I will say this, that the laboring people of the United States ought to be satisfied with this Democratic administration. If Mr. Gompers now has access to the White House, something that he never enjoyed in the old Republican days, if the great leader of the laboring army of America can now have the ear of the President of the United States, how ought the army of laboring men feel upon that question at this time?

Mr. Chairman, the great army of laboring men in the United States should be satisfied with the administration of President Wilson. What a change from the old days when the Republican Party was in power in every branch of the Government and when the president of the Woolen Trust was President of the United States in all matters pertaining to schedule K in the Payne-Aldrich tariff bill, for he caused that schedule to remain in the bill even after Mr. Taft had said that it was inexcusable and indefensible. Yes; they were the old days when Gompers had no standing at the White House, and the laboring man cried in vain for recognition of his rights—when trust magnates and tariff barons held high carnival in the Nation's Capitol, robbing and plundering the American people through powers granted to them by the Republican Party. In those old days, Mr. Chairman—gone, thank God, never to return [applause]—labor was declared to be a commodity, a matter of barter among trust magnates, by the Republican leaders, and the laboring man was made an industrial slave by the tariff barons of the Republican Party. The fat and arrogant beneficiaries of the Republican tariff tax would assemble the laboring men at their factories on the day before election and tell them that if they voted the Democratic ticket that factory would shut its doors and they would lose their jobs. This mighty army of America's laboring men were humiliated and coerced and intimidated in the old days when the country was ruled by the Republican Party. But under Democratic rule labor is no longer a commodity. The shackles have been stricken from the feet of the industrial slave. [Applause.] No more coercion and intimidation at the ballot box, and the laboring man, with head erect and light upon his face, has a friend in the President of the United States. [Applause on the Democratic side.]

Those old days—I recall them—gone, thank God, forever! [Applause.] Under the Republican Party's administration, 21 men in Wall Street controlled the money supply of the United States. Twenty-one could produce a panic in 24 hours. Twenty-one men, under Republican rule, could paralyze every industry in the United States, but these mouthpieces of the Republican Party want to return to those days. These men who fear that we are establishing socialism now, where were they in those wicked old days? Not a word of protest was heard from any one of them. They contributed to the evil workings of the miserable system. Twenty-one men controlled the money supply of a hundred millions of people. You robbed the people annually of millions of dollars through the robber tariff. You old stand-pat tariff jugglers are yearning to return to those old and evil days when the poor man with a large family paid more tariff taxes than the richest man in the Republic. The gentleman from Michigan [Mr. FORDNEY], the gentleman from Pennsylvania [Mr. MOORE], the gentleman from Ohio [Mr. LONGWORTH], and the gentleman from Nebraska [Mr. SLOAN], and GILLETTE, of Massachusetts, all want to return to those old and wicked days.

You then taxed the many for the benefit of the few, and you pillaged and plundered the American people that the captains of industry might build up colossal fortunes at the expense of the people. You gentlemen who become uneasy and alarmed now made no protest then. Now, in the midst of the greatest war of the world you try to frighten and divide the American people and destroy the great leader of their cause. [Applause on the Democratic side.] Why, I thought that these old standpatters had been weaned by now, but I find that they are still yearning for the old days of graft and plunder. Just mention a revenue bill, and these old protective-tariff relics commence to lick their chops. They remind me of the old fellows who were discussing the whisky habit. Some one said, "Is there any permanent cure for the habit?" One said, "I take no stock in the Keeley cure

establishment at all; it is a place where they tone a fellow up for another booze battle; but, gentlemen, believe me, there is a real remedy. Old man Jimmie Simpkins's son tuck powerfully to licker, enduring of the summer, and 'long come a peddler who give him a remedy. He told him to take the insides of three green gourds and a bunch of tobacco stems and bile 'em down to a simmerin' stew, strain out the juice, and give his boy a goblet full on his empty stomach early in the morning." An interested bystander asked if he had given a dose to his boy. "Oh, yes," was the reply; "we give it to him about three weeks ago, and the boy has got now to where he can take a little water biled an' the white of er egg; but when they exercise him they have to blindfold him, for the mere sight of a tobacco patch or gourd vine sets him to heaving again, and they can not tell yet whether his relishment for licker is gone or not." [Laughter and applause.]

The President took the tariff out of politics and politics out of the tariff; but I see now that we will have to blindfold these old standpatters, for the mere sight of a robber schedule sets them to sighing and lapping out their tongues, and we see that their relishment for the old robber system is still as keen as ever. [Laughter and applause.]

Why these gentlemen talk about Gompers being president in all things which pertain to labor. Let me say again that I remember the old days when the tariff baron, fat and pompous under Republican rule, called his workmen around him on the day before the election and said to them, "To-morrow is election day, and if you vote the Democratic ticket I will shut down this mill and you will lose your job." That is the miserable condition that obtained under Republican rule; but these mouthpieces of the Republican Party said nothing then against a system that made industrial slaves of the wage earners of America. They want to return to it. When we have established here the rule of the people, and when the rank and file have more voice in the Government than they have had since Lincoln, these friends of sinister interests denounce this wholesome rule of the people as socialistic, and they want to return to the old days when the tariff barons clipped their coupons and listened to the clink of their ill-gotten dollars and reveled in luxury and ease at the expense of the wage earners and the toiling masses of America. [Applause on the Democratic side.] That was the situation. Why, Mr. Chairman, in those days Gompers, the head of organized labor, had no standing at the White House, the laboring man was not considered, except through the boss, the protective tariff baron, who contributed campaign funds to the Republican Party and in return had his protective tariff tax increased at the expense of the masses. This other Republican leader attacks Col. House, the trusted friend of the President. The President is getting information from every source that he can to help him win this war. But this Republican leader tries to destroy the man that the President is relying on to do certain important things in connection with the war. I could, if I would, go back to the time when Harriman was invited to inspect a President's message to Congress, but I will not do it.

I could go back to many other things in the old days of the Republican Party. My God! Do you think that the people of America are going to permit the power-hungry agents of the interests to get out here and beat their drums and sound their fifes in the effort to create division amongst the American people in order that they may again get control of the taxing power of the Republic? God help us, for the remainder of this war at least, to keep the taxing power out of the hands of the Republican Party! [Applause.]

SEVERAL MEMBERS. Amen!

Mr. HEFLIN. A good many of you on that side are saying "amen" derisively who will not say it after the November elections. You will not be here.

Mr. SNYDER. How about Maine?

Mr. HEFLIN. Oh, Maine went for Hughes in 1916, and what happened to Hughes in the November election? [Laughter.] Why, Maine went for the Republicans two years ago, and it has got to where it is an index to Democratic victory, which now means American victory at the polls. [Applause.] That is what it means when Maine goes Republican, as it did the other day.

Let me read you a letter from a Republican to the chairman of the Republican national committee, Mr. Will Hays. You know he has been doing some talking lately, too. He encourages attacks upon the President of the United States. "You must destroy the Democratic leaders who are fighting to win the war, prostrate them, and then walk over and get the spoils of office." That is the effect of his utterances. But here is a letter to him from a Republican in Maryland, published in the Daily Mail. I read:

TO BACK WILSON AND BAFFLE THE HUNS IS THE DUTY OF ALL PATRIOTS, WIRES LEADING REPUBLICAN TO WILL HAYS, HEAD OF THE REPUBLICAN NATIONAL COMMITTEE.

The following telegram was sent Will Hays in Washington, and was received, but up to this date no answer has been received:

HAGERSTOWN, MD., *August 11, 1918.*

WILL HAYS,

Chairman Republican National Committee, Indianapolis, Ind.:

I am a Republican and want to ask you as the party leader a fair and serious question. Can there be a Republican congressional success this fall without giving encouragement to our enemies in the central Empires? We may say that Republicans who may be elected over Democrats will be loyal and strenuous for the war, but in Germany it will be said that because the President has been defeated his power to make war for American victory has been weakened. If as a result of the victory on the Marne the German junkers should be defeated at the polls would we not be encouraged? Of course, we know that patriotism is above partisanship and in our own national family Republican successes would not be disturbing, but in Germany the press is ruled by the Kaiser, and the defeat of the Wilson party would be given a meaning which would stimulate the Germans to further desperate efforts. In these critical times Germany needs all her moral courage to sustain her fighting military spirit. Why boost our enemies? Our boys are dying by thousands on French battle fields. Should we say to the men who are killing them that their great chief in the United States has failed to get the political support of his people? Should my vote help to write such a message of comfort and hope to Berlin? When you reply never mind about the effect in Washington and the United States. I know enough about that. It is what the effect is going to be in Germany if Wilson is not rousingly sustained by the people which probably will cause me to vote for a Democratic congressional candidate. Now, tell me, what will be the effect in Germany of licking Wilson at the polls by anybody for any reason? I am referring to the approaching congressional elections. When the presidential election occurs the situation might probably be changed and then we could stand by party principles. However, I do not feel that in our present situation we should permit party sentiment to detract from our loyal spirit of Americanism. I do not say this because I am less a Republican, having voted for McKinley, Roosevelt, and Taft, but because I am all the more American. I have two sons enlisted in the service and am proud of them. If party spirit were solely to govern us and we should be victorious in the congressional elections, I am sure it would enhearten Germany to put up at least several desperate battles in the hope that the opposition might force a peaceful adjustment. This would undoubtedly mean the loss of thousands of American lives. Do you not think that the American people at large should give serious consideration to such a contingency? I have the success of our arms, with the least possible loss of life, at heart, and, in addition, I can not be unmindful of my own boys. Hope for our boys comes home to all of us. Why risk anything now for politics. For your information I was prosecuting attorney of the United States Provisional Court of Porto Rico and later a member of the Code Commission of Porto Rico, the work assigned to me being the codification of the Penal Code and Code of Criminal Procedure of Porto Rico. This was from 1900 to 1904; then in August, 1904, I was sent to the Canal Zone as prosecuting attorney for the United States court there, fulfilling the duties of that office until the fall of 1907.

Very respectfully,

J. MARBOURG KEEDY.

[Applause.]

Mr. Chairman, is this a strange note that this patriotic Republican is sounding? Why, Mr. Roosevelt, in 1898, said that it would not do to elect a Democratic Congress, that it would be regarded in Spain as a repudiation of the party in power. Ex-President Harrison said the same thing. If that doctrine applied then, when we were fighting a small power like Spain, my God, how much more ought it to count now, when the world is on fire and the earth is being drenched with human blood, when the very life of the Nation is at stake? [Applause.] How much more important that the American people should stand loyally behind the President and the party in power. [Applause.]

Now, Mr. Chairman, I want to submit these observations before I close. The men who are so anxious for the Republicans to carry the House—of course, I am not attributing these motives to some of you, because some of you have got good records, but I am talking about the bosses, I am talking about the leaders, who have shown by their attacks upon the President where their hearts really are. They are the fellows I am talking about. Do you know why it is that they are trying to move heaven and earth to get this House and the Senate? It is the profiteering element of the United States who want to get control of the taxing power. They are quietly sitting back just now. They are not saying much for publication now, but they are sore, some of them, because the Democratic administration—and some of you are helping to do it—is putting the tax burden of this war upon those most able to bear it, and that is where it ought to be. [Applause.]

But some of those who are bearing it are tired, and they want to stand from under. Editor Brisbane said in the Washington Times that the reason the Republicans want to carry the House and Senate is because they want to take the tax burden off of the back of the rich and put the tax on the back of the poor. Do we want that awful condition to come about? Gentlemen make reference to graft. My God, the days of the Spanish-American War, that little war, when graft was rampant in circles of your party and you served embalmed beef and meat with maggots in it to the American soldiers. Do you hear any charge like that now? And then there is talk about Hog Island.

That is up in Mr. MOORE's State, and everyone of the men in that scandalous performance are Republicans. I do not say that because they did graft that other Republicans do or will, but these gentlemen must not keep talking about graft under a Democratic administration when it is Republicans doing the grafting. [Laughter on the Democratic side.]

Now, Mr. Chairman, I do want to say that I can commend some of the remarks that I have heard from the gentleman from Chicago [Mr. MADDEN], and there are other patriots here from Illinois—McKENZIE, good and true; Foss; and some others that I could name. But, gentlemen, I must judge Members by what they do and say. By their fruits ye shall know them. Now, are you going to circulate the speech made by Mr. RODENBERG? Are you going to circulate the speech made by another Republican in another body attacking the Commander in Chief and seeking to sow seeds of discord, doubt, and division where all should be unity of purpose and concert of action? Do you believe that it is patriotic to circulate such speeches? Instead of circulating them you should repudiate them. I have seen the disposition on the part of some Republicans over there to shield men who have not been as loyal supporters of the Government as they should have been. I have attacked their records and exposed their conduct upon this floor, and some gentlemen over there have resorted to every pretense possible under the rules to shield them.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HEFLIN. I ask for five minutes more.

Mr. FERRIS. I yield the gentleman five minutes.

Mr. MOORE of Pennsylvania. There is no objection on this side, so far as that is concerned.

Mr. HEFLIN. The gentleman from Pennsylvania could not stop me if he desired to do so. He is one of the fellows that I had in mind in what I have just said. [Laughter on the Democratic side.] I remember how he used to try to shield certain gentlemen over there who are going to be repudiated at the polls in November.

Mr. MOORE of Pennsylvania. I wanted to give the gentleman a chance to tell about it. The gentleman is always very entertaining.

Mr. HEFLIN. I may have another opportunity. I can not tell about it in five minutes; it will take more than five minutes to pay proper respect to the gentleman's record. [Laughter.]

Mr. MOORE of Pennsylvania. I am in control of the time, and possibly I can yield some of it to the gentleman.

Mr. HEFLIN. I should be very grateful if the gentleman would, and I wish he had been willing for me to use time back yonder when I was going into the record of the gentlemen who were embarrassing and opposing the President of the United States.

Mr. MOORE of Pennsylvania. I am afraid many of them are from Wall Street. The gentleman should look into that.

Mr. HEFLIN. That reminds me of Newberry, the nominee of the Republican Party for the Senate in Michigan, who expended in the recent primary $178,000, the salary of a United States Senator for nearly 24 years, nearly a quarter of a century. The hungry bosses of the Republican Party, putting up seats in the Senate for sale and traffic to the highest bidder! The poor man of the United States has no chance against the moneybags of the mighty leaders of the Republican Party. The gentleman mentioned Wall Street; yes, two men from New York City contributed $25,000 each to the campaign of the Michigan man. Let the gentleman from Pennsylvania feed on that nut for a while. [Applause on the Democratic side.] Now, Mr. Chairman, there is a great deal that I would like to say, but I must close. I want to say this in conclusion: God bless the women of America. They are doing everything in their power to win this war. [Applause.] They have given their boys to die for the country; they are sending their sons to battle, and their love and blessings go with them; and the fathers of America, the great rank and file, are supporting lovingly and loyally Woodrow Wilson, the Commander in Chief. [Applause.] The voter who by his ballot helps to send back to this body a disloyal Member is unfaithful to our great leader and untrue to the boys who are fighting and dying at the front.

Mr. PURNELL rose.

Mr. HEFLIN. I can not yield now. My time is nearly out. Mr. Chairman, let us stand together and present a solid front to the enemies of our country. Let no more discordant notes be sounded in this body. Let America present a solid front to our enemy and the world's enemy, the German Kaiser. Let these men who are trying to destroy Woodrow Wilson try to destroy the Kaiser. Let us be Americans all, whole-hearted Americans, with the light of loyalty upon our faces, following faithfully him who carries at this hour the Nation's flag. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 30 minutes to the gentleman from Oregon [Mr. HAWLEY].

AN ILLUSTRATED PRIMER OF THE INCOME TAX PROVISIONS OF THE WAR-REVENUE BILL IN WORDS OF ONE OR MORE SYLLABLES.

Mr. HAWLEY. Mr. Chairman, it is the purpose of these remarks to present plainly in the English of conversation and commerce the income-tax features of the pending war-revenue bill (H. R. 12863, 65th Cong., 2d sess.) chiefly by means of illustrations.

These taxes are five in number:

Individuals pay—
- First, a normal tax (sec. 210); and
- Second, a surtax (sec. 211).

Corporations pay—
- First, a normal tax (sec. 230); and
- Second, either a war-profits tax (secs. 310, 311, 312) or an excess-profits tax (secs. 315, 316), whichever is the higher.

These are the most important features of the bill, since $5,676,186,000 of the $8,182,492,000 the bill is intended to raise, or over 69 per cent of its total amount, will be derived from the income taxes.

In the computations given below too great detail has not been attempted, but the segregations are sufficient to illustrate the application of the principles upon which such taxes are based. Accuracy in the computations and simplicity in their presentation have been the chief aim.

Supposed returns from individuals and corporations have been used as illustrations, and the purpose has been to present illustrations covering typical cases, and as nearly as possible including all the essential features of each tax without embarrassing the illustrations with multitudes of details.

The adoption of the income-tax amendment to the Constitution prior to the outbreak of the present war was most fortunate. Otherwise it would have been a practically impossible thing to have raised over $8,000,000,000 by taxation and distributed the burden among the taxpayers with any approach to an equitable apportionment of the burden in proportion to ability to pay.

PARTNERSHIPS.

Partnerships as such do not pay the normal tax or the surtax. But each member of a partnership will pay both the normal tax and the surtax upon his pro rata share of the taxable income of the partnership, whether the earnings have been distributed or not.

INDIVIDUALS.

Individuals pay two kinds of income taxes, but on net income only:

1. A normal tax (sec. 210).
2. A surtax (sec. 211).

Net income (sec. 212) is ascertained by computing the gross income (sec. 213) and subtracting therefrom certain deductions (sec. 214) (but excluding certain items not deductible, sec. 215) and credits (sec. 216).

GROSS INCOME (SEC. 213).

Gross income (sec. 213 (a)) is the total upon all gains, profits, and income derived from salaries, wages, or compensations, from professions, vocations, trades, businesses, commerce, sales, or dealings in property, interest, rent, dividends, or securities, or gains from any business transaction, or gains, profits, or income from all sources whatever.

ITEMS NOT INCLUDED IN GROSS INCOME (SEC. 213 (B)).

The following items are not included in the gross income:

- Life insurance paid to beneficiaries or to an estate.
- Refund of premiums paid on life insurance.
- Value of property acquired by gift, bequest, devise, or descent, but income derived therefrom is included in gross income.
- Interest on securities issued by State, Territory, or municipalities or obligations of the United States, under certain restrictions.
- Accident or health insurance or money received under workingmen's compensation acts.
- Soldiers, sailors, and marines serving abroad or at sea pay income taxes only upon that portion of the compensation received from the Government which is in excess of $3,500.

DEDUCTIONS AND CREDITS.

Deductions (sec. 214): From the gross income ascertained as above stated there are subtracted the following deductions

(sec. 214) arising during the year for which the taxes are paid:

Ordinary and necessary expenses incurred in carrying on the trade, profession, or business.
Interest paid or accrued.
Taxes paid or accrued, except income, war-profits, and excess-profits taxes levied by the United States.
Losses sustained and charged off, where not compensated for by insurance or otherwise.
Debts ascertained to be worthless and charged off.
Reasonable allowance for wear and tear.
Depletion in the case of oil or gas wells, or other natural deposits, or timber.
Contributions or gifts for religious, charitable, scientific, and educational purposes not in excess of 15 per cent of the net income.

Credits (sec. 216): There is further subtracted from the gross income the amount of the following credits (sec. 216):

Dividends received from corporations taxed before being distributed.
Interest on securities issued by public authority.
$1,000 for each single person, $2,000 for each head of family or married persons living together, and $200 for each dependent child.

INDIVIDUALS UNDER SECTION 220.

Amounts received by individuals as dividends from corporations which have paid tax prior to distribution are not subject to the normal tax, but are subject to the surtax.

SMALL SPECIAL DEDUCTIONS.

There is a special small deduction for individuals in computing the normal tax of $1,000 for single persons and $2,000 for head of family or married persons living together and $200 for each dependent child. These deductions are made to relieve a limited amount of living expenses from taxation.

The equality of the apportionment of the burdens of taxation can be more readily determined if the method of the working of the proposed law is clear.

ILLUSTRATION.

This illustration is taken from the experience of John S. Brown, a thrifty and versatile merchant, doing business in a town of 20,000 people, interested in local business enterprises, buying and selling city and farm property, and lending money.

His gross income (sec 213 (a)) consists of the following items:

Profits as a merchant	$60,000
Salary as president of the local water company	3,000
Compensation as manager of the electric-light company	2,000
Sale of city property bought for $5,000 and sold for $8,000	3,000
Sale of farm bought for $20,000 and sold for $30,000	10,000
Rents from city property	1,000
Rents from farm property	2,000
Interest on money lent	3,000
Dividends from corporation securities	6,000
Total gross income	90,000

He is allowed the following deductions (sec. 214) from the gross income ascertained above:

Rent paid for store building	$5,000
Salaries to employees	10,000
Numerous incidental items necessary for the conduct of the business	2,000
State, county, and local taxes	4,000
Loss from fire, less insurance	2,000
Debts ascertained to be worthless and charged off	2,000
Wear, tear, and depreciation	1,000
Gifts and contributions—Red Cross, $1,000; church, $600; Y. M. C. A., $400; college endowment, $5,000; other contributions, $1,000	8,000
Total deductions	34,000

For the purposes of the normal tax only he is allowed the following credits (sec. 216) as a further reduction of the gross income:

Dividends received on corporation on which the tax was paid prior to distribution	$6,000
Interest on securities issued by public authority (none held).	
$2,000 as married man living with his wife and $200 each for 5 dependent children	3,000
Total credits allowed	9,000

CERTAIN ITEMS OF WHICH NO ACCOUNT IS TAKEN IN COMPUTING THE GROSS INCOME.

He received during the year the following sums which are not included in his gross income, and of which no account is taken in computing his gross income (sec. 213 (b)):

Life insurance carried by his father	$5,000
From bequest of his father	10,000
Refund of premiums on insurance	100
Interest on public or municipal securities (none held).	
From accident and health insurance	1,000

CERTAIN ITEMS FOR WHICH NO DEDUCTION IS ALLOWED.

He is not allowed to deduct these items (sec. 215):

Personal, living, and family expenses	$4,000
Improvements and betterments, adding to the value of the property	10,000
Repairs compensated for under the wear-and-tear allowance	4,000
Premiums on life insurance inuring to his benefit	1,000

COMPUTATION OF THE NORMAL TAX AND THE SURTAX.

Normal tax: We are now ready to compute his normal tax:

Gross income		$90,000
Deductions allowed	$34,000	
Credits allowed	9,000	
Total		43,000
Net income for purposes of the normal tax		47,000

He will pay normal tax on—

$4,000 at the rate of 6 per cent	240
$43,000 at the rate of 12 per cent	5,160
Total normal tax	5,400

Surtax: The surtax is computed as follows:

Gross income		$90,000
Deductions allowed	$34,000	
No credits allowed	0	
Total		34,000
Net income on which surtax is to be paid		56,000

The surtax is a graduated tax, and therefore his tax will be computed in the following manner:

On $5,000 to $7,500, or $2,500, at 2 per cent	$50
On $7,500 to $10,000, or $2,500, at 3 per cent	75
On $10,000 to $15,000, or $5,000, at 7 per cent	350
On $15,000 to $20,000, or $5,000, at 10 per cent	500
On $20,000 to $30,000, or $10,000, at 15 per cent	1,500
On $30,000 to $40,000, or $10,000, at 20 per cent	2,000
On $40,000 to $50,000, or $10,000, at 25 per cent	2,500
On $50,000 to $56,000, or $6,000, at 32 per cent	1,320
Total surtax	8,895

It will be noted that he had only $6,000 in the last bracket, which includes amounts from $50,000 to $60,000.

Combining the taxes he will pay—

Normal tax	$5,400
Surtax	8,895
Total	14,295

CORPORATIONS.

Corporations pay two out of three kinds of taxes. They pay on their net income only:

1. All pay a normal tax (sec. 230), and
2. Either an excess-profits tax, or
   A war-profits tax.

They pay either the excess-profits tax or the war-profits tax, depending upon which of the two will cause the larger sum to be paid into the Treasury.

GROSS INCOME (SEC. 233).

For the purpose of the normal tax, gross income is ascertained in the same manner as that for individuals (sec. 213), with the modifications provided in section 233 for three special cases.

From the gross income so ascertained there is then subtracted the deductions allowed in sections 234, 236, and 320 to determine the net upon which the normal tax is to be paid.

The Treasury sheets will contain all the items in detail and with minuteness. It would complicate this explanation and require a large number of pages even to enumerate all the possible items that are deductible arising out of the various trades,

businesses, and occupations. I have attempted only the general descriptions.

For the purposes of these taxes the important factor is to ascertain the net income for the taxable year, and around the various methods for arriving thereat, for determining the average profits for the years 1911, 1912, and 1913, known as the prewar period, and the definition of invested capital the battle of conflicting opinions rages.

DEDUCTIONS AND CREDITS.

Deductions (sec. 234): The following deductions from the gross income are authorized which arise during the year for which the tax is to be paid:

All ordinary, usual, and necessary expenses paid or incurred in carrying on the business, trade, or occupation.

Taxes paid or accrued, except income, war-profits, or excess-profits taxes, or taxes assessed against local benefits; but the war-profits or excess-profits tax paid by a corporation is deducted from its net income before computing its normal tax.

Losses sustained and charged off and not covered by insurance or otherwise.

Debts ascertained to be worthless and charged off.

Dividends from other corporations which have paid tax thereon.

Allowances for exhaustion, wear, and tear of property used in the trade or business.

Amortization allowance for buildings constructed, machinery provided, etc., used in the production of articles for the present war.

Depletion allowance for oil or gas wells, or other natural deposits and timber.

Additions required by law to reserve funds in case of insurance companies, death losses, and annuity payments.

There are other provisions for insurance companies.

Credits (sec. 236): The following credits are also allowed to be deducted from the gross income arising in the year for which the tax is to be paid:

Income from securities issued by public authority and included in the gross income under section 233.

War-profits and excess-profits taxes, for normal tax only.

Special exemption of $3,000 for war-profits tax and excess-profits tax.

Special exemption of $2,000 for normal corporation tax.

Certain credits for taxes paid to other countries. (Sec. 238.)

ITEMS NOT DEDUCTIBLE.

The same items as for individuals under section 215.

WAR-PROFITS AND EXCESS-PROFITS TAXES.

It will be necessary to compute these taxes before computing the normal tax, as the amount paid in such taxes is deducted from the net income before computing the normal tax.

Both the war-profits tax and the excess-profits tax are computed for each corporation, which will pay whichever is the higher.

There are some special cases. Section 302 provides that a corporation having an invested capital of not more than $25,000 shall not pay more than 35 per cent on its net income in excess of $3,000, and a corporation having more than $25,000, and not exceeding $50,000, of invested capital shall pay not to exceed 40 per cent on its net income in excess of $3,000. This section, however, does not apply to a corporation having a net income in excess of $50,000.

Section 303 provides that a corporation whose earnings are chiefly due to the personal work of its principal owners shall pay the normal tax and 20 per cent of its net income in excess of $3,000; but income from Government contracts and corporations having over $100,000 capital will pay either the excess-profits or the war-profits tax.

WAR-PROFITS METHOD (SECS. 310–312).

The pivotal question under the war-profits method is, "What was the average yearly net income of the corporation during the years 1911, 1912, and 1913, called the 'prewar' period?"

The tax is 80 per cent of the net taxable income.

ILLUSTRATION.

The Carson Cement Corporation was organized in 1908 and has been a going concern since that date. In 1911 its net income was $50,000, in 1912 was $60,000, and in 1913 was $70,000. The average for the prewar period was therefore $60,000.

The invested capital was originally $250,000, but in 1918 it was increased by $50,000, making the capital for 1918 $300,000.

The net income for 1918 is $150,000.

The tax will then be computed as follows:

Net income for 1918		$150,000
Special exemption	$3,000	
Prewar net income	60,000	
10 per cent of added capital	5,000	
Total deductions		68,000
Amount on which war-profits tax is computed		82,000
80 per cent of net taxable income of $82,000 is		65,600

PARENTHESIS (SEC. 312B).

If the corporation was not in existence during the whole of any one calendar year during the prewar period; or if it had no net income for the prewar period; or if the average net income for the prewar period (plus or minus as the case may be 10 per cent of the invested capital added or withdrawn since the close of the prewar period) is less than 10 per cent of its invested capital for the taxable year, then its prewar credits shall be:

Specific exemption	$3,000
10 per cent of invested capital for the taxable year.	

The following illustration shows how the tax will be computed.

The Lake Coal Corporation had no net income in the prewar period, but had an invested capital of $100,000.

In 1918 it had a net income of $40,000.

The tax in this instance will be computed as follows:

Net income for 1918		$40,000
Special exemption	$3,000	
10 per cent of invested capital	10,000	
Total deductions		13,000
Taxable income subject to war-profits tax		27,000
80 per cent of net taxable income of $27,000		21,600

EXCESS-PROFITS METHOD (SECS. 315–316).

The determining factors under the excess-profits method are the invested capital and the rate per cent earned thereon as net profit.

ILLUSTRATION.

The Carson Coal Co. has an invested capital of $300,000 for the taxable year of 1918.

It makes $150,000 net profits, or at a rate of 50 per cent.

Net profit,	Rate of profit,	Invested capital,
$150,000.	50 per cent.	$300,000.

Net income for 1918		$150,000
Special exemption	$3,000	
8 per cent of invested capital	24,000	
Total deductions		27,000
Net income subject to excess-profits tax		123,000

Computation of tax:

35 per cent of net taxable income in excess of 8 per cent of invested capital and not in excess of 15 per cent of invested capital, or 7 per cent of $300,000, which is $21,000, less special exemption of $3,000, leaving $18,000 taxed at 35 per cent	6,300
50 per cent of net taxable income in excess of 15 per cent and not in excess of 20 per cent of invested capital, or 5 per cent of the invested capital of $300,000, which is $15,000, taxed at 50 per cent	7,500
70 per cent of net income in excess of 20 per cent of the invested capital, or the difference between 50 per cent, the net rate of earning, and 20 per cent, or 30 per cent of $300,000, or $90,000 taxed at 70 per cent	63,000
Total excess-profits tax	76,800

The computation under the last paragraph can be simplified by computing 70 per cent on the remainder of the net taxable income left after subtracting the amounts in the first and second paragraphs, as follows:

$123,000 less $18,000 and $15,000 leaves $90,000; 70 per cent of $90,000 is $63,000.

Since the war-profits tax is $65,600 and the excess-profits tax is $76,800, or $11,200 higher, it is evident that the Carson Cement Corporation will pay the excess-profits tax, because it is higher than the war-profits tax.

SIMPLIFIED METHOD OF COMPUTING THE EXCESS-PROFITS TAX.

Take the case of the Carson Cement Corporation used above:

Net profit,	Rate of profit,	Invested capital,
$150,000	50 per cent	$300,000

Net income for 1918		$150,000
Special exemption	$3,000	
8 per cent on invested capital	24,000	
Total deductions		27,000
Net taxable income for 1918		123,000
35 per cent on 7 per cent of invested capital less $3,000, or $18,000		6,300
50 per cent on 5 per cent of invested capital of $15,000		7,500
70 per cent on remainder of taxable income of $90,000		63,000
Total excess-profits tax		76,800

Explanation.—The brackets under the excess-profits tax are:

35 per cent on the part of the net income in excess of 8 per cent and not in excess of 15 per cent of the invested capital, which difference in per cents is the 7 per cent used above.

50 per cent on the part in excess of 15 per cent and not in excess of 20 per cent of invested capital, which is the 5 per cent used above.

70 per cent of the part in excess of 20 per cent of invested capital, which of course will be the remainder of the net taxable income.

WHY THE WAR-PROFITS TAXES AND THE EXCESS-PROFITS TAXES MUST BOTH BE COMPUTED BEFORE THE NORMAL TAX IS COMPUTED.

Since a corporation is entitled to deduct either the war-profits tax or the excess-profits tax, whichever it pays, from its net income before the normal tax is computed, it is necessary to compute them both, to ascertain which is the higher tax and in order to deduct the tax so paid from the net income to find the amount remaining upon which the normal tax is to be computed.

THE NORMAL TAX ON CORPORATIONS (SEC. 230).

This tax (sec. 230) is levied only on the net income in excess of the credits provided in section 236, which are—

Interest received from obligations issued by public authority, which are included in gross income under section 233.

Excess and war profits taxes imposed by Congress for the same taxable year.

Special exemption of $2,000.

The rate of the tax is—

12 per cent on the amount distributed in dividends or used to pay off bonds or other interest-bearing obligations issued prior to the beginning of the taxable year.

18 per cent of the remainder of the net income in excess of the credits provided in section 236.

The Carson Cement Corporation will pay a normal tax as computed as follows:

Net income for 1918		$150,000
Interest on obligations issued by public authority	0	
Excess-profits tax	$76,800	
Specific exemption	2,000	
Total deductions		78,800
Net income liable to normal tax		71,200

Of this amount, suppose the corporation distributes to its stockholders a dividend of 10 per cent on its capital, or $30,000, and retains $41,200 in its business, the tax will then be computed as follows:

12 per cent on the $30,000 distributed	$3,600
18 per cent on the $41,200 not distributed	7,416
Total normal tax	11,016

The total tax paid by the Carson Cement Corporation for the year will be—

Excess-profits tax	$76,800
Normal tax	11,016
Total tax	87,816

Or it will pay 59.5 per cent of its net income in taxes.

WHEN A CORPORATION WILL PAY UNDER THE WAR-PROFITS TAX.

The Union Foundry Corporation has an invested capital of $200,000; its prewar profits were $15,000 in 1911, $20,000 in 1912, and $25,000 in 1913, or, its average profit for the prewar period was $20,000; it had a net income in 1918 of $70,000. Its taxes will be computed as follows:

WAR PROFITS METHOD (SECS. 310–312).

Net income for 1918		$70,000
Special exemption	$3,000	
Prewar profit	20,000	
Total deductions		23,000
Net taxable income for 1918		47,000
80 per cent of $47,000, or war-profits tax		37,600

EXCESS-PROFITS METHOD (SECS. 315–316).

Net profit.	Rate of profit for 1918,	Invested capital,
$70,000.	35 per cent.	$200,000.

Net income for 1918		$70,000
Special exemption	$3,000	
8% of invested capital	16,000	
Total deductions		19,000
Net taxable income		51,000
35 per cent on 7 per cent of invested capital, less $3,000, or $11,000		3,850
50 per cent on 5 per cent of invested capital, or $10,000		5,000
70 per cent on remainder of taxable income, or $30,000		21,000
Total excess-profits tax		29,850

Since the war-profits tax of $37,600 is larger than the excess-profits tax of $29,850, the Union Foundry Corporation will pay the war-profits tax.

NORMAL TAX.

Normal tax (sec. 230): Having ascertained that the Union Foundry Corporation will pay the war-profits tax, we are now ready to compute the normal tax of the corporation, as follows:

Net income for 1918		$70,000
Specific exemption	$2,000	
War-profits tax	37,600	
Interest on obligations of other corporations	0	
Total deductions		39,600
Net income subject to normal tax		30,400

Of this amount the corporation distributed to its stockholders a dividend of 10 per cent on its capital, or $20,000, and retained $10,400 in its business.

The normal will be then computed as follows:

12 per cent on $20,000, distributed	$2,400
18 per cent on $10,400, not distributed	1,872
Total normal tax	4,272

The total tax paid by the Union Foundry Corporation will be—

War-profits tax	$37,600
Normal tax	4,272
Total tax	41,872

Or, it will pay 60 per cent of its total net income in taxes.

VERIFICATION OF RETURNS.

In order to prevent evasions of the taxes involved in incorrect returns, untenable statements of invested capital, prewar earnings or claims for deductions, or other errors, the bill provides an additional appropriation for the office of the Collector of Internal Revenue in the sum of $7,500,000 for the employment of some 2,500 persons to investigate the returns made for the past year and succeeding years to ascertain that every taxpayer pays the correct amount of tax. The Treasury thinks that with this additional assistance it can obtain several hundreds of millions more for the past year.

Mr. Chairman, I have here some charts, and it is my purpose to speak further on the five income-tax features of the bill, showing their operation by means of these charts, which have been prepared to illustrate to the eye the distinguishing features of these taxes and the methods of computing them. Some repetition will be unavoidable.

The pending revenue bill contains five kinds of income taxes. Out of the $8,170,000,000 to be raised by taxation, $5,684,000,000 are to be raised from the income tax, or 69 per cent of the entire amount. If it had not been for the adoption of the income-tax amendment to the Constitution prior to the outbreak of this war, it would have been almost impossible to have financed the war and apportioned the tax burden with any justice among the people who bear it.

CHART I.

COMPUTING THE GROSS INCOME, DEDUCTIONS, AND CREDITS OF JOHN S. BROWN IN ORDER TO ASCERTAIN HIS NET INCOME.

Gross income. (*Sec. 213 (a).*)

Profits as merchant	$60,000
Compensation as president of the local water company	3,000
Compensation as manager of the local electric light company	2,000
Profit on sale of city property	3,000
Profit on sale of farm property	10,000
Rents from city property	1,000
Rents from farm property	2,000
Interest on money loaned	3,000
Dividends received from corporation securities	6,000
Total gross income	90,000

Deductions. (*Sec. 214.*)

Rent paid for use of store building	5,000
Pay of employees	10,000
Incidental expenses in connection with the business	2,000
State, county, and local taxes for the year	4,000
Loss from fire, less insurance received	2,000
Debts ascertained to be worthless and charged off	2,000
Wear and tear and depreciation of property	1,000
Gifts and contributions	8,000
Total deductions	34,000

FOR NORMAL TAX ONLY.

Credits. (*Sec. 216.*)

Dividends received from corporation securities	6,000
Interest from securities issued by public authority	0
He is married and lives with his wife	2,000
He has five minor dependent children, $200 each	1,000
Total credits	9,000

The first chart deals with the income taxes paid by individuals. This chart takes the supposed returns made for and the taxes paid by John S. Brown, a merchant in a town of 20,000 people, doing a general mercantile business, buying and selling real estate, city and country, owning a farm and some city property, and having some money at interest. As the income taxes are levied only on net incomes the important factor, then, in any computation for any individual it is essential to ascertain what his net income is. Mr. Brown has a gross income under section 213 (a) of the bill on his profits as merchant, of $60,000; as president of the local water company, $3,000; as manager of the local electric light company, $2,000; as a profit on a city property that he bought and sold, $3,000; as profit on farm property, $10,000; rent on city property, rent on farm property, interest on loans, dividends from corporations securities, making a total gross income of $90,000.

The deductions allowed under the bill are the rent on the store building, the pay of the employees, incidental expenses, city, county, and local taxes, loss from fire, insurance, debts, wear and tear in depreciation, gifts, and purchases, making a total of $34,000. The credits provided in the bill under section 216 and shown in Chart I apply only to normal taxes on the individual and not on the surtax on individuals. So the credits under this section are the dividends from corporations, which he must report in his gross income, but for which he is given credit in the credits, interest on public securities, of which he held none, and, being a married man, living with his wife, he is entitled to a $2,000 deduction, and, having five children, a further deduction of $200 for each child, making $3,000 in all, and a total credit of $9,000.

CHART II.

NORMAL TAX TO BE PAID BY JOHN S. BROWN.

Gross income		$90,000
Deductions	$34,000	
Credits	9,000	
Total of items to be subtracted		43,000
Net amount subject to normal tax		47,000
He will pay on—		
$4,000 at a rate of 6 per cent		240
$43,000 at the rate of 12 per cent		5,160
Total normal tax		5,400

Having ascertained the factors necessary to determine what tax you will pay, we will compute the normal tax on Mr. Brown, paid on net income only. The gross income is $90,000. The deductions are $34,000, the credits are $9,000, making a total of $43,000 to be subtracted from the gross income. Deducting $43,000 from the $90,000 it leaves $47,000 subject to the normal tax. He will pay on the first $4,000 of this at the rate of 6 per cent, or $240; he will pay on the remainder of $43,000 at 12 per cent, or $5,160; or the total normal tax will be $5,400.

CHART III.

SURTAX TO BE PAID BY JOHN S. BROWN.

Gross income		$90,000
Deductions	$34,000	
Credits (not allowed).		
Total of items to be subtracted		34,000
Net amount subject to surtax		56,000

Computation of tax.

On amounts between—	
$5,000 to $7,500, or $2,500, he will pay at the rate of 2 per cent	50
$7,500 to $10,000, or $2,500, he will pay at the rate of 3 per cent	75
$10,000 to $15,000, or $5,000, he will pay at the rate of 7 per cent	350
$15,000 to $20,000, or $5,000, he will pay at the rate of 10 per cent	500
$20,000 to $30,000, or $10,000, he will pay at the rate of 15 per cent	1,500
$30,000 to $40,000, or $10,000, he will pay at the rate of 20 per cent	2,000
$40,000 to $50,000, or $10,000, he will pay at the rate of 25 per cent	2,500
$50,000 to $56,000, or $6,000, he will pay at the rate of 32 per cent	1,920
Total surtax	8,895
His total tax will be—	
Normal tax	5,400
Surtax	8,895
Total of taxes	14,295

The surtax is computed on the same amounts, except that he is not allowed to deduct the credits. His gross income is $90,000; his total deduction is $34,000. He is not allowed credits provided in section 216. This leaves an amount of $56,000 upon which the surtax is to be calculated. The surtax begins at $5,000. He will really pay surtax on $51,000 only. On the amount between $5,000 and $7,000, or $2,500, he pays 2 per cent, or $50; on the amount from $7,500 to $10,000, or $2,500, at 3 per cent, or $75; and then, in the next bracket, on $5,000, at 7 per cent, $350; the next bracket, of $5,000, at 10 per cent, $50; the next bracket, of $10,000, 15 per cent, $1,500; the next, $10,000, at 20 per cent, or $2,000; the next, of $10,000 at 25 per cent, $2,500; and then on the difference between $50,000 and $56,000, or $6,000, at 32 per cent, $1,920, or a total surtax of $8,895.

Add the normal tax of $5,400 to the total surtax of $8,895, and it is apparent that Mr. Brown will pay a total of $14,295 in taxes on this statement of facts.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. MOORE of Pennsylvania. It was shown here the other day in the debate that on a $7,500 income $470 would be paid.

Mr. HAWLEY. That is right if the $7,500 is the net income.

Mr. MOORE of Pennsylvania. That was the total for an income of $7,500 a year?

Mr. HAWLEY. Net taxable income on $7,500.

Mr. MOORE of Pennsylvania. Less $5,000. Has the gentleman made a calculation as to what a man would pay whose income was $1,000,000?

Mr. HAWLEY. No; I have not, for the reason that I could find no larger sheets than these in town, but I will insert such a calculation in my remarks as Chart II.

Mr. ROBBINS. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. ROBBINS. Is that all the tax an individual pays—the normal tax and the surtax?

Mr. HAWLEY. Yes; the normal tax and the surtax. The individual has been relieved under this bill from paying the excess-profits tax and the normal tax rates and the surtax rates have been increased.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. HARDY. Does the gentleman's calculation agree with that on page 87 of the report of the committee?

Mr. HAWLEY. Exactly; because my figures were gone over by the most capable and able clerk of the committee, Mr. John E. Walker.

Mr. HARDY. The reason I ask that question is that they do not give the odd number; yes, they give $56,000, and they say the tax under this bill on $55,000—yours is what?

Mr. HAWLEY. On $56,000——

Mr. HARDY. Is $16,895, and you have got it on $56,000 as $14,000.

Mr. HAWLEY. I have not verified the figures the gentleman refers to, but the exemptions may be different.

Mr. STAFFORD. There may be more deductions on account of children, and perhaps he was a single man instead of a married man.

Mr. HARDY. It was $14,695. I reckon there were children.

Mr. HAWLEY. That would account for the difference.

Mr. HARDY. This was for a married man, but with no children.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. DENISON. Among the deductions are bad debts. What does that include?

Mr. HAWLEY. That is stated in the bill to be debts ascertained to be worthless and charged off during the taxable year.

Mr. SNOOK. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. SNOOK. As to the individual tax and the normal tax and surtax, would it not have been possible for the committee to have worked out some kind of a simplified scheme in one schedule and not two? It would simplify the bill.

Mr. HAWLEY. They have done so, and there is in the report, I think, a table showing the combined tax. But the facts in every individual case are different, and in order to make it perfectly clear and to make the bill work perfectly fairly among all individuals it was thought best to retain the two kinds of tax on the individual, the normal tax and the surtax. It is not a complex matter as it is now arranged.

CORPORATIONS.

Corporations pay two out of three kinds of taxes. They pay a normal corporation tax in every instance and either a war-profits tax or an excess-profits tax. It is necessary to compute both the war-profits tax and the excess-profits tax on each corporation, because the corporation will pay whichever is the higher tax. In order to ascertain that fact, then, each corporation must compute both war profits and excess profits taxes.

I have not given a statement of facts regarding the gross income deductions, credits, and so forth, in order to ascertain the net income for corporations for the reason that they are arrived at in a manner similar to that used in the case of an individual.

Each corporation's gross income and its deductions will vary according to its operations. Each will have items that others will not have. As legislators, I thought we would probably be more concerned in the nature of the taxes and how they are computed, because that involves a matter of judgment upon which we have to pass in the enactment of the legislation.

CHART IV.

COMPUTATION OF WAR-PROFITS TAX ON CARSON CEMENT CORPORATION.

Data for computation.

[Organized in 1908 and has been a going concern since.]

Original capital invested		$250,000
Capital added in 1918		50,000
Prewar earning: 1911, $50,000; 1912, $60,000; 1913, $70,000; average prewar earning		60,000
Net income for 1918		150,000
Computation of tax.		
Net income for 1918		150,000
Specific exemption	$3,000	
Prewar average earning	60,000	
Ten per cent on $50,000 capital added in 1918	5,000	
Total to be subtracted		68,000
Net income subject to war-profits tax		82,000

Eighty per cent tax on $82,000 amounts to $65,600, which is the war-profits tax.

I have taken here what is called the Carson Cement Corporation. It was organized in 1908. It has been a going concern ever since. It had an invested capital of $250,000 to begin with, but in 1918, this taxable year, it added $50,000 to its capital. Now, the determining factor in the war-profits taxes is the prewar earnings of the corporation. You can not compute this tax unless you know what its prewar earnings were. The prewar years are 1911, 1912, and 1913. In 1911 this corporation had a net income of $50,000; in 1912 it had a net income of $60,000, and in 1913 a net income of $70,000. It is evident that its average prewar earnings were $60,000.

Now, the net income for 1918 was $150,000 for the taxable year. Now, compute the tax. The net income for 1918 was $150,000; a special exemption is allowed to all corporations of $3,000. That is to take care of some small corporations.

It also takes into consideration the fact that in the prewar years many corporations were making little or nothing. Those happened to be bad years for some particular kinds of business, so corporations are allowed a $3,000 special exemption. In addition, they are allowed as a deduction 10 per cent of the added capital, or 10 per cent of $50,000, or $5,000, making a total deduction of $68,000. Corporations are allowed this deduction of 10 per cent on all additions to the invested capital put into the business since the prewar period.

Corporations have a special exemption of $3,000 from net income in computing the war-profits tax or the excess-profits tax, and $2,000 in computing the normal tax.

Now, $150,000 net income minus $68,000 leaves $82,000 as the amount on which to compute the war excess-profits tax. The war excess-profits tax is 80 per cent of the taxable amount of $82,000, or $65,600.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. MOORE of Pennsylvania. Before the gentleman goes to that—the prewar system applies in the excess-profits tax in the existing law, does it not?

Mr. HAWLEY. We take no account, as I understand the law, of the prewar earnings in computing the excess-profits tax.

Mr. MOORE of Pennsylvania. The prewar basis is used in the statute we now have. I am distinguishing the war-profits tax from the existing excess-profits tax.

Mr. HAWLEY. I have not gone back into the existing law. I was simply discussing what the present bill provides, in order to avoid complications.

Mr. MOORE of Pennsylvania. I understand that.

Mr. DENISON. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. DENISON. Before the gentleman leaves the war-profits tax will the gentleman state what will be deducted if the corporation made no money during the prewar period, but lost money?

Mr. HAWLEY. If the corporation was not in existence during the whole of any one calendar year during the prewar period; or if it had no net income during the prewar period; or——

Mr. MOORE of Pennsylvania. If it was not in operation or made less than 10 per cent.

Mr. HAWLEY (continuing). Or if the average net income for the prewar period (plus or minus, as the case may be. 10 per cent of the invested capital added or withdrawn since the close of the prewar period) is less than 10 per cent of its invested capital for the taxable year, then the tax will be computed as follows: There will be deducted from the net income for the taxable year the special exemption of $3,000, and also 10 per cent of the invested capital for the year; the tax will be 80 per cent of the remainder, as a war-profits tax.

Mr. SNYDER. What would the normal tax in addition be?

Mr. HAWLEY. You can not tell that until you ascertain whether the corporation will pay under the war-profits or excess-profit method.

Now, the central feature of the excess-profit method is the invested capital. I have a chart—Chart V—illustrating the excess-profits method.

CHART V.

COMPUTATION OF EXCESS-PROFITS TAX PAID BY THE CARSON CEMENT CORPORATION.

Data for computation.

Invested capital in 1918		$300,000
Net income for 1918		150,000
Computation of tax.		
Net income for 1918		150,000
Special exemption	$3,000	
8 per cent of invested capital	24,000	
Total to be subtracted		27,000
Net income subject to excess-profits tax		123,000
35 per cent on portion of taxable income in excess of 8 per cent and not in excess of 15 per cent of invested capital or 7 per cent of $300,000, which is $21,000, less $3,000 special exemption, leaving $18,000		6,300
50 per cent on portion of taxable income in excess of 15 per cent and not in excess of 20 per cent of invested capital, or 5 per cent of $300,000 or $15,000		7,500
70 per cent on remainder of taxable income, or $90,000		63,000
Total excess-profits tax		76,800

Since the excess-profits tax of $76,800 is higher than the war-profits tax of $65,600, the Carson Cement Corporation will pay the excess-profits tax.

NOTE.—If the special exemption of $3,000 is not exhausted in the first bracket the remainder is subtracted from taxable amounts in succeeding brackets until the $3,000 has all been deducted.

I am still using the illustration of the Carson Cement Corporation. Invested capital, $300,000; net income, $150,000; rate of profit, 50 per cent—that is, the net income for 1918 is $150,000. It has a specific exemption also of $3,000. Now, the exemption on account of invested capital is 8 per cent of the invested capital. Eight per cent of $300,000 is $24,000. So it will have a total deduction of $3,000 plus $24,000, or $27,000, leaving a net amount taxable under the excess-profits tax method of $123,000. It pays 35 per cent on that part of the net income which is in excess of 8 per cent of the capital and not in excess of 15 per cent of the capital. The difference between 8 per cent and 15 per cent is 7 per cent. Seven per cent of $300,000 is $21,000; subtracting the $3,000 special exemption,

leaves $18,000 to be taxed under the first bracket, at 35 per cent, and results in a tax in this bracket of $6,300.

Somebody will say, "What about the $24,000 exemption, representing 8 per cent of the invested capital?" As the bracket began with 8 per cent, that will de facto exempt the 8 per cent of invested capital, or $24,000. The second bracket is 50 per cent, on that part of the net income by which it exceeds 15 per cent of the invested capital and does not exceed 20 per cent of the invested capital, which is 5 per cent, and 5 per cent of $300,000 is $15,000. Fifty per cent of $15,000 produces a tax of $7,500. Then the tax in the third bracket is 70 per cent on the remainder of the net income. Adding $18,000 and $15,000 together we have $33,000. Subtracting that from $123,000, we have a remainder of $90,000 to be taxed at 70 per cent, resulting in a further amount of $63,000. Adding together $6,300, $7,500, and $63,000 we have a total excess-profits tax of $76,800.

Now, looking over the figures we find that the corporation will pay $65,600 under the war-profit tax, but under the excess-profits tax it will pay $76,800. It is apparent that it will be required to pay the excess-profits tax, because that is the higher of the two.

CHART VI.

NORMAL TAX PAID BY THE CARSON CEMENT CORPORATION.

Computation of tax.

Net income for 1918		$150,000
Special exemption	$2,000	
Excess-profits tax	76,800	
Total to be subtracted		78,800
Net amount subject to normal tax		71,200
The corporation distributes a 10 per cent dividend to its stockholders, amounting to		30,000
It retains in its business undistributed		41,200
Tax:		
12 per cent on $30,000 distributed		3,600
18 per cent on $41,200 not distributed		7,416
Total normal tax		11,016
Total taxes paid by the Carson Cement Corporation:		
Normal tax		11,016
Excess-profits tax		76,800
Total of taxes		87,816

Which is 59.5 per cent of its net income of $150,000.

Having ascertained the fact that the Carson Cement Corporation will pay the excess-profits tax, we will compute its normal tax. Net income for 1918, $150,000. Excess-profits tax, $76,800. It is allowed that deduction, because we do not charge a tax on a tax. The special exemption under the normal tax is only $2,000. You will recall, however, to avoid error that the special exemption under the war-profits tax and the excess-profits tax is $3,000. That makes a total deduction of $78,800. Subtracting, we find the amount subject to the normal tax is $71,200. Now, under the bill, if the corporation retains all of this amount in its business it pays 18 per cent normal tax on it, but if it distributes part as dividends and retains the rest in its business it still pays on what it retains in its business 18 per cent, but only 12 per cent on that which it distributes. Taking this into consideration, suppose the corporation distributes a 10 per cent dividend on its invested capital of $300,000, or $30,000 in dividends. It retains undistributed, $41,200. Now, the tax, 12 per cent on $30,000 distributed, is $3,600; 18 per cent on the $41,600 not distributed is $7,416; thus making a total normal tax of $11,016. The total tax to be paid by the corporation consists of the normal tax of $11,016 plus the excess-profits tax, being the higher, of $76,800, or a total of $87,816, or 59.5 per cent of its net income.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. HAWLEY. I yield to the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. The gentleman has shown two informing tables, and I think they help the House very much to understand the difference between the war-profits tax as advocated by the Secretary of the Treasury and the excess-profits tax as originally advocated by the committee. Under the scheme he has presented in these two tables it would appear that under the excess-profits-tax method the corporation would pay $87,816 and under the war-profits tax it would pay only $65,000.

Mr. HAWLEY. And it would have to pay, in addition to the excess profits, a normal tax also.

Mr. MOORE of Pennsylvania. That is what I wanted to bring out. I wanted the gentleman, because he has given great thought to the matter, to explain which one of the systems would pay the higher tax.

Mr. HARDY. In the corporation tax can the gentleman state whether the normal tax should be taken out before the excess-profit tax, or the excess-profit tax taken out before the normal tax?

Mr. HAWLEY. In order to compute the normal tax you must find out first what the excess-profits tax is and what the war-profits tax is, to ascertain which is the larger, and subtract that from the net income before computing the normal tax. The last tax to be computed is the normal tax.

Mr. SNYDER. The normal 12 per cent tax does not apply to the surtax nor to that part of the profit after the surtax is deducted?

Mr. HAWLEY. Corporations do not pay a surtax.

Mr. SNYDER. I did not mean the surtax, I meant the excess-profit tax.

Mr. HAWLEY. No; the normal tax applies only to the amount remaining after the war-profits tax or the excess-profits tax has been deducted from the net income.

Mr. STAFFORD. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. STAFFORD. As I understand the bill, it would be the policy of stockholders who pay a surtax to have the earnings retained as capital, and pay 18 per cent, rather than to have the earnings distributed and pay 12 per cent, which latter would have to pay a surtax by individual holders. Am I right in that construction of the bill?

Mr. HAWLEY. The dividends received from a corporation which has already paid the tax are exempt from the normal tax on individuals, as was shown in the illustration of Mr. Brown.

Mr. LONGWORTH. Exempt from the normal tax.

Mr. STAFFORD. That was the question I propounded, whether it would be to the interest of the stockholder or the policy of the corporation where the stockholders would pay the surtax on the dividends to have them retained and pay 18 per cent, rather than declare them and pay 12 per cent to the Government.

Mr. LONGWORTH. May I suggest to the gentleman that it was for that very purpose that the committee made the differential, or, in other words, offered a bonus for distributing the earnings, because a large number of corporations are controlled by rich men, and otherwise no distribution would be made. In a case like this they might prefer to pay the 18 per cent.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. LONGWORTH. Mr. Chairman, I yield to the gentleman 15 minutes more.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. SMITH of Michigan. Suppose during the year the corporation had invested its income from time to time in liberty bonds. When the time came around to compute the tax on the corporation would the liberty bonds be taxed the same as though they had kept the money in the Treasury?

Mr. HAWLEY. Investments in liberty bonds are not deductible from the net income in computing the normal tax.

Mr. VARE. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. VARE. I would like to ask the gentleman if he has a table showing what this same business would pay if it was controlled by an individual?

Mr. HAWLEY. I will insert such a calculation in my remarks as Chart VII.

Mr. SNOOK. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. SNOOK. On the war-profit table you have an item of $50,000 added to the capital in 1918, making a deduction of 10 per cent. How is that arrived at?

Mr. HAWLEY. That is in the war-profit method, and is based on the fact that it was added in the taxable year, or since the prewar period.

Mr. SNOOK. Suppose it was added in 1917?

Mr. HAWLEY. The deduction is allowed for the taxable year. It is 10 per cent of what is added in the taxable year or during any year since the close of the prewar period.

Mr. SNYDER. If it had been added in 1917, the year before, it would be in the capital.

Mr. HAWLEY. Yes.

Mr. HARDY. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. HARDY. Is it not most likely true that if this had been an individual business the tax would be as estimated on page 87 of the report, $70,095? Has the gentleman examined that?

Mr. HAWLEY. I have not compared the two.

Mr. HARDY. The gentleman does not doubt that that is correct?

Mr. HAWLEY. No; I do not.

Mr. HARDY. The table says that if it was an individual business it would have a tax of $70,095.

Mr. HAWLEY—

CHART VII.

WHAT TAXES WOULD HAVE BEEN PAID IF THE BUSINESS OF THE CARSON CEMENT CORPORATION HAD BEEN CONDUCTED BY AN INDIVIDUAL, WHO IS A MARRIED PERSON.

Normal tax.

Net income	$150,000
Deduction	2,000
Amount subject to normal tax	148,000
$4,000 at 6 per cent	240
$144,000 at 12 per cent	17,280
Total normal tax	17,520

Surtax.

On amounts between—	
$5,000 to $7,500, or $2,500 at 2 per cent	50
$7,500 to $10,000, or $2,500 at 3 per cent	75
$10,000 to $15,000, or $5,000 at 7 per cent	350
$15,000 to $20,000, or $5,000 at 10 per cent	500
$20,000 to $30,000, or $10,000 at 15 per cent	1,500
$30,000 to $40,000, or $10,000 at 20 per cent	2,000
$40,000 to $50,000, or $10,000 at 25 per cent	2,500
$50,000 to $60,000, or $10,000 at 32 per cent	3,200
$60,000 to $70,000, or $10,000 at 38 per cent	3,800
$70,000 to $80,000, or $10,000 at 42 per cent	4,200
$80,000 to $90,000, or $10,000 at 46 per cent	4,600
$90,000 to $100,000, or $10,000 at 48 per cent	4,800
$100,000 to $150,000, or $50,000 at 50 per cent	25,000
Total surtax	52,575

That is, if the business had been conducted by an individual the taxes paid would be—

Normal tax	$17,520
Surtax	52,575
Total of taxes	70,095

Under what condition would a corporation pay the war-profits tax? Chart VIII instances a corporation paying the war-profits tax. It has invested capital, $200,000; prewar net profit, $20,000; net income for 1918, $70,000; special exemption, $3,000; total deduction, $23,000; net taxable income, $47,000.

CHART VIII.

WAR-PROFITS TAX PAID BY THE UNION FOUNDRY CORPORATION.

Data for computation of tax.

Invested capital in 1918		$200,000
Prewar profit: 1911, $18,000; 1912, $20,000; 1913, $22,000 average prewar profit		20,000
Net income for 1918		70,000
Computation of war-profits tax.		
Net income for 1918		70,000
Special exemption	$3,000	
Prewar average net profit	20,000	
Total to be subtracted		23,000
Total amount subject to war-profits tax		47,000

Eighty per cent of $47,000 is $37,600, which is the war-profits tax.

CHART IX.

EXCESS-PROFITS TAX COMPUTED ON THE UNION FOUNDRY CORPORATION.

Data for computation.

Invested capital for 1918		$200,000
Net income for 1918		70,000
Computation of tax.		
Net income for 1918		70,000
Special exemption	$3,000	
Eight per cent of invested capital for 1918	16,000	
Total subtractions		19,000
Net amount on which normal tax is computed		51,000
Thirty-five per cent on part of net income in excess of 8 per cent and not in excess of 15 per cent of invested capital, or 7 per cent of the invested capital of $200,000 or $14,000, less $3,000 special exemption, leaving $11,000		3,850
Fifty per cent of part of net income in excess of 8 per cent and not in excess of 15 per cent of net capital, or 5 per cent of $200,000, or $10,000		5,000
Seven hundred and five or remainder of amount to be taxed, or $30,000		21,000
Total excess-profits tax		29,850

Since the war-profits tax of $37,600 is larger than the excess-profits tax of $29,850 this corporation will pay the war-profits tax.

Taking the same corporation and calculating what it will pay under the excess-profits methods: Net income, $70,000; invested $200,000. The rate of profit is 35 per cent. Net income for 1918 is $70,000; special exemption, $3,000; 8 per cent on the invested capital, $16,000; total deductions, $19,000; net taxable income, $51,000.

Computation: Thirty-five per cent on that part of the net income in excess of 8 per cent and not in excess of 15 per cent of the invested capital, or 7 per cent on $200,000, or $14,000, less the $3,000 special exemption, leaves $11,000, to be taxed at the rate of 35 per cent, giving a tax in the amount of $3,850; 50 per cent on that part of the net income in excess of 15 per cent and not in excess of 20 per cent of the invested capital, or 5 per cent of $200,000, or $10,000, taxed at 50 per cent, gives a tax of $5,000; 70 per cent on the remainder of the net income of $30,000 produces a further amount of $21,000. Adding these amounts of $3,850, $5,000, and $21,000 together, we have a total excess-profits tax of $29,850. The war-profits tax is $37,600. It is evident that this corporation will pay the war-profits tax. In a general way we may say that when the difference between the earning now and in the prewar period is very great the corporation will in all probability pay under the war-profits method, but if the difference between the prewar earning and the present earning is not so great it will probably pay under the excess-profits method.

Mr. SNYDER. Mr. Chairman, under this war-profits tax the Government gets $37,600 plus the difference between $47,000 and $70,000, at 12 or 18 per cent.

Mr. HAWLEY. The exact amount will be shown on Chart X.

CHART X.

NORMAL TAX PAID BY THE UNION FOUNDRY CORPORATION.

Data for computing the tax.

Net income for 1918		$70,000
It pays a war-profits tax of		37,600
Net income for 1918		70,000
Special exemption	$2,000	
War-profits tax	37,600	
Total to be subtracted		39,600
Net amount subject to normal tax		30,400
The corporation distributes a 10 per cent dividend		20,000
It retains in the business, undistributed		10,400
Tax:		
12 per cent on $20,000 distributed		2,400
18 per cent on $10,400 not distributed		1,872
Total normal tax		4,272
This corporation will therefore pay in taxes—		
Normal tax		4,272
War-profits tax		37,600
Total of taxes		41,872

Or 60 per cent of its net income.

Mr. WALDOW. If this Union Foundry Corporation had made a prewar profit of $70,000, what tax would they have to pay at the present time?

Mr. HAWLEY. That would necessitate another computation, and if the gentleman will permit I would like to finish this illustration before my time expires. Taking the facts as we have them, for the Union Foundry Corporation, the net income is $70,000. It is entitled to a deduction on the war-profits tax of $37,600 and the special exemption of $2,000, which would make a total amount to be subtracted of $39,600, and leaving a taxable amount subject to the normal tax of $30,400. Suppose it distributes 10 per cent on its invested capital. Then it will pay 12 per cent on $20,000, which will be $2,400, and 18 per cent on $10,400, which is $1,872, or a total normal tax of $4,272. It pays a normal tax of $4,272 and a war-profits tax of $37,600, or a total of $41,872, or nearly 60 per cent of its net income.

Mr. SNYDER. In other words, the corporation, having made a net profit of $70,000, finds itself, after its taxes are paid, with a net profit of $28,128.

Mr. HAWLEY. Yes.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. CANNON. Is it the actual capital or is it what is termed "capital"?

Mr. HAWLEY. It is not what the economists call capital, but it is capital under a certain plan defined in the bill, certain things being included and certain things excluded. It is a statement of what may be considered as invested capital for the purposes of the bill.

Mr. CANNON. It does not make any difference what you call it, if there is that amount invested in the business, whether you call it surplus or undivided profits or capital. You take the actual amount that is invested in the business in the calendar year—for instance, 1918—after this act is passed, because that gives you the basis to compute the taxes. Am I correct?

Mr. HAWLEY. If I understand the gentleman's question, I think that is correct.

Mr. DENISON. If this corporation has a net income of $70,000 and should pay $50,000 on necessary indebtedness, would that make any difference in the tax it would have to pay?

Mr. HAWLEY. It would be allowed a deduction of 10 per cent of the amount so paid.

Mr. SNYDER. It does not apply to profit at all. You are dealing with net profit.

Mr. HAWLEY. It affects the taxable amounts.

Mr. SNYDER. After all debts and interest have been paid.

Mr. WALDOW. Mr. Chairman, to get back to my question, if the prewar profits of the Union Foundry Corporation were $70,000, then I take it their tax would not be found in the war-profits tax. It would have to be arrived at under the excess-profits tax.

Mr. HAWLEY. If their net income had been how much?

Mr. WALDOW. If their prewar profits had been the same as the net income for 1918.

Mr. HAWLEY. They would come under the three exceptions that I have mentioned, an illustration of which occurs earlier in my remarks. The corporation would pay under the excess-profits method.

Mr. PLATT. In estimating profits, of course, inventories are taken into consideration. There is an inventory at the beginning of the year and another at the end of the year?

Mr. HAWLEY. Yes.

Mr. PLATT. The second inventory is made up of the cost price of goods on a rising market at high prices, and the profit is made up partly by subtracting the first inventory. Suppose before these goods are sold peace comes and prices go down, how are you going to save that company from bankruptcy, having paid taxes on profits it never made? In all possibility, so far as this present taxable year is concerned that will not happen. Should not there be allowances in there?

Mr. HAWLEY. There are in the bill many allowances, and there is a board to be created in the Treasury Department to determine such questions.

Mr. PLATT. It is for oil and gas, but for stocks and goods there is not anything in the bill that allows the Treasury to handle it.

Mr. HAWLEY. In order to meet the difficulty suggested by the gentlemen, inventories are taken, both at the beginning and the end of the year, for the purpose of determining what deductions are to be allowed.

Mr. PLATT. Depreciation might come very suddenly from peace.

Mr. SMITH of Michigan. Do I understand the payment of the taxes can be made in installments?

Mr. HAWLEY. They can be paid one-third the 15th of March, one-third the 15th of May, and a third the 15th of July.

Mr. SNYDER. If the gentleman will permit, my colleague [Mr. WALDOW] asked a few moments ago if the gentleman would show what the taxes upon this same concern would be had the prewar profit been $70,000. Can the gentleman give us any light on that?

Mr. HAWLEY. The corporation would pay the excess-profits tax, and not the war-profits tax.

Mr. STAFFORD. Will the gentleman yield?

Mr. HAWLEY. I will.

Mr. STAFFORD. I understand wherever the income of a corporation for the prewar period exceeds the income for the taxable year, then the corporation pays under the excess-profits method?

Mr. HAWLEY. Yes; but——

Mr. STAFFORD. How can it be otherwise?

Mr. HAWLEY. If the difference between the prewar period and the present profit is very large, a corporation will probably pay under the war-profits method, otherwise it will pay under the excess-profits method.

Mr. STAFFORD. In the case instanced by the gentleman from New York [Mr. WALDOW] where an income of the prewar period is $70,000 and the income for the taxable year is $70,000, how, in that case, could there be any war-profits tax at all? Would not the corporation pay under the excess-profits tax?

Mr. HAWLEY. It would, I think, pay under the excess-profits method.

Mr. STAFFORD. So, speaking generally, the corporation whose profit during the prewar period was large and in excess of the profit during the taxable year, it will necessarily pay the lesser sum under the excess-profits method?

Mr. HARDY. If the profits this year were no greater than in the prewar period, there would be no prewar profits?

Mr. HAWLEY. No——

Mr. HARDY. It would be bound to come under that.

Mr. HAWLEY. Or one of the three exceptions. Answering the inquiry of the gentleman from Wisconsin [Mr. STAFFORD], if its profits in the prewar period greatly exceed its present profits, it will in all probability pay the war-profits tax.

Mr. SNYDER. I think that is a very good point to have cleared up, just the same.

Mr. HASTINGS. Then take the question of the smaller corporations, which have a taxable capital of $50,000 and under, has the gentleman any illustration of that showing——

Mr. HAWLEY. There are in the bill provisions to take care of the very small corporation, and in the time at my disposal I can not present the exceptions in full.

Mr. HASTINGS. The gentleman has not an illustration of that?

Mr. HAWLEY. No.

CHART XI.

NORMAL TAX AND SURTAX ON INDIVIDUAL HAVING A NET INCOME OF $1,000,000, DEDUCTIONS HAVING BEEN TAKEN OUT, IF MARRIED, LIVING WITH WIFE OR HUSBAND.

Net income	$1,000,000
Special exemption	2,000
Net amount subject to normal tax	998,000
$4,000 at 6 per cent	240
$994,000 at 12 per cent	119,280
Total normal tax	119,520
Surtax.	
On amounts between—	
$5,000 to $7,500, or $2,500, at 2 per cent	50
$7,500 to $10,000, or $2,500, at 3 per cent	75
$10,000 to $15,000, or $5,000, at 7 per cent	350
$15,000 to $20,000, or $5,000, at 10 per cent	500
$20,000 to $30,000, or $10,000, at 15 per cent	1,500
$30,000 to $40,000, or $10,000, at 20 per cent	2,000
$40,000 to $50,000, or $10,000, at 25 per cent	2,500
$50,000 to $60,000, or $10,000, at 32 per cent	3,200
$60,000 to $70,000, or $10,000, at 38 per cent	3,800
$70,000 to $80,000, or $10,000, at 42 per cent	4,200
$80,000 to $90,000, or $10,000, at 46 per cent	4,600
$90,000 to $100,000, or $10,000, at 48 per cent	4,800
$100,000 to $200,000, or $100,000, at 50 per cent	50,000
$200,000 to $300,000, or $100,000, at 52 per cent	52,000
$300,000 to $500,000, or $200,000, at 54 per cent	108,000
$500,000 to $1,000,000, or $500,000, at 58 per cent	290,000
Total surtax	527,575
Normal tax	119,520
Surtax	527,575
Total tax	647,095

The bill proposes to raise a revenue of an enormous amount. It is justifiable only, and especially as to many of its features, as a war measure. It is a mighty answer to the military domination proposed by the autocratic powers of Germany. The moneys raised under the bill will speed the spread of liberty in the world and establish upon a firm foundation the rights of men and women in the peaceful pursuit of their lives and the quiet possession of their property.

The day will come when our enemies, with their weapons grounded and their hands upraised, will ask the conquering armies of the United States and our allies in possession of our enemies' country what terms of peace we will give them. Those terms will ensure, I am confident, the future peace of the world.

I have two sons, and they have been in France for more than a year. I am confident they will return. But when they do it must be with the flag, unconquered in all preceding wars, unconquered still, and with the bugles of a humanity, redeemed from the plots of a ruler drunk with power and mad with the lust of conquest and plunder, echoing round the world the victorious strains of "The Star-spangled Banner" as a salute to the banner whose people saved them. That peace, honor, security, and liberty may prevail in the world, the event of the war awaits the "unconditional surrender" of our enemies. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAWLEY. Mr. Chairman, may I ask unanimous consent to extend and revise my remarks?

The CHAIRMAN. The gentleman asks unanimous consent to extend and revise his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. HENRY T. RAINEY. Mr. Chairman, I yield 20 minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. Mr. Chairman, under our Constitution the voters of the Nation will elect a new House of Representatives on the 5th of the coming November. In other nations elections have been postponed because of the war. In America such postponement is impossible. Surely this is an hour when the call of any political party is but feebly heard, if heard at all. The Nation calls to duty every man and woman of America. The patriot hears nothing but his country's call, and the Nation demands a higher degree of devotion than mere loyalty.

Col. W. D. Boyce, in the Saturday Blade, has exposed the utter impotence and unworthiness of the man who is merely loyal by the side of the man who is patriotic. The person who is nothing more than loyal does keep out of prison. The person who is patriotic is not only ready but willing to give all, even life itself, for his country. To call a patriot loyal is to insult him. This spirit makes our boys glad to go to the front. It makes the father who can not go wonder and feel unworthy.

Mr. Chairman, America is on fire with a fervid determination to win this war for liberty throughout the world, and in this spirit the voter will go to the ballot box in November. The announcement has been made, however, that the Republican Party organization will put forth unusual and extraordinary efforts to carry the next House of Representatives. Just why it is so essential to capture this particular House is hard to understand. Just why this unusual and determined fight is to be made is also difficult to understand, unless there is concealed a purpose to cripple the administration of Mr. Wilson. If our Republican friends capture a majority of the next House you can not write into law a single plank of your party platform. You could tie the hands of the President. You could do that and that only. A Republican friend of mine said not long ago that a Republican House would constitute a check on the administration. In what respect, I would ask, does anyone wish to place a check on this administration? Does anyone wish to check President Wilson in his determination to use every ounce of our national energy in winning the war? When war was declared Secretary Daniels made a four-word declaration which will live. "The Navy is ready," said he. Nothing had been left undone by Secretary Daniels and the splendid corps of helpers around him which it was humanly possible to do. The administration of this man has been so efficient that no man in this Chamber has spoken a word of criticism, while words of commendation have been heard on both sides of the center aisle. Does Daniels need any check?

For a while a great deal was said about the Secretary of War. You hear nothing now. Why? He has done far more than anyone dreamed was possible when war was declared. We have 1,600,000 men in France. In the face of this achievement men are hardly just to remain silent. It is a record of performance unprecedented in 6,000 years of history and tradition.

For a while the Committee on Public Information was a target of bitter criticism and even abuse. Mr. George Creel, the chairman, was the subject of bitter vituperation. When he had an opportunity to tell what he had been doing the abuse suddenly ended. His vindication was not only complete but his highly efficient and patriotic work was demonstrated beyond all question. Here is what two of our colleagues on this floor, both opposed to Mr. Creel in politics, said of his work after investigation by the Committee on Appropriations. Mr. GILLETT, of Massachusetts, the acting leader of the Republican minority and a member of the committee which investigated the work of Mr. Creel's bureau, said:

> But after examining Mr. Creel and the other members of his bureau I came to the conclusion that as far as any evidence that we could discover it had not been conducted in a partisan spirit.

And the gentleman from Wyoming [Mr. MONDELL], recognized by all as a Republican leader on the floor, was generous enough to pay this fine tribute to Mr. Creel and his work:

> Having said this much about Mr. Creel and his past utterances, I now want to say that I believe Mr. Creel has endeavored to patriotically do his duty at the head of this bureau.
>
> I am of the opinion that whatever his opinions may have been or may be now that, so far as his activities in connection with this work are concerned, they have been, in the main, judicious, and that the work has been carried on for the most part in a businesslike, thoroughgoing, effective, and patriotic way. Mr. Creel has called to his assistance and placed in positions of responsibility men of a variety of political views, some of them Republicans of recognized standing. I do not believe that Mr. Creel has endeavored to influence their activities, and I do not believe there have been any activities of the bureau consciously and intentionally partisan. A great work has been done. A great work has been done by the four-minute men, 40,000 of them speaking continuously to audiences, ready-made, all over the country. A great work has been done and will be done through the medium of the picture film. A great work has been done through the medium of the publications of the bureau, which I believe can be commended and approved by every good citizen. Much remains to be done, and I believe the committee has not granted any too much money for this work. I trust the work will be carried on in a useful, helpful way. There is need of it in the future, not perhaps as much as in the past, but there is need of a continuation of the proper activities of a bureau like this, and we can not withhold the moneys necessary for such work. I am willing to leave the responsibility of saying who shall be at the head of the bureau to the President.

Mr. Chairman, unless I am grievously mistaken the people of America do not want any check put upon President Wilson or his coworkers as long as the war lasts. One great outstanding fact must not be forgotten. In this spending of billions to make the Nation ready there has been not one breath of scandal or corruption which has touched any member of the President's Cabinet, and so far as I know or have heard there has been no whisper of corruption about any man intrusted by President Wilson with the duty of expending the billions—not millions—of taxes paid by the people.

Mr. Chairman, every great measure considered by this House since the war began represents the combined work of men of both political parties. We have seen measures in charge of men on both sides of the aisle. If any check upon anybody is needed, you already have it.

Now, Mr. Chairman, one word more. Let every voter consider this question: Is the Nation willing to take the risk of having its action misunderstood, as it surely will be in Germany if a House of Representatives be elected for the purpose of placing a check on Woodrow Wilson? One thing is certain—no man in Germany is going to believe you intend to sustain the President if you elect a Republican House. If the people of this Nation are behind the President, they certainly can not manifest that support by electing a majority politically hostile to him in this House or in the Senate.

Mr. KEARNS. Will the gentleman yield?

Mr. POU. I will yield, but I should prefer not to do so.

Mr. KEARNS. Does the gentleman think the Republican Party ought to dissipate any idea they may have of attempting to elect Republicans in the various districts?

Mr. POU. The point I am making is this: That there has been a propaganda set in motion lately that it is very necessary that this particular House of Representatives should be elected by the Republicans, and I am answering that proposal.

Mr. KEARNS. Will the gentleman yield further?

Mr. POU. I decline to yield further.

In this connection I will quote from an interview which appeared in the Washington Post on September 6:

> "There will not be any great change in the Ohio delegation in the next Congress, in my opinion," said John F. Giddings, of Canton, at the Washington. "I have been a lifelong Republican, but I expect to cast my vote this year for a Democrat for Congress. I believe that if the Republicans should succeed in carrying the House this election the news would be flashed abroad that the President, the Commander in Chief of our Army and Navy, had been repudiated by the American people. This would hearten the German official class and the German Army, and the war would as a result be continued six months or a year longer than it would otherwise, and our boys in France would be kept from returning home that much longer. There is no argument to this, and while I am for the war and for a decisive defeat of autocracy I also want our boys back home as soon as possible. Hence, I shall sustain our Commander in Chief by voting for a Democrat for Congress this fall—my first vote of the kind."

Mr. CANNON. Will the gentleman yield?

Mr. POU. I do.

Mr. CANNON. After all is said and done, if the gentleman will just allow me one sentence, there has been no difference, substantially, between the support the President has received from both parties. He himself has said politics is adjourned. Now, if the gentleman is correct, that every man on the Democratic side should be returned, would it not be still further discouraging the Kaiser if every Republican in this House who has supported the President should be returned?

Mr. POU. I will say frankly that any man who has from sincere motives supported the administration is entitled to just the same credit, whether he be on this side or on that side; but the point I am making, I will say to my distinguished friend from Illinois, is this: The gentleman from Illinois knows, as we all know, that there has been what might be called a propaganda set in motion during the last 30 days that the Republican Party intends to capture the next House. Now, the point I am making is this: However that purpose may be explained here, however patriotic gentlemen may be, that is not the best way to sustain the administration.

Mr. CANNON. Will the gentleman yield further just for a question?

Mr. POU. I do.

Mr. CANNON. Oh, during the last 30 days, the last 60 days, the last 6 months, the gentlemen on that side of the House—some of them in the Senate and in the party—have said, "Vote for a Democrat; otherwise you are voting for the Kaiser." So when you talk about propaganda, to say the least of it, one can be set off against the other.

Mr. POU. Well, I am not going to undertake to debate that question with my distinguished friend from Illinois further than to repeat what I said, that we accept the challenge of our Republican friends with respect to the next House of Representatives. I would remind the gentleman that in the Spanish-American War you made the point that a Republican House was necessary to sustain the President, and you made the point under Roosevelt that if he did not have a Republican House peace negotiations might break down. Why does not the same argument hold good now?

Mr. DENISON. Will the gentleman yield for a question?

Mr. POU. I prefer not to yield further.

As a matter of fact, if it was necessary to sustain McKinley in the Spanish-American War, if it was necessary to sustain Roosevelt when peace negotiations were going on at Portsmouth, N. H., it is ten thousand times more necessary that there be no misunderstanding as to this question now, that a majority should be sent back to this House about whose position in respect to the administration there can be no doubt or question.

Mr. CANNON. Will the gentleman yield for one additional question?

Mr. POU. I will.

Mr. CANNON. At the time the gentleman speaks of the Democratic Party was almost solid against appropriations.

Mr. POU. That is not an answer to the question now. If the Democratic Party did wrong then—and I am not saying that it did or did not—there is no reason why the Republican Party should do wrong now.

Mr. CANNON. We vote solidly for appropriations, as solidly as your side. [Applause.] You voted against appropriations then, and we vote for them now.

Mr. Chairman, I do not know John F. Giddings, but I believe this interview expresses the intention of a great many Republicans and independents. They are patriotic Americans, and they hold that they can not afford to take the risk of having the action of America misunderstood in Germany or anywhere else. As I have said, an appeal was made to sustain the lamented McKinley in the Spanish-American War. The people responded by electing a Republican Congress. An appeal was made to sustain President Roosevelt while peace negotiations were under way during the closing months of the Russian-Japanese War. Again the people responded by electing a Republican Congress. Now it is suggested that a Republican House should be elected to act as a check on President Wilson. I submit he needs no check of any kind. The people of this Nation do not wish to check or hamper the President in any way whatever, and there is no denying the statement made by this Ohio Republican that there is a risk in electing a Republican House—the risk of having the national purpose misunderstood.

In this hour it would be in poor taste to praise the President. I, for one, am proud to follow him. I was with him in the beginning, and, if I am living, I will be with him to the end. To-day there are a few names on the tongues of every child who is taught anything of American history—Washington, Lincoln, and a few others. The child student of history of the next generation, not only in America but throughout the civilized Christian world, will add to these the name of Woodrow Wilson. [Applause on the Democratic side.] The Nation called him in the supreme hour of the world's history, and the world will give him a place with the immortal few who served faithfully and unselfishly in shaping the destiny of mankind. [Applause.]

Mr. TOWNER. Mr. Chairman, I desire, first of all, to compliment the chairman and the members of the Ways and Means Committee on their work in the formation of this bill. Confronted with an unprecedented task, the framing of a revenue measure which shall raise by taxation $8,000,000,000, an amount larger than was ever before imposed on this or any other nation either in peace or war, they have with patience and diligence labored long and efficiently in its preparation. The result is creditable to them and to the House. I doubt if a better drafted revenue bill, or one more comprehensive and harmonious was ever before presented to the American Congress.

This does not mean that the bill as presented is not subject to criticism. Both in some of the provisions which it contains and in matters omitted it might be improved. But in general and as a whole it should meet with approval and support. Doubtless in its course through Congress amendments will be made which will improve the bill; but I predict that in its main features it will be little changed when it is finally passed.

The estimates of the departments for the next fiscal year require preparation to meet an expenditure of $24,000,000,000. The committee in approval of the recommendation of the Secretary of the Treasury has adopted the policy of raising one-third of the amount of the total expenditures by taxation and two-thirds by bond issues, or $8,000,000,000 by taxation and $16,000,000,000 by bond issues. This is a larger proportion of taxation than has been adopted by any other country engaged in the war. Great Britain has so far financed her war expenditures by a proportion of about 25 per cent taxation and 75 per cent bonds. The other countries have imposed a still less proportion of taxes. However, it does not seem apparent that for this country at this time the proportion of taxation proposed is excessive.

Following the recommendation of the President the committee has provided for the revenue demanded chiefly by increasing the taxes on incomes, excess or war profits, luxuries and semiluxuries. There will be few who will controvert the wisdom of such action. The burden is thus placed most largely on those best able to bear it. This will more fully appear by a brief analysis of the bill.

ANALYSIS OF THE BILL.

The committee has divided the bill into 14 general titles, as follows:

1. General definitions.
2. Income tax on individuals and corporations.
3. War-profits and excess-profits tax.
4. Estate tax.
5. Tax on transportation, insurance, etc.
6. Tax on beverages.
7. Tax on cigars, tobacco, etc.
8. Tax on admissions and dues.
9. Excise taxes.
10. Special taxes.
11. Stamp taxes.
12. Advisory tax board.
13. General administrative provisions.
14. General provisions.

The first title contains specific definitions of the terms used in the bill. It is unnecessary to include them in this analysis.

INDIVIDUAL INCOME TAXES.

Existing income taxes have been increased throughout the schedule. Under the law of 1916 a normal tax of 2 per cent was levied on all incomes, but an exemption was given to a head of a family or married person of $4,000 and to an unmarried person of $3,000. Under the law of 1917 a like normal tax of 2 per cent was levied, but the exemption was reduced to $2,000 for a married and $1,000 for an unmarried person. Under the present bill the exemption remains the same as in the law of 1917, but the normal tax is increased to 6 per cent on the first $4,000 and is 12 per cent above that amount.

In addition to the increase in the normal tax on incomes increases in the form of surtaxes have been made on the larger incomes ranging from 2 to 65 per cent.

The following table shows the income tax and surtax under the law of 1917 and as proposed in the pending bill, an exemption of $2,000 as for a married person being deducted:

Incomes.	Tax under—	
	Existing law.	Proposed bill.
$2,500	$10	$30
$3,000	20	60
$3,500	30	90
$4,000	40	120
$4,500	60	150
$5,000	80	180
$5,500	105	220
$6,000	130	260
$6,500	155	330
$7,000	180	400
$7,500	205	470
$8,000	235	545
$8,500	265	620
$9,000	295	695
$9,500	325	770
$10,000	355	845
$12,500	530	1,320
$15,000	730	1,795
$20,000	1,180	2,895
$25,000	1,780	4,245
$30,000	2,380	5,595
$35,000	2,980	7,195
$40,000	3,580	8,795
$45,000	4,380	10,645
$50,000	5,180	12,495
$55,000	5,980	14,695
$60,000	6,780	16,895
$70,000	8,880	21,895
$80,000	10,980	27,295
$100,000	16,180	39,095
$150,000	31,680	70,095
$200,000	49,180	101,095
$300,000	92,680	165,095
$500,000	192,680	297,095
$1,000,000	475,180	647,095
$5,000,000	3,140,180	3,527,095

An exemption of $200 is also allowed for each dependent child under 18 years of age.

A partnership as such is not liable to the income tax, but each partner will be required to pay an income tax upon his share of the partnership profits. Every person, including minors, must make a return if in receipt of a net income of $1,000 if single or $2,000 if married.

Upon figures furnished by the Treasury Department it is shown that about 615,000 persons have taxable incomes of over $4,000 per annum and 2,440,000 have taxable incomes of $4,000 or less. It is estimated that on the rates provided in this bill the individual normal income tax will yield $414,000,000 and the surtaxes $1,068,186,000, or a total from this source of $1,482,186,000.

CORPORATION INCOME TAXES.

Under the revenue law of 1916 the normal corporation tax was 2 per cent upon the net income. Under the act of 1917 it was 4 per cent. Under the present bill it is fixed at 18 per cent. But it is provided that the rate shall be only 12 per cent upon such amount as does not exceed the dividends paid during the taxable year and the amount paid in discharge of bonds or other obligations outstanding. A credit is allowed all corporations in the sum of $2,000. Credit is also allowed for the amount received as interest on bonds and the amount paid as a war or excess-profits tax.

The net income of corporations for the current taxable year is estimated by the Treasury Department to be $10,000,000,000. The amount subject to taxation will be about $6,300,000,000. The total revenue estimated from corporation income taxes will be $894,000,000.

WAR-PROFITS AND EXCESS-PROFITS TAXES.

These taxes are not imposed on individuals but only on corporations, including voluntary associations and joint-stock companies. Every corporation having a net income of $3,000 or more must make a return.

Two methods of imposing these taxes are provided—one, a tax on war profits, and the other a tax on excess profits. Both will not be imposed, but the Government has the option of imposing that method which will yield the greater revenue.

On corporations having an invested capital of not more than $25,000 neither an excess nor war-profits tax shall exceed 35 per cent of the net income in excess of $3,000. On corporations with an invested capital of more than $25,000, but not more than $50,000, the amount of the tax shall not exceed 40 per cent.

War-profits taxes are imposed on corporations upon the following basis: The average net income of corporations for the prewar period embracing the years 1911, 1912, and 1913 is taken as a basis. The bill provides a tax of 80 per cent upon the amount of net income of the taxable year in excess of the average for the prewar period. Each corporation is allowed a specific exemption of $3,000. If a corporation was not in existence during the prewar period, or if its prewar earnings were less than 10 per cent, it is allowed an exemption of 10 per cent in addition to the specific exemption of $3,000.

Excess-profits taxes are imposed upon the following basis: A credit is given each corporation of $3,000, and in addition each corporation is allowed a further exemption of 8 per cent of the invested capital for the taxable year. On the excess profits above these exemptions a tax is imposed of 35 per cent of the net income on the amount above the exemptions and not in excess of 15 per cent of the invested capital, 50 per cent on the amount in excess of 15 per cent and not in excess of 20 per cent, and 70 per cent in excess of 20 per cent.

No one will dispute the justice of taxing heavily the large profits made by certain corporations growing out of war contracts. The war-profits tax is based upon that proposition. The bill establishes a prewar standard, allows the corporation whatever profits it was then making, and if the corporation is now making more it is assumed that it is because of war conditions and the excess is taxed 80 per cent. The tax is large, but is certainly justified.

It was found that certain corporations were making excessive profits both during the prewar period and also during the war. The excess-profits method was adopted in order to reach such cases. No form of taxation is more just than one which prevents in war time excessive profits. The committee is to be commended for providing both methods, so that no profiteer shall escape.

It is estimated that the amount that will be received from these taxes will be $3,200,000,000.

ESTATE TAX.

This tax is a graduated tax upon the devolution of the net estate of a decedent. The tax was first imposed by the revenue act of 1916 and was continued in the act of 1917. Some changes have been made in the present bill, most of which are manifest improvements. Increases in the rates have been imposed. Under existing law the rates range from 2 to 25 per cent. Under the present bill they run from 3 to 40 per cent.

TRANSPORTATION AND INSURANCE.

The present rate of 3 per cent on the amount paid for transportation of freight is continued in the present bill.

The present rate of 1 cent for every 20 cents or fraction thereof on express is also continued.

Eight per cent, the amount now imposed on passenger rates, is also retained.

The 10 per cent now charged on Pullman rates is reduced to 8 per cent, in order to make it uniform with passenger rates.

The bill provides a tax of 5 cents on each telegraph or telephone message on which the charge is more than 14 cents and not more than 50 cents; and a tax of 10 cents on all messages on which the charge is above 50 cents.

The tax now imposed of 8 cents on every $100 on life insurance policies is continued. On fire insurance, 1 cent on the dollar of the premium charged is imposed.

TAX ON BEVERAGES.

The tax on distilled spirits for beverage purposes has been increased from $3.20 to $8 per gallon; and on spirits to be used for manufacturing purposes from $2.20 to $4.40.

On all other beverages, except soft drinks, the rates under existing law are doubled.

The tax on soft drinks is 30 per cent levied upon the manufacturers', producers', or importers' selling price of cereal beverages, and of 20 per cent on all other soft drinks. The tax on ice cream, sodas, and other similar articles is 2 cents for each 10 cents on the sale price. In case of sales of 7 cents or less the tax is 1 cent.

The estimated revenue from spirits will be $806,600,000, and from fermented liquors $240,000,000. The total tax on beverages is expected to amount to $1,137,600,000. This estimate will be greatly reduced if contemplated prohibitory legislation is enacted.

TAX ON CIGARS AND TOBACCO.

The existing taxes on cigars, cigarettes, tobacco, snuff, and so forth, have been greatly increased. The taxes imposed on this class of articles under the act of 1916 amounted to $155,000,000. Under the act of 1917 the amount collected was $212,000,000. Under the operation of the present bill the estimated amount will be $341,000,000.

TAX ON ADMISSIONS AND DUES.

The present tax of 1 cent for each 10 cents paid for admission to theaters, "movies," shows, and other places of amusement has been increased to 2 cents. If the admission is 7 cents or less the tax is 1 cent. An additional tax is imposed on tickets sold at news stands, hotels, and so forth.

The present tax of 10 per cent on the amount paid as dues or membership fees to any social, athletic, or sporting club is increased to 20 per cent when such amount is in excess of $10.

EXCISE TAXES.

The committee in stating the method employed in the laying of this class of taxes report they endeavored to select for taxation articles which in themselves were considered luxuries, and those which when sold for a large price might fairly be deemed luxuries.

Increases are made on articles now taxed, and new excise taxes are also imposed. On automobiles the tax to be paid by the manufacturer when sold is increased from 3 to 10 per cent. On piano players, phonographs, jewelry, cameras, and sporting goods a like increase is made.

On pianos, pipe organs, clocks, candy, tapestries, slot machines, furs, yachts, paintings, statuary, and so forth, a tax of 10 per cent is placed. Pistols and revolvers are taxed 25 per cent; dirks, bowie knives, and daggers, 100 per cent. A tax of 2 cents per gallon is levied on gasoline.

A 20 per cent tax is imposed on carpets and rugs, on the amount of the sale price in excess of $5 per square yard; picture frames in excess of $10; umbrellas and parasols in excess of $4; men's suits and overcoats in excess of $50; women's suits and cloaks in excess of $50; women's hats in excess of $15; men's hats in excess of $5; boots and shoes in excess of $10; men's hose in excess of $1; women's stockings in excess of $2. Other articles of similar character are subject to a sale price tax. Sales price taxes shall be paid by the purchaser to the vendor and shall be paid by him to the Government.

SPECIAL TAXES.

In selecting special tax sources the committee endeavored to select such objects as would yield considerable revenue and be fairly well distributed.

The tax on corporations is increased from 50 cents for each $1,000 exceeding $99,000 to $1 for each $1,000 exceeding $5,000. Brokers' tax is increased from $30 to $100; on theaters the tax is doubled, and ranges from $50 to $200; circuses, increased $100 to $200; billiard rooms, increased from $5 to $10 for each table. Special taxes are also placed on liquor dealers and manufacturers of cigars and tobacco. A special tax on the use of automobiles is imposed; on 23 horsepower or less $10, 23 to 30 horsepower $20, 30 to 40 horsepower $30, more than 40 horsepower $50.

STAMP TAXES.

The present stamp-tax law is reenacted except that an increase from 7 to 8 cents per package is placed on playing cards.

In this brief analysis of the bill I have not endeavored to go into details. Members of the House will consult the text of the

bill for provisions relating to administration. They will also consult the text to understand the effect of the many definitions, exceptions, and conditions contained in the bill. For this purpose the able report of the committee accompanying the bill and the published reports of the hearings will also be available.

ADVISORY TAX BOARD.

The bill wisely provides for the creation of an advisory tax board to pass upon cases which may be referred to it by the Secretary of the Treasury and the Commissioner of Internal Revenue. Cases are constantly arising involving in many instances large sums of money in which hearings are necessary to ascertain and determine questions of fact and law. This board will sit as a court on these questions and recommend the appropriate findings to the determining officers. The board is to consist of five members, to be appointed by the President and confirmed by the Senate.

COMMITTEE ON EXPENDITURES.

In this connection it is proper to state that it is a matter to be regretted that the committee did not also provide for the creation of a joint committee, composed of Members of the Senate and House, on expenditures. Congress is imposing unprecedented taxes upon the people and appropriating immense sums for carrying on the war and is making no attempt to see whether the money is expended as designed and is providing no safeguards against extravagance and waste. Money provided is turned over to officials whose primary thought is speedy accomplishment. That object is commendable, but without supervision leads to needless and reckless extravagance.

Other nations act more wisely than we. Great Britain has a committee of Parliament on expenditures composed of 20 members. They are divided into various subcommittees and are required to report from time to time. In this country we have no congressional supervision of expenditures. Only in flagrant cases, where the loss is so great as to be brought to the attention of Congress, is any investigation made. In the aircraft investigation it was shown by the report of the Senate committee that the immense sum of $640,000,000 appropriated by Congress to provide our Army with aeroplanes was almost entirely wasted on unnecessary expenditures and fruitless experiments. In the Hog Island case money was squandered with a reckless extravagance never before equaled even in this country. The cost-plus system so generally adopted is an incentive to extravagance and has led to the loss of millions. The practice of the various departments of the Government of bidding against each other for the same material is indefensible. These things could be at least measurably remedied by a strict supervision of expenditures. The very fact that a committee is in existence whose duty it is to examine into the manner in which appropriations are expended would have a salutary effect.

We are a rich Nation and can spend more money than any other and can raise it more easily. But there is a limit to even our ability. And we are not justified in spending a single dollar of the people's money needlessly. It is no justification or excuse to say that extravagance and waste are the necessary incidents of every war. Even if that were true, it is still our duty to use every means at our command to make the amount of extravagance and waste as small as possible. It is to be hoped that before this bill reaches its final passage a nonpartisan committee on expenditures may be added to its provisions.

REVENUE FROM CUSTOMS DUTIES.

The omission by the committee to include in a bill for increasing revenue increases on duties on imports is important and remarkable. From the earliest period of our history customs dues have formed an important part of our revenue. Now they are at the lowest rate in our history, the amount received is comparatively very small, and yet there is no provision in this bill to increase our revenue from this source.

Other countries engaged in the war have greatly increased their revenue from this source during the war period. Great Britain has more than doubled her revenue received from the tariff since the war began.

Revenue from customs duties of Great Britain.

1913	$182,000,000
1914	190,000,000
1915	266,000,000
1916	397,000,000
1917	418,000,000

It is estimated that the total receipts for 1918 will be about $460,000,000.

In 1916 Great Britain imposed new duties of 33⅓ per cent on motor cars, bicycles, musical instruments, clocks, watches, and so forth. New duties and large increases—in many instances doubled—were imposed on sugar, canned fruit, condensed milk, cocoa, coffee, chicory, matches, and so forth. Her present revenue derived from customs is about $10.22 per capita of her population.

Under existing laws in the United States our revenue from customs duties is constantly decreasing while the amount of our imports is continually increasing.

Revenue from customs duties in United States.

Year.	Amount of imports.	Duties collected.	Ad valorem rate.
			Per cent.
1913	$1,813,000,000	$312,000,000	18
1914	1,893,000,000	283,000,000	15
1915	1,674,000,000	205,000,000	12
1916	2,197,000,000	209,000,000	9
1917	2,659,000,000	221,000,000	8
1918	3,000,000,000	180,000,000	6

With our present imports upon the basis of the tariff rate of 1913, our revenue from that source would be for the current year $540,000,000 instead of $180,000,000. With an estimated population of 110,000,000, our revenue from the tariff is $1.63 per capita as compared with $10.22 received by Great Britain.

The proposition to increase our revenue from tariff duties is not and should not be considered a political question at this time. Protectionists and free traders, so called, both understand that the question is now primarily a question of revenue. Protectionists stand for revenue and protection. Free traders stand for a tariff for revenue only. Protectionists do not demand and do not expect a general revision of the tariff in accordance with their views at this time. They have always maintained that revenue was a necessary element in the fixing of tariff schedules. They have also maintained that protection of our agricultural, manufacturing, and commercial interests was a necessary element. They do not, however, believe it wise at this time to insist on the element of protection being considered. That will come up for consideration and action at the close of the war. But both protectionists and free traders agree on a tariff for revenue, and it is difficult to understand why the committee should ignore a source of revenue which has always been used during our own history and which is being used by other nations at this time. It is difficult to understand why our tariff, which is now lower in amount than it has been for many years, which is lower in percentage than ever before in the history of the Nation, and which is lower than that of any other great nation at this time, should not have been increased for purely revenue purposes.

With a revenue from the tariff less than has been received for 20 years, there is no effort made to increase it, notwithstanding our demand for revenue is greater than it ever was before. Searching for every available source, we entirely ignore this most easily imposed, most cheaply collected, and most lightly borne of all sources of revenue.

It is probably too late to remedy the difficulty now, but if further revenue is required it would appear most unwise to neglect this easily to be obtained source.

However large the amount of taxes imposed by this bill, and however great the burden imposed, it will be accepted as justifiable and necessary. We are not only the richest Nation in the world in accumulated wealth, but our resources and productive capacity are so marvelously great that we will meet this or any other demand for the successful prosecution of the war without serious injury or great sacrifice. It will only need a reduction of our always extravagant expenditures, it will only demand a cutting off of needless luxuries, it will only require a check on waste and overindulgence to meet this or any further demands the Government may make upon us.

And if it should embarrass us or even seriously burden us financially, what is that compared with the service and sacrifice we require of those we send across the seas. They must give up their positions, they must abandon their careers, they must go to hardship, discomfort, disease, and even death to serve their country in this the hour of its need. However great our burden, it does not reach the height nor depth of their sacrifice.

It is to help and protect and bring back safely our boys, our loved ones, our protectors, that these taxes are imposed. It is only fair and just to them that the richest Nation on earth should see that they shall be the best fed, the best clothed, the best equipped, the best cared for of all the soldiers engaged in this war. It is to bring about and insure this condition now and until final victory that this legislation is designed.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield two minutes to the gentleman from Ohio [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman, the statement has been made on the floor of this House that one John F. Giddings, a Republican, of Canton, Ohio, has been reported in the press as saying that he believes it would bring joy in Berlin if the next Congress should be Republican. It is reported in the press that John F. Giddings has been a lifelong and influential Republican, living in the city of Canton, Ohio.

John F. Giddings's name does not appear in the city directory of Canton, and there appears no name similar to that. Any person by the name of John F. Giddings is absolutely unknown in the city of Canton, Ohio.

Mr. MOORE of Pennsylvania. Is that the name that was referred to in one of the speeches just made on the floor?

Mr. KEARNS. That was the name given in the speech just made by the gentleman from North Carolina [Mr. POU] a few moments ago.

Mr. MOORE of Pennsylvania. Mr. Chairman, I yield 30 minutes to the gentleman from Massachusetts [Mr. TREADWAY], a member of the committee.

Mr. TREADWAY. Mr. Chairman, in his opening address to the House on Friday, the chairman of the Ways and Means Committee expressed his appreciation of the work of the members of the committee in framing this revenue bill, especially speaking of the patriotic and nonpartisan attitude of the members which brought about a unanimous report. There were, naturally, differences of opinion expressed, many arguments used pro and con, but underlying it all two factors, to my view, were conspicuous in bringing about the result to which the chairman referred. One he has himself mentioned, and the other his modesty would deter him from mentioning, even if he realized how important it was. As a junior minority member of this great committee, it may not be out of place for me to say that the additional factor in the unanimous report was the personal courtesy, invariable good nature, willingness to patiently hear every member, and the entire fairness of the distinguished chairman. [Applause.] I feel this word is due him in the opening of my remarks.

FOUNDATION FOR THE BILL.

On May 27 President Wilson delivered the address before the Congress, as the result of which the Ways and Means Committee promptly took up the preparation of this bill. I quote from his address:

> Enormous loans freely spent in the stimulation of industry of almost every sort produce inflations and extravagances which presently make the whole economic structure questionable and insecure and the very basis of credit is cut away. Only fair, equitably distributed taxation, of the widest incidence and drawing chiefly from the sources which would be likely to demoralize credit by their very abundance, can prevent inflation and keep our industrial system free of speculation and waste. We shall naturally turn, therefore, I suppose, to war profits and incomes and luxuries for the additional taxes.

A study of the bill will show that the committee has carefully followed his suggestions, endeavoring as far as possible to lay this enormous burden along the line which the President himself mapped out. The Secretary of the Treasury, both in the letter he transmitted to the committee and in his testimony before it, gave similar advice, and while the committee endeavored to exercise its own judgment, it realized that the Treasury suggestions were well deserving of most careful consideration. This bill does not change the law for exemption of small incomes and does not impose taxes upon the absolute necessaries of life. It is fair to say that this enormous burden falls almost entirely upon those who have accumulated and been successful. It is a tax on wealth and success. The exigencies of the times seem to justify the adoption at the present time of this method.

The Assistant Secretary of the Treasury, Mr. Leffingwell, in the course of his statement, draws attention to the fact that we may be approaching the point where certain rates of taxes might destroy business itself or the principal on which the tax is levied. Certainly this danger point must be avoided, and it has been the studious effort of the committee to avoid this very trouble. In order to secure these enormous returns, there must be a stability of principal. There must even be an allowance of an increase of principal or capital. We must not only not encroach on principal in levying a tax, but we must go further and stabilize large capital. In other words, we must not destroy the confidence of the investor that a fair return may be secured upon his investment and that the principal itself will not be destroyed or confiscated.

PATRIOTIC TAXATION.

Many criticisms of the bill have been offered. It is proper that they should be, and when founded on thorough knowledge and information the criticisms are naturally welcomed, that corrections may, if needed, be made.

A popular tax is an unknown quantity, and when we levy the largest tax ever known in history as the rate and amount levied increase we naturally are running in absolutely the opposite direction from likes or dislikes which make for popularity. It is probably true this bill is bound to be unpopular in direct proportion to the amount of tax levied. But that is of slight consequence. If any such tax as this should be dreamed of for ordinary affairs of the Government, it would be likely to cause an uprising, provided even such an act received favorable action by Congress.

But these are not ordinary times any more than this is an ordinary tax bill. It is not a question of popularity; it is a question of patriotism. It is a question of providing the sinews for the best support we can render to our Army and Navy.

The American people will gladly permit their pocketbooks to be hard hit and their pursestrings absolutely untied in order that the men who compose our Army and Navy may have the necessary equipment for doing their work quickly and well. In addition to this, they will have the feeling of moral support that the people have willingly responded to the necessary taxation.

INDUSTRIAL RESOURCES.

In his opening remarks the chairman of the committee, Mr. KITCHIN, said, in substance, that if every bit of the resources of the country should be taken in the support of the war to its close the recuperative power of the country was so great that we would rise from the blow and again become the powerful and wealthy Nation we were at the beginning of the war. I heartily indorse this view. A meager sacrifice is asked of us in the form of dollars when compared with the supreme sacrifice of the men in khaki daily offering their lives on the battle field. Let the tax collector take our all, that victory may sooner come to the Stars and Stripes and that fewer lives be sacrificed in obtaining it. [Applause.]

Mr. Chairman, the State which I in part represent, and of which I am the only member on the Ways and Means Committee, has very large industries. Under all the tax titles in the bill Massachusetts, in proportion to its population, will undoubtedly pay a very large share. Other New England States have correspondingly large industries affected by this bill. The patriotic spirit displayed by the persons in control of those industries in the present emergency is a source of great pride. They ask that the industries should not be unduly penalized in order that they may continue to do their part both in furnishing necessary material as well as their part of the money required by the Government's stupendous operations. If a way could be found to secure the needed revenue without resorting to the high rates established by this bill, no one would be more gratified than myself, in view of the interests of the section which I represent.

TARIFF AND CONSUMPTION TAX.

There are two possibilities of additional revenue not included in this bill. One is the tariff, which it is estimated might return several hundred millions. Should this method of securing additional revenue be brought up for serious consideration it would undoubtedly bring on a partisan debate, as the tariff has so long been one of the chief points of difference between the two great political parties. As we are endeavoring in every way to avoid partisanship in and out of Congress to-day, this would, to my mind, be unfortunate. The other alternative is laying a consumption tax, perhaps more unpopular than any other form of taxation. A sales tax and a consumption tax are of the same nature and would reach rich and poor alike. The President could not have had a sales tax in mind when he addressed Congress on May 27. It certainly can be said that a consumption tax is an easy tax to lay and would be productive of large revenue. It will reach more directly to the masses than any other form contained in the present bill. In this particular it has one feature to commend it, namely, it quite likely would be a means of impressing on the minds of the people the absolute need of the strictest economy in all details of our daily life.

It is hoped that the actual revenue secured under this act will be more than the estimates made by the Treasury experts, but should it prove otherwise a consumption tax is the only alternative we see in view. We have carefully avoided including a consumption tax, not that the masses are not willing to pay their proportionate part, but because we were able to place fair burdens on those best able to carry them.

I have, however, sufficient faith in the individual patriotism of our 110,000,000 people to be confident that should Congress find there is need of a limited consumption tax the people will accept it as uncomplainingly as they have other sacrifices so far found necessary in the conduct of the war.

PROPORTION OF TAXES AND BONDS.

In view of the very complete analysis of the bill made by the chairman and supplemented by the gentleman from Michigan [Mr. FORDNEY] and other members of the committee, it is not my purpose to take the time of the House to deal with many specific items.

I quote from the chairman's report the following:

In determining our fiscal policy for financing the war, the first question that must be determined is, What per cent of our total expenditures shall be financed by taxation and what per cent by bonds? Your committee has determined the proportion of the cost of the war that should be financed by taxation and by bonds, not upon the basis of previous experience, for there is no analogy in history, but upon a careful consideration of the effect of the fiscal policy upon the morale of the people, upon the inflation of prices, upon production, and with reference to the relative ability of the people to pay taxes now and after the war.

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At the beginning of the preparation of the new measure your committee accepted the fiscal policy suggested by the Secretary as sound and determined to prepare a new revenue bill that would raise during a 12-month period $8,000,000,000. In making the decision to recommend that one-third of the expenditures for the current fiscal year be raised by taxes and two-thirds from the sale of bonds, your committee has been guided by conditions existing at the present time. While your committee makes this recommendation for the current year it realized that no fixed policy as to the relation of taxes to bonds for the future can be determined at this time, and that the amount that should be raised by taxation in any given year must necessarily be determined after due consideration is given to business and financial conditions existing in such year. Your committee further adopted the policy that so far as practicable the $8,000,000,000 should be raised from taxes on incomes, excess and war profits, and luxuries and semiluxuries.

I heartily subscribe to this view of the chairman. In times like these, where there is almost daily expansion of needs and where conditions are so constantly changing, it is very essential that the people and Congress both thoroughly understand that this bill only carries with it the present opinion of the committee as to the proper proportions between bonds and taxes.

Tax assessment must be based on ability to pay without such hardship as may endanger principal. We are convinced that the proportion we have made is a proper one and that the American people to-day are willing and stand ready to pay the assessments levied under this bill for the necessary prosecution of the war. In this connection I desire to read extracts from an editorial of the Springfield (Mass.) Republican under date of September 5:

REVENUE BILL AND WAR TAXES.

Happily the new war revenue bill is a nonpartisan measure, having behind it in the House a unanimous report by the Ways and Means Committee. It is encouraging, too, from the viewpoint of those administrative officials who desire its early enactment, that the bill embodies no new principles of taxation.

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The people's pride in the fact that this is by far the largest amount ever raised by taxation by any nation in any year of recorded time may be tinged with melancholy when the Government comes after the money. Yet there is sound economic justification for raising one-third of the estimated expenditures of the year by tax levies, the remaining $16,000,000,000 to be raised by public loans. Heavy taxation now, even to the limit of the Nation's ability to endure it, must lighten the burden of the public debt after the war; it must also have the effect of minimizing the evils of rising prices and credit inflation during the war. "Pay as you go" is a sound principle of war finance, in so far as it can be applied, especially in a country that has not the least expectation of profiting by conquests or war indemnities. Taxation of the severity now contemplated, bearing heavily on the larger incomes and profits, is best for the poorer classes in the end, for they are spared to a substantial degree the evils of excessive war loans and it might be of excessive issues of paper money.

* * * * * * *

Our bond issues will continue so long as the war lasts, but it is to be remembered that whatever political or class issues they raise after the war, relative to taxation for the heavy interest charges, the present war taxation is keeping down the amount of bonded debt which the Nation must carry for years after the war ends. The present revenue bill before Congress, requiring the collection of $8,000,000,000 this year—all money that will never have to be paid back—is in the most practical aspect of the case the most justifiable kind of war finance. It should, finally, have the effect of making the people more careful to check extravagance, to eliminate waste, to be thrifty and calculating in expenditure. For with these taxes in sight they must know what is coming to them.

The internal-revenue statistics readily show large increase in profits in certain lines of industry over the prewar period. There can be no logical or sound argument why these profits, directly resulting from the war, should not bear the heaviest burden of payment for the war. The choice of method, whether under the title of excess profits or war profits, will naturally aid the Government in securing the larger amount of taxation. What proportion might be proper as between bonds and taxes at some future time is not a consideration to-day. The people have the ability to pay at the present time, and it is on that principle that the committee has made the division in accordance with the recommendation of the Secretary of the Treasury.

Those in favor of larger bond issues and lower taxation fail to comprehend the tremendous payments that will be required of future generations. As has already been shown, the interest charges alone will in the future be more than the entire expenses of the Government prior to the war. Then, too, history proves the prediction that following a war there is sure to come business depression. We therefore must not burden the future with too heavy a load. It is a sound financial doctrine that having to-day the ability to pay, we should meet as large a proportion of the obligation on a "pay-as-you-go" basis as possible.

Personally, I should have preferred to have seen the original rate of normal tax decided upon by the committee left in the bill. The normal tax in the act of 1916 was 2 per cent; in the act of 1917 2 per cent more was added, making the total 4 per cent; and we now have tripled that total, making it 12 per cent, which is a very large increase. I do not think it would have been considered necessary were it not that the higher the rate of the normal tax, the more the advantage to be secured in the purchase of the fourth and approaching issue of liberty bonds, which are not subject to the normal tax.

EFFECT OF HIGH TAX RATES ON CAPITAL.

I desire to further refer to the possibility of destroying capital in high tax rates. We can only try out this problem, hoping we have not overstepped the limit either in dealing with individual incomes or corporations. The higher brackets leave a sufficiently wide margin from income for personal needs of individuals and their families, while both in the excess-profits and war-profits schedules the percentages left to large business corporations seem ample for business needs. In one schedule we actually take capital, and it is a source of considerable debate whether in taxation capital itself should be taken or confiscated. I refer to the estate tax. Rates in this schedule run from 3 to 40 per cent, with an allowance of $50,000. This tax will be particularly hard on estates in Massachusetts. In the first place, there are in Massachusetts and New England many very large fortunes, not of mushroom growth of war industries but conservative business growth and accumulation, extending through one or more generations in a family. Such form of tax as is levied against these estates should rightly accrue to the State rather than to the Federal Government, but recognizing the prior claim of the Government, this fact must be overlooked.

We have in our State an inheritance tax, as well as corporation, partnership, and income taxes, in many respects supplementing the taxes in this bill. The net estate of a citizen of Massachusetts of over five millions, according to appraisal, would be taxed on that amount at the rate of 30 per cent, or one and one-half millions. The State levies its tax on the appraisal, which would be five millions, rather than the three and one-half millions available or actually in the hands of the executors. This would add a very large proportionate rate to the tax, with nearly one-third of the capital taken from the appraisal. Another feature particularly hard is on the educational and charitable institutions abounding in New England, and especially in Massachusetts. This bill does not exempt bequests or residuary estates left to such institutions. Education will therefore suffer and charitable institutions be deprived of amounts intended by the legatee for the direct benefit of their bounty. I might add that the inheritance tax in Massachusetts specifically exempts "charitable, educational, or religious societies or institutions, and trusts for charitable purposes to be carried out in Massachusetts."

EXEMPTION OF SOLDIERS' ESTATES.

There is still another very deserving exemption from the estate tax which should be proposed. The estates of men who die in the service ought not to be subject to this tax. They have made the supreme sacrifice, and those whom they leave behind ought to be allowed to receive the full benefit of such property as the men in the service may have been possessed of.

MASSACHUSETTS INCOME TAX.

Within the past three years Massachusetts has passed a comparatively high income tax both on earned and unearned incomes, and with a very great increase both in the normal and surtaxes under this bill the income tax upon citizens of Massachusetts will be a particularly high one. It would almost seem to me that a marked revision in the statutes of the State will be essential as a result of the passage of this bill, but in what way the State can change its laws and meet its obligations is a difficult problem for its tax experts and legislators to solve. It is additionally difficult in view of the enormous increase in all forms of municipal expenses. The State has never flinched in its full duty and will not now, either in bearing its burdens of taxation or providing its best men for military service. The records of the Army overseas and the conduct of the New England divisions are significant evidence of the important part the Bay State is ever ready to play in the Nation's welfare.

TAX ON ADVERTISING.

I desire to call attention to one omission in the special taxes, and which I hope will be corrected when the bill is before us for amendment. This, in proportion to the total amounts secured under the bill, will seem somewhat trivial, but as spe-

cial taxes have been laid wherever there seemed to be proper reason therefor the item to which I desire to call attention is worthy of consideration.

A very large business has grown up throughout the country of outdoor advertising. This takes the form of enormous billboards and electric signs, and also advertisements in street cars. Every year we see an increase in this development. There is hardly an available spot which can attract attention from car windows of a railway train or along a highway which is not plastered with the announcement of the kind of pills you should take, the tires you should buy, or the theaters you should attend, or other similar gratuitous advice. No important street of a city at night is free from electric devices, some of them almost making one dizzy with whirligig movements, giving similar suggestions. No street car is complete that is not similarly labeled. This is a proper business enterprise, but it is at the same time a suitable source of taxation for the Government. Several million dollars could be secured from this source without injury to the business itself.

It is argued as there is no tax on newspaper or magazine advertising there should not be on this form. These interests have been hard hit by the adoption of the zone system, which is of itself a tax. Further, I maintain the class of advertising I am referring to differs from newspaper or periodical advertising in that all but blind people are forced to see it whether they so desire or not, whereas when printer's ink is used you need not read "ads and all" unless you so desire.

Attention may rightly be called to the simplification of the revenue acts by combining the acts of 1916 and 1917 with this bill. Such an act must necessarily be considerably complicated and difficult to understand, but those who will have occasion to study its provisions will, I am sure, be gratified to find that practically all the provisions of the revenue acts to date are within the covers of this bill.

The hearings before the committee were very full and complete, and certainly the chairman of the committee gave all volunteers every opportunity to present their views. If any criticism was to be offered it might be said that the representatives of the largest business interests in the country did not seem disposed to lay their views before us as freely as we would have liked. The committee itself, to my mind, overlooked one line of inquiry that might have produced some interesting facts.

EXTRAVAGANT EXPENDITURES.

Efforts were made at various times to secure witnesses of the kind to which I refer, but without success. We should have directed a line of inquiry toward excessive war profits on Government contracts. It is very apparent that in the hasty construction of some of the cantonments and camps and in governmental supplies enormous profits have been made. There are men in the service and civilians who could have thrown light on this situation. Occasional light has been thrown, as, for instance, the expenditure of a large part of $640,000,000 appropriated for airplanes with no practical results. Added to this was the apparent effort to deceive the people by sending broadcast illustrations of a kind of plane not intended to rise from the ground and used merely by students first learning to operate machines. These planes bear the title of Penguin, and were represented as at an American aviation field in France. As early as March 28 the statement was made throughout the country that "aeroplane bodies, such as those pictured, are ready for shipment to France, though hundreds have already been shipped and thousands upon thousands will soon follow."

There are two things the American public will not stand for. One is deception in matters pertaining to the war and the welfare of our men. The other is unnecessary extravagance. We may be prodigal in expenditure, possibly even lavish, but we will demand results. Extravagance combined with no results will not be permitted. Such inquiries as I am referring to might have brought information going to show that certain of the largest appropriations could have been somewhat reduced. This is only supposition, as we were not able to have the witnesses before us. It seems to me it would have been wise to have instituted such an inquiry for two purposes, either to have found that there are people more anxious to be profiteers than patriots or proven them to have been truly patriots.

A UNITED COUNTRY.

Mr. Chairman, the men in the service are the ones performing the highest duties and exhibiting the greatest patriotism. The women of the country, the mothers, the sisters, the wives, the sweethearts, the daughters are a solid phalanx behind the lines. Their sacrifices and their works have placed their sex on a high pinnacle. The men of affairs, whose duty is here rather than "over there," have added to the unity of effort and purpose of our entire people. The executive and legislative branches of the Government but supplement the wishes of the people in the harmonious effort we are making for our country's success.

This bill represents the best thought and study of the Ways and Means Committee. No member, from the respected chairman to the lowest minority member, would claim perfection for it; but if it will produce the required revenue, if it will aid in the successful prosecution of the war, if it will hasten by one day victory for our colors, if it will provide a better equipment either in arms or supplies for our Army and Navy, if it will save the life of one boy overseas, if it will ameliorate the suffering of a wounded soldier, if it will benefit the families of those who have made the supreme sacrifice, the people of the country will stand back of the Congress in the passage of this act and will say, "Here are our eight billions of revenue; we give it to you willingly; use it judiciously, and when expended, if more is needed, come again." Patriotism and victory for Uncle Sam are to-day synonymous terms in the hearts of the American people. [Applause.]

Mr. Chairman, I ask unanimous consent to insert certain extracts and quotations to which I referred.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to insert certain references and extracts. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. McKEOWN].

The CHAIRMAN. The gentleman from Oklahoma is recognized for 10 minutes.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, the two things most needed by the Government to win this war are men and money. The measures providing for the man power of the Nation have been enacted into law. Under these acts it is the purpose of the War Department to put an army of 5,000,000 men in France at an early date. The patriotic citizenship of the Republic will respond nobly to the call for more men to end the war quickly and victoriously.

This war, like all wars, is a merciless taskmaster and an extravagant spender when dealing with money needed to provide for its needs; but, sirs, when we contemplate the sacrifices being made by the soldiers of America on the battle fields of France, no good citizen will complain at the payment of taxes to sustain the Army in its most trying moments. The complaint about tax measures usually are not directed at the amount of tax levied, but at inequities that arise in the administration of the various provisions of the law. It is almost a superhuman task to raise the amount of revenue required to be met by this bill without inequities arising, and no doubt many such will be found when the bill has been enacted into law.

But we can all truthfully say that the Ways and Means Committee have given this measure their most careful consideration and have presented us a measure, upon the whole, far better than we had anticipated could be devised in the length of time granted them by the circumstances. They are to be congratulated upon presenting a measure that repeals and supplants all previous acts so that the people who are required to make the returns may the better understand what is required of them. The rate of taxation upon incomes, war profits, and excess profits is greatly increased.

This will meet the approval of the best citizens of the country, who at this time are not thinking of money making or the amassing of great fortunes, but are thinking of the welfare of their country and of their sons across the sea, who are fighting, bleeding, and dying for the preservation of the best form of government on earth.

I venture the assertion that there is not a man on the committee nor a Member of this House who, if it were possible in this bill, would drive out of business forever the war profiteers who have sprung into existence so recently, and at the same time would not intentionally do a particle of injustice to honest business.

Those who make large sums of money out of reasonable profits during the war are not profiteers and should not be injured or destroyed in an effort to rid the Nation of profiteering pirates. The war profiteers are those who are so devoid of conscience and love of country that they are willing to take advantage of the conditions brought about by the war and levy tribute upon the soldiers and citizens of the Nation by taking excessive profits for the things they must buy. They charge their own Government excessive prices for the things needed to win the war and gleefully boast of how they are making their fortunes while the times are good. God may forgive them, but the American people never.

The people of my State, like those of other States in the Union, have responded patriotically to every call made upon them for men and for money, but, Mr. Chairman, there exists a

discrimination against the people of my State in reference to freight rates, not brought about by any provision of this bill nor by any act of the Director General of Railroads, which the provisions of this bill will add as an additional burden. Prior to the order of the Director General putting into effect the increase of 25 per cent on freight rates the railroads that traverse my State put into force a 28 per cent increase in rates, so that the increase of 25 per cent ordered by the Director General makes more than a 50 per cent increase above the rates in effect in Oklahoma prior to the 25th day of March, 1918.

From an investigation made of the effect of these rates the discrimination against the people of my State can be illustrated as follows:

Cattle can be shipped from Purcell, Okla., to Fort Worth, Tex., and shipped back as dressed meat, making a total distance of 342 miles, for 58 cents per 100 pounds, which is only 7½ cents more than the charge for shipping the cattle to Oklahoma City and the dressed meat back to Purcell, a distance of 67 miles. If the cattle be shipped from Wayne, Okla., instead of Purcell, a station 40 miles from Oklahoma City and 164 miles from Fort Worth, Tex., the rate would be 1½ cents per 100 pounds less if the slaughtering is done at Fort Worth, than if done at the packing plant at Oklahoma City. Pauls Valley, Okla., can obtain meats at Fort Worth, Tex., 150 miles away, at 7½ cents per 100 pounds cheaper than meat slaughtered at Oklahoma City, which is only 55 miles from Pauls Valley.

A farmer at Shawnee, Okla., slaughtering his cattle can ship the hides and market them at Kansas City, 380 miles away, at a rate of only 1½ cents above that to Oklahoma City, 36 miles distant. A farmer at Chandler, Okla., can ship to Kansas City, 333 miles, for one-half cent cheaper than he can to Oklahoma City, a distance of only 48 miles.

Crude oil shipped from Perry, Okla., to Kansas City, a distance of 302 miles, can be shipped for exactly the same freight rate that is charged for shipping the oil to Sapulpa, Okla., a distance of 96 miles.

The rate on ice for 50 miles in Oklahoma is increased 9 cents, or 80 per cent in all. Under the new rates ice can be shipped from Wellington, Kans., a distance of 48 miles, to Pond Creek, Okla., for only one-half cent per 100 pounds more than ice shipped from Enid, Okla., to Pond Creek, Okla., a distance of 20 miles.

Canned goods can be shipped from Davenport, Iowa, in carload lots to Kansas City, Mo., thence in less than carload lots to Adair, Okla., at a total rate of 73 cents per 100 pounds, while the same goods shipped to Muskogee, Okla., and distributed from Muskogee, in less than carload lots to the same place, must pay a rate of 76.5 cents, while Adair, Okla., is only 49 miles from Muskogee, Okla., and is 204 miles from Kansas City. The same canned goods can be shipped from the Iowa factory through Kansas City on the 73 cents total freight rate to Bushyhead, Okla., less than carload lots, a distance of 224 miles, while the same goods shipped 38 miles in less than carload lots from Tulsa, Okla., costs 74 cents per 100 pounds.

Corn shipped from Vinita, Okla., to Hollis, Okla., a distance of 362 miles, costs 2½ cents more per 100 pounds than if it goes 664 miles to Chicago.

Scrap iron from Bartlesville, Okla., to Muskogee, Okla., a distance of 101 miles, costs 3.6 cents more per 100 pounds than from Bartlesville, Okla., to Kansas City, a distance twice as great.

Fresh meats can be shipped from Wichita, Kans., through Oklahoma City, Okla., to Ardmore, Okla., on a rate of 67.5 cents, while fresh meats from Oklahoma City, Okla., to Ardmore, Okla., costs 66.5 cents. The distance from Wichita, Kans., to Ardmore is 271 miles, while the distance from Oklahoma City to Ardmore is 100 miles.

These are just a few examples showing the effect of the 28 per cent raise made by the railroad companies subsequent to March 25, 1918, and prior to the order of the Director General increasing all freight rates 25 per cent, upon the people of the State of Oklahoma. This condition has been brought to the attention of the rate-fixing department of the Director General's office, but up to the present time no general relief has been granted. We have confidence that these rates will be adjusted so as not to discriminate against our State, but our people are earnestly insisting that Oklahoma shall not be discriminated against and that early action is an urgent necessity in view of the present conditions in that State. After the railroads were taken over by the Government it was found to be necessary to increase all rates 25 per cent, and the people have not complained, although they have felt the heavy burden imposed. The people realize that it is imperative that we win the war, and they want it won quickly and not in piecemeal. In view of the increase in freight rates since the passage of the last tax measure, I am constrained to believe that the rate of taxation on freight transportation should be reduced from 3 to 2 per cent. This reduction, while infinitesimal when compared with the amount to be raised by the entire bill, will save a burden on the consumers of $38,351,511.54 annually and at the same time raise $2,788,182 more revenue than the 3 per cent rate without the 25 per cent increase in freight rates. In other words, the taxes in this bill on transportation should not overburden the people of the Nation, and in making the levy we should keep in mind the results of the increase in rates.

At the proper time I shall offer an amendment reducing the rate of taxation on freight transportation from 3 per cent, as provided in the bill, to 2 per cent.

The tax on passenger fares is high enough, and I am glad to know that no increase is provided in the bill and that the Director General has requested that the tax rate be made uniform so that universal mileage may be issued.

This will meet the commendation of the traveling public who, under the present congested conditions, travel under great hardships. The recent order of the Director General, requiring courteous treatment of the employees toward the public, met a hearty appreciation from the people generally.

In view of the attitude of employees toward the public after the Government took over the control of the roads the order was timely.

Years ago a great railroad magnate in an unguarded moment gave expression to the thought "the public be damned," and his employees proceeded to conduct themselves accordingly. A timid country woman, with a little tow-headed boy, went up to the ticket window and asked when the train would arrive, and received such a curt and insulting answer that marred all the anticipated pleasure of her journey. The little tow-headed boy resented deeply the treatment and never could outgrow the impression received. Thousands of little boys like him have grown to manhood, and they are to be found in the legislative halls, on the bench, on commissions and boards throughout the Nation.

They have tried to forget, but it has been hard. Thousands have served upon the juries of the land, and they found it hard to forget. The timid country woman in her calico dress and sunbonnet paid back in coin that was free and unlimited.

The sacrifices we make now will bring sweet memories in the future years when we contemplate the mighty struggle we passed through for the preservation of the Republic. The greater the sacrifice the more we shall enjoy the recollection of duty well done.

When the war is over great tasks will still confront us, and the trying ordeal through which we are passing will the better prepare us for future emergencies. America must take her place in the world's affairs whether willingly or not. America can never remain concerned only with internal domestic affairs. Her statesmen and her people must enlarge their vision and prepare to solve world-wide problems. Her great financiers and business men must prepare to meet the trade demands of the whole world. Our people are offering upon the altar of the Nation their wealth and their loved ones to suppress the military junkers of Prussia, who for all time can never wash from their foul hands the innocent blood of the millions sent to an untimely death by a proud, despicable Emperor who must eventually meet the fate that awaits the damned.

Mr. Chairman, America did not start this war, but the United States is going to end it. [Applause.] Yes; we are going to end it as quickly as possible, but not until the soil of Germany shall feel the pressure of the hob-nailed shoes of America's victorious soldiers and military autocracy is laid low in the dust of humility.

When the last charge is made and the last gun fired in this war may its departing echo be the last belligerent sound to fall upon human ears until time shall be no more. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield 40 minutes to the gentleman from Minnesota [Mr. MILLER].

The CHAIRMAN. The gentleman from Minnesota is recognized for 40 minutes.

Mr. MILLER of Minnesota. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. MILLER of Minnesota. Mr. Chairman, to win this war completely and speedily should be the sole purpose and the sole endeavor of every American citizen. To accomplish that end, one of the things we should do is to see that those in this country who labor and who are doing the Nation's work at home shall be treated fairly; shall be treated decently; shall, in fact,

be given those working conditions that will conduce to efficiency and well-being.

I am led to discuss this afternoon, with that thought in view, a department of this Government that is served by the greatest number of employees and workers in any branch of the Government service, a department that intimately touches every citizen. In presenting these remarks I desire it to be distinctly understood that I am impelled by a sense of obligation to the country we serve and to the workers of that country whose welfare we should ever seek to protect.

At this time—at any time—criticism of a public official is justified only when the public welfare requires it. Especially is this true respecting one who has attained great heights of power. The condition to which our Postal Service has been brought—forced there, as it appears, by an unrelenting and oppressive system inaugurated by the present Postmaster General—has become a menace to the Nation's business, to the well-being of our people, and to the welfare of the several hundred thousand employees in his charge. Such a menace, grave in character and nation-wide in influence, demands immediate attention.

From almost the beginning of the Burleson administration we have known something was wrong in the Post Office Department. Recent evidence discloses that conditions there have become critical. The mail system that serves every business, every humble fireside, every brave soldier boy at the front has steadily declined in efficiency, and further demoralization is in prospect. Letters sent either fail to arrive or arrive after exasperating delay. It is an everyday, a common, occurrence for letters once posted never to be heard of again. The business of the country is dependent upon a speedy and certain mail service. The spirit and morale of our soldiers at war—at war in a distant part of the world—rest upon those words of love and cheer that come from the folks at home. Society itself is held together by the interchange of messages and thought through the means of communication now in the hands of the Postmaster General. These critical days require that mail service be even more speedy, more certain, than in quiet times of peace, when not so much is at stake. And yet on every hand I find business men complaining of the mail service; families have tried in vain to communicate with absent members; and many a soldier boy in the land "over there" has waited in vain for the messages sent by a loving mother, messages Mr. Burleson's system failed to deliver. Travelers returning from the war zone have ever stated that our soldier boys' single complaint is their failure to receive mail from home.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN (Mr. CARTER of Oklahoma). Does the gentleman yield?

Mr. MILLER of Minnesota. I do not.

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. Then I make the point of order that there is no quorum present.

SEVERAL MEMBERS. Do not do that!

Mr. BLANTON. I asked the gentleman to yield to a question. He is attacking a Cabinet officer of the land.

Mr. WOOD of Indiana. He ought to be attacked.

Mr. BLANTON. I submit he is attacking him unjustly. If the gentleman will yield to a civil question——

The CHAIRMAN. Does the gentleman yield?

Mr. MILLER of Minnesota. I will not yield to a question, because I have not the time. If the gentleman wants to make a point of no quorum, that is his affair.

Mr. BLANTON. I think there should be more Members here to hear this attack upon a Cabinet officer.

Mr. CANNON. I would be glad if we were all here.

Mr. BLANTON. I think there is a good reason for the delay of the mail sent abroad.

The CHAIRMAN. The gentleman from Texas makes the point of no quorum. The Chair will count. [After counting.] Sixty-eight Members are present.

Mr. HARRISON of Mississippi. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Mississippi moves that the committee do now rise.

Mr. KITCHIN. I hope the committee will vote that proposition down.

Mr. BLANTON. Mr. Chairman, to save the time of the committee I withdraw the point of no quorum.

The CHAIRMAN. The point can not be withdrawn now.

Mr. HARRISON of Mississippi. Mr. Chairman, I withdraw my motion.

The CHAIRMAN. The question is on agreeing to the motion of the gentleman from Mississippi, that the committee do now rise.

The question was taken; and the Chairman announced that the noes seemed to have it.

Mr. SHERLEY. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Tellers are demanded.

Tellers were ordered; and the Chair appointed Mr. HARRISON of Mississippi and Mr. SHERLEY to act as tellers,

The CHAIRMAN. Those in favor of the motion to rise will pass through the tellers.

The committee divided; and the tellers reported—ayes 1, noes 89.

The CHAIRMAN. Only 90 Members are present, not a quorum. The Clerk will call the roll.

The Clerk proceeded to call the roll.

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman can not interrupt a roll call.

Mr. BLANTON. I would like to ask if this is a yea-and-nay vote.

The CHAIRMAN. The gentleman can not interrupt the roll call.

Mr. BLANTON. I would like to know what the vote is on.

The CHAIRMAN. The Clerk will proceed with the calling of the roll.

The Clerk called the roll, and the following members failed to answer to their names:

Aswell	Freeman	LaGuardia	Rogers
Austin	Fuller, Ill.	Lea, Cal.	Rose
Bacharach	Fuller, Mass.	Lee, Ga.	Rowland
Barkley	Gallagher	Lehlbach	Russell
Booher	Gallivan	Linthicum	Sabath
Brand	Gard	Lufkin	Sanders, La.
Britten	Garland	Lundeen	Sanford
Browning	Gillett	Lunn	Schall
Buchanan	Glynn	McAndrews	Scott, Pa.
Butler	Godwin, N. C.	McCormick	Scully
Byrnes, S. C.	Goodwin, Ark.	McFadden	Shackleford
Caldwell	Graham, Ill.	McLaughlin, Mich.	Slemp
Cantrill	Graham, Pa.	McLemore	Small
Caraway	Gray, N. J.	Maher	Smith, Idaho
Carew	Greene, Mass.	Mann	Smith, C. B.
Carter, Mass.	Greene, Vt.	Mason	Smith, T. F.
Cary	Griest	Mays	Stephens, Miss.
Coady	Griffin	Meeker	Sterling, Ill.
Cooper, Ohio	Hamill	Merritt	Stevenson
Copley	Hamilton, N. Y.	Mondell	Stiness
Costello	Harrison, Va.	Montague	Strong
Cramton	Haskell	Mott	Sullivan
Dale, N. Y.	Hayden	Mudd	Swift
Davis	Hayes	Neely	Switzer
Delaney	Heaton	Nelson	Tague
Dempsey	Heflin	Nicholls, S. C.	Talbott
Dent	Heintz	Nolan	Templeton
Dewalt	Hicks	Norton	Tinkham
Dies	Hood	Oliver, Ala.	Van Dyke
Dillon	Howard	Oliver, N. Y.	Vinson
Dooling	Hull, Tenn.	Olney	Walker
Doolittle	Husted	O'Shaunessy	Walton
Doremus	Hutchinson	Overstreet	Ward
Drukker	Ireland	Paige	Wason
Dunn	Johnson, Ky.	Peters	Watkins
Dupré	Johnson, S. Dak.	Polk	Webb
Eagan	Johnson, Wash.	Porter	Welling
Edmonds	Jones	Powers	Wheeler
Ellsworth	Juul	Ragsdale	Williams
Emerson	Kahn	Rainey, H. T.	Wilson, Ill.
Estopinal	Kearns	Rainey, J. W.	Wilson, Tex.
Fairchild, G. W.	Keating	Ramsey	Winslow
Farr	Kelley, Mich.	Randall	Wise
Ferris	Kelly, Pa.	Rankin	Woods, Iowa
Fess	Kennedy, R. I.	Reed	Wright
Flynn	Kettner	Riordan	
Foss	Kiess, Pa.	Robinson	
Francis	King	Rodenberg	

The committee rose; and the Speaker pro tempore having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the revenue bill (H. R. 12863), found itself without a quorum, whereupon he caused the roll to be called, when 239 Members, a quorum, answered to their names, and he reported the names of the absentees to be printed in the Journal and RECORD.

The SPEAKER pro tempore. A quorum is present. The committee will resume its session.

Accordingly the committee resumed its session, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The gentleman from Minnesota [Mr. MILLER] will proceed.

Mr. MILLER of Minnesota. Mr. Chairman, I should like to inquire how much time I have remaining.

The CHAIRMAN. The gentleman has 25 minutes remaining.

Mr. MILLER of Minnesota. These conditions came from causes, and the causes are not hard to find. Investigation discloses that the mail service is demoralized, a demoralization that results from a severe, even harsh, treatment of 300,000 postal employees under the system now in operation in the Post Office Department and from certain policies adopted that seem to ignore all consideration of efficiency.

We who knew Mr. Burleson before he became Postmaster General expected he would administer that office along the narrowest and most bitterly partisan lines. We were in no sense disappointed. He is the arch politician of the time. He can see no proposition except in a bitterly partisan way. If any of you are in doubt, ask anyone who served with him in Congress. When, therefore, Mr. Burleson stepped into his high office, we smiled as he promptly announced there was something wrong with the bookkeeping of his predecessor. It will be remembered Mr. Hitchcock during the last Republican administration had perfected the Postal Service so that it was not only supremely efficient but, for the first time in its history, self-supporting. This was too much for Mr. Burleson; he could not stand for any Republican to have that credit. So he jumped into the press, charging there was a deficit for the year 1911 of $732,301.90 instead of a surplus of $219,118.12, as claimed by Hitchcock. Of course, we all knew Hitchcock was right and Burleson was wrong. We smiled, because Burleson was coming up to expectations. There is no satisfaction that equals the one we feel when we see a man come up to expectations.

Our smile broadened considerably when his first annual report appeared. In that he claimed great credit for a surplus in the year ending June 30, 1913. Having pushed his predecessor off the roost of successfully handling the Post Office Department, he promptly perched himself thereon and began to crow wildly.

In that report he said that at last the department, under his wise management, had become self-supporting for the year referred to, and the subsequent year each showed a surplus. It never occurred to him that eight months of that first year were under Mr. Hitchcock, and the other four must of necessity have been but a continuance of his system, as Mr. Burleson had only taken office and was completely absorbed in firing Republican postmasters right and left, and putting in both deserving and undeserving Democrats.

Shortly after Mr. Burleson took office, a Member of this House, receiving many telegrams from postmasters in his district that they had been summarily ordered to resign, though their terms of office had not expired, called on the Postmaster General and protested. He was suavely informed that while theretofore the Post Office Department had been conducted on party lines, now a new era had dawned, and the department would be conducted on a purely business and nonpartisan basis. The Congressman grinned and replied: "Burleson, tell that to some one who does not know you; do not waste it on me."

The year ending June 30, 1915, found Mr. Burleson in a dilemma. Twist as he might, and juggle as he would, there stared in his face a deficit of $11,000,000. He could not rub it out; he could not wipe it out. So he dodged it. He serenely attributed it to the war in Europe. Just how the war in Europe in 1915 could affect the postal receipts and expenditures in America is not easy to see. If this war in Europe ends before Burleson's term expires, and the postal deficit continues, as it will, Burleson will be in a devil of a fix.

Let no one be deceived by the announced policy of the President that certain classes of postmasters are to be selected under the civil service. The President may have proposed, but Burleson has disposed. The Burleson system has the matter well in hand. In the first place, the policy was not made operative until all Republicans had been eliminated and Democrats appointed. Then Burleson's rules omitted all reappointments from the civil-service test. In other words, all Democratic postmasters could be sure of holding their jobs as long as they did not steal or die. But the Burleson system went much further. It required the Civil Service Commission to place a representative of Burleson on the examining board of three, who will, naturally, dominate the board and, in addition to that, the method of marking, the percentage to be given for this, that, and the other, all prescribed by Burleson, enable the Postmaster General to keep the appointments well in hand.

The Civil Service Commission has been made an agency of the Postmaster General, its freedom destroyed, and its capacity to act justly and fairly taken away. I wish to state, however, that it is my opinion that the First Assistant Postmaster General is doing his best to act fairly and impartially, but the system under which he works prevents that general result. The unholy fruit of this system is already beginning to appear. In a Massachusetts city the man who stood highest in the examination Mr. Burleson declined to appoint because the man had partisan proclivities—in other words, because he was a Republican. The next man on the list was a faithful Democrat, therefore devoid of partisanship, and so was appointed. The Wheeling Intelligencer says:

If there is any department of the public service that should be free from partisan spoil it is that which administers to the convenience of the business interests of the country and promotes the greater unity of the people through the distribution of the agencies of intelligence and the larger intercourse of the peoples of the different States by letter communication. All of these beneficent features he (Burleson) has utterly disrupted by the most brazen contempt of the ordinary legal restraints imposed on his department, and his utter disregard of the commonest political decencies. His has been the most shameful record, the greatest scandal on American Government. Strong words? All true, and the worst part of the record still unread.

Inquiry discloses that the greatest cause of inefficiency in the Postal Service is the Burleson system's treatment of its employees. The great characteristic of this system, and that which has demoralized the Postal Service, is the attitude of Burleson toward all men and women who work, toward the 300,000 employees whose fortunes and whose welfare are in the hollow of his hand. Almost at once the system attacked postal employees with undisguised vigor. Apparently to see workers well paid, contented, and in high spirits, doing their best, annoys greatly the head of this system. That sight he does not propose to see if he can help it. A little thing like an act of Congress does not bother Burleson very much.

His system is always restive under restraint. A few years ago Congress, after full consideration, increased the pay of rural mail carriers from $1,100 to $1,200 per year for standard routes. The Burleson system had ordered the rural carriers to refrain from all activity toward Members of Congress to secure the increase. This notwithstanding Congress had in 1912 passed a law specifically giving all postal employees this right. Imagine Burleson's rage when Congress granted this most deserved increase. But he was not to be beaten. By a cunning device, such as only a mind like his could produce, he found a way to defeat the will of Congress, and the rural carriers did not get the increase. They were thus robbed of about $3,000,000. The next year Congress, with some spirit, passed a resolution that compelled the Postmaster General to obey the law and grant this increase. In his next annual report Burleson gives this insult to Congress:

The difference between this amount and the audited surplus is due largely to payments made in 1917 to rural carriers in excess of compensation earned under the law for services performed in 1915. These payments, in the nature of a gratuity, were made pursuant to an act of Congress.

Gratuity, indeed! It was salary due them under an act of Congress and which Burleson had illegally withheld. Congress made the system disgorge, and it hurt. Remember, these rural carriers are men then earning, as all the evidence disclosed, scarcely $25 a month after paying for their horse feed and other expenses.

The Post Office bill recently passed by Congress grants an increase of pay to the rural carriers. The Burleson system vehemently protested against this increase; but the Republicans, joined by many Democrats, put it through. Likewise, the system arbitrarily reduced the salaries of collectors in the City Delivery Service from $1,200 to $1,000 a year, and continued this practice even after Congress ordered the proper salaries restored. Boys delivering special-delivery letters had been receiving 8 cents each, as provided by law, but the system could not endure seeing a boy earn the whole 8 cents the patron had placed on the letter for the purpose, so it put the boys on a miserly salary or substituted for them one of its favorite contract systems. Anyone who gets a special-delivery letter now in advance of the regular mail is in great luck. [Applause on the Republican side.] Substitutes for carriers who, in hope some day of steady employment, had been hanging between life and starvation, getting 30 cents an hour when they worked, were shoved a little nearer starvation by Burleson's system, which cut their scanty wages to 27½ cents per hour. City letter carriers and post-office clerks were arbitrarily robbed of their holidays until Congress came to their rescue. A cheap-labor contract system, without regard to efficiency, always looks good to Burleson's system. It has tried its best to have established such a system in place of the present rural carrier system. That system has been put into operation in the star-route service, and all the world knows how fearfully that has deteriorated.

Repressive measures of all kinds have been put into effect. Privileges enjoyed by the employees, making their work more agreeable and life more pleasant, have all been taken away, and now men are chained to their work, cowed, and browbeaten. Burleson's system has ruthlessly discharged aged Civil War veterans, ridiculing as sickening sentimentality any sympathy shown for such unfortunates.

When the National Guard was sent to the Mexican border in 1916 many members were in the Postal Service, and the system compelled them, although engaged in protecting their country on the border, to resign from the Postal Service, and thus deprived

their families often of their only means of subsistence. In my own State was one distressing case of a postmaster of a third-class office. He went with the Guard to the border, and was compelled by Burleson to resign, leaving a wife and four small children practically without any means of support. On one occasion a letter carrier asked for leave to attend his father's funeral and was refused.

The Burleson system requires that its lieutenants throughout the country reflect the Burleson mind in their attitude to the employees under them. Thus it is almost a capital offense for a postmaster to be on good terms with the employees of the office. There is no way for a postmaster or field superintendent to secure smiling favor at the throne like earning a reputation for harsh and exacting treatment of employees. Under such a system is there any wonder that the service has deteriorated?

The Burleson system now demands that Congress repeal the act of 1912, giving postal employees the right to petition Congress and its Members. This is in keeping with its views toward people who work and in keeping with that which has been done in its department. Formerly the Postmaster General received the representatives of the employees, talked things over with them, and friendly relations existed. But no such situation with Burleson. When the representatives of the employees called to see him he refused to receive them, and the Burleson system throughout shut the doors against all representatives of employees.

Mr. Burleson can not endure any organization of his employees. For years there have been four large organizations of postal employees to advance their interests, to advance their welfare, and promote efficiency of service. They are the Association of Letter Carriers, Railway Mail Clerks, Post Office Clerks, and Rural Carriers. After five years of the Burleson system there is not much left of them. Whenever any of their officers were bold enough to speak up for their rights such officers have been promptly eliminated from the service. Thus the president of the Rural Carriers' Association, the president of the Railway Mail Clerks' Association, and the secretary of the Post Office Clerks' Association, whose only offense was to call the department's attention to certain injustices, were summarily discharged. The system's attitude toward these associations is displayed in the Postmaster General's recent annual report. After a two-page attack on these organizations he says:

> These organizations hold National and State conventions and some publish journals. The time of these conventions and the space in these journals are devoted almost entirely to matters of selfish interest.

How monstrous! What a crime! These men are even working to help themselves in the world. Selfish, indeed! Alas! that any employees of that department should ever have a selfish thought when they are under the Great Albert, whose whole life has been such a model of self-denial and unselfish devotion to the welfare and interests of his fellow man, with never a thought for himself.

Burleson's system is going to see to it that these men do not waste any time going to conventions and looking out for their own interests. The worm is not to wiggle unless the tyrant speaks. It has fixed them all right. It issued a mighty order forbidding all leaves of absence except for sickness. That put a stop to their organizations and selfish work. Thereafter they would keep their noses to the grindstone and cease to think, as well-regulated workers ought to behave. Mr. E. J. Gainor, of Muncie, Ind., was the president of the Letter Carriers' Association. As such he had placed in his care property belonging to the association valued at nearly a million dollars. He asked for a temporary leave of absence to attend to some business connected with this trust. His request was emphatically refused. Later there gathered at Buffalo the American Federation of Labor convention, a great convention of representatives of organized labor. That convention was opened by the President of the United States with a notable speech. Mr. Gainor was a delegate to that convention, representing his 25,000 letter carriers. He applied for permission to attend, and was told the only way he could go was to resign from the Postal Service. He resigned and went. I honor his courage and sacrifice. But what a spectacle!

The President goes, and properly, to open this convention of which he was not a member, while Burleson's system would not let this delegate, representing a great body of workers, attend unless he gave up the position in which he had an unblemished record of 20 years! Surely the humble toiler is a pretty small worm in the system's sight!

Some of these postal associations affiliated with the American Federation of Labor, and that crime the system can never forgive. For some reason—we do not even speculate on what it is—Burleson seems strongly to dislike labor unions. In his last annual report Mr. Burleson severely condemns organized labor for attempting to organize the employees of his department, and he distinctly lays down the law against the affiliation of postal employees with other labor organizations. This attitude of the Postmaster General is important, not only because of the 300,000 postal employees under him but especially because he aims to be the political dictator of this administration, directing the administration's policies in this regard, and thus likely to affect millions of workers in the land.

The American Federation of Labor, in its meeting at Buffalo, N. Y., November 12, 1917, concurred in the following resolution presented by certain delegates:

> *Resolved*, That the American Federation of Labor, in convention assembled, emphatically condemns the autocratic policy of Postmaster General Burleson toward the postal employees, and hereby instructs the executive council to cooperate with representatives of the affiliated postal employees' organizations in securing an audience with President Wilson and placing before him all the facts concerning the oppressive labor policy of Postmaster General Burleson.

The query naturally comes, Is this unfriendly attitude toward labor a recent development on the part of Mr. Burleson and his system? And inquiry into the past discloses that it is not. Rather it is a manifestation of an attitude toward labor which the Postmaster General may have inherited from his surroundings, but which he certainly always has had.

Mr. Burleson inherited a large quantity of land in Texas—several thousand acres—and in partnership with his brother-in-law, C. D. Johns, operated these broad acres, using convict labor. These laborers were hired from the State and were worked on the Burleson and Johns farm. Mr. Burleson is not to be charged with the institution of the convict-labor system or its abuses in Texas. The institution was there, and had been for some time, in all its revolting character. Mr. Burleson's sole responsibility comes from his having utilized the system for his own profit. This feature is discussed here solely to show that, by training, surroundings, and practice, Mr. Burleson's attitude toward labor is one that has brought hardship to our postal employees and decreased the efficiency of the service. There were several convict farms of this character in Texas besides the Burleson farm, and conditions on all these became so unspeakable that a committee of the Texas Legislature, consisting of four senators and five representatives, conducted an investigation. Conditions were found so monstrous on these farms that all of Texas was horrified, and the legislature speedily passed a law forever prohibiting the practice.

The contract between Burleson and his brother-in-law with the State penitentiary officials provided that while the convicts were at work they should be under the management and control of the prison guards, that 60 per cent of the profits should go to the State and 40 per cent to Burleson and Johns, while section 2 provides that the convicts worked shall be white and Mexican, and they are "to consist of that class of convicts who because of youth, old age, or some physical infirmity are not suited for contract farms or railroad work."

Thus it will be seen that the poor wretches who were to toil and suffer were young lads whose feet had strayed for the first time and the old men whose faltering steps would soon lead them to the grave. To these were added those suffering from sickness or bodily infirmity—the very cheapest kind of labor. That to which these tender youths, feeble old men, and physically infirm were subjected is well-nigh incredible. But the evidence is so clear, complete, and undenied that, revolting as it all is, it must be believed.

The committee of investigation to which I have referred reported the testimony they took, their conclusions and recommendations, in a book that was published by the Texas Legislature, entitled "Report of the Penitentiary Investigation Committee."

In their report this committee said on page 12:

> On practically all farms the men are taken from the buildings as early in the morning as the guards can see to guard them and prevent their escape, and are returned to the buildings for the day between sundown and dark.

And on the same page:

> Testimony was adduced to the fact that excessive work and general bad treatment make a wreck of many strong men in a few years, and when they leave the penitentiary they are in many instances unfit for manual labor. * * * In many instances in the past the men have been run to and from their work, the distance sometimes being from 1 to 3 miles, and while at work they have often been pushed excessively.

Again, on page 13:

> Ritchie also testified that a sergeant there on the Burleson and Johns farm, but now occupying a higher position in the penitentiary system, had an interest with the owners of said farm in a drove of hogs which were being fed on the premises. We direct special attention to this testimony, since the twenty-eighth legislature passed an act expressly forbidding any sergeant, guard, or other officer or employee from accepting or receiving any salary or compensation from any person or corporation hiring convicts, and fixing a penalty therefor.

The evidence disclosed that these convicts were often whipped, using a short handle of wood, to which were fastened several straps 5 feet long, each above an inch wide. Under this cruel lash the naked flesh was cut and torn, and in many instances the poor sufferer died. Commenting on this, two members of the investigating committee speak as follows, page 20:

Those intrusted with the care of human beings, even be they convicts, have proven by their action in whipping many of these helpless creatures illegally, inhumanely, and some of them to death for trivial offenses, that they have forfeited their trust, and hence the only remedy is to absolutely forbid them to exercise their brutal inclinations by abolishing the use of this corporal and soul-killing instrument. If a mother, at the birth of her babe, knowing the hellish conditions prevailing on some of the Texas penitentiary farms, camps, and coal mines, could foresee that her darling would in course of time be condemned to one of these places, she would perform a charitable act to emulate the mocking bird, when it, failing to liberate its ensnared young one, brings it a poisonous berry, utters a chirping cry, vanishes into space—and mourns.

In October, 1909, this investigating committee visited the Burleson and Johns farm, and there the following testimony was taken, as applied to that farm. (See p. 578.)

Capt. Brooks, of the Burleson and Johns farm, looking at his record book, testified:

This shows B. F. Luce punished, 18 licks; offense, laziness. The other man's name is Joe Oliver; punished on the 4th for laziness and given 17 licks. This book is my time book. Yes, sir; both of these men were punished for laziness.

Picture, if you can, these tender youths in their teens, these tottering old men, these sick and infirm, with bared backs, receiving the lash for laziness! Little wonder many sank and died.

J. C. Zachery, on page 581, testified as follows:

I was in the plowing gang. I don't know how they got across the river. I had to cross it myself. I waded it. Yes, sir; in cold weather and all kinds, every night and morning. I generally pulled my shoes, pants, and drawers off to cross. The water was not the same depth all the time. It would generally come from the knees up to the waist on me.

The convict, P. Hubbard, on page 584, testified as follows:

I would be afraid to tell of any complaint I had to make. My reason is that I have been in here a long time and have never seen a convict tell anything to anyone that came in to visit them or anyone going out that they didn't get punished for it if they ever found it out. There is a whole lot that has been done here, and I know you gentlemen will do what you say, but I am uneasy about telling it. I am here for a long time yet, and my punishment would be so severe I couldn't stand it. If I was only here for a short while, I would tell you and take my punishment. I am 25 years old. I have been in over 6 years.

On page 993, J. B. Maurice testified as follows:

The inspector went into the building. He said to the men, "I have turned you all over to Capt. Brooks, and if 20 licks don't do I'll give orders for 120; and if that don't do, by the eternal gods I will give 1,020; as long as you got a—I'll furnish the leather."

On page 585, J. S. Lowry testified as follows:

Yes, sir; he knew of the guards whipping Foster. I said I didn't count the licks. They whipped him four or five times a day. They beat him up until they saw he was going to die, and kept him there two or three weeks and sent him to Huntsville. I saw the guards make Foster get up into a tree. The tree was full of ants and they got all over him. They kept him there 30 or 40 minutes. The ants got on this man Foster when they put him in the tree. The old stump was infested with ants, and they came out and got on him. The stump was 2 or 3 feet high.

Behold that picture if you can! This man, with naked body, torn by the lash and bleeding from a score of wounds, compelled to stand on an old stump, while ants swarmed over him, crawled into his wounds, and stung his quivering flesh into a frenzy of pain!

Continuing, this witness said:

There was two or three other men murdered in cold blood down there on the farm. The first man's name I do not remember, but they called him "Hot Bread." That was in May, 1907. He was murdered because he couldn't keep up with the squad, and the guard tied a rope around his neck and tied it to the horn of his saddle. He lived about three days after that. Jim Kittlebrand, the dog sergeant, did that. He was buried on the hill near the prison. I don't know where Kittlebrand is now. I know he is on the black list. The next man was by the name of Dunn. He was beaten to death by Bob Whitley and Boss Kittlebrand. He lived until about 9 o'clock that night. They didn't have the doctor with him. They buried him up on the hill, too. The sergeant was there on the camp. Gentry was the sergeant at the time. There was another fellow, a Mexican, that died this same night. I don't remember his name or his nickname or anything by which you could identify him. He was whipped with Mick Dunn in the field, and the guard whipped them until they gave out and then tied them down in the field with their face up to the sun.

I have felt the burning tropical sun when it parched and blistered and seemed more than the human frame could endure; but that was as nothing compared to the suffering of these two miserable creatures, whipped until they fell, with naked bodies bleeding and torn, tied down with their faces up to the burning southern sun! Mr. Chairman, hell can have no terrors for convicts that toiled and suffered on one of these convict farms.

A man named Durham was accused by the grand jury of murder of one of the convicts on this farm. He was tried for this alleged murder and acquitted because, as it was stated, there was not evidence corroborative of the convicts, and under the Texas law a convict's testimony was not sufficient to convict a man of a crime. In 1913 Mr. Burleson became Postmaster General, and during that year he appointed this man Durham a postmaster at Longview, in Texas.

A former governor of Texas recently had the following to say:

In the spring of 1916 I was informed by Burleson's associate in business that the famous Burleson-Johns plantation of several thousand acres, formerly worked by leased convicts from the State to Burleson and Johns, could be leased to the State. I looked at the place and there was nothing doing. When I looked at the place there came back to my mind the vivid and regretful recollection of that system of slavery which Texas all too long permitted—of leasing the unfortunate convicts to the taskmasters, who laid the unmerciful lash upon the bare backs of unoffending prisoners in order that more work be done in a day. Tainted money—yea, there will never be a more martyred human sacrifice in the history of man than that endured and suffered by the Texas convicts, whose liberty in the past has been sold to those whose greed would weigh so many ounces of Government gold against so many drops of human blood.

Such was the system in Texas under which Mr. Burleson acted, and from it his views on labor must have been largely influenced. It could not be otherwise. Mr. Burleson doubtless would never have put into effect any such hideous barbarities, but he must have known of their existence, and he used the system. From such surroundings and experience we do not think any man can come with sound views respecting the toilers of the world. There have now been placed in the Postmaster General's hands the fortunes of 400,000 workers of the telephone and telegraph systems of the country. What is to be their fate? I for one am convinced that the welfare of the country requires a change in the system's policy toward the postal employees and all other employees intrusted to it. Congress must safeguard the interests of these faithful and deserving employees. [Applause on the Republican side.]

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. MOON]. [Applause.]

Mr. MOON of Tennessee. Mr. Chairman and gentlemen of the House, I do not feel called upon to enter any defense for the Postmaster General against the calumnies and slanders that have been uttered on the floor of this House. He needs none. I came into the Hall just as the gentleman from Minnesota was beginning the second part of his speech in denunciation of the Postmaster General. I did not hear what he had said before. His speech was a prepared one and was read by him from the stand. He seemed to have concluded long ago that it was necessary for him, in order that he might obtain some distinction or importance upon this floor, to villify and calumniate his personal, political, and moral superiors. [Applause.] I do not know about all that the gentleman has said. That part about which I do know which he discussed, every word that he uttered in reference to it was absolutely untrue. The gentleman feels called upon every day to rush down this aisle and take his stand here and instruct this House about something that he thinks the House does not know. It has reached the point in the House when every man upon this side, at least, when the gentleman from Minnesota speaks, realizes that he has come full of venom, hatred, and vituperation to utter against people who do not happen to agree with him, politically or otherwise. As far as I am concerned, I have formed a profound contempt for his conduct long since. Now he charges Burleson with falsely saying that the administration that preceded him had not produced a surplus. Every man who is not a fool or a liar knows that it did not produce a surplus; that the only surplus indicated was, as shown upon the proof, a surplus produced by the acceptance of credits by the department for the last quarter of that fiscal year and a failure to charge bills payable. That was in the Hitchcock administration. Burleson has so managed the affairs of the Post Office Department as to produce, since he has been in office, not only a more efficient and a better service than the Government ever had before, but it has extended the service. [Applause on the Democratic side and laughter on the Republican side.] Yes; you on that side hate the truth, but listen to the facts. Did he not give the mail to 20,000,000 more people than had ever had it before?

Certainly the man that laughs at that is foolish. [Laughter.] Not only that, but he has produced a surplus in this period of more than $12,000,000—never before done, except under a Democratic administration many years before.

Of course, he has been economical. Of course, he has been, in a measure, exacting to enforce on the part of the employees of the Government obedience to orders and in the performance of a public duty. Gen. Burleson is not popular with those gentlemen on the Republican side who feel that under the civil-service rules every Republican that was in the Post Office Department when the Democratic administration came in should con-

tinue and everybody else appointed ought to be Republican. You have forgotten that power was wrenched from you on account of your crimes, and you have no right to demand it. [Applause on the Democratic side.]

My only charge against Gen. Burleson is that he has been too liberal in giving offices to Republicans. You are not entitled to them, and you ought not to have them, and you are not going to get them, I hope, under the Post Office Department, even though you do get from every other source under the Government more than you could rightfully demand.

Gentlemen, it is very common for a gentleman to get up here and abuse public officials. I do not know anything about these charges made by the gentleman from Minnesota about conditions in Texas on convict-labor farms. I assume, however, that Mr. Burleson is not responsible for the convict system of Texas, whether it be a good system or a bad one. But I could not help thinking as the gentleman proceeded, making statement after statement in reference to the private life and public career of Gen. Burleson, that he felt some way the superiority of Gen. Burleson over him both as a private citizen and as a public man and felt that the only way to attract attention in this House against Gen. Burleson was to make the assault that he did make. It is the inevitable result of low breeding and a low order of mind exemplified by the commonest of plebians. [Applause on the Democratic side.]

Now, the gentleman speaks of Mr. Burleson refusing to grant leave of absence. I defy him to show in the whole Post Office Department where a person who was entitled under the law, either to the sick leave or to the general leave, who has not gotten it. He tells us about the gag law, that the employees of the department were not permitted to consult their Congressmen and Senators under the gag law, and that Burleson wanted to reenact it. Let me remind the gentleman that the gag law was inugurated by the Republican Party for the Post Office Department and exercised and enforced with the utmost vigor, and it was only when the Democrats got control that the infernal law or rule was repealed. [Applause on the Democratic side.]

Mr. GOOD. Will the gentleman yield?

Mr. MOON. What is the question?

Mr. GOOD. My recollection is that that law—I looked it up some time ago—that order was first promulgated by President Cleveland and subsequently reissued by President Roosevelt and afterwards by President Taft.

Mr. MOON. Oh, no; that rule was never promulgated except by a partisan Republican, with Hitchcock at the head of the department. It never has been a law, but a rule and regulation with the department and under a Republican administration; it was in violation of law, order, and decency, and the gentleman from Minnesota, with the complacency of a political coward, talks about the Democratic Party attempting to restore it.

Mr. Chairman, it is inconceivable to my mind that any sensible man would feel called upon to sit down and hunt out all the false charges, and all the true ones, if it were necessary to repeat them, and run them together in one great long string, in a carefully prepared speech, in order to reflect upon the character and standing of an official of the Government, a member of the Cabinet of the United States. Does he think he does his country any good? Does he think it does the party any good by the introduction of a long chain of lies of that character? I think not. It is in these times and under these conditions almost next to treason for any man in this body, or elsewhere, to attempt to bring into ridicule and contempt a high official of the Federal Government, but of course I was not surprised at an effort of that sort on the part of the gentleman from Minnesota.

Now, as I remarked in the beginning, I am not here to take up all of the charges against Gen. Burleson; he is able to defend himself and he can defend himself. These are not charges affecting the public service; they are personal slanders, and I vouch that if the gentleman from Minnesota will go to Gen. Burleson and repeat these charges, instead of standing here like a coward under the protection of this House, and slander the Postmaster General, that the Postmaster General will give him that which a man of his character deserves for that sort of a speech. [Applause on the Democratic side.]

Mr. FOCHT. Will the gentleman yield?

Mr. MOON. I would if I had the time.

The CHAIRMAN. The gentleman has a half minute remaining.

Mr. FOCHT. I think the country is more interested in knowing why the boys in France do not get their mail and why the whole post-office system in the United States is broken down, rather than knowing anything about the penitentiary in Texas. Why do they not get their mail, and why do not the folks at home hear from them?

Mr. MOON. Mr. Chairman, I take it the gentleman has asked that question in good faith.

Mr. FOCHT. Yes; I want to know what the country is deeply interested in knowing.

Mr. MOON. Mr. Chairman, I take it the gentleman has asked that question in good faith——

Mr. FOCHT. I have.

Mr. MOON. And that it is not a part of the alignment of the contemptuous charges which the venomous gentleman from Minnesota presented. Therefore, I shall try to answer him. The Post Office Department has charge of the mail, as I am informed, until it is delivered in France.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. KITCHIN. Mr. Chairman, I yield the gentleman one minute more.

Mr. MOON. When the mail reaches France it is then turned over to the representatives of the War Department to find the soldier, wherever he may be. No one knows the exact address of the soldier at the time. The postal officials there could not obtain it at the time. It has to go through the military channels after it leaves the postal channels, and wherever the soldier may be—on the march or in the field or camp—he must first be found and the mail is then delivered. That is my information. I have never been there and I do not know personally about it. The gentleman can see very readily that having to pursue that course it is impossible to have a prompt delivery of mail. Unquestionably mail is delayed sometimes beyond the period which it ought to be delayed. That probably results from want of information on the part of those at the place distributed in respect to the location of the soldier to whom the mail is addressed. The gentleman certainly knows that the Post Office Department is exercising all of the care and discretion it can, and as much as anybody could, under the circumstances, to give the best delivery of mail to the soldier.

Mr. FOCHT. Does the gentleman not feel that if they would treat the men a little better—the men on the postal cars, the men who go out over the mountains and the rivers—if they were treated a little better—those who go out in the storm and in the heat—by Mr. Burleson——

Mr. MOON. The gentleman means here at home?

Mr. FOCHT. In this country; yes.

Mr. MOON. Oh, I can tell you about that.

Mr. FOCHT. I can give the gentleman thousands of instances of inefficiency and demoralization on account of poor pay and bad working conditions.

Mr. MOON. Mr. Burleson treats them according to the law, and he is not authorized to treat them otherwise. They are the best salaried men in the Government.

Mr. FOCHT. They are the hardest worked and the poorest paid in the Government.

Mr. MOON. I have heard before charges of that sort by men who tried to curry favor with the employees at the expense of the Postal Department.

Mr. FOCHT. I would like to have five minutes to speak on this question.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, it is not often that I undertake to address the membership of this House. I believe too much time is taken up in that practice, but under the circumstances arising here to-day, by reason of the fact that a certain Member has seen fit to descend from the exalted station which a Representative should occupy down to the level of a character assassin I deem it imperative to say something. I come from Texas and I represent the district that the honorable Postmaster General resides in. I am familiar with the convict laws and the convict system of Texas. I doubt whether the gentleman from Minnesota [Mr. MILLER] is familiar with the convict laws of Minnesota. He quoted from the contract that was made by the State of Texas with Burleson and Johns. Having quoted from that contract, he must know its contents. If, knowing its contents, he has attempted to mislead this House he is dishonest. [Applause on the Democratic side.] If he read that contract he knows this. He knows that the State of Texas through a convict board leased from Burleson and Johns a convict farm; that Burleson and Johns did not have one iota to do with the discipline and control of the convicts on that farm. [Applause on the Democratic side.] He read that contract. He knows that the State employed the guards; that the State employed the sergeant; that the State instructed and authorized the whipping—what whipping they had; and he knows that Burleson and Johns could not say one word about whether the convicts should be whipped or not.

Mr. MILLER of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. Yes.

Mr. MILLER of Minnesota. I shall put into the RECORD the entire contract, if the gentleman desires.

Mr. BUCHANAN. Let it go in.

Mr. MILLER of Minnesota. And the gentleman will find that Burleson and Johns owned the farm.

Mr. BUCHANAN. Sure.

Mr. MILLER of Minnesota. And hired the convicts under the system I have mentioned.

Mr. BUCHANAN. Sure they owned the land, and the State of Texas leased it from them for a portion of the crop.

Mr. MILLER of Minnesota. The gentleman is wrong. The State of Texas had nothing to do with the land.

Mr. BUCHANAN. We will see who is wrong.

Mr. MILLER of Minnesota. I shall put it in the RECORD. I have it here.

Mr. BUCHANAN. We will see who is wrong. This, Mr. Chairman, is not a new subject. Its sole object is for the purpose of bolstering up the political fortunes of a man, and I want to make the statement that the man who attempts to tear down the character of another to benefit himself is an undesirable citizen. [Applause on the Democratic side.] This is not a new subject. Let me read you a letter that was written to a United States Senator by the Postmaster General himself in reply to same charges during the campaign:

ALLENHURST, N. J., *September 8, 1916.*

Hon. ——— ———,
United States Senate, Washington, D. C.

DEAR SENATOR: I have just read of the attack on me made by you in the Senate on September 7. To me it is inconceivable that a man who has been elected to the United States Senate would willingly lend himself as a tool for the dissemination of baseless slanders, hence I am forced to believe that some contemptible creature has shamefully deceived you.

For years the State of Texas, in an effort to solve the vexatious convict problem in the most humane way, has employed the unfortunates who have been convicted in her courts of felonies in the cultivation of corn, cotton, and cane on plantations owned by the State.

When the policy was first adopted Texas did not own cultivated land sufficient for this purpose. I was part owner of an isolated plantation which the State authorities deemed desirable to use in carrying out this policy. The owners of this plantation leased it to the State and for years it was so used. The plantation was leased, just as other landlords leased their lands to tenants, for a fractional part of the corn and cotton grown thereon, with this difference, namely: In ordinary cases the landlord has some voice about the work done in cultivating his land, whereas in the lease of the plantation above referred to the State authorities reserved the exclusive right to manage, control, and discipline the labor used in its cultivation. Thus, you see, by no process of reasoning can you reach the conclusion that I either hired convict labor or was responsible for its management. Neither have I ever been charged with unfriendliness to labor nor a wanton slanderer of their leaders.

Maj. Thomas E. Durham, the superintendent of the plantation referred to, was employed by the State. He was an honest, efficient, capable servant of his State. He was indicted, as you charge, but it was believed by those in a position to know, that this indictment was secured in order to embarrass the then governor of Texas, who was distantly related to Maj. Durham. The testimony relied on for his conviction was that of convicts, and in order for them to qualify as witnesses the governor was called on to pardon them. This he refused to do. Afterwards, while another was governor, the case was disposed of, and Maj. Durham was speedily acquitted. He was an applicant for a small post-office appointment, and, with the acquiescence of his Representative in Congress, I recommended his appointment. He made a popular and efficient officer. He is now dead and can not speak for himself, but either Senator from Texas can tell you that he was a good citizen.

These are the facts.

Desperate indeed must be the political situation when men are driven to the adoption of such foul methods of fighting. Eight times I was unanimously nominated for Congress in the district where I was born and reared. Eight times I was elected—five times without opposition from any party. Never during all these years were the Republicans of my district willing to sacrifice honesty and truth to the extent of even attempting to make the leasing to the State of the plantation referred to a political issue.

I take it that you will be willing, when the facts are made known to you, to correct the vilely false impressions left on the minds of those who heard or may read the statement you made.

Be honest and tell the truth. These are safe rules of human conduct. Their observance is necessary for those who enjoy the confidence of worthy men.

Respectfully, A. S. BURLESON.

Now, it is true, as the gentleman from Minnesota [Mr. MILLER] said, that Maj. Durham, who was indicted for having whipped a convict who died from other causes, was acquitted because convicts could not testify against him; but another governor from Texas was elected, the case was continued, and the convicts were pardoned, and they testified and Maj. Durham promptly came clear. Why did not the gentleman state those facts when speaking to the question if he wanted to be honest about it? [Applause on the Democratic side.] Now, gentlemen, I want to know if the gentleman has investigated the laws of Minnesota. They used to hire convicts out and gave control of them to private concerns, that their blood might be coined into dollars. The Legislature of Minnesota, like the Legislature of Texas, passed a law stopping that, and yet upon the laws of the State of Minnesota there is to-day a statute which says:

If any such convict shall attempt to injure the buildings or appurtenances, or to resist the lawful authority of any officer or guard, or shall refuse to obey their reasonable demand, such officer or guard may enforce obedience and discipline in such manner as may appear necessary; and if, in so doing, any convict so resisting lawful authority shall be necessarily wounded or killed by such officer, guard, or assistant, they shall be held justified.

Go sweep your own house before trying to interfere with a sister State. [Applause on the Democratic side.] I regret that the gentleman has seen proper to indulge in villification and abuse of an honest man. Mr. Burleson may have some faults; every man has faults. Mankind and all his works are imperfect, but during his more than 25 years of public service no man can truthfully assail his honesty, his integrity, and his fearless discharge of his every duty. Let me tell you the character assassin, the tongue of the slanderer, is the greatest evil that afflicts humanity. I heard this amply illustrated once when I heard there existed a good priest, a member of the Catholic Church, and many sinners went to him to be given pardon and absolution for their sins. One came in and admitted that he had stolen, and he forgave him by telling him to restore to the man from whom he had stolen the amount he had stolen. Another confessed he had committed burglary, another to burning a house, and he required of them, if possible, to make all restitution. Finally a man came in—I imagine he looked like the man from Minnesota [Mr. MILLER]; I imagine he had the same countenance, and the same expression, and the same temperament, and the same intent and design. He said, "Holy Father, I have slandered by fellow man and I have slandered a woman." The holy father said, "There is a duck out in the yard. Take that duck and kill it. Go down this road; walk slowly and pick it as you go. Come back by the time you have picked off every feather and all down from that duck." The penitent went and did as he was told. He came back, and said, "Father, I have complied with your request." The father said, "Now travel the same road you traveled, gather together every feather, gather together every particle of down, put them in this sack, and bring them back to me." The penitent hung his head, scratched it, and said, "Father, that is impossible. The high wind has blown the feathers and the down to the uttermost corners of the earth." The father said, "Just so it is impossible for you to render restitution for the crime of slander you have committed. Every sin under the Catholic faith is forgivable, but it is the one sin that is beyond the scope of restitution. It is God's worst enemy and the devil's best friend." Gentleman, I thank you. [Applause.]

Mr. MILLER of Minnesota. Mr. Chairman, may I have just a moment to ask the gentleman from Texas if he desires a copy of this contract to be placed in the RECORD?

Mr. BUCHANAN. I am perfectly willing to have it placed in the RECORD.

Mr. MILLER of Minnesota. Mr. Chairman, I ask unanimous consent to print the contract which I am informed is correct.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to extend his remarks. Is there objection?

Mr. MILLER of Minnesota. Mr. Chairman, I think the gentleman ought to have a chance to look it over; I am informed it is correct, although I have not compared it myself.

Mr. BUCHANAN. I will look it over.

The contract referred to is as follows:

STATE OF TEXAS,
County of Walker:

This agreement made and entered into by and between Benton McMillin, of Walker County, Tex., and J. A. Herring, of Walter County, State of Texas, acting for themselves and their successors in office in their official capacities as financial agent and superintendent of the Texas State penitentiaries, parties of the first part, and hereinafter designated as the State, and A. S. Burleson, of Travis, and C. D. Johns, also of Travis County, acting for themselves, parties of the second part, witnesseth:

1. That this is an agreement between the said parties to work on the share system, with convict labor, the farm or farms in Hill and Bosque Counties, known as the Steiner Valley Farm, for the term of two (2) years commencing January 1, 1908, and ending December 31, 1909, and subject to the conditions hereinafter named in this contract.

2. For the purpose of operating said farm on said share system the State agrees to perform and furnish as follows:

(1) The labor and services of 125 or more (as can be furnished by the State) convicts belonging to the Texas State penitentiaries, who are to be whites and Mexicans, and who can under the penitentiary rules be so contracted to work outside the penitentiary walls, the same to consist of that class of convicts, who because of youth, old age, or some physical infirmity are not suited for contract farms or railroad work, but who are nevertheless capacitated to perform labor on a share farm.

(2) To appoint and pay a sergeant and a sufficient number of guards to keep securely said convicts and to maintain amongst them proper industry and good discipline; also to feed and board said sergeant and guards.

(3) To clothe and feed said convicts in accordance with the rules and regulations of the penitentiaries; to furnish them with bedding, with tobacco, with medicines, and medicial attention.

(4) To furnish cooking stoves, lamps, oil, and table furniture for sergeants, guards, and convicts, and, in short, to furnish everything

necessary and incidental to the management and keeping of said convicts not especially contracted to be performed by said parties of the second part.

The parties of the second part agree to perform and furnish as follows:

(1) To furnish about 2,000 acres of good fertile land on the farm of said Burleson and Johns in Hill and Bosque Counties, already cleared, fenced, and in good state of cultivation, and sufficiently near the prison house to be conveniently worked therefrom, the land so furnished to be planted and cultivated about ——— acres in corn, about 2,000 acres in cotton, and balance in such other products as may be agreed upon.

(2) To furnish sufficient teams of good strong mules with which to cultivate the land, not less than one mule to every 25 acres of land, and to provide and keep on hand a sufficiency of forage with which to keep said mules in good condition while engaged in the cultivation of said land.

(3) To furnish and have kept in good repair a sufficient number of wagons, plows, gears, hoes, and other farming implements, all of the best kind, necessary in the preparation of said land and in the cultivation, harvesting, and marketing of the crops grown thereon.

(4) To furnish the necessary ginhouse, gins, cotton press, gristmill, and steam power to run the same; also such skilled labor as may be necessary in operating said machinery, but it is understood that one-half the wages of one engineer is to be paid by the State.

(5) In case it becomes necessary to work the convicts so far away from the building that it is inconvenient to return to their meals or to secure shelter during rain or bad weather, it shall be the duty of the contractors to provide the necessary shelter for their protection.

(6) To grind into meal for the guards and convicts such corn as may be furnished by the State for that purpose.

(7) To furnish such horses and saddles, and feed such horses free of expense to the State, as may be required by the sergeants and guards in the discharge of their duties.

(8) To furnish transportation for convicts and supplies to and from the railroad depot at Fowler, Tex.

(9) To provide good comfortable quarters for the sergeant and guards convenient to the prison house; also a good prison house, hospital, dining room, and kitchen for the convicts, as is prescribed by the rules; the plan and location for all such buildings to be approved by the superintendent of the penitentiaries. All windows and doors in said buildings and in quarters furnished for sergeant and guards to be covered with wire screens to protect occupants against flies and mosquitos.

(10) To furnish wood necessary for fuel for the camp.

(11) To furnish necessary heating stoves for prison building, dining room, and guards' quarters and to keep same in good repair.

(12) To furnish lime for sanitary and building purposes and to have buildings whitewashed outside at least twice a year, and inside once per month.

(13) To furnish sufficient land necessary for garden and truck patches on which to raise vegetables for convicts and guards, the seed to plant the same to be furnished by the State, but it is hereby understood that the seed for planting the crop on said farm is to be furnished by the parties of the second part.

(14) To furnish the wagons and teams for hauling the State's share of the crop to the nearest railroad shipping station.

(15) To furnish storage for the State's supplies for the convict camp and for the State's share of the crop undisposed of.

(16) It is hereby understood that the bagging, ties, and twines for baling the cotton shall be furnished proportionately by both parties.

4. The crop of cotton, cotton seed, and all products of whatever description, raised on said land by said convict labor (except in the garden and truck patches, where the seed is furnished by the State), when gathered and ready for the market, shall be divided between the State and the parties of the second part, viz., the State shall receive 60 per cent and the party of the second part 40 per cent; such division to be made either of the products themselves or of the net proceeds after sale, as may be agreed upon by the financial agent of the penitentiaries and the said parties of the second part.

5. It is further agreed that on the 10th of each month the parties of the second part shall pay to the financial agent of the penitentiaries all running expenses that have been advanced during the preceding month by the said financial agent for the purpose of maintaining, working, and guarding said convict force, these amounts to be repaid to the parties of the second part, with interest at the rate of 8 per cent per annum after said crop is marketed.

6. It is agreed that the convict labor herein contracted shall be used in the preparation of said land, and the planting, cultivating, and harvesting of the crop worked on shares; for keeping fences, ditches, prison quarters, and farm buildings in proper repair; for feeding and taking care of farm teams and guards' horses; for driving farm teams, for ginning the crop and hauling the same to the depot; and in short, for doing all such work as is incidental to the making, the gathering and the marketing of said crops, and it is further agreed that if the parties of the second part desire to use said force, or any part thereof, for making permanent improvements, or for doing any other work on this farm or elsewhere, not above mentioned, the consent of the superintendent of the penitentiaries must first be had and shall pay 70 cents per day for each man to the financial agent, provided the crop shall not be neglected for any extra work.

7. It is agreed that if a larger crop is made on the place than can be gathered by the average force of convicts who cultivated it, and it becomes necessary to employ free labor to gather said crop, then the expense of such labor shall be equally borne by the parties hereto, but no expense shall be incurred unless approved by the financial agent.

8. At the termination of this contract by limitation or otherwise the said convicts and camp property belonging to the State are to be returned to the nearest penitentiary or to such other place as may be designated by the superintendent of penitentiaries, not further than the nearest penitentiary by rail, at the expense of the party of the second part.

9. The party of the second part shall by himself, or by his agent, have the right to direct the labor of the convicts in the cultivation and gathering of the crop, but all orders shall be given through the sergeant, and said convicts shall be worked in accordance with the rules of the penitentiaries.

10. The penitentiary officials shall have entire control of the discipline and treatment of the convicts, and it is their duty, and especially the duty of the sergeant and guards in charge, to require that each and every convict herein contracted, when physically able, in proper hours and suitable weather, shall do and perform good and sufficient work, and in such manner as shall be required by the party of the second part or his agent.

11. The superintendent of penitentiaries shall have the right to remove any convict of said force, but shall, if necessary, supply his place with another convict as soon as practicable, if the force is under the number contracted.

12. The said party of the second part hereby agrees to give to the party of the first part, within 10 days after the execution of this contract, his bond in the sum of five thousand ($5,000) dollars, with two or more good and sufficient sureties conditioned upon the faithful performance of same.

13. It is further agreed that the parties of the second part shall furnish the necessary corn for meal to supply the force and the parties of the first part agree to pay for same at the rate of 18 cents per bushel.

14. It is further agreed that the parties of the second part shall pay to the parties of the first part the sum of twenty-five ($25) dollars per month for the slops.

15. It is further agreed that the parties of the second part shall put in at once and keep in good repair a long-distance telephone connection with their prison building and Fowler.

16. It is further agreed that the superintendent of penitentiaries has the authority to cut out all acreage which, in his judgment, can not be profitably cultivated, and to select what land is to be planted in cotton.

17. The party of the second part shall purchase such number of cultivators and other modern labor-saving implements and machines as in the judgment of the superintendent of penitentiaries are necessary for the proper and economical cultivation of said farms.

18. It is distinctly agreed and understood that this contract is made subject to all provisions of the laws, rules, and regulations now in force, or hereinafter to be passed, regulating the organization and management of the penitentiaries and the convicts therein or belonging thereto, and especially subject to the provisions of Art. XV, Art. XVIII, and Art. XX of the rules and regulations of the penitentiaries.

Witness our hands this the 27th day of July, A. D. 1907.

(Signed) A. S. BURLESON & C. D. JOHNS, *Contractors.*
J. A. HERRING, *Superintendent.*
BENTON MCMILLIN, *Financial Agent.*

Mr. FORDNEY. Mr. Chairman, I yield 25 minutes to the gentleman from Indiana [Mr. WOOD].

Mr. WOOD of Indiana. Mr. Chairman, never since the history of political parties began in this country has there been a minority party which in time of war furnished a parallel to the attitude presented by the Republican Party toward the present administration from the very beginning of this the greatest war of all time.

During all previous wars the party in power was beset by a constant and many times controlling opposition of the minority party. This opposition was not only evidenced in the Congress of the United States in attempts made to thwart the purpose of the administration by the minority party there, but the same opposition was voiced throughout the country by those of like political faith for the purpose of embarrassing and defeating, if possible, the aims of the administration then in power.

During the Revolutionary War, when the first great fight was made to establish a republican form of government, where people should have the right to participate in framing the laws under which they live and where freedom of speech and freedom of conscience should be guaranteed to everyone, the Colonial Party met with the united opposition of the Tory Party, which advocated the doctrine that kings reigned by right divine, and that the voice of the king should be the law of the land. After long years of hardship and untold suffering our patriotic forefathers succeeded in spite of this opposition and commenced the building of a Government that is now the marvel of the world, and the virtues of which are now being appreciated as never before by all the civilized nations of the earth.

In 1812, when as a Nation we were yet weak and when there were but few other nations that respected our rights either on the land or the sea, and when the outrages inflicted upon us could no longer be endured, and to right those wrongs the second war with the mother country was waged, the then Democratic Party—which was in the minority, the Federalist Party being in the majority—with all its might and main opposed our entering into that war and continued to oppose its prosecution until it was brought to a close without having accomplished any of the purposes for which it was originally entered upon. Albert E. Gallatin, one of the great political leaders of that time, while admitting that our wrongs were grievous, yet declared that, because of our unpreparedness to cope with the adversary, we should submit; that it was better for us to redress our own wrongs than to attempt to right them by war.

In 1846 the Democrats were in control of this Government and waged the War with Mexico. This war was opposed bitterly by the Whig Party, who were in the minority. They based their opposition to that war upon their belief that it was being prosecuted for territorial aggrandizement and the extension of slavery.

In 1861 the Republican Party succeeded the Democratic Party in power, and with that succession the War of the Rebellion came. During those four long, bloody years the Republican Party received no comfort and no assistance from the Democratic Party either in the Congress of the United States or throughout the North. There were many individual Democrats that stood loyally by the Government and helped to uphold the

hands of Lincoln during that strife, without which individual support I am frank to say that in my opinion this war to preserve the Union might have failed. But the Democratic Party, wherever organized in State or Nation, was organized for the purpose of lending aid and comfort to the rebellion and for the destruction of the Union.

In 1862 the Democratic Party gained control of the State of Indiana, and they put every obstacle that their ingenuity could invent against the further prosecution of the war. The legislature held in 1863 adjourned without appropriating a single dollar to defray the expense of the State incident to the war, and had it not been for the patriotic devotion of Governor Oliver P. Morton to the cause of the Union in borrowing money on his own credit and pledging the future credit of the State there is no telling but what even Indiana would have been lost to the Union cause. [Applause on the Republican side.] The same condition which prevailed in Indiana at that time also prevailed in Illinois, and in many other States of the North where the Democratic Party for the time being gained the ascendency.

The election of 1862 was in an off year, just the same as the election this year is in an off year. Then Democratic State conventions, in the various States throughout the North, resolved against the further prosecution of the war and in favor of its being brought to an immediate close.

Has any one heard of a Republican State convention during this year declaring that our entry into this war was a mistake and that we should withdraw our support from the allies, or that we should cease in our efforts short of a complete and lasting peace based upon victory?

The feeling entertained by the Democratic Party in the several States of the North throughout the Civil War found combined expression in the Democratic national platform adopted at Chicago in 1864, at a time when this country was bleeding from every pore, after three long years of internecine warfare, and when it was not known from one day to the next whether this Union could longer survive. The support then given by the minority party to the party of Lincoln is voiced in the following resolutions adopted by that convention:

Resolved, That this convention does explicitly declare as the sense of the American people that after four years of failure to restore the Union by the experiment of war, during which, under the pretense of a military necessity or war power higher than the Constitution, the Constitution itself has been disregarded in every part, and public liberty and private right alike trodden down and the material prosperity of the country essentially impaired—justice, humanity, liberty, and the public welfare demand that immediate efforts be made for a cessation of hostilities, with a view to the ultimate convention of the States, or other peaceable means, to the end that at the earliest practicable moment peace may be restored on the basis of the Federal Union of States.

Resolved, That the aim and object of the Democratic Party is to preserve the Federal Union and the rights of the States unimpaired, and they hereby declare that they consider that the administrative usurpation of extraordinary and dangerous powers not granted by the Constitution—the supervision of the civil by military law in States not in insurrection; the arbitrary military arrest, imprisonment, trial, and sentence of American citizens in States where civil law exists in full force; the suppression of freedom of speech and the press; the denial of the right of asylum; the open and avowed disregard of State rights; the employment of unusual test oaths; and the interference with and denial of the right of the people to bear arms in their defense—is calculated to prevent a restoration of the Union and the perpetuation of a government deriving its just powers from the consent of the governed.

Contrast the position of the national Democratic Party then, as expressed by these resolutions, with the position of the national Republican Party now, as expressed in the ringing words of patriotism given to the country by Republican National Chairman Will H. Hays, when a few days ago he announced the position of the Republican Party during the continuance of this war:

Let me emphasize what our first purpose signifies. It means, primarily, that at this moment, the greatest of all the crises in our history, when the Republican Party finds the control of the Government in other hands, it still sinks deeper into the soul of the Nation in becoming the dominant war party, pledging ourselves to give the last of our blood and our treasure, if necessary, to win the war and to win it now. We pledge ourselves forever against an inconclusive peace. And at every moment of faltering on the part of those in power we instantly pick up the guerdon of battle and cry "Carry on." [Applause on the Republican side.]

To this doctrine the Republican Party in every State of the Union subscribes with whole heart and without reserve. [Applause on the Republican side.]

Be it said to the everlasting credit of Gen. George B. McClellan, who was nominated by the Democratic convention which unanimously adopted the foregoing resolutions, that he repudiated them in the following patriotic words:

I could not look in the face of my gallant comrades of the Army and Navy, who have survived so many bloody battles, and tell them that their labors and the sacrifice of so many of our slain and wounded brethren had been in vain; that we had abandoned that Union for which we so often periled our lives.

On the 8th day of April, 1864, just a year and a week before Lee surrendered at Appomattox, a Democratic Representative, Alexander Long, from Vallandigham's State, Ohio, in this very Chamber, was bold to utter a speech teeming with treason from beginning to end, from which I quote the following:

Will they—

Meaning the Confederates—

throw down their arms and submit to the terms? Who shall believe that the free, proud American blood which courses with as quick pulsation through their veins as our own will not be spilled to the last drop in resistance? Can the Union be restored by war? I answer unhesitatingly and deliberately, No!

War is final, eternal separation. I am reluctantly and despondingly forced to the conclusion that the Union is lost, never to be restored. * * * I see in neither North nor South any sentiment on which it is possible to build a Union. * * * In attempting to preserve our jurisdiction over the Southern States we have lost our constitutional form of government over the northern. The very idea upon which this war is founded, coercion of States, leads to despotism. I now believe there are but two alternatives, and they are either an acknowledgment of the independence of the South as an independent nation, or their complete subjugation and extermination as a people, and of these alternatives I prefer the former.

On the next day after this remarkable speech was uttered, Schuyler Colfax, of the State of Indiana, then Speaker of this House, came down on the floor from the Speaker's platform, and offered a resolution for the expulsion of Representative Long because of these treasonable utterances. To-day it seems almost unbelievable that a man who would make such a speech as Long made against the Government of the United States could find anyone in this body to support him. Yet his supporters were so numerous that this resolution of expulsion failed. When it failed, Mr. Colfax introduced another resolution censuring Representative Long as being an unworthy Member of the House of Representatives. And, strange to say, there were 69 out of a total of 80 Members on the Democratic side who voted against the adoption even of this mild resolution, thus showing that his sentiments, voiced, as they had been, in this treasonable speech, were the same sentiments entertained by them.

What do you suppose would happen to any man on the Republican side of this Chamber who dared to give utterance to such a treasonable speech to-day? He never would be able to complete it. Before he proceeded to the uttering of one-half the words I have quoted the righteous indignation of this House, expressed by Republicans and Democrats alike, would find a way to stop him; and a resolution offered to expel him, in my opinion, would receive the unanimous vote of this body. [Applause on the Republican side.]

In 1898, after long and patient endeavor on the part of the United States Government to bring about an amicable settlement of the political differences existing between Spain and her island possession, Cuba, and after the sinking of the *Maine*, which had gone as a peace messenger into the harbor of Habana, and when the outrages which were so defiantly perpetrated by Spain could not longer be endured, and war was declared—not for the purpose of territorial expansion, but waged for humanity's sake alone—what was the attitude then of the Democratic minority party in the Congress of the United States? It was proposed to issue bonds to the amount of $600,000,000 to defray the expense of that war. Did the Democrats then stand solidly behind the Republican administration in voting this issue? Unfortunately, no. There were but six Members on the Democratic side whose loyalty to country rose above their loyalty to party, and who cast their lot with the Republican majority. And these six were held in such profound contempt by their Democratic associates here that it was sought by no less a Member of this body than our now honored Speaker, CHAMP CLARK, and by Senator LEWIS, now of Illinois, then a Member of this House from the State of Washington, to read them out of the party. The opposition of the minority party, offered at the very threshold of that war, continued to the end, and villification was constantly heaped upon the head of that great, good man, William McKinley, denouncing him as a usurper of power and that his purpose in waging that war was for the establishment of an empire.

Contrast this attitude of the Democratic Party with the attitude of the Republican Party during the progress of this war. There has not been a single appropriation bill offered upon this floor but what has received the united support of the Republican Members. Some constructive criticism has been offered, because individual Members felt that the measure under consideration might be improved, but when it came to a vote there was no opposition offered to the passage of the measure from the Republican side.

I could not help but admire, and I know that every Member present admired, the declaration made by our colleague, Mr. FORDNEY, of Michigan, when discussing the present revenue bill, that it is his intention to vote for this measure no matter what amendments might be made to it and no matter how much he might differ from the policy embodied in it as to the best means of raising revenue. In making this declaration he voiced the unani-

mous sentiment of the Republican side, who from the beginning of this war have subordinated their personal ideas for the good of our common country. [Applause on Republican side.] Whatever criticism has been offered on the various essential war measures, none has been made for the purpose of defeating them but for the purpose of improving them, and the whole country knows that time and time again has this criticism resulted in great good. It will be a sorry day for this country and for the progress of this war should the time ever come when honest, constructive criticism can not be uttered upon this floor.

So faithful and reliable has been the support of the Republican Members of this House since the beginning of this war in behalf of the measures necessary for its successful prosecution that leaders on the Republican side have had to take charge on more than one occasion of the management and passage of these measures through the House. This was notably true with reference to the conscription bill, which was opposed by a majority of the Military Affairs Committee, including its chairman, and its success in passing this House, according to the declaration of our Speaker, Mr. CLARK, was attributable more to the efforts of our colleague, JULIUS KAHN, than any other Member. [Applause on Republican side.]

Are we not therefore justified in saying that the attitude of the Republican Party toward this administration is without a parallel in the political history of this country?

Yet, notwithstanding this unselfish devotion and unanimous support so freely and ungrudgingly given by the Republican Party in this House, those who are in charge of the immediate and future welfare of the Democratic Party are proclaiming that this is their war; that they should be the heir to all its political advantages; and that the most of it should be made for political purposes.

No less a personage than our Vice President, the Hon. THOMAS R. MARSHALL, a few weeks ago, when sounding the keynote in the Democratic campaign in the State of Indiana, said, "This war is a Democratic asset." This he said with the full knowledge of the attitude of the Republican minority not only in this House but in the Senate in supporting the administration in the successful prosecution of this war.

What a mighty change has come over this statesman in two short years. In the campaign of 1916, Mr. MARSHALL declared, in a public address, that every person who voted for Mr. Hughes for President of the United States should go to the nearest enlisting station and enlist, for his election meant war. And he further declared that if we wished to stay out of this war the people should vote for the reelection of President Wilson, who had so successfully kept us out of war and who would continue to do so if reelected.

That the administration kept us out of war was the asset in 1916 upon which Mr. MARSHALL and his party relied. Not only was this proclaimed by the Vice President as their asset, but it was likewise proclaimed by President Wilson, who gave utterance to these words in his Shadow Lawn speech, delivered October 21, 1916:

> I am not expecting this country to get into war. I know that the way in which we have preserved peace is objected to, and that certain gentlemen say that they would have taken another way that would inevitably have resulted in war, but I am not expecting this country to get into war partly because I am not expecting those gentlemen to have a chance to make a mess of it.

The assertion that President Wilson had kept and would continue to keep us out of war, and the charge that if the Republicans were successful they would plunge us into war, were the direct and conclusive issues upon which the Democratic Party succeeded in 1916. This fact I do not think any one now will seriously deny. Is it not, therefore, pertinent to inquire, If the Republican Party was the war party then, what has happened to make it any the less the war party now? [Applause on Republican side.] If the Democratic Party was the preeminent party of peace that it professed itself to be then, why should it be accepted now as the sole possessor of all the martial spirit and of all the militant knowledge and efficiency in the land?

We are now told that at the very time the Democratic press and the Democratic orators were so successfully administering their "he kept us out of the war" soothing drops to the voters of this country, those who were in charge of the administration of this Government were in possession of facts that convinced them then that our getting into this war sooner or later was inevitable. These facts, however, were not confided to the voters prior to the election of 1916, and not a single move was made by those in possession of these facts to prepare for the inevitable.

In view of all this a great many people over this country have wondered, and are now wondering, as to what the attitude of the Democrats would have been toward the Republican administration in the event it had succeeded in 1916 and the war had come on as it did.

If the history of the past is the guide that marks our future and affords us the means upon which to base our judgment, is it not fair to suppose that there would not have been found in this hall, or throughout the country, the same unanimity of purpose in support of the administration that is found today?

The Democratic organizations are in every State in the North putting forth their supremest efforts to elect a Democratic majority to the next House of Representatives, and are using as their battle cry for this purpose, "Stand behind the President; give him a majority of his own party followers, upon whom he can depend to support his war measures." And we are being constantly reminded of the language attributed to Lincoln in the campaign of 1864, that "we should not swap horses while crossing the stream"; also to the language used by Theodore Roosevelt and former President Harrison, in the second McKinley campaign, that the President should have a majority of his own party in the Congress to support him.

The answer to these cries is found in the facts that I have attempted to relate: First, the minority party in Lincoln's time was doing everything in the world to embarrass him and to defeat the cause for which war was being waged. Second, the minority party in McKinley's time was doing all it could to embarrass the administration and to defeat the exalted purpose for which the war with Spain was waged. Third, the minority party now is standing behind this administration with even greater unanimity than the majority party is supporting him. So if the advice given in Lincoln's or in McKinley's time is to find responsive expression through the voice of the people this fall in the election of a Congress that will stand behind the administration and in favor of the prosecution of the war to a peace based upon victory, rather than to "a peace without victory," the Republicans will have a splendid majority in the next House and a good working majority in the Senate after the 4th of March, 1919.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. WOOD of Indiana. I will.

Mr. MOORE of Pennsylvania. It seems to have been overlooked by the gentleman that at one time when a number of Democratic Members resigned to take office in New York the House of Representatives was virtually Republican, and no effort was made by the Republican Members to embarrass or take any advantage of the administration at that time. [Applause on the Republican side.]

Mr. WOOD of Indiana. I am very glad you have stated this fact.

Then, as now, the Republican Party will be found standing true to its traditions. It was born of devotion to country and was baptized with the blood that saved and preserved the Union. In its 64 years of existence it has stood steadfast, supporting the Government in every crisis. It is standing solidly in support of it now; it will continue so to stand until this war is over and the victory is won; a victory that will bring a conclusive and lasting peace; a peace worthy of the sacrifice that our country will make of her sons and her treasure. With no other kind of peace will the Republican Party be content. [Applause.]

Mr. KITCHIN. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. DECKER].

Mr. DECKER. Mr. Chairman and members of the committee, the speech by the gentleman from Indiana [Mr. WOOD], who has just closed, and the speech by the gentleman from Minnesota [Mr. MILLER], made here this afternoon, have moved me to say a few words at this time. I could not help but notice not only the adroit and skillful effort made by these gentlemen to inject into this debate the partisanship which exists between the parties of to-day, but also the skillful effort to stir up the bitterness and the strife of 60 years ago. One of these gentlemen made a bitter, abusive, and personal attack upon Mr. Burleson, the Postmaster General, a member of the Cabinet, who enjoys the confidence and shares the responsibility of this Government with our President. The other gentleman went back to the Civil War and read the Democratic platform of 1864.

As the son of a Union soldier, as one who has the honor to represent a district where live to-day many survivors from both sides of that tragic struggle of long ago, I desire to resent on behalf of them this kind of speech making. While some were wrangling here over petty politics and rural carriers, and while some were trying to inject the bitterness of the Civil War, the news came from the White House that at 4 o'clock this very morning the American Army had started its greatest offensive. On this very morning the "sons of the men who wore the tattered gray and marched to the tune of 'Way Down South in Dixie,' and the sons of the men who wore the blue and marched to the tune of 'Yankee Doodle,'" the sons of men from the

North and South, the East and West, all dressed in khaki, commanded by that great soldier, Gen. Pershing, went over the top inspired by the one thought, "My Country, 'Tis of Thee." [Applause.] They went over and they did not stop. While some here were talking about the strife of 60 years ago these boys were marching forward with the same courage as the men who followed Stonewall Jackson and Robert E. Lee. They were marching with the same courage as their fathers, who stood like adamant with old Pap Thomas at Chickamauga and who fought with that silent soldier, Ulysses S. Grant, at Spotsylvania and Cold Harbor. They are on their way. They are going toward Berlin. They are on German soil this afternoon. [Applause.]

And I want to say for the people I represent that I do not think they would care to listen this afternoon to a speech about what happened in 1861. They do not care whether a postmaster has been dismissed or whether the rural carriers are pleased with the Postmaster General. The hearts of the people I represent are on the other side of the sea this afternoon. Their hopes are over there. Their prayers are for the boys who are over there. And we in this Chamber at this solemn hour do not honor ourselves or our country by indulging in this petty, bitter political bickering and controversy. [Applause.] I do not know what the future holds for me, but this I do know: That while the boys I represent are 3,000 miles away, fighting for that flag, fighting for my country, fighting against the most deadly, the most treacherous, the most powerful, the most brutal despotism that ever existed on this earth, I shall not stand in the American Congress and seek political or partisan advantage. I scorn to try to win a seat in this Hall by impugning the patriotism of loyal men. I want to testify, though no testimony is needed, that the Republicans of the district I have the honor to represent are just as loyal to their country and just as patriotic as the Democrats, and I resent the insinuation made here that Democrats are not just as patriotic and as loyal as the Republicans. No Republican politician need think he is going to win advantage in 1918 by talking about Vallandigham and what he did in 1861 or by referring to the Democratic platform of 1864. Republicans and Democrats have boys on the other side. Their shoulders touch as they march along. Their hearts are joined in mutual courage as they charge. They are falling side by side this afternoon and side by side they lie on the battle field. Side by side they pray to God and side by side they die and in the same graves they will sleep. Many of the boys I have the honor to represent are down on that end of the line this afternoon. Side by side their mothers pray for their safety and return, and side by side their fathers, with grim faces and brave, proud hearts, hope that victory may be with the lads they love. [Applause.]

I would not presume to criticize my colleagues, but with due respect to all I believe we should stop this bickering, this partisanship. I believe that we should keep in mind that the boys we love have started the greatest battle in which Americans ever engaged. The people of the country are not thinking of politics. Let us eliminate it from this debate and let us pass this revenue bill, which provides $8,000,000,000 to back up the boys who have started toward Berlin. [Applause.]

Mr. KITCHIN. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. HARDY].

Mr. HARDY. Mr. Chairman, I wish to ask leave to extend and revise my remarks.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. HARDY. Mr. Chairman, assertions that the Republicans have been and are now even more unanimous and loyal in their support of the administration than Democrats have been falling thick as leaves in Valambrosa for the last several months on the floor of this House. That kind of claim is always made the basis of arguments in favor of Republican success in the pending election. And yet gentlemen on the other side nearly always blow hot and cold. Every time they make these perfervid assertions of loyalty to and support of the administration in all its war measures they conclude, before they leave the floor, with bitter or shrewd or keen criticisms of the administration. In one breath they claim credit for what the administration has accomplished and in the next they criticize every branch of the Government. They seek to excuse themselves for these criticisms on the ground that they have a right to offer constructive criticism, which is true. That was the preface to the remarks of the gentleman from Illinois [Mr. RODENBERG] the other day, yet he took no particle of his time to offer any constructive criticism, but one solid hour in carping, special criticism of the President and the administration. I have observed the criticisms and attacks of other Members of this body and of the other body, and they all begin with professions of their undying and unbounded allegiance and loyalty to the Government.

After that breath leaves their nostrils every other breath is devoted to the destruction or weakening of the administration in the estimation of the American public, and charges that even the President is seeking power for political and not patriotic reasons. Why, the gentleman from Minnesota [Mr. MILLER], who on the floor to-day attacked the Postmaster General, first began by proclaiming his allegiance to the administration and then he delivered a prepared and written address of nearly an hour solely devoted to a bitter personal attack on one of the members of the Cabinet, the Postmaster General. He first attacked him for bitter partisanship. Mr. Burleson, it is true, is and always has been a hundred per cent Democrat, and has fought the battles of his party in campaigns and in Congress for 20 years, but he has never indulged in vituperation or personal slander and abuse. And who on this floor has ever seen a bitterer partisan than the gentleman making this attack? The Postmaster General comes from my State. I have known him long. He is earnest and true. He has had the nerve to stand sometimes against what the great body of letter carriers have urged, but in doing so has simply enforced the law and shown his devotion to duty as he saw it. And the man who joins an attack on him for doing his duty with a studied compilation of malignant personal abuse is abusing his high office. He charges Mr. Burleson with cruelty and inhumanity to convicts on a farm owned by him and leased to the State of Texas in 1907. If there was any cruelty, Mr. Burleson was as little responsible for it as the gentleman from Minnesota. Since 1907 the people of Mr. Burleson's district have elected and reelected him to Congress without opposition, while if there had been a shadow of truth in the charges here made against him he could not have been elected to any office. Surely no one can doubt the friendly desire on the part of gentlemen like this one from Minnesota to strengthen and sustain the administration! As to the charges of poor service and delays in delivering mail to our boys over there I want to read a letter from the War Department to Hon. J. J. Mansfield, of Texas. It shows that the gentleman ought to have poured out his wrath on Gen. Pershing, if upon anybody; but that would not have suited his purpose.

Here is the letter:

AUGUST 28, 1918.

Hon. J. J. MANSFIELD,
House of Representatives.

MY DEAR MR. MANSFIELD: The Secretary of War desires me to acknowledge receipt of your letter of August 26, 1918, relative to the great number of complaints you are receiving from parents who have sons in the Army in France regarding the nonreceipt of mail by their boys, and in response thereto I beg leave to inform you that there are great numbers of letters going overseas to soldiers in France every week, and as the organizations to which they belong are being constantly shifted about from one sector to another, from camp to camp, and from billet to billet, it becomes a very difficult task to deliver the huge volume of mail without a corresponding delay due to the unusual difficulties encountered. However, according to information contained in cabled reports from Gen. Pershing, arrangements are now being put into effect by the postal branch of the American Expeditionary Forces under Gen. Pershing, in cooperation with the Post Office Department, to facilitate and to expedite to the greatest practicable degree the delivery of mail to and from abroad. These arrangements provide that the Post Office Department shall pouch mail for organizations and deliver it so pouched to the Army at embarkation points in the United States, the mail to be then transported by Army transports and delivered through Army channels to the soldiers. In like manner the mail from France is to be collected by the Army, pouched, and delivered to the Post Office Department at ports of embarkation in France, transported on Government transports to the United States, and delivered by the Post Office Department here. Gen. Pershing reports that he is making every effort to perfect the mail service under his control so that mail will be delivered promptly.

The money-order system is operated exclusively in France by the Post Office Department. The Army authorities in France are rapidly perfecting their postal system, and an improvement has been noticed already in the lessening of congestion of the mail. This new system that is being put into effect will, it is hoped, serve to eliminate to a large degree complaints relative to the nonreceipt of mail to and from abroad.

If the soldier does not get his letters separately, he may receive them collectively, but they will eventually reach him, if properly addressed.

If letters are marked plainly with the name and organization in full, the words "American Expeditionary Force" at the bottom of the envelope, and the name and address of the writer in the upper left-hand corner they will be taken care of and delivered, if within the power of the authorities.

Very truly, yours,

STANLEY KING,
Private Secretary.

It is a shameful fact that criticism, not constructive criticism, but bitter, partisan criticism and denunciation, has been indulged in at both ends of this Capitol, for political effect, against the Secretary of the Navy, the Secretary of War, the Postmaster General, the Federal Trade Commission, and nearly every other department and bureau of the Government, and the men who indulge in it are loudest in their professions of loyalty. But, Mr. Chairman, I want to prick this bubble of professed

loyalty to the administration on the part of many Republicans, and this claim that as a party the Republicans are more loyal than the Democrats, and that the President has had to depend on Republicans to put his measures through. Let us see how the evidence stands in some of the record votes. A bill to raise revenue is a keystone, a touchstone. What do we find as to such votes? I find that in the first session of the Sixty-fourth Congress the revenue bill, on final passage, was voted for by 199 Democrats and against by no Democrats; was voted against by 142 Republicans and for by 39 Democrats.

Mr. BLANTON. You mean Republicans?

Mr. HARDY. Yes; I mean it was voted for by 39 Republicans and voted against by 142 Republicans. I want Republicans who are loud in their professions of loyalty on that side to have an opportunity to say how they voted. Among those who voted against this bill was the gentleman from Indiana [Mr. WOOD], who last professed his loyalty to-day, as was also the gentleman from Illinois [Mr. RODENBERG], who just the other day spent five minutes in professing his loyalty and an hour in criticizing the administration. [Applause.]

On the shipping bill, one of the important preparedness measures passed by this House in the first session of the Sixty-fourth Congress, 203 Democrats voted for it and 1 against it. It was voted for by 6 Republicans and against by 160 Republicans. It was fought by the private shipping and shipbuilding interests. The gentleman who last addressed you, Mr. WOOD of Indiana, was one of those voting against it. It was also voted against by Mr. RODENBERG and Mr. GOOD, who recently loudly proclaimed his loyalty while attacking the administration.

On the motion to table the McLemore resolution 180 Democrats voted for tabling and 31 against; 96 Republicans voted to table it and 111 against tabling. Mr. WOOD of Indiana, Mr. RODENBERG, Mr. MILLER of Minnesota, and Mr. GOOD all voted against tabling. And yet these gentlemen have the effrontery to tell us that this administration is more beholden to the Republican side than it is to the Democratic side! That was the claim of the last gentleman who addressed the House, Mr. WOOD of Indiana. What else do I find? I find that the revenue bill of the second session of the Sixty-fourth Congress was voted for by 211 Democrats and against by 4 Democrats, and voted for by no Republicans and against by 192 Republicans. Surely the administration is beholden to the Republicans for passing that bill! Just where the Republicans, if given a majority in this House, would lead us or tie us up nobody knows; but that they would often tie the hands of the President on some specious pretext few men with sober judgment will question. Since all revenue measures must originate in the House, a Republican House would have a powerful weapon against the President.

Then, I find that the Cooper amendment, which has cut some little figure in the political affairs of this country—it was to prohibit ships that were armed for their own protection from carrying munitions to belligerent nations and was an infraction of international law in the interest of Germany—the Cooper amendment was voted for by 47 Democrats and against by 171; it was voted for by 76 Republicans, including Mr. WOOD of Indiana, Mr. RODENBERG, and Mr. GOOD, and against by 122 Republicans. The author of this amendment was a Republican, and it received nearly twice as many Republican as Democratic votes.

Now, in the explosives act, carrying provisions intended to protect America against explosions and crippling acts planned by German plotters, section 3 provided for the only means of enforcing the bill. A motion to strike out section 3 was made. Ten Democrats voted for it, 157 voted against it. One hundred and forty-six Republicans voted for and 8 against that motion to strike out that section 3, and among those voting for were all four of the gentlemen I have named; and without section 3 the bill was barren. I am naming these gentlemen because they are the most recent examples of denunciation of the administration and protestation of loyal support on the floor of the House. There are many others whose records ought to be shown.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Texas yield to the gentleman from Minnesota?

Mr. HARDY. No; I have only 15 minutes.

Mr. KNUTSON. I wanted to ask the gentleman a question.

Mr. HARDY. The gentleman will pardon me. I want to put some things in the RECORD. At the second session of the Sixty-fourth Congress Mr. FORDNEY moved to recommit the revenue bill of that session with instructions to strike out all excess-profits tax. One Democrat voted yea; 213 voted nay; 186 Republicans voted yea, and only 6 voted nay. Mr. WOOD, Mr. MILLER, Mr. RODENBERG, and Mr. GOOD all voted yea. They did not want the excessive profits of wealth properly taxed.

Mr. Chairman, I am going to include in my remarks a table showing how Republicans and Democrats have voted on test measures, taken from the RECORD, and then let some one get up and say that the Republican Party has been more uniformly loyal than the Democratic Party. [Applause.] We have had that statement handed to us from time to time, and gentlemen on that side are trying to coin their professed loyalty into votes in November. I am showing that they blow hot and cold, profess their loyal allegiance one moment and the next moment make vicious attacks upon this and that branch of the Government, not even hesitating to reach up to the White House itself and endeavor to pull down the President in the estimation of the American people. [Applause.] I hold in my hand a table showing votes cast and an explanation of those votes, which I will insert in my remarks:

Brief title of bill.	Bill No.	Total.		Democrats.		Republicans.		Record page.	Illinois, Rodenberg.	Indiana, Wood.	Minnesota, Miller.	Iowa, Good
		Yeas.	Nays.	Yeas.	Nays.	Yeas.	Nays.					
War measures, first session, Sixty-fourth Congress:												
Revenue bill passage	H. R. 16763	238	142	199	0	39	142	10768	No	No	Yes	Yes.
Fordney motion to recommit to table appeal.[1]	do	199	181	196	0	0	181	10767	No	No	No	No.
Armor plate plant amendment to naval bill.[2]	H. R. 15947	236	135	192	2	44	133	8187	No	No	Not present.	Yes.
Shipping Board bill[3]	H. R. 15455	209	161	203	1	6	160	8374	No	No	Not present.	No.
Previous question on rule to consider	do	192	145	189	0	1	145	8075	No	No	No	No.
Adoption of rule to consider	do	194	142	190	0	4	142	8076	Not present.	No	No	No.
Railroad strike (8-hour law)	H. R. 17709	239	68	171	2	68	66	13608	Yes	Yes	Not present.	Not present.
War tax, to extend (stamp tax)[4]	H. J. Res. 59	206	191	204	4	0	187	361	No	No	No	No
McLemore resolution table[5]	H. R. 147	276	142	180	31	96	111	3720	No	No	No	No.
Previous question on rule to consider	do	256	160	193	22	63	138	3699	No	No	No	No.
Adoption of rule to consider	do	271	137	196	12	75	125	3699	No	No	No	Yes.
Second session, Sixty-fourth Congress:												
Revenue bill passage	H. R. 20573	211	196	211	4	0	192	2441	No	No	No	No.
Fordney motion to recommit and strike out all excess-profits tax.	do	187	219	1	213	186	6	2440	Yes	Yes	Yes	Yes.
To arm merchant vessels	H. R. 21052	403	14	215	3	188	11	4692	Yes	Yes	Yes	Yes.
Motion to recommit on Cooper amendment.[6]	do	125	293	47	171	76	122	4691	Yes	Yes	No	Yes.

[1] To recommit with instructions to incorporate a protective tariff.
[2] To appropriate $20,000,000 for armor-plate plant. This caused great reduction in price paid by Navy for armor plate.
[3] This was filibustered to death in 1915 in Senate, but was passed in both Houses in 1916.
[4] This was for revenue needed for Mexican war situation and to meet decrease of revenue because of war in Europe.
[5] *Resolved*, That the House of Representatives of the Sixty-fourth Congress of the United States do, and it hereby solemnly does, request the President to warn all American citizens, within the borders of the United States or its possessions or elsewhere, to refrain from traveling on any or all ships of any and all of the powers now or in future at war, which ship or ships shall mount guns, whether such ship be frankly avowed a part of the naval forces of the power whose flag it flies or shall be called a merchant ship or otherwise, and whether such gun or other armament be called "offensive" or "defensive;" and in case American citizens do travel on such armed belligerent ships that they do so at their own risk.
[6] Amendment prohibited armed American ships carrying munitions to belligerent nations.

Brief title of bill.	Bill No.	Total.		Democrats.		Republicans.		Record page.	Illinois, Rodenberg.	Indiana, Wood.	Minnesota, Miller.	Iowa Good.,
		Yeas.	Nays.	Yeas.	Nays.	Yeas.	Nays.					
First session, Sixty-fifth Congress:												
War with Germany	H. J. Res. 24.	373	50	196	*16*	177	*32*	412	*No*	Yes	Yes	Yes.
Espionage act [1]	H. R. 291	260	106	172	*9*	88	*97*	1841	Yes	*No*	Yes	*No.*
Motion to recommit and strike out press censorship:	do	184	144	*38*	133	*146*	11	3144	*Yes*	*Yes*	*Yes*	*Yes.*
Explosives act, motion to strike out section 3 of.[2]	H. R. 3932	156	165	*10*	157	*146*	8	3123	*Yes*	*Yes*	*Yes*	*Yes.*
Zone system, increase rate on second class mail, amendment to.	H. R. 4280	257	150	184	*21*	73	*129*	2817	Yes	Not present.	*No*	*No.*
Revenue bill passage	do	329	76	208	*0*	121	*76*	2819	*No*	Not present.	Yes	*No.*
Distribution agricultural products, on motion to recommit.[3]	H. R. 4188	81	222	*16*	143	*65*	79	3012	Not present	*Yes* [4]	*Yes* [4]	*Yes.*[4]
Sixty-fifth Congress, second session:												
Condemnation of land for nitrate plant	S. 3994	309	0	168	0	145	0	4981	Yes	Yes	Yes	Not present.
Motion to recommit on an amendment to prevent manufacture of fertilizer for farmers.[5]	do	122	187	*0*	153	*122*	32	4980	*Yes*	*Yes*	*Yes*	Not present.

[1] A bill to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, and for other purposes. Motion made to recommit and strike out the following: "When the United States is at war the publishing wilfully of any information with respect to the movement of troops, numbers, or disposition of any of the armed forces of the United States in naval or military operations or with respect to any of the works intended for the fortifications or defense of any place which information is useful to the enemy is hereby prohibited."

[2] Section 3 provided that the Bureau of Mines, with the approval of the President, is hereby authorized to utilize all the offices of the United States and of the several States, Territories, and municipalities in the execution of this act. Without it the act could not be enforced.

[3] This was to recommit without instructions and thus kill the bill.

[4] This vote was a bold attempt to kill the bill.

[5] This was Mr. LONGWORTH's motion.

Figures and words in italics are the bad votes.

Let me give you also a few citations of votes in the Sixty-third Congress. I do not give the votes of Progressives or any votes except those of Republicans and Democrats:

First session. Federal reserve banks (H. R. 7837): Democrats, yea 249, nay 4; Republicans, yea 0, nay 67.

Second session. Against unlawful restraints and monopolies (H. R. 15657): Democrats, yea 219, nay 1; Republicans, yea 39, nay 52.

Second session. Emergency revenue, "war tax" (H. R. 18891): Democrats, yea 233, nay 10; Republicans, yea 0, nay 90.

Second session. War-risk insurance, marine insurance (S. 6357): Democrats, yea 196, nay 3; Republicans, yea 27, nay 48.

Second session. Banking and currency, on conference report (H. R. 7837): Democrats, yea 248, nay 2; Republicans, yea 31, nay 57.

Third session. Ship purchase (S. 5259), for Navy mail lines: Democrats, yea 209, nay 17; Republicans, yea 0, nay 84.

I do not now comment on the votes in the Sixty-third Congress, but I wish to condense and lay stress on certain facts shown by the votes given in the Sixty-fourth and Sixty-fifth Congresses.

(1) The Republicans voted against the first general revenue bill, Sixty-fourth Congress, by 142 to 39, and against the second general revenue bill of that Congress by 192 to 0.

(2) They voted against the armor plant by 133 to 44, while Democrats voted for it by 192 to 2.

(3) They voted against the Shipping Board bill, under which we are building our merchant marine, by 160 to 6, while Democrats voted for it by 203 to 1.

(4) They voted for the railroad eight-hour law by 68 to 54, while Democrats voted for it by 171 to 2.

(5) On the motion to table the McLemore resolution they voted 96 yeas, 111 nays, while Democrats voted 180 yeas, 31 nays.

(6) At the second session of the Sixty-fourth Congress they voted for Mr. FORDNEY's motion to strike all excess profits tax by 186 to 6.

(7) They cast nearly twice as many votes for the Cooper amendment as did the Democrats, and they cast twice as many votes against the declaration of war as did the Democrats.

(8) They defeated the provision in the espionage act for press censorship to prevent the exposure of our troop movements, and so forth, by casting 146 votes for and 11 votes against striking it from the bill, while Democrats cast 38 votes for and 133 votes against striking it out.

(9) They tried to emasculate the explosives act by voting to strike out section 3 by a vote of 146 to 8.

(10) Seventy-six of them voted against the general revenue bill of the first session of the Sixty-fifth Congress, against which no Democrat voted.

In the face of these votes it is brazen for Republicans to claim that they have loyally supported the President's war policies. Consequently, they never refer to these votes or votes like them.

The Republicans made great efforts to manufacture campaign thunder by offering claptrap amendments to the administration Army bill in 1916, and these are what they are going to dwell on in this campaign. I am going to present one of them. The bill proposed to increase the standing Army to 175,000 men. This was to be not its war strength but its permanent peace strength. Mr. KAHN, Republican, of California, moved to amend by making it 220,000 instead of 175,000. Whatever increase should be made had to be obtained by volunteer enlistment under existing law, at $15 per month. It was known to everybody that it would be very difficult to get even 175,000 men.

The amendment was denounced and well understood to be mere camouflage. Mr. MCKENZIE, Republican, of Illinois, and others, showed it to be only pretense. The amendment was defeated and the bill passed, retaining the provision to fix the size of the standing Army at 175,000. This was about August, 1916, and under it the War Department tried every way to secure the desired increase. Up to April, 1917, they had only been able to secure about 20,000 increase. They could not have secured a single man more if the Kahn amendment had been adopted. These facts were given great consideration when war was declared and the policy of the Government as to conscription was to be determined, and also the pay of the private soldier raised. The Kahn amendment, under the law as to enlistment and pay as it then existed, and which the amendment did not propose to change, was as experience proved absolutely immaterial. Yet Republicans have not failed to claim that if it had been adopted we would have had a great many more soldiers in Europe to-day, a claim that is absolutely false.

In this campaign Republicans may try to make great capital out of the fact that on the question of conscription as against the volunteer plan of raising an army Mr. KAHN, Republican, led the fight on the floor in favor of the former, while Mr. DENT, Democrat, led those favoring the volunteer plan. On that question the vote was overwhelming—313 to 109 in favor of conscription. There were 62 Democrats and 45 Republicans voting for the volunteer plan. Both parties were overwhelmingly for conscription, but no honest man questions the purity and patriotism of any man who voted for the volunteer plan because of that vote.

There was no question of loyalty to the administration involved. It was simply a question of how we could quickest and best raise the great army we needed and which all of us wanted; and, led by the President, public sentiment and the sentiment in Congress, without regard to party, grew to be overwhelmingly in favor of conscription.

In many cases a majority of the Republicans have voted for and in many cases against the policies of the administration. I believe the record will bear out the statement that they have always carried a knife up their sleeves for the President, and that they are anxious to slaughter him by all sorts of criticism during the pending campaign, even though the slaughter will bring rejoicing to the Kaiser and every German sympathizer in Europe and America.

Now, one other question. The question is asked whether the Republicans ought to want control of the next House, if they do want it, and the very pertinent question is asked, What

would they do with it? Of course, it is human nature that they should want it. But should the country give them control of the next House, and why should they want it? Let me tell you. It is altogether possible that this war may end before the duties and services of the next elected House of Representatives shall end, and if it does, then within that time will begin the period of the readjustment and reorganization of the social and political status and of the industrial conditions of this country.

The period of construction, as it were, will come. For that period no less than for the conduct of the war during the war the great breadth of vision and statesmanship of the man in the White House to-day will serve his country under God as this country believes no other man can. [Applause.] Take the great measures, both war and peace measures of this administration, all the serious criticisms of them, all the blocking of them comes from that side of the aisle. In the hour of reconstruction and readjustment that must follow as the aftermath of the war, is it well to saddle the President with a hostile majority in the House of Representatives, to clog the wheels of legislation or to reverse the course of legislation? The popular reforms that swept Woodrow Wilson into power in 1913 were not and are not popular with the stand-pat Republicans, who dominate that party to-day.

Mr. LONGWORTH. Will the gentleman yield?

Mr. HARDY. No; I can not yield. I have not the time. I know that after the great war between the States there were many war measures upon the statute books. To carry on that war it was necessary to tax wealth as well as to tax poverty, and the tariff and revenue laws were supplemented by great levies upon incomes—the income taxes of that time. Internal-revenue taxes were increased, occupation taxes imposed. The excessive tariff of that day was apologized for with the statement that it was a war measure, and the levy of an income tax was apologized for with the statement that it was a war measure, and the people were promised that the high tariffs would be reduced and that the income-tax law would be repealed when the war was ended. But when the war was ended, faithful to their promise to the wealth of this country, they did repeal the income-tax laws and other laws that bore hard on wealth, but they doubled and piled higher the taxes that went onto the backs of the masses and of the poor. When this war is ended new policies must be mapped out, new measures must be adopted, and every man in this country who believes that Woodrow Wilson should guide things knows that there ought to be at his back a majority that will look forward and not backward, that will say to him, "March on!" [Applause.]

We know that there are scores of reform measures, passed by the Democratic Congress under the direction and guiding hand of Woodrow Wilson, that only await a Republican majority for their repeal.

Oh, it is true that the veto power could prevent the repeal of legislation now upon the statute books unless there was a majority of two-thirds in both Houses; but a majority in this House can lock the wheels of legislation and prevent reform laws being enacted at the request of the President; and, having the power of the purse strings, they can force compromises for the repeal of such laws as a hostile majority would desire and strenuously demand the repeal of. Oh, I have had occasion to look up the record and to find that where war measures necessitate the imposition of burdens upon the rich and the poor, when the war is ended, the rich are always represented asking for the repeal of the measures that weigh heavily upon them, while the poor are not here. Place in this House a majority that has not its great, warm heart throbbing in sympathy with the multitudes, the masses, a majority that goes for its inspiration to the special interests, and you will find a tendency to repeal the laws now on the statute books that weigh heavily on wealth, while the laws that weigh heavily on poverty will be allowed to remain in perpetuity. No wonder that this is so, for wealth never sleeps and the corporations have their paid representatives, as they have a right to do, their able lawyers watching over their interests. I appeal simply to the great masses and multitude of the people of the United States to say whether, when this war ends, they want the guiding hand of Woodrow Wilson, assisted by a friendly majority in the House of Representatives, to help them reform and rehabilitate and build up this country under the new conditions that will then arise.

Under Democratic control wealth is bearing its just share of the burdens of this war. We are going to have an expenditure of four to five billions of dollars per annum after the war. Even a Republican tariff has never raised one-tenth of that sum, and it never can unless you begin to tax all the necessities of the poor man that have been free. Even then, we could never raise a billion of dollars by the tariff. How, then, will the other four billions and more be raised? The Republicans want to be in power when the day of levying those taxes comes in peace times. If the Democrats remain in power, the people know how the taxes will be raised. Eighty per cent of them will be raised by income taxes and corporation taxes and excess-profits taxes. If the Republican Party return to power how will they be raised? Who can say? The income tax, the corporation tax, the excess-profits tax are the children of Democratic teaching and toil.

The Republican Party will prove but a harsh stepfather to these children. If the people wish to go back to the policies of ancient stand-pat Republicanism, and at the same time send the message to Germany that America is not back of her President, let them elect a Republican Congress. If they wish to retain the fruits of all the reforms, so hardly won under the present administration, and send word to Germany that America backs the President, let them elect a Democratic Congress. [Applause.]

Mr. FORDNEY. I yield 40 minutes to the gentleman from Iowa [Mr. GOOD].

Mr. GOOD addressed the committee.

During the remarks of Mr. GOOD the following occurred:

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. No.

Mr. BLANTON. Mr. Chairman, I make the point of order that no quorum is present.

Mr. GOOD. I do not yield for that purpose.

Mr. CARTER of Oklahoma. The gentleman from Texas has a right to make a point of order that no quorum is present; the Constitution requires a quorum to be present.

The CHAIRMAN (Mr. SAUNDERS of Virginia). The Chair will count. Forty-eight Members present, not a quorum.

Mr. KITCHIN. I move, Mr. Chairman, that the committee do now rise.

The question was being taken, when Mr. KITCHIN demanded tellers.

Tellers were ordered.

The committee again divided; and the tellers reported that there were 1 aye and 57 noes.

The CHAIRMAN. Not a quorum, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Estopinal	Kincheloe	Reed
Anthony	Fairchild, G. W.	King	Riordan
Aswell	Farr	Kreider	Roberts
Austin	Ferris	LaGuardia	Rodenberg
Barkley	Flood	Lea, Cal.	Rogers
Bowers	Flynn	Lee, Ga.	Rowland
Brand	Foss	Lehlbach	Rucker
Britten	Francis	Lever	Russell
Browning	Frear	Linthicum	Sabath
Buchanan	Freeman	Lobeck	Sanders, La.
Burnett	Fuller, Ill.	Lufkin	Sanford
Burroughs	Fuller, Mass.	Lundeen	Schall
Butler	Gallagher	Lunn	Scott, Pa.
Byrnes, S. C.	Gallivan	McAndrews	Scully
Byrns, Tenn.	Gard	McArthur	Sells
Caldwell	Garland	McCormick	Shackleford
Campbell, Pa.	Gillett	McLemore	Sherley
Cantrill	Godwin, N. C.	Madden	Slayden
Caraway	Goodall	Maher	Slemp
Carew	Goodwin, Ark.	Mann	Small
Carter, Mass.	Gould	Mansfield	Smith, Idaho
Cary	Graham, Ill.	Martin	Smith, C. B.
Chandler, N. Y.	Graham, Pa.	Mason	Smith, T. F.
Clark, Fla.	Gray, N. J.	Mays	Snell
Clark, Pa.	Gregg	Meeker	Snyder
Coady	Griffin	Merritt	Stiness
Collier	Hamill	Mondell	Strong
Cooper, Ohio	Hamilton, N. Y.	Mott	Sullivan
Cooper, W. Va.	Hardy	Mudd	Swift
Copley	Haskell	Neely	Switzer
Costello	Hayes	Nelson	Tague
Crago	Heaton	Nicholls, S. C.	Talbott
Cramton	Heintz	Nolan	Templeton
Curry, Cal.	Hicks	Oliver, Ala.	Tinkham
Dale, N. Y.	Holland	Oliver, N. Y.	Towner
Dale, Vt.	Hood	Olney	Treadway
Delaney	Howard	O'Shaunessy	Van Dyke
Dempsey	Hull, Tenn.	Overstreet	Vare
Dent	Humphreys	Padgett	Vinson
Dewalt	Husted	Paige	Voigt
Dies	Ireland	Parker, N. Y.	Walker
Dill	James	Peters	Walton
Dillon	Johnson, Ky.	Platt	Ward
Dooling	Johnson, S. Dak.	Polk	Wason
Doolittle	Johnson, Wash.	Porter	Watkins
Doremus	Jones	Pou	Webb
Drukker	Juul	Powers	Welling
Dunn	Kahn	Price	Williams
Dupré	Keating	Ragsdale	Wilson, Ill.
Eagan	Kelly, Pa.	Rainey, J. W.	Wilson, Tex.
Eagle	Kennedy, Iowa	Ramsey	Winslow
Ellsworth	Kennedy, R. I.	Randall	Wise
Elston	Key, Ohio	Rankin	Wright
Emerson	Kiess, Pa.	Reavis	Zihlman

The committee rose; and Mr. GARRETT of Tennessee having resumed the chair as Speaker pro tempore, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, finding itself without a quorum, he had caused the roll to be called, that 224 Members responded to their names, a quorum, and he handed in the names of the absentees for printing in the RECORD and the Journal in accordance with the rule.

The committee resumed its session.

Mr. GOOD. Mr. Chairman, the speech made a few days ago by the gentleman from Oklahoma, Mr. FERRIS, is both remarkable and important. It is remarkable because it announces an entire reversal of the principles upon which the Democratic Party has gone to the people in the past two campaigns; it is important because it was made by the chairman of the Democratic congressional committee, who is intrusted with carrying on the Democratic campaign this fall in every congressional district throughout the country and indicates his party's position in this campaign. That utterance, therefore, should receive more than passing notice.

Parties, like men, are measured, not by their promises but by their performances. The man who for profit or place makes a solemn promise and through it gratifies his ambition, and then straightway breaks his word, can not long retain the respect of his neighbors. So, too, the party that stands for a very definite thing before election, and immediately after election repudiates its preelection position and champions the very opposite, can not long retain the confidence and respect of the American electorate. The position taken before the election may have been wrong and the subsequent action right, yet the people will reprove and repudiate the practice of such hypocrisy and deceit.

Since the outbreak of the European war we have held two national elections in which the Members of this House were elected. Clearly do we recall the issue in 1914, when the Democratic textbook contained the title printed in big, black letters: "War in Europe; peace in America; God bless Wilson." That entire campaign was waged from the standpoint of the pacifist.

Again, in the presidential election of 1916 the Democratic Party posed as the peace party of the Nation. Its slogan was: "Wilson's wisdom wins without war." For two years the administration had been carefully setting the stage for that campaign. Every speech on preparedness made on the Democratic side of this House was a pacifist speech. Even the utterances of the President during that period can not be claimed to be in favor of preparedness. It was no less a personage than President Wilson, who, three days after the sinking of the *Lusitania*, said that we were too proud to fight. Ten months before the last election he said he was inclined to think that Germany had a right to sink armed belligerent merchant ships without warning. Six months before that election President Wilson said that with the causes and objects of the European war we were not concerned. And on the very eve of the election, speaking from Shadow Lawn, the President said:

> I am not expecting this country to get into war. I know that the way in which we have preserved peace is objected to and that certain gentlemen say that they would have taken another way that would inevitably have resulted in war, but I am not expecting this country to get into war partly because I am not expecting those gentlemen to have a chance to make a mess of it.

There can be no question but that the issue raised in the last campaign by the administration in power was that the Democratic Party was the peace party and the Republican Party the war party; that the election of President Wilson and a Democratic Congress meant peace and the election of a Republican President and a Republican Congress meant war. That was the Democratic claim.

Another election is approaching. We are at war. A million and a half of American fathers and mothers have brave sons whom they hold most dear fighting on French soil for humanity and democracy. And if the word that comes to-day from those boys over there is to be relied upon they are giving a good account of themselves. [Applause.] The minds of the voters will scrutinize this fall, as they have never scrutinized before, the action of their Representatives in Congress. They are interested not only in the things they stand for now but in the things they stood for before we entered the war.

The scene, therefore, changes, and according to the gentleman from Oklahoma his great party, which posed as the pacifist party in the last two campaigns, now claims to be the war party, and he would have the country believe that the Republican Party, which they pointed to in 1914 and 1916 as the war party, is in truth and reality the pacifist party. He points to the record of the Democratic Party on preparedness as one without a parallel. In order to muster proof for such a claim it was necessary for the gentleman from Oklahoma to compare the expenditures in the War and Navy Departments under President Wilson while this great war is in progress and while we were at war with Mexico with like expenditures during the administrations of Roosevelt and Taft. He would pass over without notice the hundreds of millions of dollars expended during the Wilson administration in our war with and occupation in Mexico, and claim the entire appropriation for a preparedness program.

But, Mr. Chairman, the attitude of a political party on a great question can not be measured by a single act or by the acts of a single Congress. The things a political party really stands for can only be weighed by an analysis of the party's position covering a period of years. If a party for a period of years continuously voted for a small Navy and never lost an opportunity to weaken and make smaller a small Army which it maintained, that party can not seriously be regarded as a party favoring preparedness. Let us, therefore, adopt a fair test. Let us take the measure of Republicans and Democrats alike in Congress, by the same yardstick, for a period of years, on the great questions of preparedness, and see whether the Democratic Party has, as is claimed by the gentleman from Oklahoma, been the preparedness party in the United States. When any fair test is applied and the result announced the gentleman from Oklahoma [Mr. FERRIS] and his party will regret that he raised this issue.

President Roosevelt laid down during his administration a real naval program. That program provided for the building of two battleships a year, with auxiliary cruisers and other craft necessary to make it a well-rounded fighting force. Whatever of strength the Navy possessed at the outbreak of the war with Germany was due to this program. For 10 years that program has had practically the unanimous support of the Republican membership of this House and it has had almost the unanimous opposition of the Democratic side of the House.

Mr. CARTER of Oklahoma. Can the gentleman give us the votes in the Sixtieth Congress—how many Democrats and how many Republicans?

Mr. GOOD. Oh, yes; the gentleman can get that vote. I have not gone back of the Sixty-first Congress.

During the past 10 years a great many bills and amendments have been voted upon in this Chamber vitally affecting the Army. A comparison of the votes of Republicans with Democrats in the House on such measures will show that Republicans have, in the main, at all times supported measures calculated to strengthen the Army, and that the Democratic side of the House has apparently welcomed every opportunity to weaken that great branch of our national defense. In taking this action our Democratic friends did not lack in patriotism, but only in vision. The record, however, stands as I have indicated, as we shall presently see.

Let us now examine the record in the House since the Sixty-first Congress and apply this test and see whether these deductions I have made are warranted.

THE NAVY.

First, as to the Navy. In the third session of the Sixty-first Congress, when the naval appropriation bill was under discussion, Mr. PADGETT, of Tennessee, offered a motion to recommit the bill, striking out the provision for two first-class battleships and inserting a provision for but one battleship. On this vote the yeas were 137 and the nays were 167. Of those voting for two battleships 121 were Republicans and only 4 were Democrats. Of those voting for one battleship instead of two, 43 were Republicans and 94 were Democrats. (CONGRESSIONAL RECORD, vol. 46, pt. 4, p. 3125.)

In the second session of the Sixty-second Congress, when the Democrats had control of the House, an open caucus was held by them and a resolution was passed by a vote of 98 to 68 which provided that no battleships should be ordered constructed during that session of Congress. The resolution in that caucus by which it was attempted to stop battleship construction would have been adopted by a much larger vote but for the fact that it was coupled with the pork-barrel public-buildings bill, and many of the 68 Members who voted against battleship construction were, in fact, as their votes subsequently showed, only opposed to the provision which eliminated the appropriations for public buildings and were not opposed to that part of the resolution which stopped the building of battleships. I shall insert in the RECORD the article which appeared in the Washington Star of January 30, 1912, containing an account of that caucus and the roll call upon the adoption of the resolution.

When the naval appropriation bill was under discussion during that session, Mr. Roberts of Massachusetts moved to recommit the bill with instructions to report it back with a provision for the construction of one first-class battleship. On that vote there were 106 yeas and 140 nays. Ninety-eight Republicans and but eight Democrats voted for one battleship. Voting against the building of a single battleship were 2 Republicans and 138 Democrats. (CONGRESSIONAL RECORD, vol. 48, pt. 7, p. 7355.)

And so the bill went to the Senate in accordance with the resolution adopted by the Democratic caucus, without containing provision for a single battleship. The Senate added two battleships to the program, and the vote on the conference report for two battleships resulted in 78 yeas and 150 nays. Seventy-one Republicans and only seven Democrats voted for two battleships. Voting against two battleships were 18 Republicans and 132 Democrats. (CONGRESSIONAL RECORD, vol. 48, pt. 11, p. 11189.)

Speaking against the construction of any battleships on that occasion, Mr. Gray of Indiana said:

Mr. Speaker, I am opposed to an appropriation for two battleships. I am opposed to an appropriation for one battleship. I am opposed to any appropriation for battleships. If we are to take our place among the nations of the world as first standing for peace and against war, then we should declare our position by an appropriation for peace and not for war. [Applause.] But if we must appropriate for one battleship to appease the insatiable demands of the militarism of to-day, let us save at least the principle of the cause of mediation and appropriate as much to promote peace as we appropriate to build warships. [Applause.] * * *

This appropriation bill will not only burden the people of our own land, but it will be caught up in the spirit of war and military rivalry by all nations, to be multiplied and weighed upon all the people of the world. It will wrest food from the hungry, clothing from the half-clad and the naked, fuel from the cold and the shivering, and shelter from the homeless and unhoused.

These warships to be built will fill the world with blood, anguish, and devastation if they are used, and their cost will bring want and destitution to the human race, whether they are used or not used.

This speech seems to have struck a responsive chord in the heart of the President, for a little later, in writing a letter to Mr. Gray's campaign manager in a political contest where Mr. Gray's attitude on preparedness was challenged, the President said:

I am very glad, indeed, to reply to your letter of June 15, that the Hon. Finly H. Gray throughout his membership in the House has given the present administration the most generous and cordial support. It would afford me the greatest gratification to see him return to the House of Representatives.

(Signed) WOODROW WILSON.

Hence it is seen that your action for a small Navy carried the Presidential approval.

The House having rejected the provision for two battleships in the conference report which I have just referred to, the same matter came before the House again on August 20, 1912. This time the conference report contained a provision for one battleship, instead of two. This report was opposed by Democrats because it contained any provision for battleship construction. On this vote there were 150 yeas and 51 nays, and it is to the credit of the Republican Party that every vote against the building of a single battleship was cast by a Democrat. (CONGRESSIONAL RECORD, vol. 48, pt. 11, p. 11390.)

In the third session of the Sixty-second Congress, when the Naval appropriation bill was under discussion, a motion was made to strike out the provision for two battleships and insert a provision for one battleship. On this vote the yeas were 174 and the nays were 156. One hundred and ten Republicans and but 46 Democrats voted for two battleships. Only 25 Republicans voted for one instead of two battleships, but 148 Democrats voted for one as against two battleships. (CONGRESSIONAL RECORD, vol. 49, pt. 4, p. 4107.)

Later, on the adoption of the conference report on this bill, the question was presented of authorizing the construction of two first-class battleships instead of one, and on this vote there were 144 yeas and 168 nays. Ninety-six Republicans and but 48 Democrats voted for two battleships; 19 Republicans and 149 Democrats voted for one and against two battleships. (CONGRESSIONAL RECORD, vol. 49, pt. 5, p. 4810.)

On March 3, the day before Congress adjourned, the conference report was agreed to, containing a provision for but one battleship instead of two. The pacifists in control of the Democratic Party had their way.

In the Sixty-third Congress, about 60 days before the outbreak of the war in Europe, Mr. Witherspoon offered a motion to recommit the naval appropriation bill, with instructions to report it back with a provision striking out the appropriation for two battleships and inserting an authorization for one battleship. On this vote the yeas were 106 and the nays were 202. Eighty-seven Republicans and 115 Democrats voted for two battleships, 10 Republicans and 96 Democrats voted for one instead of two battleships. (CONGRESSIONAL RECORD, vol. 51, pt. 8, p. 8266.)

In the third session of that Congress Mr. Witherspoon again offered a motion to recommit the appropriation bill, with instructions to strike out the provisions for two battleships and insert a provision for one. On the roll call there were 149 yeas and 165 nays. Eighty-three Republicans and 82 Democrats voted for two battleships instead of one; while only 16 Republicans and 133 Democrats voted for one instead of two battleships. (CONGRESSIONAL RECORD, vol. 52, pt. 3, p. 3152.)

In the first session of the Sixty-fourth Congress Mr. BROWNING offered a motion to recommit the naval appropriation bill, providing for two first-class battleships and additional craft. On this vote there were 183 yeas and 189 nays. Voting for this measure of preparedness there were 159 Republicans and only 24 Democrats, while voting against it were 14 Republicans and 175 Democrats. (CONGRESSIONAL RECORD, June 2, 1916.)

Again, on the conference report on that bill, which contained a Senate amendment providing for a naval building program, there were 282 yeas and 51 nays. Voting for this amendment were 147 Republicans and 135 Democrats; voting against it were but 15 Republicans and 35 Democrats. (CONGRESSIONAL RECORD, Aug. 15, 1916.)

It must be remembered in this connection that in closing the debate upon that amendment the gentleman from Tennessee [Mr. PADGETT], in moving that the House agree to the Senate amendment, said:

I feel I am discharging a wise and patriotic service. In view of the statement that was made early in the debate, I wish to state here that I have been in close touch in conference with the President of the United States, and his whole heart is in this matter, and ever since last September he has advocated a continuous program, and has advocated a program that would meet with the will and wishes of the American people.

Notwithstanding this message from the White House to the Democratic side of the House, there were two Democratic votes for every Republican vote in opposition to that program. Even the party lash could not make preparedness advocates out of pacifist advocates.

The net result of this analysis is that on seven roll calls, when the question was squarely presented whether we should authorize the construction of one or two battleships, Republicans almost unanimously voted for two battleships as against one battleship, while the Democrats voted almost unanimously for but one battleship and against two battleships. On one roll call the question was fairly presented of authorizing the construction of one battleship or no battleships. Two lone Republicans voted against the construction of any battleship, but they had the company of 139 Democrats, who voted against the construction of any battleship whatever. Only eight Democrats voted with the Republicans for one battleship.

In this connection it is interesting to note the attitude of the present preparedness advocate of the administration, the gentleman from Oklahoma [Mr. FERRIS]. By reference to the article that appeared in the Washington Star of January 30, 1912, it will be noted that he voted against the elimination of the $16,000,000 pork-barrel building bill, which was coupled with a provision eliminating battleship construction. But his opposition to that motion seems to have been centered on the loss of pork, rather than in the loss of battleships for the American Navy; for he subsequently, on every occasion, when the proposition was advanced to build one battleship or two battleships, voted against two battleships, and for but one battleship. And when the proposition was fairly put to the House for the construction of one battleship or no battleship, he voted against the construction of any battleship.

Having done all this to weaken this first line of America's defense, one would naturally think our Democratic friends, if they really believed just a little in preparedness, would have stopped here, and would have left the Army unimpaired. But such is not the case. As a party it seems that they never missed an opportunity to vote against preparedness in the Army, and constantly voted for those things which would tend to weaken or even destroy this great arm of our defense.

THE ARMY.

In the third session of the Sixty-first Congress the vote on the motion to suspend the rules and pass a bill to increase the efficiency of the Organized Militia, by providing for pay for the National Guard in time of peace and for a certain standard of training throughout the year, shows that Members were divided almost strictly along party lines. Practically every Republican voted to increase the efficiency of the Army, and with but few exceptions Democrats were in opposition. One hundred and thirty-four Republicans voted for the bill and but 18 Democrats supported it. Seven Republicans and 99 Democrats opposed it. (CONGRESSIONAL RECORD, vol. 46, pt. 4, p. 3228.)

The gentleman from Oklahoma [Mr. FERRIS] appears to have been a pacifist then, for he voted against increasing the efficiency of this branch of the Army.

Two-thirds not having voted in favor of the motion, it was rejected, and the matter came up again on February 26, 1911. Mr Hay, of Virginia, moved to strike out the enacting clause of the bill. On this motion the vote was 116 yeas and 151 nays. Six Republicans and 110 Democrats voted for the motion. Voting against the motion were 135 Republicans and 16 Democrats. (CONGRESSIONAL RECORD, vol. 46, pt. 4, p. 3710.)

This bill passed the House on March 1, 1911, by a vote of 159 yeas and 125 nays. One hundred and forty-six Republicans and

only 13 Democrats voted for the bill; 6 Republicans joined 119 Democrats in opposing this preparedness measure. (CONGRESSIONAL RECORD, vol. 46, pt. 4, p. 3801.)

On February 16, 1912, Mr. Hay, chairman of the Military Affairs Committee, offered a motion to abolish five regiments of Cavalry. Think of it! Can it be said that a man or a party who would support that kind of a measure at a time when our standing Army was less than 90,000 could be said to be in favor of preparedness? Only three Republicans voted for this pacifist measure, but 161 Democrats voted for it. It was opposed by 3 lone Democrats, but it had the opposition of 109 Republicans. (CONGRESSIONAL RECORD, vol. 48, pt. 3, p. 2143.)

And again, the gentleman from Oklahoma [Mr. FERRIS] voted with his party to abolish five regiments of Cavalry.

Take the Hay amendment to the Army appropriation bill changing the term of enlistment from three to five years, making it more difficult to secure enlistments at a time when it was almost impossible to keep the strength of the Army up to its requirements. The gentleman from California [Mr. KAHN], during the discussion of that amendment, pointed out how harmful it would be to change this policy, and how it would weaken the Army and tend to lessen voluntary enlistments in it. On that motion not a single Republican voted to weaken the Army and destroy its efficiency, but 147 Democrats voted that way. One hundred and twenty-four Republicans and only nine Democrats stood for preparedness and voted against the Hay amendment. (CONGRESSIONAL RECORD, vol. 48, pt. 3, p. 2144.)

That bill also contained a provision known as section 3, reading as follows:

SEC. 3. That all laws and parts of laws authorizing increase of the pay of commissioned officers and enlisted men of the Army serving beyond the limits of the States comprising the Union and the Territories of the United States contiguous thereto, are hereby repealed to the extent to which such increase of pay is authorized by such laws.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I yield the gentleman 10 minutes more.

Mr. GOOD. The law provided for additional compensation for foreign service. This bill, reported by a Democratic Congress, containing section 3, would prevent paying additional compensation for military service rendered by our boys abroad. How did our Democratic preparedness friends vote on that issue that touched the pocketbook of every man who is following our flag that now waves along the Hindenburg line?

Mr. Prince moved to recommit the bill with instructions to report it back with an amendment striking out this objectionable section 3. On that vote 115 Republicans and only 2 lone Democrats voted to strike out this un-American provision. Not a single Republican voted against this motion and against giving our boys extra pay for foreign service, but 162 Democrats voted that way. (CONGRESSIONAL RECORD, vol. 48, pt. 3, p. 2145.)

The Democratic opposition to Gen. Leonard A. Wood, one of the greatest military commanders in the world, but who, like Col. Theodore Roosevelt, is not permitted to perform any great service in this war, antedates our entrance into the war with Germany. At the second session of the Sixty-second Congress the Army appropriation bill contained a provision which, if enacted into law, would have removed Gen. Leonard A. Wood as Chief of Staff of the Army of the United States. Only 7 Republicans, but 113 Democrats, voted to destroy the usefulness of Gen. Wood. Opposing that motion there were 81 Republicans and but 11 Democrats. (CONGRESSIONAL RECORD, vol. 48, pt. 8, p. 8108.)

The only vote on the Army bill where the Democrats rallied and voted for what was claimed by them to be a preparedness measure was on a joint resolution creating a commission to investigate and report as to the advisability of establishing permanent maneuvering grounds, camps of inspection, rifle and artillery ranges for troops of the United States at or near the city of Anniston, Ala. One hundred and fifty-three Democrats voted for that; it contained a juicy piece of pork for Alabama. (CONGRESSIONAL RECORD, vol. 48, pt. 3, p. 2326.)

Six months after the outbreak of the European war Maj. Gardner, of Massachusetts, who has since made the supreme sacrifice in this war, offered a motion to recommit the Army appropriation bill with instructions to increase the appropriation for aeroplanes by $700,000. More than ten times as many Republicans voted for that amendment as there were Democrats supporting it (CONGRESSIONAL RECORD, vol. 52, pt. 2, p. 2135), and I think now all of us regret that that motion did not prevail. Even the President was opposed to that provision and took the occasion to say to Congress that the time was not propitious for men to become nervous or excited.

In the first session of the Sixty-fourth Congress the gentleman from California [Mr. KAHN] offered an amendment to the military bill increasing the Regular Army from 140,000 to 220,000. In favor of this measure of preparedness there were 156 Republicans and only 34 Democrats; opposed to it were 29 Republicans but 184 Democrats. (CONGRESSIONAL RECORD, Mar. 23, 1916.)

In the first session of the Sixty-fourth Congress the gentleman from Illinois [Mr. MCKENZIE] offered an amendment to provide for the production of an adequate supply of nitrogen in this country. Everybody knows that we produce very little nitrogen in the United States and are depending largely upon Chile for our supply. The importance of this amendment can not be overestimated as a preparedness measure. And yet the vote upon this very important amendment resulted as follows: For, Republicans 182, Democrats 41; against, Republicans 8, Democrats 171. (CONGRESSIONAL RECORD, Mar. 23, 1916.)

Our friend from Oklahoma, Mr. FERRIS, having voted against increasing the efficiency of the militia on three different occasions, having voted to abolish five regiments of Cavalry, and for the Hay amendment changing the term of enlistment from three to five years, thereby weakening the Army, and having voted against the provision granting extra pay to men in the Army for foreign service, and having voted to depose Gen. Leonard A. Wood as Chief of Staff, and for pork to Anniston, Ala., and against increasing our aeroplane service, and against increasing the Army from 140,000 to 220,000, felt it was time to vote right on preparedness, and so he was one of the 41 Democrats who on that occasion voted for preparedness.

In the first session of the Sixty-fourth Congress the gentleman from California [Mr. KAHN] offered an amendment to the military bill increasing the Regular Army to 250,000. One hundred and twelve Republicans and only 30 Democrats voted for this measure; 49 Republicans and 172 Democrats voted in opposition thereto. (CONGRESSIONAL RECORD, May 8, 1916.)

In the first session of the Sixty-fifth Congress the gentleman from California [Mr. KAHN] offered an amendment striking out of the selective-draft bill the provision for the volunteer system. For Mr. KAHN's amendment there were 169 Republicans and 144 Democrats. As opposed to it there were 42 Republicans and 67 Democrats. (CONGRESSIONAL RECORD, Apr. 28, 1917.)

The gentleman from Kansas [Mr. ANTHONY] offered a motion to recommit the selective-draft bill with instructions to report it back with the provision giving our great ex-President, Col. Roosevelt, whose patriotism, loyalty, and devotion to his country, and whose great sacrifice in this war no man can question, the right to raise a division and go to France. One hundred and sixty-nine Republicans and but 46 Democrats voted for the Anthony amendment. But 149 Democrats and only 29 Republicans voted against that amendment. (CONGRESSIONAL RECORD, May 12, 1917.)

The attitude of the Democratic Party as to pay of soldiers is interesting and illustrative, for when that bill came back I offered an amendment to again recommit the bill to conference with instructions to report it back with an amendment increasing the base pay for our enlisted men to $30 per month. One hundred and fifty-six Republicans voted to increase the pay of our soldiers and only 43 Democrats voted for that increase; 141 Democrats and 37 Republicans voted against increasing their pay. (CONGRESSIONAL RECORD, May 16, 1917.)

If the gentleman from Oklahoma [Mr. FERRIS] will search his record, he will find that he was one of the 141 Democrats who voted against paying American soldiers who are fighting our battles over in France the paltry sum of $30 per month.

This is the record of the two parties in the House on the question relating to preparedness in the Army. It will be noted that our Democratic friends almost without exception voted against the bills to increase the efficiency of the Organized Militia, voted to abolish five regiments of Cavalry, voted to weaken the Army by changing enlistments from three to five years, voted against granting increased pay for overseas duty, voted for a provision which if carried would have removed Gen. Leonard A. Wood as Chief of Staff of the Army of the United States, voted against increasing the appropriations for aeroplanes, voted against increasing the Regular Army from 140,000 to 220,000, voted against the provision to increase our supply of nitrogen, voted against the provision to permit Roosevelt to raise a division for service in France, voted against increasing the base pay of the enlisted men to $30 per month. If there was any opportunity given Democrats to vote for provisions that would have tended to weaken the Army or destroy the usefulness thereof that they did not embrace I have failed to discover it in the record. They apparently welcomed every opportunity to vote against preparedness in the Army and to vote for those little things calculated to destroy the efficiency of this great arm of our country's defense.

Mr. BLACKMON. Mr. Chairman, will the gentleman yield.

Mr. GOOD. Just for a brief question.

Mr. BLACKMON. How did the gentleman vote on all of these roll calls?

Mr. GOOD. That is a fair question. I made the mistake of my life following that side of the House [applause on the Democratic side] on one or two roll calls. I voted right on all of them but one or two, and when I voted wrong I followed you. But when I was voting wrong my party was voting right. [Applause on Republican side.]

Mr. HENSLEY. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Not now. This is the record this House has made on the subject of preparedness. The votes cast on these occasions are history now, and by that history the attitude of the two great political parties as represented in this body can be judged. I submit it, confidently believing that that record will stand the most critical analysis.

Has it occurred to the gentleman from Oklahoma [Mr. FERRIS] that having voted with his party against all preparedness measures during the Roosevelt and Taft administrations, and having voted to reduce appropriations for the Army and for the Navy during their administrations, under the ordinary rules of the game he and his party would be estopped from now claiming that the appropriations made during those times were too small?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FORDNEY. I yield the gentleman 10 minutes more.

Mr. GOOD. It is not a pleasant duty for me to make this comparison, but no one on this side of the aisle has raised the issue. The issue has been raised by the gentleman from Oklahoma [Mr. FERRIS], chairman of the Democratic congressional committee. That issue has been raised for partisan purposes and there is but one way to meet that issue, and that is to fairly and honorably compare the record of the votes of the two parties upon these great measures. This terrible record against all preparedness which our Democratic friends in Congress have made has evidently driven them to desperation. At a time of all times when politics should be adjourned we find them playing the game to the extent of making unfair and incorrect comparisons and giving wrong impressions as to the attitude of the two political parties on this very important subject, and in order to detract attention from their own shortcomings, at the opening of a congressional campaign when true Americans are thinking only of country and not of party, they seize the flag and appropriate it as their campaign banner.

We are proud of the achievements of our boys in France, and with the gentleman from Oklahoma we rejoice in the great achievements of our Navy. But we can not help wondering what the record of that Navy would be now if the gentleman from Oklahoma and his party had had their way and had prevented, as they tried during Republican administrations, the building up of a strong American Navy, which is to-day the pride, the protection, and the comfort of all America.

The splendid record of the Republicans in Congress before we entered the war has been sustained since war with Germany was declared. Upon the patriotic record made by my party in Congress since we entered the war, I call upon that great Democrat, the man responsible for the nomination of Woodrow Wilson, Col. George Harvey, editor of the North American Review, to bear testimony. In the July, 1918, number of the North American Review, he says:

> Upon all of the war propositions combined the Republican vote in the Senate has been 76 per cent plus against 75 per cent minus Democratic, while in the House 169 Republicans voted for and 42 against the President's selective-draft measure, as contrasted with 144 Democratic ayes and 67 Democratic noes, and later 164 Republicans voted for and only 14 against the essential modification urged by the President, as contrasted with 79 Democratic ayes and 118 Democratic noes.
>
> Clearly no fair mind can fail to give to the Republicans of Congress a clean bill of patriotism in upholding the President to the full and in putting aside all partisan considerations.

[Applause on Republican side.]

The issues to be determined at the polls in November are relatively of but little consequence, except as they relate to the all-consuming, overpowering question of winning the war, and winning it now. When Congress passed the resolution declaring war against the Imperial Government of Germany and pledged all the resources of the Nation, both in men and in money for the prosecution of that war, its action had a peculiar significance to every patriot in or out of Congress. Since the passage of that declaration Republicans have made every question subordinate to the one great central accomplishment, that of winning the war, and success or failure in the coming election will not in the future deter Republicans from a vigorous prosecution of the war. [Applause on the Republican side.]

Mr. Chairman, there appeared in morning papers a letter written by Mr. Tumulty, Secretary to President Wilson, to Mr. Will H. Hays, chairman of the Republican national committee. That letter has been telegraphed all over the country and appears quite generally to-day in the public press. To-day Mr. Hays made reply to that letter, which so well states the position of all Republicans in this campaign that I shall read it to the House. Mr. Hays's reply to the letter of Mr. Tumulty is as follows:

SEPTEMBER 12, 1918.

Hon. JOSEPH P. TUMULTY,
White House, Washington, D. C.

DEAR MR. TUMULTY: I have your telegram. On September 2 in Chicago I attended a meeting of the Association of Republican State Chairman, called by its president and attended by 15 of such chairmen. At that meeting I made remarks referring in a general way to the lengths to which the Democratic leaders are going in their efforts to control the Senate and House, and also as to the irrevocable stand of the Republican Party for a vigorous prosecution of the war and against an inconclusive peace.

I did not use the words quoted in your telegram. What I said then, which I now reaffirm and which I shall continue to declare, was substantially as follows:

DENOUNCING DEMOCRATIC EFFORTS TO USE THE WAR FOR PARTISAN PURPOSES.

First, as to the means resorted to by certain Democratic leaders to get votes, I said:

"In the special election in Wisconsin the Democratic machine leaders published advertisements, undenied since by them, addressed to the soldiers at Camp Grant, as follows:

"*'To the Wisconsin soldiers at Camp Grant:*

"'Tuesday, April 2, you are entitled to vote for United States Senator from Wisconsin to succeed Senator Paul O. Husting.

"'President Wilson, your Commander in Chief, desires all loyal Americans to vote for Joseph E. Davies for United States Senator.

"'Davies's election means joy at Washington and gloom at Berlin.

"'Davies's defeat means gloom at Washington and joy at Berlin.'"

I regard this as an infamous prostitution of all patriotic proprieties and the grossest violation of the plainest civil duty, worthy of the severest condemnation of all Americans. In this crisis, when all patriots are striving to bring to the aid of the country's cause every resource in men and material, when thousands of Republican and Democratic boys are dying, side by side, and when both political parties are loyal, such conduct is immeasurably reprehensible. From such actions it is evident, and I regret to say it, that these Democratic leaders will go to any lengths to carry the Senate and House. Such unpatriotic efforts to use the war for partisan purposes must fail. Such inevitable failure was indicated by the Wisconsin result, it was further shown in the Michigan primary, and it will be conclusively proven in the Maine election next week. The American people will not tolerate it.

PROCLAIMING PRINCIPLES OF THE REPUBLICAN PARTY IN THE WAR.

This is the war of no political party. This is the people's war, and we demand that the war be kept out of partisan politics and that partisanship be kept out of the war. And what we ask from the party in power we irrevocably pledge for ourselves.

Second, as to the imperative necessity of a vigorous prosecution of the war and a conclusive peace only, and the need of a Republican Congress to that end, in connection with a discussion of the candidacy of Mr. Ford in the Republican primary in Michigan and his statement as to why he became a candidate, and while reviewing the service Republicans in Congress rendered the major war measures which were opposed by the Democratic leaders, Chairman DENT, of the Military Affairs Committee, floor leader KITCHIN, chairman of the Ways and Means Committee, and others, I said:

AVOWING THE MOST VIGOROUS PROSECUTION OF THE WAR AND A PEACE WITH VICTORY.

"We demand the most vigorous prosecution of the war and a peace with victory. A Republican Congress means a war Congress, and we pledge our candidates to be men who are supremely pro-American, who will give the country's all for the winning of the war now, and who will stand irrevocably against any peace based on a compromise of principles which would violate American rights, interests, and honor and make of our sacrifice a sacrilege to be made again by our grandchildren. I hope and trust the Democratic Party will work by the same token."

Recognizing as we all do that there will always be politics, I am pleased to advise you what I said to these Republican State chairmen, because I insist that our politics be open and acknowledged and on a plane and of a character that needs no subterfuge, and that there be no political partisanship in anything that touches the war.

ASSERTING THAT A REPUBLICAN CONGRESS MEANS A WAR CONGRESS SUPREMELY PRO-AMERICAN.

Further, I now take the opportunity to appeal to you directly, and to the Democratic organization, as I long ago did in my reply to Col. George Harvey's letter, to join with us in this effort to keep partisanship out of the war and the war out of partisan politics. This is no time for little things. The world is on fire. Our duty to our soldiers, measured by their marvelous accomplishments and their supreme service, the magnitude of the task ahead for us all, and the incalculable consequence of the result all cry out for the fullest cooperation. Let not political parties spend their time accusing each other of disloyalty when both are loyal.

I urge that there be no accusation of disloyalty from either one side or the other in this campaign. Such accusations will give a totally false impression to the enemy, and the party or the committee making such accusations will be guilty in that very act of the worst kind of disloyalty.

We have a heavy load to haul. Let us, as far as possible, hitch up both our great political horses and have them both used, unhampered, freely to pull this load, each striving to see which can pull the harder.

Sincerely, yours,

(Signed) W. H. HAYS.

APPENDIX.

[From the Washington Star, January 30, 1912.]

WARSHIPS CUT OFF—DEMOCRATIC CAUCUS PUTS BAN ON NAVAL INCREASE—MAY BE FATAL MISTAKE—BY VOTE OF 98 TO 68 IT LOSES CHANCE AT THIS SESSION—NO NEW PUBLIC BUILDINGS—FITZGERALD RESOLUTION GOES THROUGH AND NOW TALK OF RESCINDING THE ACTION IS HEARD.

In the cold gray dawn of the morning after the Democrats of the House, who in caucus last night put the ban on public building and battleship appropriations at this session of Congress, are wondering if

they haven't made a fatal political mistake. The assault on the naval increase was by way of an afterthought.

After the caucus had been in session a couple of hours it became apparent that the resolution introduced by Chairman Fitzgerald, of the Appropriations Committee, declaring it to be the sense of the caucus that the present state of the Government's finances and the fact that the Supervising Architect's Office is several years behind in its work made it inadvisable to authorize additional public buildings at this session.

In retaliation the public-buildings advocates, angered by seeing the pork barrel rolled out of sight just when they were hoping for a grand distribution, insisted on a declaration against battleships. Speaker CLARK, Majority Leader UNDERWOOD, Mr. Fitzgerald, and their friends fell into line and both propositions went through. Representative BURNETT, of Alabama, a member of the Committee on Public Buildings and Grounds, offered the battleship amendment to the Fitzgerald resolution, which, on roll call, went through, 98 to 68.

Although a new caucus rule adopted just a few weeks ago provides that such record votes in caucus shall be published, a good many of the Democrats were very averse last night to making the economy roll call public. But Mr. UNDERWOOD read the caucus rule and lifted the lid. Following are the Democrats who voted to effect a saving of approximately $40,000,000 at this session, at the expense of Federal structures and warships:

Those who voted for saving:

Adair	Ferguson	Koenig	Russell
Adamson	Fitzgerald	Korbly	Sabath
Anderson	Flood, Va.	Lamb	Saunders
Beall	Foster, Ill.	Levy	Shackelford
Boehne	Garner	Linthicum	Sheppard
Buchanan	Garrett	Lloyd	Sherley
Burgess	Goeke	Lobeck	Sherwood
Burleson	Goldfogle	McCoy	Sisson
Burnett	Gray	Morrison	Slayden
Calloway	Gregg, Pa.	Moss	Stanley
Clark, Mo.	Gregg, Tex.	Oldfield	Stephens, Miss.
Clayton	Hardin	Page	Stephens, Nebr.
Collier	Hardwick	Palmer	Stephens, Tex.
Conry	Hay	Patten, N. Y.	Stone
Covington	Heflin	Pepper	Sulzer
Cullop	Helm	Peters	Taylor, Ala.
Davis, W. Va.	Henry, Tex.	Rainey	Taylor, Ohio
Denver	Hensley	Raker	Thayer
Dickinson, Mo.	Hughes, N. H.	Rauch	Tuttle
Dies	Hull	Riley	Underwood
Dixon, Ind.	Humphreys	Richardson	Whitacre
Doremus	James	Riordan	White
Driscol, D. A.	Johnson, S. C.	Rubey	Witherspoon
Evans	Kitchin	Rucker	Young, Tex.

Those Members who resisted the economy policy of the leaders were:

Aiken	Daugherty	Holland	Post
Alexander	Ellerbe	Hughes, Ga.	Pou
Ashbrook	Faison	Jacoway	Roddenberry
Ayres	Ferris	Jones	Rucker, Colo.
Bathrick	Finley	Lee, Ga.	Shay
Bell	Floyd, Ark.	Lee, Pa.	Smith, N. Y.
Borland	Fowler	Legare	Talcott
Brantley	Francis	Lever	Townsend
Bulkley	Gallagher	Littlepage	Tribble
Burke, Wis.	Glass	Littleton	Turnbull
Byrnes, S. C.	Godwin, N. C.	Macon	Underhill
Byrns, Tenn.	Goodwin, Ark.	Martin, Colo.	Watkins
Carlin	Gudger	Mays	Webb
Carter	Hamill	Moore, Tex.	Wickliffe
Clark, Fla.	Harrison, Miss.	Murray	Wilson, N. Y.
Cravens	Hobson	O'Shaunessy	Wilson, Pa.

During the progress of the caucus last night Representative FRANK CLARK of Florida emerged from the Hall of the House wearing an expression of profound disgust. Mr. CLARK, it might be mentioned, is one of the most independent Members of the House, without regard to politics, who ever stepped in shoe leather. He thinks freely and says what he thinks in a loud, positive tone.

CALLS THEM "PEANUT ECONOMISTS."

"These peanut economists make me weary," he remarked last night. "Of course we can save if we don't spend it when necessary. I might have become wealthy by this time if I hadn't bought food and clothes when necessary, but instead had permitted my family and myself to go hungry and ragged. I don't believe the people of the country want to see money saved in this way."

Representative MCDERMOTT, of the stockyards district of Chicago, also had a comment to make.

"We've been out in the cold for 16 years," he said, "looking enviously through the windows, and now when we get inside the house we find there isn't anything to eat."

Representative Hobson, of Alabama, announced to-day that he would immediately begin circulating a petition for a special caucus on the battleship proposition and make a determined effort to have the action of last night's caucus in this regard rescinded. The public buildings advocates say they will not agree to this unless they are taken care of.

"No public buildings, no battleships," is their ultimatum.

Mr. GOOD. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HEFLIN. Mr. Chairman, I make the same request. I addressed the House this morning, and I ask unanimous consent that I may be permitted to revise and extend my remarks.

The CHAIRMAN. Is there objection?

Mr. DENISON. Mr. Chairman, reserving the right to object—and I do not want to object to the gentleman from Alabama extending his remarks—I desire to say that I shall do so unless the gentleman from Alabama will state that he will not continue his remarks in regard to a member of another legislative body, to which I objected this morning.

Mr. HEFLIN. No further than I did in my remarks after the gentleman made the point.

Mr. DENISON. Very well, I do not object.

The CHAIRMAN. Is there objection.

There was no objection.

Mr. KITCHIN. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. LONDON].

Mr. LONDON. Mr. Chairman and gentlemen, I shall be brief. I just want to pay my compliments to the Republican and Democratic statesmen who, instead of discussing the all-important revenue bill, have taken up the afternoon with political harangues. I can just imagine the soldier in the trenches reading of the cheap, vulgar, partisan nonsense with which we have been regaled here this afternoon. [Laughter and applause.] It is sickening. Each party has appealed to the necessity of having a united Nation, and then has proceeded to show that the other party was absolutely worthless; that it could not be trusted in time of peace and could be trusted less in time of war. I am in accord with the Republicans when they show the worthlessness of the Democrats [applause on the Democratic side] and I am in accord with the Democrats when they prove that the Republicans do not deserve the confidence of the masses.

The last speaker accused the Democrats of hypocrisy. Far be it from me to undertake the impossible task of defending the Democratic Party. [Applause on the Republican side.] They accuse the Democrats of hypocrisy in coming out in 1916 with the slogan, "He kept us out of war," and then proceeding to declare war. To this I must say that two congressional campaigns have occurred since the conflagration in Europe started in 1914 and I did not hear any Republican in 1914 nor in 1916 come before the American people on a platform that the American people should constitute itself the avenger of Belgium, and still the Republicans have voted for war and now claim to be the real war party. I did not hear any Republicans come before us between 1914 and 1917 with a definite constructive international program, and they have no program now. They do not know now where in the world they are at. The only suggestion they make now is that we declare war on Bulgaria and Turkey. Then, they say, will the world be safe.

They also present the slogan, "Win the war and win it now." What does it mean, "win it now"? Is it not a hypocritical suggestion that if you Republicans get into power you will settle the war at once? Is that what it means? You do not dare to mention the word "peace," but say, "Win the war and win it now." Win it now? That is mere camouflage. You are all politicians, trying to catch votes, trying to get control of the next House, and that is all there is to it—a cheap political game on both sides. [Laughter.]

Mr. NORTON. What would you do, declare peace?

Mr. LONDON. I will tell you what I would do.

Mr. NORTON. Disband the Army and the Navy?

Mr. LONDON. I will answer you, sir. I wish I could reach with my voice the people and I would be able to convince them that the salvation of the world depends upon the adoption of the philosophy of the Socialist movement, and I would be able to convince them——

Mr. NORTON. On the St. Louis platform, adopt that?

Mr. LONDON. Just listen to me. I would be able to convince them that if we had a majority of Socialists in England and in France and in the United States and in Germany that the war would be over to-morrow; I would be able to convince them that the only men in the German Reichstag who opposed the submarine war against the United States were the German Socialists, and that it was the Socialists who were everywhere seeking to eliminate the causes that led to war.

Mr. BLACK. Will the gentleman yield for a question?

Mr. LONDON. No; let me develop my argument. I would be able to convince them that there is no solution except in the adoption of the principles of the international league of nations which the Socialists have been advocating. As the Socialist Member of Congress I presented a consistent and intelligent solution of the international evil from which the world suffered and suffers now when, on December 6, 1915, I introduced a resolution demanding that Belgium be evacuated; that the Germans withdraw from all invaded territory; that the rights of the smaller nationalities be respected, and that an international court of arbitration be established. The spirit and purport of that resolution were approved by the press of the allied countries.

There was presented an honest international policy which has since become the slogan of statesmen. Statesmen are compelled to adopt our philosophy as their slogan, and the liberal movements of the world, the genuine democratic movements in all countries, will compel the statesmen to make these slogans living realities. They shall not remain mere catchwords.

When Republicans talk about preparedness as an issue to-day, how silly! When they charge against some Democrats that they have failed in the past to vote for large navies and large armies, for preparedness, what a stupid slogan to catch fools with it is. The word "preparedness" has no meaning unless you know the purpose of the preparedness. You prepare for a certain purpose.

If I were preparing to follow the career of a minister, I would study theology; if I were preparing to be a pugilist, I would develop myself physically. Preparedness should be measured by the policy of the country. It was not the policy of the United States to prepare for a war with any country. On the contrary, it was our policy by actual practice to convince the world that we had no designs upon any other nation, that no one had any reason to fear us, and that we feared none. The maintenance of a nominal army was consistent with our policy at that time.

When some of those noisy organizations which assume a superior wisdom and a supreme patriotism ask to-day, "Are you in favor of preparedness after the war?" they confess that the slogan of the statesmen of the world that this is the last war is a fraud, because this war will have been an overwhelming disaster, a nightmare without relief, unless it ends in an international agreement among nations for disarmament. [Applause.] And when we speak of preparedness let it be preparedness by developing strong men, by developing technical education, by improving opportunities for education for the masses, and improving conditions in factories and in mines; prepare by developing strong and able men—strong physically, intellectually, and morally; prepare by eliminating the profiteer; prepare by developing political democracy and industrial democracy, making it genuine and real. That is the kind of a preparation I stand for and have always stood for.

Mr. NORTON. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. NORTON. The gentleman speaks of an international league of nations to secure peace. Would the gentleman join with Germany in that kind of a league and make a peace at this time, and have this Nation unprepared, and expect a continuance of peace?

Mr. LONDON. That takes me away from the subject which I intended to discuss, because, after giving you a drubbing, I intended to talk about the bill.

Mr. NORTON. You need not be particular about any drubbing you may give me. Do not let that worry you.

Mr. LONDON. I am after your party, not after you personally. As to Germany, I would not deal with Germany at all until Germany announces her readiness to evacuate every piece of territory she has taken during the war. [Applause.] I would not talk peace with Germany unless Germany announces her readiness to tear up the infamous Brest-Litovsk treaty. [Applause.] When Germany will have announced her readiness to do that, as a preliminary to entering into a peace conference, when the basic principles upon which a durable peace can be made will have been admitted, then the question of the permanent securing of the peace arrangement by the formation of a permanent league to secure peace must be taken up. In other words——

Mr. NORTON. Will the gentleman yield?

Mr. LONDON. In just one moment. The gentleman asked me a very serious question.

Mr. NORTON. I want to let the gentleman finish. I want to be fair with the gentleman, if the gentleman will be fair with me.

Mr. LONDON. We are not fighting the German people. We do not want to destroy the German people. That is all nonsense. In the excitement and noise and hypnotism of war many talk about the German people as "Huns." That is all nonsense. If the gentleman had been fortunate enough to attend the University of Heidelberg before the war he would have been quite proud of it. We should talk sense. We do not want to see the German people destroyed. We have no enmity toward them. We are at war with them, because our rights have been invaded, and we have found it necessary to be at war with their State, and their State commands the people. That is the situation.

Mr. NORTON. Will the gentleman yield?

Mr. LONDON. One moment. Now, an international league must ultimately take in Germany and Austria. Because, if it were not to take them in, it would simply mean that there would be an alliance against an alliance. There would be an alliance of the central powers as against the other alliance of powers. When you speak of an international league to secure peace you necessarily embrace the whole world. That is as clear as day. You necessarily embrace Germany and every other country.

Mr. NORTON. Mr. Chairman, will the gentleman now yield?

Mr. LONDON. Yes.

Mr. NORTON. I take it that actions speak louder than words.

Mr. LONDON. Well, will the gentleman ask me a question?

Mr. NORTON. Yes. Does the gentleman think that Germany can be brought to evacuating Belgium and tearing up the Brest-Litovsk treaty by such actions and such resolution as were passed by the Socialist Party at St. Louis, and by such votes as the gentleman has recorded on the war question in this House? [Applause.]

Mr. LONDON. Oh, my dear sir, so far as the vote is concerned, the gentleman should not forget this: A man has a right, every democrat—using the word "democrat" in the wide sense—has the right——

Mr. NORTON. Was the gentleman opposed to our entering into the war against Germany?

Mr. LONDON. Of course; I voted against it.

Mr. NORTON. Did you expect to defeat Germany by talking about that?

Mr. LONDON. I do not care to go into a discussion of the reasons for my vote. I had very good reasons which appealed to me, and I am not inclined to apologize for my vote. The gentleman asked if I had voted against war. Of course I did. If the gentleman had carefully read my speeches which I delivered in the Sixty-fourth Congress he would have learned something, and he would have learned the reasons for my vote.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. LONDON. In one moment. In a democracy you must permit men to express an opinion. I, as a Socialist, advise to obey the law. Only then, when I have been given an opportunity by voice and vote to oppose the enactment of a law with which I disagree, only when I have been given an opportunity to oppose a law with which I disagree by voice and vote, can I come with a free and honest conscience and say, "Obey that law. It is the law of democracy. It is the law of majority rule. I have not been suppressed by a vulgarian, I have not been suppressed by an ignoramus, because I happened to differ with him. I have been given a chance to speak my mind and vote my convictions. The others are in the majority. We are in a minority. We are members of a great Republic. Obey the will of the majority as expressed in a constitutional way." Will any manly man criticize me for having spoken my mind and having voiced the opinions of those who have sent me here? The man who would deny to me this right and this privilege would suppress every principle upon which a sound democracy is based. [Applause.]

Mr. BLACK. Mr. Chairman, will the gentleman yield now?

Mr. LONDON. Yes.

Mr. BLACK. I just want to ask the gentleman this question: Does he or does he not approve the platform declaration of his party at St. Louis that declared this war to be "a capitalistic war"?

Mr. LONDON. Well, let me say this: The platform of the Socialist Party adopted at St. Louis was drafted under very peculiar and extraordinary circumstances. The convention was called to meet, I believe, in April—April 8 or 10. As the gentleman will recall, the President called the special session of Congress for April 15; originally for April 15. The Socialists, who were opposed to the entry of the United States into the war, called a convention for the purpose of adopting resolutions protesting against the contemplated declaration of war, resolutions which they undoubtedly had the right to promulgate; resolutions which were being adopted by thousands and hundreds of thousands of Republicans and Democrats. After the convention had been called, but before the convention met, the President advanced the date of the special session of Congress, and when they did meet they found themselves with Congress in special session.

This resolution of the St. Louis convention was a protest, an outcry. It offered no workable program of action, and there immediately began a division of opinion.

I have always taken this stand on war: I am in duty bound to oppose the entry of my country into war, not because I do not love but because I do love my country. I am for the United States. I am ashamed of cheap professions of patriotism. I am proud of the achievements of America, of her glorious past, and of the promise for the future that she holds out to the world. It is all foolishness, this constant proclaiming of one's love of country. [Applause.] It is taken for granted by all intelligent men. [Applause.] After war is declared, then my obligation assumes this character. Let the gentleman from Texas listen and he will agree with me.

Mr. BLACK. It seems to me that the gentleman is not answering the question whether he does or does not agree with the St. Louis platform.

Mr. LONDON. I said that the platform was not a platform in any sense of the word. It was not constructive; it did not offer a method or a policy for the party. I so declared at the earliest opportunity I had.

After war is declared my theory is this, particularly in a republic: A greater evil than a foreign war is a civil war. In a republic the majority having decided for war, that will must be carried out. I can only permit myself to present my ideas of international peace in a manner which will not obstruct the carrying on of the war, which will not give encouragement to the enemy, which will not create dissension. I must content myself during war, in order to keep the ideal alive, to analyzing the historical causes which led nations into war and to point out the basic principles upon which a lasting peace can be obtained when the war is concluded. That has been my rule. I have contented myself with that modest way of keeping alive my ideas—of sticking by my higher religion, the religion of humanity.

Mr. GOOD. Will the gentleman yield?

Mr. LONDON. Yes.

Mr. GOOD. I listened to the gentleman's speech made in opposition to the declaration of war; and if I am not correct in what I am about to say, it is because my memory does not serve me. My recollection is that the gentleman tried to point out to the House that capital was doing a great deal to bring the war on, and that it was a war brought on by the capitalists.

Mr. LONDON. Oh, Mr. Chairman, anybody who does not understand that most wars are caused by the conflict of economic interests of nations, by rivalry for markets and spheres of influence and spheres of interests, does not understand history.

If the gentleman needs a good authority, I will refer him to the Encyclopedia Britannica. Let him read the article on Europe and European history where the rivalries between European nations for the possession of new markets are described, and he will find that the contest among nations for the extension of their economic and commercial power is one of the principal reasons for war.

Let me say that one of the reasons why the allies will defeat Germany is just this, that the economic isolation of Germany has been accomplished. Fifty-eight per cent of the raw materials which went into the manufacture of German products were being imported prior to the war, and because Germany is isolated from the rest of the world it is only a question of time when she will be compelled to yield. [Applause.] The economic phase should not be overlooked. Whenever the Socialist speaks of the economic causes of war he speaks of an historical fact. I have been trying to make it clear that the United States, as a participant of the war, has no selfish designs.

I recall an amusing incident when the President said in the course of a certain speech that we had no definite grievance, or something to that effect.

Some Democrats were scared to death. What! Declare war without any definite economic or material object to be accomplished? Do not we want to grab a piece of land and bring it to the people of the United States? Do we not want to get an additional colony and say, "Here, boys, you have shed your blood and here is a bit of territory for you?" They were scared to death. They did not see the spiritual significance of the influence of the United States when fighting for no selfish purpose. They did not understand it or realize it.

In a way—and I have to praise myself, for you gentlemen will not do it—I have been the interpreter of the President's high international ideals on the floor of this Congress and outside of this body.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

Mr. LONDON. Yes.

Mr. FOCHT. Being quite in accord with the view of the gentleman that, having isolated Germany commercially, the war is won——

Mr. LONDON. No doubt.

Mr. FOCHT. Let me ask the gentleman this question. He speaks of a council of international peace.

Mr. LONDON. Yes.

Mr. FOCHT. What is the gentleman's conception of the attitude of this country under the jurisdiction of such a council? Are we to surrender our prerogatives and the power that we have exercised under the Monroe Doctrine to that council for the adjustment of affairs in South and Central America, or are we to retain them? What is the gentleman's view about that?

Mr. LONDON. Mr. Chairman, I am very glad that the gentleman has asked me that question. Let us be clear about it. The gentleman will remember the State-rights idea, and how it all began to disappear. The gentlemen saw the anomaly of the Democratic Party federalizing the State Militia. The Democrats could not help it. State rights had to be curtailed when the Union became indissoluble. It is impossible to conceive an international league to secure peace without a code of ethics which should be superior to the individual national code. There can be no international code with each nation insisting that it can do as it pleases whenever it pleases. In other words, international order involves the loss, to some extent, of what nations claim now as absolute sovereign rights, just as the individual has surrendered his sovereign rights as an individual in order to live as a member of the community. I would like to have lived and talked and dreamed in my own way, but I have to live in accordance with customs and laws, and sometimes customs are even superior in their coercive power to laws. Once there is an agreement of that sort, that certain rules are to be sanctioned by international law, nations will have to subordinate their selfish national designs. What is the complaint against Germany? The complaint against Germany is that the German says to-day, "Germany, right or wrong." If every nation is to insist that whatever it desires is right and that the opinion of the world is not to be consulted, there can, of course, be no lasting or any other kind of peace among nations.

We must learn to measure our conception of right by that which prevails among our neighbors for whom we have respect. There must be an international code of morality, an international code of right, worked out not only by a few very clever statesmen who will come together and draft a clever plan for an international league; no. It must grow with the growth of intelligence among the masses of the people, and that is why I consider it so wrong for anybody to prohibit the discussion of international questions. We want to educate the great masses of the people. Among the European people there has been a great deal of education on this question. The Socialist movement throughout the world demands the organization at the conclusion of the war of an international league to secure peace. That is why that movement has grown all over the world. Unfortunately we here are too much victims of the idea that even Members of Congress must not discuss international relations, but that it should be done a couple of blocks away. Now, if the gentleman will yield me 10 minutes I will come to the thing about which I want to speak.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. I yield the gentleman 10 minutes additional.

Mr. LONDON. This has been a diversion. I want to address myself to the subject of the revenue bill. When you speak of a revenue bill of $8,000,000,000 it is not a tax bill in any sense of the word. Its magnitude changes the character of the legislation. Taxes are collected for the ordinary purposes of the Government to carry out the governmental functions of a civilized community. When you speak of $8,000,000,000 you impose a burden of $400 for every family of five annually, nearly one-half of the average earnings of the average family engaged in industrial occupation; when you speak of that as taxes you abuse an economic term.

This is a great, heavy burden; a burden made necessary by the exigency of war. What is the statesmen's problem? It is not so much to search through the dictionary for names of articles on which you can impose taxes. I understand the gentleman from Massachusetts has discovered that bicycles have not been taxed, and somebody else has discovered that toothpicks have not been taxed. There may be some articles which have escaped the tax gatherer.

The task of the men who are responsible for the guidance of the destiny of the Nation to-day is how to increase the productivity of the people. What does the individual do when in distress, when a new burden is imposed upon him? His first impulse is to economize. Next he tries to increase his earning capacity, his productivity. A nation can not economize in the sense in which an individual can practice thrift. If every member of the community is to stop buying, there will be no sellers, no industrial or commercial life; all will be stagnation, and we will have a general crisis.

A nation can economize only in the sense that nonessential industries must yield to essential industries.

The great problem is how to increase the productivity of the Nation, and it is to this that statesmen must address themselves. The burden will become heavier and heavier even if the war should end in a few months. It is bound to become heavier because of the obligations we have assumed toward the soldiers and their families. Casualties are bound to be heavy, because the American soldier is not going to be restrained by any rules of caution which are born of four years' experience. The impetuous, brave, fearless, and almost reckless American will risk his life more freely than any other soldier, and casualties

are bound to be heavy. There is no question about that. Now, this assumed heavy burden must be provided for. The interest on the national debt will probably amount to as much as the entire budget of the Government required before the war.

The unprecedented burden, with its new and heavy responsibilities, requires new thoughts, demands new methods.

We must begin to preserve, conserve, and enlarge all our national resources.

The beginning must be made with the human material, the most valuable asset. Thirty-six out of every hundred men examined for military service have been found to be physically defective. Some of these are taken to the camps, it is true, and an effort is made to fix them up, but the success is rather limited. Just think of the economic waste to the Nation involved in the fact that 36 out of every 100 are physically defective. The census of 1910 gives the number of illiterates in the United States at 5,516,163, with the native born (negro and white, inclusive) in the majority. A sinful waste of human material. We have neglected technical education. When the country was young and opportunity was unlimited all was left to the individual, who had concern for himself only.

Industrial accidents, insanitary conditions in factory and mine, 600,000 premature deaths annually from preventable diseases, the stunting of the child's growth by child labor—what a tremendous loss in the production power of the Nation all these things involve!

We have not utilized more than one-fourth of the land. Large tracts lie idle and are held for speculation. The majority of the farmers are handicapped by inadequate agricultural implements. This deserves our thought.

Take water power. We are wasting a tremendous power, a power which can not be consumed in use. This indestructible power is going to waste. We have a proposition before Congress to conserve water power. How? To have all sorts of individual capitalists exploit the people and to give to these individuals the control over the natural resources of the country.

The coal lands, the oil lands, the mineral lands in private hands—did you ever stop to think how much waste that involves to the Nation, to the people collectively?

There is now a proposition before Congress to encourage the production of minor minerals by aiding and encouraging, at public expense, private individuals in mining enterprises, and not—Heaven forbid—by the people undertaking the task for the permanent benefit of the people.

We are now constructing, at public expense, a merchant marine. Where was private capital? Private capital was seeking the accomplishment of private ends, and when it found foreign ships cheaper it used the cheaper article. It never stopped to consider the interests of the Nation.

Everybody rails against profiteering. Is not all business based upon profiteering? Men are in business for profit. I think it was a Democratic Representative from Texas who said, in replying to the Republican charge that not everything was just right at Hog Island, that the profiteers were Republicans. I can imagine that the profiteers were largely Republicans, because they have a larger number of well-to-do people, grand larceny being the Republican province and petit larceny the Democratic sphere. [Laughter.] Now, profiteering can only be eliminated in proportion to the growth of the principle of industrial democracy, in proportion to the application of the theory that in industrial relations there should prevail the same principle of democracy which you Democrats claim to hold sacred in politics, and which you Republicans claim to have inherited from Lincoln.

The worst about profiteering is that it is the most prolific source of waste. Tens of thousands of establishments inadequately equipped, with insufficient capital, competing with one another, crossing and recrossing the same territory with hosts of expensive salesmen and advertising agents; what a waste of energy, what a loss of productivity, what a throwing away of resources all this implies.

Unrestrained individualism in industry is bankrupt. The Nation must undertake to guide industry along lines which will eliminate the waste of useless competition and do away with the profiteer. We must introduce a larger application of the idea of industrial democracy in the life of nations. We must get rid of the army of grafting middlemen, who stand between the farmer and the consumer, between the producer and the consumer.

Take the railroads. Why, you Democrats are charged by the Republicans with being Socialists, and the gentleman from Alabama [Mr. HEFLIN] resents it. I do not blame him. He does not know what socialism is, and he resents being called a name which he does not understand. That is perfectly natural. A distinguished Republican says that you Democrats want to keep the railroads. The distinguished Democrat from Alabama says, "No; we do not want to keep them. We want to give them back to the private capitalists. We want those capitalists to establish and maintain a corruption lobby; we want them to control the financial and industrial life of the country; we want them to have it in their power to refuse employment or to give employment to millions of men. We will not interfere with them. Oh, no. Right after the war we will turn the railroads over to the magnates, you know. We are Jeffersonian Democrats and are not supposed to have learned anything since Jefferson's day."

Of course the Democrats, in spite of their democratic instincts, are not Socialists. They do not know enough to be Socialists. They have promised to turn over the railroads to the private owners within 21 months after the termination of the war.

No matter what the Democrats or Republicans may think now, the growing sentiment in favor of national ownership of public utilities will make it impossible to return the railroads to private ownership. It is safe to predict that all national platforms in 1920 will deal with that problem.

The Nation can increase its productive powers tenfold by pooling its resources, by eliminating useless and wasteful competition, and by introducing democracy and cooperation in industry and agriculture.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONDON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. GARRETT of Tennessee having assumed the chair as Speaker pro tempore, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. GOODWIN of Arkansas, by unanimous consent, was granted leave of absence indefinitely, on account of illness.

SUPPLEMENTING SECOND LIBERTY-BOND ACT.

Mr. KITCHIN. Mr. Speaker, I present the unanimous report (H. Rept. No. 778) of the Committee on Ways and Means on House bill 12923, a bill to supplement the second liberty-loan act as amended, and for other purposes.

The SPEAKER pro tempore. The gentleman from North Carolina presents a report from the Committee on Ways and Means. The Clerk will report it by title.

The Clerk read as follows:

Report on H. R. 12923, a bill to supplement the second liberty-bond act as amended, and for other purposes.

The SPEAKER pro tempore. It will be referred to the Committee of the Whole House on the state of the Union.

Mr. STAFFORD. Mr. Speaker, I reserve all points of order.

The SPEAKER pro tempore. The gentleman from Wisconsin reserves all points of order.

EXTENSION OF REMARKS.

Mr. BAER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a short address that I delivered to the soldier boys at Camp Humphreys about a week ago.

The SPEAKER pro tempore. The gentleman from North Dakota asks unanimous consent to extend his remarks in the RECORD by inserting a short address delivered by him to the soldier boys at Camp Humphreys recently. Is there objection?

There was no objection.

ORDER OF BUSINESS.

Mr. KITCHIN. Mr. Speaker, I would like to say that to-morrow we hope to dispose of the bill which we have introduced to-day, the bill to supplement the second liberty-bond act, and also to close the general debate on the revenue bill.

Mr. STAFFORD. Mr. Speaker, will the gentleman yield?

Mr. KITCHIN. I will.

Mr. STAFFORD. Is it the purpose of the gentleman to take up for consideration the bill that has just been presented?

Mr. KITCHIN. Yes.

Mr. STAFFORD. Would it not be advisable to have it printed in the RECORD to-morrow, together with the report, so that Members might have it to study to-morrow morning?

Mr. KITCHIN. Yes; I think it should be. I will have that done.

Mr. WALSH. It will have to be done by unanimous consent.

Mr. KITCHIN. I ask unanimous consent, Mr. Speaker, that the bill and report be printed in the RECORD.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent to have the bill and report printed in the RECORD.

Mr. CANNON. And the ordinary print ought to be made and be available here to-morrow, because the RECORD is printed in fine type for a partially blind man.

Mr. KITCHIN. Yes; Mr. Speaker, I make that request.

The SPEAKER pro tempore. The gentleman from North Carolina asks unanimous consent that the bill H. R. 12923 and the report thereon may be printed in the RECORD. Is there objection?

There was no objection.

The bill and report referred to are as follows:

A bill (H. R. 12923) to supplement the second liberty-bond act as amended, and for other purposes.

Be it enacted, etc., That until the expiration of two years after the date of the termination of the war between the United States and the Imperial German Government, fixed by proclamation of the President—

(1) The interest on an amount of bonds of the fourth liberty loan the principal of which does not exceed $30,000, owned by any individual, partnership, association, or corporation, shall be exempt from graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations;

(2) The interest received after January 1, 1918, on an amount of bonds of the first liberty loan converted, dated either November 15, 1917, or May 9, 1918, the second liberty loan, converted and unconverted, and the third liberty loan, the principal of which does not exceed $45,000 in the aggregate, owned by any individual, partnership, association, or corporation, shall be exempt from such taxes: *Provided, however*, That no owner of such bonds shall be entitled to such exemption in respect to the interest on an aggregate principal amount of such bonds exceeding one and one-half times the principal amount of bonds of the fourth liberty loan originally subscribed for by such owner and still owned by him at the date of his tax return; and

(3) The interest on an amount of bonds, the principal of which does not exceed $30,000, owned by any individual, partnership, association, or corporation, issued upon conversion of 3½ per cent bonds of the first liberty loan in the exercise of any privilege arising as a consequence of the issue of bonds of the fourth liberty loan, shall be exempt from such taxes.

The exemptions provided in this section shall be in addition to the exemption provided in section 7 of the second liberty bond act in respect to the interest on an amount of bonds and certificates, authorized by such act and amendments thereto, the principal of which does not exceed in the aggregate $5,000, and in addition to all other exemptions provided in the second liberty-bond act.

SEC. 2. That section 6 of the second liberty-bond act is hereby amended by striking out the figures "$2,000,000,000" and inserting in lieu thereof the figures "$4,000,000,000." Such section is further amended by striking out the words "and it shall not be lawful for any one person at any one time to hold war savings certificates to an aggregate amount exceeding $1,000" and inserting in lieu thereof the words "and it shall not be lawful for any one person at one time to hold war savings certificates of any one series to an aggregate amount exceeding $1,000."

SEC. 3. That the provisions of section 8 of the second liberty bond act, as amended by the third liberty-bond act, shall apply to the proceeds arising from the payment of war-profits taxes as well as income and excess-profits taxes.

SEC. 4. That the Secretary of the Treasury may make arrangements in or with foreign countries to stabilize the foreign exchanges and to obtain foreign currencies and credits in such currencies, and he may use any such credits and foreign currencies for the purpose of stabilizing or rectifying the foreign exchanges, and he may designate depositaries in foreign countries with which may be deposited as he may determine all or any part of the avails of any foreign credits or foreign currencies.

SEC. 5. That clause (b) of section 5 of the trading-with-the-enemy act be, and hereby is, amended to read as follows:

"(b) That the President may investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange or in bonds or certificates of indebtedness of the United States and the export, hoarding, melting, or earmarkings of gold or silver coin or bullion or currency, transfers of credit in any form (other than credits relating solely to transactions to be executed wholly within the United States), and transfers of evidences of indebtedness or of the ownership of property between the United States and any foreign country, whether enemy, ally of enemy, or otherwise, or between residents of one or more foreign countries, by any person within the United States; and he may require any such person engaged in any such transaction to furnish, under oath, complete information relative thereto, including the production of any books of account, contracts, letters or other papers, in connection therewith in the custody or control of such person, either before or after such transaction is completed."

SEC. 6. That section 5200 of the Revised Statutes, as amended, be, and hereby is, amended to read as follows:

"SEC. 5200. The total liabilities to any association, of any person, or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed 10 per cent of the amount of the capital stock of such association, actually paid in and unimpaired, and 10 per cent of its unimpaired surplus fund: *Provided, however*, That (1) the discount of bills of exchange drawn in good faith against actually existing values, (2) the discount of commercial or business paper actually owned by the person, company, corporation, or firm, negotiating the same, and (3) the purchase or discount of any note or notes secured by not less than a like face amount of bonds of the United States issued since April 24, 1917, or certificates of indebtedness of the United States, shall not be considered as money borrowed within the meaning of this section; but the total liabilities to any association, of any person or of any company, corporation, or firm, upon any note or notes purchased or discounted by such association and secured by such bonds or certificates of indebtedness, shall not exceed (except to the extent permitted by rules and regulations prescribed by the Comptroller of the Currency, with the approval of the Secretary of the Treasury) 10 per cent of such capital stock and surplus fund of such association."

SEC. 7. That the short title of this act shall be "Supplement to second liberty-bond act."

[H. Rept. No. 778, 65th Cong., 2d sess.]

Mr. KITCHIN, from the Committee on Ways and Means, submitted the following report:

The Committee on Ways and Means, to whom was referred the bill (H. R. 12923) to supplement the second liberty-bond act as amended, and for other purposes, having had the same under consideration, reports it back to the House without amendment and recommends that the bill do pass.

PURPOSE OF THE BILL.

The chief purpose of this legislation is to provide a limited exemption from income surtaxes and war and excess-profits taxes upon income to be derived from the fourth liberty loan bond issue, the flotation of which is to open on September 28, and also to free a larger portion of the income from the first, second, and third liberty loan issues from similar taxation. Your committee believes that this legislation will materially assist in the sale of the next liberty bonds.

THE NEW MEASURE.

INTEREST FROM LIBERTY LOAN BONDS EXEMPT.

Section 1 of the proposed bill provides that interest on fourth liberty loan bonds not in excess of $30,000, owned by any person, partnership, corporation, or association, shall be exempt from surtaxes and excess-profits or war-profits taxes.

This section also provides that the interest from the first, second, and third liberty bonds shall be exempt from surtaxes and excess-profits or war-profits taxes to the extent of one and one-half times the amount of fourth liberty loan bonds subscribed and held upon the date of the tax return by any such taxpayers, but it is provided that such exemption shall not exceed $45,000 of such bonds.

A further provision is added to the effect that if any taxpayer converts first liberty loan bonds by reason of the issuing of the fourth liberty loan bonds, he shall be entitled to similar exemptions to the extent of $30,000 of such bonds. It is provided, however, that in all of the above cases the interest from these bonds shall be only exempt from these taxes until two years after the termination of the present war.

WAR-SAVINGS CERTIFICATES.

The bill provides in section 2 that the amount of war-savings certificates available to be issued shall be increased from $2,000,000,000 to $4,000,000,000, and that the amount of war-savings certificates of any one series that may be held by any one person shall not exceed $1,000. In other words, any person may purchase $1,000 of war-savings certificates of the present series and an additional $1,000 for each succeeding series which may be issued.

WAR-PROFITS TAXES TO BE DEPOSITED WITH GOVERNMENT DEPOSITARIES.

Section 3 of this bill authorizes the Secretary of the Treasury to deposit with designated Government depositaries the proceeds arising from the payment of war-profits taxes as well as from income or excess profits taxes. The second liberty-loan act authorizes the Secretary of the Treasury to deposit in depositaries the proceeds from income and excess-profits taxes. As the pending revenue bill provides for a war-profits tax this section becomes necessary.

STABILIZATION OF FOREIGN EXCHANGE.

Authority is given in section 4 of this bill to the Secretary of the Treasury to make arrangements in or with foreign countries to stabilize foreign exchange. This provision is deemed necessary in order to give the Secretary of the Treasury greater flexibility in Treasury operations with respect to our dealings in foreign countries.

AMENDMENT TO TRADING-WITH-THE-ENEMY ACT.

Section 5 of this bill amends clause (b), section 5, of the trading-with-the-enemy act so as to empower the President to investigate, regulate, and prohibit, by means of license or otherwise, transactions in bonds or certificates of indebtedness of the United States and the hoarding or melting of gold or silver, in addition to the powers already granted the President under such section.

LOANS MADE BY NATIONAL BANKS.

Section 6 of the bill incorporates the provisions of H. R. 10691, entitled "An act to amend section 5200 of the Revised Statutes, as amended," which has already passed the House in this session of Congress. Section 5200 of the Revised Statutes limits the amount of loans which national banks can make to any one borrower to one-tenth of the capital stock and surplus of such banks. The effect of the amendment to section 5200 of the Revised Statutes is to permit any national bank to lend a borrower, in addition to the aforementioned amount, an additional amount not to exceed 10 per cent of the capital stock and surplus of such bank, in case the borrower discounts with such bank a note or notes secured by not less than a like amount of bonds of the United States issued since April 24, 1917, or certificates of indebtedness.

SHORT TITLE OF THIS ACT.

Section 7 provides that the short title of this act shall be "Supplement to second liberty-bond act."

The letter of the Secretary of the Treasury with reference to this bill is hereto appended and made a part of this report.

TREASURY DEPARTMENT,
Washington, September 5, 1918.

DEAR MR. KITCHIN: In connection with the tax bill now before the Congress, and without awaiting its enactment, I feel constrained to bring to your attention a matter affecting the fourth liberty loan. The delay in the enactment of the tax bill, the fact that the rates of income surtaxes, to which the interest on liberty bonds, except the first liberty loan, is subject, will be higher, and the rate of normal income tax on unearned income will be lower than I had contemplated materially affect the prospects of the fourth liberty loan.

I do not mention these things critically, for I realize that the Ways and Means Committee have labored faithfully and earnestly during the hot summer months in the consideration and preparation of the tax bill. I have already expressed my acceptance of a normal tax of 12 per cent without a differential against unearned incomes, and in principle I am now agreed with the committee that a substantial increase in surtax rates will be necessary in order to produce the indicated revenue.

The market price of liberty bonds, which responded favorably to the suggestion of an increased normal tax, from which the bonds will be

exempt by their terms, was depressed by the newspaper reports of a greatly increased surtax, to which the interest on the bonds will be subject. I have been anxious to stabilize the interest rate upon Government bonds, believing that by so doing we should be reducing the cost of the war not only to-day for ourselves but in the future for ourselves and for our brave men who are fighting in France and who will have little or no opportunity to accumulate and invest in liberty bonds, though they must upon their return join the army of taxpayers who must pay this interest. I have sought to avoid the issue of bonds at such a rate and upon such terms as might result ultimately, when the war is won, in the accumulation of great wealth in the hands of a relatively small proportion of our population, carrying interest at a high rate and exempt from taxes.

The magnificent patriotism of our people and the fervor and efficiency of the liberty-loan organization have made it possible to place the liberty bonds in the hands of many millions of persons who had never before been investors in securities of any kind. Bonds of the third liberty loan received the widest possible distribution, and I feel that we all owe a duty to the millions of subscribers of small means not merely to pay them a fair rate of interest, which we are doing, but to take such measures as may be necessary to insure to them a market for the bonds at approximately par in case their necessities are such as to force them to realize upon the investment which they have made in the Government's obligations. The bond-purchase fund, which was provided in the third liberty-bond bill, has been very useful in stabilizing the price of liberty bonds, but it has not been, and we could not expect it to be, effective to sustain price against adverse developments, and in the face of the fact that the Government's recurring demands upon the absorptive power of the investment community are in such proportions and of such frequency as to prevent the development of any important buying power in the investment market between liberty-loan campaigns.

I have been much impressed by the success of the plan which has been adopted in Canada for the purpose of maintaining the market value of Canada's victory bonds. A careful study of that plan is being made in the Treasury and by the War Finance Corporation, and I am glad to learn that the bankers of the country have been making a similar study. I am not without hope that some such plan may be made effective in the United States, although conditions here are very different and it will not do to depend too much upon the experience of our neighbor. In any event, it will not do to proceed in this matter abruptly, nor without the creation of an immense organization country wide in its ramifications. To make such a plan effective it would be necessary to put an end to dealings in bonds on the exchanges, and accordingly to substitute an active and adequate market through the banking houses of the United States acting in close cooperation with an instrumentality of the Government, probably the War Finance Corporation. At the same time it would be necessary to put an end to the numerous schemes, many of them actually fraudulent, for inducing inexperienced holders of liberty bonds to exchange them for merchandise or property of less inherent value, though carrying the promise of a higher value or a higher income return. In order that the Treasury may be placed in a position to carry such plans as these into effect, if they should be found expedient, I suggest for your consideration the present enactment of appropriate legislation.

Last year I had the privilege of explaining to you and your colleagues on the Ways and Means Committee very fully the reasons why I advocated making the income from liberty bonds subject to income surtaxes. I still believe that that course was wise and that the arguments advanced in favor of it were sound. It will not do, however, to press any theory, however sound, to an extremity, and it is obvious that as a practical matter we can not keep the interest rate on Government bonds stationary, or substantially so, and continue indefinitely to increase the surtaxes, to which the income from those bonds is subject, without at the same time limiting the market for liberty bonds to those who have little or no surtaxes to pay. Since the bond and tax legislation which was under discussion in the summer of 1917 and which was enacted in the fall of 1917, the interest on liberty bonds has been increased only one-fourth of 1 per cent, whereas the surtax rates now in contemplation would carry an increase in the taxes to which the interest on the bonds is subject, rising above 150 per cent increase in some classes. Surtaxes on incomes from $5,000 to $200,000 would under the new tax bill, on the average, be doubled. In order to give the numerous small holders of liberty bonds the advantage of a market upon which they may sell their bonds, in case of necessity, and also to attract subscriptions from the great number of investors of ample means but not of great wealth, it will be necessary immediately either to increase the interest rate or to neutralize the increased surtaxes by freeing the bonds to a limited extent from such taxes.

I recommend that a portion of the income of these bonds should be free from surtaxes for the period of the war and for a brief interval thereafter. This course would make it possible to meet the exigencies of the present situation and to counterbalance the adverse effect on the market value of liberty bonds of the increased surtax rates, and at the same time would not be open to the very grave objection which exists against any unlimited or permanent exemption, which would deprive the Government of the United States of the power to meet its necessities in the future by supertaxes on incomes derived from liberty bonds. If the surtax rates should be reduced after the war, the interest which is fixed in the bonds would continue. Having, as I believe, in fairness to the patriotic people who will subscribe for the fourth liberty loan, to choose between one of two methods for making the bonds more attractive, neither of which is wholly satisfactory, I am inclined to recommend at this time that the holders of these bonds be given a qualified and limited freedom from surtaxes in respect to their holdings rather than that the interest rate should be increased. I believe that on the whole the wise and expedient thing is to grant a limited exemption calculated to counterbalance the increase in surtax rates now contemplated, and which I believe will be only temporary, rather than to increase the interest rate on liberty bonds for the life of the bonds.

I am influenced in this determination by the fact that it continues necessary to sell liberty bonds in competition with billions of dollars of bonds of the United States, the various States and municipalities, which are wholly exempt from surtaxes, as well as from all forms of taxation, so that the person whose income is subject to surtaxes is apt to make a comparison of the income return from the liberty bonds which he is asked to subscribe for, not with the income return from corporation and other securities such as carry no exemption from taxation, but with the income return from wholly exempt bonds of the United States and the various States and municipalities. Under the existing state of the Constitution and laws, such a comparison can not be avoided. In these circumstances, we must find a middle ground between the sound view which would refuse all exemptions from surtaxes, and the practical necessity of taking into account the fact that such exemptions will in any event be gained, as surtaxes are steadily increased, by shifting funds into governmental, State, and municipal bonds, the income from which is exempt from surtaxes as well as from normal taxes.

In granting such exemption, I think appropriate provision should be made to the end that those who subscribe for bonds of the fourth liberty loan may, to the extent of a specified portion of their holdings, participate in the exemption in respect to bonds of the first liberty loan converted to the second liberty loan converted and unconverted, and the third liberty loan.

Should these views commend themselves to the Congress, I believe that immediate action should be taken so that the status of the bonds of the fourth liberty loan, in respect to taxation, may be promply known. It is, in fact, imperative that this status should be quickly known.

There are certain other matters to which I desire to call the attention of your committee at this time:

The provisions of section 8 of the second liberty-bond act, as amended by the third liberty-bond act, should be extended so as to authorize the Secretary to deposit the proceeds arising from the payment of war-profits taxes with qualified depositary banks and trust companies in the United States in the same manner as the proceeds of income and excess-profits taxes.

The time has come to make provision for the sale of war-savings certificates in 1919. The limit of $1,000 on the amount which may be held by any one person should be made to apply separately to the series which will be issued in 1919, so that one holder may own $1,000 of that series in addition to $1,000 of the series of 1918. At the same time the limit of $2,000,000,000 now imposed on the aggregate amount of the issue should be enlarged, or, better, removed, for the necessary distribution of the war-savings stamps among thousands of post offices and other agencies engaged in making sales over the counter may make the limit very embarrassing long before the cash receipts of the Treasury indicate that the limit is about to be reached.

In the negotiations which I have had and am having with or in foreign countries in the effort to stabilize foreign exchange, I find myself seriously hampered because I am without the freedom of action which is possessed by the finance ministers of European countries. I may only sell bonds or Treasury certificates of indebtedness, which involves often international complications, and may not obtain banking credits nor operate as freely as may be necessary in the effort to stabilize exchange. Notwithstanding these restrictions, the Treasury has been able to make substantial progress in dealing with this difficult problem. I urge upon you, however, the incorporation in the law of the necessary authority to give greater flexibility to the operations of the Treasury in this respect.

I believe it is highly desirable at this time that the President should be empowered to investigate, regulate, or prohibit not only the export or earmarking of gold or silver coin or bullion or currency, but also the hoarding or melting thereof.

Last March I called the attention of the Congress to the importance of amending the provisions of section 5200 of the Revised Statutes, limiting the amount of loans which national banks may make to any one borrower. A bill was reported by the Banking and Currency Committee of the House (H. R. 10691), passed by the House, and reported with amendments by the Committee on Banking and Currency of the Senate, but not acted upon by the Senate. The Senate did pass a bill (S. 4099) dealing to a certain extent with the same subject matter, prior to the Senate committee report on the House bill, and on the Senate bill no action has been taken by the House. It is essential that this matter be disposed of before the fourth liberty loan is offered.

By way of suggestion and in order the better to formulate my views for your consideration, I have taken the liberty of preparing a bill which would deal with the various points I have mentioned in this letter. A draft of this bill is inclosed. May I not ask that the Ways and Means Committee give these points its immediate attention, with a view to the enactment of the necessary legislation, if my suggestions commend themselves to the committee, in ample time to become effective before the opening of the fourth liberty loan campaign on September 28. I feel that the success of this loan is deeply involved in this legislation.

Mr. Leffingwell is fully informed of my views concerning these matters and is authorized to speak for me in my absence should the committee desire any further information.

Cordially, yours, W. G. McADOO.

Hon. CLAUDE KITCHIN,
Chairman Ways and Means Committee,
House of Representatives, Washington, D. C.

P. S.—I am sending a copy of this letter and the inclosure to Senator SIMMONS.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 2 minutes p. m.) the House adjourned until to-morrow, Friday, September 13, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the Acting Secretary of the Treasury, transmitting estimates of appropriation for Bureau of Printing and Engraving, Washington, D. C., for inclusion in some appropriation bill (H. Doc. No. 1273), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. STEELE, from the Committee on the Judiciary, to which was referred the bill (H. R. 12801) to amend section 1 of Title VII of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce

of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917, reported the same with amendment, accompanied by a report (No. 777), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MAGEE: A bill (H. R. 12921) providing for the purchase of uniforms, accouterments, and equipment by any officer of the Navy or midshipman at the Naval Academy from the Government at cost; to the Committee on Naval Affairs.

By Mr. ANTHONY: A bill (H. R. 12922) to pension soldiers of the War with Spain, the Philippine insurrection, and the China relief expedition; to the Committee on Pensions.

By Mr. KITCHIN: A bill (H. R. 12923) to supplement the second liberty bond act as amended, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. FRENCH: A bill (H. R. 12924) to eliminate the necessity for most of the expenses and work in connection with the Dead Letter Division of the Post Office Department; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H. J. Res. 329) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CARAWAY: A bill (H. R. 12925) granting a pension to Margarett Mabery; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 12926) to remove the charge of desertion from the military record of George H. Webb alias George Hinman; to the Committee on Military Affairs.

Also, a bill (H. R. 12927) granting an increase of pension to Samuel Camp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12928) granting a pension to Pearl Hunsaker; to the Committee on Pensions.

Also, a bill (H. R. 12929) granting an increase of pension to Eliza H. Young; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 12930) for the relief of H. P. Warfield; to the Committee on Claims.

Also, a bill (H. R. 12931) for the relief of A. W. Holland; to the Committee on Claims.

By Mr. RAKER: A bill (H. R. 12932) to correct the military record of Daniel Schneider; to the Committee on Military Affairs.

By Mr. SELLS: A bill (H. R. 12933) granting a pension to Benjamin Hammonds; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolution of the National Board of Farm Organizations, asking that farmers and other essential workmen be placed in deferred classifications without request on their part, and suggesting that such workmen be given badges to show that the workman is serving the country; to the Committee on Military Affairs.

Also (by request), petitions of Harold A. Abbott, president American Feed Association; the Corno Mills Co.; and the National Oats Co., protesting against the Gore amendment to House bill 11945; to the Committee on Agriculture.

Also, petition of the Central Federated Union, Greater New York and vicinity, concerning the taking over of the meat traffic; to the Committee on Agriculture.

Also (by request), petition of Local Union, No. 267, United Garment Workers of America, Belleville, Ill., protesting against further prohibitory legislation; to the Committee on the Judiciary.

Also (by request), resolutions of the National Board of Farm Organizations, relative to profiteering in rent and the housing problem; to the Committee on Public Buildings and Grounds.

By Mr. BROWNING: Petitions of sundry citizens of Camden; A. S. Mathie, of Merchantville; and C. J. Heinric, of Merchantville, all in the State of New Jersey, urging nation-wide prohibition during the period of the war; to the Committee on the Judiciary.

By Mr. DOOLING: Petition of Central Cigar Manufacturing Co., of New York City, against the prohibition amendment to the food stimulation bill; to the Committee on Agriculture.

By Mr. GALLIVAN: Petition of Charles M. Cox, of Boston, Mass., suggesting modification of the Gore amendment to House bill 11945; to the Committee on Agriculture.

Also, petition of Alfred R. Brown, of Boston, Mass., making suggestions as to the proposed tax on clothing; to the Committee on Ways and Means.

By Mr. TOWNER: Petition of citizens in and near Braddeyville, Iowa, for the immediate prohibition of the sale of all intoxicants; to the Committee on the Judiciary.

By Mr. VARE: Petition of Hon. Thomas B. Smith, mayor of Philadelphia, protesting against the tax on city bonds; to the Committee on Ways and Means.

By Mr. WEBB: Petitions of International Reform Bureau, National Dry Federation, Pennsylvania Dry Federation, Presbyterian Temperance Board, Universalist Temperance Convention, National Reform Association, Prohibition National Committee, Baptist Northern Convention, Congregational Churches of Connecticut, Connecticut Baptist Convention, Union Club of Greater Cincinnati, National Division Sons of Temperance, and Temperance Commission of Federal Council of Churches, for immediate establishment of dry zones about coal mines for 60 days to avert coal famine; to the Committee on the Judiciary.

SENATE.

FRIDAY, *September 13, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, Thou art all powerful, but Thou art all loving, too. Into Thy hands we come and commit our way. We trust Thee for Thy guidance. We pray Thee that Thou wouldst give to us wisdom equal to the mighty power that Thou hast put at our command, that we may have a passion for service, and that God may use us as His own instrument for establishing peace and righteousness in all the earth. Endue us with the gift of Thy Spirit for the duties of the day. We ask for Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of Wednesday last, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

STREET CAR SERVICE IN THE DISTRICT OF COLUMBIA.

The VICE PRESIDENT. The Chair lays before the Senate a report from the Public Utilities Commission for the District of Columbia in response to the resolution submitted by the Senator from Washington [Mr. JONES].

Mr. JONES of Washington. I have not yet seen the report. I should like to examine it and see what should be done with it. Let it lie on the table for the present.

The VICE PRESIDENT. The Chair will order it to the table, then.

Mr. JONES of Washington. Very well.

PETITIONS AND MEMORIALS.

Mr. NELSON presented a memorial of the Minnesota Association of Cleaners and Dyers, of Minneapolis, Minn., remonstrating against the classification of their trade as nonessential, which was referred to the Committee on Finance.

He also presented a telegram in the nature of a memorial from the J. R. Watkins Medical Co., of Winona, Minn., remonstrating against the proposed increased tax on nonbeverage alcohol, which was referred to the Committee on Finance.

He also presented a telegram in the nature of a petition from the F. A. Patrick Co., of Duluth, Minn., praying for the adoption of an amendment to the revenue bill protecting merchants against increased taxes on profits not yet realized by reason of their absorption by readjustment of prices in future, which was referred to the Committee on Finance.

He also presented a memorial of Schaub Bros., of St. Paul, Minn., remonstrating against the proposed increased tax on clothing, which was referred to the Committee on Finance.

REPORTS OF COMMITTEE ON MILITARY AFFAIRS.

Mr. CHAMBERLAIN, from the Committee on Military Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 4891) making certain officers of the Army eligible for appointment as chief of staff corps and departments (Rept. No. 567).

A bill (S. 4892) to amend section 4 of Chapter V of an act making appropriations for the support of the Army for the fiscal

year ending June 30, 1919, approved July 9, 1918, and to make said amendment retroactive (Rept. No. 568); and

A bill (S. 4893) transferring the tract of land known as Craney Island from the jurisdiction of the War Department to the jurisdiction of the Treasury Department, and transferring the tract of land known as Fishermans Island from the jurisdiction of the Treasury Department to the jurisdiction of the War Department (Rept. No. 569).

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CALDER:

A bill (S. 4923) providing for the furnishing of uniforms, accouterments, and equipment to any officer of the Navy or of the Marine Corps or midshipman at the Naval Academy by the Government at cost; to the Committee on Naval affairs.

By Mr. FLETCHER:

A bill (S. 4924) to amend section 336 of the Revised Statutes of the United States relating to the annual report on the statistics of commerce and navigation of the United States with foreign countries; to the Committee on Commerce.

By Mr. RANSDELL:

A bill (S. 4925) granting certain abandoned military reservations to the State of Louisiana; to the Committee on Public Lands.

By Mr. HALE:

A bill (S. 4926) granting an increase of pension to Charles Wiley (with accompanying papers); and

A bill (S. 4927) granting an increase of pension to Newell Strout (with accompanying papers); to the Committee on Pensions.

JOHN M. BROWNING, OF OGDEN, UTAH.

Mr. SMOOT. Mr. President, I introduce a joint resolution and ask that it may be read, and then I shall ask the Senate to indulge me for just a moment in speaking upon the joint resolution.

The joint resolution (S. J. Res. 174) extending the thanks of Congress to John M. Browning, of Ogden, Utah, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the thanks of Congress be, and they are hereby, presented to John M. Browning, of Ogden, Utah, for his ingenuity in perfecting the Browning automatic shoulder and machine guns now being used so effectively by the United States Army in France and for his loyalty and patriotism to serve for the period of the war in supervising the manufacture of his guns for quick production; and that the President of the United States be requested to cause a gold medal to be struck, with suitable emblems, devices, and inscription, to be presented to Mr. Browning.

SEC. 2. *And be it further resolved*, That when the medal shall have been struck the President shall cause a copy of this joint resolution to be engrossed on parchment, and shall transmit the same, together with the medal, to Mr. Browning, to be presented to him in the name of the people of the United States of America.

SEC. 3. *And be it further resolved*, That a sufficient sum of money to carry this resolution into effect is hereby appropriated out of any money in the Treasury not otherwise appropriated.

Mr. SMOOT. Mr. President, I introduced this joint resolution at the request of many of the leading men of the United States. I want it to go to the Committee on Military Affairs for consideration. I doubt very much, owing to the modesty of John M. Browning, whether there are many people in the United States who know who John M. Browning is.

I hold in my hand an article from the Forum, prepared by Mr. John Bruce Mitchell, headed "Browning—'Gunman' for United States." I ask the indulgence of the Senate to read the article, so that Senators may understand who this modest man is, the inventor of the greatest machine gun in the world. In this article what he has done in the past by way of invention of small arms will appear, and there is no question but that he is the greatest inventor of firearms in the world.

Mr. NELSON. I suggest to the Senator that he allow the Secretary to read it.

Mr. SMOOT. I will be glad to have that done. I ask that the Secretary may read it.

The VICE PRESIDENT. The Secretary will read.

The SECRETARY. Reading from the Forum for May:

"BROWNING—'GUNMAN' FOR UNITED STATES.

"[By John Bruce Mitchell.]

"'Who is Browning?'

"Practically everyone the length and breadth of the country was asking this question on the morning that the newspapers announced that the United States War Department had adopted the 'Browning machine gun.'

"It was a natural question. Few, outside of his own townspeople and those who are connected with the manufacture of firearms, had ever heard of this man.

"'Lewis' and 'Maxim' are well-known names. When the controversy came up over the matter of machine guns for our new Army those names were most frequently heard. It was the late Lord Kitchener, 'K. of K.,' who first made practical use of the machine gun in warfare. He used the Maxim gun. Then the Lewis gun came into existence. And when it was finally announced that our Government was giving an official test to a Browning machine gun—and later there came the news that we had adopted this gun—everyone, it seems, was puzzled and asked, 'Why not the Lewis or the Maxim gun?'

"It was one of the most critical times in history; a time when the very best in firearms was needed. And because the Lewis and the Maxim machine guns were well known and the Browning gun was not, it was but natural that most of us should look a trifle askance at the announcement. Everyone felt that it was no time for experiments, no time for guesswork. 'Why not adopt a gun we all know about?' seemed to be in every mind.

"'Browning? Browning? I'll bet his name never appeared on a firearm!' one excited retired Government official declared.

"He was right. Up to the time that John M. Browning, of Ogden, Utah, perfected this new machine gun his name had not appeared on any gun. Yet—

"Every Winchester rifle; every Remington shotgun; every Remington automatic rifle; every Colt machine gun; every Colt automatic pistol, such as our Army officers carry; every one of the million army pistols manufactured by a Belgian concern—every one of these, and more, was a Browning gun!

"He invented all of them!

"And of the millions upon millions of these firearms, known and carried in every quarter of the globe, not one bore his name.

"There was a time when Wilhelm, Kaiser of the German Empire, proudly carried a handsome pistol presented to him by Albert, King of Belgium.

"John M. Browning invented it.

"When Admiral Robert E. Peary planted the Stars and Stripes at the North Pole he had a Winchester repeating rifle, model '92, in his hand.

"John M. Browning invented it.

"When on that fatal summer day in 1914 a Serbian fanatic shot an Austrian archduke to death and precipitated the world war, he did it with an automatic pistol.

"John M. Browning invented it.

"An Englishman of title, on a government mission to this country, had occasion to call on Mr. Browning at his home in Ogden. The English official bowed low.

"'Sir John M. Browning,' he asked?

"'John M. Browning, sir,' snapped Mr. Browning. The Englishman took the hint and called him 'Mister' after that. However, the Englishman was correct. Mr. Browning had every right to be addressed as 'Sir,' because early in 1914 King Albert of Belgium conferred upon him the decoration of 'Chevalier de l'Ordre de Leopold.'

"It is an attractive decoration, so it is said. Mr. Browning has tucked it away in some mysterious place—never even exhibited it, much less worn it.

"So it is of no use to look in the Almanach de Gotha or even in Who's Who in America for information concerning Mr. Browning. His name does not appear in those interesting volumes.

"Not one in a thousand, probably not one in ten thousand, who has carried Winchesters, Remingtons, Colts, Stevens, and such familiar firearms into the woods during the game season, or used them at target practice, coupled the name of Browning, when they read about his machine gun, with their weapons. But despite the fact that various names and corporations appear on these guns the man who created them, the man who modified and improved and simplified them, was this same John M. Browning.

"There is no Browning arms plant in Ogden. There is a well-equipped shop where Mr. Browning 'putters around,' as he himself puts it, but he does not manufacture firearms. He doesn't have to. He invents them and lets the other fellow manufacture them while he banks his royalties.

"Sixty-six years ago, however, there was a gunshop in what was then the little town of Ogden. It was owned and operated by Jonathan Browning, father of the inventor of the Browning machine gun. The Brownings are Americans through and through. In the early forties Jonathan Browning left his home in Tennessee and journeyed to Council Bluffs, Iowa, where he plied his trade as gunsmith and general 'tinker.' He set up a shop there and made guns for the pioneers. He also mended broken plows and leaking kettles and did all sorts of tinkering. In 1852 he packed his shop equipment into an ox cart and set out for Ogden. This 'equipment' consisted of a bag full of tools and an ancient wooden foot-power lathe. It took him a month to make the trip.

"John M. Browning was born in Ogden two years later, and almost from babyhood he played in his father's gun shop. Back of this old lathe was a scrap heap, such as is found in every shop

of this kind. It contained old broken and otherwise seemingly useless gun barrels, bits of flint and percussion cap locks, and other 'junk.'

"This scrap heap and the ancient lathe were destined to play a big part in the world's history of firearms.

"When 'Jack' Browning was 13 he wanted a gun. The only way to get it, so far as he could see, was to make it. He got busy with that scrap heap and before long he had turned out a gun that seemed to suit him. His father examined it carefully, and it is said that the old man almost wept with pride and joy and told his boy that he had 'done well.' It is also said that this was high praise, indeed, from the sturdy old gunmaker, but that secretly, to friends when the boy could not hear and become 'spoiled' by praise, the old gentleman vowed that 'Jack' has made a better gun than I could make.'

"The gun that this 13-year-old boy made worked admirably, and the Browning larder was kept supplied with game. The boy's brothers wanted guns 'like Jack's,' so the boy made guns for them.

"That same year he astonished his father by exhibiting original designs for breech mechanism, which he had whittled out of wood. He worked in between school time in his father's gun shop. When he was 25 he perfected a single-shot rifle that was soon in great demand out there. Orders came thick and fast. With his brothers he turned out about 500 of these rifles, an improvement over every rifle that was known up to that time.

"One of these single-shot rifles fell into the hands of officials of the Winchester Arms Co., and a man went out to Ogden with all speed to find the man who made it. They found young Browning.

"'Will you show us how it is made?' he was asked.

"'Certainly,' he responded, and the official was amazed at the manner in which they turned out these rifles by hand.

"'Is it patented?'

"It certainly was patented.

"'Will you sell us the patent?'

"Young Browning did not know. He had made a good thing out of it. He was working from early until late trying to fill orders. It seemed rather poor business to sell a patent that was keeping him in all the work he could attend to. But the Winchester man named a figure that made the young inventor blink. He sold his patent, and that design was the basis of the first Winchester single-shot rifles of all calibers.

"A complete list of the weapons Mr. Browning has invented would only be understood by an expert in arms. Roughly, his work includes the following:

"Every rifle that the Winchester Arms Co. has produced, from the single-shot to the repeating rifles. This includes the world-famous models of 1886, 1890, 1892, 1894, 1895, and 1897. Every new model brought out by this company has been a Browning product.

"Every gun manufactured by the famous Fabrique Nationale, of Liege, Belgium. More than a million of these were manufactured before the war, and Mr. Browning received royalties on them up to that time.

"Every automatic pistol manufactured by the Colts Rapid Fire Arms Co., which includes all of the pistols carried by the United States Army officers. These in all calibers from .22 to .45.

"The Colt machine gun.

"The Remington shotgun.

"The Remington repeating rifle.

"The Stevens rifle.

"The box magazine used by the United States in the Spanish War.

"Only an old-timer, acquainted with the guns of a couple of generations ago, can fully appreciate the genius of Mr. Browning. Just as Edison is the wizard of electricity, so is Mr. Browning the wizard of firearms. When he turned out his famous 1886 model rifle it was so superior to all others that they were practically relegated to the scrap heap. That model is still made for a high-power gun of .33 caliber.

"He also invented the lever shotgun, and his 1890 model has outsold all other models of rifles in the world. It was Mr. Browning who was responsible for the radical change in rifle calibers. Men of to-day who were familiar with firearms 30 years ago can remember that the calibers of .22, .32, .38, .40, and .44 seemed as set and permanent as the everlasting hills. But Mr. Browning developed such calibers as the '30-30,' the '25-20,' and others known to sportsmen the world over.

"For many years the bright nickel barrel and the round revolving chamber marked the revolver. To-day that type is not so familiar. We see more and more that ugly, flat, cold-blooded looking weapon, the automatic. It is the most powerful single-hand weapon made, and automatically shoots to kill. It is the work of Mr. Browning.

"One day Mr. Browning took a square piece of oak, bored a hole exactly the size of a .40-caliber bullet in it, placed the muzzle of a .40-caliber rifle against it so that the bullet would go through the hole, and tried an important experiment.

"He had figured out that there was a great deal of wasted force in gas caused by the combustion of the powder. He wanted to make sure how much force there was to this. He took no chances, but fastened the rifle against the board, attached a cord to the trigger, and yanked. Fortunately, it was a long cord, because the force of the gas knocked the rifle back halfway across the room. This was the basis of his automatics, the basis of his famous Browning gun which is now being turned out wholesale and shipped across to France.

"At the time Mr. Browning made his test he was asked about it.

"'I'm trying to harness the "kick," he declared, "solely."'

"They laughed. It was 'one of John's jokes,' they said.

"It was a mighty important joke. Soon he had utilized the power of the gas in such a manner that a part of this wasted pressure was transferred to the breech mechanism and made to operate the gun. One pull of the trigger and the rebound of the force fired the weapon a second time, this rebound fired it a third time, and so on until he soon had a gun that, with a single pull of the trigger, would fire 600 bullets in less than a minute.

"The outcome of these experiments was the automatic firearm. From that the famous old Colt machine gun, at the time one of the best in the world. It was adopted by the United States Army and Navy more than 20 years ago. It was the only machine gun we used during the Spanish War. During the Boxer uprising in China a detachment of our marines with only two of these Colt machine guns—Browning's invention—saved the foreign legations from destruction and their inmates from butchery.

"In 1914, at the outbreak of this war, the only plant in the United States for the manufacture of machine guns was turning out this weapon, and quantities of them were sold to the allied Governments.

"When matters began to look as though we would get into the fight there came a demand from our Ordnance Department for machine guns. Experts began investigations. The Lewis gun was conceded to be a 'wonder.' It did terrible execution. But there was one drawback, it was claimed—even the lightest of these Lewis guns could not be fired by a single man except under the very best circumstances. And in our present form of warfare there is no such thing as any 'best of circumstances.'

"Meanwhile Mr. Browning continued to 'putter' about his workshop in Ogden. He was working on an improvement of the machine gun.

"This wizard of firearms has never been contented to sit back after one big achievement and rest on his laurels. Sometimes he takes a bit of a fishing trip by way of rest, then back again to his shop to try and make still better what has just been conceded to be his best.

"He knew what was wanted—a rifle as light as the average service gun that an enlisted man might use as he would an ordinary rifle and yet, by a single pressure of the finger, pour an endless stream of bullets into the enemy.

"This was out of the question, of course. But he did the next best thing—he perfected a machine gun that is no heavier than the average rifle sportsmen use for moose and bear. In fact, a lighter rifle than that used by African hunters for the biggest game, yet this machine gun that he turned out can be lifted to the shoulder as any gun and 40 bullets directed upon the enemy in less than two and one-half seconds—a stream of bullets directed as one would direct a garden hose.

"Then he turned out the heavier machine gun, a water-cooled affair.

"There was a loud clamor about the delay in adopting a machine gun. A louder clamor because the Lewis gun was not adopted. But all this came from men who did not know.

"'It has paid us to wait, because we now have the very best machine guns in the world,' declared Secretary of War Baker.

"On the 27th of February history was made in connection with machine guns. On that date occurred the Government tests of the Browning machine guns at Congress Heights, a few miles from Washington. Three hundred people witnessed those remarkable tests, including British, French, Belgian, and Italian Army officers on duty in Washington. There were many Senators and Congressmen, our own Army officers, and probably fifty or more writers for the press and magazines.

"'A success!' was the unanimous verdict after the test.

"The lighter gun was first tried. The 15-pound arm shoots 20 or 40 bullets at one time, either from the shoulder or the hip. One move of a lever cocks the weapon, one pressure of the finger discharges it, and the shots pour out as fast as one can

follow the other from the muzzle. It is an air-cooled gun and works automatically after the first shot by means of the gas pressure. If desirable the gun may be operated to shoot every time the trigger is pulled. In general defense, however, the soldier would use the former method, and spray the advancing enemy with 40 bullets before 6 shots could be fired from the ordinary repeating arm. The standard cartridges used by our forces in France in the Springfield and modified Enfield guns are used in this gun. The only tool necessary for taking apart the gun is the edge of a cartridge. One man operates it quite alone, feeding the clips and shooting.

"Arm a body of men with these and a hundred could mow down a couple of regiments. Or for advance nothing could stand up under them.

"The wicked weapon, however—the weapon that is doubtless destined to be heard from with our troops—is the Browning heavy machine gun. This is water-cooled and works on a tripod, but it weighs only 32 pounds. In the test 20,000 rounds were fired without a break or a malfunction of any sort. In another test out of 20,000 shots there were but three misses, due each time to a bad cartridge. In a supreme test 39,500 shots were fired in such instantaneous succession that the report sounded like one noise. Then the gear gave way. But no such test would ever be made in actual warfare, as such guns are worked in pairs, one to rest to cool, be reloaded, and set back in place while the other is operating. This gun is to be used for aviation service, stripped of its water-cooled jacket, as the air will serve as a cooler. In this shape it weighs but 22½ pounds.

"The details of this test are history. They astounded the world. The verdict from everyone, everywhere, was: 'This is the best machine gun made.'

"It was 51 years ago that John M. Browning made his first gun. He has been making them, inventing new ones, improving old ones, ever since.

"And for the first time in his more than half a century of gun-making he has permitted his name to be used in connection with a firearm.

"It is little wonder that he was not widely known. It is little wonder that many people looked askance when it was announced that the Government had adopted the Browning gun or that they asked, 'Who is Browning?'

"Go to any big gun-manufacturing concern in the world and use his name and you will find out that this man is known. It is said that there was not a firearm plant in the world of the modern type but what, before the present war, was paying some sort of a royalty to a 'Yankee chap named Browning.'

"'Browning?' they would repeat. 'Ah, yes; the American wizard of firearms. See this gun and that one, this appliance, that improvement? His! We must pay royalty to use it.'

"Thomas A. Edison's strides from the day he sold newspapers on a train and rigged up a little laboratory in one corner of a baggage car up to now have been no greater than those of Mr. Browning from that 13-year-old day when he turned out his first gun on an old wooden foot-power lathe up to his latest achievement, the 'Browning machine guns.'

"His income is, naturally, enormous. When the Kaiser tore up the Belgian treaty and marched through that country he put a stop to some big royalties that were coming from the Fabrique Nationale, but Mr. Browning's machine guns will be squaring that little impertinence before long.

"'They say' his income in royalties is about a million a year. It wouldn't be at all surprising, especially in these times.

"If he were at his shop, one would find him, overalls and jumpers, at a bench softly whistling as he worked away on some new device for improving a gun or pistol. If at home, one would quite likely find him in a plainly furnished living room, sitting back in an armless chair, playing 'The Blue Bells of Scotland' on a banjo.

"Those are Mr. Browning's chief indoor sports—tinkering with firearms or playing the banjo.

"For sport he prefers a mountain stream and a hatband full of trout flies in summer, or up in Wyoming in the hunting season after 'b'ar' and other worthy game.

"He is 6 feet 3 inches tall, straight up and down as an Indian, and as vigorous as most men of 30. He never took to 'citified ways,' and doesn't bother a tailor, preferring the ready-made garments. A very narrow, straight collar, half a size too large—worn for comfort and not for show, he says—any sort of a suit handy, and he's ready for the first emergency call.

"With him an 'emergency call' is generally a wire from some firearms concern asking him to come on and help with a model. One concern had experts working a year to make a smaller caliber of one of Browning's guns. Then they sent for him. He looked over their drawings, looked over his model to refresh his memory—he has made so many they are difficult to classify at a glance—and started to make a few drawings himself. By night he had completed the work. They handed him a check for $10,000 and a certain agreement concerning royalties, and he went back to his little shop and his banjo.

"Our Ordnance Department has promised that by June they will be sending Browning machine guns over to France faster than they can be used.

"Meanwhile John M. Browning, 'gunman,' is strumming on his banjo out in Ogden and 'thinking up' improvements on what is already conceded to be the best machine gun in the world."

Mr. THOMAS. Mr. President, a word as to the joint resolution. I know of no one whose services at this time more entitle him to such recognition as is contemplated by this resolution than Mr. Browning, but I very much doubt the wisdom of the precedent which it will establish. I fear that once Congress begins to adopt resolutions granting gold medals to distinguished citizens we shall be overwhelmed with a flood of them in behalf both of the worthy and of the unworthy, and that, as a consequence, our time will be largely occupied in considering and voting for or rejecting them. For that reason I think the matter should be very carefuly considered by this body before it finally votes upon it.

Mr. SMOOT. Mr. President, I have asked that the resolution go to the Committee on Military Affairs for consideration; but I will say to the Senator from Colorado that there are precedents on which this resolution is based. At this time I do not want to go into the other details as to why I think the resolution ought to become a law.

Mr. THOMAS. I merely make that suggestion. I do not want the Senator from Utah to construe it as committing me against the joint resolution; the thought occurred to me during the reading of the article, and consequently I gave expression to it as worthy of reflection.

Mr. SMOOT. Then, Mr. President, I shall be content to have the joint resolution go to the Committee on Military Affairs. I hope to have an opportunity to appear before the committee in behalf of the resolution. I want to call the committee's attention to the unselfishness of Mr. Browning in not demanding royalties from the Government of the United States on the Browning machine guns now being manufactured and used in the present world war. In this particular case not a million dollars but millions of dollars have been given by this very patriotic citizen to the Government of the United States.

The VICE PRESIDENT. The joint resolution will be referred to the Committee on Military Affairs.

THE REVENUE.

Mr. RANSDELL submitted an amendment intended to be proposed by him to the bill (H. R. 12863) to provide revenue, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

FUNERAL EXPENSES OF THE LATE SENATOR JAMES.

Mr. BECKHAM submitted the following resolution (S. Res. 302), which was read and referred to the Commitee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay, from the miscellaneous items of the contingent fund of the Senate, the actual and necessary expenses incurred by the committee appointed by the President pro tempore in arranging for and attending the funeral of the Hon. OLLIE M. JAMES, late a Senator from the State of Kentucky, upon vouchers to be approved by the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. THOMPSON, subsequently, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the foregoing resolution, reported it favorably without amendment, and it was considered by unanimous consent and agreed to.

SUPPLY OF MINERAL OILS.

Mr. WALSH. Mr. President, on September 11, instant, the alarming information was communicated to the Senate by the Bureau of Mines that there will be a deficit of a million barrels of gasoline this year. The Senator from Massachusetts [Mr. LODGE], upon receipt of that information, submitted to the Senate a very timely resolution calling for information from the Bureau of Mines concerning stocks on hand of petroleum and other mineral oils, and the probable consumption thereof. Supplementary thereto I now submit a resolution, which I send to the desk and ask to have read.

The VICE PRESIDENT. The resolution submitted by the Senator from Montana will be read.

The resolution (S. Res. 303) was read, as follows:

Resolved, That, with the information called for by Senate resolution No. 301, the Bureau of Mines be directed to send to the Senate any information it may have in regard to the extent to which the threatened

shortage in the supply of crude petroleum and other mineral oils in this country will be relieved by the speedy enactment of Senate bill 2812, passed by the Senate on the 8th day of January, 1918.

Mr. WALSH. I ask unanimous consent for the immediate consideration of the resolution.

The resolution was considered by unanimous consent and agreed to.

THE BUILDING SITUATION.

Mr. CALDER. I submit a resolution and ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 304) was read, as follows:

Resolved, That the War Industries Board be directed to transmit to the Senate all orders promulgated by that board relative to the construction and alteration of public or private buildings, and to advise the Senate under what authority of law said orders were issued.

Mr. CALDER. I introduce this resolution because articles appearing in the newspapers within the last day or two indicate that the War Industries Board has promulgated orders which, in effect, will completely destroy the building industry of the country. The building-material industry of the country has an investment of $4,000,000,000 in their business, and the new buildings constructed in the Nation in the last prewar year—1916—totaled $1,800,000,000. As I understand these orders, they prevent the construction of a barn, a silo, or even a private dwelling house or of any building of a private character without the permission of the Federal Government. If it be necessary in order to win the war to destroy this great wealth and tax producing industry, of which it seems to me there can be few more essential, we ought to know it and the reasons for it, and the people must adjust themselves to it; but if this great business can be saved, at least in part, some way should be found to do so.

I ask unanimous consent that the resolution of inquiry be now considered.

The resolution was considered by unanimous consent and agreed to.

MINIMUM WAGES IN THE DISTRICT OF COLUMBIA.

The VICE PRESIDENT. Morning business is closed.

Mr. TRAMMELL. I move that the Senate proceed to the consideration of the unfinished business.

The VICE PRESIDENT. The question is on the motion of the Senator from Florida that the Senate proceed to the consideration of the unfinished business.

Mr. SMOOT. Mr. President, I wish to ask the Senator if he will not allow the bill to go over until Tuesday—and I understand we are going to adjourn until Tuesday—because a number of Senators who are tied up now with official business of the Senate desired to be here this morning if the bill were to be taken up. So far they have not appeared in the Chamber, and I simply make that request, not by way of delay, because I do not think there will be very much delay, but there are some Senators, as I have said, who desire to speak upon the measure. If the Senator will consent to let it go over, I have no question that the bill can be taken up on Tuesday and disposed of on that day. Is there any real reason why it should pass before next Tuesday?

Mr. TRAMMELL. There is no reason other than the desire, of course, to push legislation along when there is an opportunity to do so. As I understand, there is nothing else to occupy the time of the Senate to-day.

Mr. SMOOT. And there will be nothing else on Tuesday. The only reason I make the request is because I was asked to do so in behalf of the Senators to whom I referred, who are absent.

Mr. TRAMMELL. Mr. President, I dislike very much to agree to have the bill go over, for we never know from day to day what else may come up and occupy the time of the Senate. I should really like very much to have this measure considered to-day. It has been on the calendar for some time; it has been favorably reported; and, so far as I know, there is very little opposition to it in the Senate. I really think there is quite a general sentiment in favor of the measure in the Senate.

Mr. SMOOT. I will say to the Senator that I believe that to be the case. I do not think there is any question that, when the bill is considered, a majority of the Senate will vote for it, and, therefore, there is no real danger of the bill being delayed next Tuesday. There will be no objection to its consideration at that time, so far as I am concerned, and there would be none now if the bill could be discussed by the Senators to whom I have referred. However, I have fulfilled my duty, and the Senator can judge whether or not he wants to let it go over until Tuesday.

Mr. TRAMMELL. I dislike to refuse to yield to the request, but I prefer to have the bill considered to-day. There is nothing else to occupy the time of the Senate.

The VICE PRESIDENT. The question is on the motion of the Senator from Florida.

The motion was agreed to; and the Senate resumed the consideration of the bill (H. R. 12098) to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum-wage board, and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes.

The VICE PRESIDENT. The bill is in the Senate and open to amendment. If no amendment is proposed, the bill will be ordered engrossed for a third reading and read a third time.

The bill was ordered to be engrossed for a third reading and read the third time by title.

The VICE PRESIDENT. The question is, Shall the bill pass?

Mr. MARTIN. Mr. President, I can not imagine that the Senate wants to pass a bill of this importance without having it read. I have not the slightest idea what it proposes.

Mr. KENYON. The bill has been read.

The VICE PRESIDENT. It has been read, considered as in Committee of the Whole, reported from the Committee of the Whole to the Senate, and read the third time. It is subject to debate now; but it is not subject to amendment without unanimous consent.

Mr. MARTIN. Mr. President, I do not think there were six Senators on the floor of the Senate when the bill was made the unfinished business. It is a matter of no consequence to me; but I must protest against a method of business under which a bill of this importance is taken up and made the unfinished business when there are only six Senators on the floor. Now it is proposed to submit it to a vote without anybody knowing what is in it. I myself have not the slightest idea of what is in it.

Mr. KENYON. Mr. President, if there were not more than six Senators present at the time the bill was made the unfinished business it is not the fault of those who were present urging the consideration of the bill. The Senate adjourned at about 3 o'clock on Wednesday, and Senators had all day yesterday to consider and look into this bill. It has been twice unanimously reported by the Committee on the District of Columbia; it has passed the House without a dissenting vote; a report by the Senator from New Hampshire [Mr. HOLLIS], concise and clear, has been on file in the Senate since the 7th day of June; and if Senators do not know about the bill it is their own fault.

Mr. JONES of Washington. Mr. President, I wish to suggest to the Senator that when the bill was taken up on Wednesday by the Senate it was taken up in the regular way, considered as in Committitee of the Whole, passed through the amendment stage, and reported to the Senate before there was any request that it go over.

Mr. OVERMAN. Mr. President, I understand the bill is now on its third reading.

The VICE PRESIDENT. It has been read a third time. It is subject to debate, but not subject to amendment without unanimous consent.

Mr. OVERMAN. I have a right to demand that the bill be read before it is passed, as it is on its third reading. I ask that the bill be read, and then we will know what is in it.

The VICE PRESIDENT. The Secretary will read the bill.

Mr. TRAMMELL. I have no objection to the bill being read, although, of course, it was read in full on Wednesday.

Mr. OVERMAN. That was on its second reading. The rules and the Constitution require that a bill be read three times.

Mr. TRAMMELL. This bill came up immediately after a vote was taken on the agricultural stimulation bill, carrying an appropriation of $50,000,000. So it must have been taken up at an opportune time.

The VICE PRESIDENT. The Senator from North Carolina asks for the third reading of the bill in full, and is entitled to have it. The Secretary will read the bill.

The bill was read the third time at length.

Mr. SMOOT. Mr. President, I should like to ask the Senator having the bill in charge what the intention was in the use of these words on page 3, beginning in line 19:

None of the members shall receive any salary as such.

Is it the intention that they shall receive a salary in some other way, by donations or by appropriations for some other purpose?

Mr. TRAMMELL. Mr. President, the idea was that they should not receive salary; that they should serve without salary.

Mr. SMOOT. Why not simply say, then, that none of the members shall receive a salary?

Mr. TRAMMELL. I have no objection to striking out the words "as such." I will accept that amendment.

Mr. SMOOT. I think they ought to go out, Mr. President.

The VICE PRESIDENT. That would require unanimous consent.

Mr. SMOOT. Yes; I recognize that it would require unanimous consent, and I ask unanimous consent that the words "as such," in line 20 of page 3 of the bill, be stricken out.

The VICE PRESIDENT. Is there any objection?

Mr. JONES of Washington. Mr. President, that would open up the bill entirely for any sort of amendment, would it not?

Mr. SMOOT. No; except by unanimous consent.

Mr. JONES of Washington. I mean if that unanimous consent is given.

Mr. SMOOT. I only ask unanimous consent for the purpose of making this one amendment. Of course, if other amendments are sought to be offered they will require unanimous consent, just the same as this.

Mr. JONES of Washington. I do not see that this amendment is material at all. There are a couple of words there that might just as well have been left out, but I do not feel that they affect the measure at all. I feel disposed to object myself.

Mr. SMOOT. The Senator has that right, of course.

The VICE PRESIDENT. The Chair would rule, as a matter of first impression, that if the bill should be opened up to amendment it would be open to amendment. It would have to go back to the Senate for this amendment.

Mr. JONES of Washington. I object, Mr. President.

Mr. KENYON. Mr. President, I will say to the Senator from Utah that the Senate committee placed in their bill a per diem compensation for the board. The House, in passing their bill, struck that out, or, at least, did not allow it; and it was very evident from the debate that there was no intention that the members of this board should be paid any sum from any source. That is the intention of the bill. I realize that those words might be construed to mean that they could be paid from some other source, but that is not the purpose.

Mr. THOMAS. They could be paid as private individuals, but not as officers.

Mr. SMOOT. I think the Senator has stated the case exactly; but it seems to me that the words "as such" are simply an invitation to some individuals to pay the members of the board a salary, and there is nothing here to prevent it. In fact, as I say, the words "as such" are an invitation to them to do it, or to have the members paid a compensation in some other way.

Mr. KENYON. That would simply be presenting the members of the board with a gratuity, which certainly no honorable man would accept.

Mr. SMOOT. I do not know as to that.

Mr. REED. Mr. President, I desire to make a parliamentary inquiry; and my excuse for making it is that I have been necessarily absent from the city and know nothing as to the status of this bill.

I heard a remark made a moment ago that seemed to indicate that the bill is not open to amendment.

The VICE PRESIDENT. It is not, except by unanimous consent.

Mr. REED. That arises, if I may ask, from what reason?

The VICE PRESIDENT. From the regular parliamentary procedure. This bill was taken up upon motion. It was read in the Committee of the Whole. No amendment was presented. It was reported to the Senate. No amendment was offered in the Senate. It was ordered to its third reading. It has been read in full the third time. The rules of the Senate provide that it is not now open to amendment except by unanimous consent. The only thing to do is to discuss it, vote on it, or move to recommit it to the committee. That is all that is left under the rules of the Senate.

Mr. REED. The statement of the Vice President is perfectly clear. I did not know the status of the bill. That was why I was inquiring. In that situation I can see, of course, why it would not be open to amendment.

I consider it very unfortunate, Mr. President, that a bill of this importance should have drifted into a condition where it is not even open to amendment.

The VICE PRESIDENT. The Chair may add further, if the Senator will pardon the Chair, that if the bill passes of course it will be subject to a motion to reconsider the passage of the bill. That right is still open.

Mr. REED. Yes; I understand. The statement of the Vice President makes the matter entirely clear. I simply did not know the position the bill had reached in the parliamentary proceedings.

I deem it highly unfortunate that a bill involving the principle that this bill contains should have reached the point where it can not even be amended, and this, as I understand, without any substantial discussion. Speaking for myself, I have had no opportunity to examine the details of the bill; but that is my own misfortune and grows out of conditions I could not control. This much, however, is plain: The bill seeks to take away the right of private contract.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Colorado?

Mr. REED. I do.

Mr. THOMAS. Does not the Senator think that this bill, if it becomes a law, instead of helping the class of people it is designed to serve, will result in discouraging their employment at all, and by that means will restrict to a minimum the employment of women and girls over 18 years of age in industrial callings in the District?

Mr. REED. There can be no doubt about that.

Mr. TRAMMELL. Will the Senator yield for a moment?

Mr. REED. Certainly.

Mr. TRAMMELL. In reply to the statement made by the Senator from Colorado I will state that the Merchants' and Manufacturers' Association of the District of Columbia sent a representative before the Senate committee and indorsed the policy embraced in the minimum-wage bill—the bill we are considering at the present time. So I should not think it was the purpose or the object of the employer class of this city and District to discriminate against women and boys on account of the minimum wage.

Mr. REED. Mr. President, it may be that this legislation will go through notwithstanding any protest. It is of that class of legislation which repudiates the right of an American citizen to take care of himself. It is based upon the idea that the human family must be constantly in leading strings and under tutelage and protection. It assumes that an American citizen has not sufficient sense to make his own bargains, but that there are some other American citizens who can with absolute infallibility make contracts for him. It is based upon a principle of intellectual serfdom. Its underlying thought is individual rights and responsibilities should be merged into general governmental supervision. If we have this sort of legislation long enough, we will not have left in this world anything but a few political bosses and many industrial slaves.

There never was a time in the history of the world when there was as little reason for bringing forward such legislation. Why bring forward an act to fix minimum wages at a time when the minimum wage paid everywhere in the United States is more than the work is really worth, and when the maximum wages are reaching a prohibitory point? There is not an able-bodied laborer in the United States to-day who can not get from $3 to $5 for his day's work.

Mr. KENYON. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Iowa?

Mr. REED. Certainly.

Mr. KENYON. Does the Senator understand that the bill applies only to women and minors under 18 years of age?

Mr. REED. Yes; I understand.

Mr. KENYON. Who have always been under peculiar guardianship. It applies to women and boys who can not vote.

Mr. REED. Do women need protection? Are women unable to take care of themselves? Do women need guardians in this day when my distinguished friend is insisting that they are so much more capable of running the Government than men that we should have them vote in order to improve the Government? Yet you, by this bill, class them with children and put them in the contemptible position of needing guardianship. In one breath you stand here telling us they are capable of performing all the duties of citizenship; that they ought to be allowed to vote upon every question, local and national; that they should be made eligible to all offices of honor, of profit, and of trust; and that they are entitled to these privileges because of their intellectual equality if not their mental superiority over men, and in the next breath you say they are but children and they need guardians and commissions to look after their wage. Where now are the knightly ladies whose flaunting banners have recently been borne back and forth in front of the White House and who have demanded with militant proesses militant rights? Where are they, that they do not rise to repudiate and denounce this ignominious classification with infants, this demand that they be placed under tutelage, and that they have appointed for them guardians ad litem, who will look after every contract they make for their wages?

Some women are lawyers. Is it intended, I wonder, if a lady lawyer shall make a bargain with her client for a fee that she shall first be forced to go down before some board composed of gentlemen with thick heads and little experience, for

that is the ordinary composition out of which such local boards have generally been made, and shall she have these gentlemen fix her minimum fee? To what base and ignoble mind must we trace this insult leveled against the intelligence of women? What is the purpose of classifying women in this way at this time?

Let us go to the 18-year-old boy and consider this bill a minute in connection with him. The 18-year-old boy has natural guardians in his father and mother. It is their business to see that he is not overreached in his transactions, and under the law they are entitled to his wage, and they have imposed upon them the duty of his support. So of the 18-year-old girl. If peradventure these boys are deprived of the protection of their natural parents the law makes provision for the appointment of personal guardians who shall conserve their rights and protect them against wrong. The legal guardian reports to a court. A curator of the property of a minor can be appointed, and is appointed.

A board to fix wages! If they fix the wages too high, if they fix the wages one single penny beyond the point that competition fixes the wage, the result will be that the merchant will simply decline to employ the lady and will hire a man clerk whose wages are not fixed by a board, or he will decline to employ the boy under 18, and will employ a boy who is 19 whose wages are not fixed by a board. The very moment the board of thick-headed and inexperienced men—and I am speaking of them now in the full light of what has happened in this and other communities, for the men who take positions on such boards are generally men who amount to very little in any vocation of life—the very minute the board fixes $1.10 a day for the wage of a boy under 18 years of age and the employer finds he can hire in the competitive market a person over the age of 18 for $1, he will employ that person, and the person under the age of 18 will go without any work whatever.

The very minute you actually by law raise the wages of the 18-year-old boy or of a woman above the point that competition has fixed, these people will be turned out of employment. They will be denied a chance to earn a living. This bill ought to be entitled, "A bill to deprive boys 18 years of age and under and women of any age whatsoever of a chance to earn a living."

Put a little common sense to work in the consideration of measures of this kind. Here is a merchant at the present time who can employ a male or a female of any age in his establishment. You propose now to say to him, "You shall not employ a woman unless you pay a certain wage fixed by a board." Suppose the competitive price is $2 a day. Suppose the board fixes the price at $1.90 a day. They have not done the woman any good. They have not raised her wages a penny. If they fix the wages at $2.25 a day, then the whole competitive field of men being open and the merchant having the opportunity to go there and hire men will immediately employ men, and the woman will be without a job. She may have children to support, she may have a sick mother to support, she may have house rent to pay; but she can not get a job. The board by its ruling has deprived her of the chance to support herself.

Suppose a boy is 18 years of age. He is not worth as much, speaking on the average, as a man of more years and experience. The whole competitive field is open. He wants to get a job in a store. Competition has fixed the wages so that the boy will get about $2 a day and a man of 25 will get about $3 a day. I am using purely arbitrary figures. The boy has a chance to get a job under those circumstances. He has a chance to go where men who are experienced are working and induce an employer to give him a job at what he is worth in competition with the men. After a little while he gets experience and can command the same wages as the men.

Now comes this foolish law, this legislative quackery, and says to the boy, "You can not go in there and work because the proprietor of the store refuses to pay a certain wage fixed by a board," who in the vast majority of cases are necessarily ignorant of the business conducted or the work to be performed.

So this boy who is willing to work and needs the work goes without the opportunity to earn a livelihood.

I repeat, you ought to entitle your bill "An act to prevent a boy under 18 years of age from getting a job," and, further, "to prevent a woman of any age whatsoever from obtaining a position."

Mr. TRAMMELL. Will the Senator yield?

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). Does the Senator from Missouri yield to the Senator from Florida?

Mr. REED. I do.

Mr. TRAMMELL. The Senator suggested that the title of the bill should be amended. I will state to the Senator that he seems to lose sight of the fact that the title of the bill is very correctly stated, to prescribe a minimum wage. The Senator talks about a boy not being able to get a job. The bill provides that you shall not employ a minor or a woman without sufficient influence to protect her own rights for a mere wage of three or four or five dollars a week when her services are worth ten or fifteen dollars a week. So I think the bill has a correct title. It is to protect the minor and woman against having to work, not for a livelihood, but for a mere pittance.

Mr. REED. Mr. President, if this bill proposed to establish a board to fix the wages of every person inside and outside the District who toils, without regard to age or sex, you might provide a scale of wages that would protect the boys and would protect the women. I hope I may have the attention of the Senator who just interjected his remarks. But you do not propose to fix a general scale of wages that must be paid for all kinds of labor and to all classes of people. You propose to fix a minimum scale of wages for women and boys under 18. When you fix those wages and do not fix the wages of other people you have this condition: If the board fix the wages of the women and the boys under 18 at a price above where they are placed by competitive conditions the employer will go into the competitive field which is left, to wit, among the men who are above 18 years of age, and will employ those men to the exclusion of the women and the boy who is under 18, and your bill will injure the people you seek to aid, because it impairs and may even take away their chance to make a living.

You do not propose to make the employers give them a job; you do not propose to carry your regulations to the point where you will say to the proprietor, "You must give a job to this boy, who has appeared before the board and has shown his competency, and you must pay him certain wages." You simply say to the employer, "You can not employ the boy at all unless you will pay a certain amount of wages, but you have a perfect right, the absolute privilege, to go into the general field of labor and to employ somebody else to take that job, and to pay that somebody else whatever wages you can get him for."

The bill is simply monstrous. It is another sample of that half-baked legislation with which Congress has recently been disfiguring the statute books. It leaves everything out of consideration except the desire in the heart of its author to really do something to benefit mankind. Every one of these bills is the fruit of kind and loving minds, and generally of minds that have not thought very far into the question. We had a bill passed here that provided that women should not work more than a certain number of hours in certain public places, and a lot of poor women were discharged and men took their jobs.

Why, Mr. President, the trouble with this bill and the trouble with all this class of legislation is that either you are going too far or you are not going far enough. If you are going to regulate the wages of a part of the people, then you must regulate the wages of all people. If you regulate the wages of part of the people and do not regulate the wages of all, the employer is under no compulsion to pay the wages fixed, because he can have resort to the plain expedient of hiring a man whose wages have not been fixed. Accordingly, the man whose wages have been fixed may starve to death for want of a job. You undertake to preserve a competitive system for people just over 18 years of age and to destroy the competitive system and have a board to regulate prices for people just under 18 years of age; you allow the competitive system to regulate the wages of the young man as soon as he has passed his eighteenth birthday, but up to that point you fix a price. If you fix the price a particle below the competitive price, you will do him no good; if you fix it above the competitive price a single jot or tittle, he will not get a job.

I again protest, however, in the name of the ladies. I look at these champions of the women who have asserted that women are the equals of men in all respects and the superior of man in most respects, these doughty advocates of woman suffrage who tell us that women ought to be admitted to every office of state; that they are smart enough and able enough to fill any position in life and to help control the affairs of this Government; and yet at the same time they bring in a bill here bottomed upon the idea that women have not sense enough to make a bargain for themselves; that they are children; that they are infants; that they need public guardianship. I suppose we will get some guardians about as well qualified to perform these duties as was the fuel administrator of the city of Washington to perform his. All will remember last winter and the gentleman who closed all of the coal yards, destroyed the machinery for coal distribution, and issued a mandate closing the churches on Sunday and opening the theaters, and then departed for some southern clime where he could bask in nature's warmth and heat.

I suppose we shall get somebody like that Federal fuel administrator who actually issued an order affecting a vast territory in the West—an order controlling their mines and regulat-

ing the output—and who absolutely did not know that in all the State of Montana there was a single coal mine, and had to be told the fact by a Senator from that State. I suppose we shall have some more intelligent regulation the equivalent of that which ordered 4,000,000 more tons of coal sent to the Northwest than could be there consumed, and left the ships that were to bear our troops and our munitions and our supplies to Europe without sufficient coal to move them from the port of New York. I suppose we shall have some more of that class of regulation which consisted in fixing the price of coal so low that certain mines could not run, but yet so high that other mines could make fabulous profits.

I assume that we shall have some more demonstrations of incapacity, which are so well illustrated by the act of those men who undertook to fit a 12-cylinder motor into every variety of flying machine that man needed to use, although the machines varied in size from one with a spread of wings of 19 feet 6 inches to one with a spread of wings 225 feet, and from a machine that will carry one man to a machine that will bear 9,000 pounds of dead-weight through a continuous flight for 500 miles.

What is the need of this bill at this hour? I see one member of the committee who pays me the compliment of his attention. Do you know—and I am addressing the Senator from Florida [Mr. TRAMMELL], whom I most highly esteem—do you know a single individual in the city of Washington who is not getting all the wages anybody ought to get to-day?

Mr. TRAMMELL. Mr. President, so far as naming a particular individual, I do not know that I could name a particular individual; but the statistics furnished as to the investigation of wages paid within the District of Columbia, to my mind, certainly show that there are a great many who are working in stores and shops and other places who are receiving a salary of $6 or $7 a week, who should receive a greater salary than they are now being paid. As to individuals, I am not advocating this legislation from the standpoint of any particular individual.

Mr. REED. Oh, no; nobody intimates that; nobody claims that; but I thought perhaps the Senator could name one such individual, so that we could get down to a concrete instance—just one sample, one example.

Mr. President, you can not go into a store in the city of Washington to-day and find an underpaid employee. The truth is that when you go into the stores of Washington you can hardly get waited on. The reason you do not find an underpaid employee is because there is not a man, boy, or woman of ordinary intelligence and education who can not go to Government departments and get from $900 to $1,800 a year. Not only have the civil-service rules been set aside, but the country has been ransacked for help, and they come here, regardless of age, sex, or previous condition of servitude, by the thousands and tens of thousands, because they are needed, or, if they are not needed, at least there are jobs awaiting them.

Talk about labor being underpaid here. You can not get an ordinary house servant—a woman—in the city of Washington to-day for less than from $10 to $12 a week, with room and board. You can not get common labor in the city of Washington to-day for less than $3.50 to $5 a day—the commonest kind of common labor, that stops when it has worked its eight hours, and frequently stops during the time it is working its eight hours, and tells the boss not to dare complain or it will quit the job.

I wish my friends who are the authors of this bill would go out and try to employ somebody. I heard an incident, a well-authenticated incident, of a colored "lady"—and I do not say this because she was a colored "lady"; I am not telling it on the colored race—who was met by a white "woman" who asked her if she knew where she could get a washerwoman. She said, "No; I do not know where you can get a washerwoman. We wimmin's quit washing. Our men is all making five to six dollars a day, and pretty soon we are going to have you white wimmin working for us." Literally and absolutely, if things keep on a little while longer, with the increase of wages and with the drawing out of the man power and the woman power and carrying them to the fields of war, the time is going to come when labor, if there be any that can be obtained at all, will demand any price it wants, and the people who have been accustomed to hiring help will be doing their own work with their own hands.

Mr. President, I warn the Senate, and I warn the country, that this is the last time of all times when we should break down the old fundamentals of our Constitution and of our law. I know that the mention of the Constitution provokes a smile. It has become a byword and a reproach, but it is bottomed upon eternal principles that can not be destroyed without the world paying the penalty of that destruction.

Mr. KENYON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Missouri yield to the Senator from Iowa?

Mr. REED. I do.

Mr. KENYON. I should like to ask the Senator if he contends that this law is unconstitutional.

Mr. REED. Yes, sir; I contend that it violates the fundamental principles the Constitution was framed to protect.

Mr. KENYON. I will say to the Senator that the bill is framed after the bill passed by the Oregon Legislature which went to the Supreme Court of the Untied States, the brief in behalf of which was filed by Mr. Brandeis, now an Associate Justice of that court, and it was affirmed by the Supreme Court of the United States. That case involved the identical question.

Mr. REED. I know that decision perfectly well. I am going to ask, however, whether it applied to women of all ages.

Mr. KENYON. I have the case here. I will look that up. I am not certain.

Mr. REED. But I speak advisedly when I say that this bill violates the principles the Constitution was designed to preserve, and I care not how far a court may have gone in holding that the police powers of States may be exercised. It violates the Constitution in the sense that it destroys the right of private contract. It violates those principles which are graven in the Constitution, and which are part of our civilization, which hold that the private individual is entitled to dispose of his property and of his labor as he sees fit. It violates that great principle of Anglo-Saxon liberty which reserves to the citizen the right to make his own bargains and transact his own business; and even though courts may have found some means to reason around it, we still come back to the eternal fact that you can not violate principles of that kind without paying the penalty.

Mr. President, they tried it over in Russia. They undertook in Russia to abolish private property, and they produced anarchy; and in the fires of anarchy were forged the chains of Russian slavery. They tried it during the French Revolution, and in that fierce flame there was consumed the French Republic. Out of the smoke of that seething furnace there emerged a new tyrant and upon its embers was erected a new empire. In our country to-day there exist societies and organizations which, as far as they dare, are teaching the doctrines of the Bolsheviki. The I. W. W. is only the socialistic offshoot of that tree the trunk of which is European anarchy. The cardinal doctrine of all these kindred societies and parties is the destruction of private property, to be followed swiftly by the curtailment of individual rights. They all embrace a state interference with the right of a citizen to control his own affairs. They set up a bureaucracy, a board, a triumvirate, a something, to regulate the habits of people, the lives of people, the property of people, and in a little while they establish a tyranny more odious than any that was ever imposed upon a subject race by an oriental despot.

The danger that our country is in to-day, and the only real danger, is from that kind of propaganda which broke the eastern front and turned Russia over to the German tyrant, that almost succeeded in destroying Italy, that did breach her lines and cause the surrender or death of 200,000 troops and the loss of 2,000 cannon, that distilled its poisonous influence in country after country, even reaching into England, where, beyond any question, nothing but the wisdom of profound statesmen preserved the integrity of the British fighting line. This same poison is at work in our country, and its method of attack is to destroy all the old landmarks of the law; and we yield; we yield at a time when there is not even a temporary good to be done.

I repeat, the man who dares stand in the Senate to-day and say that wages in the District of Columbia are so low that such legislation as this is needed is making an assertion he can not sustain. I predict that it will be only a few days until you will find somebody in here with a bill to fix maximum wages.

Now, one of two things is true. You have either got to regulate the price of everything, or you might as well quit trying to regulate the price of anything. If you are going to fix rates of rent you will find that you will have to fix prices on property, and interest that is to be paid on mortgages on the property, and wages that are to be paid to employees in and about the buildings. If you are going to regulate the prices of food products in the District of Columbia, you will have to regulate the rent that tenant farmers pay and the wages that can be exacted from them by their men. If you are going to regulate the price at which a merchant shall sell his goods, you must regulate the rent that he pays and the salaries that he must pay. If you are going to regulate any one of the prices of those things that are common to all of us, which embrace wages, and

dry goods, and groceries, and rents, and coal, and all of those things that go to make up the daily life of the people, then you ought to regulate all things, so that they can all be put upon the same basis.

Then, Mr. President, when you have regulated wages in the District of Columbia you will find out, if you put them too low, that your labor will leave the District of Columbia and go elsewhere. If you put them too high, then you will have done an injustice to all of the people of the District of Columbia, and every man, woman, and child in the end will be forced to pay, because in the end all these burdens are thrust back upon the people; and if you do not put them either too high or too low, you will have done no good to any human being.

Why can we not exercise a little common sense about matters of this kind? Or are we all so afraid of the ballot box or so anxious to curry favor with certain classes of people that we will pass legislation of this kind regardless of its soundness?

Let us see about wages in the District of Columbia. Let me assume that they are too low—and I do not care anything about any statistics that are 90 days old.

Mr. TRAMMELL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McKELLAR in the chair). Does the Senator from Missouri yield to the Senator from Florida?

Mr. REED. Yes; I am always glad to yield.

Mr. TRAMMELL. The Senator suggests the idea of currying favor with a particular class, and evidently means that support of this bill carries with it that idea. I should like to ask the Senator if opposition to a bill of this character would not also curry favor with a certain class of people?

Mr. REED. What class, I wonder? The Senator states that the merchants here are for the bill, so I certainly could not be seeking to curry favor with them by opposing what they want. Who, then?

Mr. TRAMMELL. The Senator well knows that the employing class in a great many localities is opposed to any legislation that will have a tendency to fix a minimum wage; and he knows and I know that a great many of the employers—very likely a majority of the employers—generally speaking, are opposed to any legislation prescribing a minimum wage.

Mr. REED. The Senator now is running on another leg. A moment ago he was advocating this bill upon the ground that it was so fair and so meritorious and so altogether sweet and lovely that the merchants of this town came in and wanted it passed. Now he tells us that really it is to be very restrictive and very controlling; therefore it is to be very obnoxious. Obnoxious to whom? Not to the merchants here, but to the merchants elsewhere, to whom it will not apply, because it is limited in its jurisdiction to the District of Columbia. Now, you can not have both of those arguments. You can not stand here and try to get the Senate to vote for this bill on the ground that the merchants are for it, and then ask them to vote for it upon the ground that the merchants are against it.

The Senator's argument in one respect only reminds me of that peculiar animal spoken of by our old friend Baron Munchausen. He told of an animal, I think called the hieronymus, or by some other impossible name, which had legs on its belly and legs on its back. When they undertook to catch it with the fleetest dog or the fleetest horse they found it impossible, because the animal would run a while on the legs that were on its belly and when they became tired it would whirl over and run on the legs that were on its back. It thus always had a fresh pair of legs. So, when the Senator tells us in one of his arguments that this bill is all right because the merchants want it, and then, when I seek to apply that statement, he says that they do not want it, that it is very obnoxious to them, I insist that the Senator shall get on one pair of legs and run on that pair of legs.

Mr. TRAMMELL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Florida?

Mr. REED. I do.

Mr. TRAMMELL. I did not state that they especially wanted the measure, but that they had agreed to or approved of the measure.

Mr. REED. Well, if they approve it, they must want it.

Mr. TRAMMELL. Of course the Senator well knows, and I know, that in dealing with legislation of this character it is dealt with more or less as a policy applying to the entire country and not merely to the District of Columbia, and I dare say that the Senator in dealing with it is dealing with it from the standpoint of its application to the entire country, and he is presenting his views here upon the question of a minimum wage not merely applying to the District of Columbia but applying to the entire country. He also knows that merchants or employing classes will possibly acquiesce in or agree to a measure when they are not very solicitous as to having it passed. I stated that they did have their man come before the committee, and he agreed to the legislation; that they would not oppose the legislation.

Mr. REED. If I understand the Senator's position, then, it is this—that they did not exactly agree to it, but that they did not exactly disagree to it; they did not exactly want it, but they were not exactly opposed to it. I can not keep him on either of these legs of back or belly. He has got on his side now. [Laughter.]

I think I will just let that matter rest there. It is inconsequential. So far as this bill is concerned, its jurisdiction is the District of Columbia. If it is to be passed as an example for other States or other communities, I beg to submit that other States and other communities can probably attend to their own business quite as well as the Congress of the United States can attend to it by a process of absent treatment. That is a species of argument that I think will not get us far. Let us stick to this bill.

I started a while ago to say, let us assume that wages are too low in the District of Columbia for any class of people. Let us say plumbers.

How far is it to Baltimore? How long would it be until there would be an exodus of plumbers over to Baltimore? The probabilities are that a fair representation of them make weekly excursions there now; not more, however, than any other class of people. How far is it to New York, to Philadelphia? If a man is a worker in iron and steel and happens to be in the District of Columbia, and wages are too low, how long does it take him to locate Hog Island, where the Government is paying wages that are ridiculously high?

Suppose it is a lady typist, a very useful avocation for women, which they fill for the most part better than men. What about them? In the first place, they can leave your office, where the salary is fixed by Congress, and they can go down here to any of these bureaus, where the salary is fixed by some dollar-a-year man, and get better wages than they are getting here; and you are in luck if you can keep them.

But suppose that that was not true; suppose that the wages generally paid to these ladies in the law offices and places of business in the city of Washington were too low, how long would it take these bright and keen young women to find out that wages were better in Baltimore or New York or Philadelphia, or Boston or Chicago or St. Louis, or any other of the cities of the country? Yet you propose to have a board sit down here and make bargains for those women.

I am not an advocate of woman suffrage. I am not one of those people who have been trying to make my way through the world hanging onto some woman's petticoat. I say now that the average young lady who runs a typewriter in an office or keeps a set of books knows better how to make a bargain for herself than anybody who will be appointed upon this board, and they are making a better living to-day probably than the men who will be appointed to supervise their right to contract.

I repeat, I know mighty few men who take positions on such boards who are of much account at home or abroad, asleep or awake, except a few of the great boards. Let it be understood that I am not speaking of the Interstate Commerce Commission and the other great commissions; I am speaking of such boards as this one. They are the intellectual wastebaskets of the country. Every fellow who can not make a living at home or who has lost out in politics or whose wife has failed to properly support him drifts into them, and, "armed with a little brief authority," he speedily begins to tell you how much sugar you can put in your coffee, and this without warrant of law, without the pretense of a statute.

Many ladies are employed in the banks of this country as bookkeepers—keen, smart business women—and you are going to put them under tutelage. You will regulate their wages. If you fix their wages a little higher than the banker thinks he ought to pay, he will get a man to do the work and the woman will be turned out of the place, because some intellectual incompetent sitting on a board has fixed the rate of wages for this free-born American citizen.

Mr. President, we have taken out of the industrial ranks of this country, due to this war directly, over 4,000,000 men up to date. We have probably taken out directly of the creative and productive classes among the women 200,000. That is a mere estimate that I make; I do not vouch for its accuracy. We are about to take out of the productive class of this country at least three and a half million more. There will be within the next eight months' time an aggregate of from seven to eight million of our people withdrawn from the productive avocations of life and put into the business of destruction. In addition to that,

we have withdrawn from the ordinary productive business of life that vast army who are no longer mining iron and ore to be turned into plows and into steel beams for buildings, but who are performing that work in order that ships may be built and that guns may be made and that shells may be manufactured.

In a word, for I do not propose to prolong the illustration of a fact so patent, we are withdrawing not only the men and women who are in the Army and in the work connected with the Army, but we are withdrawing almost our entire industrial force from the business of creating and are turning them into war work, which is the work of destruction. What is the result? There is not a single place in the United States where there is not a shortage of labor unless it be some far-off swamp in some far distant State, where some Rip Van Winkle sleeps so soundly he does not know a war is on. The result is that legislation of this kind becomes ridiculous because wholly and absolutely unnecessary from my standpoint.

I repeat, the same gentlemen who are here sponsoring this bill to-day are the very men who have been in part the fathers or the sponsors or at least the advocates of legislation that is the equivalent of a maximum wage, for the man who advocates fixing a maximum price that can be charged for the use of property is doing exactly the equivalent of the man who fixes a maximum price for the use of a man's labor. I shall expect as the car of moral progress and reform rolls on to find that these gentlemen will wake up some morning and conclude that wages are too high, and we will have a bill to fix a maximum wage.

Frankly there would be a lot more sense in fixing maximum wages to-day than in fixing minimum wages, because all the indications are that there is about as much profiteering going on in the matter of wages as there is in the matter of merchandising, and the Government is encouraging it. Any girl with ordinary intelligence can come to the city of Washington and go down to a department and get a job the first day she lands at $900 a year. Two days later, having looked around a little and made a few acquaintances, she can go over to another department and hire herself out for $1,200 a year. I know instances where it has been done. So the Government is bidding against itself. If anybody in God's world, and I say it reverently, needs a guardian it is the Government of the United States.

How well this bill is drawn to make some jobs. If we keep this up a little longer I am going to introduce a bill that will represent some real statesmanship. It will be entitled "An act to provide a job for every American citizen at a living salary." That would be fair. Then I want to be on the board to administer it with a full right to fix my own salary to suit myself.

Mr. President, there are nearly enough job holders in the city of Washington to-day to reestablish the eastern front.

Mr. SMOOT. Five hundred are coming in weekly.

Mr. REED. Five hundred are coming in every week, so the Senator from Utah states, and he is nearly always accurate; and with them come "their sisters and their cousins and their aunts." Mr. President, if we could get a continuous flow of that line over to Pershing we could recruit him faster than the Germans could kill or wound his men.

How long will it be that way? How many of these boards have we created? We created a board a while back that has agents now practically in every county of the United States and almost unlimited pay rolls. This board can not do the business of fixing the wages of everybody under 18 years of age and of every woman in the city of Washington on a pay roll of $5,000 per year, the amount fixed in the bill. How is it going to hear complaints? How is it going to pass upon the merits of thousands and thousands of cases, for there are thousands and thousands of such cases, unless it has a large force to investigate and to bring out the facts?

The next appropriation bill will fix this item. How will a board with a pay roll of two people, for that is all they could get for $5,000, and one of them the secretary, perform such duties as these:

1. To investigate and ascertain the wages of women and minors in the different occupations in which they are employed in the District of Columbia.

That would take an ordinary Washington board with about 300 employees about three years.

2. To examine, through any member or authorized representative, any book, pay roll, or other record of any employer of women or minors that in any way appertains to or has a bearing upon the question of wages of any such women or minors.

Under that broad and sweeping authority every man in the city of Washington who employs a single laborer can be compelled to expose all of his books of account, and if my experience goes for anything the privilege and power will be exercised to the uttermost. In this day when you grant power you may be sure that it will be exercised.

We passed a bill authorizing the licensing of concerns engaged in business having in view solely and only the prevention of extortion or the practice of certain trust devices during this time of war. That power has been so construed that the people of the United States have been compelled to buy corn meal in order to get wheat flour. It has been so construed that you can not go into a hotel in the United States to-day but the courtly, unregulated colored gentleman who serves your meal will hand you on a piece of tissue paper a single lump of sugar and tell you that is all you can have. It has been so construed. I want the Senate to mark this, that although that law provides that its terms shall not apply to farmers, United States marshals have gone on the farms of farmers and by force and arms taken their grain raised upon their farms and hauled it away and sold it for such price as suited them, and turned the money back to the farmer, and snapped their fingers in his face.

When you grant power these days be sure that it will be exercised, and the smaller the individual is to whom you grant the power the more he will abuse it. Starting even so low as the Food Administrator in Washington and running thence to the county food administrators, you will find more petty tyranny than was ever exercised by a Roman emperor in the days when Rome's bloody record was written by the hand of tyranny.

Here is a bill which proposes to authorize any one of the gentlemen named to go to any concern in Washington and demand the books. There is no limit upon the power. A bank that employs a woman clerk. Under this bill any one of these little fellows who is appointed—and he will be little; it takes a little man to hold a job like that. You can always tell the stature of some men by the job they have. A fellow who is employed as a detective, whose business it is to look through keyholes and peek under window blinds, is always a crook, because nobody but a crook ever took a job of that kind.

He will have laid aside all the elements of a man before he will ever do that sort of work. Likewise a man who will take a job on one of these Washington boards and interfere with other people's business can not be a very big man. Therefore I say one of these little men could go down to a bank employing a woman clerk and demand the books of that bank. Let us see where the power stops:

To examine, through any member or authorized representative, any book, pay roll, or other record of any employer of women or minors that in any way appertains to or has a bearing upon the question of wages of any such women or minors.

It has been suggested to me whether this would not apply to women who are Government employees. I do not see why it should not. But notice, any one of the members of this board can invade this bank, or anybody they appoint can do it. They can designate any agent they see fit. It might be very convenient for one business house to have one of its employees designated to investigate the books of another business house. Anybody can go and examine the books who is designated by this board.

Any agent of this board, any representative of this board whom they may appoint and clothe with the purple of their authority and anoint with the oil of their greatness can do this. He can—

Require from such employer full and true statements of the wages paid to all women and minors in his employment.

Every employer shall keep a register of the names of the women and minors employed by him in any occupation in the District of Columbia, of the hours worked by each, and of all payments made to each, whether paid by the time or by the piece; and shall, on request, permit any member or authorized representative of the board to examine such register.

Just what can the board do? It can establish—

standards of minimum wages for women in any occupation within the District of Columbia.

Will this board also establish a standard of capacity? Wages are paid for capacity of production. Will you fix a standard of capacity of production? Such a provision as this is as unwise and as foolish as it would be to fix a standard price that shall be paid for any horses, whereas one horse is a spavined, worthless, aged, dying animal, whose possession is a liability, while another can outrun the winged wind and is worth $100,000. Any man who sought to fix a single price for all horses would be able to qualify as a member of the board that determined upon a single engine for all kinds of aeroplanes. But we are to fix a standard wage that is to be paid for a day's labor for a woman.

I will go back to the question of the stenographer, because that is an occupation in which so many women are splendidly employed. There is not a man in this room who has not had occasion to employ in the course of his life many stenographers. There is not a man here who does not know that the difference between stenographers is as great as the difference between the two horses I used in my illustration. One of them can not take what you dictate; she can not write it correctly; she can

not spell the words; she can not punctuate. Some of them are so bad that if you turn over to them a new typewriter they will speedily derange it so that it will not spell correctly, no matter who operates it. There are others who can take anything that can be dictated by any man as rapidly as required, who will turn it out with marvelous speed and hand it to their employer in the shape of a document that is complete and perfect. One of these women is worth less than nothing and the other is worth just as much as you can afford to pay.

This bill, however, will fix a standard. Where is it going to be fixed? If you fix it at $50, I know plenty of stenographers who are not worth it; if you fix it at $25 I know some of them that are not worth it; and yet I know of many who were not worth $50 two or three years ago, who obtained positions at a very small wage, and who worked along until they became proficient. That kind of a stenographer will never get a job after you fix a standard, for the standard will be fixed too high, and she will have to go somewhere else to learn how to work.

But the car of moral progress must go on just the same, and reform must not be stopped. Let us say you are going to fix a standard price for a bookkeeper. What an imbecilic proposition that would be!

Here is a small grocery store that keeps a little single-entry book of sales, and yet requires somebody to do it. A boy or a girl, 14 or 15 years of age, during vacation from school may be able to keep those accounts; to put down Mary Jones, so many pounds of sugar, 50 cents, and so forth; and to make out the little simple bills for that business. Here is a lady who keeps the books of some great manufacturing concern or who keeps the books for some great countinghouse. She has to possess the skill of an expert accountant, and does possess it. She is worth a salary of $4,000 or $5,000 a year. What good is the standard price in a case of that kind? If you fix it high enough to do any good to any considerable number, you will shut out the bookkeeper in the small grocery store—I am speaking of the small grocery store—and that small mechant will keep his own books. If you fix it so low as to include that class of em-employees you will do no good, for you will effect nothing.

We are going to have a standard price fixed, I suppose, for chauffeurs, and yet one of them may be worth $200 a month under certain conditions, and another one will break up your machine and actually raise the rate of life and accident insurance. What are you going to fix as the standard of chauffeurs? Here is one man who is a mechanic, who knows your machine, who knows how to preserve it. Here is another fellow who is a bungler, who knows just enough to get a job in an emergency. How are you going to classify those two men?

Shall we talk of seamstresses? That is a far-away subject that we only come in contact with once in a while when we are required to observe a dressmaker's bill contracted by our wives, and yet we know that there is everything from the girl who can barely run a seam to a woman who is in fact almost an artist. One of them is worth but two or three or four dollars a week, because she is barely learning and produces practically nothing, while the other is able to draw and is receiving, perhaps, in some great department house, five or six thousand dollars a year salary. Where are you going to fix a standard in cases of that sort? I do not care where you go, you will find this difference.

There are no farms in the District of Columbia that amount to anything; but, if there were and one wanted to hire corn huskers, I can find you plenty of big, husky, able-bodied men who could not husk 30 bushels of corn a day to save their lives, if you had a yield of a hundred bushels an acre, while I can find you others who will put from 75 to 80 bushels in the wagon in a day. Where is your standard for that?

You might fix a price for piecework, but how are you going to fix a standard for men when God Almighty made men of as many different standards and patterns as there are leaves upon the forest trees. If the Lord would only standardize men and women, then you could standardize wages. If you could standardize capacity, legislation of this kind would not be so ridiculous; but here is one man with the strength of a giant and the soul of a coward, while here is another man with the strength of a woman and the soul of a Cæsar. How are you going to standardize those two men? One of them would plan a battle, would mobilize an army, would take a citadel, would conquer a country, would establish a dynasty or liberate a world, while the other would find a stone fence to hide behind, and would crawl away like a craven. How are you going to standardize creatures like that when Almighty God, instead of standardizing them, made them in the mills of infinitude and gave to each his own peculiar powers and capacities and frailties?

There are no standards for men and women. You can not tell, to save your life, as you gaze at them what they are good for, what they will accomplish. Here is a woman with the face of a saint and the heart of a fiend; here is another, of sour visage, who will sacrifice her life in the service of her race. Here is a man who, so far as outward appearance is concerned, is favored by nature, powerful and apparently intelligent, and yet the acme of his performance is the adjustment of a cravat or the brushing of a pair of artistic whiskers. Here is another, little, insignificant-looking fellow, who moves worlds. How will you standardize men and standardize women?

You can not even standardize bolsheviki; even they have their varieties. There is only one thing common to them all. They are the apostles of change; they are the high priests who stand in the temple of fortune and burn incense to the god of chance. They sacrifice on the altars of experimentation. They are willing to try anything once; but always and forever they bear aloft in their own hands a banner proclaiming themselves the leaders of reform, the champions of humanity, the saviors of their race!

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum is suggested. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bankhead	Jones, Wash.	Overman	Thomas
Brandegee	Kendrick	Poindexter	Thompson
Calder	Kenyon	Pomerene	Trammell
Chamberlain	Kirby	Ransdell	Underwood
Cummins	Knox	Reed	Vardaman
Curtis	McCumber	Robinson	Wadsworth
Dillingham	McKellar	Shafroth	Walsh
Drew	McNary	Sheppard	Warren
France	Martin	Shields	Watson
Guion	Nelson	Simmons	Wilfley
Hale	New	Smith, Ga.	
Harding	Norris	Smith, S. C.	
Jones, N. Mex.	Nugent	Smoot	

Mr. SHEPPARD. I wish to announce that the Senator from Rhode Island [Mr. GERRY] and the Senator from Nevada [Mr. PITTMAN] are detained on official business.

Mr. CURTIS. I desire to announce the absence of the junior Senator from Minnesota [Mr. KELLOGG] on account of illness in his family. I will let this announcement stand for the day.

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. A quorum is present. The question is, Shall the bill pass?

Mr. TRAMMELL. I ask for the yeas and nays on the passage of the bill.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). I transfer my pair with the junior Senator from Georgia [Mr. HARDWICK] to the junior Senator from Vermont [Mr. PAGE] and vote "yea."

Mr. JONES of Washington (when his name was called). The junior Senator from Virginia [Mr. SWANSON] is necessarily absent on account of illness in his family. During that absence I am paired with him. I do not know how he would vote on this measure, so I will have to withhold my vote. If at liberty to vote, I should vote "yea."

Mr. THOMPSON (when his name was called). I inquire whether the Senator from Illinois [Mr. SHERMAN] has voted?

The PRESIDING OFFICER. He has not.

Mr. THOMPSON. I have a pair with the Senator from Illinois, which I transfer to the Senator from Oklahoma [Mr. OWEN] and vote "yea."

Mr. WALSH (when his name was called). I inquire if the Senator from New Jersey [Mr. FRELINGHUYSEN] has voted?

The PRESIDING OFFICER. He has not.

Mr. WALSH. I have a pair with that Senator, which I transfer to the Senator from New Hampshire [Mr. HOLLIS] and vote "yea."

Mr. WATSON (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. WOLCOTT]. In his absence I withhold my vote. If permitted to vote, I should vote "yea."

The roll call was concluded.

Mr. FLETCHER. I have a general pair with the junior Senator from Massachusetts [Mr. WEEKS]. Not knowing how he would vote on this question, I withhold my vote.

Mr. REED. I transfer my pair with the Senator from Michigan [Mr. SMITH] to the Senator from Nebraska [Mr. HITCHCOCK] and vote "nay."

Mr. KENDRICK (after having voted in the affirmative). I have a general pair with the senior Senator from New Mexico [Mr. FALL]. I transfer that pair to the Senator from Arizona [Mr. SMITH] and will let my vote stand.

Mr. DILLINGHAM (after having voted in the affirmative). I observe that the Senator from Maryland [Mr. SMITH], with whom I have a general pair, has not voted. I therefore transfer

my pair with that Senator to the Senator from West Virginia [Mr. GOFF], and will allow my vote to stand.

Mr. TOWNSEND. I desire to announce the absence of my colleague [Mr. SMITH of Michigan] and his pair with the senior Senator from Missouri [Mr. REED]. This announcement may stand for the day.

Mr. JONES of Washington. I transfer my pair with the junior Senator from Virginia [Mr. SWANSON] to the junior Senator from Wisconsin [Mr. LENROOT] and vote "yea."

Mr. CALDER (after having voted in the affirmative). I have a pair with the junior Senator from Rhode Island [Mr. GERRY]. In his absence I transfer that pair to the junior Senator from New Jersey [Mr. BAIRD] and will permit my vote to stand.

Mr. SHEPPARD. I wish to announce that the Senator from Rhode Island [Mr. GERRY] and the Senator from Nevada [Mr. PITTMAN] are detained on official business.

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Rhode Island [Mr. COLT] with the Senator from Delaware [Mr. SAULSBURY];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from Minnesota [Mr. KELLOGG] with the Senator from North Carolina [Mr. SIMMONS];

The Senator from Connecticut [Mr. MCLEAN] with the Senator from Montana [Mr. MYERS];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS]; and

The Senator from West Virgina [Mr. SUTHERLAND] with the Senator from Kentucky [Mr. BECKHAM].

The yeas and nays resulted—yeas 36, nays 12, as follows:

YEAS—36.

Borah	Harding	McKellar	Shafroth
Brandegee	Henderson	McNary	Sheppard
Calder	Jones, Wash.	Nelson	Sherman
Chamberlain	Kendrick	New	Shields
Cummins	Kenyon	Norris	Sterling
Curtis	Kirby	Nugent	Thompson
Dillingham	Knox	Poindexter	Townsend
Drew	Lodge	Pomerene	Trammell
Hale	McCumber	Robinson	Walsh

NAYS—12.

Bankhead	Martin	Smith, Ga.	Underwood
France	Overman	Smith, S. C.	Wadsworth
Guion	Reed	Thomas	Wilfley

NOT VOTING—47.

Ashurst	Gore	Lewis	Smith, Md.
Baird	Gronna	McLean	Smith, Mich.
Beckham	Hardwick	Myers	Smoot
Benet	Hitchcock	Owen	Sutherland
Colt	Hollis	Page	Swanson
Culberson	Johnson, Cal.	Penrose	Vardaman
Fall	Johnson, S. Dak.	Phelan	Warren
Fernald	Jones, N. Mex.	Pittman	Watson
Fletcher	Kellogg	Ransdell	Weeks
Frelinghuysen	King	Saulsbury	Williams
Gerry	La Follette	Simmons	Wolcott
Goff	Lenroot	Smith, Ariz.	

The PRESIDING OFFICER. On the passage of the bill the yeas are 36 and the nays are 12. The Senator from Florida [Mr. FLETCHER], the Senator from Wyoming [Mr. WARREN], and the Senator from Indiana [Mr. WATSON] are present and paired. A majority having voted in favor of the bill, the bill is passed.

ADJOURNMENT TO TUESDAY.

Mr. MARTIN. I move that when the Senate adjourn to-day it adjourn to meet at 12 o'clock meridian on Tuesday next.

The motion was agreed to.

EXECUTIVE SESSION.

Mr. MARTIN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 3 o'clock and 5 minutes p. m.) the Senate adjourned until Tuesday, September 17, 1918, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 13, 1918.

JUDGE OF POLICE COURT, DISTRICT OF COLUMBIA.

John P. McMahon to be judge of the police court, District of Columbia.

JUDGE OF MUNICIPAL COURT, DISTRICT OF COLUMBIA.

George C. Aukum to be judge of the municipal court, District of Columbia.

JUDGE OF JUVENILE COURT, DISTRICT OF COLUMBIA.

Miss Kathryn Sellers to be judge of the juvenile court, District of Columbia.

PROMOTIONS IN THE ARMY.

QUARTERMASTER CORPS.

Lieut. Col. Alexander M. Davis to be colonel.
Maj. William B. Rochester to be lieutenant colonel.

CAVALRY ARM.

To be first lieutenants.

Second Lieut. Robert C. Knowlton.
Second Lieut. Richard H. Pinney.
Second Lieut. Garland C. Black.
Second Lieut. Keith F. Driscoll.
Second Lieut. Albert G. Hunt.
Second Lieut. Egbert F. Bullene.

APPOINTMENTS IN THE ARMY.

MEDICAL CORPS.

To be first lieutenants.

First Lieut. Harlin Guilford Tucker.
First Lieut. Du Mont Frelinghuysen Elmendorf.

TRANSFER TO THE ACTIVE LIST OF THE ARMY.

FIELD ARTILLERY ARM.

Capt. John W. Rafferty, retired, to the grade of captain in the Field Artillery.

PROVISIONAL APPOINTMENT IN THE ARMY.

INFANTRY.

George Tucker Metcalf to be second lieutenant.

PROVISIONAL APPOINTMENTS, BY TRANSFER, IN THE ARMY.

COAST ARTILLERY CORPS.

First Lieut. Dale M. Hoagland to be first lieutenant of Coast Artillery.

INFANTRY ARM.

First Lieut. Fletcher H. Etheridge to be first lieutenant of Infantry.

PROVISIONAL APPOINTMENTS, BY PROMOTION, IN THE ARMY.

INFANTRY.

To be captains.

First Lieut. Daniel M. Cheston, jr.
First Lieut. Kirke B. Everson.
First Lieut. John C. Daly.
First Lieut. Paul E. Peabody.
First Lieut. Albert F. Christie.
First Lieut. William S. Maxwell.
First Lieut. Ernest H. Burt.
First Lieut. Ray M. O'Day.
First Lieut. Alan Pendleton.
First Lieut. Merritt E. Olmstead.
First Lieut. Benjamin F. Caffey, jr.
First Lieut. Hadyn P. Mayers.
First Lieut. Rogers M. Wilson.
First Lieut. Albin K. Kupfer.

To be first lieutenants.

Second Lieut. William E. Bergin.
Second Lieut. John O. Crose.
Second Lieut. Samuel R. Epperson.
Second Lieut. Leslie F. Tanner.
Second Lieut. Frederick L. Bramlette.
Second Lieut. Benjamin W. Venable.
Second Lieut. Myron E. Bagley.
Second Lieut. John L. Murphy.
Second Lieut. John W. Freels.
Second Lieut. Eugene F. Gillespie.
Second Lieut. George W. Setzer, jr.
Second Lieut. James B. Mudge.
Second Lieut. Earl L. R. Askam.
Second Lieut. Irvin L. Swanson.
Second Lieut. Philip D. Richmond.
Second Lieut. William W. Timmis.
Second Lieut. Gayle McFadden.
Second Lieut. Burt E. Skeel.
Second Lieut. Henry Brickley.
Second Lieut. Thomas P. Barry, jr.
Second Lieut. Roger Wisner.
Second Lieut. Merril V. Reed.
Second Lieut. A. Pledger Sullivan.
Second Lieut. Douglas O. Langstaff.
Second Lieut. Ralph W. Hickey.

Second Lieut. George K. Page.
Second Lieut. Thomas L. Reese.
Second Lieut. William B. Yancey.
Second Lieut. Leo J. McCarthy.
Second Lieut. Griffin D. Vance.
Second Lieut. Earl Franklin Paynter.
Second Lieut. Joseph M. O'Grady.
Second Lieut. Clifford R. Wright.
Second Lieut. Donald McG. Marshman.
Second Lieut. John S. Coleman.

COAST ARTILLERY CORPS.

Second Lieut. Henry M. Atkinson, jr., to be first lieutenant.

FIELD ARTILLERY.

To be first lieutenants.

Second Lieut. Robert E. Crotty.
Second Lieut. Wilton Lloyd-Smith.

POSTMASTERS.

ARKANSAS.

Bessie Mahan, Bearden.
Luther M. Burge, Cabot.
Bertram C. Reid, Hoxie.

KANSAS.

Richard E. Thoes, Alma.
William T. Hayes, Almena.
James C. Cordill, Alton.
Joseph R. Hill, Arma.
Henry C. Mayse, Ashland.
Theodore D. Webster, Bronson.
Oley G. Apt, Buffalo.
John L. Koebele, Burns.
Bowles Unsell, Caldwell.
Minnie P. Weyer, Centralia.
John I. Saunders, Cheney.
Harry L. O'Bryan, Chetopa.
Emery W. Caywood, Clifton.
Lewis E. Waddell, Cottonwood Falls.
Cassie R. Johnson, Everest.
Lulu M. Crans, Formoso.
John L. Paden, Fowler.
Adelaide Brandenburg, Frankfort.
Shelton C. Bybee, Garnett.
John E. Johnson, Geneseo.
Harry V. Paxton, Greensburg.
Floyd C. Flory, Grenola.
Samuel P. Reser, Hartford.
Francis M. Pearl, Hiawatha.
Arch E. Bruner, Highland.
Nettie Watkins, Hope.
Glenn Smith, Horton.
Isaac J. Barrackman, Humboldt.
Christ F. Hoefer, Inman.
Alfred H. Hecox, Iola.
Columbus E. Roughton, Jetmore.
William D. Sturgis, Kanopolis.
Walter R. Long, Kingman.
Harry Spurrier, Kiowa.
Joseph J. Landes, Kirwin.
Anna B. Marshall, La Cygne.
Peter W. Jury, La Harpe.
Hugh N. Jones, Lebo.
Perry D. Pettit, Leon.
Edward S. Irwin, Liberal.
George H. Goodholm, Lindsborg.
Claude P. Fallis, Luray.
Ida McCann, Macksville.
Edward J. Buckley, Marion.
John R. Lovitt, McCracken.
Uriah C. Herr, Medicine Lodge.
John M. Brown, Minneapolis.
Addison M. Markley, Mound City.
George W. Sain, jr., Nickerson.
Charles N. Page, Oberlin.
William C. Dysart, Parker.
William W. House, Peabody.
Jonathan H. Parkinson, Pomona.
Maude M. Parrish, Quenemo.
John B. Kay, St. John.
Joseph P. Fern, Scammon.
Charles W. Spencer, Sedan.
Robert C. Logan, Smith Center.
George W. Lank, Solomon.
James M. Little, Sterling.
William P. Rettiger, Strong.
Fred Powell, Thayer.
William O. Rigby, Topeka.
George H. Burkhalter, Troy.
James E. Miller, Walnut.
Edgar G. Forrester, Wamego.
C. Carl Holbrook, Waterville.
William R. Martin, Wathena.
Celia Hughes, Weir.
Charles R. Havens, Wellington.
Joseph H. Plummer, Westmoreland.
William T. S. Griffith, Westphalia.
Joseph Pelishek, Wilson.

LOUISIANA.

Charles R. Kelley, Dubach.
Frank M. Caldwell, Robeline.

MICHIGAN.

George W. Manion, Alpena.
George M. Harrington, Bancroft.
Mark Burlingame, Bangor.
Willis F. Bricker, Belding.
Rose E. Pryor, Bellaire.
Harvey J. Campbell, Benton Harbor.
Emma Mason, Blanchard.
Edson Porter, Blissfield.
A. LeRoy Locke, Bronson.
William H. Cronin, Brown City.
Francis O. Gaffney, Cadillac.
John R. Ryan, Calumet.
Alfred S. Sadler, Capac.
Andrew B. Goodwin, Carson City.
Grover H. Kimmerle, Cassopolis.
Roy C. Blackburn, Cedar Springs.
Thomas G. Finucan, Charlevoix.
John A. Jackson, Clare.
LeRoy Palmer, Coldwater.
Walter W. Simons, Coleman.
Charles M. Vermilya, Columbiaville.
George F. Catton, Constantine.
Frank H. Pettibone, Corunna.
Sarah G. Howard, Custer.
George H. Heisler, Dearborn.
Frank W. Richey, Dowagiac.
Freeborn H. Healy, Durand.
Claude D. Aldrich, East Lansing.
James H. Gallery, Eaton Rapids.
Ernest W. Brown, Farwell.
Floyd A. Chapin, Fenton.
Lewis Hart, Fowlerville.
Richard W. Hankins, Freeland.
Charles B. Wilmot, Gladwin.
Percy D. Edsall, Greenville.
Franklin P. Hilbourn, Hart.
John J. Dawson, Hastings.
Martin R. Bradley, Hermansville.
Seymour C Eslow, Homer.
Harvey E. Kidder, Ionia.
Hugh McLaughlin, Iron Mountain.
Adolf W. Peterson, Ironwood.
Thomas J. Dundon, Ishpeming.
Sylvester Doremus, Lake City.
Harry E. Penninger, Lake Linden.
Edwin Shellhorn, Lake Odessa.
Peter F. Gray, Lansing.
John Loughnane, Lapeer.
Christopher Lowney, Laurium.
Amos C. Benedict, Lawrence.
George Cutler, Luther.
James A. King, Manistee.
Frederick J. L. Carroll, Manistique.
Isaac C. Wheeler, Manton.
William M. Beadle, Marcellus.
Frederic M. Hall, Mason.
Etta R. De Motte, Memphis.
Edward F. Riley, Mendon.
Gordon J. Murray, Michigamme.
Charles F. Parker, Middleville.
Charles E. Lovejoy, Milford.
Ira G. Metcalf, Morenci.
Martin Crocker, Mount Clemens.
Herbert A. Sanford, Mount Pleasant.
Henry C. Glasner, Nashville.
Peter Trudell, jr., Negaunee.
Samuel D. Bonner, Newaygo.
Malcolm McPhee, Newberry.

John C. Wickstrom, Norway.
George H. Gauthier, Ontonagon.
Amon C. Sprau, Otsego.
Edwin F. Mathews, Pellston.
Walter E. Hodges, Pentwater.
Elmer E. Hymers, Pontiac.
John S. Whitliff, Port Huron.
Clinton Joseph, Quincy.
Harvey J. Tibbitts, Ravenna.
Don A. Rosencrans, Reed City.
Francis J. Heavener, Royal Oak.
Michael Hoban, St. Ignace.
John Burns, St. Louis.
John P. Roberts, Sandusky.
Levi S. Vaughan, Saranac.
Edmund L. Ashworth, Shepherd.
Henry C. Stevenson, South Lyon.
Albert H. Meeker, Sparta.
Mary E. Swanson, Spring Lake.
Paul W. Segelstrom, Stambaugh.
Mortimer D. Snow, Standish.
Charles E. Utley, Stanton.
Matthew W. Doyle, Stephenson.
Edmund J. Bullock, Sterling.
John Brogan, Stockbridge.
Herbert W. Hagerman, Sturgis.
Herbert I. Wright, Three Rivers.
William R. Teifer, Trenton.
Charles E. Adair, Utica.
Prescott L. Varnum, Vassar.
Robert D. Jenkinson, Vicksburg.
Edwin F. W. Neidhold, Wakefield.
Albert A. Howard, Waterviiet.
James L. Klett, Whitehall.
Edgar W. Farley, Yale.

MINNESOTA.

Joseph A. Roerig, Adrian.
Orrin W. Ramsdell, Akely.
Philip H. Kiefer, Barnesville.
Walter P. Lemmer, Belgrade.
Harry H. Salmon, Biwabik.
Eugene H. Mangskau, Breckenridge.
May B. Rosing, Cannon Falls.
Frank W. Watkins, Clinton.
Everett W. Davis, Detroit.
William E. McEwen, Duluth.
Will J. Sarff, Eagle Bend.
Gustein D. Aakhus, Erskine.
Harry M. Wheelock, Fergus Falls.
Jean W. New, Floodwood.
John R. Serrin, Glenwood.
James Sammon, Graceville.
Thomas J. Grimes, Grand Meadow.
Edward C. Kiley, Grand Rapids.
John O. Ackerman, Hastings.
Gustave A. Buck, Henderson.
George E. Comstock, Houston.
John L. King, Jackson.
Matthew W. Keeley, Janesville.
William H. Lake, Jasper.
Martin J. Casey, Jordan.
Daniel B. Lydon, Kellogg.
Arthur T. Archer, Kerkhoven.
Edward A. Purdy, Minneapolis.
Charles S. Strout, Monticello.
Elmer A. Orth, North St. Paul.
Michael J. Daly, Perham.
Thomas H. Bunn, Pine Island.
William G. Stewart, Pine River.
George G. Stone, Pipestone.
Harry D. Smith, Plainview.
Michael E. Gartner, Preston.
Clemens A. Lauterbach, Redwood Falls.
William L. Poseley, Renville.
Herman E. Kent, Sanborn.
Freeman S. Holmes, South Haven.
William Mueller, Springfield.
Joseph Wolf, Staples.
Ferdinand J. Reimers, Stewart.
Ole A. Fuglie, Ulen.
Stephen M. Quigley, Wabasha.
Christian Hunsinger, Wadena.
Charles A. Tullar, Warren.
Frank F. Clifford, West Concord.
George G. Allanson, Wheaton.

MONTANA.

Mary E. Meinhardt, Bainville.
George M. Daugherty, Baker.
Fred M. Byrne, Belgrade.
Anna D'G. Hough, Bridger.
J. Mae Cochran, Corvallis.
John H. Booth, Ekalaka.
Willard A. Leo, Fairview.
George R. Fisk, Hamilton.
C. Henry Lanius, Harlowton.
Clemens H. Fortman, Helena.
John H. Rutter, Hinsdale.
Joseph E. Pickens, Huntley.
John R. Middleton, Hysham.
Mary B. Bacon, Ismay.
Samuel Hilburn, Kalispell.
John P. Bowen, Libby.
Joseph E. Swindlehurst, Livingston.
Thomas Gibb, Miles City.
Clyde C. Richey, Richey.
Lee L. Minnick, Saco.
George P. Bartlett, Sumatra.

OKLAHOMA.

Andrew J. Adcock, Aline.
Birt A. Clark, Arnett.
Jesse W. Phillips, Atoka.
John A. McLaughlin, Chandler.
Walter B. Hensley, Checotah.
Robert L. Lunsford, jr., Cleveland.
Jesse M. Coday, Commerce.
Samuel R. Staton, Cushing.
Samuel C. Campbell, Enid.
Leslie E. Ellis, Erick.
Albert A. Stebbins, Garber.
Charles E. Howe, Gotebo.
James W. Smith, Grandfield.
Orlando E. Butler, Grove.
William I. Bowen, Haileyville.
David W. Study, Healdton.
James M. Staten, Helena.
Frank B. Hutchison, Kaw.
Ida H. Culbertson, Kiowa.
Eugenia F. Turner, Krebs.
Monroe Moore, Lamont.
Laura A. Beamer, Morris.
Edmon E. Payne, Mounds.
William T. Childs, Nash.
Joseph H. Brasher, Noble.
Floyd L. Swank, Norman.
Israel W. Bebout, Orlando.
William T. Vest, Pondcreek.
Will A. Allen, Roff.
John H. Anderson, Snyder.
Jefferson D. Ward, Spiro.
Jesse D. Crawford, Stonewall.
Simmie Farriss, Stratford.
Hinton A. Crawford, Temple.
Robert I. Temple, Watonga.
James P. McLarty, Wilburton.
John M. Dollarhide, Wright (late Bismark).
George P. Rollow, Wynne Wood.
Thomas C. Shacklett, Yukon.

PENNSYLVANIA.

Martin Klingler, Allentown.
Harry M. Bowman, Annville.
Frank M. Newingham, Apollo.
David Burke, Bangor.
Michael E. Brown, Blairsville.
Fisk Goodyear, Carlisle.
John K. Gorman, Coalport.
John R. Bucher, Columbia.
William D. McGinnis, Connellsville.
Henry J. Block, Conway.
John J. Sullivan, Dallas.
Asher K. Anders, Doylestown.
Harry W. Faloon, East Brady.
Henry Bourns, Ellsworth.
Barney N. De France, Ellwood City.
Jacob F. Lauffer, Export.
James T. Fisher, Finleyville.
Lewis A. Snyder, Fullerton.
John Dzurik, Glenlyon.
Hugh McKenna, Hazleton.
Joseph J. Campbell, Homer City.
Thomas A. Riggle, Houston.

James C. Shields, Irwin.
Michael F. McDermott, Jermyn.
Frederick O. Schreiner, Johnsonburg.
Llewellyn Angstadt, Kutztown.
Daniel P. Johnson, Lansford.
John B. Parks, Leechburg.
James J. Huebener, Lititz.
Claude E. Desch, Macungie.
Blake W. McCracken, Mahaffey.
Robert M. McCartney, McDonald.
Joseph S. Cole, Millville.
David M. Brown, Mont Alto.
Stanley Dropeski, Nanticoke.
William H. Keener, New Bethlehem.
David B. Thomas, New Brighton.
John A. Thornton, Philadelphia.
Charles R. Smith, Quakertown.
Albert H. Fritz, Quarryville.
Horace G. Moyer, Richland.
Bartley B. Stewart, Rimersburg.
Ranson E. Burket, Roaring Spring.
John E. Blair, Shippensburg.
Joseph H. McGee, South Bethlehem.
John M. Graham, Volant.
John A. Ketterer, Wampum.
Milton H. Gundy, Wernersville.
William A. Christman, Womelsdorf.

RHODE ISLAND.

Francis J. McCabe, Apponaug.
Honore H. Archambault, Arctic.
Daniel G. Coggeshall, Bristol.
John Reynolds, Harrisville.
Ernest M. Spencer, North Scituate.
Charles Quinn, Phenix.
Horace G. Thornton, Esmond.

TENNESSEE.

Joel J. Jones, Fayetteville.

VIRGINIA.

Nathaniel Lancaster, Ashland.
Nina W. Moss, Beaverdam.
James M. Harris, Blackstone.
Sidney M. Williams, Broadway.
Mary P. Moon, Cartersville.
John S. White, Charlottesville.
Robert T. Montgomery, Colonial Beach.
Frank H. Rinehart, Covington.
Bert Russell, Damascus.
Charles A. Funkhouser, Dayton.
John H. Massie, Edinburg.
James R. Rawlings, Fredericksburg.
Snyder B. Downing, Front Royal.
James M. Minnich, Gate City.
Susan A. Roadcap, Goshen.
William E. Ramsey, Gretna.
Carlisle H. Willoughby, Jonesville.
William C. Lauck, Luray.
Joshua P. Wescott, Nassawadox.
Charles W. Mugler, Newport News.
Samuel T. Montague, Portsmouth.
Jefferson D. Askew, Pulaski.
Ernest L. Perry, Quantico.
Hay T. Thornton, Richmond.
William C. Menefee, Rockymount.
Wiley W. Ward, South Boston.
John B. Norfleet, Suffolk.
Levi E. Stephenson, Wakefield.
John T. Cooke, Waynesboro.
Joseph L. Bland, Westpoint.
Wade H. Lipps, Wise.
William M. Calvert, Woodstock.
Claud N. Otey, Wytheville.

HOUSE OF REPRESENTATIVES.

FRIDAY, *September 13, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Lord God Almighty, Maker of heaven and earth, continue Thy mercies unto us, the denizens of this old world, provided with all things necessary to life, happiness, and peace; now turned into a seething, boiling caldron, destructive of life, truth, and justice; which has turned men from the peaceful pursuits of life into a war of hate and revenge on the one hand and on the other the defense of all that true men hold dear.

Continue to sustain, uphold, and guide those who are battling for the right that all things shall be adjusted to the normal and peace and happiness reign supreme. In His name. Amen.

The Journal of the proceedings of yesterday was read and approved.

PROPOSED PRESENTATION OF SEVRES VASES BY FRANCE (S. DOC. NO. 276).

The SPEAKER laid before the House the following message from the President of the United States:

To the Senate and House of Representatives:

In compliance with the request of the French Ambassador I transmit herewith, for the information of the Congress, a letter from the ambassador expressing the desire of his Government to offer to each of the two Houses of Congress a vase from the National Manufacture of Sevres.

WOODROW WILSON.

THE WHITE HOUSE, *11 September, 1918.*

The SPEAKER. The Clerk will read the ambassador's letter.

The Clerk read as follows:

AMBASSADE DE LA RÉPUBLIQUE FRANÇAISE
AUX ÉTATS-UNIS,
Washington, le September 9, 1918.

DEAR MR. PRESIDENT: Anxious to show their profound appreciation of the way in which Congress received the Viviani-Joffre Mission when it came to express France's sisterly gratitude for America's timely help, my Government is desirous, if so allowed, to offer to each of the two Houses a vase from our National Manufacture of Sevres.

Our hope is that those products of French craftsmanship may be kindly accepted and preserved as a token of what France feels toward the representatives of the American States and citizens, whose manly resolutions, suggested by yourself, each of them meeting the country's warmest approval, will have had such a decisive influence on the severest conflict, and the greatest by its consequences, the world has ever known.

I should be very much obliged to you if you were so good as to inform the Senate and the House of Representatives of the intention of the Government of the French Republic and of its motives.

I have the honor to be, dear Mr. President,
Very respectfully and sincerely, yours,

JUSSERAND.

The SPEAKER. This message with the accompanying letter will be printed and referred to the Committee on Foreign Affairs.

Mr. GARRETT of Tennessee. Mr. Speaker, it occurs to me that that properly ought to go to the Committee on the Library. I suppose the Speaker has given full thought to it.

Mr. WALSH. Ought it not to go to the Committee on Rules?

The SPEAKER. Of course whichever committee it is referred to will give it proper consideration, but it seems to the Chair that it properly belongs to the Committee on Foreign Affairs. It is a communication from a foreign Government to our Government. We will let it go to that committee, unless the gentleman wants to discuss the authorities about it.

PROTECTION OF TRADE-MARKS AND COMMERCIAL NAMES.

Mr. SIMS. Mr. Speaker, I ask unanimous consent for a change of reference of Senate bill 4889, and will make a statement so that my request will be understood. The Department of Commerce sent both to the Senate and the House and asked to have passed a bill to give effect to certain provisions of the Convention for the Protection of Trade-Marks and Commercial Names, made and signed in the city of Buenos Aires in the Argentine Republic, August 20, 1910, and for other purposes.

In the Senate this bill was referred to the Committee on Commerce, and in the House to the Committee on Interstate and Foreign Commerce. The House Committee on Interstate and Foreign Commerce have been considering this bill and have had quite a lot of correspondence concerning it. On September 12 the Senate passed the bill and sent it over to the House, and it has been referred to the Committee on Patents. While the Committee on Patents, and also the Committee on Foreign Affairs, may have jurisdiction, as well as the Committee on Interstate and Foreign Commerce, we have had the similar House bill under consideration ever since the 1st day of May and have made quite a little progress. I believe it would be in the interest of good legislation to have the Senate bill on the subject, which is the same bill, referred to the same committee.

The SPEAKER. Was the House bill referred to that committee?

Mr. SIMS. Yes; and it has been considered by the committee ever since the 1st day of May.

The SPEAKER. Has the gentleman authority from his committee to make this request?

Mr. SIMS. Yes. I had it up before the committee this morning and was authorized to take the course I am taking in the matter of a change of reference.

Mr. GARNER. Will the gentleman yield for a question?

Mr. SIMS. Certainly.

Mr. GARNER. Has the gentleman talked with the chairman of the Committee on Patents [Mr. CHARLES B. SMITH] about this matter?

Mr. SIMS. I have not.

Mr. GARNER. Does not the gentleman think he ought to speak to him about the matter before bringing it up in the House? Would not that be proper courtesy?

Mr. SIMS. His committee has not been considering the bill.

Mr. GARNER. It seems to me it would be a matter of proper courtesy for the chairman of one committee to consult with the chairman of the other committee before asking to take away from his committee a bill which has been referred to it.

Mr. SIMS. I did not know that the chairman of the Committee on Patents was not present. I supposed he was here and listening to my remarks.

Mr. WALSH. I object to the request of the gentleman from Tennessee, whatever it is going to be.

The SPEAKER. The gentleman from Massachusetts objects, and that is the end of it.

The Chair desires to state that the suggestion of the gentleman from Texas [Mr. GARNER] is a very proper one. In all these controversies about jurisdiction over bills, which are frequent, the chairmen of the committees interested ought to consult with each other before bringing the matter before the House.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. DEWALT (at the request of Mr. STEELE), until Tuesday next, on account of important business; and

To Mr. GOODWIN of Arkansas, indefinitely, on account of illness.

LIBERTY BONDS.

Mr. KITCHIN. I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of House bill 12923 to supplement the second liberty-bond act, as amended, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 12923) to supplement the second liberty-bond act, as amended, and for other purposes, with Mr. SLAYDEN in the chair.

On taking the chair Mr. SLAYDEN was greeted with applause.

The CHAIRMAN. The House is in Committee of the Whole for the consideration of House bill 12923, which the Clerk will report.

The Clerk read the title of the bill.

Mr. KITCHIN. I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to dispense with the first reading of the bill. Is there objection?

There was no objection.

Mr. KITCHIN. Mr. Chairman, the campaign for the fourth liberty loan will begin on September 28. While not definitely settled, the amount of bonds to be offered for sale will probably be around $6,000,000,000. In view of many circumstances and conditions, among which is the probable large increase in the amount of taxes, and especially surtaxes, it is thought by the Treasury Department and by the committee necessary to exempt from surtaxes a certain amount of bonds, and to make certain other amendments to existing statutes. This bill proposes to do that.

The first provision of the bill, which is the main provision, proposes to exempt the interest on fourth liberty bonds the principal of which does not exceed $30,000, owned by any person, partnership, corporation, or association, from surtaxes, excess-profit taxes, and war-profit taxes. The interest from all liberty bonds is already exempt from normal income taxes and the corporation income tax.

The bill also provides that a person buying fourth liberty bonds can have an exemption of the first liberty bonds converted, and the second liberty bonds converted and unconverted, and third liberty bonds to the extent of one and one-half times as much as the amount of fourth liberty bonds subscribed for and owned by such person at the date of his tax return, not to exceed in the aggregate in any event $45,000.

In other words, if a person buys $10,000 of the fourth liberty bonds—of course they will be exempt because all up to $30,000 of the purchase are exempt—he can have an exemption of the first liberty bonds converted or the second or the third liberty bonds to the amount of $15,000, because that is one and one-half times as much as the bonds he purchases. In other words, if he had $45,000 of the first liberty bonds converted and the second and third liberty bonds, and he purchased $30,000 of new bonds, the new bonds would be exempt from surtaxes, excess-profits and war-profits taxes, and the fact that he subscribed for and owns the $30,000 of fourth liberty bonds at the time of his tax return will entitle him to hold the $45,000 of converted first liberty bonds and second and third liberty bonds free from the like taxes also.

But if he owns $50,000 of the first liberty bonds converted and the second and third bonds and bought $30,000 of the new bonds, the new bonds would be exempt and not exceeding $45,000 of the old bonds, because the bill provides that you can not have an exemption of more than $45,000 of the old bonds.

Mr. GILLETT. Would the gentleman prefer to make his statement before any questions are asked?

Mr. KITCHIN. I would prefer that, and I will request gentlemen to reserve their questions until I get through. This exemption lasts only two years after the termination of the war, the date to be fixed by the President. It is presumed that within at least two years after the expiration of the war the surtax will be greatly reduced and therefore will compensate for the loss of the exemption.

If a man buys no new bonds and he owns old bonds, he will get no exemption on account of ownership of the old bonds. This was inserted as an inducement for people who own old bonds to buy new bonds, because he will get an exemption of the new bonds and the old bonds.

I myself, if I had the responsibility of selling these bonds, and I think if a majority of the committee had the responsibility of selling the bonds, we would make the exemption, say, $25,000, and have no limit as to the time, making them absolutely exempt, as $5,000 of bonds now are absolutely exempt. But we discussed this matter with the Treasury Department, and it, having the responsibility for selling the bonds, preferred to have this limit of exemption for two years after the war.

Now, we have a provision that the 3½ per cent bonds that are converted into the new bonds shall also have an exemption of $30,000. That is, if the owner of 3½ per cent bonds, which are totally exempted from the tax, shall convert them into the new bonds, he can have the same exemption of $30,000. These exemptions are in addition to the $5,000 flat exemption from all taxes now in the present law, and inherently in all the liberty bonds we have heretofore issued.

In section 2 we increase the amount of war-saving certificates that can be issued from $2,000,000,000 to $4,000,000,000. The Treasury Department thought it was wise to increase the war-saving certificates from $2,000,000,000 to $4,000,000,000, because the necessary distribution of the war-savings stamps among thousands of post offices and other agencies engaged in making sales over the counter may make the present limit very embarrassing long before the cash receipts of the Treasury indicate that the limit is about to be reached.

Section 3 permits the Secretary of the Treasury to deposit war-profits taxes in designated depositaries throughout the United States. The other liberty-bond act permitted him to deposit income taxes and excess-profits taxes in such depositaries to help the local taxpayers by keeping the money from being taken away from the local community in which the taxes are paid. We had no war-profits taxes at that time of the enactment of the prior bond acts, so there has been no need for this authority prior to this time. The pending revenue bill provides for the levy of a war-profits tax, and therefore it becomes necessary to provide this authority for the deposit of war-profits taxes.

Section 4 gives the Secretary of the Treasury the power to make arrangements in or with foreign countries to stabilize the foreign exchanges and to obtain foreign currencies and credits in such currencies, and he may use any such credits and foreign currencies for the purpose of stabilizing or rectifying foreign exchanges, and he may designate depositaries in foreign countries with which may be deposited, as he may determine, all or any part of the avails of any foreign credits or foreign currencies.

This provision is for the purpose of stabilizing the exchanges or bringing up the American dollar to par in cases where it is now at a discount, and it is at a discount, in common language, in practically all of the countries, or many of the countries, which export to this country more than we export them. It is really just the difference between the exchange, but it is so large now that the American dollar, generally speaking, is at a discount. For instance, in Argentina the discount is about 5 per cent; in Spain, about 16 per cent. It is the opinion of the Treasury Department that this provision will enable the Secretary of the Treasury to bring the dollar considerably higher, perhaps to par, and it also enables the Treasury to get currencies in the countries in which our industries are trading and also to supply the needs of the American Expeditionary Forces. For instance, we have to buy in foreign countries for our forces abroad a great many articles, and this provision is to enable the Secretary of the Treasury to buy their currency and deposit it in banks or wherever the Secretary may decide to place it, and to make payment in that currency. There is no limit, you will notice. Of course, the Secretary would have the legal power to obligate the Government in billions of dollars, without any limit or limit of interest, but in order to place a limit we want to know how to limit, whether ten, twenty, thirty, or one hundred millions, or a billion or two billions. This is one of the matters that we must leave in the wise discretion of the Secretary.

Section 5 amends the act known as the trading-with-the-enemy act by giving the President power to regulate, investigate, or prohibit the sale of bonds and certificates of indebtedness and the melting and hoarding of gold. The other provisions in section 5 are now in the present act. That, of course, is a pretty broad power to be given to any one person, for the reason that the President can simply issue an order that a bond owner can not sell his bond under any circumstances to anyone, but must keep it. Of course, that is the power that he would have, but the exercise of that power, of course, is not in contemplation.

There are a great many merchants or traders who offer an inducement for people to sell their bonds to them, and who advertise their goods to be sold at lower prices and to be paid for in bonds—that they will give them more for bonds in that way than they can get on the market. It tempts a person to buy that which he does not need and to part with his bonds. I apprehend that under this provision some regulation might be made with reference to such bond transactions. This provision is a very necessary power that the President should have to assist in keeping the bonds stabilized.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Not now.

Mr. LITTLE. I want to ask the gentleman a question right there.

Mr. KITCHIN. I will ask the gentleman to make a note of it and permit me to get through the explanation of the bill, for I shall be through in 10 minutes, and then I shall be glad to yield to the gentleman. I think that everyone will admit that something has got to be done to prevent the sale of these bonds in a great many instances. A great many manipulators can get together and put down the price of bonds on the market, if they want to, and then get some means by which to buy the bonds in at a low price.

Section 6 extends the power of national banks to loan money. Under the existing law a national bank can only loan to one person, firm, or corporation an amount not to exceed 10 per cent of its capital stock and surplus. We add this, that in addition to this power the bank can discount notes or loan money upon notes secured by a like amount of United States liberty bonds issued since April 24, 1917, to the amount of 10 per cent of its capital stock and surplus. National banks already have the power to loan to any person, partnership, corporation, or association on any kind of good security an amount equal to 10 per cent of the bank's capital and surplus. That authority remains as it is. In addition to that, we provide that the national banks can loan any one firm, individual, corporation, or association an amount equal to 10 per cent of the capital stock and surplus of the bank, provided the loan is secured by liberty bonds issued since April 24, 1917, and, in addition to that, under such rules and regulations as the comptroller, with the approval of the Secretary of the Treasury, may prescribe, they can increase that limit of 10 per cent loaned on liberty bonds to 20 or 30 per cent. This is thought to be a very wise provision, in order to enable people who desire to buy bonds to borrow upon those bonds. A person may have already borrowed to his limit, as a great many of us have, and yet want to buy bonds and want to borrow some more money from the same bank. This provision will enable us to borrow as much as 10 per cent in addition, if they desire to loan it to us.

Mr. FOSTER. Limiting it to the 10 per cent.

Mr. KITCHIN. Yes; except, as I say, the comptroller, with the approval of the Secretary of the Treasury, may prescribe rules where they may loan more than 10 per cent.

Mr. FOSTER. I understood the gentleman to say up to 30 per cent.

Mr. KITCHIN. No. They have a right without the consent of any rules prescribed by the comptroller, with the approval of the Secretary, to get this additional 10 per cent on liberty bonds. But the comptroller, with the approval of the Secretary of the Treasury, can make rules by which to increase even that limit of 10 per cent on liberty bonds.

Mr. FOSTER. So that they might get more than 20 per cent.

Mr. KITCHIN. Yes; they can get 10 per cent under the existing law and they get another 10 per cent under this bill without consulting the Treasury Department, but if the department deems it advisable to let one have more than the additional 10 per cent they can make it any amount they prefer.

Mr. FOSTER. They can give permission to loan more?

Mr. KITCHIN. Yes; under the rules that they prescribe. I think, gentlemen, this concludes my explanation of the bill. Now I will be glad to yield to any gentleman who desires to ask any questions.

Mr. McFADDEN. To make a little clearer the gentleman's statement, suppose a man is a holder of $100,000 of bonds of previous issues at this time. He buys $30,000 of the new issue. Do I understand he will have an exemption of $75,000?

Mr. KITCHIN. That is right. He would be exempted $30,000 for the new bond, and owning $100,000 why one and one-half times 30 will make $45,000——

Mr. McFADDEN. So the total exemption would be $75,000?

Mr. KITCHIN. Yes, sir.

Mr. STEPHENS of Nebraska. That is without the $5,000 exemption; so that would make $80,000?

Mr. KITCHIN. You must not get mixed up on the $5,000 exemption. The $5,000 exemption remains as it is now under existing law, and applies to all the liberty bonds except the first liberty bonds, because they are exempted from all taxation. The exemption under section 1 of this bill is in addition to the $5,000 exemption under existing law.

Mr. McFADDEN. Why should not the exemptions contained in the last paragraph, clause 3, page 3, be embodied in section 1 as to——

Mr. KITCHIN. On page 2?

Mr. McFADDEN. Page 3, where it refers specifically to the $5,000 exemption.

Mr. KITCHIN. It says, "The exemptions provided in this section shall be in addition to the $5,000 exemption."

Mr. McFADDEN. It does not apply to the fourth loan.

Mr. KITCHIN. Yes, to the fourth loan, in addition to all other exemptions, etc.

Mr. LONGWORTH. May I suggest that that was inserted because the $5,000 limit is for all time, and the exemption under section 1 is limited to two years after the termination of the war.

Mr. KITCHIN. Yes, that is part of the contract of all those bonds that have been issued since the first liberty bond. I now yield to the gentleman from Massachusetts.

Mr. WALSH. Will the gentleman state in what way the amendment to the trading-with-the-enemy act, contained in section 5 of this bill, is going to help assist in this fourth liberty loan?

Mr. KITCHIN. Giving the President power to investigate, regulate, or prohibit the sale of bonds and certificates of indebtedness to the United States, and the melting and hoarding of gold and silver. That is the only provision in this section that is added to existing law; the remainder of the section is in existing law, but it is thought that the President by having that power, and wisely exercising it, it will be able to increase the value of the bonds, which I understand are now selling around 95 per cent.

If there is any way by which we can raise that 95 per cent up to 98, 99, or 100, it will be more easy to sell future bonds at par. I think, as I said awhile ago, there are a great many transactions that are legitimate but are not exactly right and expedient at this time with respect to dealing in United States bonds, and this provision gives the President the power to regulate or prohibit such transactions. I yield to the gentleman from Illinois.

Mr. DENISON. That clause of the bill of which the gentleman is just now speaking will give the President power to prohibit absolutely the transfer of bonds on the market?

Mr. KITCHIN. Yes.

Mr. DENISON. I heard even last year that the German Government had exercised that power and had forbidden the sale of Government bonds on the market for the purpose of concealing from their own people and from the world the depreciated condition of German securities. Are we going to do exactly what the German Government is doing in that respect?

Mr. KITCHIN. I have no idea the President of the United States will exercise the power given him in such a way. Undoubtedly he has that power under this section.

Mr. DENISON. What is the use of giving it? We are following the German Goverment in a great many respects, especially in a military way, and I was just wondering whether we are now by this legislation following their financial policy by authorizing the President primarily to stop trading on the stock exchanges in the bonds.

Mr. KITCHIN. Section 5 gives the President power to prevent any holder of bonds from selling them, but it is not assumed or presumed, and it would be a very rash presumption for any person to make, that the President is going to exercise that power, but how are you going to limit it? I will tell you.

The President, under the power we provide as Commander in Chief of the Army, and with the complete power we have given him, can start across from these shores a million men in simple canoes, with paddles for each man, and say, "Go across." He has that power, and they must go or attempt to go. I have no idea that the President ever would exercise that kind of a power. The President has really the power here, if we pass this bill, to do just what the gentleman says, but I have no idea the President would exercise any such power as that.

There are certain questionable classes of transactions that we want to catch. And when you think about it as much as we have as to how to catch such transactions, you will find great difficulty in drafting a proper provision to catch all the cases. We must give the President this particular power if we are going to give him any power at all with respect to the sale and transfer and dealing in Government bonds.

Mr. DENISON. Does not the gentleman think that we can accomplish our purpose by giving him full power to regulate, and stop short of giving him power to completely prohibit?

Mr. KITCHIN. I do not think the gentleman thinks the President desires to do it. But if he desired to do it he could do it under the word "regulate" just as well as he could under the word "prohibit," because he could put such terms in his rules and regulations that would so regulate the transaction that no man could enter into such a transaction. For instance, under the power to regulate interstate commerce Congress can practically prohibit the manufacture of a thousand needful articles under that, but it has never exercised that power.

Mr. SHERLEY. If the gentleman will permit, it not only can, but the Supreme Court has held that it has the right to regulate it.

Mr. KITCHIN. I know some things that have been actually prohibited under the terms and regulations, and it has been upheld, as the gentleman from Kentucky suggested, by the Supreme Court.

Mr. BLACK. I do not think it ever held that Congress has the right by regulation to prohibit the interstate commerce in a thing that is wholesome within itself. I never understood the Supreme Court of the United States to go that far, and it did not go that far in the child-labor case.

Mr. KITCHIN. It did that in the case of spirits.

I will put another case where we can do it, and it is a tax that a gentleman holding the views of the gentleman from Texas [Mr. BLACK] can well see. We have the power to tax under the Constitution. You must admit that Congress has the right to do just what they said they could not do by this child-labor law by means of taxation. They could tax it; and there is a proposition now, I think, before the Senate—and it was suggested before our committee—to put a very high tax on all articles made by what we call child labor. I imagine the Supreme Court would sustain that as constitutional. It has sustained a great many destructive taxes as constitutional. However, I am with you on the child-labor proposition.

Mr. LONGWORTH. And that is exactly the power that Congress exercised a few years ago in the case of phosphorus matches.

Mr. KITCHIN. Yes.

Mr. LITTLE. Are not all the decisions they refer to under the police power to regulate things that are subject to police rules?

Mr. KITCHIN. No. They did it in the case of child labor.

Mr. LITTLE. Are not there decisions that support that theory, including child labor, apparently under the police power over things inherently subject to police control?

Mr. KITCHIN. If the Congress would give the President the absolute power to regulate, I think he could provide terms that the Supreme Court would say were reasonable terms and that would actually in effect prohibit.

Mr. DENISON. I understand that the tax exemption only applies to excess-profits taxes——

Mr. KITCHIN. Excess-profits and war-profits taxes and individual income surtaxes.

Mr. DENISON. If a corporation invests $30,000 of its profits in liberty bonds, then to that extent the income from those bonds——

Mr. KITCHIN. Is exempt.

Mr. DENISON. Does that mean that the income from the bonds would be exempt, or that amount of the income of corporations invested in the bonds?

Mr. KITCHIN. The income from the bonds, the interest on the bonds, would be exempt.

Mr. DENISON. Then the $30,000 of income that is invested in the bonds would not be exempt?

Mr. KITCHIN. Oh, no.

Mr. SNYDER. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. SNYDER. Referring to section 5, the trading-with-the-enemy act, there has been considerable discussion about the word "prohibit." Will not the gentleman enumerate a few of the things that he believes the President will exercise the right to overcome?

Mr. KITCHIN. With respect to bonds?

Mr. SNYDER. With respect to bonds, and so forth.

Mr. KITCHIN. I think the President will prevent the inducement of parties to sell the bonds for merchandise and things like that. We do know that large amounts of bonds have been exchanged for merchandise. For instance, a great many merchants have advertised, and you have seen it in the papers here—that they will take liberty bonds in the purchase of such and such articles, and sell the articles as cheap and, in many instances, cheaper than for cash, and even if the person buys things he needs, that kind of transaction ought to be stopped. But in most instances he will buy things he does not need, because he thinks he can get them without paying the cash. But the man generally induces him to buy the things that are not easily saleable, things that a person does not need.

Mr. BLACK. Will the gentleman yield for one question?

Mr. KITCHIN. Yes.

Mr. BLACK. We will take a New York firm engaged in a certain line of business, and a customer in Texas buys an article from them and offers to pay for it in liberty bonds; now, as I understand, that would be a transaction in interstate commerce that Congress would have the power to regulate; but does the gentleman think that Congress would have the power to give the President the right to prohibit a transaction of that sort?

Mr. KITCHIN. You mean, rather, if Congress has got the power?

Mr. BLACK. Of course we can not delegate any more power than we possess. That is a settled fact.

Mr. KITCHIN. You mean can Congress give the President that power?

Mr. BLACK. Yes; the power to prohibit transactions of that kind.

Mr. KITCHIN. I would say anyway, in war times, as a war measure, he would have the right to do it. I will say that if Congress has the power to authorize the issue of bonds—and nobody else can authorize the issue of bonds, because that is the function alone of Congress—it has the power of regulation over the things it creates, if it desires to exercise that power.

Mr. WALDOW. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. WALDOW. I have an example in mind of an individual who has purchased $5,000 of the second liberty-bond issue and $5,000 of the third issue. Now, then, he has converted his second into the third issue. Is he exempt for those $10,000 worth of bonds under existing law?

Mr. KITCHIN. Not under existing law. Only as to $5,000.

Mr. WALDOW. I thought the present law provided that he would be exempted $5,000 under each issue.

Mr. KITCHIN. No; $5,000 of all the bonds.

Mr. GILLETT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. GILLETT. I wish to ask if I am correct in my understanding of the first clause of the bill. It provides that these exemptions shall last until two years after the war, just as much as if it were a part of the contract, although, of course, we would have power in the next liberty loan bond sale to repeal it. Yet that would be a violation of the faith of the United States. Is that the understanding?

Mr. KITCHIN. That is the understanding.

Mr. GILLETT. It is part of the contract?

Mr. KITCHIN. Yes, sir. We will sell the bonds on this condition. It may be possible that we will refer to the act in the bond.

Mr. GILLETT. You understand the United States is pledged that they shall be exempted for two years after the termination of the war?

Mr. KITCHIN. Yes; we are pledged to it.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from New York.

Mr. PLATT. In regard to section 3, touching the discount of notes secured by liberty bonds, that provision has already passed the House of Representatives?

Mr. KITCHIN. That very section was passed, I think, unanimously through the House here some time in April, and it is now pending in the Senate.

Mr. PLATT. It has been reported favorably by the Senate. I think it could be very readily passed there.

Mr. KITCHIN. It could be very readily passed if the Senate would attempt to pass it. But their attention will be called to the importance of it by putting it in this bill, because this bill must become a law before September 28. We hope it will become a law next week.

Mr. PLATT. One question further. That section prohibiting the sale of bonds, which has already been the subject of considerable discussion, it seems to me, will interfere with the sale of bonds to workingmen a good deal. It has been the small holders of these bonds who have been selling the bonds, and I may say that the experience at home has been that it is almost impossible to keep them from selling the bonds. The loss involved in their sale is very small. They are told that they are as good as cash.

Mr. KITCHIN. I do not think that will be interfered with. If I had a $50 bond or a $100 bond or $500 or $1,000 or $10,000, I think I could sell it. That will not be interfered with.

Mr. PLATT. I doubt if that word "prohibit" ought to be in here. It will create a bad impression.

Mr. LITTLE. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. LITTLE. If the revenue bill becomes a law, will the city, county, and State bonds have the same exemption and in the same amounts as the liberty bonds?

Mr. KITCHIN. They will not have the same exemption, providing we put this additional exemption in this bill. I have thought about the question.

Mr. LITTLE. Was it the intention to amend the present revenue bill now pending before the House so that it would be extended to give them the same exemption given liberty bonds?

Mr. KITCHIN. We are going to consider that very proposition. I did think that probably we ought to give the State and municipal bonds the same additional exemption as is provided in this bill. Now, without considering it as carefully and as long as I should, I rather think it is better to have these additional exemptions apply only to liberty bonds. There are billions of State and county and municipal bonds now that are absolutely exempt from all tax, even under the pending revenue bill. When you consider that the large sums of State and municipal bonds already issued will be exempted from taxation, I doubt if we should add this additional exemption to that class of securities, future issues of municipal and State bonds, for new projects. If we added this exemption to the billions of State and municipal bonds that may be issued, I am of the opinion that those bonds would have a great advantage over the liberty bonds in coming into competition in the sale, because they generally carry a higher rate of interest—5, 5½, and even 6 per cent in some cases—and that high rate of interest, even with these exemptions of liberty bonds, would be a great inducement for people to buy State and municipal bonds in competition with the Government bonds.

Mr. LITTLE. Is there anything retroactive with regard to municipal bonds in the revenue bill?

Mr. KITCHIN. No.

Mr. LITTLE. It does not go back to the old bonds?

Mr. KITCHIN. No.

Mr. SHERLEY. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. SHERLEY. I would like to ask the gentleman for a little fuller explanation touching the provision authorizing the Secretary of the Treasury to establish credits in foreign countries; and if the gentleman will permit, I want to say that I think all of us appreciate the desirability of stabilizing American currency abroad. But I for one would like to know just to what extent, if at all, this provision authorizes the Secretary of the Treasury to obligate the Federal Government outside and beyond the authorizations already made, and whether there is any limitation upon what can be done with the moneys borrowed.

Mr. KITCHIN. The gentleman raises the very question that was raised in my mind when I first saw the suggestion from the department, and to which I referred. I do not know whether the gentleman was in the Hall or not to hear my explanation.

As the gentleman suggests, it is a very peculiar, broad power. It is unlimited, and the Secretary of the Treasury can use that power to the amount of millions or hundreds of millions of dollars, and within the letter of the provision. The power to establish credits in other countries is unlimted, and in order to establish credits in other countries we have got to obligate ourselves.

Mr. SHERLEY. But the Treasury now has a leeway running into millions and almost billions of dollars in connection with obligations of the Government.

Mr. KITCHIN. The difficulty is, how shall we limit it?

Mr. SHERLEY. The question is whether the limitation might not be that to the extent that such credits are given, and shall remain as obligations against this Government, they shall be considered restrictions upon and reductions of other authorized expenditures in the way of bond issues, and so forth. Now, I should like to ask the gentleman whether any hearings were had? I have read the letter of the Secretary of the Treasury, in which he states the desirability of doing this thing; but was any consideration given to the question of how pressing the necessity is, and in what way and to what extent he expected to use this power?

Mr. KITCHIN. In that letter he authorized Mr. Leffingwell, Assistant Secretary of the Treasury, to represent him in this matter, and we had him before our committee for three or four hours yesterday. It would take some time to read what he says about this.

Mr. SHERLEY. I would like to know particularly as to the second part of my question, whether when credits are created in these countries, the money placed to the credit of the United States can be expended for any other purpose than that which has been expressly authorized by law, and whether this will be considered as an authorization for expenditures irrespective of legislative enactment?

Mr. KITCHIN. I would not be a bit surprised if the gentleman was considering it as I considered it, that the language of the provision gives the Secretary of the Treasury, I fear, power beyond that which the law has already authorized. The gentleman no doubt refers to the part beginning on page 4, in line 1—

> And he may use any such credits and foreign currencies for the purpose of stabilizing or rectifying the foreign exchanges.

Now, that is a pretty broad power. I think what the gentleman fears is that the Secretary of the Treasury might say, "I am doing this to stabilize or rectify foreign exchanges," because in every country there is a difference in the foreign exchange. I have the same fear that the gentleman has; but the opinion of the committee is that we have to repose considerable faith and confidence in the Secretary of the Treasury, and that it might be a dangerous thing to limit him, because conditions are changing so rapidly in each of the foreign countries that it might be that the law would not give him the power he ought to have under the circumstances if we limited it.

Mr. SHERLEY. To what extent is the Government really being penalized by virtue of the depreciation of the American dollar?

Mr. KITCHIN. I mentioned two countries in which that was happening.

Mr. SHERLEY. I know; but there have been cases where these things fluctuate both ways.

Mr. KITCHIN. Surely.

Mr. SHERLEY. For instance, we are probably spending in France more money than France is now spending here.

Mr. KITCHIN. Considerably more.

Mr. SHERLEY. And you are going to see constant fluctuations in exchange.

Mr. KITCHIN. And we are spending more in Spain and in Argentina.

Mr. SHERLEY. The trouble is this: You are proposing that every time there may be a rate of exchange that is to the disadvantage of America you shall give the Treasury Department an unlimited note upon the Government of the United States.

Mr. KITCHIN. That is true.

Mr. SHERLEY. That is going pretty far.

Mr. KITCHIN. Yes; it is going very far. Perhaps some of us may think it is going too far, but here is the proposition:

We give the Secretary of the Treasury the power to make arrangements with respect to foreign exchanges, foreign currencies, "to stabilize or rectify the foreign exchanges." He may exercise wisely or sometimes unwisely the power which we give him. He can, as the gentleman from Kentucky suggests, go to the extent of obligating this Government to millions and hundreds of millions of dollars more than we propose. But in these times we have to put our faith and confidence in somebody to do these things.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Arkansas.

Mr. WINGO. I should like to ask the gentleman whether or not the Federal Reserve Board gave the committee the benefit of their opinion on this proposition?

Mr. KITCHIN. They did not.

Mr. WINGO. The reason I ask that is that this question has been considered by the Committee on Banking and Currency several times in the last 12 months. It came up on consideration of the Owen bill.

Mr. KITCHIN. I understand that.

Mr. WINGO. Gov. Harding was before our committee on another bill, and we questioned him on the Owen bill, and his statements satisfied the committee that the Owen proposition was unsound. The question was discussed in the Federal Reserve Bulletin a few months ago, and, as I recall the arguments presented, they conclusively showed that instead of the country suffering by the Spanish situation we were, if anything, benefited. The proposition that Gov. Harding discussed before our committee was one, as I now recall, quite different, yet it involves the same question, an important one, and I wanted to know whether the Federal Reserve Board had been heard on or was urging it.

Mr. KITCHIN. The opinion of the Secretary of the Treasury and Mr. Leffingwell was to the contrary. They think the provision will not only be beneficial, but that it is absolutely necessary.

Mr. WINGO. As I recall the proposition, it was made for the purpose of meeting the Spanish situation. It was directly before our committee on one occasion, and we had a hearing in which the Federal Reserve Board was represented, and the arguments were so conclusive that we did not consider the Owen bill favorably. That is the reason I asked if the Federal Reserve Board was in harmony with the Secretary on this proposition.

Mr. KITCHIN. I should presume that the Secretary of the Treasury and Mr. Leffingwell conferred with the Federal Reserve Board. This provision gives the Secretary of the Treasury the power to act in the way he deems best in the interest of the Government to the extent of meeting the situation. Of course, as I have suggested several times, it is a pretty large power.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. KITCHIN. I will yield to the gentleman from Iowa.

Mr. GREEN of Iowa. Speaking for myself alone, I was largely influenced by the fact that the Secretary of the Treasury would not be parting with any property of the United States, but simply transferring credits from this country to another country.

Mr. KITCHIN. Yes; we are bound to get value received every time.

Mr. GREEN of Iowa. Value received in all cases. It would simply change the place of deposit of some of our credits from this country to another country, and I do not see how there would be any possibility of any loss in the transaction.

Mr. GILLETT. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. GILLETT. I wish to pursue the question asked by the gentleman from Arkansas still further, because if it is a fact that the Federal Reserve Board has had this very question up and opposed it, the mere fact that the Secretary of the Treasury—who, with all due respect, has shown a great willingness to assume power—the mere fact that he approves this grant to him of this new and prodigious power, while the Federal Board is opposed to it, would not incline me to favor it. I would like to know whether the committee considered or had the opinion of the Federal Reserve Board.

Mr. KITCHIN. If the gentleman will read the provision carefully, he will see that the legitimate objection is in the large power it gives. But I can not conceive how the Federal Reserve Board or any gentleman can think that inherently the proposition is a bad one. It seems to me a most wise one. Why should not some department or some part of the Government have this power over exchanges, the right to use the credit of the Government in the interest of not only the expeditionary force in France but countries in general to equalize as nearly as possible our dollars with their currency and bring up the exchanges to an equal basis? When you do that you bring up the exchange value of our products. A few months ago, in Spain, to use the common language, our dollar was discounted 35 per cent. It is now gone up to 16 per cent. In Switzerland it was at about 14 per cent discount. We have equalized that; we have made arrangements under the general assumption of power which was very necessary; we have equalized our dollar in currency. We have to buy in Switzerland a great many things absolutely necessary for the expeditionary force.

Take Spain, for instance. We imported during the fiscal year 1917 $37,000,000 worth of goods—a pretty good sum in Spain's favor. From Argentina we imported $153,000,000, mainly in hides and wool. We want to equalize the dollar of the currency of the two countries.

This provision authorizes the Secretary of the Treasury to borrow or buy or deposit there what our balance would be in that currency. We are importing a great many things from that country which we must use in the production of articles absolutely necessary to the war and to perform a great many Government contracts.

Mr. WINGO. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. WINGO. I do not think the gentleman got what I said. This is a different proposal to the Owen bill, though covering the same question.

As I now recall, gentlemen came before us complaining of the Spanish situation; they were importers of olive oil, and one of them lived in Baltimore. In addition to the answers Gov. Harding made to our inquiries, this whole question was discussed in the March issue of the Federal Reserve Bulletin. This article disclosed the fact that we were selling more goods to Spain than we were buying from her, and, considering all factors, the American exporter could buy with his product a larger quantity of Spanish products than ever before. If we settled in cash, the situation would be different, but the trade balance is in our favor.

Gov. Harding's answers to our questions convinced me, and that article in the Federal Reserve Bulletin convinced me, that the transactions then going on were to the advantage commercially of the United States, and that the only persons hurt were the importers of olive oil.

Mr. KITCHIN. That is the position that Gov. Harding takes, and at that time our dollar was at a discount of over 30 per cent. I can not conceive how it could do anything but benefit this country to have our dollar the equal in standard of their pesetos and to have it at par rather than at a discount. For instance, in order to get $650,000 worth of olive oil from Spain it takes $1,000,000 of American money. If it takes $1,000,000 of American money to buy it there, when it gets here our consumers must pay the additional $350,000 on account of the difference in the two standards. I can not understand Gov. Harding's reason for it.

Mr. WHEELER. Does it not enable the cotton planters to perhaps realize 16 cents more for their cotton in Spain?

Mr. KITCHIN. Sixteen cents less. Of course, if they are going to just trade articles, it would be equal, but it will take that much more cotton. If we are going to sell our cotton there and buy olive oil, it will take $1,000,000 worth of cotton to buy $650,000 worth of olive oil. We do not sell much cotton to Spain, however.

Mr. SHALLENBERGER. There is another item the gentleman has not mentioned which is important, and that is that our purchases for military purposes in Spain are vastly more than the commerce to which the gentleman has referred, and all that is taken into consideration.

Mr. KITCHIN. Absolutely. I gave Switzerland as an example. We have had to buy a great many million dollars' worth of goods there, and we had to equalize the value of currencies, and they think what they have done in Switzerland they can do in these other countries. They may not be able to do it. Let us read again and see what we do:

That the Secretary of the Treasury may make arrangements—

Whoever the Secretary may be, if he is a wise, able, patriotic American, there is not going to be much danger to American interests or the American people—

That the Secretary of the Treasury may make arrangements in or with foreign countries to stabilize the foreign exchanges—

Do we not want that done? Would that not be in the interest of this Government? Would it not be in the interest of our expeditionary forces and of the people of the United States for that to be done? No one disputes that—

and to obtain foreign currencies and credits in such currencies—

Is that not only wise and proper, but is it not necessary for us to do that?

and he may use—

Here is where he may use the power, and he may fool us and say that he used the power to stabilize or rectify the exchanges when, as a matter of fact, he really has some other motive; but no real, wise, patriotic Secretary is going to do that—

and he may use any such credits and foreign currencies for the purpose of stabilizing or rectifying the foreign exchanges—

Is not that wise and proper and is not that necessary? Of course, when they give any man power, inherently there goes with that power the possibility of the abuse of it; but we must impose confidence in somebody to do that which is necessary and wise—

and he may designate depositories in foreign countries, with which may be deposited, as he may determine, all or any part of the avails of any foreign credits or foreign currencies.

If we are going to give him that power, he has to have somewhere to deposit the funds, so that provision can not be objectionable. I can see how any power that we give to anyone under these conditions during the war may be abused, but I can not conceive any great danger in this provision, provided we have confidence in whoever is or whoever may be Secretary of the Treasury. I entertained the fear that gentlemen are entertaining, and I said in my explanation that it was a pretty big power to grant, but we have to lodge the power somewhere.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. BORLAND. I want to ask about clause 2 on page 2. As I read that clause, in order for the holder of liberty bonds of the first, converted, and the second and third liberty loans to take advantage of this tax exemption he must be an original subscriber to the fourth liberty loan?

Mr. KITCHIN. Yes.

Mr. BORLAND. Will that not have the effect of making the market for the fourth liberty loan very largely among those men who are now holders of the bonds described here and who are buying them for the purpose of avoiding a certain amount of income tax which they would otherwise have to pay? Will it not have an automatic effect of reducing the income now collected or which may be collected from that source?

Mr. KITCHIN. The purpose of the provision is to widen the market for the fourth liberty bonds—that is, to give people an inducement to buy those bonds. In other words, say, a gentleman has $45,000 worth of these second liberty bonds and third liberty bonds and converted first liberty bonds. He may say, "I have bonds enough," but we can offer him the inducement, if he buys some of these liberty bonds, of exemption to the amount of $45,000 of the bonds he already holds and $30,000 of the fourth liberty bonds, and he is likely to go out and buy them.

Mr. BORLAND. The gentleman says it will widen the market. I want to ask the gentleman whether it would not almost narrow the market, because the gentleman knows that a great many of these bonds which are subject to the tax have gotten into the hands of the larger holders. Now, in that case they are subject to this high surtax we are putting on here. We are telling these holders of the earlier bonds that if they will buy a certain number of the fourth liberty loan bonds they shall have exemption on 150 per cent of that amount on the bonds they now own. Now, the smaller holder, the little fellow, would not pay any surtax, not any tax perhaps on liberty loan bonds, having less than $5,000. He finds the market on the fourth liberty loan bonds is not widened because he can not sell his fourth liberty loan bonds any better on account of this tax exemption than before.

Mr. KITCHIN. Of course he can.

Mr. BORLAND. Suppose he subscribes to the fourth liberty loan bond. It is not going to widen his market because he can not sell any better on account of it, not any better than the man who gets the tax exemption, the original subscriber to the same issue.

Mr. KITCHIN. This additional exemption can offer no inducement to the man who is never going to pay any surtax. Suppose here is a man whose income is not over $5,000 with the interest that he is getting on the bonds. It is no inducement for him to buy. He has already got all the inducements the law can possibly give him in paying no tax at all, because the bonds he will buy will not be subject to the normal tax and will not be subject to any surtax; hence his income altogether, with the interest on these bonds, is not enough to come in the surtax class. He is not paying an excess or war profits tax; therefore this can not be an inducement to that man. He has as much inducement to buy now as he had to buy any of the other bonds. This is an inducement to the man whose income is in the surtax class. In other words, if we had no surtax, or possibly if we did not increase the surtax at all, section 1 would not be in this bill.

Mr. BORLAND. If the exemption were to apply to all holders of the earlier issues of bonds up to the amount of the fourth liberty loan that they own, would not that broaden the market of the small holder of the fourth liberty loan bonds and make these bonds sell nearer par? The owner would be able to sell to anybody who wanted to accumulate $30,000 for the purpose of a tax exemption on an earlier issue.

Mr. KITCHIN. Your proposition is to strike out "subscribed." Then we would have no inducement for this other man to buy. We want him to subscribe. In fact, a man gets no exemption on the old bonds unless he is a subscriber to these bonds, and that is to induce him to become a subscriber; and if you subscribe to these bonds you can have one and a half times the amount you subscribe for exempted if you still own the bond at the date of your tax return.

Mr. SNYDER. Even then you are only in the same position as the man who owns $5,000 to the extent of the $30,000 purchase?

Mr. KITCHIN. That is right.

Mr. BORLAND. Let me put a concrete case to the gentleman: Suppose you approach a man to buy the fourth liberty-loan bonds. He is a small holder. You ask him to buy a small lot, and he says, "What is to prevent these bonds going below par? How do I know when I need to sell the bonds I can get par for them?" What can you say to him? You can not say, "You have a market for these bonds because certain people will want them to accumulate a surplus against their surtax," because he has not that market. What market is he going to have for the 4¼ per cent bonds of this fourth loan? He has got little or none.

Mr. KITCHIN. It can not narrow the market.

Mr. BORLAND. It must.

Mr. KITCHIN. It would be just the same market, the same market that he had for the other bonds. If we would do what the gentleman suggests to do, strike out the word "subscribed" in line 16, page 2, strike out "subscribed for by such owner and still owned," gentlemen, then the $45,000 exemption provision would not be of any use. This is an inducement for the man who owns liberty bonds to subscribe for the fourth liberty bonds.

Mr. BORLAND. That is the only inducement, and it does not furnish a market for the bonds in the hands of the little fellow.

Mr. KITCHIN. It does not furnish an additional market.

Mr. BORLAND. That is what it is intended to do.

Mr. PLATT. Is one not allowed to sell to the fellow that subscribes to the $30,000 of new bonds?

Mr. KITCHIN. A man must originally subscribe for the fourth liberty bond before he can take advantage of paragraph 2—that is, have any exemption on account of ownership of the old bonds. Otherwise let us see what it would mean. Then the man who owns the old bonds and whose income is in the surtax class would not buy the fourth liberty bonds and he would induce me to buy, so that he could buy from me, and then claim the bond he bought from me as a part of the exemption and get the exemption.

Mr. BORLAND. It seemed to me it was confining the markets of these bonds to the holders of the original bonds.

Mr. KITCHIN. No.

Mr. SNYDER. It is not the intention of this act to make a market for the man who now holds bonds, but to make a market for the Government to sell its bonds. It would not help the fellow who already has his bonds to sell his bonds. We prefer he would not sell.

Mr. GLASS. If the gentleman will permit an interruption, I would like to call attention to a matter that has already been discussed. One of my colleagues on the Banking and Currency Committee has directed my attention to section 4 of this bill, which I have just seen. And while I am not a stickler for committee jurisdiction, I want to submit to the chairman of the Committee on Ways and Means the question as to whether or not this is not an invasion of the proper jurisdiction of the Banking and Currency Committee, and if he thinks that this is the way to legislate upon important and serious banking matters?

The chairman of the committee did call my attention to section 6 of the bill, which proposes to amend section 5200 of the national-bank act, and I made no objection to it, for the reason that the Banking and Currency Committee of the House last April reported, and this House passed with practical unanimity, this very provision in toto, without any alteration whatsoever. It was passed on the 3d of last April. It seems

to me the orderly process would have been for the Treasury Department to have insisted that the other legislative branch of the Government take note of the fact and pass the bill over there. It is here brought in as a rider on a bond bill.

I say that I do not object to it, because we have already passed upon it—both the Banking and Currency Committee and the House. It was unanimously reported and practically unanimously passed. But here is another matter that was not called to my attention until just now. And I will say to the chairman of the Ways and Means Committee, while I shall make no objection to it, because I do not know enough about it and he does not know enough about it, and the House will not know enough about it, to know whether it is the correct procedure or not and the wise thing to do——

Mr. KITCHIN. We have discussed that for about half an hour, and I myself doubt whether anybody knows the wisest thing to do.

Mr. GLASS. We have discussed it in the committee for about half a week, and we do not know much about it now. But I will say to the chairman of the Ways and Means Committee that it simply tends to bring about confusion and a division of authority, and I know it is not a wise thing to do in this way, and I am not prepared to say that it is a wise thing to do at all.

Mr. STAFFORD. Why does not the gentleman then make a point of order against the bill and have it considered by the committee?

Mr. GLASS. I do not intend to do that.

Mr. LONGWORTH. To what provision does the gentleman refer?

Mr. GLASS. To section 4 of the bill, that relates to the stabilization of foreign exchange.

Now, the Banking and Currency Committee of the House have very carefully considered the question of foreign exchange and foreign banking generally, and have had members of the Federal Reserve Board before the committee and have discussed the matter with them rather exhaustively, and upon the recommendation of the Federal Reserve Board the committee unanimously recommended an alteration in the Federal reserve act 12 months ago which authorized the Federal Reserve Board to compel the Federal reserve bank, in its discretion, to establish foreign connections with the view of taking care of foreign exchange. The contention was that the Federal reserve bank management had shown a disinclination to take care of this phase of banking, because of an indisposition to come in competition with the great banks of the country, members of the Federal Reserve System, and therefore it was contended if the Federal reserve bank managements were unwilling to act upon the permissibility of the law to carry out the spirit of the law, to establish foreign connections, and stabilize foreign exchange, we would give the Federal Reserve Board here in Washington ample authority to compel them to do it; and we did amend the act authorizing the Federal Reserve Board, in its discretion, to permit or compel the Federal reserve banks to establish foreign connections in order to stabilize foreign exchange. The Federal Reserve Board has not chosen to exercise that authority for reasons that may or may not be satisfactory. Sometimes I think it has not been done because the board itself is disinclined to come in competition with the big banks of the country. It may be said, on the contrary, that members of the board think it unwise to do it at this particular time because of complications that involve our allies. At any rate, the foreign exchange is in bad shape.

But it seems to me that legislation of this sort ought to take its usual and regular course and be carefully considered by those of us who are charged under the rules of the House with the consideration of complicated questions of this sort. Now, I am not going to raise the point of order against this. I am not prepared to say that it is unwise legislation, but it is unwise to be legislating in this way.

Mr. KITCHIN. I would say to the gentleman from Virginia [Mr. GLASS] that I am in full sympathy with his views——

Mr. GLASS. I may add this thought, that this clause gives to the Secretary of the Treasury the right to practically establish foreign connections and to stabilize foreign exchange and to make deposits with these foreign banking institutions necessary to accomplish this. And yet the Federal reserve act now vests this authority distinctively with the Federal Reserve Board, so that you are confusing the matter and dividing responsibility and authority.

Mr. KITCHIN. As I said to the gentleman, I fully sympathize with him with respect to the committees operating within their jurisdiction and not taking jurisdiction of subjects of which their committees have no jurisdiction. And when bills have come before our committee, and especially bills coming to us from the different departments, I have been very careful heretofore in going over the bills to see what matters in the bill other committees have jurisdiction over.

As the gentleman from Virginia [Mr. GLASS] knows and will say, I have been to him to consult him concerning several bills. This bill practically in the same form, I think—although we have clarified some propositions in it—came to us from the Secretary of the Treasury, and I went over it pretty hurriedly and noticed one proposition here, section 6, that is clearly within the jurisdiction of the Committee on Banking and Currency, and I made a note to see the chairman of that committee. The jurisdiction as to section 4 absolutely escaped my attention. My mind did not revert to the jurisdiction of that at all. But as to section 6 it did, and I went to see the gentleman from Virginia [Mr. GLASS], and told him I would strike that out if he had any objection, and he suggested to go ahead. My attention was not called, until the gentleman called it a moment ago, to the jurisdiction with respect to section 4. If I had thought about that and my attention had been called to it, I would have seen him also in regard to that.

In cases of bills before the Ways and Means Committee containing provisions within the jurisdiction of other committees of the House, it has always been my practice to confer with the chairman of the committee having jurisdiction of any particular subject matter. I remember that frequently in committee we discussed the proposition that a part of the bill should have gone to the Committee on Appropriations, and I talked with the gentleman from Kentucky [Mr. SHERLEY] on the subject.

Mr. GLASS. I assent to the proposition that the chairman of the Committee on Ways and Means was very courteous to me.

Mr. KITCHIN. I started to say, before the gentleman made the proposition himself that it was all right to go ahead with it now, that if there was objection raised to the jurisdiction of section 4, I would move to strike it out, because our committee, of all the committees, should not assume jurisdiction that is given to other committees, because, so far as the Democrats on the committee are concerned, we originally recommend Democratic members of committees, and of course we ought not to recommend Members to membership of committees, knowing their jurisdiction, and then take it away from them.

Mr. GARNER. Is it not a fact that in the discussions of the committee room we avoid all discussions except those that properly come before the Committee on Ways and Means?

Mr. KITCHIN. Yes.

Mr. GLASS. I have cheerfully conceded that the chairman of the Committee on Ways and Means and its members have been entirely courteous about matters of that sort, and I assume that the chairman of the Committee on Ways and Means had not had his attention brought to this particular thing. I want to say to the House that I am not willing to take the responsibility of obstructing this legislation or making a point of order to it and throwing this thing out, because it is undoubtedly true that something should be done, and done immediately, to stabilize foreign exchange. The Federal reserve bank managements have not done it. The Federal Reserve Board has not exercised the jurisdiction, with which Congress long ago clothed it, to do this, and it may be wise to authorize the Secretary of the Treasury to do it if nobody else will do it. Therefore I will not take the responsibility to raise an objection. But it ought to have been sent to the Committee on Banking and Currency, because that committee clearly has jurisdiction of that subject.

Mr. PLATT. Is it not quite possible that the Federal Reserve Board, having studied the question carefully, knows that it perhaps ought not to interfere in the matter?

Mr. GLASS. It is fair to the Federal Reserve Board to say that it has studied the question carefully and has come to the conclusion repeatedly that it would greatly complicate our financial relations with our allies in the war to intervene and to do what was originally intended should be done to stabilize foreign exchange; in other words, that while it would be to the interest of a part of our business community to do that, it would be very greatly to the disadvantage of a larger part of the business community of this country to do it.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield in that particular?

Mr. GLASS. And it may be that the Secretary of the Treasury can do the thing more certainly and more deftly than the Federal Reserve Board seems to have been able to do it.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. GLASS. Yes.

Mr. STAFFORD. Will the gentleman elaborate, so that the House may be more intelligently informed, as to the information and reasons that have influenced the Federal Reserve Board in believing that this will involve our relations with the allied powers?

Mr. GLASS. I can not do that, because the Federal Reserve Board itself thought it was inexpedient to make public the reasons which relate to diplomatic considerations.

Mr. STAFFORD. In their judgment they thought this arrangement of stabilizing exchanges would result adversely to our interests in our relations with the allied governments?

Mr. GLASS. Yes; and to a large part of the business community at this time. But we are now conferring authority on the Secretary of the Treasury, if he may please in his discretion, to do the very thing that the Federal Reserve Board has said may be inexpedient to do.

Mr. HAYES. Mr. Chairman, will the gentleman yield to me?

Mr. GLASS. I will.

Mr. HAYES. I desire to state, Mr. Chairman, that I do not wish to oppose this legislation. I agree with the chairman of the Committee on Banking and Currency that it should have come from the Committee on Banking and Currency, but I think I am stating nothing that I should not state when I say that it is not the unanimous opinion of the Federal Reserve Board that there should not be some stabilizing of exchange. I think a very large minority of that board, if not a majority of it, feel that some stabilizing should take place.

Mr. GLASS. I think the Secretary of the Treasury, a member ex officio of the board, thinks it ought to be done.

Mr. HAYES. I think, from my conversation with the Secretary of the Treasury, that he believes something ought to be done, and I fully agree with him, and therefore I shall not raise the point, because I think it is legislation that ought to be passed, and that it is imperative that it should be passed.

Mr. GLASS. And I shall not raise the point either.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. GLASS. Yes.

Mr. PLATT. The foreign commerce will be stabilized as soon as we get ships enough to take care of our exports. It may be unwise to intervene, considering the fact that ships are going to be turned out speedily, so that our exports may soon resume their normal course, and the question of exchange may then take care of itself.

Mr. GLASS. The gentleman from California [Mr. HAYES] states it accurately when he says that there is a division of opinion in the Federal Reserve Board on the subject. The Secretary of the Treasury thinks something effective can be done, and I am not going to take the responsibility of saying that he may not have an opportunity to do it. But I will say that I hope hereafter we will observe the orderly processes of legislation here as to committee jurisdiction.

Mr. PLATT. I think it is unwise to take things out of the hands of those who have studied them and give them into the hands of those who have not studied them.

Mr. LONGWORTH. Has the gentleman read the paragraph in the report of the Secretary of the Treasury that recommends this very strongly?

Mr. GLASS. I have not, but I know perfectly well what is the judgment of the Secretary of the Treasury as to these matters. I know that he thinks something should be done, and that something can be done.

Mr. LONGWORTH. I may say that it is a surprise to the members of the Committee on Ways and Means that any question should have arisen as to the point that the Federal Reserve Board does not wish this legislation. It was submitted to us by the Secretary of the Treasury and the Assistant Secretary, and no question was raised as to the fact that everyone connected with the Treasury wanted it.

Mr. GLASS. That simply emphasizes my contention, that the matter should have gone to the Committee on Banking and Currency, where it was known that there was a division of opinion.

Mr. LONGWORTH. I think so, too.

Mr. KITCHIN. I will say to the chairman of the Committee on Banking and Currency that I think he is absolutely right. That is a proper subject for the Committee on Banking and Currency to consider. Now, of course, as you all know, our committee did not initiate this bill. It was sent down to us, just as bills were sent down to the Committee on Banking and Currency, and then, if bills do not strike them as being sound or wise, they change the bills or write new ones.

Now, as to bonds, so far as our committee are concerned, we have always gladly received and considered bills drawn up by the department. As to taxation they have never undertaken to draw bills, because that is a matter that our committee assumes to initiate.

Mr. WINGO. Mr. Chairman——

Mr. KITCHIN. Let me finish, and then I will yield to the gentleman. I am very sorry that the gentleman from Virginia [Mr. GLASS] has left the Hall, but the other members of the Banking and Currency Committee are here, and I will say that whatever transgression of rules or courtesies may have occurred has been by the Treasury Department—unintentionally, of course. I will tell you why they put this in. They put section 6 into this bill because this bill is bound to be considered before September 28 by the House and the Senate. Now, in the opinion of the Treasury Department, section 4 is absolutely urgent. That ought to have early consideration, rejection, or passage—one or the other—before September 28, and as early as possible. They have put it into this bill no doubt because this bill must be considered early by both bodies.

Section 6 is a very necessary section, increasing the right and power of national banks to loan money secured by liberty bonds. That is important. It is most important for the sale of liberty bonds. I appreciate that. Now, the Banking and Currency Committee promptly considered that very provision, section 6, reported it out of the committee, and secured its passage through this House unanimously.

Mr. HAYES. Last April.

Mr. KITCHIN. On April 3, 1918. It went to the Senate. Five months have passed, and there has been no consideration of that bill by the Senate. Now, if the Treasury Department had sent section 4 separately and alone to the Banking and Currency Committee, that committee, as it always does, would have promptly considered it, and after proper consideration, if they considered it wise, would have reported it favorably. They could have come into this House and obtained unanimous consent and have passed it promptly here. Then, suppose it had the same fate that section 6 has had in the Senate, and months and months should go by without any action by that body. No doubt the Treasury Department thought that as section 6 was very important and section 4 was very important, and needed to be considered and rejected or adopted, that if they put them in this bill, they would receive consideration before September 28. No doubt that is the reason they put them in this bill.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Michigan.

Mr. SMITH of Michigan. I notice that it is proposed to sell $6,000,000,000 of liberty bonds at the present time.

Mr. KITCHIN. I said probably $6,000,000,000. The amount is not yet definitely fixed.

Mr. SMITH of Michigan. The estimates for the year are $16,000,000,000, are they not?

Mr. KITCHIN. Sixteen billion dollars; yes.

Mr. SMITH of Michigan. Then there will have to be $10,000,000,000 more sold in the future.

Mr. KITCHIN. If they sell only $6,000,000,000 now, we will have to sell $10,000,000,000 some time during the fiscal year.

Mr. SMITH of Michigan. Before next July?

Mr. KITCHIN. Yes. We have authorized $22,000,000,000.

Mr. LONGWORTH. We have over $9,000,000,000 outstanding, have we not?

Mr. KITCHIN. We have about $10,000,000,000 outstanding, and about $12,000,000,000 authorized and available to be issued. There will have to be another authorization of bonds before the close of the fiscal year.

Mr. SMITH of Michigan. There is no telling when that will be provided for?

Mr. KITCHIN. No.

Mr. SMITH of Michigan. I am very much interested in the stabilization of our foreign exchange, but I am equally interested in the stabilization of these bonds. Now, the 3½ per cent bonds sell at a premium. Will the gentleman please explain why it is that the 4¼ per cent liberty bonds sell at such a discount?

Mr. KITCHIN. I can not explain that, and I do not think it can be explained. Some think there is manipulation by some people to put down the bonds in order to force a higher rate of interest, and many others think the greater cause for the depreciation is the taxes to which they are subject. The second and third liberty bonds are subject to taxes, while the 3½ per cent first liberty bonds are exempt from taxes of all kinds.

Mr. SMITH of Michigan. Does not the gentleman think that the 4¼ per cent bonds should be put on a parity with the 3½ per cent bonds, or at least be kept up to par? Is it not embarrassing to go out and recommend the sale of these bonds at par when people can go on the market and buy a $100 bond for $94.50?

Mr. KITCHIN. I will tell you what I think. I think that to-day or to-morrow or at any time within the next 60 days you could not buy $500,000,000 of bonds for less than par.

Mr. SMITH of Michigan. They are doing it to-day.

Mr. KITCHIN. I think you could buy a few hundred thousand dollars' worth, and maybe a few million dollars' worth. The Treasury Department think, and to some extent our com-

mittee agrees with them, that the passage of this bill will bring them up to about par.

Mr. SMITH of Michigan. There is a provision in this bill that the President may prohibit the sale or transfer of these bonds; and while the gentleman thinks he will not exercise it, will it not be a little embarrassing, and will it not impede the sale of these bonds if we have to confess in answer to questions that the President might prohibit the transfer of them; and if that authority is to be given to the President, would it not be wise to wait until these bonds are disposed of?

Mr. KITCHIN. I think the argument would be the other way, that this power of the President to prohibit a transaction which I have called attention to would make the bonds more valuable—that is, would carry the bonds up to nearer par.

Mr. SMITH of Michigan. I have given the question some attention, and I have been in favor of prohibiting the market quotations. I think that would cure the difficulty in a great measure.

Mr. KITCHIN. That would be within the power of the President. I think the President would study the different transactions with reference to dealing with bonds, and after conferring with representative business men and the Treasury Department would regulate or prohibit transactions that tended to depreciate the value of the bonds.

Mr. SMITH of Michigan. I hope some one will have the right to deal with this matter, but I think to prohibit the sale, to prohibit any man from dealing with his property as he sees fit, would be unconstitutional.

Mr. CLARK of Pennsylvania. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. CLARK of Pennsylvania. The power is given to prohibit any transactions in bonds. Would it not discourage, rather than encourage, the person of small means if he is informed that he can not sell his bonds, and would it not interfere with the deposit of these bonds in the banks as collateral? Would not the banks say that they are not liquid assets and we do not want them?

Mr. KITCHIN. I do not think any bank in the United States would give that as a reason if they wanted to loan the money. If they did not want to loan it they might give it as an excuse. There is no bank in the country that does not know that the President would not prohibit the sale of bonds to the extent of not making them liquid. If he did, the bond worth $100 would go down to 95 and he would be doing the very thing that he did not want to do. Of course, he would never do that. If men buy these liberty bonds at 100, which they must pay for them, the President would never issue an order that no man could transfer his bond; if he did they would go down to 90 per cent and perhaps lower. I do not believe the President of the United States would ever be as unwise as that.

Mr. CLARK of Pennsylvania. Does the gentleman know that a great many persons have bought bonds, not because they wanted them, but because they did not desire to be thought unpatriotic, and they have to get rid of them? I live in a manufacturing city, and I know that a great many of the products have been sent to the West and Northwest in exchange for bonds. Who is going to be the better one to determine whether the purchaser may dispose of his bonds or not?

Mr. KITCHIN. The gentleman refers to selling products in exchange for bonds. I think that it would have been a good thing if most of such transactions that I have heard of had been prohibited.

Mr. LONGWORTH. If the gentleman will yield, I think it would be proper for the chairman to state that the committee has under consideration the Canadian system of stabilization of bonds, where all bonds must pass through a committee before they can be marketed, and in that way it has a tendency to keep the value up and prevent trading that would cause violent fluctuations.

Mr. ROSE. Will the gentleman yield?

Mr. KITCHIN. I will yield to the gentleman.

Mr. ROSE. Under existing law no one person at any one time is permitted to hold more than $1,000 of war-savings certificates. In this section 2 it provides that they can hold at least $1,000 of any issue.

Mr. KITCHIN. Each series.

Mr. ROSE. I wondered if the section goes far enough to allow any person who desires to purchase a series of one year in the next year. Will he be permitted to purchase the series of 1918 in 1919, or can he buy them at any time?

Mr. KITCHIN. Yes; it provides that he can hold a thousand dollars of each series.

Mr. ROSE. And no time limit when he shall purchase them?

Mr. KITCHIN. If there is a series of 1918, 1919, and 1920, you can hold a thousand dollars of each series.

Mr. ROSE. Must he buy the series of 1918 in 1918?

Mr. KITCHIN. You can own war-savings certificates of any series to the extent of a thousand dollars. The Treasury Department might issue two series in one year, and then you could have $2,000 worth in that one year.

Mr. ROSE. The point I am making is whether or not you have to buy the series of 1918 during the year of 1918 under the present law? This provision does not go far enough to say that the purchaser can purchase the series at any time after they are issued; that is, following the year of the issue. In other words, can he buy the issue of 1918 series in 1919?

Mr. KITCHIN. I am glad the gentleman has called my attention to that. I think that, to hold $1,000 of any series, one will have to purchase that amount during the year in which the series is offered.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. YOUNG of North Dakota. In respect to section 6 I would like to ask the gentleman a question. I understood the gentleman to say that a banker might, in acting upon a request for a loan, if he said the bonds were not liquid, that he might give that as an excuse, but not as the real reason for refusing to extend the credit.

Mr. KITCHIN. Yes.

Mr. YOUNG of North Dakota. Let me suggest this case to the gentleman. Take a small bank away out on the prairie that may have already accepted $100,000 worth of bonds as collateral for loans. If under this section 6 a prohibition were made against the sale of these bonds, and if I walked in the bank and asked for a loan and offered liberty bonds as security, does the gentleman not think it would be very reasonable for the cashier to say that the bank already has $100,000 of collateral which it thought was liquid when they got it, but which proves to be not liquid, and that it is more collateral of that sort which is not liquid than they ought to have in the bank, and for that reason refuse to make me a loan?

Mr. KITCHIN. It would be a splendid reason for the bank to give under these circumstances the gentleman mentions; and if I were the banker, or if I were a lender of money, of course I would not loan a penny on liberty bonds as security for any notes if we had a President unwise and foolish and idiotic enough to say, knowing that we had to sell bonds in the future, that no man shall transfer his bonds; that he shall keep them in his pocket or in his safe; and that he can not deposit them as security and can not transfer them. That has to be an order before this bank can have that excuse. If the President issued such an order, that would be a reason for the bank to give; but if he were to issue such an order as that, the bonds would immediately decline to $85 or $90. Of course the President would have the power to do that under this legislation, but I am sure he would not issue such an order.

Mr. YOUNG of North Dakota. Does the gentleman, for whom I entertain a high regard, think that it is necessary that he should have that power?

Mr. KITCHIN. He ought to have the power to prohibit some sort of transactions, and we determined that it was preferable to give him this power than to provide a limited power which might be entirely inadequate to meet conditions that might arise.

Mr. YOUNG of North Dakota. It is the belief, then, of the gentleman that it is necessary to grant broad powers?

Mr. KITCHIN. Yes; to prohibit some kinds of transactions that are having a tendency to bear the bonds down, when, as a matter of fact, they are inherently worth par. I believe a country as large and as powerful and as rich as this, when it issues its pledge to pay, 20 or 30 years from now, $1,000, and to pay thereon 4¼ per cent interest, payable semiannually, issues thereby a bond which is worth dollar for dollar; but I can see how a great many little transactions with respect to bond dealings can exist, and be permitted to exist, that would really make the market value lower. I think the President will consider those transactions. We know of certain transactions now that we could limit, and we could have provided him with power to prohibit those particular things, but it would not be 24 hours before those same manipulators would conceive of some other transaction that did not come within the law which ought also to be prohibited. Then we would have to come here and pass another law; and so we gave him the broad power, knowing, of course, that he would not exercise it to the detriment of the bonds, for every time he does that the bond is going down. The very object of this bill—and I know the desire of the administration and the Treasury Department and all of the patriotic citizens—is to keep our bonds as high as possible—certainly at par.

Mr. HAYES. Mr. Chairman, I am sure the gentleman from North Carolina, the chairman of this committee, agrees with

me that we should have nothing here that will prevent the sale of these bonds to all who are able to buy them.

Mr. KITCHIN. That is correct.

Mr. HAYES. There is a very large class of people in the United States, business men, who, for example, at certain times of the year have quite a large amount of money which they could spare for a little time, and they will be inclined as a patriotic duty to help out and buy these bonds; but if there is a threat upon the statutes of the United States that the President of the United States, at his discretion, may say that they can not sell those bonds when they need the money in their business, they will be deterred from buying the bonds. I know that to be so, and I think it is a very dangerous proposition.

Mr. KITCHIN. I would say to the gentleman that every unlimited, unqualified power which you give to anyone is dangerous.

Mr. HAYES. But it is dangerous for this reason—not that I distrust the President of the United States. That is not the point; but the very fact that it is there is dangerous. Capital is timid, and when men need money they must have it, if they are in business, in order to save themselves, and to put in such a provision as that will make men timid about buying bonds.

Mr. KITCHIN. Capital is timid, but capital has a lot of sense, and capital knows as well as anything in the world that the President of the United States nor anyone connected with the Government is not going to do any act, use any power, that will depreciate the pledge, the bond, of the United States, but they will use that power to appreciate it. Capital knows that. I am like the gentleman from California and other gentlemen. That provision bothered me. It is so large a power. We considered whether we should not eliminate the word "prohibit," but that would not do; and then we tried to limit the power, and, as I just said, when we endeavored to limit the power we found out that we could not determine where to stop.

Mr. HAYES. If there is no occasion as yet for the exercise of such power, why put such a general provision in the law? When the time comes that abuses arise let us meet those abuses by proper legislation.

Mr. KITCHIN. But we will not have time to meet those abuses when the liberty-bond sale is going to begin on September 28.

Mr. HAYES. Then instead of helping the liberty-bond sale it will injure it, in my judgment.

Mr. KITCHIN. I doubt it.

Mr. HAYES. I think it will.

Mr. KITCHIN. If there is any one man in the United States who is pretty well acquainted with the caprices and timidities and operations of what we call capital and of investors, it is the gentleman who is Assistant Secretary of the Treasury, Mr. Leffingwell. I understand that before he came to the Treasury Department he was a lawyer who represented those who dealt in securities. This matter was discussed with him, and it is his judgment that instead of having a tendency to check or injure the sale of bonds it will greatly help the sale, because every man knows the President is going to use that power to appreciate the bonds he buys and keep them at par rather than do anything to depreciate them.

Mr. SHALLENBERGER. The gentleman is aware the Secretary of the Treasury has already advised the people against the sale of bonds and urged them not to sell them; that the general trend has been throughout the country not to prohibit but at least to advise against the sale of bonds. Does not the gentleman think that the public seeing that word "prohibit"—I have not heard of there being advanced a single reason why the sale of bonds should be prohibited—that that very thing is going to frighten the investors when they know that authority has been given to do it? I think the gentleman from California raises a very pertinent question.

Mr. KITCHIN. Does the gentleman think traders and traffickers should advertise, "You sell your bonds to me, and I will give you more than value received in goods and articles"? Does the gentleman think that tends to help the bond matter? Does the gentleman think that is the right thing to be done and it ought to be done?

Mr. SHALLENBERGER. To purchase merchandise by bonds——

Mr. KITCHIN. Yes; these advertisements trying to induce purchasers to give their bonds up by the sale of merchandise. Does the gentleman think that is the proper thing?

Mr. SHALLENBERGER. I would have to know all the circumstances surrounding such a case.

Mr. KITCHIN. We have had before us some exaggerated cases of that kind. For instance, in the case of war-savings certificates, some organization tried to induce the owners of the certificates to come and buy goods and give up their war-savings certificates to get these fellows to buy things they do not want and do not need.

Mr. CANNON. Will the gentleman allow me right there?

Mr. KITCHIN. I will.

Mr. CANNON. Is not the trouble deeper than that? If the bonds would bring par, the gentleman's bank or a little one I am interested in would have the right to pay par for them; but the trouble is with the bill that is pending, which the gentleman reported from the Ways and Means Committee, and I am for that bill substantially—now, can we by law prevent anybody, as the gentleman from California says, selling that which he has and still keep it up to a certain value?

Mr. KITCHIN. No; if you prevent the sale of it in the cases I have given, of course it would depreciate the bonds. You can conceive that an order preventing the sale of anything that was property will depreciate the bond——

Mr. CANNON. Or——

Mr. KITCHIN. I can give a great many illustrations to the gentleman of transactions that ought to be prohibited. Well, now, how can you fix a limit specifying what kind of transactions shall be prohibited? Why, the fellow would get around the limit within 24 hours.

Mr. CANNON. I would like before general debate ceases to have 5, 10, or 15 minutes.

Mr. KITCHIN. The gentleman shall have it.

Mr. SHALLENBERGER. I was going to suggest that in the anxiety to reach these things which the gentleman has represented here, which must be very small in proportion to the vast sale of bonds, whether or not by putting in the word "prohibit" you are not raising a danger that will go much farther than the thing you seek to correct.

Mr. KITCHIN. As I said awhile ago, I think that the President or the Secretary of the Treasury ought to have some power to prohibit some kinds of transactions in the interest of the value of bonds and the sale of bonds. We have studied how to limit this power. I raised that very question with Mr. Leffingwell in reference to a limit to see if we could find a limit in reference to the exercise of that power. The men in the Treasury Department, I understand, conferred with the representatives of business men and bankers, and, as I said before, they concluded that it was not advisable to limit this power; and, as I said, the Assistant Secretary of the Treasury, Mr. Leffingwell, is in touch and knows as much about the sale of securities as any man in the United States, and he is absolutely of the opinion that this provision will help instead of hinder, and as the responsibility to sell these bonds is absolutely on the Secretary of the Treasury and the administration and not on us here in Congress, why, if they were willing to take that risk, I said to the committee, it looks as though we could take the risk, too. Perhaps if we were responsible, as I said at the beginning of my remarks, for the sale of these bonds, Congress might not write the word "prohibit" in. We may think it would hinder the sale of the bonds, but we, not having that responsibility upon us to make these sales, and they having the responsibility for making these sales, I am willing to trust that word "prohibit" to them, and let us see how it will turn out.

Mr. NORTON. Section 5 would permit the President to put in force a similar regulation that they have in Canada?

Mr. KITCHIN. He could do that. I understand from the gentleman from Ohio that Canada has a remarkable system—I am not well acquainted with it—of marketing and of regulating the sale of these bonds after the original sale, and, as he said, the committee is going to consider that. The President and the Secretary of the Treasury will consider the marketing and the sale of bonds after the original sale, and they will have the experience of other nations and will prescribe such rules and regulations as will tend to keep our bonds at par.

Mr. NORTON. The Treasury, I understand, has reason to suspect now there have been fraudulent transactions in bonds to depreciate——

Mr. KITCHIN. In order to depreciate them.

Mr. NORTON. I want to inquire in reference to section 1. Section 1 does not release from the normal tax any of these bonds?

Mr. KITCHIN. Because they are all released. No liberty bonds pay a normal tax at all.

Mr. NORTON. Up to $5,000.

Mr. KITCHIN. Not at all. The revenue bill now pending has a normal tax of 12 per cent. The interest from all bonds is absolutely exempt from the 12 per cent normal tax. The second liberty-bond act provided that the bonds shall be ex-

empted from the normal tax. That is, it exempted all bonds from all taxes except surtaxes, excess-profits and war-profits tax, and inheritance or estate taxes.

Mr. RAKER. I wanted to ask the chairman in regard to section 6 as amending section 5200 of the Revised Statutes. In the first place, could a national bank, an association, an organization, with a capital stock, actually paid in and unimpaired, of $100,000, loan to a customer $10,000?

Mr. KITCHIN. Yes, sir.

Mr. RAKER. Now, the same bank, with an unimpaired surplus fund of $100,000, could loan to this same customer another $10,000?

Mr. KITCHIN. By the discount of commercial or business paper actually owned by the person negotiating the same.

Mr. RAKER. I am assuming that the bank has $100,000 of capital actually paid in and unimpaired, and a customer comes and can get $10,000. Now, if this same bank has a surplus fund, this same customer can get another $10,000?

Mr. KITCHIN. The existing law already provides that the discount of bills of exchange drawn against actual existing values is not considered as borrowed money. The provision that the discount of commercial or business paper actually owned by the person, company, corporation, or firm negotiating the same shall not be considered as borrowed money is also now provided for under existing law.

Mr. RAKER. What does this provision mean, then?

Mr. KITCHIN. What?

Mr. RAKER. I refer to this:

The total liabilities to any association of any person, or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof shall at no time exceed 10 per centum of the amount of the capital stock of such association actually paid in and unimpaired.

Mr. KITCHIN. That is the law now.

Mr. RAKER. And 10 per cent of this unimpaired surplus fund?

Mr. KITCHIN. That is the law now. Ten per cent of its capital and surplus.

Mr. RAKER. Yes.

Mr. KITCHIN. Now under this provision he can borrow an additional amount equal to 10 per cent of the capital and surplus of the bank by securing the note with liberty bonds.

Mr. RAKER. What I wanted to ask was with regard to the proviso in brackets in lines 1, 2, and 3 on page 6.

Mr. KITCHIN. Then the Comptroller of the Currency and the Secretary of the Treasury can prescribe rules to increase the additional 10 per cent limit.

Mr. RAKER. In other words, he can make it 15 per cent?

Mr. KITCHIN. Or 20 or 25 per cent; anything they think safe. That is, they can have this 10 per cent additional loan by securing the note with liberty bonds without making any request on the Treasury Department, but if they want more than 10 per cent additional they have to have additional authority under rules prescribed by the Comptroller of the Currency, with the approval of the Secretary of the Treasury.

Mr. RAKER. And then when the rules and regulations are prescribed by the Secretary of the Treasury they can go according to them?

Mr. HAYES. Will the gentleman from North Carolina yield to me just for a moment before he yields the floor?

Mr. KITCHIN. Yes.

Mr. HAYES. I wanted to make some further suggestion in line with my former suggestions. I am a business man, for example. At the last liberty-loan drive I bought $10,000 worth of bonds with the intent that when the drive was over and everything settled down they could be sold at the best price obtainable as a matter of public duty and patriotism. Now, if such a provision as this is inserted in here, notwithstanding what the gentleman says, I should hesitate about buying $10,000 worth of bonds, because my business requires that money, and I can not keep it permanently out of the business. I am putting a suppositious case. I am not the only business man in that situation. There are scores of them all over the country.

Mr. KITCHIN. The gentleman entertains the same fears that I first entertained, but the gentleman is not selling these bonds.

Mr. HAYES. I know, but——

Mr. KITCHIN. Wait one minute. You fear that it will have a deterrent effect on the sale of bonds?

Mr. HAYES. That is what I am afraid of.

Mr. KITCHIN. I had that fear. Now, that is the fear of a gentleman who has no duty to perform in the sale of bonds, or no responsibility in the selling of the bonds, or we only have it as a general interest.

Mr. HAYES. I have a responsibility in legislation.

Mr. KITCHIN. I know, but this is legislation that does not just concern the sale of these bonds.

Mr. HAYES. Oh, no. There is more than that.

Mr. KITCHIN. If, then, the man who is responsible for the sale of these bonds, upon whose shoulders this vast responsibility rests, the man whose duty under the law is to sell these bonds, said to you and to me, "We can better sell these bonds with that word in the law than we can without it being in," whose judgment shall Congress take? It is simply a matter of judgment. And, another thing, we do take a responsibility in not putting the word "prohibit" in when the man who is responsible for the sale tells us that if we leave it out he can not sell these bonds and if we put it in he can sell them better. Suppose we go into the campaign with the word left out and we would not sell the bonds, would not a whole lot of folks in this country be glad to say, 'If Congress had done what Secretary McAdoo said and had put in the word 'prohibit,' so that the President in his wisdom and patriotism could make such rules and regulations about the sale and traffic in these bonds as to appreciate the bonds and induce people to buy, it would have been all right?" That would be taking a little too vast responsibility, gentlemen. I felt somewhat as you do at first, but after I thought about it, I said, "The responsibility is not on me but on them."

I am not going to let the Treasury Department or the Secretary of the Treasury or Mr. Leffingwell or anybody else put any part of the responsibility on me for these bonds not being sold, and sold well, and I do not think we had better take that responsibility now.

Mr. HAYES. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. HAYES. Will the gentleman permit me just one more suggestion?

Mr. KITCHIN. Yes.

Mr. HAYES. It is this: That as legislators here we have to take the responsibility of granting a very extraordinary power, which is the giving to one man the power to say that the purchasers of these bonds shall not have the right under certain conditions to sell them. That is an extraordinary grant of power, and it is my responsibility, and it is your responsibility, and it is the responsibility of every Member of this House, whether the Presdent shall have that power or not.

We must act on our judgment and knowledge of conditions in the country, and that is the only way we can intelligently act. That is not the responsibility of the President or the Secretary of the Treasury. It is ours. In my judgment, the fact that we grant such an extraordinary power as that to any man, I care not who he is, is sufficient to make the man who can not spare his money for any length of time, but must have it returned to him in the near future, hesitate about putting that money into bonds.

Mr. KITCHIN. I thought you were not going to state the proposition that we all feared; that is, that the provision will have a checking and hindering effect on the sale of bonds. I thought you were going to put another proposition.

All of us may differ as to the possible effect of this provision on the sale of bonds. I am willing for the man who is responsible for the sale of these bonds to take the responsibility for this word "prohibit," and I rather think it will help appreciate the bonds. I think the President, under this provision, can announce before the sale of the liberty bonds such rules and regulations as will help the sale. The policy of giving the President this power is one as to which we may well differ; but I know there is but one answer to it, otherwise I would not give it to him. I know it is absolutely impossible for him to prevent my selling my bond by issuing that order, because as soon as he issues that order the very bonds that he wishes to make valuable will go right down in value. He knows it. I know it is impossible to issue any such order.

Mr. HAYES. Why, then, give him the authority here to do it?

Mr. KITCHIN. We give him authority not because we think it will be exercised, except where it ought to be exercised.

Mr. HARDY. Mr. Chairman, will the gentleman give us an illustration?

Mr. KITCHIN. We give the President the power, if he wants to exercise it, to order that these two or three million extra men that we are going to send to France shall go over in canoes; to get two or three million canoes about as long as from here to you and give each man a paddle and say, "You have got to go across and fight the Hun," and they must try it. He has the power to make that order, but I do not think there is any man in the United States who thinks that he will exercise that power by making that order. But we had to give him powers that

included every such rash and impossible thing as that, and we have got to give him this power. And in giving it to him, of course, it includes all these extreme and inconceivable and unimaginable powers.

Mr. RAKER. Is it not the purpose in that section that the President may protect the bondholders?

Mr. KITCHIN. Yes; to protect the bondholders and help the sale of the bonds.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. WALSH. Will the gentleman state whether or not the Secretary of the Treasury or his representative, Mr. Leffingwell, gave to the committee any reason why the success of this next loan is not equally involved in the amendment proposed to section 5 and section 4 of this bill? The Secretary of the Treasury in his letter to the committee simply says with reference to section 5—

I believe it is highly desirable that the President be empowered to investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange or in bonds or certificates of indebtedness of the United States, and the export, hoarding, melting—

And so forth. He says not a word about prohibiting the sale of bonds. Did Mr. Leffingwell give any reason for that in the flotation of this new issue?

Mr. KITCHIN. I have discussed that with Mr. Leffingwell. I discussed the matter of giving him the power to prohibit in many cases in transactions with respect to Government bonds, and he gave the reasons that I have given here.

Mr. WALSH. Only the reasons that the gentleman has stated heretofore?

Mr. KITCHIN. Yes.

Mr. RUCKER. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes. Then I am going to stop.

Mr. RUCKER. As I understand the gentleman, while he recognizes the fact that the word "prohibit" confers a vast power, he does not know how to limit it and still give the President the power that he ought to have?

Mr. KITCHIN. No; the necessary power that he ought to have.

Mr. RUCKER. Let me ask the gentleman as to the language that has been discussed and which has been feared, which many gentleman think, if left in the bill, will retard very materially the sale of liberty bonds. It is this:

That the President may investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange or in bonds or certificates of indebtedness of the United States, and the export, hoarding, melting, or earmarking of gold or silver coin or bullion or currency.

And so forth. The gentleman does not believe that the President, acting under that, would ever prohibit the sale by one citizen to another of his bond?

Mr. KITCHIN. No.

Mr. RUCKER. What objection is there to putting in a proviso to the effect that "nothing herein contained shall be construed as to confer power to prohibit the sale of bonds or certificates of indebtedness of the United States"? Why should not that do?

Mr. KITCHIN. That would not do, because there are certain transactions which he ought to prohibit.

Mr. RUCKER. He could then investigate and regulate and prohibit everything else except the sale, and, as I understand, that is not contemplated.

Mr. KITCHIN. Oh, yes; there are a great many sales that he ought to prohibit. The gentleman was not here——

Mr. RUCKER. I have heard what the gentleman said, but I probably did not understand it.

Mr. KITCHIN. I do not think the gentleman was here at the opening this morning.

Mr. RUCKER. No; I was not.

Mr. KITCHIN. There are a great many transactions that ought to be prohibited. For instance, there are certain merchants who are advertising to their customers who come in to buy goods that they will give them a discount on the bonds.

Mr. RUCKER. Then, why not insert a proviso that it is not intended to confer power to prohibit the sale of certificates of indebtedness or bonds of the United States by the man actually buying the bonds?

Mr. KITCHIN. I do not think that would be satisfactory.

Mr. ROBBINS. Will the gentleman yield?

Mr. KITCHIN. I have given notice two or three times that I am going to stop.

Mr. ROBBINS. I refer to section 5. As it stands now, I think it contains a power that is dangerous to confer upon anyone, to tamper with the regular banking facilities of the country. Now, why not add to the end of this provision a limitation that the powers herein conveyed shall terminate with the end of the war? Then we would all know that there would be a time when we would be relieved from the fear of the exercise of this power that this section contains, to my mind at least, that it is going to render these bonds unmarketable to those who purchase them.

Mr. KITCHIN. I see no great objection to limiting it to a year or two years after the end of the war. I am not acquainted with all the provisions of the trading-with-the-enemy act. If there is a member of the Judiciary Committee here I would like to know whether the provisions of that act are limited to the period of the war or to a year or two years after the war? My idea is that most of the provisions say "during the war." If so, this is a part of the trading-with-the-enemy act.

Mr. ROBBINS. I will send out and get that act. The thing that suggested itself to me, viewing it from the bankers' and investors' standpoint, was that, as the bankers are going to have to take these bonds primarily, as they took the first, second, and third liberty bonds, and then deal them out to their customers, if the President can prohibit the transfer of these bonds, investors and bankers will not dare buy them.

Mr. KITCHIN. The President is as anxious as any living man can be to keep the bonds at par. Does the gentleman think he would issue any order that would depreciate the value of the bonds? And if he did, and found that it had that effect, would it not be his absolute duty as a patriot to revoke or rescind the order?

Mr. ROBBINS. I am not questioning the patriotism either of the President or the investing public.

Mr. KITCHIN. Oh, no; not at all.

Mr. ROBBINS. But a large number of these bonds are going to be taken by people who will be making their first investment in bonds. They are going to be taken by foreigners who do not understand the nature of Government securities.

Mr. KITCHIN. I want to say to the gentleman, as I said when he happened to be out——

Mr. ROBBINS. I was called to the phone.

Mr. KITCHIN. The Secretary of the Treasury has the duty and responsibility of selling these bonds. That duty and that responsibility do not devolve upon the gentleman from Pennsylvania or upon me or upon the House. If the Secretary of the Treasury thinks that this section is going to help him sell the bonds, does not the gentleman think it is better to let him take the responsibility by passing this section as it is written than for us to attempt to shoulder it? If we strike out any of this provision, and he does not sell the bonds, may it not be said that if the House had done what the Secretary of the Treasury asked us to do, the bonds might have been sold?

Mr. DENISON. For the same reason, why not let him fix the rate of interest?

Mr. KITCHIN. You might ask, Why not let him fix the amount?

Mr. DENISON. The gentleman says he will do what is best for the country.

Mr. KITCHIN. I think he will, but I think we ought to fix the amount and the rate of interest; but the manner of selling may well be left to him. That is different. I am not willing to say that he may fix a rate of interest of 5, 6, 8, or 10 per cent. We limit that, as we properly should.

Mr. RUCKER. Does not the gentleman think that the Secretary ought to impart to us all the information that he can impart to the House?

Mr. KITCHIN. Of course, the gentleman has not been here all the time I have been talking. I do not blame him for not listening to me; but I have certainly given an hour to explaining why it probably is better to leave that provision in the bill.

Mr. RUCKER. I want to say to the gentleman that I have listened attentively—not to all he said, because he has said so much that I did not have time to hear it all.

Mr. TILSON. Will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Connecticut.

Mr. TILSON. Does the gentleman know whether the large bankers, who are expecting to take a large number of these bonds, are favorable to this provision?

Mr. KITCHIN. I understand that the bankers who will take these bonds and help to sell them are very anxious that some power be given in the Treasury Department or the administration to prohibit certain transactions.

Mr. HAYES. That can be done by regulation, without prohibiting the sale absolutely.

Mr. KITCHIN. As I explained here to-day, if you strike out the word "prohibit," I think he can still prohibit by regulation.

Mr. ROBBINS. Is not that covered in Canada by a regulation of the stock exchange?

Mr. KITCHIN. They have a system there by which all these bond dealings go through a committee.

Mr. ROBBINS. Of the stock exchange?

Mr. KITCHIN. I do not know about the stock exchange.

Mr. ROBBINS. It is not an act of the Dominion, but it is a regulation of the stock exchange, as I understand.

Mr. KITCHIN. No; I do not know about any action of the minister of finance in the Canadian treasury department.

Mr. WALSH. Will the gentleman permit me to make a statement in regard to the trading-with-the-enemy act to which the gentleman from North Carolina alluded a moment ago?

Mr. KITCHIN. Certainly.

Mr. WALSH. That act prohibits everything that is in section 5, subdivision "b," except bonds and hoarding gold. It is the present law with those exceptions. Now, the gentleman inquired whether there was anything in the act which confined the powers to the end of the war. In some sections there is a provision to that effect, and the end of the war is defined as follows:

The words "end of the war," as used herein, shall be deemed to mean the date of proclamation of exchange of ratifications of the treaty of peace, unless the President shall, by proclamation, declare a prior date, in which case the date so proclaimed shall be deemed to be the "end of the war" within the meaning of this act.

Mr. KITCHIN. The gentleman from Pennsylvania [Mr. ROBBINS] then is answered by that, because this section amends section 5 of that act and it would be limited to the end of the war.

Mr. HAYES. But this is the last enactment.

Mr. KITCHIN. I do not think there is any doubt about that. That means section 5 of that act. We do not amend the section which says that it shall terminate at the end of the war. I will say that I am in sympathy with the gentleman from Pennsylvania [Mr. ROBBINS].

Mr. HAYES. But is the gentleman clear about that, that it would limit it to the end of the war?

Mr. KITCHIN. I do not think there is any trouble about it.

Mr. STAFFORD. Will the gentleman permit? I think the clause called to the attention of the committee by the gentleman from Massachusetts has no application whatever to this section of the trading-with-the-enemy act.

Mr. KITCHIN. I understood the gentleman to say that the limitation was with reference to the whole act.

Mr. WALSH. No; I said certain of its sections are limited to the end of the war, and that the end of the war was defined as I read it.

Mr. STAFFORD. There is no such phrase as "the end of the war" in section 5 in the trading-with-the-enemy act.

Mr. KITCHIN. I understood the gentleman from Massachusetts to say that this trading-with-the-enemy act terminated at the end of the war—that is, the whole act.

Mr. WALSH. The gentleman misunderstood me.

Mr. STAFFORD. There is no such provision in the act itself.

Mr. KITCHIN. Well, then I hope the gentleman from Massachusetts and the gentleman from Pennsylvania will look it up. I can see no objection to making this limitation to end at the termination of the war as to the regulation or prohibition of the sale of bonds and certificates of indebtedness, limiting it to the end, say, of one or two years after the war.

Mr. HAYES. Why not say at the expiration of the war?

Mr. KITCHIN. We do not put it at the expiration of the war because there might something arise, some condition or situation come up, that is so akin to war that war conditions might apply to it.

Mr. McFADDEN. Will the gentleman yield?

Mr. KITCHIN. I am going to permit an interruption from the gentleman from Pennsylvania, and after that I am going to make one more effort to stop. I will say that the gentleman from Illinois can get his 10 minutes under the five-minute rule.

Mr. McFADDEN. I appreciate the gentleman's courtesy. I want to call attention to the letter of the Secretary of the Treasury in which he refers to section 5. The Secretary says:

I believe it is highly desirable at this time that the President should be empowered to investigate, regulate, or prohibit not only the export or earmarking of gold or silver coin or bullion or currency, but also the hoarding or melting thereof.

Now, the Secretary did not say Government bonds.

Mr. KITCHIN. No; but I have discussed the matter with the Secretary and Mr. Leffingwell.

Mr. McFADDEN. The point I want to ascertain is whether this was put in by the Ways and Means Committee or is the suggestion of the Treasury Department.

Mr. KITCHIN. No; the Ways and Means Committee had expressed its fear about granting this power, but the department has got to sell the bonds, and the responsibility is on them, and from that angle of it the committee felt that it did not affect the real inherent right of the individual to transfer his property, but only affected the sale of the bonds, and as the Treasury desired to take the responsibility the committee thought it was a wise thing to give the President this power. I do not want to share the responsibility of limiting this provision.

Mr. McFADDEN. I wanted to make the matter clear on that point. Now, will the gentleman permit an observation?

Mr. KITCHIN. Yes; only one.

Mr. McFADDEN. I want to say that if the authority is given to the President in this section, I am of the opinion that if he exercises it to prohibit the sale of securities of the United States Government, that immediately there will have to be declared a moratorium on the debts in the United States.

Mr. KITCHIN. I think the gentleman is right, and that is the reason why I know that it is impossible for the President to exercise the power to such an extent as gentlemen seem to fear.

Now, I want to say that since the suggestion of the gentleman from Arkansas that Gov. Harding and the Federal Reserve Board had perhaps been against section 4 in regard to stabilizing and rectifying foreign exchanges, and so forth, I had my clerk phone to Mr. Leffingwell to see Gov. Harding and members of the Federal Reserve Board, and ask him to take the provision to them and ascertain their objections to it. Mr. Leffingwell phones the clerk that he has seen Gov. Harding, and that he authorized him to say that he has seen the provision, and he not only has no objection to it but that he heartily commends it and thinks it a wise provision, and that it should be enacted in this bill. I wanted to make that statement in justice to the gentleman from Arkansas.

Mr. FORDNEY. Mr. Chairman and gentlemen, I am going to be very brief in what I have to say. The object of this bill, so far as the exemption of taxes on the income of Government bonds is concerned, is to make more attractive the sale of Government bonds to purchasers. I have at all times been in favor of a tax-exempt Government bond. I do not believe simply because the Government bond is better security than any other security offered that it will sell as readily upon the market bearing a rate of interest of 4¼ per cent, as will other securities that bring higher rates, 5 and 6 per cent, unless there is some redeeming feature other than its actual security value. I contend, in the first place, upon the first issue of Government bonds that unless we exempted the Government bond from taxes we would be compelled to pay a higher rate of interest than otherwise. This legislation now suggested is an absolute proof of the correctness of that contention. There is a provision in the new revenue bill which is absolutely inconsistent with the purpose of this bill. This bill proposes to exempt in the hands of the individual, or corporation, or association the income from Government bonds from excess profits, supertaxes, and war-profits taxes. In other words, the supertax imposed by this new revenue bill upon the income of an individual ranges from 6 per cent to 65 per cent.

The income from Government bonds is exempt from normal income taxes. Therefore, on the individual the supertax will average perhaps 25 per cent of the average man's income; that is to say, the tax will take from him at least 25 per cent of his income. In the new revenue bill, which I have spoken of before, there is a penalty of an extra 6 per cent upon corporations upon earnings of this taxable year for the nondistribution of those earnings. In other words, the income of the corporations for this taxable year, if distributed to the stockholders, pays 12 per cent normal tax, and if not distributed it must pay an additional 6 per cent, or a total of 18 per cent normal tax. This bill proposes to remove from income taxes, excess-profits taxes, and war taxes the income from a Government bond in the hands of a corporation. How do you suppose a corporation can use the earnings of this year invested in Government bonds, which Government bonds upon their face bear a rate of interest at 4¼ per cent, and at the same time pay a penalty of an extra 6 per cent for investing that money in Government bonds and not distributing it to the stockholder? That is the inconsistency of the provision in the new revenue bill, which is the purposes of this bill.

Let me show you what the tax means to an investor in Government bonds, in a supertax in the hands of an individual. The average tax, which will be about 24 per cent, say, and I am only guessing at it, but I think that is a fair estimated average, would take from the individual fifty-one one-hundredths of 1 per cent of the interest paid to him by the Government upon these bonds, leaving him in round numbers 3¾ per cent income from the Government bond which pays 4¼ per cent interest. I contended in the first place that Government bonds bear a higher rate of interest if taxable than if nontaxable. That illustration in the hands of the individual of one-half of 1 per cent of your 4¼ per cent of interest is proof of that contention. That would average the purchaser 3¾ per cent interest, so that a bond bearing 3¾ per cent interest nontaxable is just as valuable in his

hands as a 4¼ per cent interest bond subject to taxes. Suppose a corporation purchases a large amount of Government bonds this year, and the earnings of that corporation come under the excess-profits tax provisions of the new revenue bill, which is a graduated supertax of 35, 50, and 70 per cent.

The revenue bill provides that 15 per cent of the corporation's income, or that portion of its earnings 15 per cent above exemptions, must pay 35 per cent taxes. On the next 5 per cent of earnings, from 15 per cent to 20 per cent, it pays 50 per cent taxes. The Government takes one-half of that 5 per cent, and on all profits above 20 per cent it pays 70 per cent. Suppose the average to be 50 per cent. If this bill does not pass, the income from interest on Government bonds in the hands of a corporation paying excess-profits taxes will yield to the corporation but 2⅛ per cent interest over and above the tax. Figure it out. That is right. Suppose that corporation pays a tax this year under the war-profits tax. Then the earnings from Government bonds in the hands of the corporation that comes under the war-profits tax pay 80 per cent of 4¼ per cent interest received, leaving the corporation but eighty-five hundredths of 1 per cent of the 4¼ per cent income from interest on Government bonds. That is a very severe tax. There is no inducement for anyone to purchase Government bonds under those circumstances. A corporation whose income on interest net to them is only eighty-five hundredths of 1 per cent will not feel like purchasing Government bonds, especially in view of the fact that it must pay a penalty of 6 per cent for investing its money in Government bonds instead of paying out their profits among their stockholders. It would take a year and a half to get back the penalty, or nearly so, at 4¼ per cent on your Government bonds.

Those are the features of these two bills that are important for you and I to consider. Therefore I am most heartily in favor of the enactment of this proposed bill about which we are now talking, because it exempts from taxes these Government bonds. The purpose of giving a high rate of interest on Government bonds was this: It could be plainly seen that the Government was going to issue twenty or thirty or forty billions of dollars' worth of Government bonds during this war. The higher the rate of interest those bonds bear the more taxes would be collected from the average individual. That is the purpose of a high rate of interest on a Government bond. There is no other purpose. Of course, it makes the bond attractive to give it a high rate of interest, but then they turn right around after giving you 4¼ per cent interest and take a half per cent of that from you in taxes. That is what it means. In order to get somewhere from fifty to one hundred and twenty-five million dollars a year more money in the hands of the individuals to be taxed they are ready to impose an additional high rate of interest upon the people of the country.

Who pays this interest upon these Government bonds? The people. It must come from somewhere. Somebody must pay it. What does a half of 1 per cent interest on $30,000,000,000 of bonds mean per year? One hundred and fifty million dollars. Therefore, a quarter of 1 per cent means that we must tax the people each year $75,000,000 more than we would tax them if the interest your bond bore were one-quarter of 1 per cent less than the rate of interest it does bear. That is a mathematical proposition. But because the Government needs large sums of money now to carry on this war—and those bonds are to run undoubtedly 20 to 30 years before they will be paid—for the purpose of getting $100,000,000 to $125,000,000 a year in the Treasury now each year this extra high rate of interest imposes upon the people $150,000,000 a year for all time or until those bonds are paid.

Pretty serious proposition when you look at it in that light, my friends. Therefore I say if we pass this bill we will make more attractive to the purchaser a Government bond bearing a lower rate of interest. I believe we could have readily sold a nontaxable Government bond down to date as readily at 3½ per cent as we are selling at 4¼ per cent if they were made nontaxable.

Mr. BORLAND. Will the gentleman yield?

Mr. FORDNEY. I do; yes, sir.

Mr. BORLAND. Is it not a fact of this law practically to make all early issues of bonds tax free?

Mr. FORDNEY. Oh, yes; and these bonds, too.

Mr. BORLAND. There will be $6,000,000,000 of this fourth issue?

Mr. FORDNEY. Perhaps.

Mr. BORLAND. Now, suppose these $6,000,000,000 were bought by a class of people who would be liable to these high surtaxes, all of them. Then they would be entitled to go out and buy $9,000,000,000 of earlier issues and escape taxation on them.

Now there are only $10,000,000,000 of the early issues outstanding. In other words, it would be possible for the millionaire class of this country by absorbing this fourth issue to make all the previous issues free from surtaxes which they had in their hands. Is not that almost the case?

Mr. FORDNEY. Let me say to the gentleman, your argument is that this bill benefits the millionaire and not the mass of the people?

Mr. BORLAND. Yes; unquestionably.

Mr. FORDNEY. You are absolutely wrong, so far as my judgment goes, my good friend. We are paying high prices for everything we consume in the country to-day. Now, who pays it, who pays these high prices——

Mr. BORLAND. The poor people.

Mr. FORDNEY. Who pays the profits? This new revenue law proposes to tax you on your income and me and everybody else on their income. Where do you get your income from; that is the point. Where do you get your profits from? Where do I get my profit; where does the manufacturer and everybody who produces something for sale get his profit? He gets it right out of the man who buys his product—the consumer. If he does not make a profit, he does not pay the tax. If he does make a profit, he obtains it from the man who buys the product. Is not that right?

Mr. BORLAND. Unquestionably.

Mr. FORDNEY. Now, who buys the product; who buys the beefsteak; who buys the boots and shoes; who buys the clothing?

Mr. HAMILTON of Michigan. Nobody much now.

Mr. FORDNEY. Let me give an illustration. Not long ago I sat down to the table for dinner one evening. There was a delicious beefsteak upon the table costing 50 cents a pound; 5 pounds, costing $2.50. When I learned the value of this beefsteak I had paid for—it was on my own table—I realized that all the profit made out of the beefsteak from the time the animal was born upon the farm to the time it went on my table I paid for it. Did I not?

Mr. BORLAND. Unquestionably.

Mr. DECKER. On the whole beef?

Mr. FORDNEY. On what I ate, what I had, I am speaking of a 5-pound beefsteak on my table. Now, I never realized so fully before on an article produced in this country and sold to the masses of the people that the person who consumes it pays all the profits. If I do not make a profit in my business then this year I do not have to pay any tax under this law, but if I do make a profit it comes out of the people who buy my product.

Mr. BORLAND. If the gentleman will excuse me, we have been trying to tell the gentleman that for many years; that under a protective tariff the consumer paid all the profits. We have tried to educate the gentleman in years gone by.

Mr. FORDNEY. The gentleman ought to know better than that. You are an intelligent fellow, I give you credit for being intelligent.

Mr. BORLAND. We have tried to convince the gentleman that the consumer paid the freight.

Mr. FORDNEY. We can not both talk at once and have the stenographer get both arguments. You forced me into an explanation, and I will tell you where you are in error. You and I are engaged in business in this country producing an article of the same kind, and we are in competition with each other. Our labor costs, our raw material, our taxes, everything else, are exactly the same. It does not make any difference now what that product cost is, you and I are exactly in this country operating alike under all conditions that exist here. Now, the gentleman has brought in the tariff question. You are, suppose, a foreigner, living in China or in Japan. You are producing the same article over there that I am producing here, and your labor cost is one-fourth of my labor cost, and the labor cost in every article produced in the world is at least 90 per cent of its total cost. [Applause on the Republican side.] You can undersell me unless we have a protective tariff against your cheap-made products. That is the difference between foreign competition and our competition of two men engaged in production in this country.

Mr. BORLAND. Well, the gentleman is still right on the proposition that the consumer pays the freight.

Mr. FORDNEY. Of course I am right, and the gentleman knows it; but he wants to be funny.

Mr. BORLAND. I would like to have an answer to the question about the bonds.

Mr. FORDNEY. I will be pleased to give it.

Mr. BORLAND. Is it not possible under the issue of the fourth liberty loan of $6,000,000,000, by giving the holders of the original subscription to that loan the right to go out and buy 150 per cent of other subscriptions of the earlier bonds, for them to go tax free and possibly enable them to buy perhaps over $9,000,000 of previous issues and make them tax free?

Mr. FORDNEY. My friend, we must realize—nobody realizes it any more so than the Secretary of the Treasury—that in order to sell these liberty bonds offered on the 28th of this month we must go where the money is in order to find a purchaser.

Mr. BORLAND rose.

Mr. FORDNEY. Wait a minute—you have run down an eight-day wind-up—and let me answer you, please. [Applause on the Republican side.]

If you will examine the sales of the first liberty bonds you will find that the average purchase of bonds in this country was less than $100. Millionaires did not get in their work, very much to your dissatisfaction. The masses of the people purchased those bonds and are going to purchase the majority of these bonds, too; but they must be largely sold to the banks of this country, and the banks peddle them out to their customers—to the average man. But they must be sold readily and quickly in order to let our Government obtain money to support our boys on the battle field. I do not care whether it is a poor man or millionaire that puts his money in the Government bonds. The millionaire is just as much entitled to a fair deal as anybody else if he will put up his money to help this Government win this great war. I have no prejudice against the millionaire——

Mr. BORLAND. The gentleman is right about that; but I wanted to call his attention to the fact that his theory that all Government bonds ought to be tax free is going to be realized, practically, under this bill, because this bill is going to make the earlier issues of bonds go to par and perhaps more than par. That is the purpose. It is going to do that, and make the subscribers to the fourth loan go out and buy 90 per cent of their subscriptions from the first loan.

Mr. FORDNEY. If you purchase some of these fourth liberty loan bonds, it makes it possible for you to go out and purchase from other bondholders some of the former issues of bonds and then be exempt from those taxes. But the real purpose of the bill, my good friend, is not to aid you in giving you a profit by going out and purchasing bonds that have already been disposed of by the Government, but to make it possible for this Government to sell this new issue. That is the purpose of the loan.

Mr. BORLAND. That is the main purpose, but that will not be the effect of it.

Mr. HASTINGS. Will the gentleman yield?

Mr. FORDNEY. I will.

Mr. HASTINGS. You may have already discussed it, but if so, I did not hear it. I wanted to have the gentleman's opinion of the effect of the limitation of two years upon the exemption, or partial exemption, of these bonds from taxation after the termination of the war. Does the gentleman think that is time enough to have any appreciable effect upon the price of these bonds?

Mr. FORDNEY. Yes; it will have an appreciable effect; but the time is not long enough to suit me. I would rather have no limitation at all. But let me tell you that we are saving something in order to make this bond sale attractive.

If your house were on fire and you knew you could not save it, but could save something in the house, you would save all you could. Therefore, I am heartily in favor of this bill, because it goes part way toward my views of a nontaxable Government bond. And I do hope if this becomes a law and those bonds are sold, making the limitation two years, that before the expiration of those two years conditions will so prevail that we will think and see that it is wise to extend the time.

Mr. HASTINGS. In view of the fact that is acknowledged by everyone that even after the war is over we will have to raise, say, four or five billions of dollars annually, the gentleman does not hope to have any of these bonds paid off within the near future?

Mr. FORDNEY. Oh, yes.

Mr. HASTINGS. And I want to say now that while I have not given it the thought the gentleman from Michigan has, I do not believe that two years' exemption after the termination of this war is a sufficient length of time to have any appreciable effect upon the sale of these bonds.

Mr. FORDNEY. But the department recommended the time limit be the 31st of December of the year following the year in which peace is declared between our Government and Germany, and the committee made it a flat period of two years.

Mr. HASTINGS. Just a moment. Of course everyone when they go to buy bonds will say these are exempt from taxation, but the very next question that will arise in their mind is as to how long they will be exempt. If this war should terminate this year, they would be exempt from taxation for only two or two and one-half years, and, in my judgment, not a sufficient length of time to make the bonds go up very much in the market.

Mr. FORDNEY. I am going to try at the November election to come back to this House for two years more. I hope the gentleman does also. I hope all men who agree with me in that view will come back here, so that at the proper time we can extend that time and make those bonds more attractive in the hands of our people.

Mr. HASTINGS. We both agree on that. Each of us wants to come back.

Mr. HAUGEN. Is it not a fact that this bill makes the bonds more attractive to the men of large incomes than it does to those of small incomes?

Mr. FORDNEY. No; it does not make them more attractive to one man than another when the holding is above $5,000, because under existing law those bonds are exempt from taxes up to $5,000.

Mr. HAUGEN. If the gentleman will yield, I will give him an example. Suppose A and B, each with $100,000 invested in interest-bearing securities drawing 4½ per cent. A has a large income of a million dollars. Under the present law A pays a surtax, but B, with no income in excess of $5,000, pays none. A, with the $1,000,000 income, would, under the proposed revenue bill, pay 60 per cent surtax. Change the investment into Government bonds; B, the one with the small income, gets no additional exemption, but A, the one with the million income, gets his exemption and is not required to pay the 60 per cent surtax, amounting to $2,550, on his $4,250 interest on the $100,000 investment which he would have to pay if income from other sources. A has the benefit of $2,550 over B.

Mr. FORDNEY. Oh, if you go to the extreme, you can say that a man with $1,000 yearly income has an exemption of $1,000.

Mr. HAUGEN. I am leaving that out.

Mr. FORDNEY. When a man is exempt from taxes he does not pay any tax, whereas a man with a larger income, no matter from what source that income is derived, pays a tax in accordance with the amount of his income. If his income is more than another, he is taxed more.

Here is a copy of the new law. Let me call your attention to the difference between the tax on the man with a small income and the tax on the man with a large income. This is important both to the gentleman from Iowa and to the other gentlemen who have been listening to the gentleman's argument and mine. We start in now and the law puts a 2 per cent surtax upon incomes from $5,000 to $7,500, and 3 per cent on the next $2,500, and then 5 per cent, and 7 per cent, and 10 per cent, and 15 per cent, and 20 per cent, and 25 per cent, and 30 per cent, and 35 per cent, and 40 per cent, and 46 per cent, and 48 per cent, and 50 per cent, and 52 per cent, and 54 per cent, and 56 per cent, and 58 per cent, and 60 per cent, and 65 per cent on large incomes. Those are graduations in the surtax that must be paid. The greater the man's income the greater the percentage of tax he pays. The committee has taken that into consideration.

Suppose you had $5,000 income. The question before the committee was how much tax can such a man pay and still have sufficient to support himself and his family. We agreed upon a certain sum. Now, suppose a man had $10,000 income. We figured it in a similar way. And if a man had $1,000,000 income we figured he could pay more tax, even half of that sum in taxes, and still have half a million left if he is very careful in buying the ordinary grade of beefsteak instead of the high-priced beefsteak, and so on up, he could survive. [Laughter.] The more the income is the more the tax we take from him. I think that is an equitable and just way of grading this surtax. The man with a million-dollar income will pay a high income tax. That is the difference between a tax imposed upon the poor man and the tax imposed upon the rich man by this law.

Mr. HAUGEN. But the fact remains that the man with the income of less than $5,000 pays no surtax. He gets no benefit from the investment in these bonds; but the one with a million dollars invested gets the benefit of 60 per cent, which makes a difference of $2,550. That is the difference between a man with a small income and a man with a large income.

Mr. FORDNEY. The man who pays the tax is the man to be benefited by the removal of the tax, of course. I have never found a living soul yet who wrote me about this matter that said: "I am satisfied with the tax rate." Everyone pointed out the objection to the law and said: "I am willing to pay my tax; but for God's sake put it on the other man and not on me." I have never found anybody yet who wants to be taxed.

Mr. HAUGEN. I did not raise that question. The gentleman was explaining the bill.

Mr. FORDNEY. I know; but you were arguing this: That this law will benefit the rich man and not the poor man. The rich man is giving very liberally to run this war, as everybody else is, both rich and poor. It was stated on the floor of this House last year that this war was a poor man's fight and not a rich man's fight. The rich man's son was said to be at home and the poor man's son was said to be in the war. That was a great injustice to the rich men of the country. The rich man's son is over there doing his part, just the same as any other. They are all there, the rich and the poor alike, brothers, fighting side by side, regardless of their wealth, regardless of their education, regardless of their homes ties and their home customs. They are all there. They are all interested in the winning of this war, and it is your duty and my duty, my friends, to raise the necessary sums of money to support them over there, and support the rich man's son as well as the poor man's son, and we are doing it.

Mr. HAUGEN. I object to having the statement apply to my question, because it has nothing to do with it. I am simply pointing out the fact that there is an inequality here in favor of the man with the million-dollar income. There is a differential of $2,550, which may be proper and necessary.

Mr. FORDNEY. Pardon me. The poor man is exempt. This law proposes to exempt everybody under the same conditions.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SNYDER. If you please, it does not quite do that.

Mr. FORDNEY. It does, up to $80,000. If their purchases of these various issues of bonds are of a certain percentage, they are exempt; otherwise they are not exempt.

Mr. Chairman and gentlemen, I am ready for a vote on this bill.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield me five minutes?

Mr. FORDNEY. Yes. Will the gentleman let me yield to the gentleman from Illinois [Mr. CANNON] first?

Mr. LONGWORTH. Yes.

Mr. FORDNEY. I yield such time as the gentleman from Illinois [Mr. CANNON] wishes.

Mr. CANNON. I want a little time before I die, but I am not on the committee.

Mr. FORDNEY. I yield first to the gentleman from Illinois such time as he desires, and then I will yield to the gentleman from Ohio [Mr. LONGWORTH].

Mr. KITCHIN. I suggest that we begin to read the bill under the five-minute rule, and then these gentlemen will have an opportunity.

Mr. FORDNEY. I want to yield time to the gentleman from Ohio and the gentleman from Illinois, who requested it, and then we can read the bill.

Mr. KITCHIN. Very well.

Mr. CANNON. Mr. Chairman, I do not think I have much of a message to submit to the committee. I will acknowledge now that what I do not know about gathering revenue would make a large volume. [Laughter.]

But this is the condition we are in: The 3½ per cent bond, under the first authorization of bonds and the first drive, was free of tax, and is free to-day by virtue of that legislation—free from any possible tax except alone the inheritance tax. I am right about that. Nobody contradicts that. Those bonds were readily sold. Then came the second issue, and the third, and the fourth, and this is legislation for the fifth.

Mr. WELTY. This is the fourth.

Mr. CANNON. What is this bill? The gentleman from Ohio says "the fourth." We have had the fourth, as I understand it.

Mr. WELTY. No; this is the fourth.

Mr. CANNON. Very well; concede that this is the fourth. It does not change what I want to say. Very well. We have had four acts, and this will be the fifth.

Mr. KITCHIN. This is the fifth act but the fourth loan.

Mr. GARNER. This is preparing for the fourth liberty loan, but it will be the fifth act passed by Congress.

Mr. CANNON. So be it; it does not change the principle of what I wanted to say.

There was no trouble about selling the 3½ per cent bond, because the good faith of the Government was pledged that that bond never should be taxed by the Federal Government or by State or any other taxing power, save alone that when a man died the interest upon the bond should be reached by an inheritance-tax provision. Now, it has run along, and you say that bonds are not subject to the normal tax. Was that written into the law, that they should not be subject to the normal tax? I want to find out.

Mr. GARNER. This much must be said, that when it was made subject to the surtax it was not subject to any other tax; and therefore, by not providing that it should be subject to any other tax, it can only be subject to the surtax.

Mr. KITCHIN. All the acts authorizing a bond issue exempt the liberty bonds from the normal tax. In other words, the first liberty bonds are exempted from all taxes. The second and third liberty bonds are subject only to the surtaxes, excess-profits taxes, and, of course, the State taxes, and this bill proposes to add to the excess-profits tax the war-profits tax. So all are exemped from the normal tax. I will say to the gentleman from Illinois [Mr. CANNON] that this is not an authorization of bonds, but to help sell the bonds already authorized, and in the act authorizing the sale of the bonds the provision is that they shall be subject only to the excess-profits tax, and now the war-profits tax, the surtax, and State taxes.

Mr. CANNON. The gentleman says that this act standing by itself is not to authorize the sale of bonds.

Mr. KITCHIN. No.

Mr. CANNON. But it puts a change of the law on the bonds that have heretofore been authorized.

Mr. GARNER. It kind of sugars them up, so as to make them more attractive.

Mr. KITCHIN. The bonds that we are going to offer in the fourth liberty loan are already authorized, and under the authorization they are exempt from the normal tax and subject to the surtaxes and excess-profits taxes, except that they have an exemption of $5,000. The gentleman from Illinois will remember that he was the author of that.

Mr. CANNON. I recollect.

Mr. KITCHIN. And this bill proposes a further exemption to those bonds authorized in the former act, which will be offered for sale in this coming liberty-bond campaign.

Mr. CANNON. I understand; and the bonds are to bear 4¼ per cent interest.

Mr. KITCHIN. Yes; the same interest.

Mr. CANNON. There is no change in the legislation to that extent. Now, these identical bonds are to-day worth 94 cents on the dollar, and this legislation proposes to make a provision that it is hoped will enable us to sell $6,000,000,000 of the bonds. God knows that if it will, I am for it. I am for it whether it will or will not; but it seems to me that the 3½ per cent bonds tax free, free from all taxation, had the easiest and quickest sale. I believe that if you were by legislation to authorize the issue of a 3½ per cent bond absolutely tax free, with the privilege to the Government of paying it at the end of five or six years, and with the further provision that the Government must absolutely pay the principal at the end of 30 years, 40 years, or 50 years, that bond would sell at par, having the option to pay any or all of the 3½ per cent bonds at any time after five years.

Mr. GARNER. Will the gentleman yield?

Mr. CANNON. I will be glad to.

Mr. GARNER. Undoubtedly it would sell at par to gentlemen whose incomes exceed $50,000 a year, but no man whose income was less than $50,000 a year could buy that bond in competition with the 4¼ per cent bond. It would be only the rich man who could buy that bond, and none of the great masses of the people could afford to buy it when they could invest their money in 4¼ per cent interest bonds and have to pay no surtax.

Mr. CANNON. That would be largely cured by enlarging the $5,000 exemption that we now have. I had the honor to offer that amendment, and if there be any honor in it the gentleman from North Carolina [Mr. KITCHIN] had the honor to accept it. That was done for the purpose of popularizing the bond. Now, if it needs further popularizing to protect the poor man, increase the amount of the exemption to $10,000 or $15,000. That will take care of the moderately well-off man. But the gentleman says the rich man; that we are after his scalp. Well, I am willing to take his scalp if we can do better for a hundred million people than we can without taking his scalp. But we injure ourselves when we undertake to tax what you call the rich man, and the rich man that you want to get at is not going to take a large amount of the bonds under this bill. Perhaps if he had a large family he might distribute them around. Is the limit $80,000 under the proposed bill?

Mr. KITCHIN. Yes; including the $5,000 already exempted, and if they come within the terms of that provision it is possible for them to have $80,000 exempt.

Mr. CANNON. Well, here is a rich man. He can buy $80,000 in round numbers for himself, and he can buy $80,000 more for his wife, and for each of his two daughters, and for each son-in-law, and for each of his grandchildren, can he not?

Mr. GARNER. Not under this bill.

Mr. CANNON. Why not?

Mr. GARNER. Not unless each one of them owns that proportion of all these bonds and the record shows it. But aside from the question of the rich man, I direct attention to one feature of the gentleman's theory that it seems to me is not economically sound. If we are correctly informed there are less than $240,000,000,000 of property in the United States of all kinds.

Mr. CANNON. Yes.

Mr. GARNER. There are now about $15,000,000,000 worth of property not subject to taxation. If you add to that $25,000,000,000 to $40,000,000,000 of untaxable bonds, you will have one-fifth or one-fourth of all the property in the country exempt from taxation. That makes the gentleman's farm and my farm have to bear that other one-fourth extra to take the place of what goes tax free. I do not think that is good economic policy.

Mr. CANNON. Your farm and my farm are getting off pretty easy from the standpoint of taxation, as far as that is concerned, and so are our neighbors. I say that when the 4 per cent bonds that were placed on the market during the administration of Rutherford B. Hayes, when John Sherman was Secretary of the Treasury, were disposed of, nobody supposed that he could ever borrow money at 4 per cent. We had paid 5, 6, and 7.3, and we owed a pretty large amount of money. We had 30,000,000 people when that indebtedness was incurred, with less than $20,000,000,000 of wealth. I think the wealth was $16,000,000,000 in 1860; that was the total wealth of the country, North and South, East and West.

John Sherman believed he could borrow the money at 4 per cent. The country laughed at him, and he was laughed at on the floor of the House and the floor of the Senate. It was not believed that he could do it, but he had the option to sell the bonds and redeem the obligations of the Government as written in the law. There were the ten-forties, the five-twenties, and others that did not run quite so long. He put the bonds upon the market and sold them, and he did redeem the obligations. They made those 4 per cent bonds available for bank circulation and they sold as high at one time as 134. Gentlemen all recollect that.

My notion is that a security that any citizen of the United States owns should be like unto the dollar, it should be at par. Now, gentlemen, talk about giving the Secretary of the Treasury or the President power to do certain things, among which is to prohibit the sale of these bonds that are to be issued when this bill is enacted into law. In my opinion that weakens and does not strengthen the sale of the bonds. Everybody knows that many of our good people who own farms, who are patriotic, mortgaged the farms or borrowed from the bank and bought bonds. They were patriotic and thought it was a fair investment, besides the bonds being nontaxable. They did not stop to ask about them, they knew that a bond is a bond and a dollar is a dollar. It is a bond of $100 whether it be in the hands of the rich man or the hands of the poor man. If it be at par it is worth 100 cents on the dollar. If it is only worth 94 cents on the dollar at 4½ per cent, I fear we will have trouble in putting them on the market. You endeavor to relieve them from that trouble by enabling those who own now, who can buy or borrow to purchase bonds at 4¼ per cent, and under the provisions of the proposed law a man can get $80,000 which he or his wife may have. There has not to be a good deal of gathering up before this will amount to a great deal.

We have had laws, if I read the history aright, in force in other nations in the world where they made it a criminal offense for anybody to refuse to receive the money of the country. And yet the money became absolutely worthless. You can not regulate these matters by compelling people to buy bonds or to sell bonds, but you can so legislate that the bonds, whether in the hands of the poor or the rich, are of equal value in the hands of either.

But you say we are never going to get out from under this load. Good Heavens! At the close of the Civil War the South was bankrupt, its notes worthless, its negro property gone, its land depreciated in value, its debts repudiated—never paid and never will be paid—its population poor; the North, with an enormous debt, with the soldiers to take care of, costing between five and six billion to care for them; and yet, in spite of all that, that thirty-one millions of population that we had has grown into 110,000,000 population and a great development has come, and we are worth, as the gentleman said a moment ago, two hundred and forty billions. One man in a speech the other day said that the wealth of the United States was $260,000,000,000. I am inclined to think that it is at least $240,000,000,000, as against the $16,000,000,000 we had at the close of the Civil War, with our great obligations.

As I have said before, we have just scratched this country. We have got to win out in this great contest to preserve our country and the freedom of our citizens. We have got to enable the citizen, whether he be rich or poor, to receive his reward for his labor; and the more efficient his labor is, the better for him. You have got to take care of the lunatics. Now, I am not getting personal as to some organization—I do not mean you Democrats in this country [laughter]—but we have got to take care of ourselves and then take care of them, rather than they take care of us. I honestly believe—and if I had the power I would enact the legislation—I would authorize the issue of these bonds at 3½ per cent interest, tax free from anybody, with the privilege of paying them in three or five years after the close of the war, so that if it was five years, with the privilege of paying them, in whole or in part, at any time in 50 years, I believe they would be at par; I believe they would be taken and always remain at par or at a premium, and if at a premium the bonds could be refunded at a lower rate of interest than 3½ per cent.

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from Ohio [Mr. LONGWORTH] such time as he desires.

Mr. LONGWORTH. Mr. Chairman, I desire only a few moments to say a word or two in supplement of what has been said by those favoring the passage of this bill. To my mind, it is wise legislation and its passage as speedily as possible is not only desirable but essential. No one, of course, will dispute the proposition that perhaps the most important thing that we have to do here in Congress is to see to it that the forthcoming liberty-bond issues are successful. At the very least we will have to finance the cost of the war during the current year twice as much by bonds as by taxation. At least two-thirds of the money must come from the sale of bonds. It is, therefore, in the highest degree essential that the next issue and other issues thereafter shall find a ready market. As I remember it, 4,000,000 people subscribed to the first liberty loan, 9,000,000 to the second, and 17,000,000 to the last, and it is my hope and my conviction that not less than 25,000,000 American citizens will subscribe to the forthcoming liberty loan. But, gentlemen, even if every one of 25,000,000 people bought a $100 liberty bond, we would have less than one-half of what it is necessary to raise. In other words, we must look less to the number of persons who are to buy these bonds than to their ability to buy them and their desirability as an investment. With the surtaxes as high as they are under the revenue bill which we are now considering it is, in my judgment, in the highest degree doubtful whether, without offering some added inducement to people of wealth or of a reasonable amount of wealth to buy these bonds, they will buy them. Had I been in the place of the gentleman from Michigan [Mr. FORDNEY] when the gentleman from Iowa [Mr. HAUGEN] asked him the question whether this bill is in the interest of the rich man I would have frankly said yes. It is to this extent: It will be a greater temptation to a man who has to pay a high surtax to buy bonds if this bill is enacted than it will be a temptation to the poor man. That is true.

Mr. HAUGEN. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. HAUGEN. I did not raise the question with a view of criticizing the bill. I wanted simply to point out that it was necessary to do the very thing that we are doing, to offer an inducement so as to dispose of the bonds.

Mr. LONGWORTH. Precisely. I understood the gentleman's position, and therefore I should have answered his question with frankness. It is necessary under existing conditions to offer a greater inducement to men of large means to buy these bonds than exists under the present law.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. TILSON. Does the gentleman believe that sufficient inducement is here offered, and that these bonds will sell even to the rich with this inducement?

Mr. LONGWORTH. The gentleman asks me a very difficult question.

Mr. TILSON. That is the thing that is bothering most of us.

Mr. LONGWORTH. I admit to the gentleman that it is a guess entirely. If I had had my way, as I said in my speech the other day on the revenue bill, I would have cheerfully voted to exempt bonds forever from taxation to as high an amount as $25,000. This bill does not go so far as that. It exempts $30,000 plus $45,000 of bonds already issued and outstanding for two years after the war. That may or may not be sufficient inducement. My guess is that it will be.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. SNYDER. Following up the question of the gentleman from Connecticut [Mr. TILSON], it is the gentleman's belief that with the limitations of this bill there is a much better chance to sell $6,000,000,000 worth of bonds than there would be if we should not enact this measure?

Mr. LONGWORTH. It is my deliberate judgment that if we do not enact this measure it will be difficult to sell the next issue of liberty bonds under the proposed system of high surtaxes in the revenue bill now under consideration.

Mr. SNYDER. That is exactly my judgment and the judgment of a great many men that I have talked to. Something like we are doing in this measure must be done in order to succeed in the sale of this next lot of bonds.

Mr. LONGWORTH. I entirely agree with the gentleman that this measure is essential to the success of the coming liberty loan.

Mr. HAUGEN. Is not the proposition just this: We must either increase the rates of interest or offer an inducement.

Mr. LONGWORTH. That is exactly the point I was coming to. Under existing conditions there are three ways of making the liberty bond more attractive as an investment than it now is. One is to raise the rate of interest, another is to raise the normal tax on incomes, and the other to proceed as we are doing in this bill and exempt bonds from taxation to a certain extent. I think it is universally agreed that it would be inadvisable at this time to increase the rate above 4¼ per cent. Of course, it is to the interest of this country to have the rate as low as possible, consistent with keeping the bonds somewhere near par, and providing a ready sale for them.

I listened with great attention to the remarks of the gentleman from Illinois [Mr. CANNON] on the question whether it would be wise to sell a 3½ per cent bond free of all taxation. I agreed with that view for some time, but the more I have thought it over the more I have become convinced that the gentleman from Texas [Mr. GARNER] is right when he says that it would be inadvisable to add very greatly to the amount of property of this country which is free from all taxation. Therefore, if we are to keep these bonds as the law now provides, at 4¼ per cent, subject to the surtax, we must do something to relieve them in some other way than adding to the rate of interest. In the new revenue bill, which is now before the House, we have gone some distance in the direction of making these bonds attractive by raising the normal tax from 4 per cent to 12 per cent. I would have been glad, as I stated the other day, to vote for a 15 per cent or even a little higher normal tax, because I think that would have had a very favorable effect upon the bond market. But as Congress has refused so far to go higher, at least as the revenue bill now before us carries a normal tax of only 12 per cent and very high surtaxes, I am convinced that the only thing to do is to proceed in the direction we are proceeding in this bill.

Now, gentlemen, the credit for this method of making attractive the sale of liberty bonds belongs, not to the Treasury Department, who has suggested it at this time, but to my very dear friend, the distinguished gentleman from Illinois [Mr. CANNON]. [Applause.] It was the gentleman from Illinois who offered the amendment to the last bond bill exempting $10,000 worth of bonds from taxation. The House in its wisdom cut that amount to $5,000, and now we are proposing in the line suggested by the gentleman from Illinois to raise that exemption to $30,000. It is the only way, gentlemen, we can make these bonds attractive, except by raising the rate of interest, or by raising the normal tax, and it is all we have before us to-day. I say unhesitatingly it is a thing that Congress should do, and as speedily as possible.

Mr. SNYDER. Suppose we should decide to raise the rate of interest. What effect does the gentleman think it would have upon the bonds already below par now?

Mr. LONGWORTH. Of course, in the case of most of the bonds already issued provision is made that they may be converted into bonds bearing a higher rate of interest.

Mr. SNYDER. What would happen as to the loss that has already occurred on those bonds?

Mr. LONGWORTH. I assume that the bonds now outstanding would be immediately converted into those bearing the higher rate of interest, and it would have no effect.

Mr. PLATT. The last issue of bonds were unconvertible—the 4¼ per cent.

Mr. LONGWORTH. That is true; the gentleman is correct. It would rather tend to depreciate those bonds.

Mr. SNYDER. Exactly what I thought.

Mr. LONGWORTH. The gentleman is correct about that.

Mr. STAFFORD. Has any estimate been made by the Treasury officials as to the amount of taxes that will be exempt from taxation by exempting the bonds of the second, third, and fourth issues under the exemption provided in this bill?

Mr. LONGWORTH. I asked that exact question of the Assistant Secretary of the Treasury, Mr. Leffingwell, and he said it was utterly impossible to estimate. In the first place no one can tell how these bonds may be distributed among the men paying high surtaxes, and for that and other reasons it was utterly impossible to estimate, but the Treasury Department believed that not much revenue will be lost. That, though, is a guess.

Mr. STAFFORD. Of course, every one will concede that some revenue will be lost, because undoubtedly a great amount of these bonds to-day are being held by persons in amounts above $5,000 which are liable to pay surtaxes, and they are going to be free from taxation during the period of the war and for two years thereafter. The very purpose of this bill is to free those bonds from the surtaxes.

Mr. LONGWORTH. No one can tell just how many more bonds than the $30,000 will be bought.

Mr. STAFFORD. If the supposititious case suggested by the gentleman from Missouri [Mr. BORLAND] is true that we are going to enable one and one-half times worth of other bonds to be exempted, why the total amount of prior issues might be thereby relieved from taxation; but, of course, that is a rash guess.

Mr. LONGWORTH. It seems certain some revenue will be lost, but the Treasury Department believes it will be comparatively insignificant.

Mr. GARRETT of Texas. Would the gentleman enlarge a little more fully on the second proposition in regard to the normal tax, as to how that would affect in the encouragement of the sale of the fourth loan?

Mr. LONGWORTH. Gladly. I suppose the gentleman understands these bonds are not subject to the normal tax but only to the surtax, and therefore it is axiomatic that the higher the normal tax and the less the surtax the more attractive the bond is to the man who has to pay the surtax. In England, for instance, I am told and believe, one of the reasons they have been so successful with their bond issues is that, having the same law we have providing that the income from bonds is subject to a surtax with a normal tax of 30 per cent and a maximum surtax of only about 50 per cent, their bonds are a very attractive investment to the man who is liable to the surtax.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. LONGWORTH. I do.

Mr. CAMPBELL of Kansas. Did the Treasury Department or anybody representing the Treasury suggest the embarrassment that the Treasury had in the competition they have encountered between Government bonds and the bonds of the Farm Loan Association? Those bonds bear a rate of 5½ per cent and are free from taxation.

Mr. LONGWORTH. No. So far as I know, no suggestion in that regard has been made.

Mr. CAMPBELL of Kansas. They are selling now at about 6 per cent above par, the farm-loan bonds.

Mr. LONGWORTH. They are free from taxation, free of all taxation whatever, but of course technically they are not United States bonds; they are not Government bonds.

Mr. CAMPBELL of Kansas. The advertisement of the association or the company that took over their sale says that they are being secured along with Government securities.

Mr. LONGWORTH. Undoubtedly, but technically they are not Government bonds.

Mr. CAMPBELL of Kansas. Well, did the Treasury Department indicate that they propose to ask for a modification of the law in respect to those bonds?

Mr. LONGWORTH. They did not, so far as I am advised

Mr. CAMPBELL of Kansas. While the law stands as it does now they will be a more attractive bond than any other bond now issued by the Government?

Mr. LONGWORTH. That might very well be. The same is true of certain classes of municipal bonds. That is one of the reasons why we have in the revenue bill provided, though I admit a doubt as to its constitutionality, for a tax on municipal bonds hereafter issued, because these municipal bonds to-day, not being subject to an income tax or to a surtax, may possess an undue advantage as compared with the obligations of the United States.

Mr. PLATT. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. PLATT. Was any effort made to work out in tabular form what 4 per cent or 4½ per cent would net to the high surtax payers, where the income tax is taxable over 50 per cent? Taking out the normal income, there will be cases, of course, where the bond would net only 2 per cent.

Mr. LONGWORTH. I will have to answer the gentleman in this way: Under the law as it exists to-day, if I remember the figures correctly, and I calculated them myself, the 4¼ per cent bond will be worth no more than the 3½ per cent bond to the man who has an income of about $35,000.

Mr. PLATT. When you get above that——

Mr. LONGWORTH. When you get above $35,000 the 4¼ per cent bonds, as the income rises, become less valuable as an investment than the 3½ per cent bonds. That is the main reason that the 3½ to-day is at par and the 4¼ is below par.

Mr. PLATT. When you get into the higher brackets of the surtax, the municipal bonds that we have of 4 or 5 per cent are tax free, as compared with United States bonds.

Mr. LONGWORTH. Under the law as it exists to-day, I imagine that a rich man with a million-dollar income would not net 2 per cent from the 4¼ bonds. I admit I am guessing, because I have not the figures before me. He can get 5 and 6 per cent from municipal bonds, and it is putting a pretty high tax on such a man's patriotism to ask him to buy very largely of liberty bonds.

Mr. PLATT. That is the whole question.

Mr. LONGWORTH. When it is only looked upon from the investment side.

Mr. KITCHIN. Mr. Chairman, I yield 10 minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. STAFFORD. Mr. Chairman, a parliamentary inquiry. How does the time stand as between the gentlemen? I understood the gentleman from North Carolina was entitled to one hour and the gentleman from Michigan to one hour.

Mr. KITCHIN. The gentleman from Michigan has not used his hour, and I asked him to permit me to yield 10 minutes, because we would save that much time under the five-minute rule.

Mr. WINGO. Mr. Chairman, I am not opposed to the bill and shall vote for it; but on the question that was raised this afternoon I should like to read an extract from the Federal Reserve Bulletin, which is published by the Federal Reserve Board here in Washington. The extract which I shall read is in the March issue, and it covers the question of foreign exchange. It says:

Proposals to have Federal reserve banks engage actively in foreign-exchange business at the present time, or to provide some other governmental mechanism for furnishing foreign exchange, have been under consideration during the past month, and the board has taken the view that such steps are not now advisable. It is further the opinion of the board that until the present abnormal conditions disappear it can not be determined precisely what machinery will be required with reference to the foreign-exchange problem beyond the facilities provided by existing banking arrangements. In times of peace the foreign-exchange business is highly competitive. Ordinarily in dealings between countries having a definitely established monetary standard there are no violent fluctuations in foreign-exchange rates, the controlling factors in adjusting balances being the ruling interest rates and the cost of shipping gold, the higher value of money attracting foreign funds into the debtor country for temporary or permanent investment, thereby obviating the necessity of sending gold. Just now, however, with the world at war, the foreign-exchange business is very much unsettled and is attended by great risks, because freedom in the operation of practically all the forces normally regulating foreign-exchance fluctuations has been eliminated. Embargoes on gold in force in practically all leading countries make it impossible to stabilize exchange rates in the ordinary manner through gold shipments, shipments of goods have been restricted to the minimum, and a free exchange of securities is hampered by apprehension on the part of the banks and the people, by political considerations, and by the wish of the investing classes to keep their savings at the disposal of their respective Governments.

It has been urged that American dollar exchange should not be at a discount in any country with which trade relations result in balances in favor of the United States; but it should be remembered that England, France, and Italy are buying heavily in neutral countries, and Great Britain is sustaining the price of sterling in New York by purchasing sterling bills in the New York market on a basis of 4.76⅞ for cables. This rate is about 2 per cent below the normal parity. It is obvious that with the rates of exchange between London and New York fairly well "stabilized," dollar exchange in neutral countries must move in harmony with the rates of exchange of sterling in neutral countries.

The discount to which the American dollar is subject in Spanish-speaking countries has been cited as the cause of loss to the United States. When, however, we recall that this country is selling to Spain more goods than it is buying from that country a different conclusion may be reached. While it may be felt that the prices on imported articles are increased through the rise of foreign exchange rates, such as within recent months has been characteristic of our trade with Spain, Switzerland, Holland, Denmark, Sweden, and Norway, it must be conceded that if such be the case our export trade with these countries may profit in a corresponding way; and in many cases our exports exceed our imports. Consideration must be given also to the kinds and quantities of goods which enter into the establishment of the balance. For instance, comparative quotations in the Barcelona market, taken from the España Economica y Financiera, show that while in June, 1914, a 500-pound bale of American middling fair cotton could buy in Barcelona 126 gallons of Andalusian superior olive oil, it would buy 163 gallons of the same grade of oil in the same market early in November, 1917. Our cotton produced for us, therefore, a relatively larger purchasing power than the sale of an equal amount would have yielded in former years. It resulted in a greater credit balance than in the past, and this balance, to the extent that it was not settled in goods, was paid us by Spain in foreign exchanges, such as sterling and francs, which we purchased at a discount larger than that affecting the dollar, so that the nominal loss on the American dollar did not hurt our purchasing power in trade with Spain or the interests of our country as a whole.

And what is true of cotton, used as an illustration, is true of any other article that we export. Now, Mr. Chairman, the Federal Reserve Board took that position at that time. That was the position of Gov. Harding when he appeared before the committee in consideration of the Owen bill, which is a different proposition from the one in this bill. This bill does not propose to let the Federal Reserve Board require the Federal reserve banks to do anything or give the Federal Reserve Board authority, but gives the whole authority to the Secretary of the Treasury. If the Secretary of the Treasury is willing to take it, I am willing as I have comfidence in both his ability and integrity. We have already made arrangements through the State Department with Argentina by which Argentina undertakes to settle the bills we owe to merchants in Argentina by paying the money to the Argentine ambassador, and he, in turn, under that agreement deposits it with the Federal reserve bank in New York and gets a gold credit, with the pledge of Argentina that she will not remove that gold until after the war is over.

Gov. Harding advises me this afternoon that he approves the pending provision.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. STEVENSON. I would like to ask the gentleman a question.

Mr. WINGO. I wish I could yield to the gentleman, but my time has expired.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That until the expiration of two years after the date of the termination of the war between the United States and the Imperial German Government, fixed by proclamation of the President—

(1) The interest on an amount of bonds of the fourth liberty loan the principal of which does not exceed $30,000, owned by any individual, partnership, association, or corporation, shall be exempt from graduated additional income taxes, commonly known s surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States, upon the income or profits of individuals, partnerships, associations, or corporations;

(2) The interest received after January 1, 1918, on an amount of bonds of the first liberty loan converted, dated either November 15, 1917, or May 9, 1918, the second liberty loan, converted and unconverted, and the third liberty loan, the principal of which does not exceed $45,000 in the aggregate, owned by any individual, partnership, association, or corporation, shall be exempt from such taxes: *Provided, however*, That no owner of such bonds shall be entitled to such exemption in respect to the interest on an aggregate principal amount of such bonds exceeding one and one-half times the principal amount of bonds of the fourth liberty loan originally subscribed for by such owner and still owned by him at the date of his tax return; and

(3) The interest on an amount of bonds, the principal of which does not exceed $30,000, owned by any individual, partnership, association, or corporation, issued upon conversion of 3½ per cent bonds of the first liberty loan in the exercise of any privilege arising as a consequence of the issue of bonds of the fourth liberty loan, shall be exempt from such taxes.

The exemptions provided in this section shall be in addition to the exemption provided in section 7 of the second liberty-bond act in respect to the interest on an amount of bonds and certificates, authorized by such act and amendments thereto, the principal of which does not exceed in the aggregate $5,000, and in addition to all other exemptions provided in the second liberty-bond act.

Mr. KITCHIN. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KITCHIN: Page 1, line 5, after the word "Government" and the comma, insert the word "as."

Mr. KITCHIN. So that it will read, "as fixed by proclamation of the President."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, I think that the provisions of this section will stimulate the purchase of bonds to a considerable degree among those who are able to purchase an amount which will add to their surtax. The members of the committee will observe that the benefits of this exemption are only given to those who purchase a certain portion of the fourth liberty loan. It will tend to stimulate purchases of the fourth loan by making exempt not only the portion of that loan that is so purchased, but also one and a half times that

amount of other bonds that have been purchased of the liberty loans.

There is one provision in the new revenue bill which I think will tend to stimulate the purchase of bonds which has not been noticed in the discussion thus far. The bonds issued since the first liberty loan are subject to the surtax and also to the excess-profits tax and war-profits tax, as provided by the terms of the second liberty loan act. Under the new revenue bill individuals and copartnerships are taken out from under the excess-profits taxes. If this provision is kept in the bill—and I think it will be when it goes on from this body to another body—the effect will be to exempt all Government bonds from excess-profits taxes, except those held by corporations—and very few are so held. Of course, the amount of excess-profits taxes which could be levied against them when held by individuals could not be very large in any event, but this provision seems to have troubled a good many parties in buying liberty bonds, and I think that incidentally the effect of the provisions of the revenue bill will be favorable in that direction.

After all, the real instrumentality, the real moving purpose in buying these bonds, must be the patriotism of the party who is buying them. If he is a wealthy man, his surtax will run up to an extent that will cause, as the gentleman from Ohio [Mr. LONGWORTH] stated, a very low rate of income from the bond. If he is a comparatively poor man, a man of small means, in 9 cases out of 10—I might say 99 out of 100—he has places where he can use the money so that it will bring on a greater amount of interest, and he gets no benefit from any exemptions, because his property would not be large enough to make it subject to any taxes in any event.

The American people, however, have shown by the gradually increasing number of purchasers that the patriotism of the country is rising to meet the emergency that confronts us. I believe, Mr. Chairman, that there will be no trouble in marketing the next issue of liberty bonds—the fourth issue. I am sure that, so far as my own State is concerned, the amount allotted to it will be subscribed and even oversubscribed, and I do not believe that there will be a failure in any part of the country.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. That section 6 of the second liberty-bond act is hereby amended by striking out the figures "$2,000,000,000," and inserting in lieu thereof the figures "$4,000,000,000." Such section is further amended by striking out the words "and it shall not be lawful for any one person at any one time to hold war-savings certificates to an aggregate amount exceeding $1,000," and inserting in lieu thereof the words "and it shall not be lawful for any one person at any one time to hold war-savings certificates of any one series to an aggregate amount exceeding $1,000."

Mr. PLATT. Mr. Chairman, I offer an amendment to section 2. I did not notice that the Clerk had read past that section.

The CHAIRMAN. The gentleman from New York has an amendment to section 2.

Mr. PLATT. I think this amendment will be accepted by the committee.

Mr. GARNER. The gentleman had better ask unanimous consent to go back.

Mr. PLATT. I will ask unanimous consent, Mr. Chairman, to go back to section 2. I think it is an amendment which the committee will accept.

Mr. KITCHIN. Let it be read for information.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. PLATT: Page 3, line 12, insert after the quotation marks and before the word "and" the following: "The amount of war-savings certificates sold to any one person at any one time shall not exceed $100" and a comma.

Mr. KITCHIN. You strike that out in the old law?

Mr. PLATT. Yes. Include that in the words stricken out.

I will say in relation to that, Mr. Chairman, that the prohibition of the purchase of more than $100 worth of these war savings certificates at one time seems to be a dead letter. People are subscribing for $1,000 worth at once, and no effort is being made to stop it. In fact, it seems rather to be encouraged. I understand that the President of the United States took $1,000 worth, or at least subscribed for them, at one time, thereby apparently violating this provision of the law. Why have something in the law that nobody pays any attention to? I understand the Treasury Department has no objection to these words going out.

Mr. KITCHIN. Let me examine that a moment. I think the gentleman has it all right.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. PLATT. Certainly.

Mr. GREEN of Iowa. Right in line with the gentleman's remarks I want to say that out in my own State, where they apportion an amount that each community ought to take, a great many people were notified that their share was $200 or $500 or more, and they took that amount.

Mr. PLATT. Exactly. The war savings committees apportioned $200 or $500 or more, and the people took them all at once, in spite of the fact that the law says that not more than $100 worth shall be taken by one person at one time. Why have that prohibition in the law when it serves no good purpose and nobody pays any attention to it? No penalty is provided for its violation.

Mr. ROBBINS. Mr. Chairman, will the gentleman yield?

Mr. PLATT. Yes.

Mr. ROBBINS. Did we not amend the law by taking off the limit in the amount of war savings certificates that could be bought?

Mr. PLATT. I called attention to the matter when the last liberty loan bill was under consideration, but I do not think anything was done about it.

Mr. GREEN of Iowa. Would it not be well to postpone this until the end of the consideration of the bill?

Mr. PLATT. I understand the Secretary of the Treasury has no objection to these words going out. I think I may say that Assistant Secretary Leffingwell has been consulted with regard to it.

Mr. KITCHIN. I think this is all right. I think this is what was intended, anyway, by the act, by this new amendment here to the proposed bill. Under the existing law, as the gentleman from New York has explained, they can not buy to exceed $100 worth at one time.

Now, this is to eliminate that and let them buy up to $1,000 at one time, if they desire to. I see no objection to it. I think it is all right. The gentleman proposes to follow that with another amendment, does he not?

Mr. PLATT. Yes. The other amendment is at the Clerk's desk. It merely changes a word or two to complete the sentence.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

Mr. STAFFORD. Consent to return has not yet been granted.

The CHAIRMAN. Is there objection to the request of the gentleman?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. PLATT] to section 2.

Mr. LONGWORTH. May the amendment be reported?

The CHAIRMAN. Without objection, the amendment will be reported.

The Clerk read as follows:

Amendment offered by Mr. PLATT: Page 3, line 12, insert after the quotation mark and before the word "and" the following: "The amount of war-saving certificates sold to any one person at any one time shall not exceed $100," and strike out the comma.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

Mr. PLATT. I offer another amendment, simply to perfect the text.

The CHAIRMAN. The gentleman from New York offers another amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PLATT: Page 3, line 15, strike out the words "and it" and insert in lieu thereof the word "It."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. That the Secretary of the Treasury may make arrangements in or with foreign countries to stabilize the foreign exchanges and to obtain foreign currencies and credits in such currencies, and he may use any such credits and foreign currencies for the purpose of stabilizing or rectifying the foreign exchanges, and he may designate depositaries in foreign countries with which may be deposited as he may determine all or any part of the avails of any foreign credits or foreign currencies.

Mr. McFADDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McFADDEN: Page 3, line 23, strike out section 4.

Mr. STAFFORD. Mr. Chairman, I offer a preferential amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STAFFORD: Page 3, line 23, after the word "may" insert "during the war and for two years after its termination."

Mr. STAFFORD. Mr. Chairman, as I have followed the discussion on this mooted section, it is generally agreed that

the Federal Reserve Board to-day have authority to stabilize exchange, but for some reason good to themselves they have not seen fit to exercise that authority. The Secretary of the Treasury now wishes to exercise this authority. We all agree that it is a very drastic power, that should be exercised only if the conditions are exigent. If those conditions require the Secretary of the Treasury to exercise it during the war, I then believe the limitation carried in the amendment which I have offered should be agreed to. I ask the chairman of the committee [Mr. KITCHIN] whether there can be any good reason for opposing this amendment.

Mr. KITCHIN. I see no objection to the amendment. If, as the gentleman says, the Federal Reserve Board now have that power, of course it was given for them to exercise in time of peace. This is a war measure, so far as this provision is concerned, and therefore I see no objection to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. STAFFORD].

The amendment was agreed to.

Mr. McFADDEN. Mr. Chairman, I have offered this amendment to strike out section 4, because it has no place in this bill. The reasons that have been presented in this discussion to-day for this special section are not convincing to me, to show why it should be added to this important bill. This is a supplement to the second liberty-loan act. I remember well, when the last liberty-loan act was presented here, that it was also encumbered with a certain section recommended by the Secretary of the Treasury that had been turned down by the proper committee of this House. That section was presented to the Ways and Means Committee as a new section of that bill. After considerable discussion on the floor of this House it was modified, and afterwards when the conference report came in it was stricken out of the bill. I refer to the section exempting national banks from taxation, providing they held Government bonds. Here we have a duplication of this again. We have an attempt on the part of the Secretary of the Treasury to avoid the proper consideration of an important section by attaching it to a bill which has not been given the special consideration that it would have received if it had been referred to the proper committee. In confirmation of that I only need to mention the remarks of the chairman of the Banking and Currency Committee [Mr. GLASS] this morning. It seems to me that an important matter like this, when it can not be shown or proven that it is a war-emergency legislation, should not be added to this important measure. I want to enter my protest against it, and I believe it should have more deliberation on the part of this House; because, after listening to the discussion here to-day, I do not believe that any Member on the floor of this House is competent to pass on section 4 at this time. That is my reason for offering this amendment to strike out the section. Section 6 is a repetition—it amends section 5200 of the Revised Statutes—and was reported out of Banking and Currency Committee of this House and passed last April. It is now held up in the Senate Banking and Currency Committee.

Mr. DENISON. Why did not the gentleman make a point of order against it and get it out in that way? It is subject to a point of order.

Mr. McFADDEN. I have offered my amendment in place of that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. McFADDEN].

The question being taken, the amendment was rejected.

Mr. McFADDEN. Mr. Chairman, I make a point of order against the section.

SEVERAL MEMBERS. Too late!

The CHAIRMAN. The gentleman is too late. The Clerk will read the next section.

The Clerk read as follows:

SEC. 5. That clause (b) of section 5 of the trading-with-the-enemy act be, and hereby is, amended to read as follows:

"(b) That the President may investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange or in bonds or certificates of indebtedness of the United States and the export, hoarding, melting, or earmarkings of gold or silver coin or bullion or currency, transfers of credit in any form (other than credits relating solely to transactions to be executed wholly within the United States), and transfers of evidences of indebtedness or of the ownership of property between the United States and any foreign country, whether enemy, ally of enemy, or otherwise, or between residents of one or more foreign countries, by any person within the United States; and he may require any such person engaged in any such transaction to furnish, under oath, complete information relative thereto, including the production of any books of account, contracts, letters or other papers, in connection therewith in the custody or control of such person, either before or after such transaction is completed."

Mr. DENISON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 4, line 10, after the word "investigate," strike out the comma and insert the word "and"; also, strike out the words "or prohibit."

Mr. DENISON. Mr. Chairman, this matter has been fully discussed. I am opposed, in a bill of this kind, when we are trying to encourage the sale of bonds, to giving any man in the country power to prohibit the transfer of bonds after they are sold. I do not think such a power should be granted. The chairman of the Ways and Means Committee said that it would not be exercised if granted, but I think the power ought not to be conferred and it should be stricken from the bill. I think if we give the President the power to regulate, that that term is broad enough to include every power necessary to be exercised by him.

Mr. HAYES. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. HAYES. I sympathize with the view and the effort which the gentleman is making, but I think he is accomplishing more than he intends to accomplish. He does not desire to prevent the hoarding or melting of bullion. This is to amend the trading-with-the-enemy act, and the only difference in language is "or in bonds or certificates of indebtedness of the United States."

Mr. BLACK. If the gentleman will permit, if the gentleman would change his amendment so that in lines 13 and 14 he strikes out the words "or in bonds or certificates of indebtedness of the United States," and then down in line 22, after the words "United States," insert "and may investigate and regulate by means of license or transfers all bonds and certificates of indebtedness," it would leave the trading-with-the-enemy act as it is, and would only give the President power to regulate and investigate transactions as to bonds and certificates of indebtedness.

Mr. DENISON. That is what I want to do.

Mr. PARKER of New Jersey. Mr. Chairman, is the point of order to the section in order now, or is it too late?

The CHAIRMAN. The Chair thinks it is too late.

Mr. PARKER of New Jersey. I desire to say that I think somebody ought to have made the point of order that this section has reference to the trading-with-the-enemy act, and that this bill proposes an amendment that has nothing to do with trading with the enemy.

Mr. DENISON. Mr. Chairman, I ask unanimous consent to modify my amendment and return to the section and present it later.

Mr. KITCHIN. Oh, no; let us have a vote on the gentleman's amendment.

Mr. DENISON. I think my amendment is too broad and does not cover exactly what I mean.

Mr. KITCHIN. Then let the gentleman withdraw his amendment.

Mr. DENISON. Mr. Chairman, I ask unanimous consent to withdraw the amendment I have offered in order that one may be offered which will present my ideas in better form.

The CHAIRMAN. Is there objection to the gentleman withdrawing the amendment?

There was no objection.

Mr. HAYES. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 4, line 7, to page 5, to line 3, inclusive, strike out section 5.

Mr. HAYES. Mr. Chairman, the only new language in this section are the words "or in bonds or certificates of indebtedness of the United States," the evident purpose being to reenact the provision "b," containing the trading-with-the-enemy act, with those words added. Those are the words that it seems to me are bestowing on the President a very extraordinary power.

Mr. WALSH. Will the gentleman yield?

Mr. HAYES. Yes.

Mr. WALSH. I wish to suggest to the gentleman that the words "hoarding or melting" are also included in the new language.

Mr. HAYES. I looked it over very hastily.

Mr. WALSH. I have compared it, and that is the fact.

Mr. HAYES. Then, Mr. Chairman, I ask unanimous consent to modify my amendment, to strike out the words "or in bonds or certificates of indebtedness of the United States."

The CHAIRMAN. The gentleman from California asks unanimous consent to modify his amendment in the terms the Clerk will report.

The Clerk read as follows:

Modified amendment offered by Mr. HAYES: Page 4, line 13, after the word "exchange," strike out the words "or in bonds or certificates of indebtedness of the United States."

Mr. HAYES. Mr. Chairman, I presume that all gentlemen who are considering this subject will agree that section 5 of this bill is a very extraordinary grant of power. It means almost a confiscation, if it should be exercised, of the property of the citizen; it could not be sold, could not be realized upon, could not be disposed of in a commercial sense.

In spirit at least, in my judgment, it is a violation of that provision of the Constitution which guarantees that the people shall be inviolate in their property rights. I can not bring myself to believe that a provision of this kind is necessary. It seems to me that it is to the interest of all of the people at this time that these bonds shall find the largest possible market, and if there are abuses that have grown up they can be corrected in some other way than this. As I am advised, no one of the allied countries has granted any such power or exercises it. No such law as this can be found upon the statute books of any of them. Canada, to which reference has been made, unless I am misinformed, regulates these abuses by rules of the stock exchanges in which the bonds are offered for sale. We can do the same thing, or, if we can not, let us pass some regulation, so that when they are offered these abuses may be corrected as the bonds are offered in the stock exchange, and not bestow this tremendous power upon anyone to prevent the sale of the property of the citizens of the United States at this time, especially to prevent sales so that a man who buys bonds can not realize upon them when he needs the money for other purposes.

So far as I am concerned, I want to fix it so that everybody who has a dollar can invest it in the securities of the United States to help carry on this war. I do not want to fix it so that the man who has his money invested in business can not buy the securities of the United States with perfect safety, knowing that he can sell them when he wants to. I happen to be associated in a business where in six months' time the product of the business has to be handled because it is all shipped by the Great Lakes, and as a result when fall comes we not only have all of the money in the business in the product shipped, but we sometimes have all that we can borrow as well. I should like to be in a position where I could next spring, if there comes another bond issue, buy a large amount of these bonds; but unless I could be assured that when fall comes I can dispose of the bonds if I desire to, if my bank will not loan money upon them, I could not buy them. What is my situation is the situation of a great many business men in the United States. They have their money invested in business and it is necessary for them to have it when they need it. Men have to be paid, freight has to be paid, other expenses must be met or the business stops. If they can not have the right to sell their property and realize upon it when they need the money they can not afford to take the chance. That is the situation. I am speaking from knowledge and not from theory in this matter. I feel, as I said before, that what is my situation is the situation of many other business men of the United States, and I can see no reason for the insertion of this extraordinary provision in this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. KITCHIN) there were—ayes 42, noes 36.

Mr. KITCHIN. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chair appointed Mr. FOSTER and Mr. HAYES to act as tellers.

The committee again divided; and the tellers reported—ayes 54, noes 52.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 7. That the short title of this act shall be "Supplement to second liberty-bond act.

Mr. WALSH. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman from North Carolina a question respecting section 7. What is the reason why this bill, with a lot of extraneous provisions in it, having nothing whatever to do with the second liberty-bond act, should be called a supplement to the second liberty-bond act? It is true that the second liberty-bond act did have some provisions in it fixing the rate of interest on the bonds which should be exempted from taxation. This bill in its entirety can not properly be called a supplement to the second liberty-bond act. It is a bill that ought to stand separately, and it seems to me that it would be a mistake for the House to pass this measure and confer upon it that title. I would ask the chairman of the committee the reason for adopting section 7.

Mr. KITCHIN. If the gentleman from Massachusetts had read fully the title——

Mr. WALSH. Oh, I have read it. It says "and for other purposes."

Mr. KITCHIN. No; it says "to supplement the second liberty-bond act as amended, and for other purposes."

Mr. WALSH. But I am not talking about the title. I am talking about section 7.

Mr. KITCHIN. The reason for section 7 is that when we refer to this act we would refer to it as the supplement of the second liberty-bond act. It is a supplement in aid of bonds authorized under the second liberty-bond act as amended.

Mr. WALSH. And, of course, it is also to aid in the sale of bonds under the fourth liberty-bond act.

Mr. KITCHIN. No; that is in the second liberty-bond act as amended.

Mr. WALSH. The very first section of the bill shows that this is in aid of this bond issue that is now pending, the fourth loan.

Mr. KITCHIN. And the fifth loan and the sixth loan.

Mr. WALSH. That is all the more reason, then, why it should not be called the second liberty loan, supplementary.

Mr. KITCHIN. Because all of these bonds, until we have another bond authorization, are issued and sold under the second liberty-bond act as amended by the other acts. I think the gentleman will find no trouble about that.

Mr. GILLETT. Will the gentleman yield for a question?

Mr. KITCHIN. I will.

Mr. GILLETT. There will be no further legislation required for putting into operation the fourth liberty loan?

Mr. KITCHIN. For this liberty loan?

Mr. GILLETT. Yes.

Mr. KITCHIN. No.

Mr. GILLETT. Can the gentleman tell me whether the Secretary of the Treasury has made the full report which we have been so often promised about the expenses of the last liberty loan act?

Mr. KITCHIN. I understand he has made two reports. I have not been able to look over them, but I will hand them to the gentleman.

Mr. GILLETT. Are they as full and as much in detail as anticipated?

Mr. KITCHIN. The second one seems to be fuller in details than the first.

Mr. GILLETT. Does the gentleman hold it in his hand?

Mr. KITCHIN. I have it here. Just pass it over to the gentleman.

Mr. GILLETT. Does the gentleman think he has made such a report as the House is entitled to, considering the enormous sums which we have given for this purpose and the absolute power that goes with? Does not the gentleman think we ought to have a detailed report, such a detailed report as the law requires?

Mr. KITCHIN. I will say I have not had time to look over that report——

Mr. GILLETT. It will not take long. [Laughter.]

Mr. KITCHIN. I observe it is very fine print, sir. I think the Secretary of the Treasury thought it sufficient to cover the request of the House, the direction of the House, otherwise he would not have made it. I ask the gentleman to look it over himself before he comments on it, and then give his opinion if it does not cover everything he wanted it to cover, and if not, in what respect it is lacking.

Mr. GILLETT. I look it over now, and it seems to me it gives about the same amount of information which the previous report did, which, in my opinion, did not——

Mr. KITCHIN. Will the gentleman look at it again? The gentleman can not tell a single item of it, for he has not examined it.

Mr. GILLETT. I do not think I can remember every word. I seriously think, Mr. Chairman, that the Secretary of the Treasury, in good faith to the Congress, which gives ungrudgingly these enormous powers to him, ought to give a more full and detailed account by which we can know, if we have the curiosity, how the money was spent.

Mr. KITCHIN. I agree with the gentleman that if it does not give full information, it ought to be fuller; that if it does not give the details sufficiently to show how the expenditures were made, it ought to go into greater detail; but I really have not seen it.

Mr. WALDOW. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. WALDOW. Will the gentleman have that report inserted in the RECORD for information?

Mr. KITCHIN. The gentleman can ask unanimous consent, just before adjourning, to put it in the RECORD.

Mr. Chairman, I move that the committee do now rise and report the bill as amended, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The CHAIRMAN. Will the gentleman from North Carolina give attention for a moment? There was some understanding about an amendment to be offered by the gentleman from Illinois [Mr. DENISON]. The Chair had the impression that the amendment has been superseded by that offered by the gentleman from California [Mr. HAYES].

Mr. KITCHIN. That is my understanding, that the gentleman from Illinois withdrew his amendment in order to perfect it, and, as I understand, the amendment of the gentleman from California covered the very proposition the gentleman had in his mind or had suggested.

Mr. DENISON. Mr. Chairman——

Mr. KITCHIN. I ask that the amendment offered by the gentleman from California as adopted by the committee be again reported.

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The amendment was again reported.

Mr. GREEN of Iowa. Mr. Chairman, the amendment offered by the gentleman from California went further evidently than the amendment of the gentleman from Illinois would go, and I think that the amendment the gentleman from Illinois offered was much——

Mr. KITCHIN. But the gentleman from Illinois should have amended the amendment of the gentleman from California and put it in his, because if we now put in the amendment of the gentleman from Illinois it would be inconsistent with the amendment which the committee has adopted.

Mr. DENISON. I will say to the gentleman——

Mr. HAYES. The gentleman from Illinois asked unanimous consent to withdraw his amendment.

Mr. KITCHIN. I understand that.

The CHAIRMAN. The gentleman from Illinois [Mr. DENISON], as the Chair remembers it, asked unanimous consent to withdraw his amendment, with the privilege of offering it later.

Mr. HAYES. There is nothing before the committee, evidently.

Mr. DENISON. I will state to the Chairman that I intended to offer an amendment later, but when the amendment of the gentleman from California [Mr. HAYES] was offered and carried it virtually took the place of the amendment I intended to offer.

Mr. KITCHIN. Your amendment would be absolutely inconsistent with the amendment offered by the gentleman before that.

The CHAIRMAN. The question is on the motion to rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SLAYDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 12923) to supplement the second liberty-bond act, as amended, and for other purposes, had directed him to report the same to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. KITCHIN. Mr. Speaker, I want to ask, while I have the right, for 10 minutes under this.

The SPEAKER. Before the Chair puts that request——

Mr. KITCHIN. And then I shall ask for the previous question.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had passed without amendment the bill (H. R. 12098) to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum wage board and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 8004. An act authorizing the resurvey or retracement of lands heretofore returned as surveyed public lands of the United States under certain conditions.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. COOPER of Ohio, indefinitely, on account of sickness; and

To Mr. ALMON, indefinitely, on account of important official business.

LIBERTY BONDS.

The SPEAKER. The gentleman from North Carolina [Mr. KITCHIN] is recognized.

Mr. KITCHIN. Mr. Speaker and gentlemen of the House, I hope I will be pardoned for calling attention to the amendment of the gentleman from California [Mr. HAYES] which the Committee of the Whole House a few moments ago adopted. I am sure that the committee did not understand the amendment and did not intend for it to have the effect that it will have.

I know that the Treasury Department thinks it is very essential for the protection of the bondholders, the little ones as well as the big ones, but especially the little ones, and to make the sale of the fourth liberty bonds as easy and as complete as possible, for the President to have the power to investigate, regulate, or prohibit in extreme cases, under such regulations as he may determine, the sale and transfer of Government bonds and certificates of indebtedness. Such power is in the bill. The amendment of the gentleman from California strikes it out. With this amendment there will be no power in this Government, in either the President or the Secretary of the Treasury, to regulate the sale and transfer of these bonds. There will be no power in the President or the Secretary to even investigate the sale and transfer and trafficking in liberty bonds and certificates of indebtedness. There will be no power in the President or Secretary to prohibit the doubtful manipulation, trafficking, and trading in our liberty bonds and certificates of indebtedness to which the Government must resort to support the war.

I want to say to the House that there are manipulations and transactions, which I felt I was not at liberty to disclose, that, in my opinion, and I believe in the opinion of every man in this House, ought to be absolutely prohibited; but with this amendment in the Government—the Commander in Chief—is powerless to interfere. There are syndicates, little bodies of men, here and there throughout the United States, of which the Treasury Department is cognizant, and of which some men in this House are cognizant, that are attempting and conspiring to depreciate in the market liberty bonds, buying up the little bonds—the $50, the $100, and $500 and $1,000 bonds—for the purpose of dumping them on the open market, even at a lower price than they paid for them. For what purpose? To push down the market value of the bonds now outstanding in order to force the Government to put the interest rate up to 5 or 6 per cent on new issues of bonds; and this will, of course, compel the Government to advance the interest on all the billions of dollars of bonds already issued to the higher rate.

I am as jealous as any man in this House of reserving all the rights and power of the people and of Congress, and not giving away to the President or to anyone a jot or tittle unless I am convinced it is absolutely necessary. And I want to say right here, Democrat as I am, a partisan Democrat as I am, that since April 6, 1917, not a partisan utterance has ever escaped my lips, because not a partisan feeling or sentiment has been in my heart since; and I hope to keep such a feeling and sentiment from my heart and lips until we win this war and drive German militarism from the face of the earth. [Applause.] I say, Democrat as I am and as I have been, I am no more willing to give up the powers of Congress and the rights of the people to a Democratic President than I would to a Republican President.

I do not think a Democratic President should have a bit more power, or a Democratic Secretary of the Treasury should have a bit more power, than a Republican President or a Republican Secretary of the Treasury, and I would give to a Republican President and a Republican Secretary of the Treasury the same powers to prosecute this war as I would a Democratic President and a Democratic Secretary of the Treasury. I believe that if Charles E. Hughes were President now, and whoever he might have appointed were Secretary of the Treasury, he would have shown, both would have shown, the same loyalty and patriotism and Americanism as Woodrow Wilson and Secretary McAdoo have shown. [Applause.]

But, hesitating as I do to give any President the powers we are giving to him, and hesitating as I did with respect to giving him the vaster powers that we have heretofore given him in other bills, I believe, gentlemen, that after conferring with the Secretary of the Treasury and the Assistant Secretary before I made my talk to-day and with Mr. Leffingwell, the Assistant Secretary, since it is essential for the protection of the small bondholders, who hold bonds to the amount of billions, and essential in facilitating the sale of future bonds, that the President should have the power to investigate, to regulate, and to prohibit the sale and transfer and manipulation and traffic in Government bonds and certificates of indebtedness whenever he thinks it to the interest of the Government and the people. I give it reluctantly. Ah, I have as you have voted for many bills

that gave the President unheard-of power, with much hesitation, with much reluctance, and every man who voted for the Hayes amendment to take this power from the President has voted far vaster, more absolute powers to the President than does this bill. We intrusted such powers to him in the convictions that they were necessary for the proper prosecution of the war and that he would use them for such purpose, which he has faithfully done. Why, my friends, every man in this House voted to give the President power over all the railroads in the United States, the power of life and death over every industry of the United States under the provisions in the railroad act.

We gave him the power to destroy the commerce of the United States and of the world if he were unwise enough, unpatriotic enough, unjust enough to exercise to the limit such powers. By our vote we gave him the power to prohibit the import or export of a single article to or from the shores of the United States. Our foreign trade now amounts annually to over $8,000,000,000; our imports are over $2,000,000,000. We exported last year $6,000,000,000 of the products of our mines and fields and factories throughout the world. And yet the President was given the power, by your vote and mine, to prohibit the exportation of a single penny's worth of our products; to prohibit the exportation of a bale of cotton; to prohibit the exportation of a barrel of flour, a pound of meat, or a bushel of wheat. We gave him the power to prohibit the exportation of a dollar's worth of the products of American factories, to stop every dollar of the billions we are now exporting. We did not then attempt to put an obstacle in the way of the passage of such bills by intimating that the President might be so unwise and so unpatriotic and so disloyal to his own country and his own people as by the improper exercise of such powers to destroy the commerce and industry of this country.

More, the men in this House and the men who voted for the Hayes amendment in the Committee of the Whole House, on both sides, have boasted, and properly and rightly boasted, that they have voted for the draft and other war measures of the administration which put the liberty and life and death, the flesh and blood and bones, of 23,000,000 free American citizens absolutely in the hands of the President, without flinching. [Applause.]

We gave to the President the power to order our millions of brave boys to cross the ocean in paddling canoes. We gave him the power to order our soldiers to attack German trenches with only their bare hands and arms. We knew then and we know now that no such power would ever be exercised. We put it in his power to send to foreign lands 2,000,000 or 10,000,000 or 20,000,000 men. We put it in his power to take the business, the career, the liberty, the lives away from 23,000,000 of our fellow men. But now, when it comes down to regulating or prohibiting the improper trading and trafficking in the bonds the issues of which are absolutely necessary to sustain the millions of boys we must send to the front, men in this House vote to strike out this provision, because the President of the United States, in whose hands you have given these vast, unheard-of powers, unparalleled in all the annals of mankind, can not now be trusted by wise and proper orders and regulations to protect the small bondholders or to help to sell the new issues of bonds, for fear that the President may by some order affect a few dollars and cents of some bondholder. Gentlemen are willing to give him absolute power over the flesh and blood and bones of millions of our fellow citizens, but unwilling to give him the least power over the manipulating and trafficking of a few conspiring bondholders. Gentlemen, as I said at first and as you know, I would be the last man in this House to give that power were I not convinced that it was proper and wise. I had doubts about it, as does the distinguished gentleman from California [Mr. HAYES], who, as we all know, is as intensely loyal and patriotic as any man in this Capitol, until I had fully considered it and ascertained the facts and conditions which fully justify it. Then I decided to do what I am going to do, to vote against the Hayes amendment, and place in the President's hands that power, in the confidence and assurance that he will use it not to injure a single man, woman, or child who owns a bond or even a thrift stamp; in the confidence and assurance that the power and discretion we are giving him will be used by him to protect the men, women, and children who now own and those who will buy the liberty bonds of our Nation, and to facilitate the sale of future issues. I am going to vote to strike the Hayes amendment from the bill, and I trust the gentleman from California and other gentlemen of the House can vote with me. [Applause.]

Mr. HAYES. Will the gentleman yield to me?

Mr. KITCHIN. Yes; I yield to the gentleman 10 minutes, or whatever time I had, and then I will demand the previous question.

Mr. HAYES. Mr. Speaker, I regret that the gentleman from North Carolina [Mr. KITCHIN] did not make the speech to which we have just listened before we had the vote in Committee of the Whole on the amendment.

While the bill has been under consideration I have tried repeatedly to have the gentleman state some reason why this provision should be in this bill. He failed to state any. I have not found anywhere in the record of the hearings that the Secretary of the Treasury has asked for any such provision. Still less have I found any reason for asking it, and I think we are entitled to have the reasons for it if there are any. The gentleman from North Carolina will not go one step further than I will go in granting to the President of the United States the powers necessary to win this war, no matter what those powers may be. [Applause.] As the gentleman has stated, I have voted with other Members of this House to grant very much larger powers than this bill grants to the President of the United States, and I presume I shall do it again; but I will say to you frankly that I want to be satisfied that such a power is necessary for the prosecution of the war before I vote to give it. Remember that we are voting to bestow upon the President and other executive officers authority that has belonged to the Congress of the United States for 129 years. I have done it, I am willing to do it again, but I want to have somebody satisfy me that it is necessary that we do it before I do it.

Now, Mr. Speaker, the amendment to this bill to which the gentleman from North Carolina refers was not offered nor urged in any partisan spirit. Every Member of this House will bear me out in the statement that since I have been a Member I have never permitted partisanship to enter into the consideration of any such financial or business proposition as this—never. The members of the Committee on Banking and Currency will, I am sure, all agree that in the committee, in the consideration of the subjects that have come before us, I never permit partisanship to interfere with my judgment or action as a member of that committee; and at this time, when every American ought to be behind the flag and doing everything he can to see to it that it is carried to victory by our soldiers, it would be the last time in the world when I would think of taking a partisan position on a thing of this kind.

I had no partisan purpose when I offered the amendment, and the gentlemen who voted for it have done so free from partisan considerations. So far as I am concerned, the thing I object to is giving anybody the privilege of prohibiting the sale of these bonds, not, as I explained, because I distrust the President of the United States, not because I am afraid to trust him with responsibility and the judgment to exercise it—I explained explicitly that that was not what prompted me, but it was because I feared that if the provision was in the bill it would interfere with the sale of the bonds. If the gentleman will give us assurances that the power will never be exercised, I might be willing to take them and grant this power, although I must say that my reason is not satisfied. I do not see why it is necessary to give power to prohibit the sale of bonds, but I certainly do not wish to interfere with the sale of the bonds or the prosecution of the war. The thing that all of us had in view was, I am sure, to facilitate the sale of the bonds rather than to hamper and interfere with it.

Mr. SLOAN. Will the gentleman yield?

Mr. HAYES. Yes.

Mr. SLOAN. I was favorably impressed and voted for the report of the committee, but the discussion on the floor of the House and in committee convinced me that it was unwise and that the amendment of the gentleman from California was absolutely sound. The bill provides, among other things, that a large increase of loans may be made by every national banking institution in the United States secured by Government bonds. That being the security, what assurance is there that the banks in a strait could obtain money on any of its loans if in advance there stands the power of prohibition by any power in America to prevent those bonds held as collateral security from being sold and realized upon.

Mr. HAYES. I was going to state that, but the gentleman has taken the words out of my mouth. In my judgment, not only will this provision interfere with the sale of the bonds, but it will interfere with the banks handling them, as they have heretofore, for the reason that the gentleman has stated. A bank would not be justified in taking collateral unless it can go upon the market and sell it freely when necessary. All of these considerations move me to believe that the gentleman from North Carolina is mistaken in this matter. I have not seen any request from the Secretary of the Treasury for this legislation, and he is primarily responsible for the sale of these bonds. I have not heard any argument from anybody that satisfies me that it is necessary. If anybody can satisfy me that it is necessary or

even that it will not injure the sale of the bonds, my principal objection to the provision will be gone.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman yield?

Mr. HAYES. I will.

Mr. JOHNSON of Washington. A case came under my observation within three days which may show the importance of this, although it is a comparatively small matter. A man in this town carried a deposit in a bank, and through an error on the part of the bank clerk at the time when he asked for his balance they reported a balance. When the man came to settle, instead of having $1,300 balance, as they reported, he had $1,300 overdraft. The bank having made the mistake was very anxious to secure it, and the only collateral the man had was liberty bonds. He said, "If I had known my condition, I would not have taken so many bonds, and now you must buy them." In that way it was settled. That might happen on a larger scale, where a man was doing business with thousands and thousands of dollars.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HAYES. Yes.

Mr. GREEN of Iowa. The gentleman will notice, and I think the House ought to know, that this is not an absolute prohibition of the sale of bonds and not so intended. It gives the President the power, under such rules and regulations as he may prescribe. That is, certain regulations may be prescribed fixing certain circumstances, and I think everyone will agree that there will be circumstances under which the sale of bonds ought to be forbidden. I will say, further, that the suggestion came from the Treasury.

Mr. HAYES. Oh, we had not been advised of that before. Now, Mr. Speaker, I hope the gentleman from North Carolina will let the matter go over until tomorrow, when we may see if we can not arrive at an agreement that will be satisfactory to us all. I have no objection to a provision permitting the President of the United States to regulate the sale of the bonds, but I believe my objection is sound that if we put in this provision permitting anybody to prohibit the sale of bonds it will seriously interfere with their sale.

Mr. SNYDER. I wonder if the gentleman did not overlook the fact that this bill is to facilitate the Government in the sale of bonds and not the individual.

Mr. HAYES. Surely I have not overlooked that fact. That is the very crux of the situation.

Mr. SNYDER. It is my understanding that we are enacting a law here for the purpose of assisting the Government in selling this vast amount of bonds.

Mr. HAYES. Absolutely.

Mr. SNYDER. And we are not particularly interested in how it affects the sale by the individual.

Mr. HAYES. No; but if I as an individual have money that I can put into bonds, I am not going to put it in unless I can be pretty well assured that I shall be able to get it out if I need it, especially if I am a business man. Therefore, I suggest that this provision will make it very much harder, in many cases impossible, for a man to buy bonds. As I explained in the discussion of the amendment, I am in a position where at certain times in the year I need money and at certain other times I do not. At those times when I do not need my money I might be able to buy bonds, if I am assured that when the time comes that I do need it I can realize on those bonds.

The SPEAKER. The time of the gentleman from California has expired.

Mr. KITCHIN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. KITCHIN. I demand a separate vote upon the Hayes amendment.

The SPEAKER. Is a separate vote demanded on the other amendments? If not, the Chair will put them en gross. The question is on agreeing to the other amendments.

The amendments were agreed to.

The SPEAKER. The Clerk will report the Hayes amendment.

The Clerk again reported the amendment.

The SPEAKER. The question is on agreeing to the Hayes amendment.

The question was taken; and on a division (demanded by Mr. HAYES) there were—ayes 31, noes 116.

Mr. RAKER. Mr. Chairman, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count.

Mr. RAKER (interrupting the count). Mr. Speaker, I withdraw the point of order.

So the amendment was rejected.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question now is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. HAYES) there were—ayes 149, noes 0.

So the bill was unanimously passed.

On motion of Mr. KITCHIN, a motion to reconsider the vote by which the bill was passed was laid on the table.

PENSIONS.

Mr. SHOUSE. Mr. Speaker, I submit herewith for printing under the rules conference reports upon bills S. 4543, 4722, and 4194, of similar title, granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent relatives of said soldiers and sailors.

EXTENSION OF REMARKS.

Mr. ASHBROOK. Mr. Speaker, I ask unanimous consent to insert in the RECORD the reply of Secretary Tumulty to the reply of Mr. Will H. Hays, as printed in the RECORD of yesterday.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

Mr. SINNOTT. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. SINNOTT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the water-power bill.

The SPEAKER. The gentleman from Oregon asks unanimous consent to extend his remarks in the RECORD on the water-power bill. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 33 minutes p. m.) the House adjourned until to-morrow, Saturday, September 14, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Secretary of the Navy, transmitting a proposed draft of a bill to include both midshipmen at the United States Naval Academy and cadets at the United States Military Academy within certain provisions of the war-risk insurance act of September 2, 1914, as amended by the act of October 6, 1917, and subsequent enactments (H. Doc. No. 1274); to the Committee on Naval Affairs and ordered to be printed.

2. A letter from the Secretary of the Navy, transmitting proposed draft of bill for the relief of Forest R. Black, Naval Reserve Force (H. Doc. No. 1275); to the Committee on Naval Affairs and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. PADGETT: A bill (H. R. 12934) to extend certain provisions of the war-risk insurance act of September 2, 1914, as amended to cadets at the United States Military Academy and Midshipmen at the United States Naval Academy; to the Committee on Naval Affairs.

By Mr. CLARK of Florida: A bill (H. R. 12935) to extend the statute of limitations in certain criminal cases; to the Committee on the Judiciary.

By Mr. SHERLEY: A bill (H. R. 12936) to prescribe the pay and allowance of any officer of the Army while holding a brevet grade; to the Committee on Military Affairs.

By Mr. WEAVER: A bill (H. R. 12937) to establish a fish-hatchery and fish-cultural station in the State of North Carolina; to the Committee on the Merchant Marine and Fisheries.

By Mr. McKEOWN: Resolution (H. Res. 430) requesting the Secretary of War to report to the House of Representatives certain information relating to the Dental Corps of the Army; to the Committee on Military Affairs.

By Mr. FRENCH: Joint resolution (H. J. Res. 330) to enable the States of Idaho and Wyoming to agree upon a boundary line between said States; to the Committee on the Judiciary.

By Mr. BURNETT: Joint resolution (H. J. Res. 331) authorizing the readmission to the United States of certain aliens who have been conscripted or have volunteered for service with the military forces of the United States or cobelligerent forces; to the Committee on Immigration and Naturalization.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana. A bill (H. R. 12938) granting an increase of pension to Joe Loudermilk, jr.; to the Committee on Pensions.

Also, a bill (H. R. 12939) granting an increase of pension to Marion Southern; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 12940) granting an increase of pension to Joseph E. Bivans; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 12941) granting an increase of pension to Edwin Fiske Bassett; to the Committee on Invalid Pensions.

By Mr. KEY of Ohio: A bill (H. R. 12942) granting a pension to Emory W. Henderson; to the Committee on Pensions.

Also, a bill (H. R. 12943) granting an increase of pension to Adeline Julia Tyler; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CLARK of Pennsylvania: Petition for the better care of our soldiers by the passage of House bill 5531, by the following citizens of Erie County, Pa.: Charles F. Loesel; A. M. Heyl; William Reinhold; William Hill; M. M. Ayers; D. S. Amitage; Dr. C. Posetti; L. F. Eichlaub; Elizabeth Muellerstein; A. D. Eigabroadt; J. H. Sutton; John Reinhol, jr.; H. R. Steadman; J. J. Pfadt, M. D.; E. T. Hurley, M. D.; H. K. Kensill; C. L. Burns; George J. Campbell; Peter Hausmann; John C. Wensell; Joseph Lieberman; Carl Keller; Burns Darsie; A. L. Iseman; W. S. Ken; Agnes Loesel; H. Thrasser; J. W. Wright, M. D.; Mrs. C. O. Stevens; Frank J. Thenerkauf; Louis Galmish; and Charles Dispumz; to the Committee on Military Affairs.

By Mr. DALE of New York: Resolution of the National Fraternal Congress of America, urging the passage of Senate bill 3475 as amended by the House Judiciary Committee; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petition of A. C. Meyer & Co., of Baltimore, Md., protesting against the proposed tax on alcohol; to the Committee on Ways and Means.

Also, petition of Lyon, Conklin & Co. (Inc.), suggesting an amendment to the new revenue bill allowing a reserve of price inventory; to the Committee on Ways and Means.

By Mr. LONERGAN: Resolutions of the State Council of Defense, of Connecticut, for peace with victory, and complimenting the troops of the allies and of Gen. Pershing on their heroism; to the Committee on Military Affairs.

By Mr. TAGUE: Telegraphic petition from wholesale dry goods dealers of Boston regarding House bill 12863; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

SATURDAY, *September 14, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, our Heavenly Father, we would draw near to Thee, that by the touch of purity we may be lifted out of the petty in life into the eternal verities; that politics as such may be lost in patriotism; sectarianism, in pure religion; race prejudice, in fraternity; social distinctions, in nobility of soul; selfishness, in sacrifice; doubt, in faith; despair, in hope; hate, in love; war, in peace; that all things may work together for good. In the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

Mr. KEHOE, by unanimous consent, was granted leave of absence for the day, on account of official business.

LEAVE TO ADDRESS THE HOUSE.

Mr. GILLETT. Mr. Speaker, I ask unanimous consent that on next Friday the gentleman from Washington [Mr. JOHNSON] be allowed to address the House for 15 minutes immediately after the reading of the Journal.

The SPEAKER. The gentleman from Massachusetts [Mr. GILLETT] asks unanimous consent that on next Friday, after the reading of the Journal and disposition of business on the Speaker's table, the gentleman from Washington [Mr. JOHNSON] be permitted to address the House for 15 minutes. Is there objection? [After a pause.] The Chair hears none.

INCREASE OF PAY OF ARMY OFFICERS.

Mr. DYER. Mr. Speaker, I ask unanimous consent to address the House for half a minute.

The SPEAKER. The gentleman from Missouri asks unanimous consent to address the House for half a minute. Is there objection? [After a pause.] The Chair hears none.

Mr. DYER. Mr. Speaker, I have introduced a bill touching the increase of pay of certain officers in the Army, and I have a little memorandum, which is very short, showing the necessity for it, which I would like to insert in the RECORD, and I ask uanimous consent to do so.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The following is the memorandum referred to:

SEPTEMBER 7, 1918.

Memorandum in connection with bill introduced by Representative DYER in the House of Representatives August 31, 1918, and known as House bill 12852, providing for a $500 annual increase in the pay of Army officers from the rank of second lieutenant to colonel, inclusive.

In 1908 Congress increased the pay of Army officers and enlisted men because of the increased cost of living. In 1917 Congress doubled the pay of enlisted men of the Army, but in this enactment failed to consider the increased cost of living during the past 10 years as it affected the commissioned officers. At the same time for the same reason the pay of commissioned officers of the Army should have been increased. No increase has been made in officers' pay, and on account of the war and disturbed economical conditions in the United States officers have been confronted almost monthly with soaring prices on food, clothing, and equipment with which they must provide themselves and families. Profiteers have taken advantage of their needs and demanded and received their pound of flesh.

Since 1908, the date of the last increase in the pay of Army officers, the cost of food, clothing, and equipment has increased generally from 70 per cent to 290 per cent, as shown by the following comparison between wholesale market prices of food products and wearing apparel 10 years ago and those of to-day.

Article.	Price in 1908.	Price in 1918.	Increase.
			Per cent.
Bacon.....pound..	$0.13	$0.42	223
Beef, choice cuts.....do....	.09	.24	166
Ham.....do....	.10	.28	180
Pork chops.....do....	.07	.24	242
Lamb.....do....	.15	.28	86
Lard.....do....	.07	.27	285
Chickens, spring, dressed.....do....	.11	.43	290
Chickens, hens, dressed.....do....	.10	.34	240
Ducks, dressed.....do....	.10	.32	220
Eggs.....dozen..	.20	.35	75
Butter.....pound..	.25	.47	88
Flour, wheat.....barrel..	4.00	10.50	162
Potatoes, Irish.....bushel..	.60	1.40	133
Beans, navy.....do....	2.00	4.00	100
Army rations.....each..	.20	.45	125
Boots, officers.....	12.00	30.00	150
Leggins, officers.....	6.00	15.00	150
Shoes, officers.....	5.00	12.00	140
Field glasses, officers.....	18.00	50.00	177
Uniform, officers.....	30.00	60.00	100
Overcoat, officers.....	35.00	75.00	114
Pistol, officers.....	8.50	30.00	252
Saber, officers.....	6.50	15.00	130
Wearing apparel, woolen, general increase of.....	.....	.....	70
Wearing apparel, cotton, general increase of.....	.....	.....	70
Shoes and leather goods, general increase of over....	.....	.....	100

3. As shown by the above statement, the general average of increase during the past 10 years on standard articles of food and clothing is approximately 160 per cent, and during that time the general purchasing value of $1 has shrunk to 55 cents, but the pay of the Army officer has remained stationary and immovable. During this period he has witnessed substantial increases in the pay of officials and employees in the civil branches of the Government, in the State and municipal governments, in the railroad corporations, in the steel and iron corporations, and generally in all the enterprises of the industrial world. It was necessary to increase the pay of these employees and officials in order that they might keep abreast of the increased cost of ordinary living expenses. The Army officer, who has been at a disadvantage in this respect, does not even now ask for an increase in pay, but it is the duty of the Nation, as represented by Congress, to see that his pay is equitable and commensurate with the pay of officials of like standing and responsibility in the business world and sufficient to enable him to maintain the standard of living which is expected and required of him in his official capacity, without the necessity of incurring debts and consequent worry as to the needs and welfare of his family while doing his share in the fight for the freedom of mankind.

4. On account of the heavy outlay that an officer must make at the present time for uniforms and equipment and the small base pay of an officer of the rank of lieutenant or captain many officers with families and home obligations have found it necessary to incur indebtedness. Their financial inability to meet ordinary expenses and obligations is a matter of much concern to them, and to a certain extent must affect their efficiency. An officer who is adequately paid and whose mind is entirely free from financial worry will render better service to the Government than one who through sheer necessity has been obliged to become a debtor in order to meet his personal obligations and properly

care for his family and dependents, whose welfare under these circumstances will be a cause of mental distress. Such worry might be the cause of unfitting an officer for the full performance of his duty at a critical time in the service and result in consequent disaster and loss of life.

5. The necessity of increasing the pay of Army officers is enhanced in the case of officers who have lately been called into the service from civil life. These business and professional men have generally received larger salaries or incomes than they now receive from the Government, for the reason that their qualifications enabled them to earn it. They have to a large extent sacrificed their business or professional interests and are giving the Government the full benefit of their experience and business or professional knowledge and services. It was necessary for these officers, upon entering the service, to expend from their own funds approximately $500 for the prescribed equipment and uniforms, which articles must be replenished from time to time as the need arises.

6. The question of adequate compensation for the Army officer upon whom the Nation relies to train, supervise, and direct the enlisted men under their command should receive careful study and consideration in view of the changed conditions during the past 10 years. If the scale of salaries fixed at that time were equitable, they must be considered as inequitable and inadequate at the present time.

WAR REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.

The motion was agreed to.

The SPEAKER. The gentleman from Ohio [Mr. GARD] will preside until the gentleman from Virginia [Mr. SAUNDERS] arrives.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, with Mr. GARD in the chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WALSH].

Mr. WALSH. Mr. Chairman, I have no desire to delay consideration of this most important measure, for I have listened with deep interest to the enlightening discussion of the bill by members of the Ways and Means Committee and I have no doubt but what Members on both sides of the House will heartily support it.

We assume a grave responsibility in enacting this law, and we impose a heavy burden upon the people of the Nation by its terms.

Our people, however, are ready to assume the responsibility, and, I believe, are equal to the burdens which are placed on them by the various schedules of this bill. There is no disposition on the part of America to hesitate or to let up in the prosecution of the task we have set our minds upon until victory complete and emphatic is won.

But, Mr. Chairman, responsibility must also be assumed and shared by those who expend the moneys to provide which these heavy taxes are levied on the people. Officials, regardless of political affiliations, whose duty it is to expend these stupendous appropriations which we have been voting have a responsibility as solemn as we who vote the money and as grave as those who pay the bills. The taxpayers' money ought not and must not be extravagantly or wastefully expended.

I desire to direct the attention of the committee to what may be termed a practice, or perhaps a habit, or possibly more properly a disease, which seems to have become prevalent during the past 12 or 15 months, especially among the newly established boards, branches, bureaus, commissions, committees, departments, divisions, groups, sections, and other component parts of our governmental machinery, more particularly outside of the military. This epidemic has been an expensive one and has resulted in an increase of from four to five millions of dollars in expenditures; and the end, apparently, is not yet.

I refer to the greatly increased expenditures in the printing cost of the Government. This increase will, I believe, be more than five millions of dollars this year than it was before our entrance into the war, and may be more than ten millions, and the increase is not solely because of increased printing needs of the War and Navy Departments. The taxpayers, to my mind, have not received any benefit commensurate with this increase in cost. One of the chief results of this enormous expenditure has been to stimulate and make more regular the use of the wastebasket in places where it had hitherto been permitted to repose undisturbed. I doubt if many of the various governmental departments have curtailed their output of bulletins or publications to any appreciable degree. On the other hand, many other departments have increased their issuance, and each new bureau or agency seems to be created with an unappeasable appetite for pitiless publicity, which can only be partially satisfied by a corps of experts, editors, special writers, artists, and other impedimenta. In fact, to paraphrase a song, once popular, "Every little bureau has a bulletin of its own."

One would naturally expect, and I submit the people have a right to demand, the practice of economy in expenditures not intimately associated with our war activities during these serious times, but indications of this are sadly lacking. Possibly here and there a document or bulletin may have been dispensed with or discontinued, but new ones have been issued, either by that department or by another, until the list has become most formidable, and probably it will be claimed the combined issues of Government publications is doing most effective work in pushing the enemy back to and beyond the Hindenburg line.

The War Trade or War Industries Board has ordered the daily and weekly newspapers to curtail in the use of print paper and to comply with other restrictions. This edict will be obeyed by the press. Yet, while calling for conservation and economy by stern decree on the part of the newspapers of the country, the Federal Government has been and is practicing most wasteful methods in the use and consumption of print paper by its various activities and agencies. The United States, through its officials and departments, should set an example of economy and conservation; but, alas, on the contrary we have a deluge of bulletins, reports, surveys, magazines, summaries, and various other publications which are choking the Government Printing Office, clog the mails, and which clutter up many an office or counting-room in business houses and numerous parlors or sitting rooms in quiet, happy homes, and this at a time when we are urged on every side to practice thrift and save, buy war-saving stamps, and economize. Why, Mr. Chairman, if some of these phychological editors or editorial psychologists are paid at space rates, at the gait we are traveling the recent expenditures for airplanes we did not get will pale into insignificance.

It has been stated on good authority that it takes more than 1 pound of coal to supply power sufficient to produce 1 pound of paper, but a much less quantity of brains is sufficient to waste tons of the same print paper after it has been produced. [Applause.]

We ought, Mr. Chairman, in this war time to be printing fewer documents and less postage-free, tax-exempt publications, bulletins, letters, magazines, reports, and various and sundry papers.

We have traveled far, and at a pace fast and furious, since that fateful May morning when the Official Bulletin burst flaming forth across a war-beclouded sky with its announcement that it was designed to "inform the public on the progress of the war and of official acts incident thereto."

One was inclined, at that time, to wonder if the presses of the daily and weekly newspapers had suddenly been scrapped or if journalism had been declared treasonable. This publication was at the outset apparently handicapped by a tendency on the part of one of its ingredients to consider the world as his oyster and to confuse what actually occurred at sea and elsewhere with what was happening in the kaleidoscopic brain of him who penned those epics which need not now be repeated. It is only fair to say, however, that this publication has been toned down somewhat and no doubt is considered of interest and value by a large circle of its readers as it sets forth, on the whole, information in concise and authentic manner; some of it, however, 24 hours after it appears in the daily press. The Official Bulletin on August 17 last came to be known as the Official United States Bulletin, no doubt to distinguish it from some of the 57 other varieties.

The Joint Committee on Printing last winter recommended certain economies in the use of print paper, and effected a saving of nearly a million dollars, but in spite of this the mushroom growth of new journals has wiped out the saving and run rampant throughout many of the administrative departments.

I would cite a few instances where either joy of position or scatter-brain administration has cost Uncle Sam needless dollars, and which I submit we ought to save in the future. Taxing children's toys and candy as well as women's hats and stockings in order to maintain some of these documents is indefensible. Here is an instance, furnished me on apparently reliable authority, where the Alien Property Custodian desiring to dispose of the property of George Benda, of Boontown, N. J., a manufacturer of some sort of powders, sent out a 12-page pamphlet announcing the proposed sale of the Benda property under the trading-with-the-enemy act. Ordinary paper would not suffice for this announcement apparently, for it was printed on fine-coated paper 8¾ by 11 inches, estimated to cost 10 or 12 cents per pound, and sent through the mails in an envelope of heavy manila paper, size 12 by 15 inches. This envelope is an inch wider and an inch longer than the Saturday Evening Post. Not content with the expensive paper, but probably desiring to spoil as little as possible of the expensive pages used in the prospectus, care was taken to have borders on each page almost as wide as the space taken by the printed matter.

Conservation and economy apparently were unintentionally banned by the enemy-trade act.

Here is the Federal Board for Vocational Education issuing the Vocational Summary, printed on good white paper, family size, printing in full a copy of the vocational rehabilitation act with various articles clipped from other publications. Their first document was a statement of policies, a 70-page booklet, setting forth what they plan to do. Then came their annual report, a 30-page booklet of a little cheaper grade of paper, telling what they have thus far done, and these must, of course, be supplemented by the summary, a monthly publication merging what has been, is to be, and never can be done. And so it goes. The Shipping Board has broken out with printer's ink colitis in several places. We see the Merchant Mariner, published at Boston, which no doubt has its counterpart in Philadelphia, Hog Island, and probably other communities where ships are built. This is printed on a good grade of paper, illustrated, and printing information and news that of course could not be printed in a newspaper. Headlines inform a benighted public that "A New York policeman training for a sailor likes it too." "Dungarees just now mean more than police uniform." An illustration accompanies this inspiring article. A two-thirds page illustration, showing recruiting service enrolling agents with Mr. Louis Liggett in center background, with an announcement that the service has 6,854 official enrollment stations at Rexall Drug Stores in charge of an agent who receives $1 per year. No doubt to landlubbers who enroll sea sickness cures are offered at usual retail rates.

Mr. JOHNSON of Washington. Will the gentleman yield?

The CHAIRMAN (Mr. SAUNDERS of Virginia). Will the gentleman from Massachusetts yield to the gentleman from Washington?

Mr. WALSH. Yes; briefly.

Mr. JOHNSON of Washington. I wanted to say to the gentleman in that connection that the Shipping Board itself has a publication which it claims is not official, although it sends it in an official wrapper.

Mr. WALSH. It is the Emergency Fleet News.

Mr. JOHNSON of Washington. They claim it is not governmental. However, it is sent franked. They say the price of it to subscribers is $5, and they say that the price is made that high in order to make it practically prohibitive to subscribers. After they had printed four or five numbers they told me they had one paid subscriber and several thousand free subscribers. I asked, "What are you going to do with that $5? Where does it go?" They replied, "We presume it belongs in the Federal Treasury, in miscellaneous receipts, but we do not know how we will get it there." The paper was presumed to reach the thousands upon thousands of workmen in shipyards. But at that time they were putting out only about 20,000, which would not reach very far, and many columns of the fourth issue were devoted to a report of a banquet, where various chiefs flattered each other.

Mr. WALSH. I thank the gentleman for the interesting information, of which I had some knowledge.

We are told in a column editorial that there is only one American merchant marine. This announcement is probably the principal reason for the publication of this chronicle, as the daily press has undoubtedly been insisting there were two American merchant marines, one in Boston and the other in Idaho. There is that illustrated daily Emergency Fleet News, filled with sea breezes and epigrams of the deep.

We received also a letter from the United States Shipping Board, inclosing an article reprinted from the Saturday Evening Post, issue of August 10, 1918, by permission of Curtis Publishing Co., and a release for September 21, entitled "Ocean delivery service for the farmer." These are both good reading, but in spite of the fact that they have been sent to thousands of chambers of commerce and similar bodies, if there was news of merit in them it ought not be necessary to reprint and circulate at Government expense an article from a magazine having over 2,000,000 subscribers. The Shipping Board has, it seems, a health and sanitation section of the industrial relations group through the United States Shipping Board Emergency Fleet Corporation. The manager of the information bureau tells us in an eight-page release, No. 527, that as an "impediment to the machinery of war the mosquito has proved to be quite as sinister a factor as the German propagandist or the jelly-fish pacifist." This heart throb will undoubtedly be reprinted free in the Saturday Evening Post. Watch for it in the front page of the metropolitan papers on September 29. If you can not abide your soul in patience until that date, read on September 22 a six-page release, No. 531, entitled "Everybody's doing it." What? Why, driving ship rivets, by the same Boswell, setting forth the experiences of men with intellectual faces, business-like faces, and men wearing overalls. This from the education and training section of the industrial relations group.

The Department of Agriculture issues several bulletins, news letters, crop reports, and food surveys weekly, and supplements these by loose sheets containing much of the same information in tables. I do not include Farmers' Bulletins, as the people know these and value them.

The latest number of this Merchant Mariner, published, probably, at the Hub of the Universe, shows on page 3 one of the L. K. Liggett drug stores at New Orleans, with a display in its windows, and headed "A live enrollment office window at New Orleans gets men in service." Possibly this free advertising for the various Liggett drug stores may have something to do with the generosity of these enrolling agents who have joined the vast army of a-dollar-a-year Government employees.

Mr. JOHNSON of Washington. Will the gentleman yield for one question?

Mr. WALSH. I will.

Mr. JOHNSON of Washington. Can the gentleman give any reason for the continuation of the governmental free Alaska Railroad Record, when the Government railroad itself and the building operations have greatly shriveled, with two of the commissioners out of it, and the railroad building plan going to pieces?

Mr. WALSH. In reply to the gentleman I will say I did not know that reason was an essential ingredient in connection with the greater portion of these publications.

Mr. JOHNSON of Washington. The Alaska railroad newspaper is made up in considerable part of personals, like—

Tom Brown, formerly employed on the railroad, has gone to the States.

Mr. WALSH. Of course, that may be of great interest in Massachusetts and in Key West and produce much gloom in Berlin.

The Fuel Administration has published Fuel Facts, a booklet, on coated paper, with information much of which has appeared heretofore in the daily press as news. The Federal Reserve Bank has its Bulletin, likewise the regional banks, the Farm Loan Board. Then, School Life, from the Bureau of Education, is a dainty little publication, which will no doubt have riddles and charades in its columns in the near future.

The Surgeon General prints a magazine, Carry On. Of the lot this is evidently worth printing, and it shows care and forethought in its makeup.

Our old friend, The Reclamation Record, is still coming out. The September issue contains extracts from several Members of the Senate and House, three or four pages of reprints from editorial articles, a list of farm names, which will be a great relief to the sturdy wheat grower of Minnesota. He can now christen his farm by smashing a bottle of buttermilk against the silo, after the ship-launching style, and dub his farm anything from "Island Home" to "Mountain Glen." [Laughter.]

"Public Roads" is the title of a magazine issued by the Department of Agriculture containing some impressive illustrations and interesting information, but it might well be discontinued until after the war closes.

The list is too long to enumerate specifically, but it is of such proportions that it ought to be speedily and effectively shortened. The taxpayers of the Republic ought not to be levied upon in war time to pay for paper, ink, brains, or services of would-be Horace Greeleys and Jack Londons to splatter ideas about items which, if real news or of public interest, can be and ought to be and, in fact usually are, published in the daily press.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. May I have two minutes more?

Mr. FORDNEY. I yield to the gentleman two minutes more.

Mr. MAPES. Will the gentleman yield for a question?

Mr. WALSH. Yes.

Mr. MAPES. In a little investigation which I made the other day I was told that the work of the Printing Office this year would amount to about $12,000,000, and that it had become the practice of the different departments of the Government not to confine their printing to the Government Printing Office, but to go outside and have work done by private printers under contract. Can the gentleman tell us how much of the Government work is done by outside private printers?

Mr. WALSH. I will say to the gentleman that I have not been able to ascertain, although I have made inquiry of a Member of the Joint Committee on Printing touching an investigation being undertaken by a Member of another body—and I think the statistics with reference to this situation may be made public in a few days.

The newspapers of America are patriotic, and they ought not to be, by Federal decree, made the victims of demands on the

ground of economy and conservation while wastefulness and extravagance are given free hand in governmental boards and departments.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

Mr. WALSH. In a moment. I have here a small collection of some magazines, bulletins, releases, summaries, news, documents, letters, and so forth, that have been published by the various boards and commissions and departments, and if any Member had started in in April to save one copy each of the news bulletins and papers that have been issued, this table here, I fear, would not be strong or large enough to bear the weight of them.

Now I yield to the gentleman from Pennsylvania.

Mr. FOCHT. I have listened with more than common interest to the gentleman's speech. I would like to ask him how he would reconcile the wastefulness on the part of these various departments in printing these documents at Government expense, the value of many of which is made known in the waste baskets all over the country and in the office building [laughter]—how he would reconcile that wastefulness with the oppressive and arrogant orders that have been issued to the country newspapers that they will not be allowed to send their newspapers to subscribers under a contract, and that the subscriptions must be paid within three months?

Mr. WALSH. Does the gentleman ask me to reconcile that?

Mr. FOCHT. Yes, sir.

Mr. WALSH. It can not be done. [Laughter and applause.]

Mr. FOCHT. To your most rational conclusion and reply, I say amen.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. FAIRFIELD].

The CHAIRMAN. The gentleman from Indiana is recognized for 15 minutes.

Mr. FAIRFIELD. Mr. Chairman and gentlemen of the committee, this war is not a political issue. It can not be made a political issue. Every effort that has been made, or that shall be made to that end, will recoil upon the heads of those who have fathered it.

A few days ago 13,000,000 men were enrolled as a reserve force to support the million and a half now in France and the million and a half that are now in the training camps of this country. When a great people are engaged in a mighty struggle like this, so small is the attempt, when the country is unified, to make a political asset out of that struggle for any party, that the judgment and conscience of the American people resent it. [Applause.]

This bill undertakes to raise $8,000,000,000. We have voted gladly, heartily, for power; man power, money power, law power, all power that is necessary to the efficient conduct of this war. Sometimes it is said that the folks at home are making the same sacrifice that the boys are making at the front. This can not be allowed, for we at home give of what we have, while the boys in France give of what they are and what they hope to be. That is the difference in kind. But the difference in degree is greater. We give a part of what we have, but the boys on the other side are laying upon the altar of their country all that they are and all that they hope to be. And so while the work of the men at home and the women at home and the children at home is essential, the difference is both in degree and in kind so overwhelming that it is well for us to remember that thus far not any of us here has touched the hem of the garment of real sacrifice. We have not suffered, many of us, not even inconvenience. We have spent freely and continue to spend our money. So while we are passing this $8,000,000,000 revenue bill I am not inclined to commiserate any man who has to pay for this cost. [Applause.]

We have had it heralded in literature and upon the rostrum that a republic can not wage war effectively, and there were those of us, perhaps, who thought before the outbreak of this war that that was true. It could not be done by a republic that was one in name only, by a republic in which the citizenship were not self-respecting, independent, educated people. For the first time in the history of the world, after 140 years of the most marvelous development that any country has ever known, the Republic of the United States has demonstrated to the world that a republic can be as efficient, if need be, as an autocracy. [Applause.]

It was common to hear men say before the beginning of this war that Germany was the most efficient country on the face of the earth, and many of us allowed it. But when an analysis is made, gentlemen, and we reflect that Germany has an area of 208,000 square miles, with a population of approximately 70,000,000, and that the United States has a territory of three and a half million square miles, over which was to be exercised its effective forces, we are constrained to believe that with any other people no such results would have been obtained in this country as have been obtained.

Let me compare Texas, which has an area of approximately 270,000 square miles, with the German Empire of 208,000 square miles. Crowd the population of the United States into Texas; put all of its railroads into Texas; begin on the Atlantic seaboard and name the cities—Boston and New York and Philadelphia, and all along the line—and crowd them into the State of Texas; and then go into the Middle West and pick up the twin cities of the Northwest, and Chicago, and St. Louis, and all the towns and all the coast cities, and crowd them into the State of Texas; and then pick up every railroad that has been built in this country and crowd it into the State of Texas; and take your trolley lines, take your canals, including the Isthmian Canal, and put them all into the State of Texas; and then attempt to crowd your 110,000,000 people into that State, and you will find that the people could not get in. They would have to walk around it simply to view the results that have been attained. [Applause.]

We have gotten into the habit of underestimating our physical achievements. And there were times, gentlemen, in which some men, at least, were inclined to underestimate the educational, the religious, and the social development of this country. But, under God, the American Republic has been most efficient in its production of men. [Applause.] And even if it were true that in mechanical efficiency, that in social organization, and many another line of development that has to do with physical things we had been surpassed, yet I trust the time may never come when our citizenship shall be made mechanically (applause), but that evermore we shall hold that he is most worthy and most efficient who has had an opportunity to take the initiative, to take it in professional life, to take it in business life, to take it in educational life, and along all the lines in which there is human activity.

We have demonstrated that a republic can wage war effectively. We have given all of the material means that are necessary, we have given all of the men that can be trained. But beyond that, conscious that, whenever abused, the powers might be taken back into the hands of the representatives of the people, we have conferred upon the President of the United States all the power that was necessary for him to effectively conduct the war. Both sides have joined in conferring that power, sometimes, perhaps, thinking that modification would have been better, but willing always to make the grant rather than to take the chance of tying his hands. And so the country has been united, and to-day it stands behind the President in the prosecution of this war as one solid mass. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. FAIRFIELD. Mr. Chairman, may I have a few minutes more?

Mr. FORDNEY. I yield to the gentleman two minutes more.

The CHAIRMAN. The gentleman is recognized for two minutes more.

Mr. FAIRFIELD. I know there are those, possibly, who even now will talk for peace without victory. But they are so few that they only emphasize the solidarity of the people.

Some things have been said about politics. Certain kinds of politics ought to be forever adjourned in this country—the politics of the gutter and the sewer, the politics of misrepresentation and insinuation. But politics in the highest sense is the philosophy of human government. There is no law upon the statute books, there is no constitution of any State, but that was wrought out in the arena of political debate; and if the time shall ever come when a self-respecting republic does not dare to discuss basic principles of government, then decadence will have set in.

In my own case I have honestly tried not to be partisan. The other day when this question was brought up as to whether a man having bought a liberty bond should be permitted to sell it again, honestly and earnestly using my judgment, as I have understood the principles of economy, I voted upon that amendment. I was sorry, indeed, that the honored leader of the other side of the House suggested that it was partisanship that urged men to vote as they did.

Just a word about partisanship and how early it entered this compaign. The honored Speaker of this House was called on the 14th of May to address a Democratic meeting in my own district, which was advertised to be the opening of the congressional campaign. That was six months before the election. Ah, men, it was perfectly right for him to go there. It was perfectly right for him to enter that campaign at that time; but, oh, the pharisaism, the hypocrisy of saying, "No

politics," when politics was being worked every minute of the day. [Applause.]

The leaders of the Republican Party and its rank and file have studied only to know their duty. For the Republican Party was born of loyalty and has never been willing to sell out its birthright for a mess of pottage. They saw their duty clearly in this crisis. When that duty was known, they did it without question and with abounding enthusiasm. They have stood loyally behind every measure for the prosecution of the war. While the Democratic leaders of the House were arguing, hesitating, and in some cases opposing the measures of the President, he could rely upon the unswerving support of the Republican leadership of the House and a larger per cent of the rank and file than of the Democratic side. It seemed incongruous for Republicans to be called upon to urge support of the President's measures upon Democrats. But this attitude of Republicans is not hard to understand. Our conception is that this is one country, one flag, one Constitution, and whoever may be President, called to that high office by the votes of the American people, is then President of all the people.

It was no time for partisan politics; it is no time for merely partisan politics. The Democratic leaders of my district are anxious, and being anxious are willing to cry out patriotism while they are working politics. I know that this is not the sentiment of the people of my district. The crisis is too great, the sacrifices too far-reaching. Every city and hamlet and farm side has been reached. The home folks have their hearts and minds on the boys over there or on those who are going. It is extremely unfortunate that at such a crisis men are not able to rise to the full stature of American citizenship and not only say what they mean but mean what they say on this subject.

When I remember that the honored Speaker of the House, a Democrat; the leader of the House, a Democrat; the chairman of the Military Affairs Committee, a Democrat, could not see the necessity that was upon us, I am surprised that anyone should oppose the reelection of the Republicans who stood solidly for all war measures. Those Democratic leaders were not disloyal, just mistaken, and yet in this crisis every man should have seen clearly and unmistakably his whole duty.

Not only upon the floor of the House but in the cloakrooms, where men voice their honest thoughts, the Republican membership wholeheartedly and with all their power rendered every support requested by the administration.

Even where there may have been room for doubt as to the necessity of the powers granted the Republicans recognized that the responsibility rested upon the President and thought it disloyal to tie his hands in any way in the efficient conduct of the war. There is something about Republican principles that gives a man power to see. I had no doubt as to the power of the National Government to defend itself against foes from without or from within. In the crucible of civil war we had determined that the Constitution of the United States operates upon the individual and not upon the States and as if there were no States. On that proposition Oliver P. Morton was elected governor of the State of Indiana in 1862. With that as the anchor to our institutions Abraham Lincoln triumphed in 1865. Every law that we pass for the efficient conduct of the war was drawn in conformity with the Republican principles. The war is not an issue, the war is a job. It is our job, it is the job of Republicans and Democrats alike, of the whole people. We shall win. It may take two years, it may take four, but whatever of time and whatever of sacrifice it may take, devote the time and make the sacrifice.

To that end the unity of our people must be maintained. Every American citizen should be treated as loyal until by word or deed he proves himself otherwise. No man can be moderately patriotic. "All that we have, all that we are, all that we hope to be," we should be willing to lay on the altar of our country. That is not only good Americanism but it is good republicanism as well. "With malice toward none and with charity for all" we should fight this war in defense of our most sacred rights and the maintenance of our national honor. If we are wise, if we are honest, if we are fair to our neighbor and just to all concerned, out of it will come a new citizenship, reconstructed, transformed, glorified, and unified.

In the reconstruction that is to follow there are great problems, both social and economic as well as governmental, that will demand not only the best thought of the brightest men of this country but their honest thought as well. The Republican Party has always been constructive. It preserved the structure of the Union. It conserved the economic system of this country. It saved us from the free-silver heresy.

It gave us a sound banking system. It is a friend of labor. It is not sectional in its thought. It does not discriminate in legislation, but legislates for the whole country and not for a part of it. You can trust the Republican Party and you will. It has never deceived you, frank and open and above board in its convictions, it sees the needs of the country and is prepared to legislate along safe and sane lines. There is so much said that is untrustworthy, so much that is born of desire rather than of knowledge, that our people sometimes wonder what the situation is. I think it unwise at all times to publish broadcast all the information that the Government may have, either in military or diplomatic circles, but when information is given it should be reliable, the view should not be too rosy.

May the time soon come when every statement that emanates from any department of the Government can be relied upon implicitly. "Flattery spits her poison at the mightiest peers;" adulation may adle the brain. Unstinted glorification sometimes is as dangerous as it is foolish and immoral. The problems before the President are tremendous, his responsibilities grave. At this time the wisdom and conscience of the Nation should be freely utilized by him in the prosecution of the war. The Republican Party has helped and not hindered; it will continue to help and not hinder. Its help has been indispensable. That help is indispensable now. We are going to offer it and insist on its being used until the war is over.

Mr. FORDNEY. I yield 40 minutes to the gentleman from Nebraska [Mr. REAVIS]. [Applause.]

Mr. REAVIS addressed the committee. [See Appendix.]

Mr. KITCHIN. Mr. Chairman, I yield 15 minutes to the gentleman from Mississippi [Mr. QUIN].

The CHAIRMAN. The gentleman from Mississippi is recognized for 15 minutes.

Mr. QUIN. Mr. Chairman and gentlemen, I indeed enjoyed the splendid speech of our colleague [Mr. REAVIS] who has been across the water, and it strikes me that in view of his statements to this House it must now be impressed upon the mind of every man, regardless of what party he belongs to or what section of country he comes from, that this great revenue bill of $8,182,000,000 that is now before us for consideration should be unanimously passed, and that instead of it being a burden to anyone—as suggested by the gentleman from New York [Mr. LONDON], who stated in a speech day before yesterday that it is not a tax but a burden—in my judgment the revenues collected from the industries, from the corporations, from individuals, from business activities and all persons is an obligation or duty that should be cheerfully met by every concern and every individual in this great Republic. [Applause.]

When we think of these boys who have gone across the deep blue sea, undergoing the sufferings, the hardships, and the privations that we know each and all are undergoing to-day; when we consider that since the 6th day of June, 1917, when the first American battalion marched through the city of Paris, our troops have been safely convoyed from our shores to Europe, and that on this day 1,000,000 American bayonets and big howitzers, big machine guns, light artillery, and heavy artillery are attacking the city of Metz and are on German soil, having driven the enemy clear back from the Marne over onto German soil, and that perhaps before the sun goes down this evening those big howitzers will be belching forth lead and fire into every house and business place in the fortified city of Metz; with these wonderful achievements of our country performed in such a short time, with our soldiers displaying such courage, bravery, and heroism, surely every man in this Congress should be proud of the fact that he can vote to reach out the long arm of taxation to support and maintain these chivalrous soldiers and sailors who are fighting not only for the life of this country but for civilization itself. [Applause.]

With the American soldier offering his life on the battlefield, surely no business, no corporation, no patriotic individual in the broad domain of the United States of America or any of our possessions would object to the last farthing of his income above a living being taken to maintain and support our soldiers and sailors engaged in this great conflict. I was not only shocked—and I shall not say an unkind word—but I was absolutely amazed by some of the gentlemen who criticized this bill and talked about taxes that could be raised in other ways. This is no time for criticism. My good friend from Pennsylvania [Mr. MOORE] said that one-third of the money raised under the law comes from three States of this Union. He ought to be proud of the honor of living in a State that contributes so much to the support of this Government and the support of our soldiers and sailors in this great struggle. Instead of Pennsylvania and Illinois and New York objecting to their contribution, they should be proud of the great place they hold on the roll of honor as being such large contributors to the support of this Nation in this great war. [Applause.]

Mr. FOCHT. One minute, please. I hope you refer only to Mr. MOORE. There are two splendid gentlemen here just from Pennsylvania, and I am from Pennsylvania.

Mr. DONOVAN. I am from New York also. I believe you referred to Mr. LONDON. He represents only one part of New York.

Mr. QUIN. Indeed, I am proud that you gentlemen do not hold to the spirit of my Republican friend, Mr. MOORE, and our Socialist friend, Mr. LONDON.

Mr. FOCHT. Thank you——

Mr. QUIN. He [Mr. MOORE of Pennsylvania] went so far as to say we ought to endeavor to raise taxes by going to some poor cotton farmer and put a tax on his bale of cotton! In the face of so many billions of dollars coming from the fields of incomes and productive corporations in the last few months throughout the country, the gentleman from Philadelphia [Mr. MOORE] feels aggrieved that $8,182,000,000 should be levied by taxation upon the incomes and excess profits of the rich. Why, that does not cover even the top crust of the great wealth of his State and the other great States to the north and south and east and west, and for that matter all of the States and the Territories of this great Republic, which can be devoted to the support of our Nation in this awful crisis.

Surely the people of the United States from one end of this Republic to the other feel proud of the flag and feel proud of the glorious achievements of our armed forces to-day. And while we are sitting here, the American soldiers, assisted by the French, have captured St. Mihiel and 13,700 prisoners within the last 24 hours, and taken 90 guns and 70 villages, and have driven the German forces beyond the border lines at one point and driven them back onto German soil; and instead of there being any criticism in this hour, there should be great rejoicing in this Chamber, as well as in every hamlet and village and field and factory throughout the whole United States of America. It is a time to rejoice and a time to be proud. Instead of our friends criticizing some little printing department of this Government, as the gentleman from Massachusetts [Mr. WALSH] did to-day, we ought to be lifting our voices in praise to God that the United States of America stands with such solidarity behind the President of this Nation, that the people of this country stand behind those who thus uphold the arm of our Commander in Chief in supporting the boys who have gone across the sea and those in the training camps of this country, ready to lay down their lives at any moment on the altar of their country. [Applause.]

The American people have their eyes on this body, and instead of criticisms being made here against the different officials and the Cabinet officers of this Republic, and against the ways in which we are raising this revenue by the fairest and most equitable method of taxation possible, and one that hinders, hurts, or injures no industry and no individual and no corporation throughout this whole Republic; instead of there being condemnation and criticism of it there should be nothing but praise, in order that every taxpayer should realize fully that we feel in our hearts that he is justly taxed, and that he could do even more without any harm or injury to anyone. In passing this measure so that this Government may raise by taxation the money necessary to maintain the Government and to prosecute the war, we have before us a task that as legislators we must cheerfully meet. If we do so, the people on whom this tax is levied, realizing the spirit of fairness and nonpartisanship that has been displayed by the committee in bringing out this bill, will realize from one end of the country to the other that it is a just war and a just taxation, and they will feel that it is a pleasure and an honor to be taxed in order to support and maintain the Government and prosecute the war. From one end of the country to the other comes the cry, "Stand by the boys in the trenches; stand by the sailors on the seas"; and in order to do that every man, regardless of his sentiments or his politics, must stand by the Commander in Chief, the great President of this Republic, who issues the orders for all the soldiers and the sailors who are to-day fighting to protect the honor of this Nation and preserve the civilization of this earth. With this glorious cause before us, with our soldiers inspired by this noble spirit and the high ideal for which they know they are fighting, every citizen of this Republic must rejoice in the fact that the American Congress stands as a unit in supporting this great measure, in supporting this bill that raises the money to maintain the noble heroes who are offering their lives in order that the Nation's life may be continued. Because if our Nation were not able to send its armies in full force across the seas to-day, not only would the lives of our allies be cut off by the cruel and brutal Germans but the life of our own Nation would be at stake; and as stated by the leader of our party, the gentleman from North Carolina [Mr. KITCHIN], we are fighting for our Nation's life, and in this great struggle every man, whether he has an income of $20,000,000 a year or whether he has a little income of $1,000 or $500 a year, should feel proud of the fact that he is able to contribute something to this Government to support and help maintain these boys who are on the high seas and who are across the seas in the trenches fighting day and night that our Nation may continue to live. [Applause.]

With this great Republic, holding in its arms the civilization of the world and engaged in the purification of the dark places and in cleansing the polluted air, it should be a privilege and a pleasure and an honor for every man on this floor to support this splendid bill that raises this vast amount of money in such a fair, equitable, and just manner. No man, regardless of where he may come from, can point to any portion of this splendid bill and say that it works a hardship upon any man. The gentleman from Michigan [Mr. FORDNEY], who believes that all taxation should come through a tariff, has suggested that we should reach out and tax tea and coffee. Who wants to do that? While this great Nation has an income of $45,000,000,000 a year, who wants to reach out and tax unnecessarily the coffee that the poor must drink and the tea that we must have? One gentleman said we ought to tax every sale of merchandise that is made in this country and put a 1 per cent tax on all kinds of articles that are sold. Another gentleman thinks you ought to tax every bale of cotton that is sold. All of that kind of partisan nonsense should be waved aside as chaff that is blown away in a cyclone, and the great fundamental principle must be recognized that in raising this large sum of money we must reach out and tax those who are best able to bear it, without imposing an undue burden upon anyone. That is a principle that ought to appeal to the sense and the honor and the intelligence of every citizen of this great Republic. [Applause.] The people do not mind being taxed for this glorious purpose. The patriotic people of this Republic do not object to any of the laws that this Congress has passed to uphold the hands of the President of this Nation. The people of this Republic have not anywhere yet through their vote, when they have gone to elect a Congressman or a Senator, condemned a single law that the President of the United States has asked this Congress to pass and which is to-day on the statute books. The people of this Republic are well satisfied, and if the gentleman from Philadelphia [Mr. MOORE of Pennsylvania] would get it into his mind that politics has been adjourned and continue to help uphold the hands of the President of this Nation there would be less partisanship, there would be less ill feeling, and the people of this country would be more of a unit in solid support of the American Government and of the President of this Nation than they have ever yet been in the history of this great Government. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. I yield to the gentleman from New York [Mr. DONOVAN].

Mr. DONOVAN. Mr. Chairman, I have listened with particular pleasure to the remarks of the gentleman from Nebraska [Mr. REAVIS] in his wonderful description of his recent visit to the battle fields of France and of the work which our boys are doing over there. I had concluded that when he finished, the last word had been spoken for the speedy passage of the bill. I thought it would ill become me to intrude myself upon the patience of the committee by any contribution to the debate, and resolved that I should not participate in it, but the gentleman from Mississippi [Mr. QUIN], who concluded his remarks just immediately preceding me, made a statement that reflected upon the honor of my State, and dissuaded me from my resolution, and decided me that it would be doing less than my duty if I did not take the floor and enter a disclaimer. The gentleman from Mississippi stated that both Pennsylvania and New York objected to contributing their share of the tax to be imposed under the provisions of this bill and, as a basis for his statement, gave the names of two individual Members of this body representing respective districts therefrom. One, the gentleman from Pennsylvania, is of the minority party, and the other a member of what might be termed the subminority party, if there could be such a party designation. However, the gentleman from New York, who is mutually respected by both parties in this House, does not, I think, typify or epitomize the views of the State of New York, and certainly he does not in so far as I may have the opportunity to speak for it.

The great Empire State of New York, with its metropolitan city, the acknowledged financial center of the world, is the civic, social, and patriotic equal of any State in this or any other land. It has been from the time of its foundation to this present hour in the vanguard, valiantly fighting the battle of humanity, equality, and justice, and has always willingly and gladly contributed its share of man power and treasure. It is my

opinion that the New York Representatives will unanimously support this measure when it is moved for final passage.

This bill proposes a departure in its scope and application from any previous revenue bill that has ever heretofore been enacted by this House, and has for its object the taxing of the wealth of the country. It abolishes the 8 per cent tax on all labor incomes in excess of $6,000 which applied under the law enacted in 1917, which imposed on an individual an income-tax rate on the basis that a man who worked for his income by personal labor should be compelled to pay a tax greater than the man whose investments were the chief source of his income. The omission of a so-called consumption tax disposes of a problem that in its very nature presents vexatious angles and the deference of which I think is but temporary. I am led to this conclusion by the fact that the ban on brewing promulgated by Executive order since this bill was submitted to the House for consideration and by which an estimated deficit of $1,066,000,000 is created can be only supplied by the levying of a consumption or tariff tax.

The consolidation of the rates of preceding acts and of its own in the present bill makes a clarity of terms and of context which will be received with unanimous accord, for it is undeniable that in the estimating and compiling of the tax payable under the provisions of the earlier acts were most intricate. The cartoonists throughout the country took delight in making game of poor Mr. Citizen in his earnest endeavor to do his bit in arriving at a conclusion of what was the correct amount for him to pay.

The major portion of the revenues estimated to be raised under the various schedules set up in the bill discloses that beverages containing alcohol are to pay $1,066,000,000; tax on corporations, $900,000,000; income tax from individuals, $1,500,000,000; war and excess profits tax, $3,200,000,000; and the balance to be raised from other commodities classed as luxuries and the like. It is contemplated that of the $24,000,000,000 necessary to be raised for the year's governmental expenditures the bulk of this immense sum will be raised by the sale of bonds, two-thirds of which will be so raised, the remaining one-third, $8,000,000,000, to be raised by taxation under this bill by the bond and taxation method by which a division of the payment will be made between the present and future generations, which is both just and equitable.

The enacting into law of this bill places a solemn responsibility upon this body, for by it the people of this country will be called upon to assume and contribute in a larger degree than they have ever heretofore, to the maintenance of the Government, but they readily realize the necessity for the vast expenditures which are every day being made in the prosecution of the war, as well as in the administration of the General Government.

It is estimated that an expenditure between five and six billion dollars is needed each year to carry on the expenses of the war. The American people, realizing the necessity for the need of this vast sum, will not only cheerfully accept their responsibility under the provisions of the bill but will inaugurate a curtailment of their expenditures and pleasures and willingly return to the practice of thrift such as the founders of this Republic proclaimed and practiced. Gladly will they make the additional sacrifice for a righteous cause and for the success of our overseas forces. Yet the most we can do by the payment of a tax or the purchase of bonds is minute and shallow in comparison to the work and the sacrifice of life made for us by the intrepid men who are fighting for our very existence.

The necessity for the passage of this bill is too apparent for me to further discuss or urge. The Committee on Ways and Means, composed as it is of a partisan membership and many of whom are master minds and whose thoughts and opinions and technical knowledge on the subjects contained in the schedules in this bill far outweigh any advantage that education, observation, or experience has afforded me, has unanimously reported this measure with a recommendation for its passage, and by so doing has brushed aside all partisanship and demonstrated its statesmanship and genuine, patriotic, loyal Americanism.

I shall vote for the bill as reported, for the reasons which I have already advanced and for the further reason that being one of a group of the membership of the House that was elected subsequent to the beginning of the war, in my pre-election statement, made to the people of my district, I promised if elected I would stand unreservedly for the policies of the Commander in Chief, Woodrow Wilson, in his efforts for a speedy and successful termination of the war. I have in accordance therewith kept faith with my people, and in keeping faith with them I am but keeping faith with their sons, their brothers, and their fathers who are now fighting, bleeding, and dying for you and me on the hell-swept battle fields of France to continue and perpetuate the principles of liberty, justice, and democracy until we shall have swept German autocracy and barbarism forever from the face of the earth. [Applause.]

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. DONOVAN. I will, with pleasure.

Mr. MOORE of Pennsylvania. I wish to say to the gentleman from New York, being one of those apparently criticized by the gentleman from Mississippi, that I have no particular quarrel with the measure raising $8,000,000,000. I criticized certain features of the bill, but I intend to vote for it, so there is no lack of patriotism so far as that particular feature is concerned.

Mr. DONOVAN. The statement of the gentleman from Pennsylvania will be admitted, marked in evidence as Exhibit 1, and it is consistent with all other acts of the gentleman from Pennsylvania, according to my observation since I have been a Member of the House. [Laughter and applause.]

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. CAMPBELL].

Mr. CAMPBELL of Kansas. Mr. Chairman, the German vice chancellor in his Stuttgart speech yesterday made a plea for peace without victory and without indemnities. He also urged that the peace be negotiated before the allied armies reach German soil. There can be no such peace. [Applause.] Peace must follow a victory that is so complete that no government or people will ever again contemplate the conquest of the world. [Applause.]

Nothing in the progress of human history has ever been of such moment to mankind as a complete military victory by the allied armies over the armies under the outlaw Government of Germany, and this victory should and shall be won on the German side of the Rhine. [Applause.] Prussian autocracy, the outlaw Government that now disgraces civilization, must be destroyed upon the soil that bears the shame of its birth and punishment imposed and indemnity required that is suited to all its crimes against humanity.

This work now presses forward and gives glorious promise of immediate accomplishment. Our military and naval forces are doing their part of the work; shells are reaching German soil; our soldiers are on their way to Berlin. [Applause.] When the military victory that is now in sight is complete, then the round table.

And it is not inopportune to say that the most important international matters that have ever been the subject of parley or engaged the attention of nations and international statesmen will be considered at the peace conference at the close of the war. The allies, as victors, will award the honors, assess the damages, and apportion the benefits of the most stupendous war in the history of civilization. Questions affecting for centuries the welfare of the nations involved and of all mankind will be considered and settled there.

It is in no sense disparaging to other nations to say that our own country will have large interests to conserve at that conference. In our case the welfare of 110,000,000 of people and of their posterity for centuries is involved. A great estate is affected. The work, therefore, of preparing for the peace table becomes important, whether the victory shall be this year, next year, or the year after. Who shall sit at that table for us? It will be no place for mediocrity or inexperience. The most accomplished international statesman to-day living in Europe and Asia will be seated there as the representatives of governments participating in the war. There can be no impropriety in now suggesting that the ablest and most experienced men in our Republic be asked by the President to hold themselves in readiness and to prepare themselves for that stupendous task. In this connection I would like to see our living ex-Presidents, the Chief Justice of our Supreme Court, our Secretary of State, our former living ambassadors who have served in European and Asiatic courts with rare distinction and great ability, and the chairmen and ranking members of the Committees on Foreign Affairs in both the House and Senate all members of that great commission. The commission should also include at least two members each, representing business, labor, and finance.

The men I have suggested would make the members of the American commission the equals in high order of ability and in international reputation of the members of any other nation participating in the settlement of the greatest questions that have engaged the minds of international statesmen in all the annals of time. The American people would feel a sense of security if such a commission as has been suggested was assured as the representatives of this great Republic in that great conference. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Missouri [Mr. MEEKER].

Mr. MEEKER. Mr. Chairman, all I want to say on the bill under consideration is that it is my purpose to support it, as I think it is the purpose of everyone in the House. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MEEKER. Mr. Chairman, the matter of which I shall speak for a moment will, I know, at this time be of but little interest to the Members of the House and the country because of the fact that we are all absorbed in this revenue measure and in the war work. But I wish to place in the RECORD some material which I have been gathering for some time that I think will in the very near future be of service to us all. As some of us know, there is coming up a very serious question in certain sections of the United States as to the increased use of drugs and of opiates. As to why this is true I am not going to say; and it would not make any difference if I did say it, because somebody on the other side with a long argument would get up and say that it was brought in here by certain interests.

Nevertheless it is a fact, and it is a fact that is now beginning to attract the attention of both sides of the House and the Senate. It is going to be of much deeper significance when the investigations are pushed forward than we now imagine.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. MEEKER. Yes.

Mr. GREEN of Iowa. I will say to the gentleman that there was a considerable amount of data on that subject presented to our committee when we were considering the bill, but unfortunately—I do not know the reason—it was not preserved in the hearings. I merely mention it because it might be considered by the House that no data was before the committee when the provision in the bill on that subject was drafted.

Mr. MEEKER. I am glad the gentleman mentioned it; I was coming to it. I was going to say that enough data has been placed before the Ways and Means Committee to call for some special legislation along the lines of a suppression of the distribution of drugs and opiates.

This material that I shall place in the RECORD has been collected very carefully and will give to the House excerpts from the writings of some fifty of the best known physicians and medical authorities here and in Europe as to the medicinal use or value of alcohol. All I have to say upon this question I am now saying. Everything that goes into this extension of remarks are the writings, not the sayings, of these men. I simply submit them to the country and the Congress for the service which they will be. I am not going to say which side of this long drawn out discussion they will most benefit. Whatever I have done along the line of solving one of the most significant social and economic problems that America is trying to solve has been done from no selfish purpose, to satisfy no selfish ambition. These facts are submitted for what they are worth, and I trust that in the discussions that may follow both here and at the other end of the Capitol they will be used. If there is any merit or demerit or credit or discredit for having collected them, I am willing to accept that, but beyond there I shall let these men be brought in as witnesses and authorities in this discussion. We can not dodge this issue. Less than two year ago I said that a certain organization was receiving money from manufacturers of cocaine articles that are being sold over the counters of this country which are habit-forming drugs, and that organization is the only national organization which up to date is opposing this investigation.

The excerpts to which I have referred are as follows:

THE VALUE OF ALCOHOL: BEING ABSTRACTS FROM THE WRITINGS OF THE WORLD'S FOREMOST MEDICAL AUTHORITIES.

[Abraham Jacobi, M. D., L. L. D., M. A., Nestor of American Medicine. From the Medical Economist, July, 1918.]

There will be a time soon when our courts of "justice" will be crowded with fanatical, ignorant women and their grasping attorneys, and unchristian healers, in prosecution and persecution of your honest doctors, who know they have benefited their patients with small, or, as the case may be, big doses of alcohol.

The alcohol question is not one of tavern life, or the vagaries of drunkards, or the whims of fickle women. What we, the doctors, are principally interested in is the value of alcohol as a medicine and a food, and many of us consider it from the point of view of its sociological import. Both points of view are of equal value. As physicians we are fortunate enough to be better informed than people in general, but after all that increases our duties as citizens.

Physicians have always found alcohol a valuable, aye, an indispensable, remedy. There is hardly a human organism which is not favorably influenced; mainly the aged, feeble, fat, and convalescent feel its benefactions.

Alcohol treatment, that means wine in moderate doses of diluted liquors, is highly appreciated by physicians and those who are teachable, and recognized as an article of diet and cure. It need not make you strong, but it makes you feel strong; for temporary efficiency that is of import and efficient. It makes your waning pulse return, your fainting attack pass by, and your fatigued or exhausted muscle recover. The value of alcohol should not be estimated or supposed, but studied and demonstrated. A prohibition movement kept up by "400,000 women" is no proof. Nor are 600 Congressmen capable of deciding a scientific problem. Great scientists, fortified by the results of their experience extending over a century of studies in the laboratories or at the bedsides are required to furnish the proofs. They are numerous.

In diphtheria there is more danger in giving too little than too much. When the pulse begins to be small and frequent, alcohol must be given at once. In the septic form, especially, the intoxicating action of alcohol is not observed, the pulse becomes slower and stronger and the patient becomes restful. The dose can hardly be too large. Cases of young children in sepsis would improve immediately when 3 ounces of whisky was increased in one day to 12 ounces.

My life has been spent among the sick and the recovering and the dying. That has been so with diphtheria since 1858. Many thoroughly septic cases got well after having been "given up." No amount of whisky will ever lead to intoxication when its effect is wanted to combat sepsis. There are cases which recover without treatment, but we do not know beforehand which they will be. No alleged mild case is safe until recovery has taken place. When heart failure has once set in—and it frequently does in apparently mild cases—our efforts are too often in vain. Thus alcoholic stimulants ought to be given early and often, and in large quantities, thoroughly diluted. There is no such thing as danger from them or intoxication in septic diseases.

In the treatment of infant diarrhea and dysentery small and frequent doses of alcohol will certainly stimulate the nervous system, digestion, and circulation, and they also stimulate the skin and increase perspiration. Alcohol given in this manner certainly arrests fermentation. Moreover, it takes the place of food and will act favorably as food where no solid carbohydrates are tolerated by the intestinal tract. As it is absorbed in the stomach, so does it protect the intestinal tract. Alcohol preparations, always taking small doses for granted, are good stomachics; that is, they aid you in your digestion.

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[William Osler, M. D., LL. D., regius professor of medicine, Oxford University. Fellow of the Royal College of Physicians, London. Honorary Professor of Medicine, Johns Hopkins Hospital, Baltimore, etc. The Principles and Practice of Medicine. 1906.]

In moderation, wine, beer, and spirits may be taken throughout a long life without impairing the general health.

I should be sorry to give up the use of alcohol in the severer forms of enteric fever and pneumonia.

In typhus fever the patients require from the outset a supporting treatment. Water should be freely given, and alcohol in suitable doses.

In cerebrospinal fever, whisky or brandy may be given freely when there are signs of a failing heart.

In diphtheria, with severe constitutional symptoms, stimulants should be given early.

In yellow fever, in the initial stage, ice should be given and brandy and hot coffee.

In tuberculosis the bitter tonics and the various malt preparations are often most satisfactory. The indications for alcohol are enfeebled digestion with fever or weak heart and rapid pulse. In the advanced stages whisky and milk may be given with great advantage. The red wines are also beneficial in moderate quantities. For the distressing night cough the spirits of chloroform given in whisky before going to bed is efficaceous.

In infantile diarrheas, where there is prostration, brandy or whisky in frequent doses, or where there is nausea, champagne with cracked ice is most helpful.

For sleeplessness, one of the most distressing features of valvular disease of the heart, a dose of the spirits of chloroform, or of ether in a little hot whisky, will sometimes give a good night's rest.

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[William Edward Fitch, M. D., major, Medical Reserve Corps, U. S. A., formerly lecturer on surgery, Fordham University School of Medicine; assistant attending gynaecologist, Presbyterian Hospital Dispensary, New York; attending physician to the Vanderbilt Clinic, College of Physicians and Surgeons, New York, etc., and forty contributors. Dietotherapy, published by permission of The Surgeon General of the United States, 1918.]

It is the opinion of careful students of the subject, that the moderate use of alcohol in health is harmless. It undoubtedly has a place in disease. It may be employed in fevers and wasting diseases, where by its oxidation, it limits the destruction of bodily tissues, reduces the temperature and stimulates the heart and circulation. Young children and aged persons bear stimulants well.

There are reasons for the theory that alcohol actually increases the resisting power of the body to the poisonous toxins of the septic fevers.

In some chronic diseases, such as diabetes, alcohol is used advantageously to replace a certain amount of carbohydrate in the diet.

The aromatic and bitter principles employed in beer are harmless when taken in moderation, and usually exert a tonic action on the stomach. They serve to stimulate the appetite, invigorate the system, and so act as agents introducing into the body an increased supply of nutriment.

It is probable that a tumblerful of good brisk beer may actually aid digestion, by increasing appetite and stimulating a more abundant secretion of the gastric juice, as well as stimulating more active movements of the stomach.

Stout and porter are popularly believed to be more digestible. Says Hutchison: "If it be desired to avoid nervousness and to get rid of insomnia, shun tea and coffee, and drink stout."

On account of the extractives present, beer contains more nourishment than any other alcoholic beverage.

It has been determined by exhaustive study of the effects of malt liquors on the digestive system, that, when containing the bitter principle of hops, they act as appetizers, aid digestion, and encourage sleep. These properties make them of value in certain forms of dyspepsia and debility, especially when induced by disease, overexertion, worry, neuralgia, and the like.

Genuine malt liquors can be produced of low alcoholic strength (2 per cent alcohol). These are practically nonintoxicating.

As a cardiac stimulant alcohol should be given when heart failure is impending. Disappearance of the first sound always calls for the administration of alcohol. In cardiac failure accompanying acute disease, unlimited quantities of brandy are indicated.

Alcohol is of great value for its stimulating effect upon the spirits in conditions of profound nervous exhaustion, where there is great depression. It also produces remarkable soothing effects in muscular weakness.

Alcohol taken moderately, immediately before or during meals, promotes the appetite and aids digestion, lessens the elimination of waste products, causes a subjective sensation of heat and slightly raises the body temperature.

As a result of much experimentation, it has been determined that from 1 to 1½ fluid ounces of absolute alcohol can be completely oxidized in the human system within a period of 24 hours, and in such a way that none of its narcotic effects are manifested, and no unchanged alcohol appears in the urine.

It is estimated that this amount of alcohol would be contained in the following amounts of the common alcoholic drinks:

	Fluid ounces.
Brandy or whisky, 50 per cent alcohol	2
Port, sherry, etc., 20 per cent alcohol	5
Claret, hock, champagne, 10 per cent alcohol	10
Bottled beer, 2¾ per cent alcohol	30

Wine has a restorative action on those exhausted by fatigue, mental labor, insufficient food or long illness, and in various diseases, such as anemia, atony of the digestive organs, and general debility.

Good champagne can be taken with impunity by gouty and rheumatic patients, and is very serviceable in cases of acute illness where there is a tendency to heart failure, in obstinate vomiting and convalescence. It is a valuable remedy in fevers and other wasting diseases.

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[Julius Friedenwald, M. D., professor of gastro-enterology, College of Physicians and Surgeons, Baltimore, and John Ruhrah, M. D., professor of children's diseases, College of Physicians and Surgeons, Baltimore. Diet in Health and Disease, 1917.]

Alcohol has food value. It protects the protein of food and body tissue from consumption, as has been demonstrated by Atwater, and in this way it serves the body as a food.

The rapidity of its absorption and ease of oxidation makes it a valuable adjunct in feeding individuals in extreme wasted conditions.

The use of alcohol is of undoubted value in medicine. The use and abuse have been confounded.

It is frequently used as a stomachic to produce appetite and stimulate the secretion of the gastric juice.

It is also a respiratory stimulant and used in heart weakness.

Malt liquors in moderate quantities seem to aid digestion, increase appetite, and stimulate gastric digestion. They have considerable food value.

Wines in moderate quantities also improve digestion. Fortified wines in small quantities are the appropriate stimuli for certain kinds of infantile and youthful debility adn of the enfeebled nervous systems of old persons.

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[Louis Fischer, M. D., pediatrist to Zion Hospital, Suydenham Hospital, New York, etc. Disease of Infancy and Childhood, 1914.]

Following the birth of the child, iced champagne will do more to allay irritation than all medication.

If the mother is accustomed to drinking wine or beer, it is unwise to discontinue the practice while nursing.

Many women whose flow of milk is scant will secrete an abundance of milk after partaking of a glass of beer or ale with their meals.

Beer has a decided laxative effect, and this is rather an advantage where there is a tendency to constipation.

To increase the total quantity of milk in the breasts of the nursing mother malt extracts may be helpful.

In acute gastric catarrh of infants malt extract should be given to aid nutrition.

In anemia malt preparations, wine, or champagne are often valuable.

In symptoms of collapse in broncho-pneumonia active alcoholic stimulation is indicated.

Malt extracts contain a live factor and are therefore valuable as an antiscorbutic restorative.

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[Charles Gilmore Kerley, M. D., professor of Diseases of Children, New York Polyclinic School and Hospital; attending physician to the New York Nursery and Childs Hospital, etc. The Practice of Pediatrics, 1918.]

Alcohol is occasionally of great service in diseases of children. Under certain conditions it answers better than any other means of stimulation. Its use in my hands has been that of a food and a stimulant in very grave conditions.

It has been of much service in two conditions in which, in my opinion, nothing can replace it.

I refer, first, to that time which may arise in any grave disease when the heart fails to respond to the usual stimulation. Alcohol given well diluted is usually well borne and assimilated. It supports the heart, improves the respiration, and often will carry the patient through to a successful convalescence even when the outlook is very unpromising.

The second condition in which alcohol is useful is in cases with greatly lowered vitality resulting from some severe illness. If a child is suffering from shock, bordering on collapse, alcohol will do much to sustain him until he is able to assimilate easily digested food.

The use of alcohol in moderate amounts in the form of malt liquors or wine will usually increase the fat in the mother's milk. I have frequently seen it advance 2 per cent in from two to three days.

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[Charles Hunter Dunn, M. D., instructor in pediatrics, Harvard University, physician in chief at the Infant's Hospital, etc. Pediatrics, the Hygienic and Medical Treatment of Children, 1917. Founded upon the teachings of Thomas Morgan Rotch, M. D.]

Alcohol is well tolerated by young children, even by infants. Its chief value in early life is as a tonic, particularly in conditions of malnutrition. It is useful in many chronic conditions and in acute febrile diseases late in the course of the disease.

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[L. Emmett Holt, M. D., Sc. D., LL. D., professor of diseases of childhood in the College of Physicians and Surgeons, New York; attending physicians to the Babies' and Foundling Hospitals, etc.; and John Howland, A. M., M. D., professor of pediatrics in the Johns Hopkins University, Baltimore; pediatrician in chief to the Johns Hopkins Hospital, etc. The Diseases of Infancy and Childhood, 1916.]

Alcoholic stimulants are well tolerated even by young children.

With many women the use of malted liquors, ale, beer, etc., increase the quantity of milk and the proportion of fat.

Unless taken in large amounts by the mother, alcohol does not appear in her milk, and there is no sufficient evidence that in usual amounts it has any deleterious effect upon the milk.

There is little doubt that alcohol is at times of much benefit.

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[Arthur R. Cushny, M. D., LL. D., F. R. S., professor of pharmacology in the University of London; examiner in the Universities of London, Manchester, Oxford, Cambridge, Glasgow, Leeds, etc. A Textbook of Pharmacology and Therapeutics, 1918.]

Alcohol allays the anxiety and distress of the patient, promotes rest and sleep, and thus aids toward healing, or, at the worst, renders illness more tolerable.

Small quantities of other narcotics might be substituted for alcohol, but none of them perhaps excel it in producing that spirit of hopefulness and restful confidence which contributes so much to recovery.

In sudden chill with a tendency to fever, alcohol is often of great benefit, especially when taken in the form of brandy or whisky diluted with hot water.

In chronic conditions of cachexia and loss of flesh in general and during convalescence alcoholic preparations are often advised simply as foods, and in these cases the ales, beers, and porters are generally to be preferred to the others, as they contain other foodstuffs of value, in addition to the alcohol.

Alcohol is of value as a mild hypnotic, a comparatively small quantity taken before retiring being often sufficient to secure quiet and refreshing sleep. Beer or spirits and water is generally used for this purpose.

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[George Frederick Still, M. A., M. D., F. R. C. P., physician for diseases of children, Kings' College Hospital; professor of diseases of children, Kings' College, London. Common Disorders and Diseases of Childhood, 1915.]

I think there are very few cases of broncho-pneumonia in infancy in which alcohol is not advantageous at some period of the disease; in older children also, when the heart action is becoming enfeebled and the child is becoming exhausted, alcohol is most valuable.

The value of alcohol in the early stage of severe diarrhea, when there is extreme exhaustion and collapse, is, I think, quite undeniable. Brandy in cold water may be retained when all else is vomited, and act as a powerful stimulant to an infant. It is not only as a stimulant that small doses of brandy are valuable, but also in the prevention of vomiting.

I think that an unbiased observer must admit that brandy is sometimes very valuable in the bad case of pneumonia.

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[Benjamin Knox Rachford, M. D., professor of diseases of children, Ohio Miami College, department of medicine of the University of Cincinnati; pediatrician to the Cincinnati Hospital; ex-president of the American Pediatric Society, etc. Diseases of Children, 1912.]

Whisky or brandy should be given in all cases of broncho-pneumonia. In a long-continued disease, such as broncho-pneumonia, where the child is necessarily underfed, whisky serves as a food; it keeps up the strength and prevents excessive waste of tissues.

In acute cardiac dilatation, alcohol in the form of good whisky or brandy is of value.

In lobar pneumonia in underfed infants whisky or brandy is indicated from the beginning of the disease.

In typhoid fever, where the digestive capacity is such that the child is underfed, alcohol should be used, not as a stimulant, but as a food.

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[Chalmers Watson, M. D., F. R. C. P. E., assistant physician Royal Infirmary, Edinburgh, editor of the Encyclopedica Medica, etc. Food and Feeding in Health and Disease, 1913.]

There is no question of the undoubted value of alcohol in the treatment of certain diseases, more especially in their critical stages.

In certain acute fevers such as pneumonia, diphtheria, and the like, when the circulation is distinctly failing, the administration of alcohol is followed by a material improvement in the general condition of the patient.

Diphtheria is such a treacherous disease that it is advisable to have recourse to the use of stimulants if there is the least dissatisfaction with the condition of the patient.

In weak, elderly subjects, with bronchitis or with chronic heart disease, a little whisky, brandy, or dry champagne is of great value as a stimulant. It may have at the same time a sedative effect and promote sleep.

Alcohol is sometimes of considerable value in cases of failure of digestive power. A glass of beer or stout, given with one or two meals daily for a time, is occasionally of distinct value, acting as a bitter tonic and at the same time supplying a relatively large amount of nutriment in fluid form.

In protracted convalescence from some acute diseases, a glass of beer, a little whisky, or a glass of wine taken with the chief meals, may improve the tone of the digestion and accelerate the rate of recovery.

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[Robert Hutchison, M. D., F. R. C. P. Edin., physician to the London Hospital, physician to the Hospital for Sick Children, London. Food: The Principles of Dietetics, 1917.]

Bottled stout is an ideal soporific. I scarcely ever met with a man who could withstand the soporific effects of bottled stout. It is far better than opium and induces a more nearly natural sleep.

If a little bitter beer or glass of wine at meals increases the mother's appetite and her power of digesting ordinary food, then such an addition to her diet will improve her own nutrition and with it the composition of her milk.

Alcohol certainly spares fat and sometimes carbohydrate and yields heat and energy to the body. Of this fact there is no longer any doubt, and it at once entitles alcohol to rank as a food.

(Quoting Matthew Arnold:) "Wine used in moderation seems to add to the agreeableness of life, and whatever adds to the agreeableness of life adds to its resources and power."

It is in conditions just short of health, however, in old age, overwork, and fatigue that the beneficial effects of alcohol become more marked.

As regards the form in which alcohol should be used, beer seems to be most natural for youth, wine in the middle life, whilst spirits may be reserved for the aged.

As long as the efficiency of the heart is improved by its administration, alcohol is doing good. In fever its power of lowering temperature and its calming influence on the brain are also of use.

There are also grounds for the belief that alcohol actually increases the resisting power of the body to the poisons of certain diseases, such, for example, as septic fevers.

We have the clinical experience of good observers, who regard alcohol as being actually an antidote to acute erysipelas.

In some chronic diseases, such as diabetes, alcohol is used as a real food to replace a certain amount of carbohydrate in the diet, whilst in others it is chiefly its tonic influence on digestion which one seeks to obtain.

Hippocrates recognized the value of wine in fever, and since his time it has been pretty generally employed.

In some special diseases such as malaria, erysipelas, and septic poisoning, alcohol seems to increase the resisting power of the patient, and is almost always indicated on that account.

In some forms of delirium bottled stout seems to exert a peculiarly sedative influence.

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[Robert F. Williams, M. A., M. D., professor of practice of medicine in the Medical College of Virginia, etc. Food and Diet in Health and Disease, 1906.]

In tuberculosis, alcohol lowers temperature somewhat by increasing the cutaneous circulation, and through this same action it often lessens night sweats and insomnia. These effects are beneficial and constitute the indications for its use. Good beer, porter, or ale is permissible when it is preferred by the patient, especially in warm weather, and it is often more efficient than wine or spirits in stimulating the appetite. It is useful also, given at bedtime, for preventing sleeplessness.

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[A. A. Stevens, A. M., M. D., professor of therapeutics and clinical medicine, Woman's Medical College of Pennsylvania; lecturer on physical diagnosis in the University of Pennsylvania, etc. Materia Medica and Therapeutics, 1909.]

Alcohol is employed internally as a diffusible circulatory stimulant, a stomachic, a food, and a chemical antidote.

Externally it is used as an antiseptic, a stimulant, a hemostatic, and an antihydrotic.

In all forms of sudden heart failure, as in syncope, shock, snake bite, and acute febrile diseases, alcohol is an invaluable stimulant.

In the continued fevers, like typhoid, it fills a triple rôle; it serves as a food, as a general stimulant, and as a promoter of digestion.

In chronic diseases, like phthisis, obstinate atonic dyspepsia, and valvular affections of the heart, it often does good.

Hops act as a bitter tonic and as a feeble hypnotic. In the restlessness of fevers they are sometimes useful sedatives.

In tuberculosis, malt liquors and wines are usually the best preparations of alcohol when digestion is good, but when the digestive power is feeble whisky or brandy is preferable.

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[William Tibbles, M. D., L. L. D., L. R. C. P., M. R. C. S., L. S. A., Medical officer of health, fellow of the Royal Institute of Public Health, London, etc. Dietetics, or Food in Health and Disease, 1914.]

Alcohol is primarily an appetizer. It sharpens the palate and increases the desire for and enjoyment of food, and to that extent is beneficial.

Convalescent, debilitated, or aged persons frequently eat more food when it is accompanied by a glass of beer, wine, or diluted spirits.

The value of such a beverage to those who need stimulation, and especially to those whose occupation is sedentary, is admitted by most scientific men.

Alcohol is a rapid and trustworthy restorative.

In many cases it is truly life-preserving, owing to its power to sustain cardiac and nervous energy. It may help a patient through the crisis of pneumonia or enteric fever by stimulating the flagging circulation, soothing the nervous system, producing sleep, enlivening the mind, and encouraging the patient.

In pneumonia, if the pulse becomes small, rapid, feeble, and irregular, the breathing embarrassed, the lips and nose cyanosed, alcohol is a valuable ally and as necessary as strychnine, musk, ether, digitalis, and oxygen.

In many cases of insomnia, a glass of whisky or stout is a good sedative.

In neuralgia and other cases of nervous irritability, wine, ale, or stout is beneficial.

Beer, ale, and stout, by virtue of their taste, aromatic bitters, and tonics, give a relish to food, increase appetite, and promote the flow of saliva. To this extent they assist digestion. They are useful to convalescents, those enfeebled by chronic diseases, and the aged. They are of some value to those whose stomach has lost tone by overwork, rush, and worry, and to sufferers from neuralgia and insomnia.

Claret is of value in all cases of debility, not merely as a stimulant but as a genuine tonic and restorative. It is of value in cases of anemia, general debility, overwork, enfeebled digestion, and similar ailments. It is valuable in atonic and bilious forms of indigestion, diarrhea, and relaxed conditions of all mucous membranes.

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[W. Langdon Brown, M. D., F. R. C. P., assistant physician to St. Bartholomew's Hospital and physician to the Metropolitan Hospital, London, etc., and J. Keough Murphy, M. C., F. R. C. S., surgeon to the Miller General Hospital for Southeast London and to the Paddington Green Children's Hospital, etc. Encyclopædia of Medical Treatment, 1915.]

In shock alcohol plays a useful part in improving the circulation.

As an aid to digestion, alcoholic beverages may be useful during convalescence and in old people, when it will be found to increase the appetite and the secretion of the gastric juice.

As a cardiac stimulant, alcohol is useful in acute febrile disorders, such as typhoid and pneumonia.

It is in acute febrile disorders, also, that the value of alcohol for inducing sleep is best seen. The production of sleep by alcohol in these conditions is most valuable for restoring the nervous system.

Another valuable action of alcohol in acute febrile disturbances is its value as a foodstuff.

For relief in asthma, hot rum and milk, hot whisky, water, and lemon are very useful forms.

The elaborate experiments of Atwater and Benedict are conclusive that alcohol is an easily assimilable foodstuff.

In some cases of diabetes alcohol has been shown to reduce the acetonuria and glucose excretion; and consequently it may be of some value in such cases as a food.

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[Abstract from editorial in Medical Brief, St. Louis, July, 1918.]

There is, however, one point overlooked in regard to the rôle of beer in the dietary. It contains a material amount of diet deficiency substances of the order of vitamines, and investigations have shown that beer added to the dietary increased the assimilation of the nonnitrogenous foodstuffs, and particularly of fats, while alcohol in moderate amount increased protein absorption from nitrogenous foods. Then, again, beer has undoubtedly a condimental action and often makes the simple meal attractive, if it is only bread and cheese. Thus regarded, beer, instead of representing a waste of food materials from which it is made, may actually effect an economy in inducing in those whose custom it is to drink it a better appreciation of the food they consume. In the recent bitter controversy about the merits and demerits of beer, this consideration should not be left out of the equation, in justice to the beer drinkers, who are modest in their demands for the national beverage.

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[Daniel M. Hoyt, M. D., formerly instructor in therapeutics, University of Pennsylvania; assistant physician to the Philadelphia General Hospital. Practical Therapeutics, 1914.]

Alcohol yields about as much heat and energy as the fats. To a large extent it is burned up in the body, and under certain circumstances may yield to the organism its energy, and is in this sense a food.

The beers contains anywhere from 2 to 5 per cent alcohol, but also a considerable percentage of carbohydrates, and are therefore of some value as a food.

Alcohol is useful as a fugacious stimulant, as in collapse, mainly because of its indirect action upon the heart. It sometimes aids in quieting delirium in the acute infectious diseases. In small doses it improves digestion temporarily by acting as a stomachic.

Alcohol has long been used to abort a cold. It is of some value for this.

In certain well-selected cases of tuberculosis, alcohol has the merit of stimulating digestion and influencing metabolism.

Extract of malt has considerable food value. It is said to be extremely valuable to increase the milk of nursing mothers, and may be tried in cases of malnutrition.

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[Hobart Amory Hare, M. D., B. Sc., professor of therapeutics and materia medica in the Jefferson Medical College of Philadelphia; physician to the Jefferson Medical College Hospital, etc., 1916. Practical Therapeutics, 1916.]

Clinical experience too great to be ignored stands for the continued employment of alcohol.

In recent experiments carried out by the author he was able to show that alcohol produces a distinct increase in the bacteriolitic power of the blood in disease, probably by increasing the activity of the complemental body. This is perhaps the explanation of the good results which follow the use of the drug in medicine. The chief uses of the drug are as a rapidly acting equalizer of the circulation in all forms of circulatory failure due to shock or poisons and as a systemic support in low fevers and prolonged wasting diseases, in old age, and in convalescence from acute disease.

In pneumonias alcohol is useful, and particularly is this true when these affections occur in alcoholics.

Some additional conditions in which alcohol is indicated are fainting, snake bites, surgical shock, pneumonia in its later stages, and excessive wasting due to prolonged suppuration.

In exhausting fevers, such as typhus and typhoid, alcohol finds its true usefulness.

In persistent vomiting the use of small doses of brandy will often do good.

Stout and porter are of value in wasting diseases, in convalescence from acute diseases, and for nursing women.

Hops are used as antispasmodics and nervous sedatives in cases of hysteria and nervousness.

In constipation beers differ in their properties, some of them increasing and some of them decreasing intestinal activity.

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[A. A. Brill, Ph. B., M. D., assistant professor of psychiatry, New York Post Graduate Medical School and Hospital, lecturer on abnormal psychology, New York University, etc. Miscellaneous writings, 1918.]

Alcohol has an indisputable place in the human physiological and psychological economy. I know of no other drug which will replace it in certain conditions. In states of exhaustion there is no other drug that can be used with more benefit and less danger than alcohol in proper dose. This fact alone would justify its continued use as a therapeutic agent.

My experience with hundreds of chronic alcoholics has taught me that alcoholism is merely a symptom of some underlying condition. If these individuals did not use alcohol to excess they would probably do something worse, such as commit crimes or resort to drug using, which is infinitely worse for society.

Every normally adjusted person uses alcohol as intelligently as he uses any other food, and upon him it undoubtedly exerts a salutary effect.

Beer, ale, and porter have served me well in cases of insomnia, where I hesitated to employ strong narcotics. They have also acted admirably in innumerable cases of general exhaustion, being mildly stimulating and possessing undoubted nourishing properties and encouraging the taking of additional foods. In this way they are valuable therapeutic agents.

Alcohol is an enormous social and psychological benefactor. By its proper use it has undoubtedly served as a safety valve for the masses by varying the monotony of life and thereby making life more bearable.

Alcohol has probably kept more persons out of insane asylums than it ever brought to them.

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[Charles E. de M. Sajous, M. D., professor of therapeutics in the Temple University of Pennsylvania, formerly professor in the Medico-Chirurgical College, and clinical lecturer in Jefferson Medical College, etc., and 100 associate editors. Analytical Cyclopedia of Practical Medicine, 1907.]

Malt liquors—ale, stout, and beer—contain diastase, which aids the digestion of starchy foods. They are especially tonic in effect.

The older view is that alcohol is a valuable agent when judiciously employed, and that they are especially indicated as stimulants in cases of fatigue, in convalescence from acute diseases, in persons who live a sedentary life, or who suffer from poor digestion, and in others who

are prostrated from acute illness. In all these cases a glass of wine or a little brandy diluted with water taken shortly before or with the food is thought to stimulate digestive organs and enable the patient to take more food. The disinfecting properties of alcohol are asserting themselves increasingly.

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[Harvey W. Wiley, M. D., Ph. D., Washington, D. C. Foods and Their Adulteration, 1918.]

It is popularly believed in many countries where fermented beverages are commonly consumed that the addition of wine or beer to the diet of the mother is beneficial in improving the quality of the milk and also sustaining the strength of the mother for her extra duties.

The use of alcohol in moderate quantities does not give rise to the presence of any alcohol whatever in the milk. Hence there is no danger usually of administering alcohol to the child by giving it to the mother.

It is doubtless true that the character of the mother's milk may be somewhat modified by the use of alcoholic beverages or alcoholic malt extracts. Experiments have shown that alcoholic beverages tend, perhaps, to increase the fat and to a less extent the protein.

There are some cases of ill health in which the advice to drink fermented beverages has been given and followed with benefit, especially if the mother, before the birth of the child, has been in the habit of using a moderate amount of alcohol. In such cases perhaps it is not advisable to prohibit entirely the use of these articles during the period of lactation.

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[Rakhaldas Ghosh, L. M. S., lecture on materia medica, Calcutta Medical School; B. H. Deare, lieutenant colonel Indian medical service, professor of materia medica and clinical medicine, Medical College of Bengal, physician to the college hospital, fellow of the University of Calcutta, etc.; and Birendra Nath Ghosh, F. R. F. P. S., lecturer of pharmacology, College of Physicians and Surgeons of Bengal, fellow of the Royal Society of Medicine. Materia Medica and Therapeutics, 1916.]

Used externally alcohol relieves some forms of headache, prevents or allays local inflammation, obviates threatening bed sores and cracked nipples, relieves itching in some skin diseases. As a liniment it is of value to aid the absorption of inflammatory products, gives nutrition to the tissues, and acts as a counterirritant in such conditions as bronchitis, pneumonia, and pleurisy. It is also of use in relieving pain.

Internally alcohol is used as a local astringent anodyne and antiseptic in many mouth and throat diseases.

Brandy relieves toothache and tonsillitis.

Port wine is used as a gargle in mercurial salivation and inflamed gums.

As a digestive stimulant alcohol may be given in small doses just before or during meals to convalescents with weakened appetite and digestion.

Patients suffering from chronic wasting diseases, town dwellers leading a sedentary life, and old and overworked persons can be benefited by alcohol.

In painful dyspepsia, vomiting of pregnancy, and flatulence, champagne or brandy and soda water is sometimes useful. A good peg of brandy or whisky often relieves gastric spasms.

Fainting, syncope, or threatened collapse may be aborted by a single large dose of whisky or brandy. As a cardiac stimulant brandy or whisky is used in threatening cardiac failure.

Diarrhea or cholera, in the beginning, may be checked by a stiff dose of brandy.

As a hypnotic, alcohol may be used at bedtime.

The various malt extracts are chiefly valuable for foods for persons suffering from wasting diseases, such as phthisis.

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[Alfred C. Croftan, M. D., author of Clinical Urology. Clinical Therapeutics. 1910.]

When the gastric juice is deficient, small quantities of alcoholic beverages are useful. In chronic varieties they act as a stimulus, increase the appetite, and materially aid in the digestion of fats.

Alcohol seems to be particularly useful in profound sepsis that threatens to produce heart collapse.

In Bright's disease, alcohol should be eliminated, as far as possible, but among subjects who have been used to drinking beer all their lives the occasional use of a glass of beer can, of course, do no great harm.

In influenza, a little whisky and water throughout the course of the disease aids materially in counteracting the heart weakness and symptoms of nervous depression that so commonly supervene in influenza.

In some forms of nervous diarrhea a small glass of brandy or liqueur is often efficacious in warding off the attack and also in preventing the occurrence of the other nervous symptoms.

For the night sweats of tuberculosis, brandy or whisky in milk or water is occasionally of value in stopping profuse perspiration during the night.

Alcohol, too, is a food which should not be omitted from the fare of tuberculous cases. It is best given in the form of diluted spirits or claret, or light wine diluted with water. Beer, owing to the percentage of carbohydrate it contains, is a particularly useful beverage and may be taken with impunity. It is especially useful in the evening on account of the slight soporific effect.

In tuberculosis, a very simple and generally efficient means of combating slight rises of temperature is the administration of alcohol, preferably in the form of hot toddy, whenever the premonitory signs occur; also in the form of a light Burgundy or Moselle wine as a table beverage. Early cases of tuberculosis, in my experience, are not so apt to develop so much fever, and especially very high degrees of temperature, if they use some alcohol as when they do not.

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[George F. Butler, A. M., Ph. G., M. D., professor and head of the department of therapeutics and professor of preventive and clinical medicine, Chicago College of Medicine and Surgery; medical department, Valparaiso University, etc. Materia Medica, Pharmacology, and Therapeutics. 1908.]

Alcohol in the form of wine, beer, or ale, taken before or during meals, is an efficient stomachic. Atonic dyspepsia and the weakened digestion attendant upon convalescence from acute diseases are generally benefited by some form of alcohol. When digestion becomes impaired as the result of physical or mental exhaustion, the drug serves a useful purpose.

As a pure cardiac stimulant alcohol is remarkably serviceable in syncope, asphyxia, exhausting hemorrhages, diphtheria, and collapse when death seems imminent.

In certain stages of various acute diseases alcohol is one of the most potent and useful remedies.

Small quantities of alcohol appear to exert a favorable action in functional impotence.

Its sedative action renders alcohol valuable as a hypnotic. It is a very useful hypnotic in the delirium of the acute infectious diseases.

The principal therapeutic use for alcohol, perhaps, is as a cardiac stimulant. In syncope, shock particularly, it is invaluable.

In acute colds, alcohol may restore balance.

As a stomachic, either claret, beer, or ale is most useful in improving the appetite.

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[H. Edward Lewis, M. D., editor of American Medicine; formerly instructor in chemistry and dietetics, Fanny Allen Hospital Training School for Nurses; formerly attending physician New York Nose, Throat, and Lung Hospital, etc. Diet for the Sick, 1916.]

It is generally conceded that alcohol posseses food value and when taken in small quantity is completely oxidized in the system. Careful experiments seem to indicate that it retards waste by sparing the wear and tear of tissue proteids. Consequently its value in febrile conditions and acute wasting diseases is sometimes very great.

In fevers it not only repairs the tissue waste, but also sustains the heart and nervous system and aids in lowering the temperature.

It is an available, convenient, and rapidly acting agent in heart failure. For this purpose brandy or whisky is preferable.

Small continued doses are often useful in chronic heart affections.

Its stimulating properties are of service in pneumonia, typhoid fever, erysipelas, puerperal fever, and in nearly all acute diseases of elderly people and cachectics; in a word, wherever there is debility and a tendency to collapse.

Ale, stout, and porter have a special tonic effect, and the diastase they contain aids the digestion of starchy foods.

Alcohol has also proven useful in hemoptysis and uterine hemorrhage.

It has been recommended by some authorities for children in capillary bronchitis, broncho-pneumonia, pneumonia, and choleroid forms of diarrhea.

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[Walter A. Bastedo, Ph. G., M. D., assistant professor of clinical medicine, Columbia University; associate attending physician, St. Lukes Hospital, New York; attending physician, City Hospital, New York; formerly curator New York Botanical Garden, etc. Materia Medica and Pharmacology, 1918.]

Externally, alcohol is of value as an antiseptic, as in cleaning surgeons' hands or the skin of a patient. As a cooling lotion in headache and itching skin diseases. For rubbing the body of an invalid. In sweating of the hands and feet, and in the night sweats of tuberculosis. As a preventive of carbolic acid burns, alcohol is the best remedy.

For their effect on appetite and digestion alcohol drinks may be employed in convalescence and debility and in conditions of diminished gastric secretion; for their carminative action in flatulence and colic; for their reflex stimulating effect in fainting and faintness.

For systemic effect whisky or brandy is most employed as follows:

1. To prevent or check a cold.

2. To furnish food and stimulation in depressed conditions from acute illness.

3. As a narcotic and sedative in states of nervousness, restlessness, or delirium.

4. As a hypnotic in mild chronic forms of insomnia as from mental work late at night or continued nervous strain (beer, ale, or whisky, taken at bedtime).

5. In fever as an antipyretic and food, and as a narcotic to allay nervousness and promote quiet and sleep.

6. In shock.

In sickness it is equally imperative to use judgment before cutting off the alcohol from a drinker; it will not do; for example, to stop the whisky of a chronic drinker during an attack of pneumonia.

The hops used in the manufacture of beer contribute to its hypnotic power.

Lupulin, derived from hops, is used as a bitter, a mild sedative and antispasmodic in the treatment of nervousness, restlessness, and hysteria.

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[Louis Kolipinski, M. D., Washington, D. C. New York Medical News, Oct. 5, 1901.]

In acute vomiting the action of lager beer is certain, and intolerance rare. Its after effects, as everyone knows, are soporific. The beneficial effects are most marked in women and in those who are not habitual users of alcohol. Dark beer is preferable. A bottle or two suffices. Singularly good results can be obtained from small doses. This is illustrated in the attacks of nausea, bilious vomiting, vertigo, and sleeplessness, often a striking syndrome of epidemic influenza. A wineglass of beer repeated in half an hour will immediately soothe the distressed organ and give a night of refreshing sleep.

In a patient with very severe and persistent vomiting of four days' duration, caused by an inflamed ovary, relief came after the patient had taken the contents of three bottles of beer.

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[Paul Bartholow, A. B., M. D., professor emeritus of materia medica, general thereapeutics, and hygiene, Jefferson Medical College of Philadelphia, formerly professor of materia medica and therapeutics and the practice of medicine in the Medical College of Ohio, etc. Materia Medica and Therapeutics, 1906.]

Beer, ale, and porter are much and justly esteemed as stomachic tonics and restoratives in chronic wasting diseases; for example, in convalescence from acute diseases and surgical injuries, in cases of profuse and protracted suppuration, prolonged lactation, diseases of the joints, scrofula, phthisis, etc.

Alcoholic beverages only increase the amount of fats in the mother's milk and not the quantity of the milk as a whole.

When wakefulness is due to cerebral anemia, a glass of beer or ale at bedtime will frequently produce satisfactory sleep.

Puerperal mania, delirium tremens, and acute maniacal delirium, when coexisting with a condition of adynamia, are greatly benefited by the use of ale. The effect of this remedy is to arouse the appetite, to quiet delirium, and produce sleep.

Alcohol in small doses is a useful stomachic tonic. It is especially serviceable in the feeble digestion of old people, the atonic dyspepsia of the sedentary, and in the slow and inefficient digestion of convalescents from acute diseases.

Summer diarrhea, both of adults and children, may be arrested by a full dose of brandy. The vomiting of cholera morbus and cholera may frequently be arrested by small doses of iced brandy. Other forms of vomiting, as, for example, the vomiting of pregnancy, can sometimes be relieved by the same remedy.

Alcohol in some form is constantly prescribed in low conditions in fevers, acute inflammations, and depressing maladies of all kinds.

Alcohol is a narcotic. It may be used to relieve pain, promote sleep, and to quiet delirium.

As alcohol stops waste, promotes constructive metamorphosis by increasing the appetite and the digestive power, and favors the deposition of fat, it is directly indicated in chronic wasting diseases, especially in phthisis. Clinical experience is in accord with physiological data.

Alcohol is an important remedy in the various forms of pulmonary phthisis.

In convalescence from acute diseases there can be no difference of opinion as to the great value of wine as a restorative.

In wasting diseases wines serve a double purpose—they stimulate the activity of the primary assimilation and, within certain limits, they are used as foods.

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[John William Springthorpe, M. A., M. D., M. R. C. P., senior physician to the Melbourne Australian Hospital; lecturer on therapeutics, dietetics, and hygiene; and dean of the faculty of dentistry in the University of Melbourne, etc., Therapeutics, Dietetics, and Hygiene, 1914.]

Alcohol increases the flow of the saliva and the acids, solids, and total amount of the gastric juice, which it also renders strongly proteolytic.

The constant search of all mankind has been after satisfaction. The only permanent way out of dissastisfaction is through the removal of the cause, a course, however, which from inheritance or circumstances is frequently impossible. The dissatisfaction may be subjective or objective, subtle or simple, recognized or unrecognized, it matters not which or how or why. But in the knowledge, or the power, or the inclination as to how to gain contentment and happiness in this the only lasting manner, resort is had to what experience has shown temporarily removes the perception of numberless skin pricks and gives a sense of well-being. It may be true that the amelioration is not genuine, still it satisfies while it lasts, and though to the scientist the paradise is a fool's one, still to the individual it is not only real but often also the only one attainable.

It is this transforming stimulo-sedative action that seems to be the explanation and justification of its universal use. Philosophically, alcohol is the characteristic stimulo sedative which seems to bring happiness and promote satisfaction. And in their practical dealing with human conditions, resort will continue to be had by brainy men and women to some such magician until the millenium appears in which all are satisfactorily situated, all know what is best for them, all can promptly secure it, and all are prepared to do so.

In addition to alcohol, beers contain sufficient extractives to give them food value, whilst the bitter, narcotic principle of hops renders them sedative as well as hypnotic. They are therefore foods as well as beverages and best suited for those who have to work hard for a living.

Spirits are a little less than an alcohol of 50 per cent strength, and one of the greatest dietetic reforms now in progress is their replacement by light wines and still lighter ales.

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[W. Hale White, M. D., lieutenant colonel, R. A. M. C.; senior physician and lecturer on medicine at Guy Hospital; editor of "A Textbook on Pharmacy and Therapeutics," etc. Materia Medica, Pharmacy, Pharmacology, and Therapeutics, 1916.]

Alcohol in small quantities aids digestion and absorption. For the indigestion of the aged and feeble or for those who are thoroughly exhausted by overwork it is very valuable. It is also useful because it increases the appetite and it is a food which is absorbed without previous digestion. It may relieve painful indigestion and check vomiting. Brandy and water will often check diarrhea.

Alcohol may be used as a soporific, relieving insomnia.

Alcohol has been largely used in all sorts of febrile conditions.

Extract of malt is a very valuable food, especially for persons who are suffering from wasting diseases and have feeble digestion. It is easily tolerated by the stomach.

The fevered patient may take as much malt extract as he can without upsetting the digestion.

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[I. Burney Yeo, M. D., F. R. C. P., emeritus professor of medicine in King's College; consulting physician to King's College Hospital, etc.; Raymond Crawfurd, M. A., M. D., F. R. C. P., physician and lecturer on clinical medicine to King's College; examiner in medicine, Royal College of Physicians, London, etc.; and E. Farquhar Buzzard, M. A., M. D., F. R. C. P., physician for out-patients to St. Thomas Hospital and to the National Hospital for the Paralyzed and Epileptic, etc. Medical Treatment and Therapeutics, 1913.]

In typhoid fever there are very few cases that are not the better for a glass or two of port wine daily during the early part of convalescence. Restlessness and sleeplessness will sometimes be relieved by a full dose of brandy or whisky given with the food. We have seen an ounce of brandy send a convalescent sleepless patient to sleep in a few minutes.

In aortic insufficiency supporting foods and a moderate amount of alcoholic stimulants are necessary.

In acute anemia that follows hemorrhage warm brandy and water will be a good diffusible stimulant.

In simple anemia a certain amount of wine will be found useful, both as a stimulant and sedative; or a glass of porter or stout may sometimes be taken with advantage at bedtime with a biscuit.

In angina pectoris, at the onset of an attack give some warm diffusible stimulant, such as a little brandy or whisky in peppermint water.

In dysentery a teaspoonful of brandy with a little warm coffee is an excellent stimulant.

In acute bronchial catarrh warm, weak alcoholic drinks are needed to keep up the force of the circulation, while at the same time they favor diaphoresis, reduce fever, and promote expectoration.

In chorea alcohol in moderation should be given in severe cases when exhaustion is threatened.

In scurvy wine, beer, and cider all have some influence for good.

In diabetes, in mild cases, a little nonsaccharine wine, or small quantities of whisky, brandy, or gin may be substituted if required.

In diphtheria any indications of heart failure must be met by an increase in the amount of wine or brandy, which should be given at short intervals, until the action of the heart improves.

Alcohol has a well-known power of inducing sleep. A glass of bitter ale or stout at bedtime or a tablespoonful or two of sound whisky with hot water will frequently have the effect of inducing sleep.

We shall encounter very few cases of phthisis which are not benefited at some period of their course by the discreet administration of alcoholic stimulants.

When the patient is able to drink fermented malt liquors he may be allowed daily two or three glasses of sound bitter beer, porter, or stout; of wine, half a pint to a pint of really good Bordeaux or Burgundy, or of some of the better description of Hungarian, Italian, or Greek wines.

In febrile cases of phthisis small quantities of alcohol given frequently have an excellent effect in supporting the strength, and especially during the night it is important to give two or three tablespoonfuls of brandy or whisky.

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[Reynold Webb Wilcox, M. A., M. D., LL. D., D. C. L., president of the American College of Physicians; retired professor of medicine of the New York Post Graduate Medical School and Hospital; formerly president of the Association of the Medical Reserve Corps, United States Army, etc. Materia Medica and Therapeutics, 1917.]

Used with careful discrimination alcohol is one of the most valuable remedies we possess. It is of many instances of service in increasing the appetite and improving the digestion, especially in the sedentary, aged, and feeble, and in instances of exhaustion from acute disease or overwork.

It may relieve gastric pain and allay nausea and vomiting.

In diarrheal affections in adults, as well as children, brandy is at times very useful. It may relieve intestinal colic.

Alcohol is of immense advantage in many instances of febrile diseases, where during critical periods it sustains the vital powers.

There are many instances where it is of inestimable value in such affections as typhoid and typhus fever, pneumonia, smallpox, cholera, and diphtheria, as well as in gangrene, pyemia, and septicemia.

It is likewise of the highest usefulness to arouse and support the flagging powers in sudden depression of the system, and is thus resorted to in shock, syncope, severe hemorrhage, and poisoning.

In many instances of tuberculosis and other wasting diseases it is a remedy of the greatest service, lessening tissue waste, and in general tending to retard the progress of the disease.

The narcotic effect of alcohol upon the nervous system may be employed to relieve pain, to promote sleep, and quiet delirium.

Hops are carminative, and the bitter principle likewise adds to the stomachic properties of the drug. It has an undoubted sedative and hypnotic influence and may sometimes be employed with advantage in hysteria, flatulent colic, and mild diarrheas. As malt liquors contain malt extract as well as hops, an aromatic bitter, their nutritive, tonic, and stomachic qualities are greater than those of spirits or wine.

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[D. H. Bergey, A. M., M. D., D. P. H., assistant professor of hygiene and bacteriology, University of Pennsylvania, etc. Principles of Hygiene, 1918.]

Physiologic experiments have demonstrated that the alcoholic beverages may be regarded as articles of food, not only on account of the alcohol present but also on account of the extractives they contain.

They serve to stimulate the digestion, the circulation, and the nervous system.

They also diminish the oxidation processes of the body and lower the temperature. Small amounts of alcohol may be taken daily in the food, and, according to Prof. Atwater's experiments, these small amounts are oxidized in the system and are therefore a source of energy.

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[Torald Sollman, M. D., professor pharmacology and materia medica in the School of Medicine of Western Reserve University, Cleveland, Ohio. Pharmacology, Therapeutics, and Toxicology, 1917.]

Alcohol in proper doses has been considered a true stimulant, and this opinion is still held by eminent pharmacologists. Its usefulness as a quickly acting stimulant can scarcely be doubted in the various forms of sudden circulatory collapse, syncope, exhaustion, hemorrhage, traumatic shock, snake venom, poisonings, etc. The narcotic action is also useful in these conditions.

In chronic heart disease small doses may be valuable to lessen the worries of the patient, especially if he has been accustomed to its use.

In exhausting fevers the intelligent and discriminating employment of alcohol should be useful. The beneficial effects are probably mainly nutrient, due to the direct food value of the alcohol and to the stimulation of the digestion and the absorption of other foods. This not only conserves the general nutrition of the patient but also increases the support of the exhausted heart.

The narcotic action of alcohol is useful by quieting the febrile excitement, thus reducing the demands on the strength of the patient.

Dilute alcoholic beverages, wine, and especially beer, increase the flow of urine.

Taken after the exposure to cold alcohol favors the absorption of external heat and also prevents the tendency to congestion of internal organs and thereby the tendency to "catch cold."

Moderate doses of alcohol act as "condiment" or stimulant to digestion. Therefore in some forms of indigestion wine or diluted spirits are of value.

In convalescence and debility the value of alcohol is supported by long experience.

It increases the comfort and the well-being of the patient and starts him on the way to improvement. The feeling of well-being caused by it, the sense of capability, the removal of worry, the enjoyment of the act of taking it, the rest and sleep induced by its narcotic action, its food value and its beneficial effects upon digestion, all concur in its action. To this may be added its slight but certain effects upon the vascular system, the altered distribution of blood, the diminished resistance to the heart—which may be of benefit in some cases. For these purposes, the alcohol should be taken well diluted, as light wines or beers.

In hypochondria, melancholia, neuralgia, and other obscure nervous diseases, alcohol relieves the patient by its mild narcotic and euphoristic action.

Alcohol, especially in the form of beer, taken at night, in the absence of excitement, is a fairly efficient hypnotic, producing less derangement than most other hypnotics.

Beer owes its marked hypnotic qualities to the lupulin of the hops, as well as to the alcohol.

It may be considered as probable that a certain amount of alcohol, variable in different cases, may be taken daily without any demonstrable permanently injurious effects.

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[Horatio C. Wood, M. D., LL. D., emeritus professor of materia medica and therapeutics in the University of Pennsylvania, etc.; and Horatio C. Wood, jr., M. D., associate professor of pharmacology in the University of Pennsylvania, etc.; assistant physician to the Philadelphia General Hospital, etc. Therapeutics, 1908.]

In a certain sense alcohol is a food. It must be considered as a food capable to some extent of replacing hydrocarbons.

Its chief therapeutic value in acute disease is a stimulant, a temporary imparter of power, to bridge over some period of weakness.

It is especially adapted for cases in which there is temporary loss of heart power, in acute diseases in which the powers of the system are in danger of being used up, and in those cases when death is threatened from cardiac failure in poisoning by toxins, venoms, and drugs.

In the advanced stages of pneumonia, pyemia, and exanthematous fevers, and other acute diseases, when the typhoid state is well developed, alcohol should be given boldly, to quiet by stimulation the nervous and circulatory systems, to afford a food, to aid digestion, and to aid in lowering temperature; in a word, to enable the system to stand the drain upon its vital powers and at the same time to check such drain.

The chief legitimate uses of alcohol in chronic diseases are to aid in digestion, to furnish a food which, without any digestive effort on the part of the system, shall be absorbed and shall take the place of more ordinary food, and to check excessive tissue waste.

In phthisis, and its cogenor, scrofulosis, it is probable that the use of ale may often prove beneficial, and in the latter stages of consumption its judicious use as an antipyretic, narcotic, stimulant to lessen the sufferings of the patient is perfectly justifiable.

The experience of almost every trout fisherman, has satisfied him that spirits do have power to prevent "catching cold" under sudden and unaccustomed exposure to wet and cold, and that benumbed extremities will become warm and have their proper feelings returned under the influence of a glass of whisky.

The question of choice as to which form of alcohol to be used has seemed to us to depend simply upon the personal likings of the patient, to which, therefore, the choice may well be left.

Hops are a bitter tonic and a very feeble narcotic, which have been given to quiet nervous irritability and to strengthen digestion in neurasthena, and even delirium tremens.

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[Charles A. Orr, A. M., M. D., Crafton, Pa. Materia Medica and Therapeutics.]

Alcohol may be used as a rapidly acting equalizer of the circulation in all forms of circulatory failure due to shock or poisons, and as a systemic support in low fevers and prolonged wasting diseases, in old age, and in convalescence from acute disease.

In both croupous and catarrhal pneumonia it is useful, and particularly is this true when these affections occur in alcoholics.

Alcohol is indicated in fainting, snake bites, surgical shock, and excessive wasting due to prolonged suppuration.

In exhausting fevers such as typhoid and typhus, alcohol finds its true usefulness.

In the atonic indigestion of nervous and depressed subjects and in cholera infantum, good brandy is universally found to be beneficial.

In persistent vomiting small doses of brandy on cracked ice will often give relief.

Hops are used as antispasmodics and nervous sedatives in cases of hysteria and nervousness.

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[Oliver T. Osborne, A. M., M. D., professor of materia medica, therapeutics, and clinical medicine in Yale Medical School; ex-chairman of the section on pharmacology and therapeutics, of the American Medical Association, etc. Handbook of Therapy, 1910.]

In diabetes, Janeway finds that a patient will digest more fats when alcohol is allowed him than when he does not take alcohol, and, in fact, finds that patients on a starch-free diet who must take large amounts of fat can not digest it without alcohol. Of course, alcohol also furnishes heat to the body.

In tropical dysentery, when the temperature is low and the patient feels cold, small doses of brandy may cause a feeling of warmth to the patient and the relief of internal congestion. It may prevent collapse from occurring.

Alcohol also has a food value.

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[George Sheever Shattuck, M. D., assistant physician to the Massachusetts Hospital, etc. Principles of Medical Treatment, 1916.]

In cardiac insufficiency, slight exaccerbations of dyspnea or distress can often be relieved by a quickly acting diffusible stimulant, as aromatic spirits of ammonia or whisky or brandy.

In circulatory disorders in the infectious diseases, emaciated patients, capable of taking little food, sometimes do well on large doses of alcohol, which seem to act for them as a food, and indirectly as a stimulant.

In typhoid fever, emaciated or septic patients, taking little food, may do well on alcohol.

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[Samuel O. L. Potter, A. M., M. D., M. R. C. P., London, formerly professor of the principles and practice of medicine in the Cooper Medical College of San Francisco; late major and surgeon of volunteers, United States Army, etc.; and Elmer H. Funk, M. D., associate in medicine, Jefferson Medical College, Philadelphia, assistant physician to the Philadelphia Hospital, etc. Therapeutics, Materia Medica, and Pharmacy, 1917.]

In small quantities taken just before or during a meal, alcohol is an efficient aid to digestion, especially in the aged and feeble and persons who are greatly exhausted by overwork.

In the atonic indigestion of nervous and depressed subjects, and in cholera infantum, good brandy is beneficial.

In the form of a sparkling wine, as champagne, or as brandy and soda water, alcohol may control vomiting from any cause, especially that of yellow fever and seasickness.

A single dose of strong whisky or brandy is often a very efficient combatant of fainting or of collapse.

Diarrhea of simple form may be checked by a dram of good brandy.

An attack of acute coryza or a cold from exposure, beginning with a chill, may frequently be aborted by a full dose of spirits in hot water.

In anemia and chlorisis good red wines are almost indispensable, also in convalescence from acute diseases, sudden hemorrhage, and many other morbid conditions.

In phthisis alcohol does good service if it promotes assimilation and assists digestion.

It is invaluable in poisoning by cardiac depressants and snake venom and impending cardiac failure from any cause.

Alcohol is the most efficient antidote in poisoning from carbolic acid.

In fevers, alcohol is often very serviceable. Its powers of supplying energy, of being itself oxidized in the body and acting as a food, of reducing body temperature and promoting respiration and sleep, are all indications for its beneficial employment in many febrile conditions, while its stimulant action on the heart may be available in such diseases as typhoid fever and lobar pneumonia.

It is an absolute necessity in the treatment of acute lobar pneumonia, if the patient has been accustomed to its use.

Some physicians agree with Mr. Lawson Tait, who declared himself "fully persuaded, after 30 years of life as hard in work and as full of responsibility as well could be, that the moderate use of alcohol is a necessity in our modern life."

Dr. Robert Farquharson sums up the case for moderate drinking as follows: "All stimulant is unnecessary for the young and for people living perfectly healthy lives, but under the stress and struggle of modern civilization, few of us beyond middle age are placed under normal physiological conditions, and a little alcohol helps us around the corners and to plane away the asperites of existence. In turns it may be a stimulant, or a sedative, or a tonic, or a digestive, or an actual food; and, unless we run on into excess, no physical damage can be done to our tissues. The argument in its favor, when wisely and prudently used, seems complete. It does us good, and can do us no harm."

Hops are a bitter tonic and a feeble hypnotic and antispasmodic. After slight cerebral excitement they produce calm and a soporific disposition, especially in alcoholic solution. The stomachic and tonic effects are due to the bitter principle, and are found in bitter ale. The primary stimulant and secondary sedative effects are due to the volatile oil, and are also possessed by ales and beer.

Hops are used as a tonic and calmative. In dyspepsia of atonic form hops are an excellent stomachic tonic, and in nervous irritability may be used as a calmative and hypnotic.

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[John V. Shoemaker, M. D., LL. D., professor of materia medica, pharmacology, therapeutics, and clinical medicine, and clinical professor of diseases of the skin in the Medico-Chirurgical College of Pennsylvania, etc. Materia Medica and Therapeutics, 1908.]

Malt liquors, ale, beer, porter, etc., contain nutritive material with a small proportion of diastase, which makes them useful in certain cases of weak digestion.

Malt liquors can be taken by those who suffer from the cerebral effects of wine.

To the action upon the digestive organs and the stimulating effect upon the nervous system and the circulation are to be ascribed the usefulness, in the treatment of disease, of alcohol judiciously given. In almost all cases it is intended to act as a restorative.

In phythisis a tolerance seems to exist, and patients can take relatively large quantities of alcohol without showing the symptoms of intoxication. The late Austin Flint reported the case of a young lady who took a pint of whisky daily for nearly two years for pulmonary phthisis and was finally cured.

In measles, when the eruption turns black or hemorrhagic, alcohol is best given in as large doses as will be borne, at short intervals.

In acute inflammations, as in pneumonia, when the heart begins to fail alcohol can usually be given with marked benefit.

In congestion of the lungs, typhoid pneumonia, or pneumonia of the aged, alcoholic stimulation is particularly indicated.

During convalescence from fevers, when the structures of the heart and stomach have been altered by the fever process and digestion is weak, it is often found that malt liquor in some form increases appetite and digestion, improves nutrition, and enables the patient to sleep better at night.

In the same way, persons who follow sedentary occupations and whose bodies are insufficiently nourished often find much benefit from the use of alcohol in moderate quantities, given just before or after or taken with their meals.

Its antiseptic powers are useful in infectious dyspepsia, where digestion is stopped by the growth of microorganisms, which set up excessive fermentation in the stomach and intestinal canal. Its acknowledged value in the zymotic diseases, and preeminently in diphtheria, is partly due to its antiseptic action in the alimentary tract. In similar manner, in cholera epidemics alcohol has decided prophylactic effects.

In cholera infantum, also, brandy exerts an excellent influence; and, indeed, in many bowel diseases among adults alcohol in the form of brandy or red wine is of great assistance.

Alcohol is in some measure antidotal to the poison of bacillus tuberculosis, and it is to this action that its unquestionable value in prolonging life in phthisis is due.

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[John H. Musser, jr., B. S., M. D., associate in medicine in the University of Pennsylvania, etc., and Thomas C. Kelly, A. M., M. D., instructor in medicine in the University of Pennsylvania, etc., and many other writers. Practical Treatment, 1917.]

In diabetes, Theodore C. Janeway says, with severe acidosis, whisky or brandy, well diluted, I believe to be of value.

As an article of diet in cardio-vascular disease, alcohol in small quantities is probably a compact and digestible respiratory food.

In weakness of the heart muscle, small amounts of whisky or brandy or wine may be advisable for the psychical effect to those accustomed to them.

In septicemia, as a cardiac stimulant alcohol has long been advocated.

In yellow fever, stimulants are given as indicated, especially strychnine and alcohol.

For the mere insomnia of heart disease, a little port wine, old sherry, sauterne, champagne, or brandy and soda water is often helpful.

Alcohol given before or after the Brand bath in typhoid fever is employed by J. C. Wilson, Tyson, Musser, Stengel, and others, and clinical experience does not seem to justify an objection.

According to Sir Lauder Brunton, Bart., M. D., D. Sc., LL. D., F. R. C. P., F. R. S., alcohol is sometimes a powerful hypnotic, partly by drawing the blood to the stomach and partly by its sedative effect upon the nervous structures themselves.

In collapse, the rapidity of the action of alcohol is a point much in its favor, as it may maintain life long enough to allow slower and more persistent stimulants to act. According to Dr. David L. Edsall, it seems to have been established with a reasonable clearness that the action of alcohol is to serve as a food. It is an energy producer, and thus spares the tissues from consumption. There is, I think, no rational doubt that small doses of alcohol are at times useful with those that are out of health, for their stimulating effect upon the appetite and upon digestion and occasionally for their effect upon other functions.

Beer, ale, stout, and porter usually contain 4.5 to 5.5 of carbohydrate. Consequently, if the other constituents of these preparations do not disturb digestion, the total food intake can often be largely and pleasantly increased by their use.

That the danger of inducing the alcohol habit has to be held in mind is self-evident and important, but with those preparations that contain only a small amount of alcohol this is unlikely with patients that have a reasonable amount of self-control.

According to Dr. Rufus I. Cole, in typhoid fever, in certain cases, especially in those who have been addicted to alcohol, or in the very strong and robust, when a cardiac stimulant is needed, it is well to give alcohol.

According to Sir Clifford Allbutt, in chronic diseases of the heart the fact that alcohol does act as a powerful cordial in heart failure is undeniable by anyone who has averted a faint by a glass of wine or watched its effect upon certain feeble, irregular, and rapid pulses. Alcohol certainly appears to be a potent temporary restorative. Within limits, it is useful also as a concentrated and readily absorbed food. In severe cases of cardiac oppression, physicians whose clinical experience deserves the greatest respect—Broadbent, for example—have relied on alcohol boldly during critical phases, pushing it even to quantities of 10 ounces per diem.

In grave toxic conditions, where the heart is suffering, as we see in the "typhoid state," there can be little doubt that alcohol is often a potent remedy.

Continuing, Sir Allbutt writes: "By all means, let the sufferer have anything that can assuage his miseries in reason; but let him not by blunting his consciousness of them undermine the powers of resistance and hamper the activity of the viscera, on which the amelioration of these miseries directly depends. Let the brandy bottle be kept with the digitalis and the strychnine and other medicines; with the meal a moderate glass of good claret, hock, or light cherry should suffice for cheerfulness. Beer is, perhaps, more advisable in heart disease."

In tuberculosis, according to Edward Osgood Otis, A. B., M. D., alcohol in the form of light wines or diluted whisky or some of the bitter beers taken at mealtime may not only stimulate the appetite but aid digestion.

Quoting Latham, Otis writes: "Experience has shown that alcohol is of the greatest possible service in tuberculosis when fever is present. It saves the body protein, stimulates the appetite, and, in small doses, hastens gastric digestion. It favorably affects the night sweats and sleeplessness. When solid food can not be taken, alcohol is our sheet anchor."

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[W. Gilman Thompson, M. D., professor of clinical medicine in the Cornell University Medical College, New York, visiting physician to the Presbyterian and Bellevue Hospitals, etc. Practical Dietetics, 1906.]

As a preventive of drunkenness and the evils of chronic alcoholism, the introduction of the milder malt liquors into this country to partially supersede the use of the strong spirits has proved a decided advantage.

There are no civilized races and but few uncivilized or semicivilized people, with the exception of the Mohammedans, the northern Eskimos, and the very lowest types of man—Australian and many Polynesian savages—who do not practice the distillation of alcohol in some form or other from the materials most available.

There are a number of diseases in which the temporary use of alcohol is of positive service, and there are a number of cases in which it becomes a necessity in order to prolong life.

In many cases of malnutrition and malassimilation of food, alcohol is itself a food, and its consumption under proper direction results in an increase of body weight and strength and improvement of functional activity. These results are accomplished in part through the action of alcohol as a definite food, and in part through its remarkable effect in force production. The latter is due to its own direct combustion, by which in chronic diseases and in critical acute and exhausting affections it spares the tissues of the body.

Alcohol is a most helpful food and stimulant in emergencies when other food can not be had or when the body is temporarily endangered from acute disease and the higher rate of combustion in fever or from failure to assimilate other nourishment. To offset the numerous cases of fatal alcoholism and the still larger number of cases of disease which would not presumably be fatal without the existing condition of chronic alcoholic poisoning of the system are very many cases among both infants and adults in which life is undoubtedly saved by the prompt resort to this food and stimulant and its energetic use. So long as man is exposed to hardships and conditions arising from improper and deficient food supply, as well as to the numerous infectious diseases to which he is heir, alcohol must still be regarded rather as a blessing than a curse, for there is no form of food and stimulant combined or stimulant alone which, taken all in all, can be so completely relied upon in cases of emergency.

Alcohol when taken alone will prolong life beyond the period at which it would terminate from starvation.

Whatever controversy still exists over the physiological effect of alcohol as a food, it is still undeniable that in some cases of disease it is clinically indispensable.

Alcohol in some persons, though not in all, is a very strong diuretic. In many, beer possesses a diuretic action which indicates a special stimulating effect upon the total quantity of urine excreted beyond that produced by a similar bulk of water.

Very moderate doses of alcohol increase the flow of the gastric juice and for this reason it may be employed with advantage in cases such as the following:

1. By those whose nervous system is readily overtaxed and who when fatigued or worried lose all appetite.
2. By persons of sedentary habits who have greatly enfeebled digestions.
3. In protracted convalescence from severe forms of acute disease.

The value of alcohol in the treatment of fevers is now universally recognized.

Alcohol can undoubtedly be given the first place among the cardiac stimulants.

When needed as a tonic, alcohol should be given either immediately before or in connection with meals.

When porter, ale, or stout do not derange the stomach, they may be advantageously used by those who suffer from exhausting discharges or by women weakened by prolonged suckling.

If there is no tendency to flatulent dyspepsia, beer may sometimes be used with advantage in fever cases when it will slake the thirst which is not quenched by other drinks.

The sugar of beer is fattening and the bitter matter is more or less of a stomachic tonic.

Hops extracts possess a narcotic influence, and hence beer may give rise to drowsiness.

The stronger malt liquors, such as porter and stout and heavy ales, are nutritive and fattening.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG of North Dakota. Mr. Chairman, I listened to the address of the gentleman from Nebraska [Mr. REAVIS], who recently returned from France, with very great interest, and at sometime later during the session I hope to give the House some impressions which I gained from my recent visit to Europe. There is one thing, however, which I wish to say at this time. I am in hearty agreement with the gentleman from Nebraska in his prediction that this war is going to end within something like fifteen months from this date. The morale of the allies is excellent in every one of the allied countries, not only with the soldiers who are fighting, but with the people who are back of them, in Italy, France, Great Britain, and, of course, in our own country. Throughout this war the people of France have received the news, both good and bad, and no matter how dark the situation became, no matter how bad the news was, the people in France always had it. The people in Germany have been prevented from getting the truth as to this war, and have been lied to in season and out of season. So when the victories come to the allies, which are certain to come during the next few months, it is my judgment that the morale of the people in Germany, in the army and back of the army, will not stand up as did that of the people in France and the other allied countries. And speaking of news, good and unfavorable, the American newspapers give by all odds the most thorough and complete war news of any papers in the world. Those who have a kick in this respect should read the Paris and London papers.

Mr. Chairman, the problems of this war have been and will continue to be difficult of solution, but these problems do not compare in complexity with the problems which we must face after the war is over. One such problem has been in large part anticipated; the future of our disabled soldiers and sailors.

The war is no longer a new thing with our allies. The problem was presented to them long ago of an increasing number of soldiers and sailors who could not return to the fighting forces from the hospitals, and who without assistance could not face the problems of civil life. Recently a number of Congressmen visited Europe, consisting of Mr. TILLMAN, of Arkansas; Mr. THOMPSON, of Oklahoma; Mr. KELLY, of Pennsylvania; Mr. CRAMTON, of Michigan; Mr. KINCHELOE, of Kentucky; Mr. SWEET, of Iowa; Mr. DOWELL, of Iowa; Mr. ELSTON, of California; Mr. CARAWAY, of Arkansas; Mr. CHANDLER, of Oklahoma; and myself. I am pleased to see that some of these gentlemen are honoring me with their presence to-day. We had been reading of the work done among the disabled soldiers and sailors in England, and so when we reached London our first request was that we be given an opportunity to see what had been done along those lines in Great Britain. We had the privilege of visiting Queen Mary's Workshops at the Pavilion Military Hospital, Brighton, for soldiers and sailors who had lost their limbs in the war. Nothing which we saw during our entire trip was so fascinating. Here we saw many men who had been given new hope. They had come from the battle fields to the hospitals and from there back to England, many of them haunted with the fear that they could never be self-sustaining, and that in the future they would of necessity be dependent upon the bounty of others. To self-respecting men accustomed to self-reliance this is a horrible thing to contemplate. So our interest was keen in observing what had been done to help men of this class. We saw men who had completed the training for or were then in training as basket makers, carpenters, cabinetmakers, clerical workers, electrical workers, engineers, light leather work, metal turning and fitting, motor mechanism, and driving. It was an inspiration to notice how happy and full of hope all these disabled men were at this hospital as well as at the Queen Mary's Convalescent Auxiliary Hospital at Roehampton. I was not able to obtain recent figures, but during the first 18 months that the British hospitals were in operation, ending March 1, 1917, the ones who had been treated and trained in these two hospitals and who had actually found profitable positions in Great Britain were 2,037 men returned to their former positions, 1,294 placed directly in good positions, and 1,783 in positions secured by local employment committees. The work there has, of course, been tremendously enlarged since then.

Our department officials were quick to anticipate what will be needed in the care of our disabled soldiers and sailors, and the first decision which they reached, and I think very wisely, was that this work should be done by the Government and paid for entirely by appropriations made by Congress. In Great Britain the work has been carried on in large part by voluntary subscriptions.

When I was a boy attending the university at Minneapolis I recall that one of the church societies there decided to build a new church and employed one of the leading architects of that day to prepare the plans. Before undertaking the task the

architect thought he should take a circle around some of the American cities for the purpose of getting some new ideas. With this purpose in view he called on a noted architect of New York City, who being told of the purpose of his visit, and not knowing the residence of his caller, said, "I would advise you to go to Minneapolis and see the First Baptist Church," to which his caller replied, "Well, that won't help me much; I drew the plans for that church myself." I do not refer to this incident to indicate that I have personally done anything toward the solution of this great problem, but to show that we may often go long distances to learn things which we might better learn at our very own doors.

Upon our return here I concluded to see at once what had been done in our own country in respect to the rehabilitation of disabled soldiers. First of all I called at the Surgeon General's office, where I found that educational work was being carried on for the mental and physical rehabilitation of disabled soldiers in 15 of the United States Army general hospitals. Surg. Gen. Gorgas first of all laid it down as a foundation principle that physical reconstruction should be defined as "complete mental and surgical treatment carried to the point of maximum functional restoration both mental and physical, and to secure this result all methods recognized by modern medicine conducive to cure should be utilized." In other words, not only the ordinary means of medicine and surgery, including all specialties, but also all physical measures which are employed under physiotherapy. He declared that modern medical treatment does not end with physical cure, and that functional restoration is the final aim of the modern physicians and surgeons. Surg. Gen. Gorgas declared that the physical rehabilitation of disabled men is peculiarly dependent upon their mental attitude, and that the educational work should begin therefore when the man has arrived at the stage when he begins to worry about his future, whether in this country or overseas. He said the first problem is to divert the man's attention by simple recreation, through reading, pictures, games, handwork, and the like, with the view to securing a genuine interest in the attaining of some worthy end, the end most certain to hold his attention and claim his best efforts in his future vocation. Hence by gradual steps he may be induced to supplement his previous vocational experience by academic, scientific, or technical instruction, or to choose a new vocation and begin preparation for it, if such a course is necessary.

Upon this broad foundation it is natural to expect that our reconstruction work in the United States will be more extended and comprehensive than the work done in Great Britain.

Mr. Chairman, one of the 15 hospitals where this work is now being carried on is easy to reach, being the Walter Reed General Hospital located right here in the District of Columbia. With the many war activities being carried on at the National Capital some have overlooked the work done at this hospital. Since my return from Europe I have visited the hospital. After talking with Col. Frank Billings, Chief of the Division of Physical Reconstruction, and Maj. A. C. Monahan at the Surgeon General's office, I started to the hospital with Maj. Monahan. On the way out the major, who is a splendid up-to-date educator, gave me a lot of information in respect to the work.

It seems that there are three classes of patients which had been kept in mind in planning the work. First, men being returned to full military service, thereby salvaging thousands for the country's fighting forces; second, men being returned to Army limited service and who have had special instruction to fit them for specialized service such as printing, shoe repairing, telegraphy, typewriting, and other work; third, men being discharged from the military service when cured and returned to civil life. Among these third-class men are a certain number so injured that they can not take hold along their previous line of work nor along any other suitable line of gainful occupation. They are "reeducation" cases, who after being cured and discharged from the Army will be given further reeducation by the Federal Board for Vocational Education as provided by a recent act of Congress. The reeducation of these men is begun while they are in the hospitals, some of them while still in bed, under the direction of the Surgeon General's office. The main aim of the work in the hospital, however, is to fit men for further military service and to provide as therapeutic measures such occupational work as will tend to facilitate and hasten their recovery. This includes functional rehabilitation for men who have lost the use of any part of the body through accident, wounds, or disease. It is from such occupational activities that the term "curative workshop" arises.

The Division of Physical Reconstruction was created in the Surgeon General's office in August, 1917. In October a subdivision of education was established. During the fall and winter months this subdivision conducted a careful survey of educational work among disabled soldiers in Canada and Europe. Reports and publications were studied and conferences were held with vocational and medical officers from several foreign countries. Also the subdivision instituted two investigations: First, of various industries in their relation to available employment possibilities for disabled men; second, of the occupations of several thousands of cripples in the United States, seeking to discover what can be done best by men with different types of disabilities.

The plans prepared for educational work in the United States military hospitals and for the further reeducation of those so injured that they would be unable to enter the occupations may be found in a Senate document entitled, "A Report of the Surgeon General of the Army on the Rehabilitation and Vocational Reeducation of Disabled Soldiers and Sailors." The scheme of the educational work in the hospitals under way follows closely those outlined in the printed document referred to.

The first actual teaching work was begun in the United States Army General Hospital at Fort McHenry, Baltimore, in February. It was followed very soon by work in Walter Reed General Hospital, Washington, D. C., and in April by work in United States Army General Hospital, Fort McPherson, Ga., and in the general hospital at Lakewood, N. J. Since then educational services have been inaugurated in United States Army General Hospitals located at Colonia, N. J.; Roland Park, Baltimore; Otisville, N. Y.; Cape May, N. J.; New Haven, Conn.; Markleton, Pa.; Waynesville, N. C., and Azalea, N. C., respectively; and at Letterman General Hospital, San Francisco, Cal.; Fort Des Moines Hospital, Iowa; and Plattsburgh Barracks Hospital, Plattsburgh, N. Y. An educational staff has been provided and is awaiting the arrival of patients at United States Army General Hospital, Carlisle, Pa. Staffs are being assembled for Fort Bayard Hospital, N. Mex., and Whipple Barracks Hospital, Ariz., and plans are under way for similar work at Fort Snelling, Minn.

Arriving at the Walter Reed Hospital, of which Col. W. F. Truby is commandant, we found Maj. B. T. Baldwin in charge of the division of reconstruction. Maj. Baldwin is a splendid type of high-class men coming to the aid of the Government during this war period. He has been professor of education at Swarthmore College, University of Chicago, University of Texas, Johns Hopkins University, and at present of the State University of Iowa, leaving a position there paying him a salary of $5,000 to accept a major's pay. A similar example is that of Dean J. E. Russell, of Columbia University. The hospital is quite a big concern, with 750 enlisted men employed in various kinds of service. Among these I was pleased to see one of the boys who served here in the House as a page, Neil King, 19 years old. He enlisted February 28, is now doing ward duty, and expects to go over to France within a few weeks, where he has three brothers in the service.

It has been interesting indeed to actually follow the wounded men, as I had the privilege to do, from the time injured on the battle field in France, where first medical aid is given, then to the emergency hospital, and back through the evacuation hospital to the base hospital, and from there across the seas to Walter Reed Hospital and other Army hospitals here in the United States. All the way through the medical service rendered by our Army surgeons is admirable. It was told us upon good authority that when Frenchmen or Englishmen happened to be wounded within reach of an American hospital they begged to be taken there. This does not mean that there has been lack of effort and attention in their own hospitals, but the American hospital arrangements are the last word in method and equipment, operated by those who are not only skillful but eager to help our wounded boys.

Upon my return to America I called at the Surgeon General's office to express my admiration and appreciation not only to the general, but to such men as Col. R. B. Miller, in charge of the personnel, who have done so much to place the medical side of the Army upon a plane never before reached in this or any other country.

The work of the Army surgeons is supplemented and very greatly aided by the American Red Cross. I see by a dispatch in this morning's Post that the Red Cross has rented some hotels along the Riviera, where wounded soldiers may rest and build up physically. That strip of country has the most delightful climate of any place on earth, outside of certain portions of our own country. The activities of the Red Cross are varied. A wonderful work is being done among the civilian population of France, which few know of here. A great work is also being done in Switzerland for our prisoners in Germany and for Russian refugees. Some day I am going to take some of your time

to speak of the Red Cross. In the meantime I want to say, with the greatest emphasis, God bless the Army surgeons and nurses and the American Red Cross. [Applause.]

I can assure every mother and every father that everything that can be thought of, without regard to cost, has been provided to take care of those who are wounded in battle, or who become sick while in the service.

The treatment of those cases requiring physical or mental reconstruction begins in the hospitals in Europe. Good progress has been made in that direction, and then the work is followed out here with greater thoroughness. Both abroad and here in the United States technical training in all lines capable of adaptation to the physical limitations of disabled men and in which employment will act as a therapeutic agent will be emphasized. When play and work and study will help a man to get well, that kind of medicine will be prescribed. If the work they do leads to further service in the Army or to better prospects in civil life, so much the better.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROBBINS. The gentleman ought to have some more time.

Mr. FORDNEY. I yield the gentleman 15 minutes more.

Mr. YOUNG of North Dakota. I made a special note of some of the cases which I observed at Walter Reed Hospital. I shall call the first man case A, as Maj. Baldwin assured me it was his desire not to embarrass any of the boys by giving publicity to their cases by name. This man is 25 years old; was born in Russia; arrived at Ellis Island five years ago, not able to read or write in any language, not even his native tongue. He worked as a polisher and grinder in a shop at New Britain, Conn. He speaks English fairly well, but never learned to read or write it. He enlisted with the Ninth Infantry on July 15, 1917; went overseas and was injured in such a way that his right arm had to be amputated. He was brought to Walter Reed Hospital and enrolled with the first class in academic work. I was told that the task of learning how to write the English alphabet was very difficult for him, and also learning how to write English words with his left hand. His progress in June was slow, owing to the double problem, but his interest was maintained by carefully selected assignments in which he saw daily progress. His progress in July and August has been exceptional. Here are samples of his work, which show his present development. His interest is such that he had an attendance record of 100 per cent. He has obtained a good training in elementary spelling and arithmetic, and he goes back to society literate and confident instead of illiterate and distrustful of himself.

Case B is a young man 23 years old, known as a psychopathic case. When he began touch typewriting on June 24 he was extremely nervous and had such a tremor of the fingers that he could scarcely locate the keys. It was with great difficulty that he could keep his fingers on the "guide keys." He was directed to go very slowly and try to cultivate a steady, even touch, the teacher counting with him as in music, "1, 2, 3, 4, 5, space," and so forth. He was anxious to learn and tried to follow directions faithfully. In less than a week he was markedly improved, could locate and retain his position on the keys, and in from 10 days to 2 weeks he was writing with a steady, even touch.

He had a 30-day furlough in July and August. On his return it was noted that his nervousness had not increased and he was able to control his fingers and to do very good work. He is at present doing advanced typewriting and hopes, after the war, to go back to the same firm he was formerly with, and as they have a great deal of tabulating work, making up price lists, and so forth, he wants to be able to assist in that work.

Apart from the educational value in this case the curative value has been marked, the pupil himself having frequently commented on how the typewriting had steadied his trembling fingers.

Case C is a most interesting one, an Italian aged 32 years. The doctors pronounced his case neurasthenic hypochondria. He had had two years' schooling in Italy. When he came to the hospital he could not read English, although he had been in this country 17 years. He gave this fact as a sign or proof of his poor mentality, said he could learn fairly well but forgot everything overnight. He said that he had consulted 25 physicians in New York, who had proved his statement of the facts to be true. He showed no interest in anything; could not endure moving-picture shows, played no games, and had no hobbies nor preferred pleasures; talked much about his illness. He did not smoke and did not associate with women, lacked perseverance and self-confidence and was constantly calling attention to his physical defects and his alleged mental limitations. He was put in the academic department for English. He went one day and did little. He went the next day and stated that it was impossible for him to do anything along that line and quit. He was then assigned to the oriental rug work. The director had a good talk with him, and he has been faithful in his work there ever since, has not absented himself any time, and remains longer than the required period. His work is exceptionally good and his color selections are fine. I was greatly pleased with the samples of the work which he showed me. The director told me that he was high strung and sensitive, and that it was this sensitiveness which had wrought havoc with him. He now shows a marked change for the better and has returned to his English work, where he is doing well. He comes back after working continuously for two hours in the English work to the rug work, smiling, and leaves his rug work in the same way. It is only a matter of time, the director assured me, when instead of being dead or insane he will be well and happy, a direct economic gain.

There was another interesting case in the division where they were teaching rug making and rug repairing, which we shall call case D—a young man 25 years of age who had his right arm amputated. He was formerly a boiler maker, and, of course, could not return to that kind of work with his right arm gone. After an examination he was given an intelligence rating of E. He had had very little elementary education. The problem was to train the left arm and hand in the finer movements, particularly finger movement, and in a large way to get the left arm to become the active arm. Notwithstanding his rating and limited education he has done exceedingly well. After learning the Turkish knot he has gone ahead without assistance, following his design well and even threading his own needle. He has shown a continued, steady progress from the first, gaining each week more and more rapidly.

Case E is a college man and professor. When he arrived at the hospital his left hand was practically useless. The fingers could not be closed, and it was with great difficulty that he was able to hold even his hat. The curative process was begun by placing him on the small farm next to the hospital and requiring him to use his left hand to assist the normal right hand in very light farm operations. The work which the left hand was required to do was increased from week to week until now the left hand is able to function again with comparative ease.

Case F was particularly interesting, a man who had his right arm amputated 3 inches below the elbow. He said he expected to be a farmer, and I wondered how he could hope to do the work on a farm in his condition. When he came to the hospital he had meager schooling; he could read, but was unable to write. I asked Maj. Baldwin to give me particular details as to his case. He said they decided in his case that the curative treatment needed was, first, exercises or occupation which would require the use of his remaining hand and which would enable him to acquire dexterity with that member. Second, his dejection and pessimism on arrival at the hospital made obvious the necessity for measures to restore his confidence in himself and the future. A complete cure involved a change of the man's attitude in this respect. Third, his educational deficiencies suggested his assignment to a class where he could receive instructions in the three R's. In view of the fact that he had been unable to write with his right hand, instruction in left-hand writing constituted a double problem. At my suggestion, Maj. Baldwin handed me a written report concerning him, which reads as follows:

When this man first came to our notice he was lying in bed, gazing for long periods at one spot on the wall. He presented a picture of despair and despondency. One of the aids interested him in wood carving. Almost immediately after beginning this work his attitude changed. He was inapt in the use of his left hand, but showed rapid improvement in control as the work progressed. Thus the ward occupational work did two things for this man—it changed his attitude and it gave him muscular control.

As soon as this man was able to come to the curative workshop he was assigned to the left-hand writing class. He had no control when he began. In fact he had no knowledge of writing at all. He showed excellent spirit, was regular in his attendance, and was persistent in his efforts. This man is now able to write satisfactorily.

The patient was given instruction in the elementary branches and was enabled to make up his educational deficiency. Having considerable mechanical aptitude he was given instruction in the auto shop. His object in doing this is to fit himself to run and repair autos and tractors, which he says are being increasingly used in his community. His people own an automobile and he will now be able to make any ordinary repairs on this machine. He expects to rent a farm and utilize as much machinery as practicable to make up for his disability. His mechanical training will help him to succeed.

Mr. Chairman, what most of us must unlearn is that adults do not learn as quickly as children. The fact is they learn much faster.

Case G was a Russian. At the table beside him there was a complete carved jewel case made by him, and he was then doing some wood carving upon a large Gothic chest, really excellent work. Before the war he was a carpenter. His earning capacity will be increased over that of a carpenter by his

present training. In addition to this I was told that when he sent a small, carved wooden box home his wife wrote back a letter saying they had been greatly troubled about him, picturing him as unable to do anything, restless and unhappy. His wife and children were happy in the thought that he had work to occupy him.

Some men were using foot power to run saws, and so forth, in order to restore control of joints and muscles. Some were sitting in beds learning telegraphy. Some sitting in beds pounding typewriters, and still others were engaged in other lines of work. These activities not only add to the sum of knowledge and earning power of soldiers, but create a better state of mind and hasten recovery.

There are two cases in the hospital right from my own State, both doing admirably; but as both of these cases are somewhat known to our people, I can not very well discuss them without violating the injunction of Maj. Baldwin to refrain from giving details of the condition and treatment of patients in such a way that it will become known to the patients and to their friends. I could tell of other cases equally interesting, but you gentlemen can almost go to the hospital and see for yourselves in the time it would take me to tell you about it.

Practically one-half the patients are enrolled in educational work. Some are in bedside occupations, others in ward occupations, others in daily attendance in classrooms, shops, gardens, or farms. In round numbers 300 in the United States are taking such bedside and ward occupations as woodcarving, knitting, typewriting, penmanship, reading, arithmetic, bookkeping, and so forth. Fifteen hundred are in shops taking auto repair, shoemaking, carpentry work, drafting, painting, printing, telegraphy, cabinet work, sign painting, tailoring and so forth. Five hundred are in agricultural work. Five hundred are in classroom taking elementary English and other academic subjects. Probably 300 illiterates are being taught to read and write.

Progress has been delayed for the lack of suitable buildings. Plans were made by the Division of Physical reconstruction for the erection of three special standard-type buildings at each hospital—one a school building planned to accommodate classrooms for the education of soldiers in all branches of commercial and industrial studies, such as mathematics, English, typewriting, stenography, accounting, bookkeeping, drafting; a second a physiotherapy building designed to contain rooms for all branches of therapy, including pool and large drill-room gymnastics; a third a manual curative workshop, including smith's shop, fitting shop, carpenter shop, machine shop. None of these special buildings have been completed except at United States Army hospital No. 3, Colonia, N. J. However, they are under way at several others, and in the meantime various spare space is used for educational work.

Attention has already been called to the fact that educational training goes on as an aid to surgical and medical treatment. For this bedside work, so vitally important in the initial stage of the journey toward recovery, there is immediate need, I am told, for trained women as teachers in "occupational therapy." One thousand are needed for overseas service within the next few months. Others, of course, will be needed in hospitals at home. I quote the official announcement:

> The members of this force will be called reconstruction aids. Their duties will be to teach handcrafts and other subjects to disabled soldiers in military hospitals.

Only women with unusual strength of character are desired for this service. Hard and serious work, long hours on occasion, lack of many of the luxuries and comforts of normal home life, personal and private interests subordinated to the general good, a spirit capable of cooperating with medical officers, nurses, and others in close association in common work—all these are vital. But to these general qualifications should be added knowledge and skill as teachers in the particular occupation to be taught. Attractive and forceful personality, with sympathy, tact, judgment, and industry, are supplementary qualities.

Mr. Speaker, I am satisfied that Congress will continue to be liberal in its appropriations of money needed to restore every possible man who receives injury in our Army or Navy during this war. The work done by the Surgeon General in this direction is bound to increase in importance in proportion as our casualty lists increase. We shall, I am sure, not only give the officials engaged in this great work the money needed to carry on their activities, but our prayers will go with them for the success of their great humanitarian task. May a kind Providence watch over these returned soldiers while they remain with us on this earth, made freer and better by their sacrifices. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. WHITE of Ohio. Mr. Chairman, I yield 15 minutes to my colleague from Ohio [Mr. SHERWOOD]. [Applause.]

Mr. SHERWOOD. Mr. Chairman, I judge from the size of the audience that there is not very much interest in this debate, although it has been diversified with an allopathic dose of personalities. On the 6th of June this year, about three days after the general pension bill came over from the Senate, I moved to concur in what is known as the Smoot amendment, and it was adopted and is now the law. Just previous to that time, on the 30th of May, I was turned over and badly injured in a street car accident, so I was unable to make any remarks on that occasion. This is the first opportunity I have had to compare the two bills, the one adopted by the House and the final bill agreed to by the House, with the Smoot amendment. Had I known at that time that there were so many worthy veteran soldiers who are left out entirely of all consideration by the Smoot amendment, I never would have consented to its adoption. I did not know at that time the number of soldiers who are left out of all benefits by that law. I am informed by an official of the Pension Bureau that there are 30,000 disabled soldiers, many with gunshot wounds, who will get no material benefit from this law. The House bill, which was very carefully prepared by the Committee on Invalid Pensions, provided an increase of 30 per cent for all soldiers disabled in the service or in battle, the same as those drawing on the plan of age and service, and also those pensioned by private acts. By the House bill the 90-day and 100-day soldiers were given an increase of 50 per cent. The present law gives the 100-day men an increase of 100 per cent, and the veterans who served from two to four years are only given an increase of 30 per cent. For instance, the so-called Smoot amendment gives an increase to the 100-day or the 90-day soldiers of $168 per year. It gives an increase to the veterans of four years' service, who may have been in from 30 to 40 battles, an increase of $120 a year. Furthermore, there is no provision in the Smoot amended law providing for any increase whatever for soldiers with gunshot wounds or disabled in the service. That is very unfortunate and unjust.

I received a letter yesterday—and this is one of numerous letters I have received—from Gilbert Haskins, a soldier from my district now in Pensacola, Fla., calling my attention to this rank injustice. He is now drawing a pension, as I learned, for gunshot wounds, of $24 per month. Under this law he can only draw $35 a month. Under the bill which passed the House this soldier would have been allowed $39 per month without regard to his length of service, and if his disabilities warranted would have been allowed $50 per month. In other words, the limit in the Smoot amendment is $40 per month, while the bill which passed the House provided a limit of $50 per month.

The Smoot amendment, now a law, is doing rank injustice to the men who fought through the Civil War, discriminating against them to a point of the most aggravating injustice. Many of these old veterans who are now drawing pension for gunshot wounds, and who get such a slight increase, prefer to retain their present pension, which indicates for what purpose they are drawing their pension and shows they belong to the roll-of-honor class. If they accept a slight increase under this law, they will have to surrender their pension certificate to accept another certificate which does not show on its face that they had any battle service or suffered any disability. They prefer transferring to their descendants a pension certificate which proves on its face that they belonged to the battle-scarred veterans.

I have always contended, and I contend now, that a pension should be either for disability or for service. There is no merit in being old; there is not patriotism in being old. If there were any virtue in being old, I would be the most virtuous man in this Congress, because I have been the oldest man in Congress, though not in sin, for three Congresses.

Let me illustrate the injustice of this so-called Smoot amendment. In the Atlanta campaign in 1864, after Rocky Face Mountain and Pumpkin Vine Creek, when we had reached Resaca on the 14th of May, 1864, our division that day, the second, commanded by Gen. Judah, made a charge and was defeated. It was a disastrous charge. My horse was the only horse on the battle line that was not shot. The next day Gov. Morton's boys from Indiana led the charge. Let me tell you who these boys were. They had been recruited only a short time before. Many of the regiments had never had a regimental drill. The average age of that whole brigade was less than 19 years. There were plenty of boys of 15, 16, and 17 years. Incidentally, let me say here, we did not draft boys under 20 years in the Civil War. Both Lincoln and his Secretary of War, Edward M. Stanton, during the war opposed

drafting men under 20 years, but volunteers were accepted at 18 years; but no men were drafted under 20 during that whole struggle, as the record of the War Department will verify.

Let me again refer to Morton's boys, who led the charge at Resaca that memorable day, May 15, 1864. It was a successful charge, with bayonets fixed. Many were severely wounded. Again, at New Hope Church, at Kenesaw Mountain, at Nickajack Creek, and at Atlanta and Franklin and the two days' battle in front of Nashville. Those boys, if alive to-day, can get no increased pension under the Smoot amendment because they have not reached the age of 72 years.

I went into the Army at 26 years of age. I do not think there is a man alive who could stand more hardships at that time than I could. Yet the boys who went in at 15 and 16 and 17 and 18 years are older men to-day, if alive, than I am. One of our former Pension Commissioners—Mr. Dudley, of Indiana, I think it was—made an estimate about 20 years ago that the boys who went in at 16, 17, and 18 shortened their lives by 10 years, because they were not ready; they were not matured or hardened for the terrible hardships of war.

Let me repeat, because it is vital, there are 30,000 old soldiers alive to-day, the most meritorious, the most courageous, the most worthy of all that great army of heroic men who stood at the front during that four years of terrible travail and were wounded in battle, who get no consideration under this Smoot amendment except for age and service.

Let me refer here to remarks that were made in the National Tribune, a Republican organ of the Grand Army of the Republic. This journal stated that I railroaded this pension bill through the House of Representatives. I want to say—because it is a matter of record, and Col. McElroy, the editor, knew it—that I stated on the floor of the House that my committee, made up of 16 members, had unanimously instructed me as chairman to first ask unanimous consent for the consideration of the pension bill, and, if that was denied, to move to consider the bill under suspension of the rules. Yet this paper states that I railroaded the bill through the House of Representatives.

It is vital to state that the bill that the House passed would have given more adequate satisfaction to the surviving soldiers of the Civil War than the Smoot amendment.

I have compiled for the information of Members and all patriotic citizens interested a record of the pension laws passed by a Democratic House of Representatives since the Civil War, which I think will interest you. After reading this record of pension laws, it may illuminate your judgment somewhat on the question of whether the Democratic Party as a political organization has been friendly to the Union soldiers.

A short time ago my overly smart friend from Missouri [Mr. DYER] made a stirring address on this floor, giving the credit for nearly all the pension legislation since the Civil War to the Republican Party. It was this speech that induced me to prepare the following record of humane pension laws passed by a Democratic House of Representatives, of which the following are the more important:

1. Act of August 15, 1876, providing for the issuance of artificial limbs, or commutation therefor, to disabled soldiers and seamen, and providing transportation for the purpose of having the same properly fitted.

2. Act of February 28, 1877, increasing the pension of those who lost both an arm and a leg.

3. Act of March 9, 1878, granting pensions on account of service in the War of 1812 and the Revolutionary War, requiring a service of but 14 instead of 60 days on the part of the survivors of the War of 1812, and granting pensions to widows regardless of the date of marriage to soldiers of this war. It also granted pensions to widows of soldiers of the Revolutionary War on a service of 14 days. Former laws required a marriage prior to the treaty of peace in the case of widows of the War of 1812.

4. Act of June 17, 1878, increasing to $72 per month the pensions of those who lost both hands, both feet, or the sight of both eyes, incident to the service.

5. Act of March 3, 1879, increasing to $37.50 all pensions on account of amputation at the hip joint. This sum was afterwards increased to $45 per month by a Democratic House.

6. The next humane and generous pension laws were enacted January 25 and March 3, 1879, laws prepared by that gallant and enduring soldier and Congressman, Gen. Americus V. Rice, of Ohio. Gen. Rice lost his good right leg in that desperate charge on Kenesaw Mountain on June 27, 1864. This was the charge in which Gen. Harker, the poet-hero soldier, fell mortally wounded. This arrears-of-pension law, introduced and successfully piloted through a Democratic House by Gen. Rice, was at that time the most generous pension law ever enacted by any parliamentary body in the world. It gave increases to 225,000 wounded and disabled veterans, aggregating about $40,000,000. Previous to this time, as will be remembered, the Republicans had been in control of both branches of Congress for over 10 years.

7. Act of June 21, 1879, abolishing biennial medical examinations and providing that in no case shall a pension be withdrawn or reduced except upon notice to the pensioner and a hearing upon sworn testimony.

8. Act of June 16, 1880, giving $72 per month to all those who became totally helpless for any cause incident to the service.

9. Act of February 26, 1881, for the protection of pensioners in the soldiers' homes.

10. Act of July 14, 1892, establishing an intermediate rate of pensions between $30 and $72 per month and fixing the rate of $50 for all who require frequent and periodical, though not regular and constant, personal aid and attention.

11. Act of August 5, 1892, granting pensions to Army nurses and forbidding the demanding of a fee by claim agents for prosecuting this class of cases. This was a generous recognition of the noble heroines, who, leaving home and loved ones behind, in self-sacrifice braved pestilence and hardships to minister to the sick in the hospitals of the Army.

12. Act of December 21, 1893, making a pension a vested right.

Here are some other contributions to the pension laws which were either approved by a Democratic President or passed by a Democratic House of Representatives:

13. Act of March 19, 1886, from $8 to $12 per month, the pensions of 79,989 widows and dependents on the roll at the time, as well as tens of thousands who have since been placed there. These certificates were issued by a Democratic Commissioner of Pensions without any expense or unnecessary delay to those deserving beneficiaries.

14. Act of May 17, 1886, amending the reports of the War Department, which discriminated against a large and worthy class of soldiers, relieving thousands of unfortunate veterans of the hardships worked by the resting of charges against them, based upon technical errors in the records.

15. Act of August 4, 1886, increasing the pensions of 10,030 cripples—armless and legless veterans.

16. Act of January 29, 1887, benefiting about 30,000 survivors and widows of the Mexican War.

17. Act of June 7, 1888, granting arrears to widows from the date of the death of the husband and providing that all United States officials authorized to administer oaths should administer all oaths required to be made in pension cases in the execution of vouchers for pensions free of charge. This arrearage act benefited at once more than 200,000 soldiers' widows.

18. Act of August 27, 1888, increasing pensions on account of deafness.

19. Act of February 12, 1889, granting an increase in pensions from $72 to $100 per month to all persons who lost both hands in the service and line of duty.

20. Act of March 1, 1889, relating to the payment of pensions to the widows or dependent heirs where subsequent to the issuance of the check the pensioner dies.

21. Act of March 2, 1889, removing certain technical charges in the record and relieving a large and meritorious class of soldiers.

22. Act of March 2, 1895, which abolished the rates of $2 and $4 and fixed the lowest rate of pension at $6 per month.

23. The next in order is the so-called dollar-a-day pension bill that I introduced in December, 1907, and which involved a struggle in committees and on the floor of the House of Representatives of over four years—the longest enduring and most notable struggle of any pension bill ever enacted since this Republic was born. It became a law on May 11, 1912.

Let me here quote an extract from a speech I had the privilege of making on this floor February 26, 1908, when I presented those enormous petitions:

I have here seven great rolls of petitions, each 500 feet long, from soldiers who fought the battles of the war. These petitions were prepared by the old soldiers themselves in their humble homes. Some have twenty names, some have thirty, some have forty, and some have a hundred. There are only a few of these old stalwarts left in any locality. I have strung these local petitions together, and I will ask my friends to assist me in unrolling only one of them. You can see they are all headed differently and all prepared at home. Many of them are on cheap paper, written by trembling hands, in pencil. No two are alike. This, you see, is only one of seven of these great petitions. It has been unrolled and stretches up the aisle here to the back of this Hall, around the railing, and back down another aisle. On both sides of this petition are the names of the old veterans of the war, who fought the fiercest battles the world ever saw in the greatest war of all history. This pe-

tition and seven others like it bear the names of the men who enlisted under the call of Abraham Lincoln, whom we heard lauded to-day by the gentleman from Pennsylvania [Mr. Dalzell]. These are the heroes who made Abraham Lincoln great, and who unified this Nation.

[Applause on the Democratic side.]

At this point of my address Congressman ASHBROOK, of Ohio, arose and said:

I call attention to the fact that all but seven Members on the Republican side have left the Hall.

I did not then and do not now feel that any Republican left the floor of the House because of any remarks I was making or of any disrespect to me, but because the subject of increased pensions to veterans did not appeal to his economic sense.

24. The act of March 4, 1913, providing for automatic increase of pension under the act of May 11, 1912, on account of age and service, without further application on the part of the pensioner. This act was of very great service to soldiers.

25. The act of September 8, 1916 (section 1), providing increase of pension for a widow who was the lawful wife of an officer or enlisted man during the period of his service in the Civil War, to $20 per month, and increasing to the same rate the pension of widows of veterans of the Civil War, the Mexican War, and the War of 1812, upon their attaining the age of 70 years.

Section 2 of the same act provides restoration to the pension roll under certain conditions of widows dropped therefrom by reason of remarriage; also establishing title to original pension of certain other "remarried widows."

Section 3 of the same act extends provisions of the act of April 19, 1908, to the widows of Civil War veterans who married the soldier or sailor prior to June 27, 1905.

Records indicate that approximately 200,000 widows have benefited by the provisions of the act of September 8, 1916.

Act of April 27, 1916, medal-of-honor law, introduced and piloted through the House by Congressman SHERWOOD, giving an additional pension of $10 per month to soldiers who have been awarded a medal of honor for having in action involving actual conflict with an enemy distinguished himself conspicuously by gallantry or intrepidity at the risk of his life above and beyond the call of duty.

26. The act of March 4, 1917, providing pension of $20 per month, under certain conditions, to the survivors of certain Indian wars, and $12 per month to their widows.

27. The act of October 6, 1917 (sec. 314), increasing to $25 per month the rate of pension of widows of officers or enlisted men who served in the Civil War, the War with Spain, or the Philippine insurrection, which placed on the roll at $25 per month approximately 284,000 widows.

28. The act of June 10, 1918, providing a rate of pension ranging from a minimum of $30 to a maximum of $40 per month, depending on age and length of service; an amendment to the Sherwood dollar-a-day law of May 11, 1912.

29. The act of July 16, 1918, provides a pension at the rate of $12 per month to widows (with $2 per month additional for each child under 16 years of age) of certain veterans of the War with Spain, the Philippine insurrection, or the Chinese Boxer rebellion campaign, who married the soldier or sailor prior to the passage of the act and whose net annual income, exclusive of their own manual labor, does not exceed $250 per year; and in case of death or remarriage of the widow extending the same benefit to children under 16 years of age.

It is due here to say, and I take pleasure in saying it, that a goodly number of patriotic Republicans voted for the above enumerated pension laws passed previous to the declaration of war against the German Empire.

As a soldier of the Republic from 1861 to 1865, I am proud of the opportunity to print in enduring form this remarkable series of humane and beneficent legislation enacted by a Democratic House of Representatives.

And I am proud that our gallant young soldiers across the ocean are everywhere vindicating the hopes and prayers of a grateful people on the battle fields of France.

And it is my hope and trust that when an enduring peace is won and these heroic crusaders of democracy return to a grateful people, who glory in their achievements, they will receive more generous guardianship and humane legislation than has been accorded the veterans of 1861 to 1865.

And a further hope and prayer that they will not, like the boys of 1861 to 1865, have to wait a half century before they receive the full benefactions of a Nation's gratitude.

In a darker hour than this it was said by one of the most prescient prophets of human destiny that the blood of martyrs is the seed of the church. In this greatest of all wars let us look the future in the face with courage undaunted. The blood of our crusading heroes on the gory battle fields of France will be the seed of a new and virile and all-pervading democracy. Under the serene and masterful leadership of our great President and Commander in Chief a new spirit will arise when the angel of peace greets the angel of victory. That spirit, dominating and all pervading, will be the animate genius of a realized democracy for the struggling millions of Europe. And may God speed the coming day.

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. SNYDER].

Mr. SNYDER. Mr. Chairman and gentlemen of the committee, it has seemed to me that for the last two or three days, at least, we have been giving very little time to the consideration of this the most marvelous measure that has ever been considered by any Congress or by any body of men in the whole world.

To my mind, politics should be adjourned, as the President has said, particularly in the discussion of this measure. The people of this country are anxiously awaiting the action of this body upon this measure. In my judgment, they are not so particularly concerned with regard to the amount of taxes which we are going to impose upon them by this measure as they are concerned with regard to the expenditure of the same. The only complaint that I hear among the men with whom I associate and whom I meet is that the expenditures of the Government are not being properly checked up. No one seems to have any idea as to the amount of money that is being expended in the various war activities. It is difficult to ascertain from any department what the money is being used for, or where.

A short time ago I had the pleasure and honor of speaking for a few moments to a body of gentlemen constituting the Rotarians of the city of Utica. They are, as most of you know, a body of men each of whom represents a particular industry in the community. I made this statement to them, which I think is practically universal, and seems the sentiment of the people with regard to this tax measure: "Some three months ago, when we began to discuss the measure, I directed letters to the various chambers of commerce in my district and asked them to point out to me or to meet with me or to have me meet with them and show me the things in the present law that were not agreeable to them, or make suggestions with regard to the new one. After waiting three months I received one communication only." And I said to those men that in considering that situation I must assume that they were satisfied with what they had and would be content with what they got, which statement was met by them with a general round of applause. So I must assume here that the sentiment that prevailed there is typical of the sentiment of the country with regard to this matter.

I have made a fairly careful study of this bill, and I believe that with one or two exceptions it is about the best we could expect to get at this time. And the committee, in my judgment, is entitled to commendation not only from all the Members of this House but from the country generally.

The section that I particularly dislike is that which imposes an additional 6 per cent tax upon the undivided portion of the net profits of any corporation. It seems to me that, considering the tables which our colleague, the gentleman from Oregon [Mr. HAWLEY], showed us a day or two ago, and the very small amount of net profit that will be left to the corporation after a surtax or war tax has been deducted, the amounts remaining will be so small after normal dividends have been paid that certainly we ought not to feel it necessary that we should penalize corporations to the extent of authorizing this additional tax of 6 per cent. I believe that the average corporation in this country, like the average business man, is loyal and honest and will distribute at this time, during this period of war, the normal dividend or normal distribution of the profits, as they have heretofore. They will not attempt to escape from taxation by putting to the surplus a greater amount than they would in normal times. Therefore I am opposed to that section, and I hope that the measure may be properly amended when it comes to that point. [Applause.]

The CHAIRMAN (Mr. SEARS). The time of the gentleman from New York has expired.

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from Nebraska [Mr. KINKAID] such time as he may desire.

The CHAIRMAN. The gentleman from Nebraska is recognized.

Mr. KINKAID. Mr. Chairman, as a matter of course, I shall vote yea on the passage of this pending colossal measure. Its enactment is essential to the winning of the war, and therefore indispensable to the existence and future welfare of our Republic. But, more than that, on this bill hangs the future of the whole world, since it is to provide for the maintenance of our armies which are to sustain the allies in the advance to a final victory

over the forces that would destroy liberty and all that civilization holds most sacred.

I am in most hearty accord with the policy of the administration to provide at once enough men and money for the carrying on to speedy triumph over our enemy. There is economy in quick preparation, in intensive fighting. The recent victories are attributed partly to the celerity of movement, for which American troops have received their share of just credit, heroically earned. In this war we can not fight it out too fast. Every hour's delay is to be deemed an hour of preparation or recuperation for the enemy. To sustain the present successes of the allies, which demonstrate the advantage of velocity in action that gains through uninterrupted momentum, we must have tremendous ready resources. There must be no faltering in providing them. All that is necessary must be given gladly.

Mr. Chairman, the pending bill provides for the greatest expenditures of any of the war-revenue bills yet presented, and not only that, but the greatest expenditure ever granted by any legislative body in the world's history for war purposes or for any purpose whatever. The burdens it will impose upon taxpayers will be more bravely and more cheerfully borne than any hitherto carried by the people of the United States, since all have an equal interest in our armies on land and sea, all are giving their best man power to make up the millions who are to fight beneath the flag. Victory is equally the concern of all, for no family is too distinguished and none too humble to not be exalted by having one of its members a soldier in the service of our country.

The measure provides for the expenditure of $24,000,000,000 in the next fiscal year, estimated to be necessary by the Secretary of the Treasury. Coupled with this is the Secretary's recommendation that one-third of the amount, or $8,000,000,000, be raised by taxes within the next 12 months. The other two-thirds, or $16,000,000,000, is to be realized by the sale of liberty bonds. The financial responsibility which our country is assuming is very great, but it is negligible as compared with the momentous objective involved. It is not to save from Prussianism and barbarism France alone, or Great Britain alone, or America alone, or, indeed, all the allies. It is for the salvation of all mankind that we are to-day voting billions of dollars.

Mr. Chairman, these taxes are to be raised.

Mr. Chairman, the bill covers 14 titles, combining in the one measure the income tax, the war-profits and excess-profits tax, the estate tax, the tax on transportation and other facilities and on insurance, the tax on beverages, the tax on cigars, tobacco, and manufactures thereof, the tax on admissions and dues, the excise taxes, special taxes on occupations, and the stamp taxes, provision for an advisory tax board and general administrative provisions and general provisions.

Every effort has been made to assure an equitable distribution of the burdens necessary for waging this righteous war. Certainly, at best, just division of the taxes can be only approximated. It will be inevitable that some industry or interest will be made to bear more than its share, but it is the intention that all shall make sacrifices in proportion to their possessions of property and their incomes or earning capacities. It is unlikely the bill is acceptable to a single Member of this body in every respect. Covering as it does all industries, all businesses and investments, professions, and productive labor in every form, it would be granted that to satisfy all these would be an impossible achievement.

Mr. Chairman, notwithstanding the promptness and unanimity with which the Members of this House have been responding to the demands of the war, the great majority of them are now being criticized for not having favored war-preparedness measures when the country was pursuing a peace policy. For instance, in New York City the National Security League's congressional committee has undertaken to make ratings on the merits of the votes on alleged war measures made by Members of the House of Representatives of the Sixty-fourth and Sixty-fifth Congresses—this Congress and the last Congress.

In their way they find that of the 347 Members who sat in both of these Congresses, only 47 voted right on all of the 8 certain votes on which they criticize the membership, with the remaining 300 voting wrong on all or some of the eight questions. On the face of it the proposition carries with it the challenge that it is incorrect, else the rule of the majority, the fundamental upon which this Republic is based, is fallacious. But I am willing to let the people judge, in the light of all the circumstances, whether the criticisms are fair. Of course, my purpose is to present my own case rather than to presume to meet the criticisms made against the entire membership criticized. Besides, several of these Members have already spoken upon the question generally and with particular reference to their own votes, so fairly and so ably that nothing remains to be said that could add merit to the presentations they have made.

Mr. Chairman, I am charged with voting wrong on six of the questions specified. Let me emphasize to start with that not a single one of these six votes took place after war was declared. Five which I shall first give notice to were considered and voted upon when the administration was pursuing a peace and neutrality policy. Are votes upon peace measures, while pursuing a peace and neutrality policy, to be taken as a fair criterion for what the attitude of Members would have been had we been engaged actually in war as we now are?

Mr. Chairman, I desire also to emphasize that of the six votes which were made previous to the declaration of war, five of them were recorded previous to the presidential and congressional elections of 1916, when the President and the 347 Members of Congress criticized were reelected. It is noteworthy, in view of the criticisms now being made, that these Members of Congress were reelected without being opposed or criticized by their constituents or criticized or arraigned by the candidates running against them for their votes now under criticism. So long as there was no war not enough objection had been found to the votes now complained of to create any noticeable opposition to the continuance of the particular Members in their seats. Now the situation has changed from peace to actual war in which we are engaged. The criticisms are being presented from the viewpoint of actual war, when the votes were made purposely in accordance with the peace and neutrality policy at that time being pursued.

Mr. Chairman, it is interesting to note that these 300 Members, classed as wrong, are included in the body to which at the close of the first session of the Sixty-fifth Congress, after the most of the record complained of had been made, the President and the Speaker of the House paid eloquent tributes. The President said:

PRESIDENT WILSON'S STATEMENT.

The Sixty-fifth Congress, now adjourning, deserves the gratitude and appreciation of a people whose will and purpose I believe it has faithfully expressed. One can not examine the record of its action without being impressed by its completeness, its courage, and its full comprehension of a great task. The needs of the Army and the Navy have been met in a way that assures the effectiveness of American arms, and the war-making branch of the Government has been abundantly equipped with the powers that were necessary to make the action of the Nation effective.

I believe that it has also in equal degree, and as far as possible in the face of war, safeguarded the rights of the people and kept in mind the consideration of social justice, so often obscured in the hasty readjustments of such a crisis.

It seems to me that the work of this remarkable session has not only been done thoroughly, but that it has also been done with the utmost dispatch possible in the circumstances or consistent with a full consideration of the exceedingly critical matters dealt with. Best of all, it has left no doubt as to the spirit and determination of the country, but has affirmed them as loyally and as emphatically as our fine soldiers will affirm them on the firing line.

SPEAKER CLARK'S STATEMENT TO THE HOUSE OF REPRESENTATIVES.

Gentlemen of the House of Representatives, I congratulate you on the ending of the most important session of Congress in the history of the Republic. The amount of business that we have transacted is absolutely amazing and stupendous. I think every Member of this House has contributed all that was in him to the support of the Government of the United States in this great emergency. So far as I have been able to observe—and I have observed very closely—partisan politics have been temporarily banished from this House.

I think every man has given the utmost of patriotism to his service here. I doubt very much whether any other Congress from now until the day of judgment will ever vote as much money in one session as we have voted; I hope not. Every dollar that the departments have asked, or the President has made it appear they needed, they have got, and the Sixty-fifth Congress has deserved well of the country.

Mr. Chairman, as I have said, six of the criticized votes were made before we entered the war, at a time when we were still pursuing a neutrality and peace policy. For a Member to have stood positively for war at that time would have been to place himself in opposition to the administration. I want to call attention now to the fact that both before and after the United States had entered the war I voted for all preparedness measures asked for by the War and Navy Departments. Since April 6, 1917, when war was declared I have supported every war measure. Although at 4 o'clock on that morning of April 5 I voted against the declaration of war, I announced by letters and telegrams, sent out three hours later to my constituents, that I deemed it my duty as a Member of Congress to stand for the speedy and vigorous prosecution of the war until victory was achieved. Every word uttered and every vote I have since recorded has been in fulfillment of this pledge.

Mr. Chairman, I shall take up the specific criticisms in the order in which they are named.

No. 1 is the McLemore resolution, which advised American citizens to avoid traveling upon armed merchant ships of belligerent nations carrying arms and munitions. Let it be understood I did not vote for the McLemore resolution and had no

intention of voting for it in any event. I was opposed to it. I should state further that I had been much pleased when the Foreign Relations Committee unanimously voted to table the resolution, with the intent that it be finally disposed of, and it was the understanding that this was the end of the resolution. Finally, however, the President found reason for asking that the resolution be revived, and accordingly the Congress was asked to take it up and vote upon it on its merits. In compliance with this request the bill was revived by the Committee on Foreign Relations and reported to the House of Representatives for its consideration. When the resolution came up on the floor of the House a motion was made to table it, and the vote being taken thereon, there were—yeas 275, nays 136. I voted against the motion to table because defeat of it would offer the only means whereby a substitute could be offered, and I had joined a number of others in the support of a substitute, which, while recognizing our rights upon the seas, advised American citizens not to avail themselves of the right to travel upon the armed vessels of belligerent nations carrying munitions of war without their business interests made it imperative to do so.

Criticism No. 2 refers to the Kahn amendment to the Hay Army bill, considered March, 1916, more than a year before war was declared. This amendment proposed to raise the Regular Army from 140,000 to 220,000 men. The vote was—yeas 186, nays 211. I voted against the amendment with the majority and in accordance with the recommendation of the Military Affairs Committee, backed by the Secretary of War. In the discussions had it was disclosed that the War Department officials had advised that it would be wholly impracticable to increase the standing Army by the volunteer system to the extent proposed, in view of the fact that ever since 1891, while a maximum of 100,000 men had been authorized by law, the fact was 87,000 had been the largest number which could be realized. Let me quote here a distinguished Democrat, a firm supporter of the administration, the language he used when discussing his vote expressed against this identical amendment, the gentleman from Arizona [Mr. HAYDEN]. He said:

> Neither the President nor the Secretary of War had asked for such an increase in the Regular Army, and at the time a vote for the Kahn amendment was considered to be an antiadministration vote.

Criticism No. 3 refers to the Brandegee amendment to the Hay-Chamberlain Army bill to increase the number of men to 250,000 as against 140,000. This amendment pertains to the same bill to which the Kahn amendment was made and the same reasons for proposing the second amendment offered by the Senator from Connecticut applies to what have been assigned for voting against the House amendment. As evidence that the Hay-Chamberlain bill was not a war-preparation, manpower measure, but meant only to provide for a standing Army for peace times, I quote briefly from the language used by the able chairman of the House Committee on Military Affairs, the gentleman from Virginia, Mr Hay, when making earnest opposition to this very amendment. Mr. Hay said:

> Mr. Speaker, the President of the United States has so far been able to keep this country out of war; and, looking to what is now taking place in Europe, we may expect that the country will still be kept out of war. * * *

Mr. Hay continued:

> We may rest assured that this country, having preserved the peace thus long during this great crises in the world's history, has the respect of the world, and that we will have no war to meet, and therefore that it is unnecessary to place upon the citizens of this country for all time the burden of a standing Army of 250,000 men.

It was only a few months after the discussions referred to that the gentleman from Virginia, Mr. Hay, was, by the President, nominated a judge of the Court of Claims, a life position with a good salary. His nomination was confirmed.

Criticism No. 4 refers to a Senate amendment to the Hay Army bill known as section 56, for an Army exclusively Federal to be raised by taking 600 men from each congressional district. This amendment was regarded as being in opposition to the existing National Guard. I received protests against it from officers and men in the Nebraska National Guard. I received strong protests against it from constituents who were in sympathy with the National Guard. It was understood that in reality it meant the adoption of a continental army scheme, though in a slightly different form. It will be recalled that Mr. Garrison, Secretary of War, had previously resigned because the President would not with him oppose the National Guard and favor the continental plan to which the Secretary was devoted. I voted with the committee having the bill in charge and with the very large majority against the amendment and this was in accord with the attitude of the administration on the question.

Criticism No. 5 is made concerning votes recorded against the amendment to instruct an increase in the Navy board, as provided by the bill then under consideration, June 22, 1916. However, as I voted for this amendment I am credited with having voted right in behalf of a preparation measure, but it hardly deserved to be classed a war measure.

Criticism No. 6 refers to the Cooper amendment made to the armed-neutrality measure, for which I and all other Nebraska House Members voted March 1, 1917, yet before war was declared. The New York committee states this amendment was designed to prevent American ships from exercising their legal right to carry arms or munitions with their cargoes.

However, the amendment was formed along the lines of the advice given by the best authorities available on international and maritime law as to what the legal rights of a nation were under the situation the legislation was intended to meet. We viewed the law as it is now understood to be. But in voting for the amendment I was governed very largely—and I am sure many others were so impelled—to vote for it on the humane feature of preserving the lives of defenseless citizens of a neutral nation.

This position was in complete accord with the notable state paper written by the distinguished Secretary of State, Mr. Lansing, in the form of a letter to the British ambassador, in which it stated that consideration be given—

> Primarily the humane purpose of saving the lives of innocent people rather than the insistence upon a doubtful legal right which may be denied on account of new conditions.

Of course, this armed-neutrality bill was a distinctly defensive measure. The President said when recommending it:

> I am not now proposing or contemplating war or any steps that need lead to it.

Mr. Chairman, I have now given attention to all the votes with which I am criticized. Let me emphasize again, I am not criticized for a single vote made after the war declaration was passed. Of real war measures, including House and Senate bills, joint resolutions of the two Houses, and the large number of riders placed upon appropriation bills, there have been near 300 disposed of, with several votes recorded upon many of them.

Mr. Chairman, although the Sixty-fifth Congress since the beginning of the war has passed approximately 300 measures relating to war preparations, has appropriated amounts of money vaster than any other nation has ever dared to contemplate, although it has authorized expenditures counted by billions and has unfalteringly sustained the administration in policies so far-reaching in their courageous enterprise that the United States has been able to perform almost miracles in raising, equipping, and transporting armies and building ships and finally in winning battles and supporting our allies, this committee selects eight questions voted on, six of which were voted upon previous to the war declaration, to show the attitude of the Members toward war preparation. The committee pronounced only 47 of the 347 Members voted right on all the eight questions. But it must have been due to the votes of these 300 Members that nearly 300 bills for the prosecution of the war were passed, for certainly the 300 Members comprise a large majority.

Mr. Chairman, is not the record made since the declaration of war by the 300 Members who have been criticized the best evidence that they have been standing firmly for the victory of the allies? The circumstance that the criticisms stop with April 23, 1917, ought to be conclusive of the question. Let me ask, How could the Congress have actually prepared for the war before war had been actually resolved upon, and who could have done more than these 300 Members have done for war preparations since the declaration was passed? The record shows they have uniformly and loyally supported the administration in every step toward a righteous victory which is to restore peace to the whole world.

Mr. Chairman, directing my remarks again to the provisions of the pending bill, the greatest sacrifice is justified; it is imperative. The flower of our American manhood is giving life on the battle field. The boys that we have sent overseas to defend the sacred ideals of liberty are performing feats of incredible bravery that uphold the traditions of our Republic. They are bearing toward Germany the flag that symbolizes freedom; they are helping to liberate the victims of Prussianism. Inspired by the principles on which this Nation has built so nobly, so successfully, that it has the power now to aid in delivering Europe—and, indeed, the whole world—from the danger of a return to a condition worse than barbarism, they are each day fighting with a superb valor. Singing as they march forth to battle in the splendor of their youth and strength, these representatives of the Nation are giving such a good account of themselves and of their country that henceforth there must be a new understanding of the meaning of democracy. Firm in the faith that right will win, that right must prevail so that humanity shall not again fall into the night, they carry on the light of

liberty. Wendell Phillips said, "Right is the eternal sun and all the world can not hold it back," for as a poet sang:

Right is right, as God is God,
And right the day shall win,
To doubt would be disloyal;
To falter would be sin.

Mr. FORDNEY. Mr. Chairman, I yield such time to the gentleman from Wyoming [Mr. MONDELL] as he desires.

The CHAIRMAN. The gentleman from Wyoming is recognized.

Mr. MONDELL. Mr. Chairman, among the various duties and responsibilities of a representative of the people the least pleasing, the most thankless, is that of laying taxes upon the people he represents, for taxes are never popular, as is testified by the proverbial linking of death and taxes as the two unavoidable misfortunes.

If the laying of tax burdens is a disagreeable duty in ordinary times, when the burdens laid are comparatively light, at least normal, how much more unpleasant the duty becomes when taxes must be laid in the unprecedented fashion which becomes necessary in order to produce the enormous, almost incomprehensible sums required in the prosecution of the great enterprise of war in which we are engaged.

What I have just said applies without variation or modification to ordinary times and conditions, but nothing demonstrates more clearly that we are not living under ordinary conditions but under conditions of ready and cheerful and willing sacrifice than the fact that this enormous tax bill, levying tax burdens higher than we have as a people heretofore dreamed of, calculated to raise a sum larger than any nation on earth has ever raised by taxation, should be received and accepted by the people with less of protest and more of cheerful acquiescence than any revenue law or tax measure I can recall.

I do not pretend to say the people are enthusiastic over the project of paying $8,000,000,000 to the support of the Government in a single year, a sum great enough to have more than paid the cost of the entire Civil War on both sides. But it is a wonderful tribute to the patriotism, the steadfastness, the grim determination of the American people to win that we have heard so little criticism of the plan and purpose of making the enormous tax levies that are proposed.

This cheerful acceptance by the American people of enormous tax burdens is the final and conclusive evidence, should any such evidence be considered necessary, of the united will of our people to make the winning of the war their one primary object and purpose, their one essential business. Other evidences of this we have had in plenty, but going down into one's jeans and into every pocket to pay heavily and to accept the process cheerfully may be accepted as conclusive proof that all the people are proposing to see this thing through as speedily as possible, but certainly and beyond peradventure to a completely decisive and victorious conclusion.

LAY THE BURDEN EQUITABLY.

All the people have asked, all they will ask, is that the necessary burden shall be laid fairly and equitably. The burden falls, as it should, principally on large incomes, excessive profits, and luxuries. I am sure we would all be greatly relieved when we give our final approval to this stupendous measure if we felt entirely confident that every feature of it was entirely equitable, and as applied to everyone's contributions entirely clear, definite, and understandable.

I am sure that is what the committee has tried to make it, but I fear that when the business man comes to make out his schedule he will find we have not entirely cleared up some of the confessed confusions of the present law. I say this without intending criticism of anyone, for I know of no more difficult problem in legislation than that of laying great tax burdens in a way to reach every situation and condition, of the unwilling as well as the willing, and at the same time avoid ambiguities, inequalities, even downright injustice as applied to some cases and conditions.

I do not claim to be enough of a revenue expert to suggest material modifications of the work of real experts on this bill. I do think, however, that amendments should be made that will give relief to what may properly be termed hazardous enterprises. The range, cattle, and sheep business are, to an extent that is little appreciated, enterprises of this character. The oil business can well be classed as extra hazardous, involving extraordinary risks and the possibility of occasionally large returns. These classes of enterprises should have special consideration. As affecting enterprises of this character and business in general the bill should be modified so as to be more equitable as between corporations organized and capitalized prior to the war and those recently organized. This latter class of corporations, under the so-called war-profits tax, would be called upon to pay a much heavier tax than prewar corporations engaged in exactly the same line of business. During the discussion of the bill under the five-minute rule I shall offer or support amendments intended to cure these defects of the bill.

The Republican minority has perhaps had more to do with arranging the details of this revenue measure than any minority in years, and I am of the opinion that it is due to the minority influence, in part at least, that, considering the enormous sum to be raised, the bill is relatively free from vexatious forms of taxes which burden and annoy without producing revenue in proportion. And yet the general plan and scope is, of course, that of the majority. The President suggested, the Secretary of the Treasury advised, and the chairman of the committee guided as to the sum and general substance of the measure. I am not prepared to say how much different the bill might have been under Republican guidance. My belief is that it would have thrown a portion of the burdens on the foreigners who are seeking admission to our markets.

WHY NOT INCREASE CUSTOMS DUTIES?

The last fiscal year witnessed the greatest volume of imports in our history—three billions and over. On this enormous volume of trade, much of which was produced abroad at prewar costs and sold here at war prices, the foreign producer paid less than $180,000,000 in customs, about 6 per cent. My opinion is that we coul raise upward of $300,000,000 more at the customhouse without appreciably raising the price of any imported article. Under present conditions the foreigner would most certainly pay the tax. It looks now as though prohibition legislation would largely curtail the estimated income under this bill. A reasonable tariff tax is the one opportunity of providing for that loss without laying additional direct burdens.

Under the tariff policy we are now pursuing we have become the one and only great free-trade Nation. So-called free-trade England collected import duties last year amounting to over $8 for each of her citizens. The current year England will collect customs duties amounting to over $10 per capita. We will collect from customs less than $1.75 per capita. If we were to collect this year at our customhouses from foreign imports the rate per capita that so-called free-trade England collects, it would amount to over a billion dollars. I would not suggest tariff levies as heavy as those of England, but clearly we could lighten the burden of our direct taxes hundred of millions by fair tariff rates.

We have just enrolled an additional 14,000,000 of our men and boys for service, and coincident with this enrollment comes the first distinctively American offensive on the western front, and gloriously successful it was! We are reaching the condition where we can apply the full of American man power to the contest, and in this legislation we are marshaling the Nation's money power. The combination will be irresistible. Out of this combination of stout hearts and sturdy limbs and an abundant war chest, with the heart and soul of America in the contest, shall come victory for justice and the right.

THE DEMAND FOR HONESTY AND ECONOMY IN EXPENDITURE.

Twenty-four billion dollars is the lowest estimate of our expenditures for the present fiscal year. There will remain, therefore, approximately sixteen billions to be raised by the sale of bonds and certificates in addition to the enormous sums raised by taxation. Appalling as these expenditures are, the people are prepared to provide the funds, but they have the right to insist that they shall be honestly and economically expended.

Government expenditures in time of war, and particularly in the case of so gigantic a war, can not in the nature of things be wholly free from extravagance or entirely safeguarded from dishonesty, and no good purpose is served by unnecessarily magnifying or emphasizing isolated and more or less inevitable wastes and losses of these characters. When, however, policies are pursued which invite extravagance, encourage waste, and tend to promote dishonesty it becomes the duty of the Congress, which lays the burdens and makes the appropriations, to call attention to and attempt to correct these evils.

The Senate committee, which investigated aircraft production under the original six hundred and forty million appropriation made for that purpose, rendered a distinct service in calling attention to and checking the reckless, wasteful, incompetent, if not dishonest, management under which a large portion of that vast sum was worse than wasted, leaving us 15 months after our declaration of war without a single fighting or bombing plane of American manufacture in action on the western front. Members of Congress returned from the battle lines speak feelingly of the losses inflicted on our troops over there by enemy airplanes, inadequately opposed, delivering deadly machine-gun fire at close range on our gallant advancing forces.

Those who have called attention to the extravagances in the building of cantonments, munitions, and shipbuilding plants

under the cost-plus system have performed a most valuable service in the checking of these lootings and extravagances by compelling a modification in later contracts and a closer supervision and scrutiny of those already made. In the meantime, however, needless and unjustifiable expenditure has run into enormous sums. Fortunately some, at least, of these questionably gotten gains will be returned to the Treasury through the income and excess-profits taxes carried in this bill.

THE NATION UNITED IN SUPPORT OF THE WAR.

At any other time in our history than the present the faults and failures of plans and programs, the enormous, worse than useless expenditures to which I have referred, would have been emphasized and exploited through the partisan press without stint and limit, as was done in the Civil War and more recently in the War with Spain, for, as Col. Harvey recently said, "The scandal of the airplane program alone casts into the shade all of the actual and alleged faults and derelictions of the Spanish War." I am glad to be able to say that these regrettable occurrences have been generally discussed only with the thought and purpose of curing and preventing a repetition of them.

Why this happy difference in conditions? It is, in my opinion, due very largely to the fact that for the first time in our history there is no partisan or party opposition, covert or open, to the prosecution of the war; that for the first time in our history the principal minority party is not only not indulging in wanton criticism, inventing and promoting obstacles, but is actually doing quite as much, and its friends believe even more, than the party in power in patriotically, actively, and forcefully exerting the tremendous strength of its mighty influence in the support of the administration and the country in carrying the war to a successful issue.

PARTISAN OPPOSITION IN OTHER WARS.

During the War for Independence we had our Tories who believed in the divine right of kings and opposed the aspirations of our people. When in 1812 we sought to assert our sovereign rights on land and sea as an independent people the then minority party, or at least a large number of its leaders, opposed the declaration of war and so continuously hampered its prosecution as to bring it to a premature and inconclusive close. In 1846 the Democrats, then in power, met the bitter opposition of the Whigs to the undertaking and the prosecution of the War with Mexico.

The story of partisan opposition to President Lincoln and to the prosecution of the Civil War in the Northern States is so recent and the story so distressing that one hesitates to go into it at length or in detail. That partisan opposition wrung from the agonized heart of the immortal Lincoln the cry that the enemy at home gave greater anxiety and aroused more fears relative to a successful outcome than the armed and intrepid enemy at the front.

This partisan opposition expressed itself not only in the crimes and vandalism of secret organization and covert partisan intrigue but it was openly and defiantly expressed in national and local political platforms. In the darkest hours of the Civil War, when the very existence of the Nation was in supreme peril, our brave men battling on countless fields and the country bleeding at every pore the minority party in conventions, national and local, assailed the administration in unmeasured terms, declared the war a failure, insisted on a cessation of hostilities, and denounced as a usurper and a tyrant the great and patient President.

The story of the Spanish War is still fresh in the memory of us all. While well nigh universal sentiment approved its undertaking, its progress was marked with intense, bitter, and continuous partisan criticism. Of the minority party in the House all but an immortal five refused support to the revenue measure essential to the support of the Government in the conduct of the war.

THE LOYAL STAND OF THE REPUBLICAN PARTY.

I make these references simply to emphasize the happy contrast between those conditions and the conditions of to-day, when the attitude of the Republican Party has been so aptly stated by the chairman of its national committee, Will H. Hays, as follows:

> Let me emphasize what our first purpose signifies. It means, primarily, that at this moment, the greatest of all crises in our history, when the Republican Party finds the control of the Government in other hands, it still sinks deeper into the soul of the Nation in becoming the dominant war party, pledging ourselves to give the last of our blood and our treasure, if necessary, to win the war and to win it now. We pledge ourselves forever against an inconclusive peace, and at every moment of faltering on the part of those in power we instantly pick up the guerdon of battle and cry, "Carry on."

This is a government of parties. The national life is largely influenced by the attitude of parties and of party leaders and representatives. And the fact of the unity of national sentiment back of the administration and the Government in the prosecution of the war is largely due to the unfailing loyalty of attitude of Republicans in public and private life the country over. Their attitude left no place of refuge or comfort for those who were indifferent or disloyal to the country's cause.

POLITICS ARE ADJOURNED.

In view of the attitude of unfailing support on the part of Republicans it is not strange that the President should have rather belatedly suggested that "politics are adjourned." Politics had been adjourned so far as any attempt on the part of Republicans to use the war issues for partisan purposes from the very beginning of the struggle, and have continued so to this day and will continue adjourned until our victorious forces shall bring peace through victory. We shall not suspend or abate our proper political activity, certainly the President did not intend or expect his party should do so, but our activity shall not involve the use of war issues to promote party interests.

I wish I were entirely certain that our friends of the opposition would follow the same course of divorcing their political activities from war issues; from efforts to use the war as a means, not of promoting democracy but of promoting the interests of the Democratic Party.

Our Democratic friends can not successfully claim they have not used war issues in the past for partisan purposes. The people are not likely to soon forget the slogan, "He kept us out of war," which constituted the principal appeal on behalf of their candidate in the last presidential election. Near the close of that historic campaign of 1916 the Democratic candidate for the Vice Presidency in a public address stated that every man who voted for Mr. Hughes should at once go to the nearest recruiting station and enlist, for Hughes's election meant war. And, by the way, this same gentleman a few weeks ago, in a campaign speech in Indiana, said, "This war is a Democratic asset."

Some may have forgotten the famous Shadow Lawn speech delivered by President Wilson October 21, 1916, just a few days before the last election.

> I am not expecting this country to get into war, I know that the way in which we have preserved peace is objected to, and that certain gentlemen say that they would have taken another way that would inevitably have resulted in war, but I am not expecting this country to get into war, partly because I am not expecting those gentlemen to have a chance to make a mess of it.

But we did get into war, on the President's advice, just 32 days after the beginning of his new term of office. And we got into war not because one man, rather, than another was elected President, but because conditions arose under which our getting into war was inevitable.

THE WAR AS A PARTY ASSET.

"This war is a Democratic asset," said Vice President Marshall to his Democratic friends in Indiana. That was evidently what the gentleman from Oklahoma [Mr. FERRIS], the chairman of the Democratic congressional committee, had in mind when he delivered a speech here a few days ago, assuming great credit for his party on account of the war. He made at least one profound mistake. That was in his somewhat covert and indirect attempt to prove that the Democratic Party had been strong for preparedness prior to the war. Unfortunately for the gentleman, his argument is not based on the facts of the records, as was conclusively shown the other day by the gentleman from Iowa [Mr. GOOD].

Those of us who have during all our service tried to be logical and consistent in the maintenance of a reasonable and highly efficient Naval and Military Establishment, who have neither voted with the little Army and Navy men nor always with those who were seeking extraordinary increases, recall that since the memory of man runneth not to the contrary a considerable majority, generally a large majority, of the Democrats have been for the smallest program proposed by anyone. That was the record for years.

PREPAREDNESS.

It is not extraordinary that the year before the war, in connection with the appropriation bills considered during the spring and early summer of 1916, the Democratic Party should have been opposed to the Army and Navy increases which were advocated by many Republicans and proposed in various amendments and motions to recommit. Had not the President said something about being "too proud to fight"? Had he not at just about that time said that "with the causes and objects of the European war we are not concerned"? Did he not even later, in October, as I have stated, say that he was not expecting war? In that condition of affairs, and with that view and expectation, the President's party very naturally was not favorable to as large increases in the Military Establishment as many of the Republicans favored.

I can not quarrel with the President and his party relative to those matters, because on the four votes in the summer of 1916 proposing increases of the Army and Navy above what was indorsed and approved by the administration I voted with the Democratic majority rather than with the majority of my own party. Curiously enough, a certain so-called league which approved these four antiadministration votes for increases and condemns those who did not vote that way is being approved by some Democrats and some Democratic papers.

If our Democratic friends do not want to suffer endless embarrassment they will not pursue this preparedness lead. Their record is against them. Even my genial friend, the gentleman from Oklahoma, the chairman of the Democratic congressional committee, voted no on the Kahn, the Brandegee, and the section 56 amendments for increases on the Army bill in March, May, and June, 1916, and on the Browning motion to recommit the Navy bill June 2, 1916, providing for naval increases. And that is not strange; most of his party voted that way as good administration men. In those cases I voted with them.

The fact is that whatever party credit there is for a preparedness program before our entry into the war, it is due to the Republican Party. Every proposal for increases came from Republicans and were largely supported by Republican votes, as was also clearly shown by the gentleman from Iowa in his speech day before yesterday. I do not recall any considerable support from the Democratic side for increases in rifles, machine guns, field artillery, submarines, and destroyers, which we have proposed at various times.

DEMOCRATIC PROTESTS AGAINST PARTY FOLLY.

I do not wonder at the protests we have heard from the Democratic side against the fool action of some Democratic committees and politicians in attempting to use the 8-barreled Security League "blunderbus" in an attempt to discredit Republican Congressmen. The old story of the sad fate of the raw recruit who put eight charges in the single barrel of his smooth-bore musket and rammed them all down before he fired is the only historical parallel. "Here lies a fool who should have known it was overloaded," was, as I recall, his epitaph. If this criticism of Congress were worthy of serious consideration it would constitute an awful indictment against the Democratic membership in Congress; for out of the 214 Members on the Democratic side in the present Congress the league gives a clean bill of health to only 5, none of whom reside west of the Alleghanies or south of Mason and Dixons line. About nine-tenths of the Democratic membership of this body, including all of the leaders and chairmen of important committees, are from five-eighths to seven-eighths to the bad according to the league.

This tough record of you gentlemen on the Democratic side from the standpoint of this self-constituted censor of congressional virtue is not to be wondered at when we remember that of the eight so-called test votes which the league adopts out of the hundreds of important votes that have been cast in Congress in the last two and one-half years, four of the votes approved by the league were clearly, definitely, distinctly, and universally recognized as antiadministration votes. They are the four votes I heretofore referred to, supporting proposed increases in the Army and Navy in 1916 above what was approved by the War and Navy Departments and the administration at the time. Perhaps I should apologize to the league for having voted on these four occasions with the administration and the Democratic majority. Except for those four administration votes I should personally be six-eighths perfect according to the league.

Of course, Democratic committees are not using this league stuff in districts where Democratic Members of the present House are candidates, except perhaps in the case of the five lone Democrats down in Yankeedom which the league indorses. They fondly imagine they can utilize this bell-muzzled blunderbus as the historic old rifleman tried to train his flintlock so that it would hit what it was aimed at if the object happened to be a deer and miss it if it was a stray calf. The trouble with that sort of political chicanery and demagogery is that the people read and understand and the old game which some have no doubt successfully played in the past of blowing hot and cold at the same time no longer works. The "bellerings" in one congressional district with a view of injuring a Republican candidate may have no effect at all, but their echo reverberated through surrounding districts where Democratic candidates are down on the league's bad books are likely to be very annoying.

That is, they might be if it were not for the fact that the American people are too sensible to form their judgments as to the service of their Members of Congress on the estimate of the secretary of an association, whose membership and purpose is largely unknown and the sources of whose inspiration are very questionable. That is particularly true when this self-appointed critic only approves 47 out of 435 Members of the Congress which has received the warmest commendation of the President, in a public address, on the volume and the character of its work. Who could have hoped that a Democratic organization anywhere would be fool enough to condemn Congressmen for voting with the administration. That this has happened reminds us of the fact that we frequently have the opposition to thank for blunders that make our success certain.

PROSTITUTION OF PATRIOTIC PROPRIETIES.

Who dares defend the use of the war as a political asset as it was used last April at Camp Grant when the Democratic leaders published advertisements to the Wisconsin soldiers assembled there, as follows:

TUESDAY, APRIL 2.

To the Wisconsin soldiers at Camp Grant:

You are entitled to vote for a United States Senator from Wisconsin. President Wilson, your Commander in Chief, desires all loyal Americans to vote for Joseph E. Davies for United States Senator. Davies's election means joy at Washington and gloom at Berlin. Davies's defeat means gloom at Washington and joy at Berlin.

To the credit of the soldiers at Camp Grant, and the people of Wisconsin, be it remembered that their response to what Chairman Hays has characterized as "an infamous prostitution of all patriotic proprieties and the grossest violation of the plainest civil duty," was the election of Senator LENROOT by a handsome majority. I am loath to believe that the Commander in Chief sanctioned such an indefensible use of his name and influence, though no rebuke of it has so far as I know been uttered by him.

THE OLD M'LEMORE STALKING HORSE.

Then there is that famous resolution of the gentleman from Texas [Mr. MCLEMORE]. It is true a congressional campaign has come and gone since it was laid on the table, a campaign in which no one, so far as I recall, used it as an issue; but the "war is a Democratic asset," says Vice President MARSHALL, so this old stalking horse is padded up and rolled out as a war issue.

On Wednesday during the debate the gentleman from Texas, the author of the resolution, reminded us of the fact that his resolution of February 17, 1916, calling on the President to "warn our citizens to refrain from traveling on armed ships of the nations at war" was based on a note issued by the Secretary of State the 27th of January, 1916, and which note questioned the right of a belligerent nation in time of war to arm its merchant vessels.

The gentleman might have added that the resolution would in all probability have been forgotten except for the fact that the President, through the very unusual means of a letter to the chairman of the Rules Committee, asked that it be considered and disposed of. The majority desiring to avoid a direct vote moved to lay the resolution on the table. Naturally many Members did not approve of disposing of the resolution in this way and voted against tabling. No one had an opportunity to vote directly for or against the resolution. Few, in my opinion, would have voted for it.

The gentleman from Texas paid his respects to a Democratic colleague who had characterized as infamous a vote against tabling the resolution, and he called attention to the fact that the President had appointed to a high official position, carrying a salary of $10,000 a year, Mr. William Kent, of California, who was one of those who cast one of those so-called infamous votes. Not until our late colleague, Mr. LENROOT, more than two years after the tabling of the resolution, became a candidate for the Senate in Wisconsin did our Democratic friends discover what an abhorrent thing a vote against tabling the resolution was. Mr. LENROOT was elected, we recall, notwithstanding the presidential mandate against him.

KAHN ANTIVOLUNTEERING AMENDMENT.

Those Democrats who are trying to make political capital out of the vote on the Kahn amendment, striking from the first draft bill its volunteering features, have a hard time of it, for unlike the vote against tabling the McLemore resolution which was mostly Republican, a majority of the vote against the Kahn antivolunteering amendment was Democratic and included our honored Speaker, CHAMP CLARK, whose thrilling speech for volunteering we all well remember.

Among the 67 Democrats voting against the amendment striking out the volunteering provisions were such men as the brilliant leader of the Democratic majority, the chairman of the Committee on Ways and Means, Mr. KITCHEN; the able chairman of the Committee on Naval Affairs, Mr. PADGETT; the efficient chairman of the Committee on Military Affairs, Mr. DENT; the chairman of the Committee on Immigration, Mr. BURNETT; that gallant old Union veteran of the Civil War, Gen. SHERWOOD, and others of the most responsibly placed, best known, and

strongest men on the Democratic side. A majority of the votes cast against the amendment were theirs. I have no apology to make for having been in their company on that occasion.

Let it be remembered that those who were opposed to striking out the volunteering features compelled compromises which all the country approved. They made the draft ages 21 to 40 (changed to 36 in conference), and only lacked one vote of making it 45 on my motion. This as against the War Department's plan of enrolling and drafting only those from 19 to 26. Their influence preserved the rights of the National Guard and left open in the Regular Army and the Staff Corps volunteer opportunities for 1,000,000 men.

ATTITUDE OF CONGRESS.

But these things are all behind us. Before the European war began, before we entered the conflict, there was abundant room and reason for difference of opinion as to what constituted proper preparedness. It is a matter of history that the President and the majority of his party were among those who were most loath to admit the wisdom of military preparation or the possibility of our becoming involved in the world conflict. But that fact long since ceased to be an issue except as gentlemen on the Democratic side make it an issue through ignoring or misstating the facts. Our faces are to the fore, our thoughts should be of the vital and inspiring present, the hopeful and victorious future with all of its trying problems and its splendid promises.

There is no more inspiring thought than this, that since the beginning of the conflict the American Congress has practically unanimously supported every measure which the administration has deemed essential to furnish the millions of men the billions of money and the tremendously far-reaching authority necessary to put the resources of the mightiest of nations in the balance for right of the world's greatest war.

THE DUTY OF CONGRESS.

It would be the most serious indictment that could be drawn against free institutions if there had not been some difference of opinion in the Congress touching the details of the measures proposed. Only the sheerest demagogy and the most unworthy partisanship will seek to magnify those differences into campaign issues in view of the fact that every real doubt has been resolved in favor of the administration's views, and the Congress has only insisted on its view as to substance or detail, where careful consideration and thorough debate has clearly developed that the view of Congress was the correct one.

The espionage law is a case in point. Section 4 of that bill as presented to the House contained most objectionable press censorship and antifree-speech provisions. The House in the Committee of the Whole eliminated the section. A sharp parliamentary procedure in the absence of many Members restored an equally objectionable provision to the bill. Democrats and Republicans who had the courage of their convictions voted against the bill as a protest against these censorship provisions. We all recall the outcome; how the conference report containing modified but still objectionable provisions for censorship was rejected with mandatory instructions to strike out all of the objectionable provisions. As thus purged of an unrighteous and un-American gag law there was not sufficient opposition to the bill to demand a roll call.

LOOKING FORWARD.

When in the providence of God, sustaining the gallant forces of the liberty-loving peoples of the earth, peace shall come, we shall have many trying and important problems of reconstruction, restoration, readjustment to meet and solve, and they will require all of the patience, all of the experience, all of the good judgment that the American people can command. These problems must be met with an open mind, an honest heart, and a broad vision to the end that the liberty, the justice, the democracy for which we fight, shall be vouchsafed to our people.

But for the present our one task is to help win this war. The aims and purposes for which we entered the war, and to the consummation of which we shall wage it to the end, have been clearly stated and aptly phrased by the President. In the pursuit and accomplishment of the Nation's purposes as he has outlined them, the President may be assured of the continued support of the Congress and of the country.

THE NATION'S HEART IS WITH OUR BOYS.

To-day the Nation's heart is over yonder in sunny, shell-torn, war-racked, blood-stained, heroic France. Over yonder along that grim and shifting battle line where hangs the fate of freedom and ordered liberty. Over there with that million and a half of our boys. A mighty host of the stoutest hearts and truest souls ever marshalled on earth. Those boys under our starry standards bear the Nation's soul, the Nation's will, the Nation's unalterable purpose to win a victory for the right. Until victory shall crown our cause every energy, every activity, every effort of the Nation will be centered on the winning of the fields for which our glorious men and our gallant allies contend and the just cause for which they fight.

Behind them we store up the limitless supplies of all things needful to their enterprise. Across the boundless expanse of ocean between us and that host of ours, with the aid of our faithful allies, moves the unending line of convoyed troop and supply ships. The sea wolves race and snarl, but can not impede the ceaseless flow of men and munitions to those fateful battle fields.

At home the anvils ring, the forges glow, the ceaseless din of the steam hammers sound a distant echo to the rattle of the machine guns on the firing line. The farmer plows and reaps in the summer wind and sun, the miner toils in the gloomy gallaries of the mine, the woodsman swings his ax, the herdsman and flock master pursue their daily round of toil, the engineman drives his ever speeding train, the pilot guides his plowing, straining ship, all that we may increase, sustain, and fortify that gallant host yonder amid the hills and on the plains of France.

In every center of industrial activity, in field and farm and forest, in mine and mill, in the marts of trade, in palace, and farm and cottage home, in city tenements, the one absorbing thought and purpose is the cheer and comfort and support of our heart's host over there. The press, the pulpit, the schools, the lyceums, the sewing circles, and the family hearths and homes are all enlisted in the war. Above all the ceaseless activities of a hundred million souls in every walk and avocation of life the dominant inspiring note that colors and shades, solemnizes and inspires, is the master impulse to support those in position of responsibility, and to hearten, strengthen, and increase our enlisting, training, embarking, and embattled hosts, to the end that out of it shall come a victory for justice, righteousness, and peace. To this cause may we all be unselfishly dedicated. [Applause.]

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. WHITE of Ohio. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. OLDFIELD].

The CHAIRMAN. The gentleman from Arkansas is recognized for five minutes.

Mr. OLDFIELD. Mr. Chairman, I do not desire to discuss the merits of the bill at this time. On last Thursday the gentleman from Iowa [Mr. GOOD] placed in the RECORD a letter of Mr. W. H. Hays, the chairman of the Republican National Committee, to Mr. Tumulty, and in order to complete the record of that correspondence I desire to have read at the Clerk's desk the reply to that letter of Mr. Hays by Mr. Tumulty.

The CHAIRMAN (Mr. SEARS). Without objection, the Clerk will read.

The Clerk read as follows:

MY DEAR MR. HAYS: I am very glad indeed to have your disclaimer. Although I observed in one of the Washington morning papers an acknowledgment by Republican Chairman Moter, of Kansas, that he had given to the press in that State the interview to which I called your attention, I prefer to accept your own explanation.

The general trend of your letter, however, still leaves doubt in my mind as to the responsiveness of some of the Republican managers to the clearly implied desire of the American people to keep politics out of the war. While the whole thought of President Wilson has been given to the successful prosecution of the war, the foremost leaders of the Republican Party, including yourself and Senator PENROSE, have been making fervent arguments in favor of a restoration of the old political control of the Nation. I have in mind your obviously partisan statement in the New York Times of a short time ago, wherein you said:

"Our coming political activity is not to be lessened. On the contrary, what we want in this country is not 'less politics' but more attention to politics."

Also I recall a recent speech you made in Philadelphia, in which you said:

"We will bring the Government back to the limitations and principles of the Constitution in time of peace and establish policies which will again bind up the wounds of war, renew our prosperity, administer the affairs of the Government with the greatest economy, enlarge our strength at home and abroad, prevent the further spread of the socialistic tendency of the times toward Federal ownership of all the creation and distribution of wealth as a panacea for all the real and fancied ills of society, and put the Nation's feet once more firmly on the path of progress."

I doubt whether the remarks which I have quoted can be interpreted in any way other than as an implied criticism of some of the necessary war policies of the Government, which you claim the Republican Party, as a minority, supported in Congress, and which, you plainly indicate, they would overturn if returned as a majority in Congress. A similar political speech by Senator PENROSE of Pennsylvania makes this assumption of your meaning inevitable. He said:

"I want to say to the Republican Party: Keep it vigorous and virile all through the United States, successful whenever it can be successful, and if under the guidance of the chairman of the national committee we can secure a Republican majority in the House of Representatives at Washington, I believe that we have reached a point in the

development of the situation when it will be best to replace the Democratic Party for military improvement and economical efficiency. We are all pulling together in order to stop the war as soon as we possibly can stop it, and then, Mr. Chairman, over and above all the people, by an overwhelming vote, we will vote the Republican Party in control of the American people, as the country has never prospered economically unless it has been under Republican control. Let us keep up an efficient organization in Pennsylvania and all through the United States, and make a successful Republican contest at every opportunity in every congressional district and at the next presidential election, and endeavor to assure the election of Republican candidates."

Even more partisan was the speech of George W. Wickersham, formerly Attorney General of the United States, some weeks ago at a Republican meeting at Lancaster, Pa. He was quoted in the Lancaster Intelligencer as follows:

"See to it that you elect Republican Congressmen—Congressmen who will not be at the beck and call of the President. Also, see to it that the Republican Congressmen who acquiesced in what the President wanted in the last two years are retired."

I am afraid that your quoted speeches, the speech of Senator PENROSE, and your letter of to-day indicate all too plainly that some Republicans find it difficult to think outside the realm of politics. The vast body of Republican voters, now standing with all Democratic voters stanchly behind their Government, doubtless will be interested in any statement you might care to make as to how far you would go in repealing the laws which have made America's participation in the war so effective.

The President's war aims have been made the aims of all the nations fighting against the German Government. These aims have been stated unequivocally by the President upon a number of occasions since the war began. Not merely the American people but all the world is familiar with these aims, which assure "force without stint" until victory is achieved.

It is only through the subtle insinuations that characterize partisan politics that these aims might be diluted with any doubt. It is quite obviously partisan and gratuitous for you to refer to "the imperative necessity of a vigorous prosecution of the war and a conclusive peace only, and the need of a Republican Congress to that end." That this reference was not an inadvertence is shown by the speech of Congressman S. D. FESS, chairman of the Republican national congressional committee, wherein he said:

"Republican success will not only insure the most vigorous prosecution of the war but it will be a guaranty against a compromise and, therefore, an inconclusive peace, 'a peace without victory,' but an assurance of a definite peace dictated by victory on the field."

These statements with reference to an "inconclusive peace" by yourself and Mr. FESS can be regarded either in the light of straw men raised up to be knocked down or as efforts to introduce doubt into a decision which the Government has already announced and upon which the American people are agreed.

Very truly, yours,

JOSEPH P. TUMULTY.

Mr. FORDNEY. Mr. Chairman, I yield to the gentleman from Oklahoma [Mr. CHANDLER] 15 minutes.

Mr. CHANDLER of Oklahoma. Mr. Chairman, although I think the bill now under consideration is bad, I intend to vote for it, for the reason that we are at war and we need the money to win this war. I believe that everyone should use every energy to see that this war is brought to a successful termination as speedily as possible. The bill under consideration is full of iniquities and inequalities that are greater, so far as certain industries are concerned, than the act of 1917, which the President requested us to amend and to eliminate the bad features. In his address before this body on the 27th day of May, 1918, he used the following language:

The present tax laws are marred, moreover, by iniquities which ought to be remedied. Indisputable facts, every one, and we can not alter or blink them. To state them is argument enough.

I do not believe that the committee has eliminated these inequalities, but to the contrary, so far as it affects certain industries. The inequalities I refer to are the lead and zinc mining and the production of oil and gas in Oklahoma, Missouri, and Kansas and, for that matter, throughout the United States, which is different from the ordinary business. It is full of failures and is highly hazardous and speculative. The risks are such that the incentive is not merely usual interest return on capital invested, as may be the case in other business, but a reward out of proportion to such usual returns. This reward of unusual return comes oftentimes after a fruitless endeavor extending over a period of years in losing or unprofitable adventures, with no return whatever, and usually with total loss of capital.

The incentive that extends the development and opens new mines and new oil and gas wells is the hope of finding some day a mine or well that will compensate for past hardships, privations, and losses. If this incentive is removed, prospecting and extension work will cease. Production of important metals, oil, and gas will be curtailed and possibly eventually stopped.

In the Oklahoma, Missouri, and Kansas districts the average life of mines brought to the point of production is less than three years. My attention has been called to the financial history of 175 mines in that district. These properties reached the point of production with the necessary mills, shafts, and improvements placed on them, and the average productive life was two and three-fifths years. The money invested in these 175 mines was over $5,000,000. The net profits, without depletion or amortization allowance, was $6,600, or $37 profit in each mine. I do not want you to understand from my statement that said district has no mines with longer life, or that they do not yield substantial profits. I present the history of these completed mines in order that you may realize the risks assumed when investments are made in these properties. Such a business can not continue unless the tax bill recognizes the extreme and extraordinary risk, calling for a much larger return on invested capital than if placed where there is no risk, or at least nominal. I also wish to call your attention to the fact that 90 per cent of the oil produced is taken from new wells during the first four years of their existence. At least 50 per cent of this amount is produced during the first year of a well's existence. It is therefore necessary, in order that production may be kept from declining, that new wells in large numbers be drilled; otherwise production will fall off, and in the midst of this great war we will find a shortage of oil, which is so essential to the needs of carrying this war to a successful termination. It is necessary that "wildcatting," as it is termed in the oil fields, should be carried on continuously and that new pools be developed.

History of the oil fields show that less than 1 out of 100 wildcat adventures are successful, over 99 per cent being a total loss to the parties entering upon the undertaking. Less than 10 per cent of successful ventures return to the parties their investments. Of this 10 per cent possibly 2 per cent are big strikes which you hear so much about. It is the incentive to make these big strikes that induces men and companies to enter upon such ventures; as before said, take this incentive away, I am afraid prospecting and wildcatting will practically cease. It is not that the oil men or the miners are not patriotic, for there is not a more patriotic set of men in the United States. They are willing to give up what they have to win this war. But they feel that they should be placed in such a position before making such a hazardous venture that they at least should have a fair return in proportion to the risk, if they should be successful, as is allowed less hazardous industries. The proposed bill allows a credit of 8 per cent on capital invested to all business, disregarding the varying hazards and risks of investments. Banking is allowed the same credit as mining and wildcatting for oil. In the field heretofore mentioned less than 10 per cent of the mining ventures ever reach the producing stage, and less than 25 per cent of those reaching the point of production recover back their capital. If this were the record of banking investments, we know there would be very little banking in this country.

Men face this chance because of the hope of final reward in a good strike; this bill removes the reward.

The law should at least give to oil producers and miners of this character, where the life is short and uncertain, 15 per cent credit on capital; again, depletion and depreciation allowances should be so provided and administered that the tax would be on profit and not capital. As now administered the capital is returned by depletion and depreciation of allowances over the estimated life of the individual mine. This may and oftentimes works a great hardship. A miner may invest $30,000 in a mine with an estimated life of three years. He takes out one-third of the ore; for the first year, earning $25,000. He has been allowed heretofore to deduct for his gross earnings $10,000, being the return of one-third of capital, leaving a taxable earning of $15,000. Under this proposed bill a very large part of this will be taken as a tax; later, as is often the case in the mines, it is found that the life has been overestimated and no further profit is made. The entire venture will have been a loss, but the miner has been required to pay a tax on $15,000 earnings of the first year. This is a tax on capital, not income. The same principle will apply to an oil well which is drilled at a cost of, say, $50,000, and, as frequently happens, at the end of two or two and one-half years the oil is completely exhausted. During the first year there is probably produced $25,000 in oil; possibly $5,000 during the next year before the well becomes dry; however, the producer is allowed to deduct from his gross earnings $4,166.67, being the return of one-sixth of the capital, leaving a taxable earning of $20,833.33; and if the venture the following year becomes a loss the producer has been required to pay a tax upon said $20,833.33 of the earnings of the first year, and, as before stated, this would be a tax on capital and not on income.

In my judgment, at least, discretionary power should be placed with the department to allow a more rapid return of capital where the life of the mine or well is short and uncertain.

Section 312 is very unfair to the miners and the oil producers of our district in allowing only 10 per cent credit on capital invested, where the corporation had no prewar earnings that might be allowed as a credit. The corporation with a prewar record is entitled to the full average earnings for the prewar period free from tax, while the new companies are limited to 10 per cent. Ten per cent return on mining and oil investments

in other fields may be a fairly normal return; of this I have no knowledge, but I am quite sure that in the field for which I now speak 10 per cent on invested capital is in no sense a normal return. In the State of Oklahoma money may be loaned on real estate for 8, 9, and 10 per cent, with no risk.

Because of the short life of our mines more than 95 per cent of our operating properties have no prewar record, and on account of the Mid-Continent oil field being practically a new oil field, at least 75 per cent of the operating properties have no prewar record. These will be confined to the 10 per cent credit. I think the very least that we should do would be to allow new corporations the same credit that is allowed representative corporations similarly circumstanced; otherwise in my district a very unfair discrimination is made against the new company.

The proposed bill in section 311 provides a tax of 80 per cent on all profits over the credits allowed under section 312. The credit is prewar earnings, or 10 per cent of capital, if there be no prewar record. If this is an attempt to take earnings brought about by war conditions or demands, I see no objection to it and it should be paid, but the proposed bill is so drawn that oil properties and mines will fall into the 80 per cent tax class, for in no case do I believe that the oil properties or the mines in my district are enjoying any war profits. On the contrary, I believe that the profits of the oil producer and the lead and zinc miners would be greater if there was no war.

The Oklahoma lead and zinc miners are producing many times the output of the prewar period and the net income is larger, but it is because of finding larger and richer deposits. War conditions have in fact reduced the profits per unit. If the intention is to get war profits it would be an easy matter under the rules of the department to take a war profit per unit.

I call your attention to the provision in section 336, on page 68, prohibiting the return of tax on so-called consolidated returns. The constitution of the State of Oklahoma prohibits corporations owning real estate outside of cities and incorporated towns, except a sufficient amount upon which to conduct its business. The result is that mining corporations may only hold small tracts upon which operations are actually conducted. The practice follows of holding the ownership of the fee or leases by holding company or association, and if a small tract is proven to be productive territory a subsidiary corporation is organized for operating purposes, and in most cases the stock issued is nominal. Usually a contract is issued to the operating company without any particular consideration, the corporation being formed only for convenience, the owner in each company being identical. To prohibit classing this as one business is unjust and will, under the terms of this bill, be ruinous to many operating oil and mining companies of Oklahoma organized in this way for nominal issue of stock. The bill should contain some provision permitting a consolidated return of companies organized for the purpose of entering such hazardous undertakings or ventures as the production of oil and gas or the mining of lead and zinc. [Applause.]

Mr. WHITE of Ohio. I yield 15 minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, I want to call attention to the administration of the soldiers' and sailors' insurance act and some details in connection with it, which it seems to me are worthy of the attention of the House and of the country as well.

I am sure that every American heart thrills to-day with pride in the news that comes from the front. As we read of the achievements of our soldiers, how they are adding new glory to the American flag, and causing the fear of American prowess to seize the souls of our country's enemies, I am sure that every American heart responds. The people of this country are to-day united as never before in the support of our boys over yonder. Some of the people of this country, perhaps, did not favor entering the war; some, perhaps, have not approved of all the details of policy entered upon; yet I want to say that my faith in the American people, both native and naturalized, is such that I believe there is not one in a million who does not want to see this war won, who does not want to see it won quickly, or who does not hope and pray with all his soul that to-day is but the beginning of a forward movement which will plant the Stars and Stripes upon the Schloss in Berlin, and end in complete victory for ourselves and our associates in the war. [Applause.]

Mr. Chairman, I have voted for every measure for sustaining our soldiers and sailors. I have voted for every measure which tended to make their lot better. I am definitely pledged until the very end to give our boys upon the ships and in the field absolutely the best of everything that may be required—the best arms, the best clothing and supplies, and the very best treatment and care that can be furnished them. I feel that if there are sacrifices in the way of food and clothing to be made, they should be made by the people here at home. If anybody is to go on scant rations, it is for the civilian population to do that. I would not have those boys stinted in the slightest degree, nor any economy or saving practiced in supporting them.

Next to our soldiers at the front, the ones who are the objects of my solicitude and nearest to my heart are their wives and parents here at home, and the children they have left behind. Having the protection of those dependents in mind, I voted for the soldiers' and sailors' insurance act, containing its insurance allotment and allowance provisions. I felt that it was our duty to make our men contented over there, and knew that they could not be contented and could not show the highest efficiency unless they were confident that their loved ones at home were being cared for.

It is too much to ask even of a devoted and patriotic American soldier, that he shall do his best upon a foreign battle field, knowing all the time that at home there are little children, his little children, reaching out their hands in hunger, and that his wife or his parents are not being fed and clothed as they should be. I am not willing that a soldier's dependents should suffer, yet I fear that in some degree it is transpiring, notwithstanding the providence of Congress in the matter. We passed an insurance and allotment and allowance act which we believed would provide for the dependents of soldiers in the very best way—a liberal act which was without precedent and which had no parallel in the war legislation of other countries; a most beneficent law. But it seems to me, Mr. Chairman, that in the administration of this act there has been a falling short, and that some benefits of that act are being withheld from those for whom they were intended. I want to call the attention of the House to some details of that kind.

Take the matter of allotments to a soldier's parents or other dependents who are placed in class B, to whom the soldier is not compelled by the law to make an allotment but who are entitled to no Government allowance if no allotment is made to them. As a rule, allotments are made by soldiers unfamiliar with the law, and are taken by officers who are just as ignorant of the law as the soldier himself. In many instances the soldiers fail to claim allowances for their dependents, although they contributed to their support, and they would have been justified in so doing. These allotments came into the Bureau of War-Risk Insurance and were paid for a considerable period. In many instances where allowances were not claimed, the parent or other dependent was permitted to assert a claim of dependence and to get an allowance through the bureau.

But recently that practice has been changed. Congress passed an amendment to the act, which was approved June 25, 1918. I am confident that nobody in the House or in either branch of Congress imagined that anything in that amendment would be construed as changing the administration of the law in the respect I have mentioned. But in the process of its construction officials have been able to hold that they are authorized under the amended act to cancel all allotments to dependents where allowances have not been claimed by the soldier or allowed by the bureau. As a result of that construction of the law nearly 300,000 soldiers' allotments have been canceled. There is the general impression among the Members of the House that these allotments are merely turned back to the War Department and will be paid through the Quartermaster General. I want to correct that impression. It is unfounded. Every one of these allotments is canceled, ended, and terminated, and the only chance the parent or other dependent of class B has to get an allotment in such a case is for the soldier to sign a new blank—a new paper. Perhaps this soldier, far away on the fields of France, is wounded, perhaps in a hospital, sick and far from home. It is necessary that he should sign a new blank, or else his dependents at home will get absolutely nothing.

Mr. PLATT. If the gentleman will allow me, I have taken up this same thing that the gentleman is speaking of, and I have been informed that cablegrams were sent to the officers in France before the 30th of June requesting them to take the matter up with the boys and have them send new allotments. I do not know whether anything of that sort has come through. The only letters I have seen have been dated about the 27th of August, saying that the allotments were stopped as of the 30th of June. I think that is very unjust.

Mr. HUDDLESTON. I have a sample form letter such as the bureau sends out in these cases:

TREASURY DEPARTMENT,
Washington.

You will no longer receive checks from this bureau for the voluntary allotments which the bureau has previously sent you, but if the enlisted man who has already been notified of this discontinuance desires to continue this allotment he will do so through the "Quartermaster General's Office, Washington, D. C.," for men enlisted in the Army; the "Navy Allotment Office, Washington, D. C.," for men enlisted in the

Navy; the "Paymaster, United States Marine Corps Headquarters, Washington, D. C.," for men enlisted in the Marine Corps; or the "Captain Commandant, Washington, D. C.," for men enlisted in the Coast Guard.

If you correspond further in regard to this matter, you should write to the enlisted man or to the office mentioned above, according to the service in which he is enlisted.

Do not write to the Bureau of War-Risk Insurance, as it no longer has charge of this particular case.

Very truly, yours,

C. F. NESBIT, *Commissioner*,
By ——— ———.

In about 300,000 American homes—some of them destitute homes, where the parents are depending on their soldier sons' allotments for bread—they have received a cold printed form saying "your allotment is discontinued as of June 30." They do not understand it, they do not know why, and they are writing to Members of Congress. They have heard nothing from the sons over yonder of any reason for the cutting off of their pittance of support. The gentleman from New York [Mr. PLATT] says that an order has gone by cable. I do not know whether it has or not, but if it has it has been ineffective. The soldiers have not signed the new form. They do not understand why it is necessary. They have already made allotments, and the result is that in the greater number of 300,000 homes there is going to be a great deal of suffering before they can get the new blanks signed.

Mr. DOMINICK. In the case of the change of payment of these allotments, was it not made as a matter of bookkeeping, a change from the Bureau of War-Risk Insurance to the quartermaster's depot of the Army?

Mr. HUDDLESTON. I have just explained that that is not the case, and that it involves the discontinuance of allotment and the signing of a new blank entirely.

Mr. DOMINICK. My information is——

Mr. HUDDLESTON. The gentleman's information is incorrect, I am giving him real information. [Laughter.] Some of the allotments have been paid one or two months, others longer, and then, irrespective of the length of time, are now totally discontinued. These allotments, many of them, were made when the soldier had just left home, when the memory of his family was fresh in his mind, when the domestic ties newly sundered were fresh and bleeding, perhaps the boy had just gone from his mother's arms. Now, he has been away for months; he is in France; he finds that he wants more money than he has got. Perhaps he will not sign the new allotment, perhaps he has forgotten the old folks at home. Perhaps the parents at home, actually destitute and suffering for the allotment, will never get it again.

Mr. DOMINICK. If the gentleman will pardon me, I do not know upon what the gentleman from Alabama bases the statement that my understanding was incorrect.

Mr. HUDDLESTON. If the gentleman wishes to ask me a question, I hope he will do it, as my time is passing.

Mr. DOMINICK. I want to set myself straight.

Mr. HUDDLESTON. The gentleman can do that in his own time, I can not give him mine, and I hope the gentleman will excuse me.

Mr. DOMINICK. I simply want to ask this question: The gentleman seems to be informed as to the present procedure in regard to this matter, and I want to ask in case an allotment is discontinued by the Bureau of War-Risk Insurance, if the terms of that allotment are not continued by the depot quartermaster?

Mr. HUDDLESTON. I have said—and this makes the third time—that it is totally discontinued, and the allottee will get nothing until the soldier signs another allotment blank.

Mr. DOMINICK. My information from the Bureau of War-Risk Insurance is otherwise.

Mr. HUDDLESTON. I hope the gentleman will get himself straight, for he is wholly mistaken.

Mr. RAYBURN. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. RAYBURN. The gentleman from Alabama is correct and the gentleman from South Carolina is wrong. The whole trouble about the matter is that when this matter was transferred from the War-Risk Insurance Bureau to the Army and Navy the Army and Navy would not take the facts and figures of allotments made in the War-Risk Bureau, which statistics have been ready to be turned over to them at any time, but they refused to take them and have demanded the new thing.

Mr. BLANTON. Will the gentleman yield?

Mr. HUDDLESTON. Yes.

Mr. BLANTON. Is it not a fact that in stopping it the War-Risk Insurance Bureau notified each allottee that there had been a change of method and that there would be some delay in sending future allotments?

Mr. HUDDLESTON. No.

Mr. BLANTON. That is my information.

Mr. HUDDLESTON. I have stated the facts, and the gentleman's misinformation does not change them.

Mr. KNUTSON. Will the gentleman yield?

Mr. HUDDLESTON. I will.

Mr. KNUTSON. Is there not a provision in the soldiers' and sailors' insurance law which allows the Bureau of War-Risk Insurance to turn over to the Quartermaster General's Department in the matter of pay, paying all allotments in excess of $15 a month?

Mr. HUDDLESTON. I have not been able to find anything of that kind.

Mr. KNUTSON. The gentleman will admit that it has been done.

Mr. HUDDLESTON. I do not know what the gentleman has in mind. I do know that all allotments to class B dependents, where the allowances are not claimed, have been canceled absolutely, not turned over to anybody to be paid, and never can be paid unless the soldier signs a new document. Many will not sign, and the result is going to be a great hardship to a multitude of deserving but destitute parents.

Mr. KNUTSON. I was informed at the Bureau of War-Risk Insurance that where a soldier has made an allotment of $20 $15 would be continued to be paid by the War-Risk Bureau of Insurance and $5 would be paid by the Quartermaster General.

Mr. HUDDLESTON. The point that the gentleman makes is not germane to what I am talking about. I am not absolutely sure, but it is my information, that wherever the allotment exceeds $15 the excess is canceled, and if the sailor or soldier wants to allot anything in excess he must sign a new allotment, and payments of the excess are made through the Quartermaster General's office.

I want to say this further. As I expressed myself when this act was being considered in the House, I can not see any reason for putting a dependent father and mother in class B so that the soldier may make them an allotment if he wants to, or let it alone if he wants to, and that they may get an allowance from the Government if only by grace of the soldier they get an allotment. I have never been able to perceive how dependents can be arbitrarily distinguished in merits one from the other. I have never been able to understand why this bill came in here originally and was passed by the House guaranteeing support to a soldier's wife, who might be a young woman and able to work and support herself, whereas his mother, who might be old and poor and sick and absolutely dependent upon charity, would not be able to get a cent.

Mr. DECKER. Mr. Chairman, will the gentleman yield?

Mr. HUDDLESTON. I yield to the gentleman.

Mr. DECKER. Is it not the law in the gentleman's State that a man must support his wife, that he is compelled to by law, whereas there is no legal compulsion to support his parents?

Mr. HUDDLESTON. I am happy to say that I live in a more civilized community than would tolerate any such law. [Applause in the gallery.] I am here to say that in my State——

The CHAIRMAN. The Chair will admonish the people in the gallery that applause is forbidden in the gallery under the rules of the House.

The time of the gentleman from Alabama has expired.

Mr. WHITE of Ohio. Mr. Chairman, I yield the gentleman three minutes more.

Mr. HUDDLESTON. Mr. Chairman, I trust the gentleman from Missouri [Mr. DECKER] will pardon my impatience with interruptions that do not relate to this particular subject. I am trying to say some things that I think the House ought to know and that seem to be the subject of much misinformation in the House. Proceeding a little further along that line, I call attention to the provisions made for class A dependents. Under the law, if the husband does not make an allotment to his wife, she may file a claim for a compulsory allotment. That would seem to be fairly satisfactory, but under the practice, under the law as administered by the bureau, it is not satisfactory. For illustration, I have in mind this kind of an actual case. Members will understand a concrete case better than merely an abstract statement of the practice. In January last I filed a wife's application for a compulsory allotment. The husband claimed an exemption from the allotment on the ground that the wife had deserted him, which was wholly untrue. He simply wanted the money for himself. He was an unworthy husband. The case has run along and is still pending in the bureau, no final action having ever been taken upon it, notwithstanding the fact that on June 28 the husband withdrew his claim of exemption, said it was unfounded, and authorized the allotment to be

made. Yet no compulsory allotment has been obtained from him and no payments have yet been made to the wife, and she has been for over six months absolutely without support except so far as friends and relatives have furnished it to her.

It would be thought that when award is finally made on that kind of a claim the arrearage would be paid so as to enable this wife to pay the debts that she has incurred for her support during the time the matter was delayed. Nothing of the kind occurs. The award, if made to-day, will extend only to the month of September and the allowance and allotment will date from now. Nothing will be paid her in the way of arrearage unless the military authorities are able to check against this man's pay the monthly payments which should have been made in the past. That is, of course, a matter of long time. The checking can only be made month by month as the soldier's pay accrues, and it takes away all of the soldier's pay, whereas before he retained one-half of it, with the result that there is a dissatisfied soldier, possibly a deserter, and a court-martial. The soldier, in other words, is left without pay altogether. That is the situation in a case like that. You would think by all means that the allowance—the part that the Government pays—would be dated back to the date the soldier went into the service, because the Government absolutely owes that to the woman. The law expressly gives it to her, but the practice of the bureau deprives her of the benefit.

The CHAIRMAN. The time of the gentleman from Alabama has again expired.

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. WOODS].

Mr. WOODS of Iowa. Mr. Chairman, America is now a full partner in the greatest war in the history of the world. Her entrance into the struggle has brought new courage, strength, and endurance into the war-worn armies of the allies. Together they are now guarding the temple of individual liberty—American liberty.

Upon America falls the larger burden of maintaining and enlarging the allied man power, of feeding those armies, and of financing their operations. This is a war between nations, between peoples, not simply a struggle between armies. It is up to the people here at home to be unceasing in the work of bringing governmental, industrial, and agricultural organization to the highest possible state of perfection.

No man can say that he is without opportunity to assist in winning the war. The grave problem confronting the American Government is a problem equally grave to every American citizen, and if that citizen is to bear his share of the burden of American citizenship he must say to himself, "The problems of my Government are my problems. It is my duty to understand these problems; to meet the just demands made upon me; to contribute in every thought, word, and deed to the common cause."

The lesson we must teach the Old World monarchies is that a representative republic, composed of 100,000,000 industrious, peace-loving citizens, can defeat organized militarism and yet preserve through it all freedom for the individual. To teach that lesson we must maintain the ideals of American Government. Ours is a representative government, and a departure from government by the people through their chosen representatives would mean autocracy. We should not permit politics to enter into the war, nor the war to enter into politics. The one is destructive of the efficient conduct of the war, the other destroys the fundamental principles of our form of government. Therefore I am not in harmony with the policy of certain politicians who continually nag President Wilson in his efforts to prosecute the war.

There can be no partisan patriotism. We must all make whatever sacrifices are necessary. These sacrifices must be made by the individual, by the party organization, and by political parties, to the end of winning the war at the earliest possible hour. The one big thing that towers above all else in America, that must dominate the ideal, effort, and thought of every individual, and every organization, whether it be commercial, social, or political, is to win the war. The Republican Party is committed to this achievement, and will not swerve from this course. Its every act must have this in view. An economical administration of the affairs of government in the conduct of the war will materially aid in its prosecution. The Republican Members of this House should advocate unanimously the enactment of certain constructive legislation, and thus insure the support of the country in the coming election. They can do this by uniting their efforts to pass a law carrying out the party platform pledge for the creation of a simple businesslike budget system.

The last Democratic platform contains a declaration implying that at some time the adoption of a budget system would be a wise measure, and suggests that an intermediate step be taken to open the way for such a reform. It does not affirmatively advocate the immediate creation of the budget system. A few attempts have been made at various times by certain Democrats in the House to consider this intermediate measure, but the Democrats themselves on each occasion have prevented any progress. This is not surprising. The Democratic Party has never been cohesive, and therefore it is not to be expected that they would unite upon the matter. The Republican Party has an established record for cohesive action and constructive legislation, and therefore more is expected of the Republican Party than of the Democratic Party.

During the absence of the minority leader, the gentleman from Illinois [Mr. MANN], there has been no Republican leadership uniting the party in an aggressive effort to enact constructive legislation. This is due largely to the fact that the Republicans are in a minority, and have been supporting, and should continue to support, necessary war measures, irrespective of the attitude of the Democrats. But the budget system is, or should be, a war measure, and if the war, through some unforeseen contingency, lasts longer than is expected, it will become a war measure of even more vital character.

This principle ultimately must be adopted if we are to deal honestly with the taxpayer. It is time we devoted our energies, not so much to endeavor to swell the public purse by new expedients in taxation, but to more serious efforts to stop the holes through which our resources are constantly leaking. Conservation of our resources never will be practiced successfully so long as our present system of financing obtains.

Many Republican Members of the House have recognized the unsoundness of our present fiscal system. The gentleman from New York [Mr. MAGEE], on April 6, presented an admirable discussion of the question, and the gentleman from Illinois [Mr. MCCORMICK] furnished the House with an exhaustive analysis compiled jointly by himself and Charles Walter Collins, author of "The National Budget System and American Finance." This compilation has been published as House Document 1006, and I quote therefrom:

* * * There is no policy or program in our finances at all at any time. * * *

* * * We thus proceed each year with complete lack of equilibrium. Department is not balanced with department, nor expenditure with revenue. After all of the appropriation bills are in—several months after the opening of the session—we bring in a revenue bill to cover them. When these bills are passed Congress washes its hands of the whole matter. * * *

* * * The people have no way of knowing what is going on. There is no publicity except such items as find their way to the press from time to time. Secrecy, obscurity, inefficiency, duplication, and waste abound. No one can clearly see the hands that reach into the Public Treasury. * * *

We have entered the war with this old discredited system. Under it at the last session of Congress we appropriated over $20,000,000,000, and we are in a fair way to repeat that orgy of finance at this session. We are attempting the impossible. We are attempting to finance the most stupendous enterprise in the history of the world upon principles and by methods which no sane man would defend. And if we do not right ourselves we shall face the acute problems of reconstruction in the same shiftless way.

In June, 1912, President Taft, in a message to Congress, transmitted a report of the Commission on Economy and Efficiency on the subject of the need for a national budget. This was followed by another message from President Taft submitting for the consideration of Congress a budget, with supporting memoranda and reports. In this message of February, 1913, the President recommended that Congress—

Make some organic provision whereby the administrative and legislative branch may coordinate their efforts in the development of the future activities of the Government as well as for the determination of the expenditures needed for the current transaction of its business.

As soon as the Democrats obtained control of the Government they promptly cut out all appropriations for the expenses of the Commission on Economy and Efficiency. So it is plainly apparent that nothing will be done by the Democratic Party looking toward the immediate creation of a budget system. It is therefore the opportunity and the duty of the Republicans as a party to act, and, so far as lies within its power, to redeem the pledge made in the national Republican platform of 1916.

The Republican Party went on record in national convention in its platform of 1916 in favor of the establishment of a simple, businesslike budget system necessary to effect a needed reform in the administration of national finances. When this declaration was made by the Republican Party we were at peace and the problem of national finances was relatively less important. Since then America has entered the war, expenditures have increased enormously, and the need of a budget system, therefore, is magnified proportionately.

In the near future there will be another drive for the sale of a very large amount of Government bonds. There is also a continuous effort to obtain contributions for the Red Cross, the

Knights of Columbus, Young Men's Christian Association, and other war-relief work. I am sure the people would buy liberty bonds and make these contributions with more confidence if a simple, businesslike budget system were promptly established to prevent the present waste prevailing under our fiscal methods.

At this period, when the Government is asking the people to raise $8,000,000,000 by direct taxation, it seems to me it is the duty of Congress to establish a system of sound governmental financing. The creation of a budget system will do this. It will stimulate greater enthusiasm and cooperation among the people, concentrating all our energies and resources for winning the war. It will be a vital factor in preparing for the inevitable world-wide struggle for commercial and industrial advancement when peace is declared and will lead to a more economic expenditure of the vast sums of money paid into the Treasury.

Mr. FORDNEY. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. PLATT].

Mr. PLATT. Mr. Chairman, the last revenue bill, which became the act of October 3, 1917, was about the most complicated and inequitable affair of the kind ever perpetrated upon a patient, patriotic people. Its tax rates were higher than necessary to produce the revenue at that time desired, as the returns already have demonstrated; some of its items were purposely designed to hit certain classes of people, who were openly described as "wanting the war," and therefore should pay for it; and it contained the iniquitous 8 per cent tax on all labor incomes above $6,000, superimposed on the individual income-tax rates, on the theory that if a man works for his money he should pay a higher tax than the man who draws his income purely from investments. That was a curious theory to come from a party which calls itself democratic, but it was stoutly defended on the floor of this House, though no one seemed to understand just what the 8 per cent tax, which had been put in at the eleventh hour in conference, meant nor just how far-reaching it would prove to be. It naturally met with a storm of criticism, and has been dropped from the bill before us, which does not, however, make any distinction in rates between labor incomes and investment incomes in favor of the former, as England and some other countries do.

The income-tax rates of the act of October 3, 1917, were piled on top of the rates of the two previous revenue acts in such a way that not even a Philadelphia lawyer could tell how to make out a return, and the Treasury officials were so long in endeavoring to formulate regulations which should have some appearance of clearness that the time for filing returns had to be extended a month. It was worse yet with the corporation and excess-profits tax. No corporation knows yet whether its returns were made out in accordance with the law, and none of them will know until a year or two from now, when the army of additional clerks and inspectors made necessary by the law's obscurity have time to go over those returns and figure them up in accordance with some finally determined standard. If the time lost by conscientious taxpayers, anxious to pay the Government every cent due under the law, in trying to figure up what their returns should be, in consultations over the matter with lawyers and so-called experts, could have been saved and devoted to productive work, it would have been an appreciable contribution toward the winning of the war.

This bill is better in some important respects. It consolidates the rates of the preceding acts, and its language, so far as I have been able to give it study, seems to be reasonably clear. It drops the 8 per cent tax and does not submit individuals to either the excess-profits or the new war-profits tax. But it is subject to the criticism that it shows a considerable amount of the same ideas that dominated in the formation of its predecessors. Its authors have either not yet become convinced that the American people as a whole are heart and soul for the war and willing, every man and woman, to pay their just share, or else they have been animated by a desire to do a little political profiteering out of the fact that general taxes have not been levied. Yet these so-called consumption taxes have merely been postponed, and it has already been admitted that they will have to be levied in the near future to make up for the losses of revenue due to the ban upon brewing. It would have been better to place these taxes in the bill at rather low rates, to be raised later if necessary, than to leave them out entirely. When levied they will have the appearance of having been levied to make prohibition unpopular.

The so-called luxury taxes or excise taxes of Title IX of the bill are so graded as to get what little revenue they will raise out of the same people who pay the income taxes, and as revenue producing taxes some of them strike me as being ridiculous. If you want to get revenue out of the sale of valises and traveling bags why put the exemption as high as $25? That will simply mean that no revenue whatever will be raised from that article, or not enough to be worth counting. Why put the limit of men's suits or women's suits at $50? That will simply drive the customs tailors out of business and drive everybody to the department stores. As a revenue-raising proposition the limit of exemptions in section 905 ought to be reduced in most instances one-half and the rate of taxation at the same time reduced one-half—from 20 per cent to 10 per cent. A large number of people, all of whom could well afford to pay something, would then pay a small tax, easily ascertainable, over a minimum that would still remain high enough to enable anybody under the necessity of rigidly economic living to keep under it. A very good serviceable suit of clothes can still be bought for $25, and a good hat for $2.50. Putting the limit on men's hats at $5 means that not one man in a thousand will pay any tax. I do not recall ever having paid $5 for a hat myself, except for a silk hat, which, while now of somewhat ancient vintage, still serves well enough for the few occasions where it seems to be a necessary nuisance. It seems to me that this section 209 shows politics or cowardice, or both, rather than a desire to raise revenue for the support of the war.

The high taxes upon business enterprise, taking away from corporations and individuals their reinvestment funds, have already made necessary the assumption of more and more of the war work by the Government, and have made necessary in increasing amount the loaning of Government money to enterprises absolutely essential to the prosecution of the war. I venture to say that a study of the records of the War Finance Corporation will show that the Government has loaned money to some of the very same corporations from whom it has taken large sums in excess-profits taxes. In other words, these corporations doing war work are having taken from them funds absolutely essential for the expansion of their business to meet the needs of the war, and then in order to prevent the work from coming to a standstill the Government is loaning them their money back. Yet the surtaxes and excess-profits rates in this bill are doubled.

Already some large concerns have been driven out of business by high taxes and various restrictions upon raw materials and upon transportation. If they are nonessential industries and if their labor forces are needed in shipbuilding or munition work perhaps their closing can not be helped, but it is going to be a serious question how far this discouraging of industries is to be carried. The building industries may be mentioned as among those hardest hit in many localities where there has been no building of war factories or cantonments, and in connection with the buliding industry the brickmaking industry seems to have been perhaps the hardest hit of all.

This is an absolutely essential industry in normal times and it seems as if some provision should be made by the Government to tide over such industries ruined or so reduced as to be forced to the verge of bankruptcy because of the war and of the Government's arbitrary, though perhaps necessary, rulings with regard to transportation, fuel, and materials. If excess-profits taxes are to be paid by the concerns that happen to be making money, it would seem no more than fair that some part of the funds so raised should go toward keeping from bankruptcy industries that have suffered excess losses through no fault of their own. As a case in point, an extreme and exceptional case doubtless, I was told on a recent visit home of an action to foreclose a mortgage of $12,000 on a brickyard that had cost to construct and equip some $75,000, and the yard actually had on hand brick that could be sold in the market to-day for $14,000, or $2,000 more than the face of the mortgage, but the railroad or transportation director would not furnish the necessary cars or river barges. No such thing as that should be allowed to happen in a free country. We have passed a soldiers' and sailors' civil-rights bill, but have failed to afford any protection to the people ruined by the arbitrary acts of government growing out of the necessities of war.

I believe that the Ways and Means Committee ought to come to a realization that the people are back of the Commander in Chief and of the boys in the trenches, and are willing to pay their fair share of the cost of maintaining them till the war is won. The committee has been overfearful about letting everybody have a share. In the main it has done its work well and has resisted the blandishments of the cranks that have been before it as well as most of the special pleas of interests that have sought a measure of exemption, but there is a little of the income-conscription idea in the bill, and in closing I want to say a word about the agitation or propaganda for so-called income conscription.

If you will look through your files, supposing that you have saved the various letters sent to every Member of Congress in favor of various schemes of taxation, and supposing also that you have saved the letters of the various propagandists before we entered the war, you will at once be struck by the fact that

the conscription of incomes has had the support in many instances of the very same people who were urging us two years or more ago to vote against preparedness, who urged us to support the McLemore resolution, who tried by every conceivable device to prevent the manufacture and exportation of arms and ammunition to our allies; the very same people who frantically urged us not to support the President when he asked for the adoption of the armed-ship resolution, and the same people who frantically urged us not to vote for the declaration of war in April of last year; the same people again who opposed the passage of the draft act. It is as plain as sunlight at noonday that these propagandists who had been playing the pro-German game throughout did not acknowledge themselves beaten, but simply started on a new line of propaganda—to do what they could to make the financing of the war difficult or impossible. They cunningly calculated, or their German instructors, carefully concealed in the background, calculated, that if they could pull down the men of wealth and enterprise and initiative they would stop the progress of the country and by degrees reduce it to the same condition to which Russia has been reduced, so that the great Republic of America would ultimately become an easy prey for the Kaiser and the Prussian junkers, just as Russian has.

To prove the truth of what I have said, I need mention only one conspicuous name, as typical of many—Amos Pinchot. You all have his letters and his frantic advertising in your files. As a more recent instance I might mention also Mayor Thompson, of Chicago, who apparently has happily been defeated for the senatorial nomination in Illinois. He is reported to have been going throughout the State declaring that while he was opposed to our entering the war and opposed to the raising of an army by the only means possible for the raising of a large army, he is in favor of "the conscription of incomes." It is so easy to say, and has such a seductive sound, such latent elements of popularity that this propaganda is undoubtedly the most insidious, the most cunningly contrived, the most dangerous of all the German propagandism so persistently circulated in this country. We have plenty of bolsheviki in this country who have taken it up and echoed it and carried it along, and like the propaganda that preceded it, this has caught in its meshes not a few good and honest men of patriotic impulses, who have failed to see the concealed hand of the Kaiser pulling the strings. I am sure that a little better knowledge of the economics of taxation, a little more of the spirit of fair play, together with consideration of the sources whence this latest propagandism draws its chief inspiration, will drive it into hiding along with its discredited predecessors, many of whose leaders are now languishing in jail or in detention camps.

I believe the surtaxes are already so high as to discourage individual initiative in many cases, in view of the definition of income given in this bill and in the preceding law. In the popular mind the word "income" implies a somewhat regular receipt of funds, such as rents, dividends, interest, or salaries, and does not apply to extraordinary gains from some hazardous venture, or from the sale of some property which may have been slowly advancing in value for some time, but all these gains even though reinvested to produce a further steady income are gathered as income under the terms of the bill. This must discourage investors, and all persons whose undertakings involve considerable risk. The high surtaxes have already caused apprehension over the next liberty loan, and the Secretary of the Treasury himself has asked that some further exemption for the bonds be given, and we have already, yesterday, granted that exemption up to as high as $30,000.

ESTATES TAX.

I believe there should have been some effort made to raise revenue from tariff on imports. The Tariff Commission has just completed studies on pearl buttons and on glass. The imports of pearl buttons have increased enormously, more than 1,000 per cent, since the war began, and a considerably increased revenue might just as well be secured from them as not. We do not at present need protection, but we do need revenue, and this is the time, if ever there was one, for "a tariff for revenue only," yet no effort in that direction has been made. Of course, a complete revision of the tariff would take many months, but what has become of the once much-vaunted Democratic principle of "revision by schedules"? Surely it would have been easy to raise a few hundred millions of dollars without any general revision.

I want to say, as I said when the last revenue bill was up for consideration, that I do not think an estate tax a fair war tax. It subtracts from the capital of the country, as my colleague [Mr. MERRITT] said the other day, puts capital in the hands of the Government to be dissipated. It is not a tax in any true sense of the word, but a confiscation of capital. And it penalizes the soldiers who die in battle. They must lose property which should go to the support of their wives and children. They ought certainly to be exempted if it be continued.

In conclusion I want to say again that the committee and Congress should trust the people and not be afraid to tax them, if the taxes are fair and just. They are willing to pay what is right. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield such time as he may desire to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, our first concern is to win the war and place the cost thereof where it will result in the least distress.

We did not go into this war to make millionaires, and the man who is taking advantage of our stress in order to make a personal fortune is just as much an enemy of the Republic as is the Kaiser. In the great national crisis we must think, not of ourselves and our personal fortunes, but of the country and those heroic Americans who are holding aloft the torch of human freedom in France. This war already has, and will continue to cost a large toll in blood and treasure, but the American people stand ready to pay the price. They only ask that there be no waste, or worse. Just as our boys are the bravest of the brave, so are the American people the truest of the true, and the same spirit that sustained the starving and freezing army of Washington at Valley Forge will win this war. We must win at all costs, and it must be a decisive victory, such as will make for a repetition of the awful carnage an impossibility.

Mr. Chairman, Congress has enacted many war measures at the request of the administration, and some of these measures have been operated to the disadvantage of the masses. I refer especially to the food-control act of which so much was expected. That measure allowed the President to fix the price of wheat, which was set at $2.20 per bushel at the terminal market. As a war measure the consumption of wheat was greatly restricted and the use of a number of substitutes, such as corn, rye, and barley, was enjoined upon us in its stead, hence the people were not greatly benefited by such price fixing, for no effort was made to set a fair price for the wheat substitutes, which immediately commenced to soar until they equaled and surpassed the price of wheat.

When the Food Administration first promulgated its regulations as to substitutes, rice was selling at about 7 cents per pound retail. If the report of the Federal Trade Commission can be relied upon, and I have every reason to believe it may, the large packers went into the market and cornered the rice crop of the world, with the result that rice increased 65 per cent in a few weeks' time. What is true of rice is equally true of other substitutes. Other trusts and combinations have also embraced the opportunity to take advantage of our present situation. Especially is this true of clothing, footwear, cotton goods, farm machinery, and so forth. Apparently no effort has been made to curb the greed of the profiteer, who is employing every agency at his command to take advantage of our stress and needs. Huge fortunes have been made from this war, and the end is not yet. With many greed has supplanted patriotism, which is spelled "profit" in the Temple of Mammon.

For the second time since war was declared has this Congress been called upon to enact a revenue measure. The revenue bill passed last year did not provide a sufficient amount for our needs, and it is necessary to make further increases at this time.

Mr. Chairman, I wish to pay the members of the Ways and Means Committee a deserved compliment. For three long and weary months they have labored faithfully and well. The measure evolved by that body calls for the raising of $8,000,000,000, or $8 for every minute since the time of Christ; a sum that staggers the imagination, and will probably stand for all time to come as the greatest financial measure ever evolved by the mind of man, and the American people will see in it the product of the minds of a group of men who have set partisanship aside for country and humanity.

Gentlemen, the wage earner, the farmer, and the average business and professional man can not stand another increase in taxes without great hardship. The increased cost of living, which is inexcusable and indefensible, has far outstripped the increase in wages and incomes of the masses, and we must look elsewhere for the enormous sum asked for by the Treasury Department.

Where, then, shall we look? We must look to those who have profited most from the war and to those who are best able to

carry the new burden. I refer to those who have exceedingly liberal contracts with this Government that are bringing in millions in war profits.

On March 23 I introduced H. R. 10977, which sought to impose a graduated income and earnings tax in excess of that now proposed by the Ways and Means Committee. Beginning with a tax of 10 per cent on incomes of $10,000, 25 per cent on $25,000, 50 per cent on $50,000, it would place a tax of 90 per cent on everything in excess of $100,000. Over a year ago I advocated making this a pay-as-we-go war, so far as possible. I then advocated that the burdens of this war should be apportioned according to one's ability to assume such burden. Taxes to be just must be equitable and apportioned according to the ability of those taxed to pay.

Since looking into the subject of war profits I have made some very interesting discoveries. I find that the United States Steel Corporation showed net earnings paid to its stockholders in 1913 of $81,216,985. That was the year before the war broke out in Europe. In 1917 the net profits of that concern had grown to $295,292,180.03 after having charged off $233,465,435 for Federal income and war excess-profits taxes. In 1913 the net profits of the E. I. du Pont Powder Co. were $4,582,075 and in 1916 they were $82,107,693, a gain of 2,000 per cent in three years. Armour & Co., the large Chicago packing company, had net profits of $6,028,197 in 1913. In 1916 their profits had increased to $20,100,000—over 300 per cent, which came largely out of the pockets of the stock raiser and the consumer. Swift & Co., another charitable institution, increased their earnings in the same period from $9,250,000 to $20,465,000, while the Cuban-American Sugar Co. reported net earnings of $356,887 in 1913 and $8,235,113 in 1916, a very sweet and juicy melon. These figures are not taken from Arabian Nights, but from the Business Digest of June 13, 1917.

I will ask to have inserted some very interesting statistics prepared by the Legislative Reference Service, Library of Congress, at my request:

CORPORATION PROFITS IN UNITED STATES.

The following table of net profits of American industrial corporations is given in Printers' Ink.

Figures shown are the net profits earned for the stockholders, after deducting cost of materials, labor, depreciation, overhead, interest, and all other charges. All figures are official, having been taken from the companies' annual reports.

Corporations.	1916	1915	1914	1913
American Can Co	$7,962,982	$5,029,273	$2,916,339	$4,376,174
American Smelting & Refining Co.	23,252,248	14,402,732	9,271,565	9,756,543
American Hide & Leather Co	1,643,266	959,974	107,205	475,518
American Beet Sugar Co	2,445,189	1,424,654	452,074	881,055
American Locomotive Co	10,769,429	[1] 1,491,980	2,076,127	6,185,306
American Steel Foundries Co	3,418,057	[1] 219,574	[1] 231,481	1,033,592
American Woolen Co	5,863,819	4,080,865	2,788,602	[1] 1,179,791
American Writing Paper Co	2,524,378	[1] 126,956	[1] 108,310	[1] 229,190
Armour & Co	20,100,000	11,000,000	7,509,908	6,028,197
Atlas Powder Co	2,939,790	1,671,762	294,150	322,838
Baldwin Locomotive Co	5,982,517	2,827,816	350,230	4,017,800
Bethlehem Steel Corporation	43,593,968	17,762,813	5,590,020	5,122,703
Barrett Co. (American Coal Products Co.)	4,247,858	2,482,236	1,280,476	1,835,811
Brown Shoe Co	1,467,757	240,322	495,890	710,464
Central Leather Co	15,489,201	5,626,897	4,876,924	4,386,345
Colorado Fuel & Iron Co	2,201,171	[1] 334,611	[1] 905,968	1,727,192
Crucible Steel Co	13,223,655	3,073,750	1,015,039	4,905,886
Cuban-American Sugar Co	8,235,113	5,594,048	2,705,723	356,887
E. I. du Pont de Nemours Powder Co	82,107,693	57,257,308	4,831,793	4,582,075
General Chemical Co	12,286,826	5,958,746	2,857,898	2,809,442
Hercules Powder Co	16,658,873	4,886,102	1,247,255	1,017,212
International Agricultural Corporation	1,279,832	[1] 160,022	84,908	[1] 161,493
International Nickel Co	11,748,279	5,598,072	4,792,665	5,009,120
Lackawanna Steel Co	12,218,234	2,409,108	[1] 1,652,444	2,755,883
Morris & Co. (packers)	3,832,213	2,321,415	2,205,672	1,916,997
National Enameling & Stamping Co	2,417,803	913,742	548,756	761,274
New York Air Brake Co	8,214,962	1,343,285	641,046	654,512
Phelps-Dodge Corporation	21,974,263	9,720,475	6,664,839	7,907,710
Pittsburgh Steel Co	4,564,068	858,160	416,551	1,193,669
Railway Steel Spring Co	3,710,805	1,363,229	374,454	1,121,660
Republic Iron & Steel Co	14,789,163	3,515,819	1,028,748	3,101,300
Sloss-Sheffield Iron & Steel Co	1,912,624	522,388	490,139	678,466
Swift & Co	20,465,000	14,087,500	9,450,000	9,250,000
Texas (Oil) Co	13,898,861	6,393,327	6,185,974	6,663,123
U. S. Steel Corporation	271,531,730	75,833,833	23,496,768	81,216,985
U. S. Cast Iron Pipe Co	1,308,641	[2] 381,387	[1] 59,868	564,427
United Fruit Co	11,943,151	5,900,522	2,264,911	5,315,631
U. S. Industrial Alcohol Co	4,884,587	2,172,013	653,264	652,358
U. S. Smelting, Refining & Mining Co	8,898,464	6,592,324	2,265,641	3,585,588
Westinghouse Air Brake Co	9,396,103	1,575,839	3,482,994	5,255,259
Westinghouse Electric & Manufacturing Co	9,666,789	2,009,744	4,058,809	3,164,032
Wilson & Co. (packers)	4,913,873	2,463,732	[3] 1,511,528	1,364,245

[1] Deficit. [2] 19 months. [3] 15 months.

Source: Business Digest, June 13, 1917, vol. 2, No. 4, pp. 645-643.

Net profits of corporations for 1917.

Name of corporation.	Net profits.
United States Steel Corporation	[1] $295,292,180.03
Midvale Steel & Ordnance Co	70,997,836.43
American Telephone & Telegraph Co	[2] 48,940,465.63
Lackawanna Steel Co	26,146,976.22
Cities Service Co	18,859,263.75
Republic Iron & Steel Co	[2] 15,857,196.85
American Woolen Co	15,664,985.27
Western Union Telegraph Co	[2] 11,715,366.27
Consolidation Coal Co	10,092,290.53
Allis-Chalmers Manufacturing Co	5,308,790.51
American International Corporation	3,746,122.17
Lehigh Coal & Navigation Co	[2] 3,362,400.06
United Drug Co	[2] 3,156,006.51
J. I. Case Threshing Machine Co	3,049,381.57
Superior Steel Corporation	[2] 2,784,475.48
Southern California Edison Co	[2] 2,511,941.30
Booth Fisheries Co	2,502,631.70
Sloss-Sheffield Steel & Iron Co	2,477,372.76
Public Service Corporation of New Jersey	[2] 2,377,399.89

[1] After deducting an estimate of $233,465,435 for Federal income and war excess-profits taxes payable in 1918.
[2] Taxes deducted from net profits—amount not given.

Figures taken from Commercial and Financial Chronicle 1918, February 23, page 828; March 9, pages 1041, 1044; March 16, pages 1136, 1139, 1142; March 23, pages 1246, 1247; March 30, pages 1350, 1362, 1365, 1368; April 6, pages 1467, 1474, 1475, 1479; April 13, page 1586.

Gentlemen of the committee, you will observe that 19 corporations are listed in the second table, with net earnings of $544,753,083.84 for the year 1917. This is a fairly representative list.

I ask you, is it fair that we conscript our young manhood for the trenches, while the almighty dollar is placed upon a pedestal? Surely no one would plead the sanctity of wealth as compared to human lives. That is a doctrine to which the American people as a whole—certainly those whom I have the honor to represent—do not subscribe. They are willing to make every necessary sacrifice in blood and treasure, but they feel that the burden should be apportioned in accordance with one's means and war profits.

Since war was declared Congress has authorized the Government to take over the railroads and wire systems as a war measure. The necessary resolutions were passed with practical unanimity. Why not go a step further and take over the concerns manufacturing armament and munitions as a war measure, and thereby help take the profits out of this war? I would even go further by taking over the large packing plants for the duration of hostilities, thus helping to reduce the cost of living.

On the 9th of this month I introduced House joint resolution No. 328, which would authorize the President to take over the packing plants for the period of the war, allowing the stockholders a fair margin of profit. That should materially reduce the cost of living and insure a closer margin of profit between what the packers pay the stock raiser for live stock on hoof and the price paid by the consumer for the finished article.

Many of you gentlemen voted for constitutional prohibition as a war measure. Will anyone contend that taking over the packing and munition plants of the country would not also be a war necessity?

Why not take as much of the profit out of this war as possible? The boy who offers up his life does so without hope of material gain. Why should not those who remain at home prove themselves equally patriotic? Gentlemen, if we do not show a disposition to help lighten the load now weighing heavily upon the masses, the boys will do it upon their return from France. Let us not allow the pendulum to swing so far backward that it will inevitably swing to the other extreme later on.

Gentlemen of the committee, this war will probably cost the American people from forty to sixty billions of dollars before the treaty of peace is signed. In other words, from forty to sixty dollars per minute for the next 2,000 years, or $1 per minute for the next 80,000 years. We can safely assume that the interest on the bonds issued for war purposes will amount to one and one-half billions per annum. That is 50 per cent more than the total cost of operating the Government a few years ago. Add to that sum the amount needed for governmental operation after the war, with its huge insurance and compensation liability, and it is clear to be seen that the day of comparatively small taxes is a thing of the past in this country. From now on we must reconcile ourselves to a tax undreamed of a few years ago.

We must not load down future generations with a huge bonded indebtedness. They will have troubles enough of their own—and possibly wars, also. Let us impose taxes that will necessitate the issuance of the least possible in bonds, and, above all, place such taxation where it will work the least hard-

ship and result in the least disarrangement and disturbance in our economic life.

In closing I would plead for a greater economy in the expenditure of the vast appropriations made by Congress for war purposes. Practically $640,000,000 has been squandered in our aircraft program. Then, too, there is the Hog Island scandal, the shoddy graft, and, had I the time, I could enumerate other cases of like nature. It is a significant fact that it has already cost this country much more than it should. England has an army twice as large as ours and a navy three times as large, but her military program is costing one-third less than our present expense, and I am credibly informed that it will cost twice as much the coming fiscal year.

The American people will gladly give every drop of blood and every dollar needed to carry on this war, for it is a battle in behalf of humanity; but they will object to inefficiency and worse, being in the saddle. They demand that men of experience be placed at the head of the various governmental activities rather than politicians whose sole qualification lies in substantial aid rendered the party. In the name of humanity, let politics be adjourned in deed as well as by word of mouth, and let us have a little of that "pitiless publicity" of which we heard so much six years ago and of which we have seen so very, very little. Let politics be truly adjourned. Let us proclaim to the world that we are a united people, whole-heartedly dedicated to the successful completion of the great task before us.

On the gory fields of France, where the boys of Minnesota and Alabama are fighting shoulder to shoulder and dying side by side, there is a unity of purpose that finds a spontaneous echo in every American heart. They have dedicated their lives to the cause of human freedom and individual rights; they are modern crusaders fighting in a holy cause. May the God of our fathers watch over and protect them; may He give to us wisdom and courage to back them up to the limit of our endurance and ability if necessary. Let us guard against an inconclusive peace and, above all, make this the last of all wars.

Mr. KNUTSON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FORDNEY. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Chairman, I shall not use the 20 minutes. Mr. Chairman and members of the committee I was greatly impressed with the illuminating discussion of the bill in the opening address of the chairman, in which he detailed the financial burdens that must come upon the country as a result of this tremendous war, making probably an annual outlay of from four to five billion dollars, which would be four or five times the expenditure of any year prior to the war. I note that the interest charge alone on our public debt in another year will be more than the entire expenditure of any year before the war. That is a thing that impressed me more in this legislation than anything else. With these problems will come others also. The reconstruction period when abnormal must give way to normal and new conditions met by sound legislation will call for wise oversight. One of the things that I have been most interested in as a student of the world war is the evolution of peace proposals which might be regarded as a systematic propaganda. If you will take all the peace proposals that have come from the central powers since the opening of the war it will be noticed that they come at certain periods always preceded by some great military effort, especially if a success. The first peace proposal of any consequence at all was on the 10th of August, 1914, and it was a pronunciamento by a group of professors of Germany. It outlined the purposes of pan-Germany and indicated what must be the result of the war. These claims were significantly ambitions. They extended over into France far enough to insure a military purpose of future control by securing rich resources of that country. I do not now recall the diplomatic language, but they meant we will have to finish with France and reduce her to a state of such incompetency as to offer us no further concern, and if you will notice the army went beyond the location of the mineral wealth of France, which occupied only one-fifth of the territory of France, but comprehended nine-tenths of her mineral wealth. Having reached the goal they dug in and at once began a peace propaganda. They did exactly the same thing with Belgium. That portion of such great strategic value being covered, the high command got ready to secure the future. That was in keeping with the suggestion of the college professors, professors of history and economy in the German universities. They did exactly the same thing with Russia. They said Russia was to be an outlet for the surplus population of Germany. The claim was made that Russia was so rich in territory that she will be able to pay an indemnity by giving lands. This statement of August, 1915, read in the light of what has since occurred, is most significant.

"Mittel Europa" was a dream, and if you take the various peace proposals since 1915 they can be outlined upon these great events: The first, the great drive of 1914, gave grounds for the first peace offensive; the second was the peace proposal emanating from Berlin, stimulated by the naval battle in the North Sea; the next proposals followed the overrunning of Serbia. Then the next movement toward peace was after the crushing of Roumania; the next one came after the prostration of Russia; and the last one was started in April of this year after the great drive of March; and finally the agitation in the midst of the fifth great drive, which was met by our wonderful counteroffensive since last July and which now sees our own boys taking the lead.

I have made a careful compilation of all of these peace proposals, including the answers of Asquith, Grey, Lloyd-George, Bonar Law, Balfour, and others, speaking for the British, and also the answers made by the French, by Italy, and the answers made by our own country through the President. I am surprised to find that there are so many, perhaps 100, documents, some very brief, others quite extensive, that express the efforts to secure peace, together with the answers which fully detail the reasons why no German peace is possible. One of the features that every Member would be interested in in studying the peace proposals, comparing the early ones with those we now read, is the change of spirit that is found in the suggestions coming from the central powers. The arrogance and haughty superiority so apparent in the beginning, which used the phraseology of "our iron will" and "our mailed fist" has all ceased, and now the language is softer and almost touches the plane of the suppliant if carefully scrutinized. Just a few days ago the statements of Dr. Solf, Prince Max, Count Czernin, and Count Burian were very mild, with the suggestion that the war ought to close, and a deep desire to find a way to save the face of German militarism, and an evident desire to open a way to convince the allies that they would close it at once without any negotiation. The statement of last July by Count Czernin, also the one by Von Kuehlman, bear an entirely different spirit from former utterances, which indicate that the will is broken.

I think that these peace proposals offer us a splendid opportunity to study the psychology of the German people as well as of the other people of the central powers. Also a splendid opportunity is supplied to indicate their conviction that the war is going against them. I know of no better way to pursue a progressive development of a national mind than a study of these documents. As a body of truth they ought to be put in permanent form for the sake of future students, to be used in our colleges and universities as interpretive sources to follow the propaganda elements and the course of the intellectuals in this the world's greatest crisis. I would like to have these documents by governmental authority and expense compiled and printed in a form in which they can be used later. They supply the original source for the study of the real cause and real purpose of the contest.

As an example, let me run over some of them. I wish simply here to enumerate some of them without giving contents, as that must be gleaned from context. The famous speech of Asquith, as the Premier called the "Guildhall speech," in November, 1914; Germany's conditions of peace, as announced by Dr. Bernhard Dernburg on April 17, 1915; allies conditions of peace, as announced by Sir Edward Grey in March, 1915; the suggestions of the problems of peace, as announced by our Secretary of State, then William Jennings Bryan, June 10, 11, 12, and 16, 1915; resolutions to enforce peace at Independence Hall, Philadelphia June 17 1915; Germanic terms by Count Andrassy, Minister of the Interior of Hungary, July, 1915; the Pope's plea for peace, August, 1915; Germany's peace terms as stated by the professors of history of Germany on August 10, to which I referred some moments ago; the basis of an enduring peace, announced by Col. Maude, of the British Army; Von Holweg's first official statement in the Reichstag, December 9, 1915, which was later on supplemented by the Reichstag speech of March, 1916; the probable terms announced by England; then the peace discussion in the Reichstag by Scheidemann, the leader of the socialists, Von Holweg, the chancellor, and Sandsberg, the deputy; and then the French announcement; the reply of Asquith to Von Holweg, April 10, 1916; President Poincaire's announcement at Nancy, May 14, 1916; Grey on peace conditions that England would demand, 1916; Italy's stand in 1916; Von Holweg in reply to Grey in the Reichstag, June 5, 1916; then the French view of July 14. 1916; and then the American view of May 27 by the President in the Flag Day address here in Washington, 1916.

All these bore on the same contention—the Teutons with the iron heel on the soil of their enemies demanding a German peace; the entente rejecting the surrender of liberty. Then the German National Committee's pronouncement; Germany's offer to Russia; England's position restated by Lloyd-George; Germany's position restated by Von Holweg; Von Holweg's reply; Germany's peace view expressed by Prof. Slugel; Germany's proposal, December 12, 1916, which is the famous Teuton peace offensive, the most specific that was up to that time proposed and which was communicated to the President here; Von Holweg's speech and text of the note; official comment on it by the French and English. The first reply, which was a rejection, was by Russia, the second by Italy, and then comes England's reply, first by George, then by Curzon, and then by Asquith; then came the President's peace note of December, 1916, which requested a restatement of war aims of the belligerents and which created much uneasiness in entente circles; the reply of the Teutons to the President's peace note came, for Germany on December 26, and on the same day from Austria. The reply of the entente was first made by the French on January 10, and then by Great Britain through Balfour, on January 13, and then for Belgium, on January 10, 1917, and then Germany's retort, on January 11, 1917. These documents from December 12, 1916, to January 11, 1917, supply valuable background for the study of German ambitions.

These are just suggestive of the character of the peace proposals as sources for the study of the world war from the standpoint of propaganda backed by the military power. They include the proposals that led to the peace of Brest-Litovsk; also the treaty itself. They will also include the Pope's appeal for peace, of August 16, 1917, which has a most interesting side light in its real effect upon German diplomacy. They will also include the pronunciamento of the socialists in Germany, which while professing antiwar impulses were ever loyal to the war party.

Then will come the statement of Michaelis, the chancellor who succeeded Von Holweg; the rejection of a peace proposal in the Commons introduced by Macdonald, the socialist; Czernin's reply to Lloyd George; Lloyd George on Germany's attitude in the war; Wilson's reply to the Pope of August 27, 1917; the Austrian view on this reply; the German view of August 21; the British official view of August 31; and then the American laborers' view on peace, of September 6. These various proposals always emanated with the central powers, now with Germany, then with Austro-Hungary. But it was constant talk of peace, with no intention save a German peace. As the English premier recently said, the "peace the wolf gave the geese." It has often been a subject of mystery how a nation supposed to be so well educated and so highly civilized as to claim a position of superiority could be guilty of such crimes of frightfulness and terrorism as those charged to Germany. It is easy to explain. When Germany had what she wanted, and her armies guarded the same, she set about in a systematic way to end the war from the map by terrorizing the world. She proceeded to frighten the world into surrender. For over five years the campaign of frightfulness has been carried on. In this as in her other efforts she has woefully blundered, at a cost she can never liquidate, hence the activity of her army to break the enemy, her frightfulness to end the war, and her peace proposals to gather up the spoils and plunder. Her army can not win. The allies will end the war, and the peace offensives will give way to a dictated peace on her own soil.

The central powers naturally and readily replied to the Pope; Germany on September 22, 1917, and Austria the same day, the opinion of the nations upon this last proposal was finally given; first, by Austria, as expressed by Von Seydler, September 25, 1917, and then by Germany, as expressed by Chancellor Michaelis, on September 28, 1917; and again by Von Kuehlman, expressing a German official opinion through the foreign secretary October 10, 1917. He then as secretary for foreign affairs had better success than he had since. It will be recalled that he recently made his last pronouncement, in which he declared Germany could not end the war on the military field, after which he was asked to resign. Then Lloyd George replied to Von Kuehlman on October 11, 1917; Asquith replied on the same date, and Count Czernin on October 3. Then the British, through Asquith, September 26; America, through President Wilson, on October 8; France, through Painleve, September 18; the Bolsheviki plan followed on November 10, Brazil's attitude on November 14, and the attitude of American labor November 12. Then the war aims were restated; first, by Austria, through Count Czernin; then by the British, through Lloyd George, January 5, 1918; then Italy, through Orlando, December 12, 1917; America, through President Wilson, January 8, 1918, and Germany, through Kaiser Wilhelm. Then followed Russia's downfall at Brest-Litovsk, the Russian disgrace, December 15, 1917; Russia's demand, December 22, 1917; Germany's demand, December 25, 1917; Russia's refusal, January 2, 1918; and Germany's rejoinder, January 10, 1918. Then follows the prostration of Russia, the assault on Roumania, and the consequent disgraceful treaty, and without limit the orgy of blood and anarchy continues to the present time. We have had four peace proposals hinted within the last four weeks, and while they appear to be a sort of Teutonic commiseration society they are all of an entirely different tone from what they were theretofore. No further evidence is needed to demonstrate a frantic desire to quit, but, if possible, to save the face of autocracy.

Now, fellow Members, I think that probably the most serious problem that faces America is the peace possibility, for I look for Germany, when the handwriting on the wall becomes so glaring and she knows that her own people can no longer be lulled into a sense of security, but will behold a rude and awakening reality when she sees the entente and American armies going over her soil, in order to save herself from an internal revolution to throw herself upon the mercy of the world. Our people, as a rule, are free from cruelty, and my fear is—and I hope this will not be misconstrued—my fear is that we, in our desire to end this awful war, might in our heart of hearts be willing to accept conditions which would not reduce the dangerous power of that tremendous autocracy, so that we might have trouble in the future by simply deferring the time for another war. The danger lurks in our horror for war and in a situation where the kindness of the American heart may demand a cessation of hostilities, in what would be looked upon as the call of humanity, before we have placed the enemy in a condition where he can not renew this war.

I say it without any reflection on anybody, but I say it as a possibility that ought to be looked into pretty carefully in the light of the tremendous movement of our armies to-day, which brings the enemy one day nearer to total and complete collapse if we but see our duty to the world. My judgment is that Germany, as expressed by Count Burian, also by Count Czernin and also by von Kuehlman within the last four weeks, is ready and quite willing if the way opens to give up Belgium and France. But, of course, the Jugo-Slav and Czecho-Slovaks must be composed some way, which presents a problem. Germany wants to hold Russia to recoup herself for the loss on the west. Our reply should be greater aggression on the front. We must not stop this war until Germany takes her heel off the liberties of the world, wherever it is. Any other peace would be inconclusive and a waste of blood and treasure. That, in my judgment, is a serious problem confronting us to-day. Some day in the near future I shall ask the House to print in document from the compilation of these peace proposals which I now have ready. [Applause.]

Mr. KITCHIN. Mr. Chairman, I ask that the Clerk read the first section of the bill. Then I shall move that the committee rise.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc.,

TITLE I.—GENERAL DEFINITIONS.

SEC. 1. That when used in this act—

The term "person" includes partnerships, corporations, and associations as well as individuals;

The term "corporation" includes associations, joint-stock companies, and insurance companies, as well as private corporations;

The term "domestic" when applied to a corporation or partnership means created or organized in the United States;

The term "foreign" when applied to a corporation or partnership means created or organized outside the United States;

The term "United States" when used in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia;

The term "Secretary" means the Secretary of the Treasury;

The term "commissioner" means the Commissioner of Internal Revenue;

The term "collector" means collector of internal revenue;

The term "revenue act of 1916" means the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916;

The term "revenue act of 1917" means the act entitled "An act to provide revenue to defray war expenses, and for other purposes," approved October 3, 1917;

The term "taxpayer" includes any person, trust, or estate subject to a tax imposed by this act;

The term "Government contract" means (a) a contract made with the United States, or with any department, bureau, officer, commission, board, or agency, under the United States and acting in its behalf, or with any agency controlled by any of the above if the contract is for the benefit of the United States, or (b) a subcontract made with a contractor performing such a contract if the products or services to be furnished under the subcontract are for the benefit of the United States.

Mr. KITCHIN. Mr. Chairman, I want to state to gentlemen that while we have read that section, if on Monday, or when we begin the reading of the bill again any one desires to offer an amendment to any one of the paragraphs of that section there will be no objection.

Mr. WALSH. Mr. Chairman, will the gentleman yield?
Mr. KITCHIN. I do.
Mr. WALSH. Is it the intention to read the bill by paragraphs?
Mr. KITCHIN. By paragraphs. Mr. Chairman, I move that the committee do now rise.
The motion was agreed to.
Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. PURNELL, by unanimous consent (at the request of Mr. SANDERS of Indiana), was granted leave of absence indefinitely, on account of serious illness in his family.

DISPENSING WITH CALENDAR MONDAY AND CALENDAR WEDNESDAY.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent to dispense with the business in order on the Unanimous Consent Calendar on Monday.
The SPEAKER. The gentleman from North Carolina asks unanimous consent to dispense with Unanimous Consent Calendar business on Monday. Does the gentleman include suspension of the rules?
Mr. KITCHIN. Yes; the business in order on Monday.
The SPEAKER. The gentleman asks unanimous consent to dispense with the business in order on next Monday.
Mr. LONGWORTH. Mr. Speaker, reserving the right to object, is it the intention to proceed now and finish the bill before any other business?
Mr. KITCHIN. Yes.
Mr. STAFFORD. I understand the gentleman asks unanimous consent to dispense with the business in order on Monday.
Mr. KITCHIN. Yes.
Mr. LONGWORTH. I suggest that the gentleman also ask for the dispensing with business in order on Calendar Wednesday.
Mr. KITCHIN. Yes; I will make that request.
The SPEAKER. The gentleman from North Carolina also asks unanimous consent to dispense with the business in order on Calendar Wednesday. Is there objection?
Mr. STAFFORD. As I understand it, Mr. Speaker, the gentleman does not couple with his request to dispense with business in order on Monday the request to postpone for the following Monday.
The SPEAKER. The way the Chair put it was to dispense with it next Monday and on next Wednesday. Is there objection?
There was no objection.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.
The motion was agreed to; accordingly (at 4 o'clock and 35 minutes p. m.) the House adjourned until Monday, September 16, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Attorney General, submitting supplemental estimates of appropriation required by the Department of Justice for the current fiscal year (H. Doc. 1276); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting supplemental estimate of appropriation for the current fiscal year required by the Division of Loans and Currency and the Register of the Treasury (H. Doc. No. 1277); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Secretary of the Navy, submitting a supplemental estimate of appropriation required by the Navy Department for the fiscal year ending June 30, 1919 (H. Doc. No. 1278); to the Committee on Appropriations and ordered to be printed.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII,
Mr. WASON introduced a bill (H. R. 12944) granting an increase of pension to Gilman P. Huff, which was referred to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ELSTON: Additional petitions, containing many hundred signatures, submitted by the Northern California Branch of the American Committee for Armenian and Syrian Relief, appealing for American interest and aid in behalf of suffering Armenians in the Russian Caucasus; to the Committee on Foreign Affairs.

Also, resolution of the National Fraternal Congress of America, favoring the passage of Senate bill 3475; to the Committee on the Judiciary.

By Mr. LINTHICUM: Petition of the Daniel Miller Co., of Baltimore, Md., concerning the matter of inventories with respect to future adjustments; to the Committee on Ways and Means.

By Mr. RAKER: Resolution of the Common Council of the city of San Diego, Cal., relative to the United States service hospital conducted there by the Talent Workers; to the Committee on Military Affairs.

Also, petition of the Ripin Co., of New York City, against the shipment of wine into this country from Italy; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES.

MONDAY, *September 16, 1918.*

The House met at 12 o'clock noon.
The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in Heaven, draw near to us with Thy holy influence, that we may be guided, in the test through which we are passing, to victory, for the eternal values—life, liberty, truth, justice, righteousness—and the battle ne'er give o'er until a permanent peace shall be established in all the world.

We thank Thee that the Congress of the United States and the people which it represents are placing at the disposal of the Commander in Chief of the Army and Navy means and men to further the war, with our allies, to the desired end.

Continue to inspire us by the signal victories of our arms. Especially do we thank Thee for the glories won by the American soldiers.

Continue to uphold, sustain, and guide them, with their allies, until the enemies of civilization shall be subjected to the peace proposition of the civilized world. And the glory shall be Thine in Jesus Christ our Lord. Amen.

The Journal of the proceedings of Saturday, September 14, 1918, was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. FLOOD indefinitely, on account of illness in his family.

REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.
The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House bill 12863.
The question being taken, on a division (demanded by Mr. WALSH), there were—ayes 35, noes none.
The SPEAKER. In the temporary absence of the gentleman from Virginia [Mr. SAUNDERS] the gentleman from Missouri [Mr. HAMLIN] will take the chair.
Accordingly the House resolved itself into the Committe of the Whole House on the state of the Union for the further consideration of the bill (H. R. 12863) to provide revenue, and for other purposes, with Mr. HAMLIN in the chair.
The CHAIRMAN. The first paragraph is now subject to amendment. If there are no amendments, the clerk will proceed with the reading of the bill.
The Clerk read as follows:

BASIS FOR DETERMINING GAIN OR LOSS.

SEC. 201. That for the purpose of ascertaining the gain derived or loss sustained from the sale or other disposition of property, real, personal, or mixed, the basis shall be—
(a) In the case of property acquired before March 1, 1913, the fair market price or value of such property as of that date; and
(b) In the case of property acquired on or after that date, (1) the cost thereof; or (2) the inventory value, if the inventory is made in accordance with section 202.

Mr. LONGWORTH. Mr. Chairman, I ask unanimous consent that section 202 be passed over for amendment. It is my inten-

tion later to offer an amendment to it. I ask that it be passed over, to be returned to at the pleasure of the committee.

Mr. HARDY. I wish to offer an amendment to section 201. I do not wish to lose my right to do that.

The CHAIRMAN. The gentleman will not lose any rights. Is there objection to the request of the gentleman from Ohio that section 202 be passed over, to be taken up hereafter at the pleasure of the committee?

There was no objection.

Mr. HARDY. Mr. Chairman, I wish to offer an amendment to section 201, and I ask permission to proceed for 10 minutes. I may not use all that time.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for 10 minutes in connection with his amendment. Is there objection?

There was no objection.

Mr. GARNER. May we have the amendment reported?

Mr. HARDY. My motion is to strike out section 201.

The CHAIRMAN (Mr. SAUNDERS of Virginia). The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment by Mr. HARDY: Page 4, beginning at line 20, strike out all of section 201.

Mr. HARDY. Mr. Chairman, I move to strike out section 201, which makes income out of the difference between what a man sells his property for and what it was worth in March, 1913, if he bought it before then, or what he paid for it if he bought it after that date. I do so because section 201 is absolutely inequitable. The profits that are purposed to be taxed in the general schedule of this bill are the profits for the year 1918. We all know that hundreds of thousands of transactions have occurred between 1913 and 1918, based upon the value of the dollar when the transaction occurred. In simple principle and policy, a piece of property bought in 1913, if its exchange value to-day is to be equal to its exchange value when it was bought, must bring in dollars and cents something like two times what it cost. That is so along all the schedules of buying and selling. I heard some one the other day make the suggestion that if you made a sales tax you would have to keep a schedule of all sales, and that that would be impossible. If you comply with section 201 you will have to keep a schedule of every sale of personal, real, or mixed property that you make, because your income is by section 201 declared to be the difference between what you paid and what you sell it for if you bought it since March, 1913, or the difference between what it was worth in March, 1913, and what you sell it for if you bought it before that, and that takes every sale that a man makes. If complied with, section 201 will require that every seller of personal or other property should keep a schedule of what he paid for that property if he bought it after 1913, or an estimate of what it was worth in 1913 if he bought it before that. It is urged, and I understand that it is true, that some similar principle has been embodied in other revenue measures. That does not affect its justice or soundness. I am appealing to the committee not to adopt the principle of this section now, because it will cause a stagnation in all trade and there will be infinite difficulty in the enforcement of it.

Mr. GARNER. Will the gentleman yield?

Mr. HARDY. Yes.

Mr. GARNER. Has the gentleman heard of any stagnation or anything of that kind under the present statute?

Mr. HARDY. The present statute is nothing like the statute about to be enacted.

Mr. GARNER. This is merely enacting into law the rules and regulations now in force under the present statute.

Mr. HARDY. So far as the present rules and regulations are concerned, they have not cut the figure that this will. You take a man who has done a great deal of trading, who bought his property years ago and now is in the habit of making trades, whether it be in the buying and selling of ships or the buying and selling of land, that man to-day makes a sale of a tract of land which he bought in 1913 at the prices then prevailing, and if he sold it to-day at 100 per cent apparent profit and reinvested the money he could not obtain any more property now than he could have obtained in 1913 with the money then paid for the same land.

And yet he is taxed under this bill for alleged profits accruing from his sale. If you want to tax the unearned increment, all right; that would be just, and you could tax all such increments equally. There is reason and equity, if a man has a large increment, such as increased rental value of his property, if you tax the increment in value. That is all right, because it can be fully adjusted all over the country and made to bear equally on all taxpayers. But under section 201 here are two men owning tracts of land side by side and the unearned increment is equal. One sells and he pays a large tax because he sells for 100 per cent over what he gave for it. The other man's property has increased equally in value, but he does not sell and he pays no tax. That is not a tax on income, but a tax in restraint of trade. Here are the two men owning different tracts of land of equal value, bought in 1913; each paid $50 an acre, and now it is worth $100 an acre. One would exchange for the other, perhaps. I do not know whether there would be any tax on the exchange, but if there is a tax on the exchange, although the tracts are of the same market value of $100, they could not exchange places without each of them paying a heavy tax. Neither of them would make any real profit, but each of them would pay a tax, because they had received for their lands property worth more to-day in dollars than the price they had paid for their lands in 1914. For purposes personal to them one wants the farm of the other, so they exchange. I do not know whether that trade would be taxable under this law or not, if they simply recited that one tract of land is given in exchange for the other. This tract of land is worth $100 on the market to-day and that is worth $100 on the market to-day. They cost only $50 an acre in 1913. If they exchange and pass deeds each man is receiving the equivalent of a hundred dollars per acre. The chairman of the committee tells me there would be no tax on such an exchange, but I do not know what the ruling may be. This tax is unequal in another line. If the income of one of these men outside of the difference in price paid and the price received for his land is $100,000 and his income be increased by this alleged profit from the sale, he would have to pay as taxes something like 70 per cent of the alleged profit, while if the other man had no other income his tax on the very same sale would be very small.

I say that the provisions of this section are inequitable and unfair and unequal, so that it ought not to stand in the bill.

Now, let me make this suggestion to the committee in charge of this bill. If they want to put on a sales tax, why not do it as they do the stamp provision? There they provide for every sale of real estate—I believe it is only applicable to real estate—the deed of conveyance shall have a stamp tax of 50 cents for each $500. I would rather see this section go out and make the tax on each sale $5 for every $500. If you did that a man would know when he made a sale how much the Government was going to get and how much he was going to get. He would know how much he would have to pay in taxes. This section ought to be wiped from the bill, and if you are proposing to tax the act of selling, tax it as such under the stamp tax and make every man who sells a tract of land pay 1 per cent tax on the consideration received when he sells it, or such per cent as may be required to raise the needed revenue.

I do not know what other laws have said, I do not know what other governments have done, but I do know that this section is full of inequities and the definition ought not to be there, because it recites what is not true.

The profits of an individual selling a tract of land in 1918 is not the difference between what he gave for it in 1914 and what he sells it for now. He has no profit, if the money he receives to-day would buy no more than the money he gave would have bought in 1914.

It is unequal because it allows a man who retains the property on which the unearned increment is accrued to pay no taxes, and will induce thousands of men to simply stop trading or buying and selling. If you want to cause a stagnation of dealings in land you put that tax there.

Let us study this section. Here is a man who wants to buy a home, wants to buy 100 acres of land, and the man that owns it must, without making this sale, return a considerable income, and if he makes the sale, the difference between what he paid for it and what he gets will be added to his income and taxed very heavily. If his income outside of that is $50,000 and the profit as fixed by this section increases it by $10,000, that $10,000 would pay two or three thousand dollars of tax. What is he going to do? If he sells it, he is going to add that to the purchase price of the little man who wants to buy a home. Suppose his income over and above that is $100,000. My recollection is that he would then have to pay on that supposed profit of $10,000 some $4,000 or $5,000 as a Government tax. Is he going to bear that, or will he make it harder for the little man who wants to buy by making him pay part of the tax? The Government unjustly calls the price A receives from selling his property an income, and A, if possible, adds the tax to the selling price of his land.

Mr. GARNER. If a man bought a piece of land in 1915 for $10,000 and sold it in 1918 for $20,000, then I understand the gentleman to argue that he has made no profit, because $20,000 now is not worth as much as $10,000 then.

Mr. HARDY. That is one proposition, one ground of my objection to this tax.

Mr. GARNER. Would that not apply to the purchase of cattle, the purchase of oil, the purchase of steel, or the purchase of anything else in 1915, which was sold in 1918, so that there would be absolutely no such thing as profit in 1918 unless the money should be just as valuable in 1915?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HARDY. Mr. Chairman, I ask unanimous consent to proceed for two minutes in order to reply to that argument.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HARDY. The fact that a principle applies to other things than that which I have named does not make it any the less just. If you are taxing unearned increment for 1918, tax that, and do not go back with a retroactive act for five or six years. It is now five years since March, 1913, and 1919 will add the unearned increment of six years, and it will take from the decreasing purchasing power of the dollar. I do not care whether it be cattle or steel or iron or any other kind of property. The increased value that accrued in 1914 is not a part of the income of 1918, because it accrued in 1914, and no increased price which is merely the result of a fall in the value of the dollar is a profit, and to tax the increased price growing through five years of universally rising prices simply because the property is sold or exchanged is unjust. The law is unjust as applied to every commodity, and it applies to personal, real, and mixed property. I simply make the statement that if you want to tax the unearned increment you should tax it whether the property is sold or not. That is just, and you can apportion the unearned increment of each year. If that property has increased in value 100 per cent in five years, you can apportion 20 per cent of it for the year in which the sale is made and the income given, or if you wish to tax unearned increments, tax them by legislation that will reach and get the unearned increment in the hands of the man who holds his land or the man who sells it alike. However, if you wish to put an embargo on the opportunity of a poor man buying land, you will do it by this section to a large extent, in my judgment. If you were just and fair in this, I would say all right, but you are not just; you are unequal.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. HARDY. I shall not ask to say anything more. In my opinion, this section defines as profits something that is not profits and as income something that is not income. A sale or exchange of property is merely a conversion of one kind of property into another.

Mr. KITCHIN. Mr. Chairman, either the gentleman from Texas [Mr. HARDY] does not understand the provision in section 201 and in section 213, or else the committee does not understand it, and neither did the Congress understand it in 1913 nor did the Congress understand it in 1916. This provision makes absolutely no change in existing law. It was the same in the acts of 1913 and 1916. No man on this floor or on the floor of the Senate made any objections to it upon the ground the gentleman makes objections now. In the consideration of the act of 1913 and the act of September 8, 1916, no man on the floor or on the floor of the Senate made the objections now made by the gentleman from Texas. As the gentleman from Texas [Mr. GARNER] suggested, the reasoning of the gentleman from Texas [Mr. HARDY] would apply to every conceivable source of income. I would also say to the gentleman that you might strike out the provision which he asks us to strike out, and it would not affect the law at all. Gross income is defined in section 213.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. BLACK. Does not the gentleman think that the reason that there has not been more complaint about this particular method is on account of the fact that the normal income tax has been a low tax, but as occasion arises for this scale ascending, if you go and accumulate six or seven years of unearned increment and then apply the heavy tax to the one year, it would be very onerous?

Mr. KITCHIN. Oh, I suppose objections will be raised to a great many provisions in the bill, because the tax is high, but the principle is the same, whether the tax is 2, 4, or 12 per cent.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. GARNER. Let me suggest this to the gentleman from Texas: Suppose you had applied this law to each income for each year in five, and then let us say that the war is over, and in five years from now we have a low, normal tax, and a man comes in and says, "I want you to take it all for this year and not to go back to 1918 and apportion it at 12 per cent."

Mr. BLACK. Let me suggest this to the gentleman: Would it not be well to have the law provide in the case of property acquired before March 1, 1913, "the fair market price or value of such property as of the date of the beginning of the fiscal or calendar year for which the taxpayer makes his returns"?

Mr. KITCHIN. If the gentleman's proposition could be maintained, then we would have a ridiculous performance on the part of the Treasury Department. Suppose I bought a piece of property five years ago and I sell at a big profit now. It would have to go to work and ascertain the value of that piece of property on the 1st of January last year, the 1st of January the year before, the 1st of January the year before that, the 1st of January the year before that, and on the 1st of January the year before that, when there is possibly no way of finding out. The gain for income-tax purposes can not be determined until the property is sold.

Mr. HARDY. Will the gentleman yield right there?

Mr. KITCHIN. I will.

Mr. HARDY. Does not this very bill require, in case property was bought before 1913, they must go to work and find out the value as of that date——

Mr. KITCHIN. Yes.

Mr. HARDY. The date of March 1, 1913. What more difficulty would you have in finding out the value of the property the first of the current year than of March 1, 1913?

Mr. KITCHIN. You would have five times more difficulty if you had to ascertain it for five years, or six times if you had to do it for six years.

Mr. HARDY. You would have less difficulty, because you would only have to find the value of property at a comparatively recent date.

Mr. KITCHIN. There is very good reason. I assumed every gentleman in the House, I thought even the gentleman from Texas, understood why we had to put March 1, 1913, into the statute, because before March 1, 1913, Congress had no constitutional power to levy an income tax. The income-tax amendment did not become effective until March 1, 1913. All gain, to which the gentleman referred, which had accrued before Congress had the power to pass an income tax could not be taxed, and therefore we had to say that in the case of property purchased before March 1, 1913, it matters not what its value, must be taken as of that date, because if I bought a piece of property of $10,000 and on March 1, 1913, it was worth $20,000, my income or profit is $10,000, and as that gain accrued before Congress had the power to enact an income tax, it could not be taxed.

Mr. BLACK. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. BLACK. Is it not a fact that this income law and this excess-profits tax law is designed to tax incomes for the calendar year and the fiscal year? That is the primary purpose, is it not?

Mr. KITCHIN. Yes.

Mr. BLACK. As this section stands is it not possible to tax an income extending over a period of five years?

Mr. KITCHIN. No, sir; let me call this to the gentleman's attention: The Constitution gives us power to tax incomes from whatever source derived. A gain, whether over a period of one, two, three, or five years, can not be determined for income-tax purposes until a sale is made.

Mr. HARDY. Will the gentleman yield?

Mr. KITCHIN. I can not yield to the gentleman now. I am a lawyer, and say I had a case on hand which I had had for 10 years and I had been working on that case every year. I was earning a part of my fee each year, but what is my income? The amount they pay me, that is the income from my efforts extending over several years. So my income is taxable the year I receive it, the year I enjoy it, it is when it is an enjoyable income.

Mr. HARDY. Will the gentleman yield?

Mr. KITCHIN. I will yield.

Mr. HARDY. Suppose that man instead of holding the property in 1913, if he had only bought in 1915, and had paid half the difference between 1913–1918, he still has the same property, but pays less tax. Is there any equity——

Mr. KITCHIN. If there is any equity in an income tax. It makes no difference whether it is land you buy or a ship. If you bought a ship in 1916 for $100,000 and sell it in 1918 at $200,000, or if you bought Bethlehem stock or United States Steel Corporation stock in 1915, your income is the difference

between the purchase and selling price, and that is the only rule under which you can administer the law.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. GARRETT of Texas. In the case of the lawyer which the gentleman cited, suppose you were employed in that case in 1913 and it goes dragging through the courts until 1918, a very important case, in which you were to receive $10,000, and you required your client to pay you $2,000 each year, and in the year 1918 you received $2,000, how much income tax would you pay?

Mr. KITCHIN. In 1918 you would be taxed upon the $2,000 received during that year.

Mr. HARDY. Mr. Chairman, I desire to ask permission to modify my amendment so that it can be discussed as modified.

Mr. McFADDEN. Is it not a fact that the trouble which the gentleman has pointed out in reference to investment is due entirely to the decrease in the purchasing value of the dollar, whether that is not the underlying scheme?

Mr. KITCHIN. That is one proposition. The proposition of the gentleman from Texas [Mr. HARDY] would apply to every income, and I will say that, in my opinion, if the theory of the gentleman was carried throughout this law that we would get from the war and excess-profits tax and the income tax $2,000,000,000 less than we expect to get under the proposed bill.

Mr. CARTER of Oklahoma. If I understand the gentleman the income tax is collected on the income as it is paid and not as it is earned?

Mr. KITCHIN. Not as it is earned.

Mr. CARTER of Oklahoma. For instance, if a man earns his fee in 1915 and it is collected in 1918, the present law would govern?

Mr. KITCHIN. Yes; unless he kept his books on an accrual basis.

Mr. CHANDLER of Oklahoma. In the case of loss, is the seller permitted to deduct that loss?

Mr. KITCHIN. I will say to the gentleman from Texas that a person selling land has a right to add his permanent improvements as a part of the capital invested and deduct it from his increased income.

Mr. HARDY. The gentleman said that he would pay a tax on the income the year he made it. If a payment of $1,000 a year was agreed on for five years, and there had been none of it collected until 1918, does the gentleman think that that would come in as income for 1918 or that the payment of a note that was due for services in 1914 and not paid until 1918 would be 1918 income?

Mr. KITCHIN. Oh, no. If you paid a note——

Mr. HARDY. Suppose it was not a note but just an agreement to pay?

Mr. KITCHIN. If I was a lawyer and in 1915 took a $5,000 note for a fee and did not collect that note until 1918, the gentleman wants to know if I would be taxed in 1918 or 1915. If I was honest I would have given it in 1915, because that was income for that year. I could have enjoyed it by selling the note or discounting it.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. KITCHIN. I yield.

Mr. MADDEN. Putting the reverse of the question asked by the gentleman from Texas [Mr. HARDY], suppose a man bought property at a certain date in 1913 and sold that in 1918 at a loss, does this law provide that he shall be permitted to take credit for the entire loss or only a certain percentage of the loss, based on the number of years over which it existed?

Mr. KITCHIN. It answers itself.

Mr. MADDEN. It does not answer itself.

Mr. KITCHIN. You mean if it is prorated like the gentleman says?

Mr. MADDEN. What I mean is, that if he buys property in March, 1913, and sells it at a profit in 1918, of course he must pay the Government a tax on the difference between the purchase price and the selling price, but if he buys property in 1913 and sells it at a loss in 1918, the question is, Does the law permit him to take credit for the loss? I do not think it does.

Mr. KITCHIN. I think he can under the provision in the bill allowing a deduction of all losses, whether connected with the business or not.

Mr. MADDEN. Under this law, but it can not be deducted under existing law.

Mr. KITCHIN. Any loss in connection with the trade or business can be deducted under existing law, but in an isolated transaction, not connected with the trade or business, only losses sustained not to exceed the profits arising therefrom can be deducted under existing law. The proposed bill provides for the deduction of the entire loss in such a case.

Mr. HARDY. Mr. Chairman, I ask unanimous consent to amend my amendment by, instead of striking out section 201 as an entirety, striking out all after the brackets and down to and including "1913," in line 25, and, after the word "date," insert "of the beginning of the year in which the sale is made," so that it will read as a whole:

The fair market price or value of such property as of the date of the beginning of the year in which the sale is made.

So it will get the increment for that year.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment and offer in lieu thereof another one, which the Clerk will report. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment now offered by the gentleman from Texas [Mr. HARDY].

The Clerk read as follows:

Amendment by Mr. HARDY: Page 4, line 24, after "(a)," strike out the words "in the case of property acquired before March 1, 1913," and after the word "date," in line 26, insert the words "of the beginning of the year in which the sale is made."

Mr. HASTINGS. Now, Mr. Chairman, just a minute. He would also want to change the word "that," before "date," to "the," I think.

Mr. HARDY. Yes; that is right.

Mr. KITCHIN. Mr. Chairman, now I ask unanimous consent that we take a vote on that when the gentleman from Michigan [Mr. FORDNEY], who desires to address the committee, has concluded.

Mr. CANNON. Let us have the amendment read now as amended. I have just come in.

The CHAIRMAN. Without objection, the Clerk will report the amendment as amended.

The Clerk read as follows:

Line 24, page 4:
"(a) The fair market price or value of such property as of the date of the beginning of the year in which the sale is made; and."

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that all debate on this amendment end with the termination of the speech of the gentleman from Michigan [Mr. FORDNEY]. Is there objection? [After a pause.] The Chair hears none.

Mr. FORDNEY. Mr. Chairman, I would not take up the time of the House in discussing this amendment were it not for the fact that in my opinion it is one of the most important paragraphs in the bill.

Existing law permits a person or a corporation owning property purchased prior to March 1, 1913, to take its value as of that date—March 1, 1913—when disposing of the property. Now, the reason why that date has been fixed is because at that time the courts held the income-tax law constitutional. Property purchased prior to March 1, 1913, and sold this year is treated by the Treasury Department as follows: Suppose that you purchased a piece of property 10 years ago and sell it to-day. You have held possession of that property for 10 years. The difference between the price paid for it 10 years ago and the price you sell it for to-day, including the original purchase price, is the amount of your taxes and your upkeep, whatever that may be. What you sell the property for above these costs is profit, and on that profit you must pay a tax; but prorating your earnings on the profit from that property obtained when you sold it from the time you purchased it to the time you sell it, you pay a tax upon what it earned pro rata from March 1, 1913, down to date of sale; but what it earned prior to March 1, 1913, is not subject to taxes under existing law or under the provisions of this bill. This language in this bill, as the gentleman from North Carolina [Mr KITCHIN] has said, is exactly the language contained in the act of September 8, 1916, and in the act of October 3, 1917. There is no change in this as compared with existing law. The property purchased since March 1, 1913, and converted into money or profit this year is considered income of this year, and one must pay an income tax on that income. But, as before stated, whatever the property earned prior to March 1, 1913, is not subject to an income tax.

Mr. HARDY. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Texas?

Mr. FORDNEY. Yes.

Mr. HARDY. If A and B, owning two tracts of land, exchange those tracts without any money being paid, although each one of them has enhanced in value, is there any tax on that exchange?

Mr. FORDNEY. No. They have received nothing. They have had no income. You do not have an income until you convert the property into money. I may own a piece of land and exchange with you for another piece of land to-day worth twice what the property cost me when I gave it to you, but there is no income, because I have not converted it into money.

Mr. HARDY. Let me put it this way: If A sells his tract of land for $100 an acre and buys B's tract of land at $100 an acre there are two income taxes to pay, are there not?

Mr. FORDNEY. No. If you make a profit, then you must pay a tax; but if you do not make a profit you do not pay a tax.

Mr. HARDY. Then I made as much profit if you exchanged the land as if two sales were made and two purchases.

Mr. FORDNEY. No; unless you convert your property into money or stock of a corporation, you have no income. If you have an income, you pay the tax.

Mr. HARDY. Is nothing else but property considered an income?

Mr. FORDNEY. I know of no such sale. I have never converted property into anything except money or the stock of a corporation.

Mr. HARDY. Does not this bill put a tax on property?

Mr. FORDNEY. Not unless it is converted into money.

Mr. HARDY. If you trade for personal property, you do not pay tax?

Mr. FORDNEY. If you convert your property into stock, which is equivalent to money, you must pay a tax on it, but no other way.

Mr. BENJAMIN L. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BENJAMIN L. FAIRCHILD. Referring to the proposition of the cost of the property, suppose in 1913 a man buys a piece of land and pays $1,000 for it.

Mr. FORDNEY. Yes; after March 1.

Mr. BENJAMIN L. FAIRCHILD. Yes; after March 1. Another man buys a piece of land and pays $5,000 for it.

Mr. FORDNEY. Yes.

Mr. BENJAMIN L. FAIRCHILD. In the meantime, if to-day this law goes into effect, the man who has the $5,000 land finds that his land has not increased in value, but the man who has the $1,000 land finds his has increased in value fivefold and that it is now worth $5,000, and they exchange. Does the $1,000 man not pay an income tax on that exchange?

Mr. FORDNEY. I believe I am right in saying that you pay no tax on any value you may get by exchange of property unless you convert it into money or its equivalent, which is stock or bonds, which this law provides shall be considered as income. Unless you convert property into money or money equivalent, you do not pay a tax upon it. If you purchased a piece of property for $1,000 on March 1, 1913, and convert it into money to-day or its equivalent at $10,000, you are called upon to pay a tax on $9,000. If I purchased a piece of property then at $5,000 and convert it into money at $10,000 to-day, I pay a tax on whatever my profit is and you pay a tax on your profit. If you made more profit than I did, you must pay more tax than I do. That is all.

Mr. BENJAMIN L. FAIRCHILD. Under the bill, if the $1,000 man makes $4,000 profit by taking a $5,000 property in exchange instead of $5,000 cash, he pays no tax under this bill?

Mr. FORDNEY. He does not pay any tax unless he gets an income. I can not answer any clearer than that. An exchange of property is not an income, in my opinion.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes; I yield. But do not take up all my time.

Mr. HARDY. Suppose a case where land is sold and payment made in cattle.

Mr. FORDNEY. If you convert the cattle into income, then you have an income, and you pay a tax on that income. You do not get any income on your cattle until they are converted into money. Suppose you have cattle in your possession and feed them all this year. You have no income from them. I say you pay no tax on an exchange of property unless you convert that property into money or its equivalent, and then you pay an income tax. Only then do you pay a tax on it. This law imposes no tax on real estate—only a tax on incomes.

Mr. HARDY. The gentleman does not regard payment in cattle as an income at all?

Mr. FORDNEY. No. How can you use the cattle until you can sell them?

Mr. HARDY. You may have them for dairy purposes.

Mr. FORDNEY. You may keep them for 10 years, and yet you have no income until you convert those cattle into money.

Mr. HARDY. And yet a man may buy out a whole dairy as an investment for the benefit of his business.

Mr. FORDNEY. Oh, no man is so blind as the man who will not see. This law provides only for a tax upon your income. If you have no income, you do not pay a tax.

Mr. CARTER of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. CARTER of Oklahoma. Suppose a man had a tract of land that was worth $25 an acre prior to March 1, 1913——

Mr. FORDNEY. Yes; worth $25 an acre prior to March 1, 1913.

Mr. CARTER of Oklahoma. Which increases in value a dollar every year for five years, and is now worth $30 an acre.

Mr. FORDNEY. Yes.

Mr. CARTER of Oklahoma. Now, what income tax would a man have to pay under the present law, and what would he have to pay under any other laws?

Mr. FORDNEY. If you purchased a piece of property before March 1, 1913, you can take the value on that date as your investment in that property, and whatever you sell that property for over and above that value is income, on which you must pay the tax. Now, if you purchased it after March 1, 1913, there is no question as to its value. Its value is what you paid for it, and when you sell it this year the difference between what you paid for it and what you get for it is profit, and on that you pay an income tax. That is the law. I can not make it any plainer than that.

Mr. KNUTSON. Now, we will say that three individuals own a certain piece of property together which they bought subsequent to March 1, 1913, and the increase is divided proportionately among the three. How would the tax be levied in that case?

Mr. FORDNEY. Oh, my friend, I have said before that you do not pay the tax until you get the income. Whatever your income is on that you must pay the tax, no matter how you dispose of your property.

Mr. WINSLOW. Let us suppose that a trust fund has been created for $100,000 and invested in real estate.

Mr. FORDNEY. When?

Mr. WINSLOW. At any time—within the time provided in this bill or at any other time. In due time that property is sold for $125,000. Would the $25,000 be regarded as income or would it be added to the principal of the trust account?

Mr. FORDNEY. If you have purchased a piece of property since March 1, 1913, for $100,000 and you sell it to-day for $125,000, under existing law and under the provisions of this bill your profit is $25,000, and on that you pay an income tax.

Mr. WINSLOW. Your profit?

Mr. FORDNEY. Yes.

Mr. WINSLOW. Then do you make a distinction in the bill between what is commonly known as profit and what is commonly known as income? There is a very distinct difference.

Mr. FORDNEY. No; I do not think there is any difference when you apply it to a purchase since March 1, 1913. Whatever you dispose of your property for in dollars and cents over and above what it cost you since March 1, 1913, is profit or income of this year. You make that profit this year. If you dispose of that property this year and obtain that profit this year, it is income of this year according to law, and on that you must pay the tax.

Mr. CARTER of Oklahoma. What is the difference between net income and profit, if any?

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. I ask unanimous consent that the gentleman from Michigan have five minutes more.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the time of the gentleman from Michigan be extended five minutes. Is there objection?

There was no objection.

Mr. FORDNEY. If you bought a piece of property five years ago for $100,000, and you sell it to day for $25,000 more than you paid for it your profit over and above the purchase price is $25,000, and you have a profit of $25,000. Now, you may charge up against that $25,000 profit the taxes which you have paid on that property from the time you purchased it until the time you sold it, or you may be permitted to charge up insurance, or you may charge up any other expenses which you have been put to in maintaining or looking after that property, and your net profit is the difference between all those costs and the price you obtained for it.

Mr. WINSLOW. Let us take the case of $100,000 invested in a trust fund, the investment to be made in real estate which, within the terms of this bill, is duly sold for $125,000. The

profit on the sale is $25,000. Now, suppose in the meanwhile it has earned, in rentals, and so forth, after paying the taxes, an income of $10,000 a year. Do you differentiate at all between the $25,000 which is made as a profit on the sale and the $10,000 which is the net income derived from handling the property?

Mr. FORDNEY. No. The difference between the purchase price and the sale price, together with all income from that property during the time you held it, is considered profit or income. Deduct from the sale price the purchase price and the cost of maintenance and looking after the property, collecting rents, and all other proper charges. Deduct that from the profits you made out of the property, and the net profit on the sale, together with the income from rentals or any other source during the year is your profit, and on that profit you pay a tax. That is your income for this year, if you obtained the profit this year.

Mr. WINSLOW. One further inquiry, please.

Mr. FORDNEY. Yes.

Mr. WINSLOW. Suppose you are one of three trustees of a property of $100,000 invested in real estate, and in the course of two years you have a chance to sell that real estate and do sell it for a profit of $25,000. Do you think that as a trustee you would be willing to distribute that $25,000 among the beneficiaries of the trust as a matter of income?

Mr. FORDNEY. If it is income it is the duty of the trustee to distribute it or pay the taxes due.

Mr. WINSLOW. That is what I am trying to find out.

Mr. FORDNEY. If not, he retains it in the business.

Mr. WINSLOW. There is a difference between profit and income.

Mr. FORDNEY. Oh, no, my good friend. You get back to the proposition of a corporation. What is the difference between a corporation obtaining profit out of a business and a trustee obtaining profit?

Mr. WINSLOW. The trustee obtains the profit in the interest of the real owner.

Mr. FORDNEY. The law provides that a corporation failing to distribute those profits for this year to the stockholders pays in addition to the 12 per cent normal tax a penalty of 6 per cent, making a total of 18 per cent for nondistributed earnings of this year. I do not know as that applies to a trustee the same as to a corporation.

Mr. WINSLOW. One further question, Should the Members of the House understand that for the purposes of this bill all increases, whether profits, technically speaking, or income, technically speaking, become the subject of taxation on the same basis?

Mr. FORDNEY. Yes.

Mr. WINSLOW. So you make a pool of the whole business in the way of increase, income, and profits?

Mr. FORDNEY. All profits obtained in this year's business, whether from the sale of property or profits made out of the manufacture and sale of goods, is income of this year and subject to taxation under the provisions of this bill.

Mr. LONGWORTH. May I suggest this as an illustration? If I have a share of stock that brings me in a certain income, that is properly income and taxable as such. If I sell that stock and make a profit, it is not strictly income but regarded as income and taxed.

Mr. WINSLOW. If you are defending the interests of the beneficiaries under a trust, you would not feel that you should dissipate the profit on the sale.

Mr. LONGWORTH. I think not. Mr. Chairman, I ask unanimous consent for half a minute.

Mr. HARDY. Reserving the right to object, I want to ask unanimous consent to proceed for five minutes myself. I offered the amendment, and there has been 15 minutes discussion against it.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for half a minute, and the gentleman from Texas couples with that a request for five minutes.

Mr. HARDY. I withdraw any objection.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LONGWORTH. Mr. Chairman, I want to ask the gentleman from North Carolina how much revenue, in his opinion, would be lost in case the amendment of the gentleman from Texas was agreed to.

Mr. KITCHIN. Under his theory I should guess $2,000,000.

Mr. LONGWORTH. Does not the gentleman think that the gentleman from Texas ought to suggest something to take the place of it?

Mr. GARNER. I do not think you could get over three billion from excess profits and income.

Mr. LONGWORTH. Does not the gentleman think that the gentleman from Texas ought to offer some suggestion to take the place of that loss?

Mr. KITCHIN. In the loss of sales and profits I should say that we would lose more than half of the tax from the profit sales.

Mr. HARDY. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HARDY. Mr. Chairman, if the gentleman is perfectly frank that this amendment of mine would sacrifice $2,000,000 revenue, I have no further contention, because necessity knows no law.

Mr. GARNER. I want to say to the gentleman that the theory of his proposed amendment would undoubtedly cut the revenue down 50 per cent.

Mr. HARDY. Mr. Chairman, I have suggested a straight tax on sales. I would make it apply to all sales of $500 and over. Put on a stamp tax of 1 per cent or over. I do not believe you would lose a dollar of revenue if you did that.

Now I want to say a word in reply to what the gentleman from Michigan said, that the sale of land by exchange for other property actually pays no tax. Suppose the gentleman wants to get a dairy stock and he knows the market value of Holstein cows out at the Soldiers' Home—that cows, fine cows, are worth $200 a head. He finds a man with a fine herd of Holstein cows and he trades his land for the cows. He does not get money, but he gets what would cost him money to buy. I am afraid that you will find that under this bill, standing as it does, there will be more ingenious devices to avoid the payment of the income tax than ever were invented to avoid any other tax because inherently wrong. The gentleman made the statement that in arriving at the profits he would take into the calculation of all the expenses for five years, deducting them together with the original purchase price from the selling price. This seems to me to show that you are levying a tax to cover the profits of five years on men who sell, while everybody else is only levied upon for the profits of one year. It is unjust, it is unequal, and will be difficult of enforcement because men will adopt hundreds of methods of evasion.

If you want a tax on the increased value of 1918, you can find what the value was at the beginning of the year as well as you can find what the value was in 1913. The very obstacle that the gentleman from North Carolina insists would make it difficult to enforce such a law stands in the way of enforcing section 201. It is as difficult to find out the value in 1913 as in 1918. You have got to find under section 201 what the value was in 1913; can you not find the value at the beginning of the taxable year more easily than you can find what it was four or five years ago?

Mr. FORDNEY. Will the gentleman yield?

Mr. HARDY. Yes.

Mr. FORDNEY. If the gentleman's theory was put into law, every corporation in the country paying an income tax would be permitted to take from their profit deductions based on the value to-day instead of March 1, 1913, and your income to the Treasury Department would be far less than what it would be under this bill.

Mr. HARDY. Corporations are not engaged in selling the corpus of the corporation. This does not affect them, or affects them but little; it affects the private individual.

Mr. FORDNEY. A corporation has the benefit of an 8 or 10 per cent deduction based on the capital in making the income tax for this year. If permitted to take the value of their property this year instead of under the law, the original purchase price—there is a vast difference between the purchase price to-day and——

Mr. HARDY. Does the gentleman mean under this law a man having goods on his shelves is to go back and see what the value was when he got them?

Mr. FORDNEY. His books will show what the value was in 1913.

Mr. GARNER. Let me say to the gentleman, take the corporation that is earning 50 per cent. If you take that as a basis of value, there would be no excess profits in this bill at all.

Mr. HARDY. This is not a question of excess profits.

Mr. GARNER. But it is the same theory that you are speaking of—taking the basis of value as of the 1st day of January of the calendar year for which you collect the taxes. Then a corporation or an individual would be worth whatever the prop-

erty was worth on the 1st day of January, and you would base the calculation upon that.

Mr. HARDY. If he sells out, you would do it; but there is no analogy in the proposition the gentleman makes and the question I am discussing. In effect section 201 makes this bill levy a sales tax, and a sales tax that is so unequal as to make it a travesty on the idea of fair and equal treatment, much less equal and uniform taxation. I do not object to a sales tax, but let it be uniform and equal. I do not object to a tax on unearned increment, but let that also be universal and equal. I do object to an embargo on trade and the taxing of profits and incomes which do not exist.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. HARDY].

The question was taken, and the amendment was rejected.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I would like to suggest an alteration in paragraph (a) of section 201. The amendment would be to add in line 26, after the word "date," the words "plus taxes thereon and interest on the investment paid since said date."

Mr. CANNON. And add improvements to the property.

Mr. KITCHIN. I would say to the gentleman from Pennsylvania that you already get your deduction for taxes and interest, and when you sell the property you get your deduction for the permanent improvements that you have made to the property.

Mr. GRAHAM of Pennsylvania. You make an allowance in your income reckonings for the taxes you pay, but if a man owns property in March, 1913, for which he paid at that time $10,000, and on which he pays $2,500 or $3,000 in taxes and sustains the loss of interest on his investment, and sells it at the end of the five years in 1918, it is unfair to say that the difference between the original appraisal value and the exact selling price is income. I say that is not profit.

Mr. KITCHIN. The taxes are deducted in this law and in the laws of 1916 and 1913.

Mr. GRAHAM of Pennsylvania. I beg the gentleman's pardon, but did he say that the taxes were deducted?

Mr. KITCHIN. Yes.

Mr. GRAHAM of Pennsylvania. In ascertaining the profit made upon the sale of the property?

Mr. KITCHIN. Surely.

Mr. GRAHAM of Pennsylvania. No, there is not a line in any one of those acts that allows for a deduction of taxes in ascertaining the profit derived from a sale of property.

Mr. KITCHIN. You compute your income each year, and every man here has deducted taxes for that particular year. Of course they do.

Mr. GRAHAM of Pennsylvania. Yes, but that is not the question. The gentleman answers me by suggesting that in some other calculation the taxes paid are allowed to be deducted. The taxes paid in the instances in which they are allowed to be deducted are allowances in ascertaining the net income for that year.

Mr. KITCHIN. But——

Mr. GRAHAM of Pennsylvania. Oh, the gentleman will pardon me. Do not interrupt me, please. When you are ascertaining the value of property in order to find out how much profit a man made out of the sale of that property, you ought to take out the expenses of his maintenance of that property, taxes and interest, before you find the sum upon which you are going to levy an income tax.

Mr. KITCHIN. I can not make it any plainer to the gentleman than to say that the cost of maintenance is a part of operating expenses of the property for that year and you deduct that. You deduct the taxes you pay on that property that year. Let us say that the property was worth on March 1, 1913, $10,000, although he might not have paid more than $5,000. If he pays $500 in taxes and $500 for maintenance of the property he would deduct $1,000 from his profits. Suppose he sells it for $20,000?

Mr. GRAHAM of Pennsylvania. But there is no provision in the law for making those deductions in ascertaining the profits of a sale, and I wish to say to the chairman of the Committee on Ways and Means that in my experience with the Treasury Department I have found they recognize no such rule as that which he states. Therefore, it ought to be stated in haec verba in the bill, and then it will not be disobeyed by the servants of the Nation.

Mr. KITCHIN. Deducting all expenses and all taxes is expressly set forth in this act as plain as language can make it—all taxes paid or accrued within the taxable year, and so forth.

Mr. GRAHAM of Pennsylvania. Yes; but does not the gentleman see that that is ascertaining a man's income for the taxable year?

Mr. KITCHIN. But——

Mr. GRAHAM of Pennsylvania. Oh, the gentleman will pardon me a moment. He must not talk all of the time, even though he be chairman of the committee. I wish the gentleman would allow me to make my statement, and then I shall listen patiently to hear his statement.

Mr. KITCHIN. Let the gentleman make his statement.

Mr. GRAHAM of Pennsylvania. Because we can not arrive at any discernment of the truth if we both talk at once. All I care for is that an equitable principle, if my thought is right, shall be written into this bill. If my thought is wrong, then the gentleman can vote it down. I say that, to my mind, it is manifestly unfair to say that the basis for computing the profit shall be the fair market price or value of such property as of that date. By that language you exclude the consideration of everything else, because it is the fair market value of that property as of that date which is to be deducted from the sale price, and the difference is the profit on which the man is going to be taxed.

And you ought to add it to your bill in that place, for if you are furnishing the Treasury Department with a yardstick you want to give a true yardstick that means all that you say and intend to mean, and not give them a yardstick that is 5 or 6 inches short.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. Mr. Chairman, I think I understand the gentleman and want to say to the gentleman I think his thought is clearly wrong. This is exactly the language of the present act and in the deduction the Treasury Department has allowed in taxing incomes a deduction from profits of all taxes paid upon that property, all interest that is paid out on that property, and all expenses in maintaining and the upkeep of that property, and those deductions are allowed in section 214. In other words——

Mr. GRAHAM of Pennsylvania rose.

Mr. KITCHIN. Let me get through. In other words, if on March——

Mr. GRAHAM of Pennsylvania. Mr. Chairman, will the gentleman permit a question at that point?

Mr. KITCHIN. Let me get through with my sentence and give an illustration. If on March 1, 1913, property which I bought for $5,000 is worth $10,000 and in 1918 I sell it for $20,000, before I get my profit I deduct all the taxes that I have paid during that year—the gentleman need not shake his head—I have deducted the taxes I paid in 1914, in 1915, 1916, and 1917 the same way. I am permitted to deduct each year the cost of operating or maintaining that property, Say that in 1918 you paid out $500 for taxes and $1,000 for maintenance and operation. You add that to your $10,000, the value as of March 1, 1913, and you have $11,500, and you deduct that from $20,000. You have, then, $8,500 taxable profit or income. The gentleman's proposition would allow a double deduction for operating and current expenses and taxes if we allowed them in determining the taxable income for each year and then allowed them again in determining gain at the time of sale.

Mr. GRAHAM of Pennsylvania. Will the gentleman permit me to ask him a question?

Mr. KITCHIN. Yes, sir.

Mr. GRAHAM of Pennsylvania. Take the case of a man who is below the income-return basis.

Mr. KITCHIN. Yes.

Mr. GRAHAM of Pennsylvania. He makes no returns during those five years. How does this law affect him in connection with the question of deducting taxes and interest and——

Mr. KITCHIN. He is exempt from payment of tax. He has had no net income, and perhaps the very deduction of his tax on his operating expenses and interest would be the reason why he has no net income.

Mr. GRAHAM of Pennsylvania. He has paid no taxes at all; he has had no allowance of taxes from his income, because he has paid no income return.

Mr. KITCHIN. Because, possibly, by deducting his taxes and operating expenses he has had no taxable income, whereas if they had not been deducted he would have an income perhaps to exceed his personal exemption.

Mr. GRAHAM of Pennsylvania. The difficulty I see lies in this. The gentleman desires to sustain his bill, which I think is not the principal object in our discussion, because we want to sustain it if it is right, and if it is not right we want to amend it, because it is going to fall on every taxpayer in the country, and fall very heavily, too. Now, the difficulty is that our point of divergence lies here. The gentleman says the provisions of the bill provide that a man may deduct from his income return the tax that he pays. That is very true; I admit that. The bill does provide for that, but when is that deduction made and for what purpose? It is the deduction made out of the amount of

his income to show what the net amount is upon which he is going to pay a tax. How does that help him when he comes to sell, if a piece of property that has lain fallow and unused four or five years, and which in March, 1913, was worth so much money——

The CHAIRMAN. The time of the gentleman has expired.

Mr. KITCHIN. Mr. Chairman, I ask for three minutes, in order to answer the gentleman's question.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none.

Mr. GRAHAM of Pennsylvania. How does that help or affect a man who owned a piece of property worth $5,000 on March 1, 1913, and he has paid $500, we will say, in taxes, and he has lost $300 in interest; that is $800. Now, he sells the property for $800 more than he paid for it. Under this bill you are going to tax him, in the language of this section, for the difference between the value of it in 1913 and the sales price, and you do not allow anything for taxes or interest.

Mr. KITCHIN. I would say to the gentleman that he is not right, for it is exactly as it is in existing law, and there is no complaint about that. The gentleman seems to differentiate between profits from sales of property and incomes from other sources. There is absolutely no difference.

Now, I receive as a lawyer $10,000 for my earnings. And I have $10,000 of interest on bonds and I sell a piece of property and I make $10,000 on that. That is a total of $30,000. All my deductions come out of that, my deduction for paying the taxes on the $10,000 worth of property that I have sold, the cost of its maintenance and upkeep, all come out of the $30,000. Now, I have paid in 1918 in interest on this piece of property that I have bought, on which I made a profit of $10,000 a year, so much, and I deduct that interest from the total. Now, if the gentleman means that I have bought a piece of property for $10,000 cash, and I sell it five years after at a profit, that I should deduct the interest I am out each year, I would say it is practically absurd. I am investing my money for a profit, instead of my interest, and when I make my sale I am expecting my profit there. I put $10,000 in a bond and I am expecting 6 per cent interest. That is my profit. I am not allowed to deduct 6 per cent interest on the $10,000 investment in a bond because I am going to get my interest. When I am investing for rents I am getting the rent. Now, when I sell the property with the expectation of making a profit, my interest, rent, and everything are merged into those profits. I am going into it for the profit. I should not be allowed interest on the property any more than the interest on the investment in a bond.

Mr. CANNON. Will the gentleman allow me a single question? I ask for recognition, Mr. Chairman.

The CHAIRMAN. The gentleman from Illinois [Mr. CANNON] moves to strike out the last word.

Mr. KITCHIN. I would say to the gentleman from Pennsylvania [Mr. GRAHAM] that in the case of a farmer who farms his land you do not permit him to deduct 6 per cent on his investment. Take a manufacturer who has a plant worth a million dollars; you do not allow him 6 per cent on his investment. His income is the profit. No tax law in the world has ever allowed such a deduction for income-tax purposes.

Mr. CANNON. I want to ask the gentleman a question. An individual on the 1st of March, 1913, buys a piece of land for $10,000, totally unimproved and unproductive. He then proceeds to expend $5,000 in improvements. That makes an expenditure of $15,000. Now, he pays taxes, and so forth, upon it from year to year. He sells it on the 1st day of March, 1918, for $20,000. Now, there is the original cost, $10,000; improvements, $5,000; the taxes year by year; and he pays something for maintenance. Can he take out his cost of improvements?

Mr. KITCHIN. He can. His $5,000 will be taken out.

Mr. CANNON. He can take out his taxes——

Mr. KITCHIN. For the current year. Of course he gets his tax deduction each year.

Mr. CANNON. But that is a very good answer if he has other property. I am putting it where the poor devil has not any other property.

Mr. KITCHIN. Each year there was an unearned increment, and he ought to pay some income tax on that, then, if he has got to deduct his taxes from it.

Mr. CANNON. He pays on his unearned increment, but pays his taxes. Then I understand, under the law as it is now and as it is proposed to be, if that is the only property he has, he could deduct his $5,000 for improvement and deduct, if it cost him that much, his $1,000, when he sold it on the 1st of March, 1918. That would be a deduction of $6,000 and then the taxes for 1918?

Mr. KITCHIN. Yes, sir.

Mr. CANNON. And he would be out the taxes for the other five years?

Mr. KITCHIN. Yes.

Mr. CANNON. The gentleman understands, taking the whole bill together, that that would be the condition of the man in the payment of his income?

Mr. KITCHIN. Yes, sir.

Mr. GRAHAM of Pennsylvania. Where is the part of the bill that authorizes the deduction the gentleman from Illinois has spoken of?

Mr. KITCHIN. The improvements?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. KITCHIN. That is included as investment, a part of his capital. And in every form the gentleman from Pennsylvania has ever seen is contained "permanent improvements." You add it for invested capital and excess profit. You add it as part of your capital.

Mr. GRAHAM of Pennsylvania. I do not want to be contentious, but I would like to put this thought to the gentleman. Where I have seen those income-tax returns—and I have made out a good many of them for other people——

Mr. KITCHIN. I happen to have had an experience myself, for I sold a farm last year that I bought before March 1, 1913, and I looked at the part as to permanent improvements particularly, and the permanent improvements that I had put on were added to the purchase price of my farm. And it is in every other form that I have seen.

Mr. GRAHAM of Pennsylvania. And not added to the cost——

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KITCHIN. I have a form here, if the gentleman wishes to see it.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I ask unanimous consent for five minutes.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last two words.

Mr. GRAHAM of Pennsylvania. Now, what I wish to call attention to is this, and I ask the attention of the chairman of the Ways and Means Committee to this thought: You are speaking of the form of return that is provided by the Treasury Department. Is it true that that form of return, in compliance with the law, contains a space for deducting from the income return for the particular year of taxes and the allowance for depreciation or improvement?

But that does not answer the proposition put by the gentleman from Illinois [Mr. CANNON] with respect to the ascertainment of a separate and different basis for taxes, to wit: You sell your farm, which cost so much money in 1913; you sell it for an enlarged price in 1918, and you have carried it without a tenant, we will say, without a penny of income from it. You have paid the tax on it; you have either paid interest on the mortgage in carrying it, or you have lost the interest on the sum that you have invested in the property. Now, my amendment provides affirmatively that the department shall recognize, in using the yardstick which this section provides, these added elements; and in order to make it clear when the time comes, I am going to ask unanimous consent to add the words "less income from the property," so that it will be equitable both ways. That is to say, that in the ascertainment of a certain amount as profit or income you must allow for the taxes and the interest on the investment, less the income derived from the property, and this, together with the value in 1913, deducted from the amount that you receive, shows the amount that you must pay a tax on under this bill.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. FORDNEY. My good friend, you are permitted to use as capital the interest paid on the mortgage or borrowed money, together with taxes or any other upkeep, but you are not permitted to use as capital the interest accrued upon your own cash payment, because that is income to you and is considered income of this year, although you paid out that money five years ago. That is to say, if you paid cash for the property in 1913, no accrued interest will be permitted to be used by you as capital, because that is considered income.

Now, suppose you made no more profit out of your purchase than the accrued interest on your original investment. That is the income, the interest on your original investment. But if you had borrowed all that money you will be entitled to charge it as a part of your cost the money paid out in interest upon that borrowed money.

Mr. GRAHAM of Pennsylvania. I can not understand the difference between borrowing the money and taking it out of my own pocket and putting it into the farm. You have lost your interest on it. That is part of cost of the property when you come to sell it. Your taxes and your interest ought to be deducted.

Mr. SNYDER. Is not that the same profit that would be permitted to the corporation, to charge 6 per cent on its capital invested in the business and deduct that before any amount was shown to be taxable?

Mr. FORDNEY. You do allow a rate of interest—I believe it was 8 per cent under the old bill—before you make an excess-profit tax.

Mr. SNYDER. We are not allowed any interest on the invested capital in the business. We are allowed 8 per cent on the profit.

Mr. FORDNEY. That would not apply unless the corporation is selling its invested capital, and then the difference between the purchase price and the sale price must be ascertained and the cost of the upkeep must be deducted.

Mr. KITCHIN. I think I can clear this up. I desire three minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. KITCHIN. In the first place, I do not think the gentleman from Pennsylvania [Mr. GRAHAM] has read the bill very carefully and read the other sections of the bill. He certainly would not want to put his amendment in this section. This section is simply defining a rule and establishing the basis for determining the gain from the sale of property purchased before March 1, 1913. The amendment should be in section 214, the deduction section. I want to say that it has never been contended by an industry in this country that the gentleman's proposition is proper and right. We tax incomes of all corporations, of all mercantile business, and all kinds of industries. Take an industry, whether it is individual or corporate, with a million dollars' capital. We tax the profits of that concern just exactly like we tax the profits of the sales of land. Instead of this concern having a sale every year or two months, it has a sale every day. Now, suppose it has a capital invested at a million dollars. Do we permit this business concern to deduct from its income, as a part of the cost, 6 per cent on the capital invested? No. We simply permit them to deduct all the labor and raw material costs, insurance, taxes, bad sales, and overhead charges, and not 6 per cent upon the invested capital; and when it deducts those operating expenses and overhead charges to which I have called attention, if it does not make but 4 per cent on the capital invested, it pays the income tax on the 4 per cent profits. But if you deduct 6 per cent on the $1,000,000 capital invested as part of the operating expenses, the concern would have to make a good deal more than 6 per cent before the income tax would attach. Such a proposition would be an excess-profits tax.

Mr. WINSLOW. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. WINSLOW. Do you think it fair for a corporation or individual to give himself credit for a rental in a case where he owns his own building?

Mr. KITCHIN. I do not.

Mr. WINSLOW. Mr. Chairman, I move to strike out the last three words.

Mr. GRAHAM of Pennsylvania rose.

Mr. KITCHIN. Does the gentleman from Pennsylvania want to ask me a question?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. WINSLOW. I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. WINSLOW. I would like to ask the chairman of the committee if in his judgment, and in respect to his knowledge of the bill, he would consider that a man owning his property has the right to charge himself with that property as a rental or expense account?

Mr. KITCHIN. No.

Mr. WINSLOW. But if he hired property of the same value he would charge himself value. He would have to.

Mr. KITCHIN. Yes. Under the existing law a corporation is allowed a deduction for rent actually paid.

Mr. WINSLOW. It is a pity we can not get two interpreters of that law to agree on the same thing.

Mr. KITCHIN. I do not think there is any doubt of the interpretation of the law. The Treasury Department does not take into consideration the rental value of my home, if I own it.

Mr. WINSLOW. Here is a productive business, and it affects the cost of production in competition. Why should one man, who rents property, be allowed to charge up the rent as a part of his expenses, while another man, who owns his property, is penalized by the fact that he owns it?

Mr. KITCHIN. You must distinguish between an individual owning his home or renting his home——

Mr. WINSLOW. I said a corporation.

Mr. KITCHIN. If I rent the house I live in, I can not deduct the rent, because that is a part of my living expenses. If I own my home, rent is not considered. If as a merchant or business man I own my storehouse I make no deduction, and that is ignored; but if I pay $2,000 a year rent, I am permitted to deduct that as a part of the operating expenses of my business.

Mr. WINSLOW. But if a man owns his property he is not entitled to charge himself rent.

Mr. KITCHIN. I have answered the gentleman the best I know. A man can not charge himself rent on property that he owns as a part of his expenses.

Mr. GRAHAM of Pennsylvania. May I ask the gentleman one question, and then I am through?

Mr. KITCHIN. Yes.

Mr. GRAHAM of Pennsylvania. The gentleman has referred to section 214 as covering this subject. Now, does section 214, in the gentleman's serious and calm judgment, cover that subject? Let me illustrate just one thing.

Mr. KITCHIN. Section 214 covers all deductions.

Mr. GRAHAM of Pennsylvania. To be done how? Not in ascertaining the profit from the sale of some particular property, but the deductions to be allowed in ascertaining the net income for that particular year. It says that all the ordinary and necessary expenses paid or incurred during the taxable year shall be deducted. You can see that that is the yardstick that is applied only to the ascertainment of the net income. There the taxes are to be deducted; but it does not apply to the question of an isolated piece of property that is bought at a particular figure, carried with heavy taxes and expense in the way of loss of income and interest, and then sold at a profit. The yardstick that you furnish there is the one in section 201, and none other in this bill. There is not another syllable in the bill, from beginning to end, that applies to that subject. I have read it carefully from one end to the other.

Mr. KITCHIN. As I have explained to the gentleman time and again, I think he mixes up income and profit. Part of his income is profit from land. Part of his income is what he makes as a lawyer or a merchant. I call attention to the fact that all of the deductions to which he is equitably entitled are comprised in section 214.

Mr. GRAHAM of Pennsylvania. Yes; but that is in ascertaining the income for that year. That has nothing to do with the sale of the property.

Mr. KITCHIN. In voting down the amendment of the gentleman from Texas [Mr. HARDY] we decided that the income is the profit for the year in which he receives his earnings or profit, or whatever it is. Now, I call attention to the form of the department, which is the rule of the department for including improvements.

Mr. GRAHAM of Pennsylvania. That is the same thing. That is in section 214.

Mr. KITCHIN. It is the original cost of the property, if it was acquired since March 1, 1913, the cost of any permanent improvements, and so forth. That is the example I gave to the gentleman from Pennsylvania.

Mr. GRAHAM of Pennsylvania. That is a totally different thing from the thing we are discussing, so do not let us camouflage.

Mr. KITCHIN. This section to which the gentleman is applying his remarks is simply a basis—that is, a starting point—for deductions or exemptions. What should be subtracted from it or what should be added, starting from that point, is found in section 214; and if you think that amount should be more, then section 214 is the place to add it.

Mr. GRAHAM of Pennsylvania. I ask unanimous consent to put my amendment verbally in proper form so that it may be voted on intelligently.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to restate his amendment. Is there objection?

There was no objection.

Mr. GRAHAM of Pennsylvania. After the word "date," in line 26, add the words "plus taxes, improvements paid thereon,

and interest on the investment from said date, less all income derived from the property."

The CHAIRMAN. The Clerk will report the amendment as restated.

The Clerk read as follows:

Amendment by Mr. GRAHAM of Pennsylvania: Page 4, line 26, after the word "date" insert the words "plus taxes, improvements paid thereon, and interest on the investment from said date, less all income derived from the property."

The CHAIRMAN. The question is on the amendment of the gentleman from Pennsylvania.

The question being taken, on a division (demanded by Mr. GRAHAM of Pennsylvania) there were—ayes 18, noes 47.

Accordingly the amendment was rejected.

The Clerk read as follows:

PART II.—INDIVIDUALS.

NORMAL TAX.

SEC. 210. That there shall be levied, collected, and paid for each taxable year upon the net income of every individual a normal tax, as follows:

(a) In the case of a citizen or resident of the United States 12 per cent of the amount of the net income in excess of the credits provided in section 216: *Provided*, That upon the first $4,000 of this amount the rate shall be 6 per cent;

(b) In the case of a nonresident alien, 12 per cent of the amount of the net income in excess of the credits provided in section 216.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 5, line 13, after the word "That" insert "in lieu of the taxes imposed by subdivision (a) of section 1 of the revenue act of 1916 and by section 1 of the revenue act of 1917" and a comma.

Mr. KITCHIN. That ought to have been put into the bill, and will be put in in many other places. It is in lieu of those taxes. Those words might be construed that this act is not inconsistent with these other acts, and it might be held to be in addition.

Mr. CAMPBELL of Kansas. Does this act repeal the other acts?

Mr. KITCHIN. Not specifically; but we provide here specifically in lieu of those taxes. There are some things in the other act that we could not repeal. All the tax features are carried in this act, and practically, of course, repeal the others.

Mr. WALSH. Do I understand, then, from the gentleman's statement that there are certain features of the act of 1916 and of the act of 1917 which still continue in force?

Mr. KITCHIN. But take the act of March 3, 1916; there are certain tariff matters——

Mr. WALSH. But those are not tax features. The tax features of 1913 and 1916, are they specifically repealed?

Mr. KITCHIN. Yes; by putting in this language. It is provided in section 1400 "that any provision of any act inconsistent with any provision of this act is hereby repealed, subject to the limitations provided in subdivision (b)."

Mr. WALSH. Then what is the need of putting in these words?

Mr. KITCHIN. That is the point; it may be that it might be construed as not inconsistent; it might be construed as additional; and we want to make it clear.

Mr. WALSH. It looks to me like a double repeal.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

The Clerk read as follows:

SURTAX.

SEC. 211. That in addition to the normal tax imposed by section 210 there shall be levied, collected, and paid for each taxable year upon the net income of every individual, a surtax equal to the sum of the following:

Two per cent of the amount by which the net income exceeds $5,000 and does not exceed $7,500.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. A great deal was said in general debate about the propriety of taxing the income of wage earners making high wages during the war time. I have in my hand a communication from the Shipping Board giving a list or schedule of wages paid in various shipyards in the United States, and I ask to extend my remarks in the RECORD by publishing that communication.

The CHAIRMAN (Mr. HAMLIN). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The communication is as follows:

UNITED STATES SHIPPING BOARD
EMERGENCY FLEET CORPORATION,
Philadelphia, Pa., August 7, 1918.

Hon. J. HAMPTON MOORE,
House of Representatives, Washington, D. C.

DEAR SIR: Mr. Hurley has asked me to reply to your letter of July 26 seeking information concerning the number of workers in shipyards and their rates of pay. Inasmuch as it is my understanding that you do not wish this matter in great detail, I submit the following reply:

1. All told, the number of workers in shipyards performing work for the Emergency Fleet Corporation is about 375,000.

2. I append the scale of rates authorized for the different classes of these workers, according to the findings of the Shipbuilding Labor Adjustment Board.

3. As regards hours of work, the basic eight-hour day is being observed. In certain districts only 8 hours are actually worked. In other districts 9 and 10 hours are worked regularly at the rate of time and a half or double time for overtime.

If this does not give the information desired, I shall be very glad to supply such details as you wish.

Yours, very truly, CHARLES PIEZ, *Vice President.*

	Atlantic, Gulf, and Great Lakes.	Pacific coast, net rates.
Acetylene department:		
Burners, first class	$0.65	.....
Burners, second class	.60	.....
Grinders	.50	.....
Chippers	.50	.....
Welders	.65	$0.72 3/16
Helpers	.46	.....
Anglesmith department:		
Anglesmiths, heavy fire	.87½	.....
Anglesmiths' helpers, heavy fire	.55	.....
Anglesmiths, other fire	.72½	.72 3/16
Anglesmiths' helpers, other fire	.46	.....
Furnace men	.82½	.....
Electric welders	.65	.....
Blacksmith shop:		
Hammer and machine forgers, heavy	1.35	.....
Heaters	.55	.61½
Lever men or crane men	.70	.....
Helpers	.50	.....
Blacksmiths, heavy	.87½	.....
Blacksmiths' helpers, heavy	.55	.....
Blacksmiths, other	.72½	.72 3/16
Blacksmiths' helpers, other	.46	.53⅛
Drop forgers	.70	.....
Drop-forgers' helpers	.50	.....
Bolt makers	.72½	.....
Bolt makers' helpers	.46	.....
Laborers	.40	.....
Liner forgers	.55	.....
Liner forgers' helpers	.46	.....
Boiler shop:		
Boiler makers	.70	.72 3/16
Drillers	.60	.57¼
Holders-on	.50	.57¼
Rivet heaters	.40	.49½
Flange turners	.75	.82½
Helpers	.46	.53⅛
Slab-furnace men	.75	.....
Planer hands	.55	.....
Bolting and liner department:		
Bolters	.50	.....
Linermen	.54	.....
Helpers	.42½	.....
Cement department:		
Cementers	.50	.....
Helpers	.42½	.....
Chipping and calking department:		
Tank testers	.80	.82½
Chippers and calkers	.70	.72 3/16
Packers	.50	.....
Cleaning department:		
Leaders	.55	.....
Laborers	.40	.....
Coppersmith department:		
Coppersmith	.72½	.82½
Helpers	.46	.53⅛
Plumbers	.72½	.....
Pipe fitters	.72½	.72 3/16
Helpers	.46	.49½
Asbestos workers	.65	.72 3/16
Drilling and reaming department:		
Drillers	.60	.57¼
Reamers	.50	.57¼
Electrical department:		
Electricians, first class	.70	.72 3/16
Electricians, second class	.65	.....
Wiremen	.55	.....
Joiners	.70	.82½
Machinists, first class	.72½	.72 3/16
Helpers	.46	.49½
Erecting department:		
Leading men	.85	.....
Marine erectors, first class	.72½	.....
Marine erectors, second class	.62½	.....
Specialists or handy men	.52	.....
Helpers	.46	.....
Fitting-up department:		
Fitters, first class	.72½	.72 3/16
Fitters, second class	.65	.....
Regulators, first class	.60	.....
Regulators, second class	.52½	.....
Helpers	.46	.49½

	Atlantic, Gulf, and Great Lakes.	Pacific coast, net rates.
Foundry department:		
Molders	$0.72½	$0.72 7/16
Cupola tenders	.72½	
Helpers	.46	.49½
Hand and machine chippers	.50	.53⅛
Laborers	.40	.44 11/16
Furnace department:		
Leaders	.67½	
Firemen and helpers	.55	.49½
Strikers	.55	
Hull engineering department:		
Marine erectors, first class	.72½	
Marine erectors, second class	.62½	
Specialists or handy men	.52	
Joiners	.70	.82½
Helpers	.46	
Joiner department:		
Joiners	.70	.82½
Machinemen	.70	
Helpers	.42½	.44 11/16
Lumber department:		
Machinemen	.65	
Helpers	.42½	
Machine shop:		
Machinists, first class	.72½	.72 7/16
Machinists, second class	.62½	
Specialists or handy men	.52	.55
Metal polishers, buffers, and platers	.70	.72 7/16
Helpers	.46	.49½
Mold loft:		
Gang leaders	.85	
Loftsmen, first class	.82½	.82½
Loftsmen, second class	.72½	
Joiners	.70	.82½
Helpers	.42½	
Paint department:		
Painters and polishers	.60	.68¾
Bituministic painters	.72½	.82½
Helpers	.42½	
Pattern shop:		
Pattern makers	.75	.89⅜
Laborers	.40	.44 11/16
Rigging department:		
Marine leaders	.75	.82½
Marine riggers	.62½	.68¾
Crane leaders	.75	
Crane-gang leaders	.67½	
Cranemen	.60	.53⅛
Erectors leaders	.60	
Erectors	.50	
Riveting department:		
Rivet testers	.80	
Stage builders	.57½	.61⅞
Riveters	.70	.72 7/16
Holders on	.50	.57¼
Heater boys	.38	.49½
Passer boys	.30	
Helpers	.46	
Ship carpenters' department:		
Ship carpenters, first class	.70	.82½
Ship carpenters, second class	.65	
Fasteners	.55	.61⅞
Erectors	.55	
Helpers	.46	.44⅜
Wood calkers	.70	.89⅜
Wood reamers	.55	
Ship-shed department:		
Punchers	.55	.61⅞
Planers and scarfers	.55	.57¼
Countersinkers	.55	.57¼
Drillers	.55	.57¼
Bending rollers	.70	
Mangle rollers	.57½	
Pressmen, first class	.62½	.72 7/16
Pressmen, second class	.55	
Offsetters	.55	
Sawyers	.47½	
Helpers	.46	
Sheet-metal department:		
Layers out	.73	
Sheet-metal workers	.70	.82½
Sheet-metal helpers	.46	.49½

Laborers and common laborers.

	Cents.
North Atlantic	35 to 40
South Atlantic	30 to 40
Pacific coast	44⅜

Material labor department.

	Net rates (cents).
East coast:	
Engineers, locomotive	65
Operators, locomotive cantilever, gantry and other cranes of over 3 tons	70
Operators, stiff-legged derricks	65
Hoisting and portable, firemen	50
Locomotive conductors	50
Road-crane conductors	50
San Francisco district:	
Stationary and operating engineers	72 7/16
Firemen, oilers, and water tenders	49½
Puget Sound district:	
Locomotive cranes	82½
Gantry cranes	82½
Puget Sound district—Continued.	
Double cableways	82½
All double machines	82½
Electrical, steam, or air operated winches and donkeys	82½
Single aerial cableways	75⅝
Overhead cranes (in shop)	75⅝
Steam and electrical operators in power house	75⅝
Engineers in charge of boilers	68¾
Firemen in charge of boilers	55
Oilers	61⅞
Furnace men	61⅞
Single-drum steam, electrical, or air winches and donkeys, not hoisting	61⅞
Columbia River district:	
Locomotive engineers	82½
Electric cranemen	82½
Hoisting crane and derrick men—	
Machines over 3 tons	82½
Machines under 3 tons	75⅝
Steam-donkey men, double	82½
Donkey men, not hoisting	62½
Compressor engineers	82½
Aerial hoist and cableways	75⅝
Power-hoist operators	82½
Firemen	49½
Pacific coast:	
Angle and frame setters	72 7/16
Plate hangers	68¾
Slab helpers	53⅛
Plate hangers, helpers	53⅛
Hook tenders	53⅛
Flange fire, helpers	53⅛
Machine flange helpers	53⅛
Bridge and structural iron workers	72 7/16

Mr. KITCHIN. Mr. Chairman, I offer two amendments, which should be read as one.

The Clerk read as follows:

Page 5, line 24, after the word "That," insert the following: "in lieu of the taxes imposed by subdivision (b) of section 1 of the revenue act of 1916, and by section 2 of the revenue act of 1917, but."

Page 5, line 25, after the figures "210," insert "of this act" and a comma.

The CHAIRMAN. The question is on the amendments.

The question was taken, and the amendments were agreed to.

Mr. GARRETT of Tennessee. Mr. Chairman, I move to strike out the last word. I notice in the normal-tax schedule, section a, in case of a citizen resident of the United States a 12 per cent tax is provided, and on the first $4,000 the rate shall be 6 per cent. When you come to the surtax you begin at $5,000.

Mr. KITCHIN. Where it is in the present law.

Mr. GARRETT of Tennessee. What is the status of that thousand dollars between $4,000 and $5,000?

Mr. KITCHIN. That is the normal tax, the normal tax on $4,000 we only desire to make one-half, or 6 per cent. If the man had $6,000 he would have $2,000 exemption and $4,000 subject—not to 12 per cent, but 6 per cent tax. When you get to the surtax that is on the whole income and has nothing to do with the $4,000 exemption.

Mr. GARRETT of Tennessee. I withdraw the pro forma amendment.

The Clerk, proceeding with the reading of the bill, read as follows:

Sixty per cent of the amount by which the net income exceeds $1,000,000 and does not exceed $5,000,000; and

Sixty-five per cent of the amount by which the net income exceeds $5,000,000.

Mr. CANNON. Mr. Chairman, I move to strike out the last word. I notice that the tax is 60 per cent of the amount by which the net income exceeds $1,000,000 and does not exceed $5,000,000, and 65 per cent of the amount by which the net income exceeds $5,000,000.

Now, it is 50 per cent on the amount by which the net income exceeds $100,000 and does not exceed $200,000; 48 per cent on the amount by which the net income exceeds $90,000 and does not exceed $100,000. There is considerable difference on the man that has $30,000 or $40,000 and the fellow that has $1,000,000 or $5,000,000 or $2,000,000. It seems to me that you decrease the tax as you go up. If the man has $5,000,000 you leave him $1,500,000. When you get down to the fellow that has a family and has an income of $30,000 you do not leave him a great deal, but when you get up into the multimillionaire class you leave him a grand fortune. "To him that hath shall be given; but whosoever hath not from him shall be taken away even that he hath." I was just wondering why the tax that would leave very little to the man of modest income is so high, and why the tax that would leave the millionaire that has many millions should be reduced.

Mr. KITCHIN. I think the gentleman has read the figures wrong. For instance, we tax a man who has $30,000 about 19 per cent.

From a man with an income of $50,000 we take 24.9 per cent, just about half of what Great Britain does.

Mr. CANNON. Oh, let us eliminate Great Britain and France for the time being.

Mr. KITCHIN. From the man who gets $5,000,000 we take 70 per cent, about four times as much as we take from the man who has an income of $30,000.

Mr. CANNON. But he is still left with a great deal, is he not, and they are both American citizens?

Mr. KITCHIN. We had that proposition put up to us pretty strongly by Mr. Marsh, secretary and treasurer of some kind of an economic society, and we had one gentleman on the committee who desired to follow out the principle which the gentleman evidently has in mind, and that is to take all over a certain amount—that is, not 60 or 70 per cent, but 100 per cent. I think the suggestion was made that we take all over $100,000, and then some one suggested that we take all over $200,000. That is along the line of the gentleman's intimation, is it not?

Mr. CANNON. Oh, I would not be quite so severe as that.

Mr. KITCHIN. Suppose a man had $10,000,000 income and we would take 99 per cent of it, it would still leave him a great deal more than some fellow with an income of fifteen or twenty thousand dollars. In the nature of things, we thought it was just and equitable to make the larger fortunes pay the larger percentage.

Mr. CANNON. But you do not do that.

Mr. KITCHIN. Oh, we do.

Mr. CANNON. Very well, you do. Go ahead, I admit that.

Mr. KITCHIN. Where a man has $10,000 income we take 8 per cent of his total net income.

Mr. CANNON. But you have already taken 12 per cent.

Mr. KITCHIN. No; adding in the 12 per cent, and that bracket, I will say to the gentleman that what we do is this: In surtax and normal tax, where a man has an income of $10,000 we take 8.45 per cent. Where a man has $20,000 we take a total of 14 per cent. That includes the normal tax and the surtax.

Mr. CANNON. He pays the normal tax on everything, does he not?

Mr. KITCHIN. Yes.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KITCHIN. Take it on page 6, line 13:

Twenty per cent of the amount by which the net income exceeds $30,000 and does not exceed $40,000.

The man who has an income of $40,000 not only pays 20 per cent upon the difference between thirty and forty thousand dollars, but he pays the per cent on each amount above that in the other brackets. He pays 15 per cent upon the amount between twenty and thirty thousand dollars, 10 per cent upon the amount between $15,000 and $20,000, 7 per cent upon the amount between $10,000 and $15,000, 3 per cent upon the amount between $7,500 and $10,000, and 2 per cent upon the amount between $5,000 and $7,500.

Mr. CANNON. Precisely; but let me add right there: Does not a man pay all through these brackets 12 per cent.

Mr. KITCHIN. Yes; after deducting his personal exemption. The first $4,000 of his net income subject to normal tax is taxable at 6 per cent.

Mr. CANNON. Twelve per cent on the whole thing after his deductions; but as he increases in income he adds to the 12 per cent an additional 20 or 30.

Mr. KITCHIN. Yes.

Mr. CANNON. Or 40 per cent.

Mr. KITCHIN. Yes. Where a man has an income of $100,000 we take 39 per cent of the total income, and where he has an income of $500,000 we take 59½ per cent.

Mr. CANNON. Which leaves him how much?

Mr. KITCHIN. Forty and a-half per cent.

Mr. CANNON. Of his $500,000?

Mr. KITCHIN. Yes. Where a man has a million dollars we take 64.70 per cent, and where he has $5,000,000 we take 70 per cent. Does the gentleman think that we have not gone high enough on those incomes? Where a man has an income of a million dollars, should we take more than $647,000?

Mr. CANNON. But I have listened to speeches of Members of Congress and people upon the stump who have an idea that nobody has any right to make $5,000,000 or $1,000,000. He receives protection in all his individual rights and all his property, and I have heard the argument made, Why should a person who has only $10,000 a year or twenty or thirty thousands of dollars need but very little, while the man who makes a million or ten million dollars must have three or four million dollars remaining, as the case may be; and that God intended that all people should approach equality, and all that kind of thing; and there is a very well-founded campaign existing throughout the country that we should take the whole thing when a man gets up into the millions; that he ought to have nothing beyond enough to support his wife and family and care for them when he dies; that he is a plutocrat, and we should take it all. That is a very plausible statement, but this bill is not framed exactly upon that foundation.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KITCHIN. I would say to the gentleman that our committee heard before the committee and outside of the committee some arguments along the line intimated by the gentleman from Illinois, but we did not think them sound, and therefore we did not go to the extent of confiscation in these schedules. And I believe myself it is a bit higher than the gentleman himself is willing to go. I think, as the gentleman from Ohio [Mr. LONGWORTH] said the other day and several other gentlemen, the gentleman from Massachusetts [Mr. TREADWAY], and it was the thought of the committee, that on these high rates we have gone just as high as it is safe both for business and safe for the marketing of Government securities for us to go.

Mr. CANNON. Well, I just wanted to call attention—it may be the bill does not quite agree with the stump speeches throughout the country.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

GROSS INCOME DEFINED.

SEC. 213. That for the purposes of this title (except as otherwise provided in section 233) the term "gross income"—

(a) Includes gains, profits, and income derived from salaries, wages, or compensation for personal service (including in the case of the President of the United States, the judges of the Supreme and inferior courts of the United States, and all other officers and employees, whether elected or appointed, of the United States, or of any State, Alaska, Hawaii, or any political subdivision thereof, or the District of Columbia, the compensation received as such), of whatever kind and in whatever form paid, or from professions, vocations, trades, businesses, commerce, or sales, or dealings in property, whether real or personal, growing out of the ownership or use of or interest in such property; also from interest, rent, dividends, securities, or the transaction of any business carried on for gain or profit, or gains or profits and income derived from any source whatever. The amount of all such items shall be included in the gross income for the taxable year in which received by the taxpayer, unless, under methods of accounting permitted under subdivision (b) of section 212, any such amounts are to be properly accounted for as of a different period; but.

Mr. BORLAND. Mr. Chairman, I offer an amendment to the paragraph. After the word "personal," in line 2, page 9, insert the word "or."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 9, line 2, after the word "personal," insert the word "or."

Mr. BORLAND. Mr. Chairman, it seems to me that a careful reading of that section discloses that the word "or" is left out of that language. It undertakes to define gross income, defines it as gains, profits, incomes, and so forth, received from professions, vocations, trades, businesses, commerce, or sales, or "dealings in property, whether real or personal," and then in the original text following the words "growing out of the ownership" or "use or interest in such property." Now, if that relates directly to the word "personal," they may be limiting the word "property" as the income and gains growing out of the use or ownership or use of or interest in such property. Now, clearly the word "dealings" refers to "or sales of property," and that is one classification. The income derived by the sale of property is by the dealings in property, and this is intended to tax this kind of transaction as income. Then, it seems to me that it is intended also to tax any other gains or profits growing out of the ownership or use and interest in such property which would include any profits on that in the way of royalty or rent or actual occupation of the property for business purposes or any other use to which it could be put which would bring in an income return. In other words, those two things, "dealing in property" on the one side and "growing out of the use or interest in such property" on the other, are two distinct things—that is, they are two distinct sources of income—and it seems to me they ought to be separated by the disjunctive "or" instead of one being put with a grammatical limitation on the other.

Mr. KITCHIN. Mr. Chairman, I do not think the gentleman has construed it like we construed it and like the Treasury Department construed it. Now, this part of the provision is exactly the language of the present law, and the department

has made its rulings upon it, and I doubt whether we ought to put in the word "or."

Mr. BORLAND. I have heard the language of the present law very severely criticized by lawyers on that account.

Mr. KITCHIN. Here is what it means: Read it this way, "or sales or dealings in property, whether real or personal, growing out of the ownership or use of or interest in such property." Do not you see, "growing out of the ownership of it"?

Mr. BORLAND. That limits——

Mr. KITCHIN. Or selling or leasing it.

Mr. BORLAND. That limits the word "dealings."

Mr. KITCHIN. No; "or sales."

Mr. BORLAND. "Or sales" would mean sales or dealings.

Mr. KITCHIN. Let us read it as it is and as cut off by a comma—"or sales, or dealings in property, whether real or personal, growing out of the ownership or use of or interest in such property." Now, the gentleman says he wants rents and royalties. Then this follows, "also from interest, rent, dividends, securities, or the transaction of any business carried on for gain or profit, or gains or profits and income derived from any source whatever." So you see rents, perhaps, are taken care of in the sentence immediately following, and I think it inadvisable to put this language in as existing law has now been correctly construed.

Mr. BORLAND. Suppose one makes an income from dealings in property which does not grow out of the use or ownership of the property. Suppose some broker or agent makes money out of dealings in property and he does not own it and does not use it.

Mr. KITCHIN. The words "from any source whatever," catch that.

Mr. BORLAND. It occurred to me so. Mr. Chairman, I withdraw the amendment; it is only a verbal amendment, and I simply desired to suggest it to the committee.

The CHAIRMAN. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. MONTAGUE. Mr. Chairman, I move an amendment. Page 8, line 22, strike out the words "of any State."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 8, line 22, strike out the words "of any State."

Mr. MONTAGUE. Mr. Chairman, the purpose of the proposed amendment is to exclude from the income tax the salary or compensation of the officials of the several States. The consideration that constrains me to offer the amendment relates in no way to the economic object or fiscal policy of the bill. I submit this amendment on the ground that Congress has no constitutional authority to tax the salaries or the compensations, the means, or the agencies by which the several States administer their governments; and upon a careful examination of the question I submit that no lawyer in this body can reach any other conclusion. Our system of government, it may be elementary to observe, is a dual system. The States within their constitutional powers are as supreme as the Federal Government within its constitutional powers. This has been held over and over again by the Supreme Court of the Nation, and it is manifestly self-evident.

A very eminent authority, Mr. Cooley, in his Principles of Constitutional Law, says:

> The power to tax, whether by the United States or by the States, is to be construed in the light of, and limited by, the fact that the States and the Union are inseparable, and that the Constitution contemplates the perpetual maintenance of each with all its constitutional powers, unembarrassed and unimpaired by any action of the other.

Mr. GARNER. May I ask the gentleman a question?

Mr. MONTAGUE. Yes.

Mr. GARNER. Has he taken these textbook writings in connection with the sixteenth amendment to the Constitution?

Mr. MONTAGUE. I do not take the textbooks alone, but I take the textbooks and the decisions of the Supreme Court of the United States.

Mr. GARNER. Have there been any decisions of the Supreme Court directly upon the sixteenth amendment?

Mr. MONTAGUE. In a few moments I hope I will be able to convince the gentleman that there have been such decisions.

Cooley argues that this equality of sovereignty will be impaired or destroyed if the taxing power of either government is extended to or imposed upon the other.

He says:

> The taxing power of the Federal Government does not, therefore, extend to the means or agencies through or by the employment of which the States perform their essential functions, since, if these were within its reach, they might be embarrased, and perhaps wholly paralyzed, by the burdens it should impose.

Cooley then quotes from the famous decision of McCulloch against Maryland, the opinion being that of Chief Justice Marshall:

> "That the power to tax involves the power to destroy; that the power to destroy may defeat and render useless the power to create; that there is a plain repugnance in conferring on one government a power to control the constitutional measures of another, which other, in respect to those very measures, is declared to be supreme over that which exerts the control, are propositions not to be denied." It is true that taxation does not necessarily and unavoidably destroy, and that to carry it to the excess of destruction would be an abuse not to be anticipated; but the very power would take from the States a portion of their intended liberty of independent action within the sphere of their powers and would constitute to the State perpetual danger of embarrassment and possible annihilation. The Constitution contemplates no such shackles upon State powers and by implication forbids them.
>
> The United States, therefore, can not tax a State municipal corporation or its resources, or the salary of a State officer, or the process of State courts, or a railroad owned by a State, and so on. And, on the other hand, a State can not tax the salary or emoluments of Federal officers, or the bonds or other securities issued under the power to borrow money on the credit of the United States, or the revenue stamps or Treasury notes issued by the United States, or a bank created by the United States as its fiscal agent, or the franchise of a corporation created by the United States, except with the consent of Congress, and so on.

The direct question as to whether or not it is competent for Congress to impose a tax upon the salary of judicial officers of a State was presented to the Supreme Court of the United States in the case of the Collector against Day in Eleventh Wallace Reports, page 113. The court, in reviewing the case of Dobbins against the Commissioners of Erie County, where it was held that it was not competent for a State to tax the salary of an officer of the United States, and the cases of McCulloch against Maryland and Weston against Charleston, as settling the principle that State governments can not lay a tax upon the constitutional means employed by the Federal Government to execute its constitutional powers, held broadly that the converse principle was equally sound, and consequently it was not competent for Congress to impose a tax upon the salary of a judicial officer of a State.

In the very striking opinion of Collector against Day the court said, among other things, that—

> The General Government and the States, although both exist within the same territorial limits, are separate and distinct sovereignties, acting separately and independently of each other within their respective spheres. The former in its appropriate sphere is supreme, but the States within the limits of their powers not granted or, in the language of the tenth amendment, "reserved," are as independent of the General Government as that Government within its sphere is independent of the States.
>
> And if the means and instrumentalities employed by that Government to carry into operation the powers granted to it are, necessarily, and, for the sake of self-preservation, exempt from taxation by the States, why are not those of the States depending upon their reserved powers, for like reasons, equally exempt from Federal taxation? Their unimpaired existence in the one case is as essential as in the other. It is admitted that there is no express provision in the Constitution that prohibits the General Government from taxing the means and instrumentalities of the States, nor is there any prohibiting the States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication and is upheld by the great law of self-preservation, as any government whose means employed in conducting its operations, if subject to the control of another and distinct government, can exist only at the mercy of that government. Of what avail are these means if another power may tax them at discretion?

Mr. Chairman, it is impliedly or expressly conceded by gentlemen in this debate that prior to the adoption of the sixteenth amendment the doctrine expressed in the authorities which I have just read was unquestioned, and that the Congress could not impose an income tax upon the salaries of the officials of the States or on the bonds of States or the municipalities thereof. So prior to the amendment there can be no doubt that the power to tax State agencies and instrumentalities was not a power conferred upon Congress by the Constitution. Therefore I assume that if the securities, means, and agencies of the several States and their municipalities are now subject to taxation it must be that they constitute a new subject of taxation conferred by the sixteenth amendment. Mr. Chairman, I can find no eminent authority who ever suggested that this was a new subject of taxation save Gov. Hughes in a message to the Legislature of New York when considering the adoption of this amendment. It should be remembered that Mr. Hughes was not making a judicial deliverance, but submitting to the cautionary discretion of the legislature the suggestion that the amendment contained a germ of destruction of the powers and means of the States. He was dealing with policy, not law.

But, Mr. Chairman, the argument of Mr. Hughes was answered by one of the most distinguished of American jurists, Elihu Root; and, in my opinion, his answer was a triumphant refutation of the position taken by Mr. Hughes. And the Legislature of New York obviously so thought, for otherwise it is not conceivable that it would have adopted the amendment.

I repeat that the section of the bill which it is proposed to amend is based upon the contention that the sixteenth amendment creates new subjects of taxation, and within this new category of subjects fall the means and agencies of the States

and their municipalities. This contention, I submit, has been uniformly denied by the Supreme Court. In the case of Brushaber versus Railway Co., 240 United States Reports, page 17, decided January 24, 1916, the court, after quoting the amendment, which is as follows:

The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States and without regard to any census or enumeration—

Held that—

It is clear on the face of this text [of the amendment] that it does not purport to confer power to levy income taxes in a generic sense—an authority already possessed and never questioned—or to limit and distinguish between one kind of income taxes and another, but that the whole purpose of the amendment was to relieve all income taxes when imposed from apportionment from a consideration of the source whence the income was derived.

In the case of Stanton against Mining Co., likewise found in 240 United States Reports, page 12, decided February 21, 1916, the court unanimously held that—

it was settled that the provisions of the sixteenth amendment conferred no new power of taxation, but simply prohibited the previous complete and plenary power of income taxation possessed by Congress from the beginning from being taken out of the category of indirect taxation, to which it inherently belonged, and being placed in the category of direct taxation, subject to apportionment by a consideration of the sources from which the income was derived; that is, by testing the tax, not by what it was—a tax on income—but by a mistaken theory deduced from the origin or source of the income taxed.

In connection with the two cases just cited, I ask the committee to observe that the decision in each case was unanimous and was assented to by Mr. Justice Hughes, former governor of the State of New York, and therefore Mr. Hughes as a Justice of the Supreme Court of the United States has disagreed with Mr. Hughes as the chief executive of the State of New York. This is to his credit.

The last adjudication I am able to find of the Supreme Court is the case of Peck against Lowe, decided May 20, 1918. In considering a phase of an income tax involved in this case, the court held that the sixteenth amendment—

does not extend the taxing power to new or excepted subjects, but merely removes all occasion, which otherwise might exist, for an apportionment among the States of taxes laid on income, whether it be derived from one source or another.

So, Mr. Chairman, I submit it as beyond controversy that a tax upon salaries or compensation of State officials or upon securities of States or their municipalities has been clearly held by the Supreme Court not to be a new tax and not affected by the sixteenth amendment.

In the case of Pollock against Farmers' Bank, known as the famous income-tax decision, the question was as to the constitutionality of incomes in the form of rents from real estate and income derived from certain personal property. The constitutionality of the tax as a tax per se was not controverted. The position taken by the court in that case was that such an income was a direct tax and therefore would have to be apportioned among the several States. In other words, the tax itself was valid, but the mode or method of laying the tax was invalid. Therefore the sixteenth amendment was adopted not for the purpose of securing new subjects of taxation but to remove the clumsy and slow method of apportionment of a valid tax. The bill under discussion involves a far different question, for it undertakes to impose a tax upon a new subject and upon a subject which the Congress of the United States has not the legislative power to impose.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes, I will.

Mr. MADDEN. Does the gentleman consider that in setting aside the necessity for an apportionment of the tax you extend the power of the Congress to levy a tax with respect to whether or not it was taking away the right of the States to find revenue to maintain their own governments?

Mr. MONTAGUE. If I catch the gentleman's inquiry correctly, I answer that this amendment has not affected at all the powers of the States or the Nation with respect to the subject of taxation. It has only determined the method by which Congress must exercise its power to tax—it is wholly of a regulatory character.

To repeat, I would say that before the sixteenth amendment Congress could tax incomes, but it must then tax incomes by the method of apportionment among the States. Since the amendment, and by virtue of the amendment, Congress must tax incomes directly and not by apportionment. Therefore, the amendment does not create new subjects of taxation but does create a new method of reaching taxable subjects, namely, by the method of an income tax.

Mr. Chairman, we should not grow hysterical by reason of this war. The equilibrium of the National Government and the State governments should be preserved. The tax proposed in this section of the bill will, in my opinion, destroy this equilibrium, and will dislocate our great Federal system. I hope the Congress will not impose the taxes in question, and if the Congress does make the imposition of such taxes I believe it will do a futile and vain thing, because such action will be beyond the legislative power of Congress.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. BORLAND. Would not the gentleman's reasoning apply with exactly the same force, that the sixteenth amendment does not extend the taxing power along new subjects of taxation or any subjects forbidden by the Constitution? Would not that apply with equal force to including the salary of the President of the United States and of the judges of the Supreme Court and district courts of the United States?

Mr. MONTAGUE. I think by reason of the distinct constitutional provisions the Congress has no authority to tax the compensation of the President and the Federal judges. Their salaries can not be reduced during their term of office. To reply that the reduction of these salaries by the process of taxation is not a reduction is an arbitrary conclusion. Moreover, I think it unwise and ungracious radically to reduce the salary of the President as proposed in this bill.

Mr. Chairman, I submit, in conclusion, that no such exigencies now confront us as to warrant our departure from the Constitution or to break over the established domains of the States and of the Union. The States have no power to tax the agencies and instrumentalities of the Federal Government, and conversely the Federal Government upon the same principle has no power to tax the agencies and instrumentalities of the States. These several sovereignties stand upon a parity of power in this particular. They are each within a zone sufficient for their self-preservation. If the State is not supreme in fixing the salaries and compensation of its own officers, and preserving its own bonds and securities from taxation by the Federal Government, then the State's power is paper and nothing else. [Applause.]

Mr. CRISP. Mr. Chairman and gentlemen of the committee, I am sorry that I was not in the Hall when the distinguished gentleman from Virginia [Mr. MONTAGUE] made his motion and made his argument. I am handicapped by the fact that I came in only during the delivery of his closing remarks.

I hope that the amendment of the gentleman will not prevail. In this national crisis, when the Committee on Ways and Means was confronted with the duty of preparing the revenue bill to raise about $8,000,000,000, the committee was of the opinion that if it was lawful for Federal officials and State officials to pay an income tax, as every other citizen of the United States must pay, they ought to be required to pay it. The committee was not without doubt as to whether or not the provision was constitutional.

Mr. MONTAGUE. Mr. Chairman, will the gentleman permit me to ask him a question there?

The CHAIRMAN. Does the gentleman yield?

Mr. CRISP. I prefer to go on with my statement. I did not hear the gentleman's argument, and I prefer to make my statement.

Mr. MONTAGUE. My question would not be pertinent except to that remark.

Mr. CRISP. The committee had doubt, I say, as to the constitutionality of the provision requiring State officials to pay an income tax if their salary came within the purview of the law, but the committee thought that if there was any question about it, that question should be resolved in favor of the Government, and let the gentlemen enjoying those salaries in this crisis, if they question it, take the matter to the courts and let the courts determine it. The committee could see no reason in justice or equity why a man drawing a salary of $10,000 or more from the Federal Government or from a State government should be immune from paying any income tax and his neighbor across the street, who happened to earn three or four thousand dollars salary out of public office, be required to pay a tax.

Mr. CHANDLER of Oklahoma. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Georgia yield to the gentleman from Oklahoma?

Mr. CRISP. I decline to yield to anyone until I get through with what I have to say, and then, if I can answer any question, I will try to do it.

The CHAIRMAN. The gentleman declines to yield to anyone.

Mr. CRISP. The committee was familiar with the decisions of Chief Justice Marshall and the others declaring that Congress had no power to tax State instrumentalities. But that, gentlemen of the committee, was prior to the adoption of the sixteenth amendment to the Constitution. I do not believe there can be any question whatever about the right of the Federal Congress to tax the incomes of Federal officials.

I have no fault or complaint to make at the salaries of the Federal judiciary. On the contrary, I do not believe the judiciary are sufficiently paid, and I will vote to increase their compensation. But I do not believe there should be that invidious distinction that because, forsooth, they hold a Federal judicial job with a large salary they should be immune from income taxes when the other citizens of this country pay income taxes. I do not think there is any question but that Congress has the power to tax them. The Constitution as to their salaries simply says:

The judges * * * shall * * * receive for their services a compensation, which shall not be diminished during their continuance in office.

That does not mean that they are exempt from taxes. That simply means that Congress by legislation shall not pass an act reducing their salaries. It does not exempt them or give them immunity from taxation. As I said before, I am perfectly willing to vote to increase their compensation. I believe the laborer is worthy of his hire, but I believe it is of no good to the body politic to have a certain class of officeholders exempt from taxation and the body of the people with similar salaries paying taxes.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRISP. I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that his time be extended five minutes. Is there objection?

There was no objection.

Mr. CRISP. Now as to the right of the Federal Government to tax State officials, that is a more serious question.

When the sixteenth amendment to the Constitution was ratified it became, of course, a part of the Constitution. That amendment reads:

The Congress shall have power to lay and collect taxes on incomes from whatever source derived without apportionment among the several States and without regard to the census or enumeration.

Now, I know it is a debatable question, but Mr. Justice Hughes, who we all recognize is an eminent lawyer, when governor of the State of New York sent a message to the New York Legislature urging them not to ratify or adopt this sixteenth amendment, for the reason that it gave the Federal Government the right to tax municipal and State bonds and salaries of officials. That was the ground on which he urged the legislature to refuse to ratify this amendment.

As I stated, it is doubtful, but the courts have not passed on that amendment. Neither has any court said, since the sixteenth amendment was adopted, that it was not constitutional to require State officials and Federal officials to pay income taxes. I do not agree for one moment that if a State official pays an income tax it confers on Congress the power to destroy the State government. I grant that if Congress were to single out and levy a tax against the salaries of State officials it would not be constitutional, but I think it is very debatable, when Congress passes a law saying that all the citizens of the United States, whether officeholders of the Federal Government or officeholders of the State, enjoying a certain income from whatever source derived, shall pay a tax thereon, whether the courts will hold that unconstitutional, and for one I want to put it up to the courts. [Applause.]

Mr. CHANDLER of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. CRISP. I yield to the gentleman from Oklahoma.

Mr. CHANDLER of Oklahoma. Will not the amendment, if adopted, exempt Members of Congress from income taxes on their salaries?

Mr. CRISP. I do not think so. I think the salaries of Members of Congress are clearly subject to the payment of the income tax, with or without the amendment.

Mr. LONDON. When revenue is raised for war purposes, is it not raised for the purpose of enabling that very State government to exist?

Mr. CRISP. I think so. And, furthermore, I will say to the gentleman from New York that if any gentleman enjoying a Federal or State office, with an income sufficient to come within the purview of this law, wants to test it in the courts, I say to him, Go to it!

Mr. LONDON. But is not this revenue being raised for the purpose of continuing the very existence of the Government?

Mr. CRISP. I think so.

Mr. MONTAGUE. Will the gentleman yield?

Mr. CRISP. I yield to the gentleman from Virginia.

Mr. MONTAGUE. I understood the gentleman to say that he was in doubt about the constitutionality of this provision, and therefore wished to put it up to the courts.

Mr. CRISP. To try to recall exactly what I said, I think I said that the committee had doubts as to the constitutionality of it, but the committee thought in this national crisis and emergency they should resolve the doubt in favor of the Government.

Mr. MONTAGUE. Is it not the accepted practice and construction in every State in the Union, and is it not the unbroken principle of the decisions of the courts, that when you are in doubt about the constitutionality of a matter you shall not impose it?

Mr. CRISP. I think there is splendid authority for that.

Mr. MONTAGUE. And none to the contrary. This is new doctrine to me.

Mr. CRISP. Let me do the justice to my colleagues on the committee to say that I may not be expressing their views, and I assume full responsibility for the statement I have made.

Mr. LONGWORTH. Will the gentleman yield?

Mr. CRISP. I yield to the gentleman from Ohio.

Mr. LONGWORTH. Does the gentleman think this rests on the same ground as the taxation of municipal bonds? Is the same question involved here as is involved in our right to tax municipal bonds?

Mr. CRISP. Absolutely.

Mr. LONGWORTH. And we never will know whether we can tax them or not unless we pass this provision and leave it to the courts.

Mr. CRISP. The gentleman is absolutely correct.

Mr. WALSH. Mr. Chairman, I offer a substitute for the amendment proposed by the gentleman from Virginia.

The CHAIRMAN. The gentleman offers a substitute, which the Clerk will report.

The Clerk read as follows:

Mr. WALSH offers the following substitute for the amendment offered by Mr. MONTAGUE: Page 8, line 18, after the word "service," strike out all between the parentheses in lines 18 and 24.

Mr. WALSH. Mr. Chairman, I have listened with much attention to the remarks of the gentleman from Virginia [Mr. MONTAGUE], and I agree with him in the opinion that nothing in the sixteenth amendment to the Federal Constitution, which the gentleman from Georgia [Mr. CRISP] has cited, gives the Government the right to tax incomes received by State officials as compensation or salary. Much stress is laid upon the words "from whatever source derived," but that is not the important phraseology in that amendment. The important phraseology is "taxes on incomes," and the amendment creates no new incomes or sources and makes nothing an income that was not an income before.

We ought not to tax the incomes of State officials. We ought not to tax the salary of the President of the United States or the salaries of the Federal judiciary. We have demands pending before the House at present to increase the salaries of the Federal judiciary from $6,000 up to $11,000 or $12,000 in some instances; and, of course, if we go to levying this income tax on them for the purpose of getting revenue you will find that instead of getting revenue we will increase our expenditures, because it will simply give impetus to the demand for increased compensation for the judiciary. The taxing of their salaries will be used as an excuse to increase their salaries and we will be urged to pay out many times more than what the tax amounts to.

But I desire to direct the attention of the committee to one of the clauses of Article II of the Constitution:

The President shall, at stated times, receive for services a compensation which shall neither be increased nor diminished during the period for which he shall have been elected, and he shall not receive within that period any other emolument from the United States, or any of them.

We have no right either by taxation or by direction or indirection under that provision of the Constitution to increase or diminish the salary of the President. Under the schedule laid out in this bill he would be taxed 42 per cent on his salary. But no matter what the rate of taxation is it diminishes the salary of the President of the United States. Oh, gentlemen say let the people who are involved go to the court and have the question raised. That is an unfair and cowardly way to handle this matter. These people who are performing the service are supposed to receive adequate salaries and compensation. If you want to pass an act permitting the President of the United States to serve without compensation, or judges to serve without compensation, why, pass that sort of a statute. But it is decidedly unfair to say that while the committee, or a member of it, may be doubtful as to the constitutionality of a provision, nevertheless because we are attempting to raise needed revenue we will put it up to the men we are seeking to tax, even though doubtful as to its constitutionality.

Mr. CRISP. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. CRISP. Does the gentleman contend that a provision requiring Federal officials to pay the income tax the same as all other persons is reducing their compensation within the meaning of the constitutional provision?

Mr. WALSH. I certainly do, as applied to the President and the judiciary.

Mr. CRISP. I differ with the gentleman; I have no doubt as to the constitutionality of the provision.

Mr. WALSH. If the gentleman will tell me how you can tax the income which the President of the United States derives as compensation without diminishing his compensation, I should like to have him demonstrate it.

Mr. SHERLEY. Will the gentleman yield for a question?

Mr. WALSH. Yes.

Mr. SHERLEY. What was the purpose of putting that clause into the Constitution relative to the President's salary?

Mr. WALSH. I assume the purpose of it was so that the President's salary should be a certain fixed and definite sum that could not be tampered with while he held office.

Mr. SHERLEY. That is not the theory in the constitutional debates. The debates show clearly that the purpose was that Congress might not punish or reward. Now, can it be said that Congress is punishing or rewarding when it makes a rule that applies universally to the citizenship, including the President of the United States?

Mr. WALSH. On that theory I submit that if we should be pushed to a rate of taxation whereby, instead of the amount in that bracket being, say, 20 per cent, it was 90 per cent upon the salary of that official, it certainly would be a punishment, and it is a diminution of the compensation.

Mr. SHERLEY. The gentleman misses the point; it is a diminishing of the compensation in an indirect sense, but is it such a diminution as the framers of the Constitution had in mind which would be special to the person?

Mr. WALSH. It is not a direct decreasing of his compensation, but it results in the decreasing of his compensation, and it is an indirect attempt to reduce it. We ought not to step in and say to State officials, to legislators, or to the judges, or to the municipal officers, that we will tax them, but do not intend to decrease their compensation.

Mr. FORDNEY. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. FORDNEY. There is a provision of law that Congress can not change the salaries during the term for which Members are elected, and they are subject to taxes under this law. Congress, by the passage of this act, is not changing the compensation to be received by the President. We have not changed the salary at all; but if he receives it, we will put him in the class of the common citizenship and tax him like all other people, and he ought to be taxed.

Mr. SHERLEY. The gentleman's reasoning would be better if his premises were sound. There is no provision against a change of salary of a Member of Congress.

Mr. FORDNEY. During the time for which he is elected?

Mr. SHERLEY. No.

Mr. FORDNEY. Perhaps I am wrong.

Mr. WALSH. There is no such provision as to Members of Congress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STERLING of Illinois. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. STERLING of Illinois. I want to ask the gentleman this question: After the President receives his salary it would be subject to taxation under the tax laws of the District, would it not, or under the tax laws wherever he lived?

Mr. WALSH. I do not think so.

Mr. STERLING of Illinois. It seems to me that after an officer receives his salary and has acquired the property it could be taxed.

Mr. WALSH. An income tax by the State?

Mr. STERLING of Illinois. No; personal-property tax, or any kind of a State tax.

Mr. LONGWORTH. A bank balance, for instance.

Mr. WALSH. Oh, I assume that that may be so.

Mr. STERLING of Illinois. That would diminish his income just the same as imposing an income tax on his salary. I do not think the gentleman would say that that was a diminution of the salary prohibited, and yet it does diminish the salary just the same as an income tax diminishes it.

Mr. WALSH. If the gentleman will permit, in the one case you are taxing property; in this case it is a tax on his income.

Mr. STERLING of Illinois. The gentleman makes this distinction and bases it on the ground that they can not diminish the President's salary, but they do diminish it when they tax him locally.

Mr. GRAHAM of Pennsylvania. Will the gentleman permit an interruption for me to ask a question?

Mr. WALSH. Yes.

Mr. GRAHAM of Pennsylvania. Do you not forget that you are discussing limitations in the Constitution as to the power of Congress? What has that to do with the question of local taxation? It says that Congress shall not do this thing.

Mr. STERLING of Illinois. Congress has the power to impose local taxes on a bank balance on the President's salary when he puts it in the bank; that is within our power to do in the District of Columbia. I do not think anyone ever thought to raise the question that we were prevented by the Constitution from imposing that tax upon the ground that it diminished his salary.

Mr. WALSH. Would the gentleman go further and contend that Congress would have the power to impose a tax upon a bank balance in the State of Illinois?

Mr. STERLING of Illinois. If that is where the officeholder made his tax returns to the State.

Mr. WALSH. I mean as personal property—a bank balance as personal property.

Mr. STERLING of Illinois. Certainly not. The Federal Government could not do that, or never has attempted to do it.

Mr. GARRETT of Tennessee. Mr. Chairman, will the gentleman permit a suggestion?

Mr. WALSH. Yes.

Mr. GARRETT of Tennessee. It is perhaps not quite so fundamental as some of the things the gentleman is discussing, and yet it is extremely important, it seems to me, and that is that the imposition of this tax upon the Federal judges certainly places them in a very peculiar situation, they being the people who must pass upon the constitutionality of the act, and every Federal judge in the United States is substantially disqualified by reason of his personal interest.

Mr. WALSH. I think that is very true with reference to the judiciary, but I do not know, and I have not heard it stated, the amount of money it is estimated will be received from this sort of taxation.

Mr. CRISP. Mr. Chairman, if the gentleman will permit, I can answer the gentleman. According to the Treasury estimates, it will bring in between four and a half and five million dollars.

Mr. WALSH. Then, if that be true, I do not believe that for that comparatively insignificant amount of money we ought to undertake this class of taxation, but we should see to it that some of the other schedules are revised and increased or new schedules added.

Mr. CRISP. I do not want to have any question as to what I mean by that statement. It is estimated by the Treasury officials that from the taxing of the salaries of the Federal and State officials between four and a half and five million dollars will be derived in revenue. That does not, of course, include anything that might come in from taxation of municipal and State bonds.

Mr. WALSH. That is another question; but my amendment goes to striking out the language within the parentheses, which affects the compensations or salaries of the President of the United States and Federal judges and State and municipal officials.

Mr. CRISP. The Treasury experts estimate that will yield between four and a half and five million dollars.

Mr. WALSH. Mr. Chairman, the suggestion that we should put this up to some official to contest it before the courts, I think, will not keep it out of the courts, and it ought not to.

Mr. MOORE of Pennsylvania. Mr. Chairman, it seems to me that this paragraph ought to remain intact. I do not see why the test should not be made. It is an anomalous condition that a Federal officeholder receiving $7,500 a year shall be taxed upon that, and a State and county or municipal officeholder, living across the street and receiving as high as $17,500 a year, shall not be taxed. As a matter of principle in time if war it does not seem cowardly, as the gentleman from Massachusetts suggests, to undertake to reach that $17,500 man when the $7,500 man has to pay. What is there in the proposition as presented by the gentleman from Massachusetts [Mr. WALSH] except, in effect, to relieve from taxation those who are already fortunate enough to hold jobs in the county, State, or municipal service? The gentleman from Virginia [Mr. MONTAGUE], who is an astute lawyer, along with the gentleman from Massachusetts [Mr. WALSH], raised the constitutional question, which, from a layman's point of view at least, seems to be answered by the sixteenth amendment to the Constitution.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. MONTAGUE. I do not wish the gentleman to infer that I desire to relieve anybody from taxation. My purpose is only that the United States shall be confined within its constitutional powers.

Mr. MOORE of Pennsylvania. I understood the gentleman's argument thoroughly, and think the gentleman has been answered by an amendment to the Constitution of the United States which gives Congress power to levy taxes upon income from "whatever source derived."

Mr. MONTAGUE. Does not the gentleman recall that in the case of Collector against Day, where the United States undertook to tax the salary of a State official, the court held it unconstitutional?

Mr. MOORE of Pennsylvania. I am not familiar with that particular case. I am not a lawyer.

Mr. MONTAGUE. That was before the sixteenth amendment. Now, here is a decision after the sixteenth amendment, which says that no new subjects of taxation are contemplated, but that in so far as respects the power of laying income taxes the Constitution is now as it was before the acceptance of that amendment.

Mr. MOORE of Pennsylvania. I can answer the gentleman's suggestion only by quoting the sixteenth amendment, which distinguished lawyers with whom I have discussed this matter agree covers the right of Congress now to levy taxes on State, county, and municipal officials. Let us read that amendment.

Congress shall have power to levy and collect taxes on incomes from whatever source derived without apportionment among the several States and without regard to any census or enumeration.

Mr. MONTAGUE. And will the gentleman permit me to read the decision of the Supreme Court passed on May 10 of this year which says that the taxing power was not extended to new or excepted subjects by provisions of the United States Constitution, sixteenth amendment, giving Congress the power to levy income taxes, but that such amendment merely removed all occasion, which otherwise might exist, for an apportionment among the States of taxes laid on incomes, from whatever source derived?

Mr. MOORE of Pennsylvania. I can only recur to the amendment which is now a part of the Constitution, the purpose of which unquestionably, by reason of previous decisions of the Supreme Court, was to give Congress the power to levy taxes upon incomes. But dealing with the principle involved, that of taxing one man and exempting another man, why should such a hullabaloo have been raised throughout this country concerning the tax on Congressmen's salaries if the people had not understood that taxes should be equitable and uniform? The returns show that Members of Congress were probably the only 100 per cent taxpayers in any one of the occupations of the United States reported upon by the Treasury Department, yet because some one raised the question the country went wild over the suggestion that Congress had made a preference in its own favor. But nothing was said about the preference given to those who did not hold Federal offices and who are fortunate enough to hold offices in a State, in a county, or in a municipality. What did the returns show?

The other day in general debate I quoted from the Treasury Department statistics with regard to certain specified incomes showing that taxes were not generally collected from all the people of the United States, and in that showing I referred to the public service, civilian service, those employed under the auspices of the State, county, or municipality. I quoted the Treasury statistics. Now, I am glad to recur to those statistics, because some gentlemen thought I was referring particularly to the farmer, although that reference was only an incident to the general tax scheme. These statistics show that of public servants those who hold jobs under State, county, or municipality, there were 382,138, according to the census of 1910.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent to proceed for 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. Three hundred and eighty-two thousand one hundred and thirty-eight employees of State, county, and municipality, and of that number only 2,992, or seventy-eight one-hundredths of 1 per cent made any income-tax return at all. Only seventy-eight one-hundredths of 1 per cent of State, county, and municipal officeholders reported upon such incomes as they had exceeding their salaries. It seemed to me as unequal then as it does now. I can not understand why, in these war times, the mayor of a great city drawing $15,000 per annum or a city solicitor drawing $8,000 or $10,000 per annum should, when the Federal taxgatherer comes around to get money to prosecute the war, be able to say, "You can not touch me; I fall behind the Constitution. I am not to pay because I hold a job under the State, the county, or the municipality." I do not understand why, when there is a demand for money to prosecute this war, and the tax collector goes up to the governor of a great State, highly honored by the people, and says, "We would like a contribution for this war," he, too, should fall behind the Constitution and the State job. The fellow who holds a Federal office contributes to the financial burden of conducting this war. Why not the other officeholders? It seems inconsistent, gentlemen, to exact an income tax from farmers, merchants, manufacturers, and others and then say to the 382,000 men in the United States who are fortunate enough to hold civil places that they need not contribute to the expenses of war. [Applause.]

Mr. HENRY T. RAINEY. Mr. Chairman, the gentleman from Virginia [Mr. MONTAGUE] and those who view this matter as he does present with great force the constitutional objections to this tax. Not long ago we passed the selective-draft bill, and out in various sections of the United States legal minds presented with great force their objection to the selective-draft bill upon the theory that it imposed an involuntary servitude upon some unwilling citizens of the United States. They carried that question through to the Supreme Court of the United States, and the court decided that question as it ought to have been decided and as we all know it ought to have been decided. The real fight for the Constitution of the United States is being carried on to-day along the old Hindenburg line in northern France. The real fight for the Constitution of the United States, the fight that means something, is being made by our brave boys there as they face to-day the great guns firing at them from the ancient citadel of Metz. That is where the real fight is being made, and the real fight for the States and their rights is being made there, and the real fight of those citizens who draw salaries from the States is being made there. We are simply providing here in this bill for a war fund, and I have little sympathy with these hair-splitting discussions as to questions of constitutionality on this floor when the Nation's life is in peril. There will be enough objections to these taxes throughout the country; already a wave of objection to these high taxes is being started that will go higher and higher if you exempt citizens of the United States from this tax. It is a serious matter for a citizen of the United States to stand upon his constitutional rights and say, "I am mayor of a city. I draw a salary of $15,000 a year," or, "I am the treasurer of a State and my salary and my commissions amount, perhaps, to $50,000 a year." I understand there are even officials of some of our great cities who draw much higher salaries than this, and are they to say, "You can not destroy my city by taxing its officers. You have no right to destroy my city by taxing its officers." Great God, who is trying to destroy any city or any State by imposing these taxes! We propose to expend every two weeks during the next 12 months the sum of a billion dollars in money, and we have got to tax the people of the United States to get it, and we ought to tax them all equally. I would like to see the man, the official of a State or a city, who will have the courage to stand up and in effect say to his neighbors, "You are being taxed; a large portion of your income is being taken from you; you have elected me to this office, or the official you have elected has appointed me, and therefore my salary can not be touched; no matter what happens to me, I propose to go to the Supreme Court of the United States and have them say that my salary shall remain intact." We have exempted those officials in all the tax bills until the present time, and every man in this House, every Member on the floor, knows the result.

People who are being taxed are protesting from one end of this country to the other against omission of these citizens, who hold these lucrative positions, from taxes. They ought to be taxed; the ordinary rules which apply to the construction of statutes of this character in times of peace are not going to receive much sympathy in the Supreme Court of the United States. And it is our duty, as I see it, to leave this section as it is and to see that in this broad land no man can stand back of the Constitution and be a shirker and avoid paying taxes. [Applause.]

Mr. GRAHAM of Pennsylvania. Mr. Chairman, we travel far afield in our discussions of questions in committee, and it may be well to invite the attention of the committee back to what is the real question involved in the motion of the gentleman from Virginia [Mr. MONTAGUE]. We have ranged into a discussion as to whether the President should be taxed and whether the judges should be taxed and whether municipal bonds should be taxed, but all of those subjects are covered by other portions of this measure. The only point raised by the gentleman from

Virginia is by a motion to strike out the words "of any State," which limits this debate to the question, Ought Congress to tax the employees of a State or any subdivisions thereof under the form of raising revenue?

Mr. CRISP. If the gentleman will permit, I suppose he wants to be accurate. The gentleman from Massachusetts [Mr. WALSH] has offered an amendment to strike out the whole proposition.

Mr. GRAHAM of Pennsylvania. The gentleman from Georgia is quite right, and I thank him for the correction. My mind was absorbed in following the motion of the gentleman from Virginia [Mr. MONTAGUE]. I rise to speak in reference to it. It is that the words "of any State" ought to be stricken out of this bill. It is not good argument to talk about who is fighting the fight of the Republic in answering a legal proposition like this. It is not good argument to appeal to prejudice and say that A gets a salary of $7,500 under a Federal office and B gets a salary of $17,500 under a State office, and that the former pays a tax and the latter does not. There is no use of becoming hysterical about waves of criticism flowing over this country. All that a Congressman has to do when considering a question of this kind is to endeavor to ascertain what is right, and let criticism take its course.

The question here is, What is right with reference to this amendment? It is not a question of raising a paltry sum of money. It involves a vital principle in the government of our country. It is a fundamental question and affects legislation in a most serious manner. I beg to recall to the gentleman that we are sworn to obey the Constitution. We have no right to shift the exercise of the first judgment away from ourselves. This body is a court in the sense that it must for itself pass upon every question of constitutionality that is raised, and that we must not in a cowardly fashion shrink from that duty. It may be more popular to say that we are going to tax the salaries of everybody. Let us be true to what we have pledged ourselves, and stand by the fundamental principles established for the government of our country and our Nation. We ought not even in the hysteria of war times to trample them under foot.

Mr. MOORE of Pennsylvania. Mr. Chairman——

Mr. GRAHAM of Pennsylvania. I decline to be interrupted.

The language of the gentleman from Virginia clearly marks out the accurate interpretation of the sixteenth amendment of the Constitution. No new powers of taxation have been conferred by it, says the Supreme Court. We must inquire what was the evil intended to be cured when this amendment was adopted, and then see what is the remedy that has been applied. The evil that was sought to be overcome was the difficulty of making these taxes on incomes without an apportionment among the several States. The legislatures of the States in ratifying this amendment to the Constitution came back with the answer, "We will remove that difficulty," and the reading of the amendment shows that that was the difficulty that was to be removed. But they did not come back and say by ambiguous language that "we have surrendered the sovereignty of a State." This means the surrender of the sovereignty of a State if pursued to its final conclusion. They simply said that "Congress shall have power to lay and collect taxes on incomes from whatever sources derived without"—and that is the gist of the amendment—"without apportionment among the several States and without regard to any census or any enumeration."

It will take a powerful argument to convince a court passing upon a question like that that in this harmless phraseology it was ever intended that the sovereign right of the State should be put down and destroyed and a power conferred that never before had been exercised or never was thought of as one that could be exercised. The amendment simply means this and nothing more. Prior to this amendment it was unconstitutional to levy taxes upon the salaries of State officials. This amendment simply says income taxes may be now laid without apportionment among the several States, but it never increased the subjects of taxation or said that you could tax the officials of a State, which had been declared to be an unconstitutional exercise of power before this amendment was passed.

Now, one word with reference to the question of the President's salary and the judicial salaries. There is no provision in the Constitution of the United States affecting salaries other than those of the President and the judges of our courts. The gentleman from Tennessee [Mr. GARRETT] touched the sciatic nerve of that situation when he addressed the question to the gentleman from Massachusetts [Mr. WALSH]. I am not here to advocate that the passage of this bill would be a diminution of the salary of the President or the salary of the judges, within the meaning of the constitutional prohibition, for I can not argue on that side of that question. But I would strike out the tax upon the President and upon the judges upon a higher ground even than that. It would be upon the ethical ground that we have no right to put a clause in this bill which practically debars the judges from passing upon it, for they are interested parties; and likewise the President of the United States who must, in the exercise of his power to veto in acting upon this bill, be also an interested party. I say we ought to preserve the old landmarks and, as we have heretofore done, exclude the President of the United States and the judges of the courts from the laying or the levying of an income tax upon their salaries.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. CANNON. How much more time would the gentleman like?

Mr. GRAHAM of Pennsylvania. Three minutes.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended for three minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GRAHAM of Pennsylvania. The real question with reference, therefore, to the salaries of these high officials is not, in my judgment, so much the constitutional question as it is a question of ethical right for us to put these people, who must sit in judgment upon this bill, who are the judges, in a position where they will no longer be disinterested actors upon it. That is the question that appeals to me.

Now, one more word with regard to the States. The question regarding the striking out of the words "any State" is fundamental. It is a basis that we should not depart from. It is innovating in legislation in a most dangerous fashion to depart from that basis, and it does put upon the officeholder what my friend from Massachusetts calls a cowardly condition. You are going to force him, in order to defend his legal rights in time of war, to go into a court of justice and claim his legal rights when the danger of the mad cry that goes up everywhere prevents the operation of fair play and the statement would be made, "He is a slacker to defend himself against the payment of a tax on that salary." If we believe it is right, levy the tax. But if we as men believe it is wrong, let us refuse to levy the tax.

The question of taxing municipal bonds comes largely under this same question which is raised by the effort to tax the salaries of individuals in the service of the respective States. If you can tax the municipal bonds of a State, you may deprive it of the power to exist. You can destroy the autonomy of the States by taxation. The man will have a wild theory to sustain who will ever endeavor to maintain the proposition that the sixteenth amendment was intended to clothe the Congress with the power to disintegrate and to destroy statehood in the Nation and put it in the power of Congress to wipe out the lines that were so carefully marked by our fathers as tending to preserve the welfare of this country and make this simply a centralized power, with everything in Washington, and with no reserved rights or duties in the States themselves. [Applause.]

Mr. HUDDLESTON. Mr. Chairman, if the State and Federal Governments may each tax the official salaries and bonds of the other, they may mutually destroy each other. It was in view of that situation that the courts have held that such taxes are unconstitutional and fundamentally out of harmony with our system of government and can not be laid. That was the reason for that line of decisions.

No such difficulty applies to incomes derived from salaries or from interest on bonds which are not taxed as such. I have no doubt that a Federal income tax directed specifically to the salary of a State official would be void as unconstitutional. I have no doubt that if the Federal Government should undertake to lay a tax specifically upon interest derived from State bonds, it would be unconstitutional. But the distinction must be made between such taxes as those I have mentioned and a tax laid equally upon all sources of income without an exemption in favor of interest on State bonds and salaries of State officials.

Now, that is the very heart of the question under discussion. The proposition advocated by the amendments is to so change this bill as to afford an exemption to State officials. That is this proposition. The other side of the proposition is to levy a tax upon all incomes without any exemption. It is not specifically aimed at interest on State bonds. Nor is it aimed at the salaries of State officials. But it is aimed at all incomes, from whatever source. It is merely a way of fixing the amount that each citizen, without regard to his occupation or the source of his income, shall pay toward the support of the Government. I do not think if I argued the point for an hour I could express myself more clearly upon it.

Just one thing more. With reference to the argument of the gentleman from Pennsylvania [Mr. GRAHAM] as to the ethical

question. He begs that we do not put up to our courts the legal question to decide whether they shall pay their part toward carrying on this war. Why, the same ethical question, I will say to him, is put up to every Member of Congress. Why should the courts of the land be exempt from passing upon such a delicate question when we here in this House must pass upon it in connection with our own incomes and say what part we shall do toward paying for the war? I have no sympathy with the suggestion made by the gentleman, that a sense of delicacy on our part should cause us to put aside from the Supreme Court of the United States the responsibility of saying that they shall or not be exempt from this tax, whereas we who pass this law say that we shall not be exempt.

Mr. STAFFORD. Mr. Chairman, I would not rise to take part in this debate on the constitutional question were it not for the fact that the Supreme Court of Wisconsin has passed upon almost this identical question in construing a similar clause of the State constitution which forbade the compensation of any public officer being increased or diminished during his term, as to the effect of the income-tax law passed under a later constitutional amendment.

The case is State ex rel. Wickham *v.* Tygaard (159 Wis. Reports, 396), decided January 12, 1915. There a circuit judge contested the right to include under the State income tax his salary as judge, where his term had begun prior to the enactment of the income-tax amendment. There was a provision in the original constitution forbidding the legislature from reducing or increasing the compensation of any public official during his term of office. In 1908 an amendment to the State constitution was adopted which authorized the levy of income taxes in the following language:

> Taxes may also be imposed upon incomes, privileges, and occupations, which taxes may be graduated and progressive, and reasonable exemptions may be provided.

The State supreme court, in a decision rendered by Mr. Justice Barnes, an eminent jurist, who has since resigned from the State supreme court to take the position of general counsel of the Northwestern Mutual Life Insurance Co., held that the question was largely one of construction, and that the two clauses must be taken together. And in passing upon it the court upheld the right of the State to levy the income tax upon the salaries of public officials, even though that tax diminished in effect the salaries of those officials.

Mr. Justice Barnes, at page 402, says:

> We construe the amendment as authorizing the legislature to tax incomes in any case where the power rests in the State to impose such a tax. It would not be contended that the Constitution might not be amended so as to abrogate section 26 of Article IV entirely. Neither would it be contended, if the amendment of 1908 had in express terms stated that salaries of public officers should be subject to an income tax, that so much of section 26 of Article IV as prohibited the levy of such tax would not be abrogated, assuming that it did prohibit the imposition of a tax on salaries of public officers. The real question is one of construction involving the comprehensiveness of the 1908 amendment. The language is broad and sweeping, making and containing no exception. Both constitutional provisions are somewhat general in their nature. As applied to the right to tax incomes of State officers, section 26 of Article IV is no more specific than is the amendment of 1908. Hardly as much so. The latter says taxes may be "imposed on incomes." We perceive very little room for construction, and if a doubtful question were involved it should not be resolved against the exercise of the taxing power of the State.

So with the National Government, under Article XVI, Congress by amendment to the Constitution is authorized to levy taxes on incomes, from whatever source derived, without apportionment among the several States. Here also it is a question of construction, whether this amendment supersedes the restriction in the original Constitution that the salary of the President shall neither be increased or diminished or that the salary of judges shall not be diminished during their terms of office.

If the sixteenth amendment is to receive a narrow construction, that merely lifts the power ban of apportioning such income taxes, then the authority to include such salaries is most questionable. But if full effect is given to the words "from whatever source derived," this being a general provision and later in its enactment, it would supersede the earlier and authorize the levy on such salaries.

I have greater doubt on the question suggested by the amendment the gentleman from Virginia [Mr. MONTAGUE], as it involves the power of the National Government to affect directly the instrumentality of the States. Again the question arises, What is the full purport of the sixteenth amendment?

And in that very decision the question arose of the delicacy of submitting to the justices, as advanced by the distinguished gentleman from Pennsylvania [Mr. GRAHAM], the duty of passing upon a question that would affect their own salaries, and the Supreme Court dismisses that by saying that any number of times questions come up as to the constitutionality of legislation affecting the taxation of property, the taxation of insurance policies, and the like, in which the individual Members are in a way interested by reason of being owners of property or holders of insurance, and yet they assume the duty of passing upon those questions. And it is never considered that such remote interest would be a bar to the justices passing upon the constitutionality of the question because of their financial interest.

Mr. WALSH. Will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman.

Mr. WALSH. Does the gentleman say that a judge of the United States Court, in passing upon the question as to whether his salary was subject to taxation under this income-tax law would be passing upon a question in which he had a "remote" interest?

Mr. STAFFORD. No more than in the case cited by Justice Barnes in the Wisconsin Supreme Court, that a question relating to the taxation of property in general would not disqualify him from passing upon it. It was not such a disqualifying interest as made the judges of that court shirk the responsibility of their position.

Mr. WALSH. But in this case it is a specific levy upon a specific schedule of taxation.

Mr. STAFFORD. And in the very question that was up for decision before the Wisconsin Supreme Court the question was whether the income-tax law that applied to the salaries of circuit judges and supreme court judges removed the question from the range of their passing upon it because they had a direct interest, and the supreme court said in that decision that they assumed the responsibility which they owed to the public to pass upon that question. And I want to call the attention of the member of the Judiciary Committee [Mr. WALSH] to this decision. I grant that the phraseology of the income-tax provision of Wisconsin is different from the amendment to the United States Constitution under Article XVI, but the decision cited by the distinguished gentleman from Virginia [Mr. MONTAGUE] in the case of Peck against Lowe, decided May 20 last, does not stand on all fours in prohibiting this Congress from levying an income tax on the salaries of public officials, certainly not those of the National Government, because in that very decision the Supreme Court said that the sixteenth amendment, although referred to in argument, has no real bearing and may be put out of view, showing conclusively that the Supreme Court did not intend to pass upon the question as to the relative construction of the proposal of taxing salaries of judges or public officials in construing the income-tax provision of the sixteenth amendment with that provision of the original Constitution which forbade the changing of the salary of a justice of the courts of the United States or the salary of the President during his term of office. This question has not been put up to the Supreme Court for decision.

Since war was declared we have heard much as to the war powers of Congress. We know that the Constitution has been stretched almost to the breaking point to justify some of the legislation that has been passed by Congress, and we expect the Supreme Court to uphold, as the Supreme Court has upheld, legislation of that kind, because we are at war and because it was construed as being part of the war powers of Congress.

Now, in view of this decision, where the Supreme Court of Wisconsin passed upon almost this identical question, can we not say that there is warrant for legislative action in believing this authority constitutional, and in submitting this question to the Supreme Court to determine whether we have authority under the sixteenth amendment to levy a tax on the incomes of Federal and State officials, as we are levying taxes indiscriminately upon all officials, whether private or public?

Mr. BORLAND. Mr. Chairman, the substitute of the gentleman from Massachusetts [Mr. WALSH] ought to be defeated. In my judgment, the committee have taken the only wise course that could be taken, in view of the doubt which must exist as to the power of Congress upon this subject.

The amendment of the gentleman from Massachusetts [Mr. WALSH] proposes to strike out everything in parentheses, beginning in line 18 on page 8 and extend to the end of the parentheses, on line 24, page 8. The words are:

> (Including in the case of the President of the United States, the judges of the Supreme and inferior courts of the United States, and all other officers and employees, whether elected or appointed, of the United States, or of any State, Alaska, Hawaii, or any political subdivision thereof, or the District of Columbia, the compensation received as such.)

The amendment embraces three propositions, with three different degrees of constitutional questions. In the first place, it embraces the salary of the President of the United States and the salaries of the Federal judiciaries. The Federal Constitution covers those cases by providing that the salary of the

President shall neither be increased nor diminished during his term of office. and that the salaries of the Federal judiciary shall not be diminished during their term of office.

Apparently the first time that it was attempted to tax the salaries of the United States judiciary was in the act of 1864. No decision was rendered upon that act; but that act, as I understand, provided for no exception in favor of the Federal judiciary.

Black on Income Taxes, section 205, says:

The income-tax laws enacted by Congress during the period of the Civil War contain no such exception, but the justices of the Supreme Court, through Chief Justice Taney, addressed a communication to the Secretary of the Treasury, declaring their conviction that their salaries were not legally subject to the tax. Thereupon the Attorney General, to whom the communication had been referred, gave an elaborate opinion, advising the Secretary of the Treasury that the income tax could not lawfully be assessed upon and collected from the salaries of those judicial officers of the United States who were in office at the time of the enactment of the act imposing the tax.

So that it was upon the opinion of the Attorney General, through the Secretary of the Treasury, that the actual omission was made, and apparently no decision has been rendered by any court upon the subject, whether a tax upon the salary of the Federal judiciary reduces or diminshes that salary within the meaning of the Federal Constitution.

Now, I am inclined to agree with the interpretation of the gentleman from Kentucky [Mr. SHERLEY] that the object of this provision in the case of the President of the United States and of the Federal judiciary was to prevent Congress from either rewarding or punishing the President, or punishing the Federal judiciary, by the enactment of special legislation directed against them to reduce their salaries during their continuance in office. That was a very familiar practice of parliament, and was undoubtedly in the minds of the framers of our Constitution at the time the Constitution was framed. So far as we are able to ascertain it was not designed to exempt these officials from the ordinary burdens that they would bear as citizens of the Republic. I am inclined to think that the Federal Supreme Court will hold eventually that any burden which is common to the citizens of the Republic in a like situation must be borne by the Federal judiciary and by the President of the United States, notwithstanding these protecting clauses of the Federal Constitution. The only thing that Congress is forbidden to do is to single out the President for reward or punishment during his continuance in office, or to single out the Federal judges for punishment during their continuance in office.

Now, that presents so doubtful a question that in my mind it ought to defeat the amendment of the gentleman from Massachusetts. As to the question of power to tax the State, a stronger constitutional doubt exists. That is the amendment of the gentleman from Virginia [Mr. MONTAGUE]. My recollection is—I have not the case before me—that the case of McCulloch against Maryland, in which Chief Justice Marshall delivered the celebrated opinion, was a case where the officials of the city of Baltimore sought to levy a tax against the United States bank. It was held that notwithstanding the failure of the Constitution to expressly exempt the instrumentalities of the State from Federal taxation that neither the State nor the Federal Government could tax the instrumentalities of the other; that it was interwoven with the whole scheme of political control in this country that the two sovereigns were of equal power, each within its sphere, and neither one could invade the sphere of the other, and neither one could lay the hand of taxation on the activities of the other.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. BORLAND. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BORLAND. That broad principle that neither under the guise of taxation nor under the guise of regulation can either one of the sovereigns invade the field of activity or instrumentalities of the other, if that be confirmed again it will do all that the amendment of the gentleman from Virginia seeks.

But the intervening fact now is that the sixteenth amendment provides that incomes may be taxed by the Federal Government from whatever source derived. Those words "from whatever source derived" introduce a legal element which was not present at the time this long line of decisions was made, not when the McCulloch against Maryland case was decided, nor in the cases that followed that leading case.

Therefore a new legal element has come into existence which ought to be affirmatively and authoritatively decided by the court.

As to the third proposition embraced in the gentleman's amendment, to exempt officials of the territory of the United States, he has absolutely no justification. His amendment on two grounds at least is unsound. On the whole proposition the committee has chosen in this hour of the Nation's need the only wise and proper course, and that is to tax all that we reasonably have the right to tax, and if there be exemptions in the Constitution of the United States let an authoritative decision be rendered on those exemptions.

Mr. WALSH. Will the gentleman yield?

Mr. BORLAND. I will.

Mr. WALSH In reference to the gentleman's concluding statement there is nothing left to tax that is exempted by the Constitution. I want to ask the gentleman a question. As I understand, the Supreme Court in 1862 or 1863 directed attention to the fact that the revenue law at that time could not tax their salaries, and it was subsequent to that in a communication the Attorney General advised the Treasury Department that they were not subject to taxation.

Mr. BORLAND. The gentleman is correct.

Mr. WALSH. Can the gentleman imagine how the Supreme Court would have decided that question if it had been presented to it squarely?

Mr. BORLAND. I can. The membership of that court, I believe, would have decided that they were not subject to taxation.

Mr. WALSH. Does the gentleman contend that if we decrease the salary of the President and do not do it to punish him that we can do it legally?

Mr. BORLAND. I am inclined to think that any law Congress passes which places an income tax or any other form of tax applying universally to all citizens of the United States is constitutional, and that in order to come within the constitutional inhibition it must be a law applying to the President of the United States, singling him out.

Mr. WALSH. And this does.

Mr. BORLAND. No; it applies to incomes, and it says including the income of these officials. It applies to all the citizens of the United States.

Mr. WALSH. But he is the only President.

Mr. BORLAND. It applies to every citizen of the United States; it is neither a reward nor a punishment. Suppose we should pass a law saying that the President of the United States shall pay an income tax of $24,700. Then, after he was out of office and a new President came in, we passed another law repealing that tax. Have we increased the emoluments of the President of the United States by the sum of $24,700? No; it is neither an increase nor a diminution in the terms of the Constitution.

Mr. DENISON. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. DENISON. The gentleman does not consider an income tax in so far as it allows the general taxing of incomes affects the prior provision of the Constitution about reducing salaries.

Mr. BORLAND. I do not; I think the prior opinion was not well considered.

Mr. DENISON. I am not talking about the prior opinion, but the prior provision of the Constitution.

Mr. BORLAND. The opinion of Chief Justice Tawney was not a judicial opinion, and it might have been otherwise if it was. I think, however, there is grave doubt about the power to tax the instrumentalities of a State.

Mr. CANNON. Mr. Chairman, I will agree with the gentleman from Virginia [Mr. MONTAGUE] in what he said and all that he said touching the constitutional power to enact this legislation in this provision of the bill. I agree substantially and heartily with what the gentleman from Pennsylvania [Mr. GRAHAM] said. In the short time I have to speak about this amendment and the provisions of the bill, I shall talk, perhaps, more about the policy than I shall about the power.

I believe that we are without power under the Constitution to decrease or increase the salary of the President of the United States during his term; and while it may be that he would sign the bill with that in it, and while it might be possible that he would donate from his salary an amount equal to the tax, if we did not subject him to the tax—and no doubt he does have many donations to make—yet what is the sense of reducing the salary of the Commander in Chief of the Army and Navy when he is taxed now more severely than any other President ever was taxed except in time of war. It is just peanut politics, in my judgment, and flying in the face of the express provision in the Constitution that the salary of the President and the Federal judges shall not be decreased during their term of office. If

you can tax to take one dollar you can tax to take every cent. If you can decrease the President's salary in substance by applying the so-called income-tax provision, then you can take it all. Gentlemen will recall that at the time of the whisky rebellion, when Washington had to intervene and put it down and enforce the law, there were propositions made to impeach the President and the judges deciding the case, and to take their salary, and all that kind of thing. That is a coordinate branch of the Government and this is a coordinate branch of the Government, and one or the other or the two together coordinate branches have not the power, in my judgment, or the right, and if they had it would not be decent, from my standpoint, to exercise it to destroy the other coordinate branch of the Government, the courts. So much for that.

It is said that nobody is as cowardly as one Member of Congress except two Members of Congress. To a certain degree that is true, and I include myself, so that I am not criticizing any Representative on the floor of this House without taking my due share of criticism. We are very touchy from the popular standpoint. Gentlemen will recall, when we were considering the draft bill a short time ago, that in Committee of the Whole we adopted an amendment to subject Members of Congress to the draft. It went through. We adjourned and got our heads a little clear overnight, and we concluded that perhaps we could survive the attacks that the demagogues might make on us, as the election was approaching, upon the ground that we had protected ourselves from the draft; and when we came to consider that vote in the House we did not agree with the Committee of the Whole House, though I believe there was no yea-and-nay vote.

However, we turned down the proposition that went through in Committee of the Whole House. Finally we are relieved from the attacks of demagogues by the Provost Marshal General issuing an order, or a letter, for the information of all the world, that the only way a Member of Congress can subject himself to the draft is by resigning. I expect he is right, because if all of us were to resign the result would be that a coordinate branch of the Government would be destroyed, at least temporarily. One gentleman from Pennsylvania suggests that we tax ourselves on the $7,500 that we receive. Perhaps there is nothing in the Constitution to keep us from raising or lowering our salaries during our term of office. There is nothing there that would keep us from raising or lowering the salaries. Possibly, so far as compensation is concerned, we might reduce our own salaries or increase them, and I suppose we could tax them. I am not objecting to the tax, so far as that is concerned; but that is no argument why, in the face of the Constitution, as made by one or more Members on this floor, we should rush in and tax the salary of some one else.

Because we tax our own salaries is no reason why we should violate the Constitution in reducing the salary of the President and the judges, something expressly forbidden.

Gentlemen say that they are anxious to get this question decided. This bill is to raise $8,000,000,000, and if we pass this provision we are told about $4,000,000, or a little more, will be brought into the Treasury, and we are awfully anxious to put it up to the judges to pass upon the question, so that we can settle it! There is time enough to settle it, if you want to, by additional amendments to the Constitution, provided they can be ratified; and we can do that in the piping times of peace without raising this question, not, in my judgment, to get real relief for the Treasury, but to place coordinate branches of the Government in embarrassing positions, so that we might go to the country and say, Oh, we did this and that and the other.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CANNON. Nobody can talk about this subject in 5 or 10 minutes, and I am not the most competent man to talk about it anyway. I do not know that I could advise others how to vote. I have frequently found difficulty in counseling myself on how I ought to vote and what I ought to do, and certainly I should take more time than I shall take about this matter if I were counseling others. I shall vote for the amendment offered by the gentleman from Massachusetts [Mr. WALSH] by way of substitute. If that is adopted, I shall then vote for the amendment. If it is voted down, I shall vote for the amendment of the gentleman from Virginia [Mr. MONTAGUE].

You take my house when you do take
The prop that doth sustain my house.

That was true when Shakespeare put that sentence into the mouth of Portia in the trial of Shylock, and it is true now. Good morals, good law, demand that we do not do this thing. We should not in this time of war and great trouble, for a negligible amount of money, put it up to a coordinate branch to decide whether they should submit to this—whether their set salaries should be taxed. In the time of Chief Justice Taney, a Democratic judge, when the proposition was to tax the salaries of the Federal judges, when he was opposed practically to coercing a sovereign State when the great war was upon us, and all he had to do was to write a letter to the Attorney General saying that he was satisfied that Congress had no power to levy that tax, and the Congress then, in the stress of that great contest for the preservation of the Union, did not wait for the formal decision, but omitted the legislation.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WOOD of Indiana. Mr. Chairman and gentlemen, the gentleman from Illinois [Mr. CANNON] who has just addressed us referred to the whisky rebellion. That rebellion was waged in the State of Pennsylvania and was caused by reason of a tax placed on whisky by the first revenue bill passed by Congress. It was waged because the people at that time honestly believed that a tax on whisky was unconstitutional. They believed that whisky was a necessity of life, and a prime necessity. They were honest and earnest in their objection. It is a long way from the opinion existing at that time to the opinion existing now with reference to the right to tax whisky. So, too, may it be said that many things which were believed honestly by men to be unconstitutional at the time of Chief Justice Taney are no longer believed to be unconstitutional but that they are now quite constitutional. I wish to answer the suggestion made by the gentleman from Virginia [Mr. MONTAGUE] with reference to the assumption of measures passed by the Congress being constitutional. It does not follow because there may be some question concerning the constitutionality of a measure that we should refuse to pass it, for if such a rule obtained very few measures of importance would ever pass either body of this Congress.

Mr. MONTAGUE. Will the gentleman yield for a question?

Mr. WOOD of Indiana. Yes.

Mr. MONTAGUE. Is it not the assumption also that every gentleman who votes for that law believes that it is constitutional?

Mr. WOOD of Indiana. Absolutely; but he does not have to believe it to the nicety of a certainty. If that were so, we would not have progressed one inch from the attitude occupied 140 years ago at the beginning of this Government of the United States; and where would this Government of ours have been now? We would not have had the northwest territory, would not have had California and all of that section. We would not have had Alaska. The acquirement of these were all unconstitutional in the minds of many statesmen when their acquirement was being discussed in this body. So that I say that in these progressive times that when there may be a doubt with regard to the constitutionality of a question, unless that doubt is so strong in our mind we would not feel free to act upon it in a matter of our dearest concern, we should act.

I agree we should be very careful in passing on questions of this character, but I do not believe that every time there is a doubt expressed whether or not a measure is constitutional that we should hesitate to act unless that doubt resolves itself into such strong conviction that we are convinced to a certainty of the unconstitutionality of the measure proposed. Now, I have no doubt in my mind with regard to the constitutionality of this provision, and I do not believe that it is extending the power of taxation. If it is not extending the power of taxation, then the argument of the gentleman from Virginia falls. I do not believe that any one here will seriously contend that this tax levied upon the salary of the President of the United States and the salaries of the justices of the United States is a diminution of their salaries. If that were to be so it would be incumbent upon the Congress of the United States to provide some sort of scheme whereby the purchasing power of a dollar would remain the same throughout their terms of office. No one will say that the salary of the President of the United States to-day is as great in purchasing power as it was before this war commenced. No one will contend for a minute that the purchasing value of the salaries of the justices of the United States is as great to-day by half as as it was at the time of the commencement of this war. If the Constitution had intended that the salary of the President of the United States should not be taxed it would have said so. [Applause.] If the Constitution had intended that the salaries of the judges of the Supreme Court of the United

States should not be taxed it would have said so. Taxation is simply a burden of citizenship that should fall upon all alike. Is the President of the United States because he is President relieved of the burdens of citizenship, or are the judges of the United States courts, because they are selected as judges, relieved of the burdens of citizenship? I do not believe that anybody will seriously contend that there can be a question as to the legality of this tax for the reason that it reduces the salary of this class to which it is made to apply. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. STEVENSON. Mr. Chairman, I am in entire accord with the position of the gentleman from Virginia as to the question of the taxation of the salaries of State officers. The salaries of State officers are fixed by jurisdiction entirely beyond our control. If we tax their salaries to such an extent as to impair their efficiency, why we have no power to make that up. Now, when it comes to taxing the salaries of United States officers and United States judges, if Congress by taxation finds it has impaired the efficiency of its own agencies it can repair that, but when it comes to dealing with the salaries of State officials it can not do so, and I will give an instance of it. In the Supreme Court of South Carolina justices are elected once every two years for 10 years. Say a justice has been just elected, and the provision of the constitution is that his salary can not be increased during his term. We pass a salary-increase law next winter, and he gets $3,000—we pass a law to increase his salary next winter, and it could not begin to affect him until he has served nine more years and then is reelected, and so you see you begin to get into a realm beyond our control.

You will do a great injustice to the State in doing so, but that does not apply, of course, to the tax of Federal officials. I am inclined to think—I am a little doubtful of the propriety of it—I am in favor of the provision for taxing the incomes of Federal officials, including incomes from salaries. Now, the decision cited by the gentleman from Virginia, while good, is not exactly in point on this question, but it is backed up by cases which he has cited. It is an obiter dictum so far as that is concerned, because they say that the sixteenth amendment to-day referred to in argument has no real bearing, but it refers to the case of Brushaber, Two hundred and fortieth United States, 1, and that case, it seems to me, together with the case cited by the gentleman from Virginia, shows that on this question there has been no receding from the position that was taken by the court years ago up to this time in the matter of the taxing of State instrumentalities. It can scarcely be controverted that the sixteenth amendment has not undertaken to deal with that at all. The question there is dealt with on the proposition that the right to tax everything already existed and, therefore, that the sixteenth amendment had nothing to do with it. The following is the language:

> The various propositions are so intermingled as to cause it to be difficult to classify them. We are of opinion, however, that the confusion is not inherent, but rather arises from the conclusion that the sixteenth amendment provides for a hitherto unknown power of taxation; that is, a power to levy an income tax which although direct should not be subject to the regulation of apportionment applicable to all other direct taxes.

And then they go on and say that the sixteenth amendment has added nothing to the power to lay and collect income taxes. If it has not, then the decision which was made long before this amendment was adopted settles the fact that you can not tax State instrumentalities and you can not, therefore, invade the domain of State legislation. And it seems, therefore, conclusive that it has been decided that the sixteenth amendmen in nowise abrogates the fact that you can not tax the salaries of State officials or the bonds of a State or State subdivisions or interest arising from them as part of the income. That having been thoroughly decided, it seems there is no answer to the position of the gentleman from Virginia that the words "or of any State" should be stricken out.

Mr. STERLING of Illinois. Mr. Chairman, I just desire to say one word with reference to the amendment of the gentleman from Massachusetts [Mr. WALSH].

I do not think this legislation is unconstitutional with reference to taxing the salary of the President and the salaries of the judges on the ground that it is a diminution of their salaries during their term of office. It was certainly the intention, and I think it has always been so understood and construed to mean, that Congress could not by direct legislation increase or reduce the salaries of the Federal officials during their term.

Now, the ethical question raised by the gentleman from Pennsylvania [Mr. GRAHAM] does not appeal to me. To say that we ought not to pass this legislation because it would put the President and the judges of the Supreme Court in an embarrassing position is certainly not an argument against this legislation. Why, if we are going to decline to pass legislation simply because it affects the President or the presidential office, or the judges of the Supreme Court, on the ground that they must act upon it by way of veto or by way of passing on the constitutionality of the legislation, then we abandon our constitutional right and we shirk our constitutional duties to pass any legislation affecting those officers or the offices which they occupy. So we can not say that because it will embarrass them to pass upon the questions which we think ought to be incorporated into the law we ought not to incorporate them.

Now, I confess I do not know what the Supreme Court will say about the amendment of the gentleman from Virginia [Mr. MONTAGUE]. I do not know whether we have the constitutional power to levy an income tax on the salaries of State officials or not, and I do not think anybody will know until the Supreme Court has passed upon it. I am of the opinion that we have the power to do what this bill proposes, but I have doubts whether the court will so hold. There are a great many legal propositions that are unsettled, and we can get the opinions of good lawyers on one side and the opinions of good lawyers on the other side; but those questions are determined only when the Supreme Court passes upon them. Let us remember that since the question was decided by the Supreme Court, since it was held that Congress had not the constitutional power to levy a tax on State bonds and the salaries of State officials there have been two changes, both radical and important. The Constitution has been changed, providing for an income tax from any and every source whatever. Now, that is one change that has been made.

Mr. LONGWORTH. Can the gentleman inform me when was the latest decision?

Mr. STERLING of Illinois. I do not know. But there has been no decision since the Constitution was amended.

The other change is the change in the Supreme Court itself. I doubt if there is a single man on the bench of the Supreme Court to-day that was there when the decision was rendered, although I can not give you just the date when it was rendered.

Mr. LONGWORTH. I think it was around about the year 1870.

Mr. STERLING of Illinois. I know it was a long time ago. I have not looked at the latest decision, but I know what the general trend of decisions has been on that subject. If the gentleman from Ohio is right, and I think he is, the Supreme Court has been entirely changed since the courts so held in 1870. Whatever the Supreme Court decides binds everybody except the court itself. It can change its construction of the Constitution at any time. The law made by the Supreme Court binds everybody but the Supreme Court. The court is not bound to-day by the decision of 25 years ago. This is a mooted question, and it is highly important as a matter of public policy that it be decided and determined definitely. The only way we can get it determined definitely is to pass it to the courts. It is a question of public policy whether a private citizen should be taxed and the public official go tax free, and it is a serious question. It ought to be decided by the Supreme Court, and it is within our power now to put it in shape for submission or to prevent its submission.

Now, gentlemen, my colleague from Illinois [Mr. CANNON] said something about the policy and the purpose of this legislation. The Supreme Court of the United States is influenced on questions of this kind by the law of public policy, and it ought to be so influenced. Where a constitution is susceptible of two constructions, it will inquire what sound public policy dictates in the premises. That which was good public policy 30 or 40 years ago might not be good public policy now. We have changed and we have progressed, and our institutions have changed from year to year, and the laws and regulations that were suited to them half a century ago might not be suited to them now. The Supreme Court, as it ought to do, has always taken cognizance of the changes in society and the changes in our institutions. I doubt very much whether they would say to-day that it was good policy to tax a private citizen of the United States and leave go untaxed the man that is drawing a larger salary or getting a larger income from the Public Treasury. [Applause.]

Mr. WALSH. Mr. Chairman, I ask unanimous consent to modify my amendment by offering the following:

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to modify the substitute he has offered. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The Clerk will read the modification of the original substitute.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 8, line 18, after the word "service" and before the word "including," insert the word "not"; and, in line 21, strike out the word "other"; and, in line 22, strike out the words "of the United States or"; and also, in the same line, the words "Alaska, Hawaii"; and, in line 23, strike out the words "or the District of Columbia," so that it will read "not including in the case of the President of the United States, the judges of the Supreme and inferior courts of the United States, and all other officers and employees, whether elected or appointed, of any State or political subdivision thereof, the compensation received as such."

Mr. CRISP. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KITCHIN. The gentleman has 20 minutes, as I understand.

Mr. CRISP. I will propound my inquiry later.

Mr. KITCHIN. I think we have 20 minutes after the 3 minutes.

I wish to say, Mr. Chairman, that while there is considerable doubt as to the constitutionality of taxing State officials' and of taxing Federal judges' or the President's salaries, we find the fact before us that there is considerable doubt on the question; we find able lawyers on either side taking opposite views, some saying it is constitutional and some saying it is unconstitutional, and giving their reasons for their view. The reason I vote for this provision is that since there is such considerable doubt, especially since the adoption of the sixteenth amendment to the Constitution, which uses the words "Congress shall have power to levy and collect taxes on incomes from whatever source derived without apportionment," I believe it would be well to have the matter tested and decided. Some take the position that if Congress simply wanted to get rid of the apportionment in submitting this amendment, and the States, in ratifying it, had simply wanted to tax the income which the Congress had the power to tax with apportionment, and tax it now without apportionment, it would not have been necessary for Congress to have used the words "from whatever source derived"; but it would have used this language, that "Congress shall have the power to levy and collect taxes on incomes without apportionment." If the people who ratified the amendment desired to have the construction placed upon it which the gentleman from Virginia [Mr. MONTAGUE] and the gentleman from Pennsylvania [Mr. GRAHAM] and others have given to it, Congress would have used those words and would not have inserted the additional words "from whatever source derived."

I believe the gentleman from Pennsylvania has somewhat changed his opinion since May 6, 1913, because at that time he offered an amendment striking out from the income-tax section the salary exemption of the President and the judges and the State officials, when he said that that question ought to be tested, and he wanted these very provisions to go into the law so that the Supreme Court could have an opportunity to test them and settle the question forever.

Now, I take that position. I have considerable doubt about it, and I am reluctant to vote for it; but I stand with the gentleman from Pennsylvania [Mr. GRAHAM], a great and learned lawyer. He said on May 6, 1913:

Mr. Chairman, it was my impression that there was no adjudication of this question, and it seems to me that it is clear that the Congress of the United States has power to impose an income tax and affect even these gentlemen. I would like to see the question raised and tested, because this classification is not an agreeable one.

The gentlemen he refers to are the President of the United States, the Supreme Court justices, and the State officials. Then he added:

I therefore present the following amendment to this section.

That amendment reads as follows:

Page 137, line 1, after the word "taxation," strike out the words "also the compensation of the present President of the United States during the term for which he has been elected and of the judges of the Supreme Court and inferior courts of the United States now in office, and the compensation of all officers and employees of a State or any political subdivision thereof."

This committee has taken the gentleman's suggestion, the suggestion made by the distinguished gentleman and lawyer from Pennsylvania [applause], and I am voting for this upon the same principle upon which the gentleman offered that amendment; now, since the constitutional amendment declares that Congress shall have the power to levy and collect taxes on the income to be derived from any source whatever; we can not settle it; we have not the power to settle it. No power in the world can settle it except the Supreme Court of the United States. Let us raise it, as we have done, and let it be tested, and it can only be done by some one protesting his tax and taking an appeal to the Supreme Court.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, will the gentleman yield for a suggestion?

Mr. KITCHIN. Yes.

Mr. GRAHAM of Pennsylvania. I said to-day, in discussing this question, that so far as the salary of the President and the salary of the judges were concerned, I could not argue against its constitutionality because I did not hold that belief. I am consistent. To-day I did say, however, that they ought not, either of them, be put in the position of being practically disqualified from passing upon this bill. The President has to pass upon it by his veto. The judges have to pass upon it with relation to their own salaries. Now, the great Committee on Ways and Means, it seems, has taken the liberty of changing its mind. Surely I, an humble Member, may be permitted to qualify my remarks of that date to the extent that I think it is ethically unsound. [Applause.]

Mr. KITCHIN. But the gentleman ought not to impeach the committee for following him. [Laughter.]

Mr. GRAHAM of Pennsylvania. I do not. They do not follow me. [Laughter.]

Mr. KITCHIN. Not now.

Mr. GRAHAM of Pennsylvania. I wish I were the Pied Piper of Hamelin. If I were, I would pipe and take the committee with me. [Laughter.]

Mr. KITCHIN. At that time the committee was wrong and the gentleman was right. We are right now and he is wrong.

Mr. GRAHAM of Pennsylvania. No; I am still right, but the committee have changed their minds.

Mr. KITCHIN. I think really that every man who has a doubt about this can very well vote for it and take the advice of the gentleman from Pennsylvania, which was sound then and is sound now, that this question ought to be raised by Congress, the only power that can raise it, in order that it may be tested in the Supreme Court, the only power that can decide it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRISP. Is not the amendment divisible, containing two substantive propositions, one exempting from the purview of the law State officials and the other part exempting Federal officials?

The CHAIRMAN. The Chair understands as a matter of precedent that this amendment in the nature of a substitute is not divisible.

Mr. CRISP. Does it not contain two substantive propositions?

The CHAIRMAN. Apparently it does.

Mr. GARRETT of Tennessee. Will the gentleman yield to me to make a parliamentary inquiry? I want to inquire if the gentleman from Massachusetts [Mr. WALSH] obtained the unanimous consent that I understood him to request; that is, to withdraw his original proposition and offer this other as a substitute?

The CHAIRMAN. The Chair will state to the gentleman that that has been done.

Mr. CRISP. I have not the precedent at hand, but I recall distinctly that the Speaker held that an amendment even containing five or six distinct substantive propositions was divisible, and that a vote could be had upon each substantive proposition. Without detaining the House or burdening the Chair, it seems to me that certainly this amendment contains two distinct propositions—one whether State officials shall be subject to this income tax and the other whether Federal officials shall be subject to it. I rose to ask that the amendment be divided, and that the vote be taken separately upon each one of those substantive propositions.

The CHAIRMAN. Does the gentleman from Massachusetts desire to be heard?

Mr. WALSH. Mr. Chairman, I simply wanted to ask the attention of the Chair to Rule XVI, clause 6:

On the demand of any Member, before the question is put, the question shall be divided if it includes propositions so distinct in substance that one being taken away a substantive proposition shall remain.

Mr. CRISP. After conference I withdraw my request.

The CHAIRMAN. The Chair will state that he is familiar with the rule to which the gentleman from Massachusetts refers, and further that there would appear to be two substantive propositions and possibly more, in his substitute; but the precedents of the House are that a substitute in the nature of an amendment to an amendment, is not divisible. The Chair will not undertake to argue the reasons underlying these precedents, but will simply refer to the ruling found in section 6127, Volume V of Hinds' Precedents to the following effect:

Substitute resolutions offered as an amendment are not divisible.

This would seem to be decisive of the request for a division of the substitute. The question is on the substitute in the nature of an amendment offered by the gentleman from Massachusetts [Mr. WALSH].

The question was taken; and on a division (demanded by Mr. WALSH) there were—ayes 17, noes 77.

Accordingly, the amendment in the nature of a substitute was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. MONTAGUE].

The question being taken, on a division (demanded by Mr. MONTAGUE) there were—ayes 32, noes 72.

Accordingly, the amendment was rejected.

The Clerk read as follows:

(b) Does not include the following items, which shall be exempt from taxation under this title.

(1) The proceeds of life insurance policies paid upon the death of the insured to individual beneficiaries or to the estate of the insured.

Mr. MOORES of Indiana. I offer the following amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Mr. MOORES of Indiana offers the following amendment: Page 9, line 15, after the word "to," strike out the word "individual."

Mr. MOORES of Indiana. Mr. Chairman, the reason I offer this amendment is that the act as drafted and amended provides for the taxation of life insurance carried in favor of corporations. You will pardon me if I explain the nature of that insurance. The larger corporations, the great corporations, do not carry this kind of life insurance. Ninety-nine out of 100 corporations in this country are small corporations, commonly called family corporations, where, for instance, one man who knows the business of manufacturing or of mining or of trading in which the corporation is engaged, with possibly inadequate capital, gets another man who will finance it, usually a relative of the man promoting the corporation, for the conduct of the business. The mercantile agencies, Dun's and Bradstreet, the Federal reserve banks, and all other institutions of that kind require reports from partnerships, individuals, and all corporations as to insurance carried. Insurance is carried and almost compelled to be carried for this reason. If the wealthy man, the angel who finances the concern, dies it could not be financed, because he could not get credit from the bank. If the man who conducts the business should die the wealthy man who has furnished the capital must find some other man to run the business. This insurance is only carried by small corporations, family corporations, such as I have described. They are coerced into carrying it. The insurance is carried on the lives of the men who keep up the business.

I can give you an illustration: There was a man in Indianapolis carrying on a small business, which he incorporated, making himself owner of nearly all the shares and his wife and his son directors. The wife knew nothing about the business; the boy was learning something about it. The father carried $35,000 insurance in favor of the corporation, and died April 26. The $35,000 which he had written he was carrying as insurance for his family, and one-half of that was taken by the Government. If this bill passes unamended the same thing will happen again and again.

I know of another case where a bank demanded that a man put up collateral because he was not carrying insurance of this sort in favor of a small corporation that he was running, and he said, "I shall carry insurance in favor of the United States Government when the Government pays the premium on that insurance," which was a fair way of putting it.

Now, the big corporations do not do it, but the banks make the small corporations do it, and the Federal Reserve Board requires that they do it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORES of Indiana. I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STERLING of Illinois. Will the gentleman yield for a question?

Mr. MOORES of Indiana. I will.

Mr. STERLING of Illinois. I am not sure that I know what the gentleman is driving at, but does he think that the money received by an individual ought to be a taxed income?

Mr. MOORES of Indiana. Oh, no; what I want to do is to include the little corporations. They are the only corporations in the world that carry this kind of insurance.

Mr. STEVENSON. That insurance is taken out for the benefit of the corporation, is it not, issued to the estate of the insured and then assigned to the corporation?

Mr. MOORES of Indiana. Not by any means; it is always small and it is for the small corporations. I want to conclude by saying that I think this provision will produce very little revenue if my amendment is not adopted. It will cause great hardship to families and among the smaller class of business concerns who have to pay these taxes. Further, it will be a great burden on the small business. It will result in destroying little corporation business, which is really the foundation of the great business that is to come hereafter. I think it is unfair, unjust, and unrighteous, and the amendment ought to be adopted.

Mr. HULL of Tennessee. Mr. Chairman, I wish to say a word with respect to this amendment. The income-tax law now gives very considerable latitude to different phases of the insurance business. There are constantly occurring in the course of the administration of the law loopholes in which individuals through corporations escape taxation. We found a number of large corporations, at the instance of big stockholders, had dropped into the habit of taking out policies for such individuals and paying the premiums in a way which would enable the individual to escape his proper income-tax liability and probably later on to escape his estate-tax liability.

This evil cropped out last year, and the Senate added an amendment, which is to be found on page 17, section 215, paragraph (d), which prohibits corporations that take out these policies from deducting the amounts which they pay as premiums upon them. That is in line with this provision, which is intended to stop the loophole that was being gradually opened wider and wider and through which individual stockholders receiving large incomes had their corporations handle their insurance and so escape the tax. I can appreciate certain cases of smaller concerns to which the gentleman from Indiana [Mr. MOORES] referred; but in order to take care of them—and it only relates to little corporations—the individual beneficiary, whether a member of the family or not, is amply taken care of, both in the income-tax law and in the estate-tax law, to the extent of $40,000 exemption in the estate-tax law.

Mr. DENISON. Mr. Chairman, I think that the amendment offered by the gentleman from Indiana [Mr. MOORES] ought to be adopted. I happen to know of certain business concerns whose success depends largely upon the ability of the men who are managing the business, and the ability of those concerns to get credit at the banks has been dependent upon their managers. In order to give the concerns credit at the banks those corporations have been carrying insurance upon their presidents or managers, so that the companies might be protected in case of their death. I know there are a great many small concerns that are to-day getting credits at banks because the managers or presidents of those concerns carry such insurance. This affects mostly small concerns, and it is that class of concerns whose success depends upon the individuals managing them. I think in cases of that kind, where insurance is collected, it ought not to be paid in large part to the Government.

Mr. HULL of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. HULL of Tennessee. The gentleman agrees, does he not, that the amount received in the way of proceeds of a policy above the amount paid for premium would be a commercial profit in any event? At least that is the way most of these laws are administered.

Mr. DENISON. It would not be a commercial profit any more than it would be a commercial profit for the gentleman's family to draw insurance on him when he dies.

Mr. HULL of Tennessee. I call the gentleman's attention to the fact that in the case of an annuity or any kind of investment under which a return in excess of the amount paid is received it is treated as a taxable profit.

Mr. DENISON. I know this, and I shall submit it to the gentleman. Here is a business concern in which small investors have taken stock and its success depends almost entirely upon the men who are managing it, and the ability of that concern to borrow money to run the business often depends upon the fact that the corporation is carrying insurance upon those managers to protect it in case they should die. I do not think such insurance ought to be taken by the Government in case the managers should die, and I think the fact that a large part of it will be taken as a tax will interfere with the credit of such concerns.

Mr. STAFFORD. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. STAFFORD. I know of instances where corporations of considerable capital insure their managing heads as a business proposition for hundreds of thousands of dollars. Why should we except that money that is invested in the individual when it comes back to the concern?

Mr. DENISON. Well, that is an extreme case. I think the amendment ought to be adopted, and the word "individual" ought to be striken out, so as not to interfere with the business of these small corporations that are carrying insurance on their managers in order to protect their stockholders and their creditors for loss that would result to the business from their death.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. DENISON) there were—ayes 19, noes 41.

So the amendment was rejected.

The Clerk read as follows:

(4) Interest upon (a) the obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia, issued on or prior to the date of the passage of this act, or (if authorized by law on or prior to the date of the passage of this act) issued within six months after the passage of this act and containing a statement of such authorization and its date, or (if issued after the passage of this act) containing a statement that they are issued for the purpose of funding or refunding any interest-bearing indebtedness outstanding on the date of the passage of this act or for the purpose of carrying out a contract entered into on or prior to the date of the passage of this act: *Provided*, That there shall be excluded from gross income in the case of any person owning obligations of States, Territories, political subdivisions thereof, or the District of Columbia (the interest upon which is included in gross income), the interest upon an amount of such obligations the principal of which does not exceed in the aggregate $5,000; or (b) securities issued under the provisions of the Federal farm-loan act of July 17, 1916; or (c) the obligations of the United States or its possessions. In the case of obligations of the United States issued after September 1, 1917, the interest shall be exempt only if and to the extent provided in the act authorizing the issue thereof, and shall be excluded from gross income only if and to the extent it is wholly exempt from taxation both under this title and under Title III.

Mr. MONTAGUE. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. MONTAGUE: Page 10, line 2, after the word "thereof," strike out all of the remainder of the paragraph down to and including line 2 on page 11.

Mr. LONGWORTH. Will the gentleman yield for a question?

Mr. MONTAGUE. Yes.

Mr. LONGWORTH. Is it the gentleman's intention to incorporate the bonds already issued by States?

Mr. MONTAGUE. Yes, my intention is to relieve the income on State bonds, and not to interfere with the United States bonds and municipal bonds from taxation.

Mr. LONGWORTH. Whether now issued and outstanding or not?

Mr. MONTAGUE. Whether now issued or hereafter to be issued.

Mr. HULL of Tennessee. Ought not the gentleman to stop with clause (c), page 18?

Mr. MONTAGUE. I beg the gentleman's pardon.

Mr. HULL of Tennessee. After the semicolon in line 18, page 10.

Mr. MONTAGUE. The gentleman means I will accomplish the purpose desired by stopping there? Mr. Chairman, I ask unanimous consent to modify the amendment by striking out after the word "thereof," in line 2, page 10, down to and including the figures "$5,000," line 18.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to modify his amendment as indicated in his explanation of his motion. Is there objection? (After a pause) The Chair hears none. The Clerk will report the amendment as modified.

The Clerk read as follows:

Modified amendment. Page 10, line 2, after the word "thereof" strike out all down to and including the figures "$5,000," in line 18.

Mr. MONTAGUE. Mr. Chairman, I regret to inflict myself again upon the committee. The argument I submitted a few minutes since is applicable to the pending amendment which I have just proposed.

Unless the bill is amended, the clause in question vitally affects the States and the municipalities of the States. The power to tax is a power to impair and to destroy. This is not open to argument. The fundamental principle which I beg the committee to keep in mind is that the Nation has no more power to tax the securities of a State than the State has the power to tax the securities of the Nation. The exercise of such a power is destructive of one government or the other, I submit as an unanswerable proposition. War should not change the constitutional forms of our Republic.

Mr. LONGWORTH. Will the gentleman yield?

Mr. MONTAGUE. I do.

Mr. LONGWORTH. Does not the gentleman draw some distinction between taxing the bonds already issued and those which are hereafter to be issued in regard to the power of Congress?

Mr. MONTAGUE. I draw no distinction in principle. I distinguish as to the availability of the sale and value of securities.

Mr. LONGWORTH. I am speaking of the constitutional side.

Mr. MONTAGUE. I do not apprehend the distinction. If I understand this bill, it grants the broad power to the United States to tax the securities of the States or the municipalities of the States. That power has been plainly denied by the Supreme Court of the United States. I then reach the next stage, namely, that this lack of power to tax is not affected by the sixteenth amendment, for subsequent adjudications of the Supreme Court have held that that amendment does not embrace any subject or thing which was not taxable prior to the amendment. In other words, Congress has no power now to tax that which it could not tax prior to the amendment.

No argument has been advanced against the conclusions which I have just stated, unless vehement asseverations as to the necessities and distresses of war may be called an argument. Patriotic exclamations should not break down the Constitution. I submit my record for consistency and persistency in sustaining and maintaining all the efforts of our Government and of our people to win in this struggle.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. MONTAGUE. I will.

Mr. GREEN of Iowa. I do not wish to make any contention against the line of argument the gentleman is making, but I think he has misapprehended the purpose of the provision of the bill he moves to strike out. This provision that he seeks to strike out relates to gross incomes. Now, while gross income has a certain bearing of course always upon net income if it is to be taxed, the question of what is to be taxed has to be determined entirely by the deductions made under the provisions with reference to net incomes.

Mr. MONTAGUE. May I answer the gentleman's question by asking him one?

Mr. GREEN of Iowa. Yes.

Mr. MONTAGUE. Does not this provision of the bill tax incomes upon State and municipal securities?

Mr. GREEN of Iowa. Not necessarily, I will say to the gentleman.

Mr. MONTAGUE. I regret I can not agree with the gentleman.

Mr. GREEN of Iowa. This is merely a statemenf of what is included in gross income.

Mr. MONTAGUE. I understand that. But does not the gentleman believe the State bonds and municipal bonds will be depreciated by this system of taxation?

Mr. GREEN of Iowa. The gentleman is getting away from the point I was making.

Mr. MONTAGUE. I am getting to the point I am trying to get the gentleman to come to. The point is that this bill places an unlawful burden upon these securities, a burden which may destroy them.

Mr. GREEN of Iowa. Whether the bonds would be taxed by this bill depends on the deductions that are included in the paragraph which specifies the deductions that may be made in arriving at net income. That is over on page 18.

Mr. GRAHAM of Pennsylvania. Will the gentleman yield?

Mr. MONTAGUE. Has the gentleman from Iowa finished?

Mr. GREEN of Iowa. I think the gentleman has entirely misapprehended the place where the amendment should come in.

Mr. MONTAGUE. I hope I have misapprehended this section. I yield to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. I want to suggest that while it seems to me that this part of the bill relates to gross income the draftsmen of the bill have also provided for certain things that shall be excluded in counting gross income, and some of the things to be excluded are those which are enumerated in this paragraph 4, and the purpose of the gentleman from Virginia [Mr. MONTAGUE], evidently, is to say that interest upon obligations of the State, Territory, or any political subdivision shall be excluded. That is absolutely germane to the purpose of the section and in entire consonance with it.

Mr. PARKER of New Jersey. I desire to make a suggestion to the gentleman.

The CHAIRMAN. Does the gentleman from Virginia yield to the gentleman from New Jersey?

Mr. MONTAGUE. I do.

Mr. PARKER of New Jersey. I suggest that he ought to strike out the word "Territory" if he desires to get to his point, because Territories are now only parts of the United States, and they can be taxed as we please. Your point is that we can not tax obligations of a State or any subdivision thereof.

Mr. MONTAGUE. That is my purpose. With the consent of the committee I will strike out the word "Territory." I thought my amendment excluded it.

The CHAIRMAN. The gentleman from Virginia [Mr. MONTAGUE] asks unanimous consent that he may modify his amendment as indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. MONTAGUE. I wish to restate the simple proposition that the Congress has no constitutional power to tax the securities of the States or the municipalities of States. First, to tax such securities by the Federal Government is unsound and unwise legislation; and, second, such taxation radically disturbs the relation between the States and the General Government, and violates the Constitution in so doing.

I know, Mr. Chairman, that it is an ungracious task to discuss constitutional questions in this House. The Constitution when in the House of Representatives is not in the house of its friends. If power or want of power is submitted to the House the answer is generally determined by the exigencies of the occasion. We have just had an example in the eloquent argument of the able gentleman from Illinois [Mr. HENRY T. RAINEY]. The gentleman from North Carolina [Mr. KITCHIN] has said that he doubts the constitutionality of the taxing section which I am now questioning. I maintain that if a Member doubts the constitutionality of a bill he has no official authority to vote for it.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. MONTAGUE. I will.

Mr. COOPER of Wisconsin. I will say in connection with what the gentleman from Virginia has said that Mr. Justice Cooley in his book on Constitutional Limitations lays down the exact doctrine which the gentleman from Virginia has just enunciated, that no Member of Congress who has any doubt as to the constitutionality of a provision can under his oath rightfully turn that question over to a court to decide.

Mr. MONTAGUE. I thank the gentleman for his suggestion. I had stated that to be the undoubted rule to gentlemen sitting near me.

Mr. Chairman, the destruction of our system of government will not be wrought by one blow. It will be accomplished by slow and disintegrating influences of accumulated legislative action. The imposition of this tax may not destroy, but it does impair, and as a precedent it will have imparted its virus into the system of our Federal body politic. The States have as indubitable right to live and move and have their being as has the Nation. The two governments are inseparable, and, as Webster has said, "They constitute an indissoluble union of indestructible States." [Applause.]

We can not justify the destruction of our Government at home by keeping our eyes wholly upon our armies abroad. When our soldiers return I wish them to behold the same American Republic in its dignity and majesty and form that they left. [Applause.] I wish the soldiers to understand that when they fight for the sanctity of "scraps of paper" in Europe that their Congressmen in the Halls of the Capitol will not destroy that American scrap of paper which is the chart of the free institutions of this hemisphere. [Applause.] And I wish the country to realize that the safety and integrity of the Republic lies in its adherence to the American Constitution. There is no liberty except constitutional liberty. And I submit, in conclusion, that the Constitution in spirit and purpose, and as construed by the courts and jurists of our country, repels the adoption of this section. I hope the amendment proposed, or a similar one, will prevail, whereby the harmony and vigor of our institutions may be the better preserved. [Applause.]

Mr. LONGWORTH. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Virginia [Mr. MONTAGUE]. It seems to me there is quite a distinct difference, a very sharp difference, between our right to tax the income of municipal bonds already outstanding, and our right to tax those which shall be issued in the future. I myself have very little doubt that we have the power to put a tax on the income of bonds hereafter to be issued.

There is a very broad question of public policy involved, I think, at this particular time. It seems to me our highest duty is to see to it that the market for the coming issues of liberty bonds shall be made as favorable as possible. There is no question about it that to-day many of these municipal bonds are a more attractive investment, particularly to the average man of wealth, than the liberty bonds will be under the proposed system of high surtaxes. There are at least $8,000,000,000 of nontaxable securities now outstanding in this country, and I believe it is good public policy not to add to that great reservoir into which this money may flow if the taxes are found to be too high. These new surtaxes, gentlemen, are higher than those ever imposed in any country in the world, and after all we must rely largely upon the rich men in this country, the men who are called upon to pay the surtaxes, to invest in these coming issues of liberty bonds; and if we tax them so high that they will be forced into municipal securities, here are $8,000,000,000 to-day to which they can go and pay no taxes at all to the Government. We not only destroy our revenue, but destroy the ability of people to buy these new liberty bonds. From that point of view, even though I should admit—which I do not—that this proposition is of doubtful constitutionality, it seems to me that at this time we must see to it that these municipal bonds shall not be made highly preferable to the new liberty bonds as an investment. It is largely for that reason that I support the position of the committee and oppose the amendment offered by the gentleman from Virginia.

Mr. GORDON. Will the gentleman yield for a question?

Mr. LONGWORTH. With pleasure.

Mr. GORDON. Of course if Congress has the power to tax these bonds at all, it has the power to tax them 100 per cent.

Mr. LONGWORTH. All we are doing in this bill is to provide that the income shall be taxable.

Mr. GORDON. I understand; but, of course, if Congress can impose this tax at all, it could pick them out and tax them 100 per cent.

Mr. LONGWORTH. I have no doubt that the Congress could.

Mr. GORDON. Thereby destroying the instrumentalities of credit of the States.

Mr. LONGWORTH. That is not contemplated here.

Mr. GORDON. I understand that, but you could do it.

Mr. LONGWORTH. I think it is our duty to see to it that municipal bonds are not made a higher grade of investment securities than our forthcoming issues of liberty bonds.

Mr. BLACK. The gentleman says he wants to place these municipal bonds on an exact equality with the United States Government bonds. They are not on an equality as to the taxing powers of the States, are they?

Mr. LONGWORTH. They are on an exact equality as far as this bill is concerned. All this proposition does is simply to say that our municipal bonds hereafter issued shall be on the same basis as United States liberty bonds, no better and no worse.

Mr. BLACK. As a reciprocal right, will the State have any right whatever to place any taxes on a United States Government bond?

Mr. LONGWORTH. Oh, well, that is a different proposition not involved in this discussion.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. I ask unanimous consent for two minutes more.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. LONGWORTH. I yield to the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. Is it not true that the Secretary of the Treasury very strongly advocated the taxing of municipal bonds in order that the liberty-bond market might not be interfered with?

Mr. LONGWORTH. Absolutely, and it stands to reason, gentlemen. There can not be any other argument about it. In the next five or six months we will ask the public to absorb $16,000,000,000 worth of liberty bonds. These liberty bonds will be subject to all the surtaxes, whereas here are these $8,000,000,000 worth of municipal bonds subject to no surtaxes whatever, and to that extent at least a preferable investment to the liberty bonds. Is there any sound question of public policy that any bonds in this country ought to be made at this time a better investment than liberty bonds with which we have to finance this war?

Mr. HUMPHREYS. Will the gentleman yield?

Mr. LONGWORTH. I yield to the gentleman from Mississippi.

Mr. HUMPHREYS. Of the $8,000,000,000 in bonds, is the gentleman able to state how many are of issues of less than $100,000?

Mr. LONGWORTH. No; I could not possibly state that to the gentleman.

Mr. HUMPHREYS. The Capital Issues Committee has authority now under the law, as I understand it, to supervise the issuance of bonds in the future in issues of over $100,000.

Mr. LONGWORTH. It has not the absolute legal authority, but it has advisory authority, which is equivalent.

Mr. HUMPHREYS. It might throw some light on this if we knew just about how many bonds would be issued hereafter that were subject to the approval, at any rate, of the Capital Issues Committee. If he knows what proportion of bonds now outstanding were less than one hundred thousand authorized issue.

Mr. LONGWORTH. I can not inform the gentleman; I do not think that is essential to the discussion. The sole question is, Is it good public policy during the war to make municipal bonds equal to or better than liberty bonds?

Mr. HUMPHREYS. If the gentleman asks me, I do not think it is good policy and is contrary to the Constitution.

Mr. LONGWORTH. Up to the time that the Supreme Court determines it, it is the gentleman's opinion against mine, and I acknowledge that his is high authority.

Mr. STERLING of Illinois. Mr. Chairman, the argument of the gentlemen who favor this amendment to take away from the Federal Government the right to tax the instrumentalities of the State is based upon the principle that the power to tax is the power to destroy. There is a counter principle that is just as vital, and infinitely more vital now in a time of war. That principle is this: The lack of power to tax is the lack of power to survive. If this Government can not tax to raise the needed revenue to carry on this war, then it lacks the power to survive. I do not think there is any very great possibility of the situation going that far. Neither do these gentlemen who urge that the power to tax is the power to destroy fear that that principle will be carried to any very serious results. This thing might happen. If the bonds of a State or a municipality are allowed to go without taxation, they might absorb the bond market of the United States so that the Federal Government could not find a place to sell its bonds. Such is possible. If that situation should arise, this Government would not have the power to survive and carry on this war.

Mr. GORDON. But this very provision can be evaded and repudiated by the States by simply increasing the rate of their interest, and so create the very evil which the gentleman seeks to guard against by this legislation.

Mr. STERLING of Illinois. But that would not deprive the Federal Government from receiving the tax on the income on these bonds. If they should increase the interest on their bonds that would increase the income to the Federal Government.

Let me suggest this in conclusion. This is no time to talk about State rights. This Congress and the next Congress is going to protect the rights of the States, and there will be no danger about that. The thing in hand now is to sustain the Federal Government in the hour of its need. Let us not divide upon the question as to whether the capitalist who happens to own State bonds instead of Government bonds shall contribute his share to the money needed to carry on the war. This bill requires them to contribute alike.

Mr. GREEN of Iowa. Mr. Chairman, I simply desire to say that I came in during the remarks of the gentleman from Virginia [Mr. MONTAGUE] after his amendment had been offered. I misunderstood the purpose and object of it. My remarks, therefore, with reference to the place where it applied were incorrect. The gentleman from Virginia was correct as to where it should be offered.

Mr. MONTAGUE. I thank the gentleman for relieving me of some misgivings.

Mr. GORDON. Mr. Chairman, I do not know that I can add anything in support of this amendment to what has been suggested here by the gentleman from Virginia [Mr. MONTAGUE]. It seems to me that the provision in this bill, which is sought to be stricken out, will, if retained, utterly and entirely fail to answer the very purposes for which it is advocated. The gentleman from Illinois [Mr. STERLING] has just stated that the States could avoid the burden of these taxes or, rather, the lessening of the value of their securities resulting therefrom by increasing the rate of interest. The gentleman from Ohio [Mr. LONGWORTH] made it very clear in his remarks that this provision was not intended to apply to any bonds that are now outstanding. Therefore, it seems to me that the provision, if left in the bill, will really accomplish nothing. It seems to me that Congress is going out of its way to find an excuse to violate the Constitution which we have all taken a solemn oath to support. That the doctrine on principle cited by Gov. MONTAGUE, defining our country as "an indestructible Union of indestructible States" should have survived the greatest civil war in the history of the world, and having been sealed and cemented by the best blood of the Nation, North and South, it seems to me, might be accepted at least by the Congress of the United States in legislating upon so delicate a question as invading and seeking to take by taxation the instrumentalities of the States of this Union. It seems to me that we are treading upon not only dangerous ground but we are attempting to do a thing which every respectable court in this land has held time after time we can not lawfully do, and this talk of putting it up to the Supreme Court, it seems to me, is a cowardly evasion by Congress of its duty in the premises. The Members of Congress are under as much obligation to obey their oath of office as are the judges of the Supreme Court or any other officers of the Government. They take the most solemn oath of any officer of the Government to support and defend the Constitution of the United States against all enemies, foreign and domestic.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

Mr. GORDON. Yes.

Mr. MONTAGUE. Apropos of the gentleman's remark about the oath, does a Member of Congress take an oath that he must sustain the Constitution of the United States save only so far as he desires to leave questions to the Supreme Court?

Mr. GORDON. Certainly not. There is no exception at all. The Supreme Court distinctly held when the question was fairly and squarely presented to it, that the Constitution of the United States was made for a time of war as well as a time of peace and gave the most excellent reasons for it and stated that any other doctrine would lead directly to anarchy and tyranny. It seems to me we ought not to retain such a provision in this bill.

Mr. HENRY T. RAINEY. Mr. Chairman, I have no hesitancy in submitting this question to the Supreme Court of the United States. I have enough confidence in the Constitution of the United States and in the construction that the courts will place upon it to believe that this great Government has the right to defend itself in the hour of peril and to preserve its institutions. We are entering upon a miracle of finance. We propose to collect by this measure in a short period of time in three installments next year $8,000,000,000. In other words, we propose to collect by this bill $2,700,000,000 more dollars in the early summer of next year than there is of money in the United States. We propose to expend next year on this war a minimum sum of $24,000,000,000. We know it can not be less than that, and I believe, so far as I am concerned, it will be more than that. Take all the individual net incomes in the United States, including partnership incomes; take all the corporate net incomes in the United States, add them together, and take them all and appropriate them for carrying on this war and you will not have much more than half the money we propose to expend next year on this war. The only way we can carry on this war we know now is to borrow money, and the only way in which this great Government can borrow money is to make these bonds attractive, as attrative at least as the billions of municipal bonds in New York City and the other cities of the land—and most of these objections come from the cities of this land and from the coast cities of this land. If this war should fail on account of money, they would be scared to death in New York, in Boston, and in Philadelphia, where they are protesting now against taxing, they say, their securities. We are not taxing their securities by this bill. We are not seeking to do that; we are merely saying that those citizens who shall invest hereafter in municipal bonds shall account for the interest they receive on these bonds—on the future issues of these bonds—when they make up their income-tax returns. Is there anything wrong about that? Should the States of this Union, the cities of this Union, in their anxiety to extend their paving systems, to extend their sewerage systems, to improve and beautify their cities, should they be permitted to make their bonds so attractive that this great Republic can not sell its bonds on the market in order to carry on this war? We have been depending upon the patriotism of the people throughout the United States. We have been asking them to pay $100 for bonds they could go out on the market and buy for $96 and $97, and right gallantly they have responded so far. In the history of the world no patriotism like that exists. It is not too much now to ask these cities, which are about to issue their bonds, that they shall issue their bonds hereafter upon the understanding that we propose to require the purchasers of those bonds to account for the interest they receive on them when they pay their income taxes. If we can not do that, the time has come when we can not sell the bonds of this Government; and if we can not sell the bonds of our Government we have got to stop this war and submit to the kind of indemnity that may be imposed upon us. I deny that the Constitution of the United States is not in the hands of its friends here in the House of Representatives. Its friends are those who believe in preserving this country and its institutions. Its friends are those who believe that this great Government has a Constitution flexible enough to permit the Government to levy the taxes it ought to levy; to permit the Government to sell the bonds it must sell in order to preserve itself and keep its place in the sun. [Applause.]

Mr. DENISON. Mr. Chairman and gentlemen, there has been a great deal of discussion, or a great deal of argument, on the policy of this tax and its desirability. Now, I think that it may be desirable and may be a good policy at this time to tax everything that we can tax legally, but the question of desirability or the question of policy of a tax ought not to enter into consideration when we are discussing its validity; and the validity of the tax ought not to be overlooked, I think, simply because a tax may seem desirable or we may think in time of war it would be good policy. Now, I think the argument of the gentleman from Virginia [Mr. MONTAGUE] is right as a legal proposition. I have

no doubt at all, or have not had a serious doubt, that the Federal Government has no authority or right to tax bonds or securities of States or of their subordinate municipal corporations. I also have no doubt upon the other proposition discussed awhile ago, that the Congress has the right to levy an income tax upon the salaries of the Federal judges and the President without violating that clause of the Constitution which forbids the increasing or lowering of the salaries of such officials during their terms of office. The levying of an income tax, which is general in its terms and which would apply to the President and judges just the same as it would apply to the salaries or incomes of all other persons, would not amount to decreasing their salaries within the meaning of that provision of the Constitution. The income-tax amendment to the Constitution is very broad and allows taxes to be levied on incomes derived from any source whatsoever. And under that authority I think Congress can properly tax the incomes of the President and the judges, just the same as it can tax the salaries of any other persons. But to levy a Federal tax on the bonds and securities of the States and their subordinate municipalities presents an entirely different question.

Mr. SMITH of Michigan. Does not the gentleman remember that a short time ago we voted the entire resources of this country to the Commander in Chief to carry on this war, and now does he contend that, having done that, we can not use a little income from those resources?

Mr. DENISON. I think, of course, there are certain constitutional limitations. I do not think that just because we are at war we can therefore do everything we may want to do. Now, I do have a little doubt in my own mind on this proposition. I did not hear Gov. MONTAGUE in his first talk this afternoon, because I was not on the floor. I do not have any doubt at all on the legal proposition that the Federal Government has no right to tax the securities of the States and their subordinate municipalities. But I have wondered if, when this matter comes before the courts, they would not make a distinction between the power to tax such securities and the power to tax incomes arising from those securities after they get into the hands of individuals. I have some little doubt about that, and I would be glad to have the opinion of the gentleman from Virginia on that proposition; that is, whether or not there may be an important and logical distinction between the constitutional power to tax such securities themselves and the power to tax incomes arising from such securities in the hands of individuals.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. DENISON. I will.

Mr. HUDDLESTON. I was just going to ask the gentleman whether he had in mind the fact that it was not a tax upon the bonds or on the income from the bonds specifically, but merely a tax on all incomes from any source whatever, and therefore does not come within the objection?

Mr. DENISON. That is just what I was discussing. There may be a logical distinction there which the courts will recognize; and if they should do so, then this provision of the bill might be held to be valid. There is some basis for the argument that a general income tax levied under the sixteenth amendment to the Constitution upon all incomes, from whatever source derived, including that derived from State and municipal bonds, would not amount to a tax on such bonds themselves, and therefore would not be so far inconsistent with or destructive of our dual form of sovereignty as to render it invalid. But I have no doubt on the other proposition, that the Federal Government has no authority to tax these securities as securities. That is what I mean.

Mr. GORDON. Now, if the Federal Government may, as the gentleman from Ohio [Mr. LONGWORTH] said, tax the income from these State and municipal securities 100 per cent and take all the income by taxes, which, of course, they may do, and you deprive the States of that income on their securities, do you not destroy the value of them?

Mr. HUDDLESTON. You can not levy a tax of 100 per cent without levying it upon all incomes, from whatever source.

Mr. GORDON. Oh, yes; we can.

Mr. HUDDLESTON. If you come and select these securities and put 100 per cent tax on them, it will be void.

Mr. DENISON. I think the tax would have to be general. But my doubt of the validity of this provision of the bill, in so far as it applies to State and municipal bonds, is so serious I shall vote for the amendment of the gentleman from Virginia.

Mr. LONDON and Mr. CANNON rose.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the debate close in five minutes, one minute to be occupied by the gentleman from New York [Mr. LONDON] and four minutes by the gentleman from Illinois [Mr. CANNON].

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LONDON. Mr. Chairman and gentlemen, I took the floor just to attract the attention of this Congress, of the country, and of the city of New York, to the fact that, in spite of the fact that the mayor of the city of New York has asked every Member of Congress from the State of New York to seriously contest this provision in the bill, that the only Member of Congress representing the State of New York on the floor of this Congress is the Socialist Member. [Laughter.]

Mr. CANNON. Mr. Chairman, the reason why the mayor of New York no doubt asks for this is that the debt of New York City is $1,500,000,000. How marvelously she has grown, and how expensive it is to conduct the affairs of that great city! And that is measurably true of the other cities, to say nothing about the counties, and so forth.

Now, then, there is pending in the State of Illinois a proposition submitted by the legislature to legalize the issuing of $60,000,000 for the construction of good roads. And, God knows, if there is any State that needs good roads it is Illinois. We vote on the question in November.

Now, they are afraid that this may impair the placing of other bonds. Possibly it may. Possibly Illinois may be wise enough when she enacts that legislation, if it is authorized, to defer the issue of the bonds until a little later on, until after the war closes, perchance, in order that she may decrease the rate of interest to a reasonable amount, so that she can get par for them. We are running up against the $60,000,000 proposition in Illinois. Now, what is to happen? Some of these States and some of these cities must issue bonds or else suffer severely.

It is perfectly clear to my mind that under the Constitution and under the decisions of the courts we have no right—the Federal Government has no right—to tax them. But suppose those bonds go upon the market. They sell at a depreciated price, and the man who understands about what the Constitution is and what it provides, and what the decisions of the courts have been and what they will be, will buy them, and then contest it, don't you know, and after all "that damned old plutocrat" who takes the chances will be sworn at when he takes his profit. [Applause.]

Mr. BENJAMIN L. FAIRCHILD. Mr. Chairman, I want to make a suggestion. While I do not want to take away from my colleague [Mr. LONDON], the Socialist Member from New York City, any credit that belongs to him for responding to the appeal of the mayor of the city of New York, he is mistaken when he says he is the only Member from New York favoring this amendment.

Mr. LONDON. I said "the only one present."

Mr. BENJAMIN L. FAIRCHILD. Very well. I am a Member from New York City.

Mr. LONDON. Is there any other Member?

Mr. BENJAMIN L. FAIRCHILD. Bronx County is the best part of New York City, and I represent one-half of Bronx County. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Virginia [Mr. MONTAGUE].

The question was taken; and the Chairman announced that the ayes seemed to have it.

Mr. KITCHIN. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 26, noes 48.

Mr. PENJAMIN L. FAIRCHILD. Tellers, Mr. Chairman.

The CHAIRMAN. Tellers are demanded.

Mr. BENJAMIN L. FAIRCHILD. Mr. Chairman, I raise the point of no quorum.

The CHAIRMAN. The gentleman from New York raises the point of no quorum. The Chair will count.

Mr. KITCHIN. Does the gentleman insist upon his point of no quorum?

Mr. BENJAMIN L. FAIRCHILD. Yes. I think this is too important a matter to vote on with so few Members present.

Mr. KITCHIN. All right. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. ROSE, for 3 days, on account of important business;

To Mr. BRAND, for 10 days, on account of sickness; and

To Mr. ASHBROOK, for 3 days, on account of important business.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 12098. An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum-wage board and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 44 minutes p. m.) the House adjourned until to-morrow, Tuesday, September 17, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of the Treasury, transmitting estimate of appropriation for repairing Chicago (Ill.) post office, for inclusion in some appropriation bill (H. Doc. No. 1279); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Acting Secretary of War, transmitting draft of proposed bill to permit free entry into the United States of all material and articles imported for the use and by order of the War Department during the existing war and for other purposes (H. Doc. No. 1280); to the Committee on Ways and Means and ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HARRISON of Virginia, from the Committee on Military Affairs, to which was referred the bill (H. R. 8473) for the relief of Thomas H. Rockwell, deceased, reported the same without amendment, accompanied by a report (No. 782), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII,

Mr. PADGETT introduced a bill (H. R. 12945) providing for the purchase of uniforms, accouterments, and equipment by officers of the Navy, Marine Corps, and Coast Guard, and midshipmen at the Naval Academy from the Government at cost, which was referred to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KRAUS: A bill (H. R. 12946) granting an increase of pension to Agustus Geer; to the Committee on Invalid Pensions.

By Mr. LUFKIN: A bill (H. R. 12947) granting a pension to Mary E. Hiller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12948) granting an increase of pension to Emma A. Hobbs; to the Committee on Pensions.

Also, a bill (H. R. 12949) granting a pension to Mary A. G. Robinson; to the Committee on Invalid Pensions.

By Mr. McARTHUR: A bill (H. R. 12950) granting a pension to Elijah Clark Hall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12951) granting an increase of pension to Colonel F. Bond; to the Committee on Invalid Pensions.

By Mr. MAPES: A bill (H. R. 12952) granting a pension to Franklin Tubbs; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: A bill (H. R. 12953) granting an increase of pension to George W. Dean; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12954) granting an increase of pension to Andrew J. Allen; to the Committee on Invalid Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 12955) granting a pension to Martin L. Stokesberry; to the Committee on Pensions.

Also, a bill (H. R. 12956) granting an increase of pension to James R. Beaty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12957) granting a pension to Mary St. Clair; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12958) granting a pension to Clem S. Kirkham; to the Committee on Pensions.

By Mr. SHOUSE: A bill (H. R. 12959) granting an increase of pension to Reason Walker; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ELSTON: Petition of the department of health and recreation, women's committee, Councils of National and State Defense, of Oakland, Cal., favoring war-time prohibition; to the Committee on the Judiciary.

By Mr. FULLER of Massachusetts: Petition of Charles M. Blodgett, mayor of Malden, Mass., and 287 others, residents in said Malden and the city of Everett, Mass., for national legislation to commission pharmacists in the United States service, so that men in the service shall receive the same skilled pharmaceutical service that they receive in civil life; to the Committee on Military Affairs.

By Mr. LINTHICUM: Petitions of the Baltimore Bargain House, Armstrong, Cator & Co., and Johnson, Boyd & Co., all of Baltimore, Md., favoring some protective clause in the new tax bill relative to inventory of merchandise; to the Committee on Ways and Means.

By Mr. McARTHUR: Resolutions of the Association of Fathers of Soldiers and Sailors of the United States of America, of Portland, Oreg., urging the nationalization of the public schools of the country so as to provide for the training of returned soldiers and sailors; to the Committee on Education.

SENATE.

TUESDAY, *September 17, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come before Thee with our cause, a cause that does not speak behind the closed doors of secret diplomacy but that has its voice in the indignation of millions against wrong and in a will to conquer in the name of humanity. We ask the divine guidance and blessing as we begin the tasks to which Thy providence has called us. For Christ's sake. Amen.

The Secretary proceeded to read the Journal of the proceedings of Friday, September 13, 1918, when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

SENATOR FROM KENTUCKY.

Mr. BECKHAM. Mr. President, I have here the certificate of appointment of Hon. GEORGE B. MARTIN, of Kentucky, by the governor, as a Senator to fill the vacancy in the unexpired term of the late Senator JAMES. The newly appointed Senator is on the floor and ready to take the oath.

The VICE PRESIDENT. The Secretary will read the credentials.

The Secretary read as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, pursuant to the power vested in me by the Constitution of the United States and the laws of the State of Kentucky, I, A. O. Stanley, the governor of said State, do hereby appoint GEORGE B. MARTIN a Senator from said State to represent said State in the Senate of the United States to fill the vacancy therein caused by the death of OLLIE M. JAMES, as provided by law.

Witness his excellency our governor, A. O. Stanley, and our seal hereto affixed at Frankfort, Ky., this 7th day of September, A. D. 1918.

A. O. STANLEY,
Governor.

By the governor:
[SEAL.]

JAMES P. LEWIS,
Secretary of State,
By E. MATT KARR,
Assistant Secretary of State.

In the name and by the authority of the Commonwealth of Kentucky, A. O. Stanley, governor of said Commonwealth, to all to whom these presents shall come, greeting:

Know ye, that GEORGE B. MARTIN, having been duly appointed United States Senator, I hereby invest him with full power and authority to execute and discharge the duties of the said office according to law, and to have and to hold the same, with all the rights and emoluments thereunto legally appertaining for and during the term prescribed by law.

In testimony whereof I have caused these letters to be made patent and the seal of the Commonwealth to be hereunto affixed. Done at Frankfort the 7th day of September, in the year of our Lord one thousand nine hundred and eighteen and in the one hundred and twenty-sixth year of the Commonwealth.

A. O. STANLEY.

By the governor:
[SEAL.]

JAMES P. LEWIS,
Secretary of State,
By E. MATT KARR,
Assistant Secretary of State.

The VICE PRESIDENT. If there be no objection, the newly appointed Senator will present himself at the desk for the purpose of taking the oath of office.

Mr. MARTIN was escorted to the Vice President's desk by Mr. BECKHAM; and the oath prescribed by law having been administered to him, he took his seat in the Senate.

STREET CAR SERVICE IN THE DISTRICT OF COLUMBIA.

The VICE PRESIDENT. The Chair lays before the Senate a communication from the chairman of the Public Utilities Commission of the District of Columbia, transmitting, in response to a resolution of the 9th instant, a supplemental report of that commission relative to the purchase of new street railway cars in the District of Columbia. The report will lie on the table for the present, to accompany the report heretofore received.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House had passed a bill (H. R. 12923) to supplement the second liberty-bond act, as amended, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 8004. An act authorizing the resurvey or retracement of lands heretofore returned as surveyed public lands of the United States under certain conditions; and

H. R. 12098. An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum-wage board and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes.

PETITIONS AND MEMORIALS.

Mr. TOWNSEND presented a petition of sundry citizens of Grand Rapids, Mich., praying for the passage of the so-called child-labor law, providing for the protection of minor children, which was ordered to lie on the table.

Mr. NELSON presented a petition of the Laac Drug Co., of Mankato, Minn., praying that alcohol used for medical purposes be exempted by the proposed increased revenue tax, which was referred to the Committee on Finance.

He also presented a memorial of the Stanley Shoe Co., of St. Paul, Minn., remonstrating against the proposed increased tax on high-priced shoes, which was referred to the Committee on Finance.

He also presented a memorial of the League of Minnesota Municipalities, of Rochester, Minn., remonstrating against the proposed tax on municipal bonds, which was referred to the Committee on Finance.

He also presented a telegram in the nature of a memorial from John C. Sweet, of Minneapolis, Minn., remonstrating against the proposed increased tax on amusement admissions, which was referred to the Committee on Finance.

He also presented a telegram in the nature of a memorial from the Warner Hardware Co., of Minneapolis, Minn., remonstrating against the proposed increased tax on firearms, which was referred to the Committee on Finance.

He also presented the memorial of Dr. I. B. Kenney, of Eagle Bend, Minn., remonstrating against the proposed increased tax on amusement admissions, which was referred to the Committee on Finance.

He also presented a communication from the Russell Grader Manufacturing Co., of Minneapolis, Minn., relative to the alleged increase in advertising expenditures by various industries since the beginning of the war, which was referred to the Committee on Finance.

He also presented a petition of the State Woman's Christian Temperance Union, of Minnesota, praying for speedy action on the woman-suffrage amendment, which was ordered to lie on the table.

PAN AMERICANISM.

Mr. SHAFROTH. I present a communication from the Anti-Imperialist League, touching upon the subject of Pan Americanism, which I ask to have printed in the RECORD.

There being no objection, the communication was ordered to be printed in the RECORD, as follows:

THE ANTI-IMPERIALIST LEAGUE,
September 5, 1918.

To the honorable Senate of the United States:

The Anti-Imperialist League ventures respectfully to add its testimony to that which it is believed will be given as occasion offers by general public opinion in support of all the approach which has been made by the present administration to Pan Americanism in opposition to jealousies, to selfish interests, and to the hindrances created and maintained by the common enemy. The policy may be considered as established by the elder in the brotherhood of American Republics.

The aid and sympathy was most praiseworthy given in 1907 to the foundation of the Central American court of justice. It resulted directly from a conference held in Washington by the representatives of the five Central American Republics—Nicaragua, Honduras, Salvador, Costa Rica, and Panama—by invitation and with the moral participation of the United States. The life of this court, fixed at 10 years, which has thus expired was to be renewed by a new Central American conference.

1. It is the earnest prayer of the Anti-Imperialist League that steps may be taken immediately to prepare the way for this conference and for the renewal of the court which had proved its value in many cases where its wise and fair judgments had been accepted unhesitatingly, and had obviously saved these century-agitated States from menacing disturbances, foreign and domestic. It would be an especially desirable, because magnanimous, movement on the part of the United States, since its present inertia may perhaps be attributed to the fact that a verdict was given by this court against the contention of Nicaragua authorized, as it were, by the treaty made by the United States with Nicaragua—that it had the right to concede to us the command of the Bay of Fonseca, without considering the claims of the other riparian States of the bay and of the San Juan River.

2. It is also the prayer of the league that this treaty with Nicaragua may be modified in accordance with right and justice, now so apparent, apart from any judicial decision, in behalf of the claims of Honduras, Salvador, and Costa Rica.

3. As delay has been attributed to the fact that there have been difficulties in the way of recognition of the Government now in control of Costa Rica, it is urged that by diplomatic and senatorial action these difficulties may be removed and harmony established with the country, which should be facilitated by her declaration of war against Germany.

Cooperation and sympathy would have been confidently sought in this petition from the Pan American Union, but the matter is urgent and directorate of the union does not meet until November.

THE ANTI-IMPERIALIST LEAGUE,
M. STOREY, *President.*
ERVING WINSLOW, *Secretary.*

DEPARTMENT OF AERONAUTICS.

Mr. NEW, from the Committee on Military Affairs, to which was referred the bill (S. 4852) to create an executive department in the Government, to be known as the department of aeronautics, and for the appointment of a secretary of aeronautics and an assistant secretary, and providing for appropriations for said department, reported it with amendments and submitted a report (No. 570) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHIELDS:

A bill (S. 4928) granting an increase of pension to John B. Haley (with accompanying papers);

A bill (S. 4929) granting a pension to Robert L. Zell (with accompanying papers); and

A bill (S. 4930) granting a pension to Fred W. McMeen; to the Committee on Pensions.

WATER-POWER DEVELOPMENT.

Mr. THOMAS submitted an amendment intended to be proposed by him to the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, which was ordered to lie on the table and be printed.

HOUSE BILL REFERRED.

An act (H. R. 12923) to supplement the second liberty bond act, as amended, and for other purposes, was read twice by its title and referred to the Committee on Finance.

GIFT OF THE GOVERNMENT OF FRANCE.

Mr. POMERENE. Mr. President, from the Committee on Foreign Relations I present a resolution under its instructions, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The Senator from Ohio, from the Committee on Foreign Relations, presents a resolution, which the Secretary will read.

The Secretary read the resolution (S. Res. 305), as follows:

Resolved, That the Senate of the United States has received with deep satisfaction the communication of the ambassador of the French Republic to the United States conveying the desire of the French Government to present to the Senate a vase from the national manufacturer of Sevres.

Resolved, That this offer is accepted with the highest appreciation of the gift and of the spirit in which it is presented, and that the 24th day of September, 1918, at the hour of 1 o'clock p. m., is hereby set apart for the purpose of formally and officially accepting such gift.

Resolved, That the French ambassador be notified of this action of the Senate and requested to attend as the representative of his Government.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent and unanimously agreed to.

GERMAN PEACE PROPAGANDA.

Mr. LODGE. Mr. President, I desire to present an article which appeared in the London Quarterly of June on the German peace propaganda. I am sure it will be of great value to every Member of the Senate, because it gives a view of the immense

extent of German propaganda activities which I have not seen so well and fully summarized anywhere else.

If I may have the permission of the Senate for a few moments I should like to call attention to this matter of the German propaganda. Speaking on the 23d of August I said that we must be prepared for German peace propaganda. It was an easy prediction to make and one certain of fulfillment.

I have been watching from day to day and have noted some of the movements. For instance, September 6 an article with headlines stated that Mr. Troelstra, a leading Dutch Socialist, of whom I never heard before, had come out with a strong argument in favor of peace, undoubtedly, as suggested in the article, because he is a German agent, and yet that rubbish is given considerable space, for what reason I can not divine.

Then comes Count Czernin, the former prime minister of Austria, on the 9th of September, and he, a Berlin mouthpiece, puts out a statement in favor of peace. That, too, is given newspaper space, and should have none. What he says is wholly unimportant except as an aid to Germany.

Then comes Baron Burian, who is the present prime minister of Austria, and he comes out with an argument, and also one from Michael Karoly, president of the Hungarian Independent Party, and to them a column and a half is given, all leading in the same direction and all harmful.

Mr. President, those are only a few of the more obvious efforts at peace propaganda coming from Europe. There are others nearer home—furtive, subtle, and dangerous. A few days ago—Senators must have seen it noted in the newspapers—there appeared a large work called Two Thousand Questions and Answers About the War. It had a commendatory introduction from Mr. George Creel. It turned out on examination that the book was full of direct German propaganda. Mr. Creel retracted his approval and made an explanation which amounted to saying that he had not read the book and did not know anything about it when he recommended it to the public. I am going to print some extracts from that book without reading them at this point, so that Senators may see just what the character of the book is. Here you will find German propaganda of the worst and most insidious kind put into a book of this sort, and the authors managed to get an indorsement from Mr. Creel, who is the head of our Bureau of Information and who undertakes to play the part of a censor, one rather dull of vision, apparently, where pacificism and German propaganda are concerned. I will print these extracts with his letter of apology and explanation if I may be permitted to do so.

Mr. POMERENE. May I ask the Senator under what authority was that book compiled?

Mr. LODGE. The book was published by Doran & Co., who have now withdrawn it, but I do not know who compiled the book. Apparently, Mr. Creel approved it on the word of Mr. Albert Shaw, of the Review of Reviews. It appears to be an anonymous compilation, as I see it stated here.

Mr. POMERENE. Is the Senator able to state who paid the expenses of the publication?

Mr. LODGE. I am not. It came out through a well-known publishing house. I print this because I want Senators to see what is in that book. What I am trying to show is the extent of German propaganda and how we need to be on the lookout for it, because it is all directed toward a compromise German peace.

Mr THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Colorado?

Mr. LODGE. I do.

Mr. THOMAS. My information is that the book to which the Senator refers was either compiled by or under the supervision of Dr. Albert Shaw, the editor of Review of Reviews. I can not vouch for the correctness of that impression.

Mr. LODGE. It was on the faith of what Dr. Shaw said that Mr. Creel, as announced in his letter, gave his letter of commendation.

Mr. WALSH. Mr. President——

Mr. LODGE. I yield to the Senator.

Mr. WALSH. Without endeavoring at all to extenuate the offense of Mr. Creel in giving his indorsement, I think it is just to state that the publication of the book was afterwards suppressed on the report made by the Bureau of Information.

Mr. LODGE. I have already stated that. It was surpressed, if at all, on the report of Dr. Van Tyne, of the National Security League.

Mr. WALSH. I did not hear the Senator so state.

Mr. LODGE. The publishers are reported to have withdrawn it. I am printing Mr. Creel's own letter so that he may do himself entire justice, if he is satisfied with the letter.

Mr. REED. May I ask the Senator if Mr. Creel has ever yet taken the American people into his confidence enough to tell them who the disloyal author of this disloyal work actually is?

Mr. LODGE. He has not, Mr. President, and I do not undertake to read Mr. Creel's mind.

It moves in a mysterious way
Its wonders to perform.

Mr. REED. I want to suggest, in view of the fact that it is admitted that the work is disloyal, so disloyal that it has been called in and suppressed——

Mr. LODGE. Mr. Creel admits it.

Mr. REED. I was curious to know why, as he vouched for this work and must know its author, he has not as yet turned that disloyal author over to the Department of Justice.

Mr. LODGE. Not to my knowledge.

Mr. President, on September 1, there was published, and I give the statement as it appeared in the New York Times, an order from the Secretary of War, excluding from soldiers' libraries and from camps certain books. The Secretary was entirely right, and it was a most excellent and commendable order in every way. I will print the list here. [See appendix.] So far as I know from the authors these books thus put under the ban are as thoroughly mischief-making as anything that can be imagined.

I will read the titles and authors of a few examples of these books that were finding their way into our camps and soldiers' libraries: Prison Memoirs of an Anarchist, by Alexander Berkman, who is now serving time, having been convicted of obstructing the draft.

Another book by Scott Nearing, who was indicted for conspiring to obstruct the draft.

A book by Hugo Muensterberg—of course, a representative of Germany.

A book by Prof. Burgess, well known as a German advocate.

A book by George Sylvester Viereck, formerly the editor of the Fatherland.

Mr. President, nothing could be more commendable or praiseworthy than the order of the Secretary of War.

The American Library Association, who are charged with this work, undertook to make an explanation in defense which, I think, is a very unsatisfactory one; but after strongly praising themselves, no doubt deservedly, they admit that there have been instances in which pamphlets of a seditious or pacifist nature have been surreptitiously placed upon the shelves of the libraries without the knowledge of the librarian.

Who is putting these books into the soldiers' libraries and into the camps—books which the Secretary of War has forbidden? Would it not be worth while to look them up? This enginery of German propaganda, this wide-flung network of poisonous doctrine, is reaching even into our camps and into the reading matter that is furnished to our soldiers.

Let me give another illustration to show how far this cunning, furtive propaganda has gone. Here is a book that the Secretary's list excluded. It is entitled "Why War?" It is written by Frederic C. Howe. I have not examined the book. I understand that it treats the war as caused by and directed to a settlement of certain economic questions. My attention, however, has been called to an article by Mr. Howe, published in Harper's Magazine, April, 1918, after we had been at war for a year. This article deals with the war as if we were engaged in it for some economic advantages, as if that was all which was at stake in this war. What a monstrous idea—that we should be sending our youth to be killed in France to get a trade advantage somewhere, and that economic questions are all that is involved! If this Congress and the President had gone to war on such grounds it would have been a crime. To put out such deleterious stuff as this seems intolerable, and it is by the author of one of the many books that the Secretary of War has so wisely excluded. I read one paragraph from Mr. Howe's article. He says:

Finally, Germany must be given the same economic assurance. Her railroad routes from Constantinople to Bagdad must be free from military menace by other nations. Her concessions, privileges, and rights in Turkey and Asia Minor, as well as her water communications through the Mediterranean, must be free from any fear of military interruption.

Are we in this war to see that Germany can build herself up in the East by the Bagdad Railroad and that she is protected in her trade rights in the Mediterranean? We are in this war to prevent her from ever again having the strength to break out on the world. Under no circumstances must she have again the Bagdad Railroad or a route from Hamburg to the Persian Gulf, and only such rights in the Mediterranean as the civilization which she has outraged and tried to ruin sees fit to give her.

But there is Mr. Howe's pleasing proposition. Let me read in contrast what the President said in his speech at Baltimore on this very point to show how he regards that question in the East. He said:

Their purpose—

Referring, of course, to the Germans—

is undoubtedly to make all the Slavic peoples, all the free and ambitious nations of the Baltic Peninsula, all the lands that Turkey has dominated and misruled, subject to their will and ambition and build upon that dominion an empire of force upon which they fancy that they can then erect an empire of gain and commercial supremacy, an empire as hostile to the Americas as to the Europe which it will overawe, an empire which will ultimately master Persia, India, and the peoples of the Far East.

There is the statement of the President's attitude and policy contrasted with the dangerous doctrine I have just read. In that same speech in Baltimore the President further says:

There is therefore, but one response possible from us: Force, force to the utmost, force without stint or limit, the righteous and triumphant force which shall make right the law of the world, and cast every selfish dominion down in the dust.

"Selfish dominion," I suggest to Mr. Howe, refers to the Germany whose Bagdad Railway and Mediterranean trade routes he wishes us to guard and preserve.

This writer, whose books were excluded from the camps on September 1 by the order of the Secretary of War, from whose article I have read an extract to the Senate, is, according to this Times list, the commissioner of immigration at the port of New York, holding a great and important office under this administration, when he is engaged in publishing stuff like this in flagrant contravention of the policy laid down by the President.

Mr. THOMAS. Mr. President——

Mr. LODGE. I yield to the Senator.

Mr. THOMAS. I was not in when the Senator took the floor, and he may have done so; if not, I would suggest in this connection that it would be extremely appropriate to read also the announcement of the President yesterday.

Mr. LODGE. I am coming to that. I do not propose to overlook it.

Mr. THOMAS. I must apologize to the Senator because I was tardy in coming to the Senate.

Mr. LODGE. If the Senator will allow me, I was showing how far this German propaganda extends, how subtle, how pervasive it is, how you find it even among officers of the Government, find it in the libraries of our soldiers, find it everywhere.

Now, Mr. President——

Mr. POMERENE. Before the Senator proceeds with his argument can he give the date when the order was issued by the Secretary of War excluding these publications?

Mr. LODGE. I thought I did. September 1 of this month.

Mr. POMERENE. Possibly the Senator did, but I overlooked it.

Mr. LODGE. Mr. President, of course the general official propaganda in Europe to which I have referred developed into speeches from the Kaiser which contained that mixture of truculence, turgidity, and whimpering of which he is a master, all connected with references to God; and of all his unattractive qualities I think his religious hypocrisy is perhaps the most odious and revolting. He winds up yesterday with a proposition to Belgium. There is no wrong, no injury, no cruelty which he has spared that gallant and unhappy country, and now he insults them with a proposition for a separate peace.

This is followed by the Austrian note, of which I will only ask to print their substantive proposal in brief, which is this:

AUSTRIA-HUNGARY'S PROPOSAL FOR PEACE DISCUSSION IN BRIEF.

The Royal and Imperial Government would like, therefore, to propose to the Governments of all the belligerent States to send delegates to a confidential and unbinding discussion of the basic principles for the conclusion of peace, in a place in a neutral country and at a near date that would yet have to be agreed upon, delegates who were charged to make known to one another the conception of their Governments regarding those principles and to receive analogous communications, as well as to request and give frank and candid explanations on all those points which need to be precisely defined.

Of course, the signers of the note are in Vienna, but the voice that dictates the words is the voice of Berlin. Think of that Austro-Hungarian proposition in the face of the action of the President—one of the most commendable and admirable things that has been done yet in this war—his recognition of the Czecho-Slovaks as a belligerent nation.

The soldiers of that people—a hundred thousand prisoners—were allowed by the Bolsheviki a free passage to France with their arms. Then, of course, the Bolsheviki broke the promise and undertook to disarm them. We all know what happened, a wonderful history; there has been nothing like it in all the past except the famous march of the 10,000 Greeks. When the Bolsheviki attempted to take their arms from them they proceeded to fight; they defeated the people who tried to stop their way, and they took town after town. Now they are backed up by allied forces from the United States, from Japan, from England, and from France. They have brought habitable Siberia, that vast country, very nearly under their control—a great feat. If any nation ever deserved recognition as a belligerent, it is the Czecho-Slovaks.

But, Mr. President, it can not stop there; it will not stop there. We must recognize the Jugo-Slavs, at the head of whom stands Serbia, which has suffered more than any other country in this war, with the sole exception of Belgium. We must also recognize the Poles, one of the greatest and most brilliant people of history. They alone can make a great and powerful State in Central Europe, which will forever bar the eastern movement of Germany. That is coming; that is involved in the recognition of the Jugo-Slavs.

What does all this mean? It means that when the President recognized the Czecho-Slovaks as a belligerent nation he set his hand irrevocably to a document which meant the dissolution of the Austrian Empire—"a consummation devoutly to be wished." If Bohemia is to be independent, the most important part, economically and industrially, of Austria is taken away. But it must not stop there. The Slav races, 26,000,000 of whom Austria holds and holds oppressively, must be set free and given independence; and the President has entered upon that great policy, most wisely, as I believe.

Now, Mr. President, we come to the President's reply to Austria, the President's quick answer, which appeared in the newspapers this morning, as follows:

The Government of the United States feels that there is only one reply which it can make to the suggestion of the Imperial Austro-Hungarian Government. It has repeatedly and with entire candor stated the terms upon which the United States would consider peace and can and will entertain no proposal for a conference upon a matter concerning which it has made its position and purpose so plain.

The President's reply to this stupid note—for it does not deserve to be characterized in any other way—will meet, I am sure, with universal approval. His prompt and curt refusal of the Austro-Hungarian proposal was not only right but wise, for it will, I believe, put an end to loose and feeble talk about these Austro-Hungarian offers—a kind of talk which is not only debilitating and confusing, but distinctly helpful to Germany. The President, without entering upon any precise details or definitions, says the position and purpose of the United States are plain. I, too, think that the purpose and position of the American people are plain and growing plainer, clearer, and stronger every day. They are becoming so plain that I think even the central powers will soon begin to understand them. I believe that they will learn, and the sooner the better, that the American people mean to have complete victory. They must be made to know that we have no intention of arguing with them about terms of peace around a table. When Prussian militarism is crushed and the Germans throw up their hands, then the United States and her allies will tell them the terms of peace which they are to accept. In no other way can the world be made safe against German wars of conquest. In no other way can we justify our entrance into the war and our sacrifice of our best and bravest. Until complete victory is reached on German soil any negotiations or discussions with our enemies would mean that the war was lost, our sacrifices in vain, and our high purposes defeated. There is much hard fighting yet to be done, many sacrifices still to be made, but the light of victory is shining upon our armies and upon those of our allies.

The men who wear your uniform and carry your colors mean to go to Berlin; they mean to have a complete victory and a binding peace, and the country is behind them and with them. We shall press on until the only end worthy of attainment is fully reached. Germany has brought unnumbered woes upon an innocent world. She must be put in a position where she can not strike again. She has appealed, in the lust of conquest, to the dread arbitrament of arms. By that she must abide. She shall not now resort to talk and bargain for a decision. We mean to put her in physical bonds. We mean to make the world safe for all free, law-abiding, decent people so that they may live their lives in peace, unthreatened, and unalarmed. For this we fight. We shall not ask more. We shall never accept less.

I ask that the article from the Living Age, entitled "German Propagandist Societies," may be printed as a public document instead of in the RECORD. It is very short.

The VICE PRESIDENT. Without objection it is so ordered. (S. Doc. No. 278.)

APPENDIX.

[From the National Security League, 19 West Forty-fourth Street, New York, E. L. Harvey, publicity director.]

PUBLISHERS SUPPRESS AS PRO-GERMAN NEW WAR BOOK—HEAD OF COMMITTEE OF PUBLIC INFORMATION ONLY SPONSOR APPEARING IN CONDEMNED VOLUME.

NEW YORK, *September* —.

"Two Thousand Questions and Answers About the War," an anonymous compilation of alleged authentic information about the war and its causes, prefaced with an introduction by George Creel, chairman of the Committee on Public Information, has been withdrawn from sale by its publishers, George H. Doran Co., by arrangement with the Review of Reviews Co.

PRO-GERMAN MASTERPIECE.

Dr. Claude H. Van Tyne, head of the department of history in the University of Michigan, who is now serving as editorial director of the National Security League's bureau of patriotism through education, in an exhaustive report on the book and its contents submitted to the league's executive committee says:

"In my opinion, it is a masterpiece of pro-German propaganda. The German Government could not have devised anything more insidious, more calculated to destroy our faith in our allies, and to insinuate into the American mind excuses for Germany.

"No author's name is given, so that no one else is responsible but the writer of the introduction."

The introduction was written by George Creel, chairman of the Committet on Public Information, who says of the book:

CREEL'S INDORSEMENT.

"Such volumes as this 'Two Thousand Questions and Answers About the War' are the textbooks with which we shall have to begin. It gives the background of difficulties out of which the war arose. It relates the development and progress of the conflict that widened to include us as the aims of the great imperial enemy of our peaceful civilization developed and progressed. It indicates the necessary basis for a permanent settlement of the terrible dispute.

"In other countries, where the policy of the nation has been in the hands of a governing class, such knowledge can be left to the officers of administration and the legislative advisers who control them.

"Here it must be the possession of the whole people, in order that we may be able successfully to carry out President Wilson's famous aim 'to make the world safe for democracy.'

"This war will not be won until it becomes part and parcel of every individual life, until it dominates every thought and activity. This burning consciousness can be gained only through an exact knowledge of the facts in the case, for it is in the simplicities of truth that America and the great liberal nations find fullest justification. The Two Thousand Questions and Answers, in my opinion, constitute a vital part of the national defense."

DR. VAN TYNE'S REPORT.

Dr. Van Tyne's report reads in full:

"The title of a war book of 352 pages is Two Thousand Questions and Answers About the War, published by George H. Doran Co., by arrangement with the Reviews of Reviews Co., with an introduction by George Creel. No author's name is given, so that no one else is responsible but the writer of the introduction.

"In his introduction Mr. Creel says:

"'The Two Thousand Questions and Answers, in my opinion, constitute a vital part of the national defense.'

"MENACE TO MORALE.

"My own opinion is that the Two Thousand Questions and Answers is a masterpiece of pro-German propaganda. The German Government could not have devised anything more insidious, more calculated to destroy our faith in our allies, and to insinuate into the American mind excuses for Germany. No one question or answer is so outrageous, but a subtle vein of disparagement of the high principles for which the allies fight runs through it all. Indorsed by the chairman of the Committee on Public Information (established by order of the President Apr. 14, 1917), it became a menace to the American morale.

"The following selected quotations—only a fraction of the many dubious items in the book—will show to any loyal American the dangerous quality of this work (the pages are given in each case):

SLUR ON ALLIES.

"P. 1. Q. Do the best informed students of world politics feel that the war could have been avoided?

"A. The war at first appeared to be the result of Germany's determination to grasp and make secure her 'place in the sun' along lines quite similar to those upon which in the past had been built the British Empire, the French Colonial Empire, and the tremendous Russian expansion."

(Note the slur on the British and French.)

"P. 2. Q. What was the German demand for 'a place in the sun'?

* * * * * * *

"Q. Why did this natural desire become dangerous to world peace?

"A. Because 'places in the sun' were pretty well occupied. 'Places in the sun' were mostly colonial, of course, and other nations already had the best colonies.

SEA CONTROL.

"P. 2. Q. What were the great specific prewar rivalries?

* * * * * * *

"A. (3) British control of the world sea, which bound a huge part of the world together as 'the British Empire' (the all-red belt around the earth, as shown on British postage stamps) and the consequent control of nearly the whole colonial area of earth."

(With whom are the sympathies of an uninformed reader likely to be after reading these last two items?)

"P. 4. Q. Just what did the Italian Irredentists desire?

* * * * * * *

"Q. Were all these Provinces under Austria?

"A. Most of them were, but at one time (though little has been heard of this lately) Italian Irredentism was directed also against the French possession of the stretch of Mediterranean coast that includes the city of Nice."

(Note the slur on France.)

MUCH ALIKE.

"P. 7. Q. Just what classes in Germany and Great Britain give support to these theories? (I. e., imperialistic theories.)

"A. All classes, when the originators of the movements succeed in presenting some particularly powerful reason; but if the question means what classes are by nature and thought supporters of these policies, the answer may be that just as the two policies were much alike, despite the fact that they have caused war, so their protagonists in both nations were much alike, despite the fact that they so bitterly condemn each other."

"P. 22. Q. Did not France obtain this also? (i. e., Alsace.)

"A. Yes. In the seventeenth century Louis XIV made his famous stroke for the seizure of Holland, and in the ensuing conflict between France and the German Emperor a great part of Alsace and Lorraine, still remaining German, was overrun by the French.

* * * * * * *

"This is the war that German history dubs the 'Raubkreig' (robber-war).

GERMANY LIBERAL!

"P. 23. Q. Has Germany treated the Provinces as conquered territory?

* * * * * * *

"A. Apparently the purely militaristic part of German Government in Alsace and Lorraine is what has caused most of the mischief. * * * As against this it seems fair to say that the actual political laws for Alsace-Lorraine were reasonably liberal."

(Read Prof. Hazen on Alsace-Lorraine as an answer to this assertion.)

"P. 23. Q. Do the people (of Alsace-Lorraine) now speak French or German?

"A. About 85 per cent speak German. The rest speak French or a French patois. * * * All these people, however, with the exception of the small percentage of illiterates, can speak, read, and write their national language."

(Nothing said about the way they have been forced to speak German.)

INCLUSION IN GERMANY.

"P. 24. Q. How would the people of Alsace-Lorraine vote in a plebiscite?

"A. The Encyclopedia Brittanica, 1910, eleventh edition, Cambridge, England, leans to the opinion that they would wish to remain German. * * * Sir Harry H. Johnston, the well-known British colonial official, wrote in the English Nineteenth Century Magazine: 'If a plebiscite were called, absolutely uncontrolled by government officials, it would probably be found that there was an overwhelming majority of votes in * * * Alsace-Lorraine for inclusion within the German Empire.'"

(No allusion to the question of moral right, to the French spirit and character of the people, to the outraged pride of the French people at having this territory torn from France.)

"P. 24. Q. Apart from French leanings, what rule do the Alsace-Lorrainians want?

"A. The people want to free themselves from the status of being mere inhabitants of a Reichsland. They want to become a rightful political entity. Apparently the chief political thought of the Provinces (viewing simply the relations to the German Empire) is not toward erection of Alsace-Lorraine into a separate German State.

"The people of Lorraine appear to favor inclusion in the Bavarian Rhine Province adjacent to them; and the Alsatians appear to lean toward incorporation with Baden."

(Note the plain insinuation that the people of Alsace-Lorraine desire only a different status in the German Empire, not return to France.)

"LUSITANIA" WARNING.

"P. 36. Q. Did the German embassy issue a warning to passengers on the *Lusitania*?

"A. The following advertisement appeared in the New York World and the New York Times May 1, 1915, seven days before the sinking of the *Lusitania* (quoted in full).

"P. 36. Q. Did Germany offer indemnity for Americans lost on the *Lusitania*?

"A. Yes; while negotiations over the *Lusitania* case were still pending she stated her willingness to pay indemnity for the deaths of Americans."

(Nothing but these two items about this matter. No comment on the moral aspects of the affair.)

SLUR ON ENGLAND.

"P. 173. Q. How did England acquire India after ousting the French?

"A. Slowly, steadily, by a wonderfully intricate process of native alliances, wars with native princes, concessions, conquests, protectorates, and financial arrangements, whose complete history fills hundreds of volumes, and still has not been told in all its complex details."

(Note the slur about ousting the French and the suggestion of intrigue in English methods.)

"P. 207. Q. Did Germany's dye making affect other nations?

"A. The very first dye that was made by a German struck a sharp blow at England. In a way, it is correct to say that it was the invention of synthetic indigo that laid a foundation for the present war, in so far as the commercial feuds between England and Germany had something to do with the war. The production of synthetic indigo instantly struck and broke down one of England's sources of Indian wealth."

(This idea runs through a great many of the questions and answers, the idea that England's jealousy of Germany's economic prosperity caused the war.)

UTTERLY FALSE.

"P. 214. Q. Was there any similar division in other countries? (i. e., socialists and pan-Germanists in Germany.)

"A. Yes; speaking very broadly, by the beginning of 1918 there had come a pretty clear division in all countries, both allies and central powers, between a great body of public opinion that still felt that only by successful war could a just and lasting peace be won, and another smaller body of public opinion which took a position exactly the reverse—that the time had arrived when there was a strong possibility of approximating a just peace, and establishing certain international ideals, by negotiation rather than by military victory."

(This is an utterly false statement of the facts, as every well-informed man knows.)

"Q. How did Prussia become militaristic?

"A. As a result of being licked too often. * * * Whenever France wanted to fight Russia or Austria the road led through Wurtemberg, Bavaria, or Prussia. * * * At last the Prussians determined grimly to fight for themselves, and it was under the inspiration of a burning zeal and love for home and country that the seeds of militarism were sown."

(The very meaning of militarism is disguised in this passage, and one is led to sympathize with it rather than otherwise.)

HIGHEST ESTEEM.

"P. 215. Q. What is the German people's attitude toward the Kaiser?

"A. With the exception of the most radical Socialists, the German people hold their Kaiser in the highest esteem.

"Q. Has Germany a constitution?

"A. Yes; it has a written constitution, which is, on the whole, similar to the constitution of most large nations."

(Could anybody but a bigoted pro-German make such an answer?)

"P. 216. Q. Is the German Parliament at all like the United States Congress?

* * * * * * *

"A. In some ways it is like Congress. * * * The Bundesrath, or upper house, on the other hand, represents not the people of Germany, but the States specifically, as our Senate was supposed to do when United States Senators were selected by State legislatures instead of being

elected by popular suffrage. In fact, our Senators still represent States rather than electors, in political principle, at least."

DAMNABLE DECEIT!

(Damnable deceit! Note the purposeful confusion of the principles and spirit of the two institutions. The German upper house is, of course, made up of members appointed by the sovereigns of the German States. Our Senate never was chosen by such autocratic method.)

"P. 216. Q. How do the upper houses compare?

"A. The 61 members of the Bundesrath are appointive, the governments of the various German States appointing the members for each session."

(Here again governments is confused with sovereigns.)

"Q. Can the King of England control the House of Lords?

"A. He can create a majority for himself in the House of Lords at any time by exercising his constitutional prerogative of creating new peers.

* * * * * * * *

"This power, like other powers latent under English political practice, had fallen into such oblivion that probably most Englishmen considered it practically dead; but it suddenly came to life when the House of Commons made its great fight in 1910–11 to wrest the power of veto from the House of Lords."

(This deceit is one of the most shameful of all, implying as it does that the King and not the prime minister really made the threat.)

MISLEADING.

"P. 217. Q. What is the German Reichstag representation?

"A. Each member represents about 130,000 inhabitants. This compares roughly with our Congress, each Congressman representing about 200,000 people now. The members of the British House of Commons represented counties and boroughs, many of widely differing areas and populations, until the passage of the new law above referred to; and there are also nine university members elected by the universities."

(Note that there is nothing about the failure to redistribute the representation since 1871, with the result that a workingman in Berlin has about one-tenth of the representation of a junker in East Prussia.)

"P. 218. Q. Do the other States like Prussia?

"A. Perhaps it is a good deal like the attitude of our smaller States toward the bigger ones."

(What a misleading answer!)

GERMAN EDUCATION.

"P. 220. Q. Does Germany lead in education?

"A. Before the war there was a general acceptance of the statement (made by nearly every writer and sociological student of the world) that Germany was eminent in advanced education.

"Q. How did German universities compare with the famous English ones?

"A. If universities, technical schools, production of books, and the like be taken as guides, Germany leads; Germany has 22 universities, with an enrollment of 53,000.

"Q. Does Germany publish more books than Great Britain?

"A. Roughly, in ordinary years there are some 12,000 works published in Great Britain. The annual German production is 35,000."

(The last three, by use of certain statistics, give an utterly false idea.)

OUT-AND-OUT LIE.

"P. 225. Q. Were German soldiers worse than others in the march on Pekin?

"A. According to revelations made by correspondents who managed to get through to Pekin, and by officers after the trouble was over, there seems to have been very little to choose between the conduct of the various troops. Of all, the Japanese emerged with the cleanest record and the Tonkinese troops of the French with the worst. The Kaiser's message to Count Waldersee, who commanded the expedition, has, however, been everywhere reproduced, and consequently it has been assumed that the atrocities attributed to the international troops were all committed by the Germans."

(This is the worst out-and-out lie in the book, but many half-truths do as much harm.)

PACIFIST MATERIAL.

"On page 244 there is fine material for the pacifist. The pages 6, 267, 268 would give an uninformed reader an idea very favorable to allowing the Germans to carry out the Berlin-Bagdad plan.

"All kinds of insinuating questions are asked in order to answer with something detrimental to the allies in the past. For examples, see page 157, about Gladstone and his 'Scrap of paper' speech; page 158, Destruction of Danish Navy by Nelson; page 267, Suez Canal Stocks; page 186, Japan.

"On page 295 there is a direct invitation to the public to disbelieve the current accusations about the German atrocious methods of carrying on war:

"Q. Has war ever produced so much hatred as this one?

"A. Always much the same kind of attacks as now on the Germans."

(Never in human history has a nation so aroused the moral indignation of the world as Germany has done.)

SUBTLY PERNICIOUS.

"If Mr. Creel indorses ideas like these, as it seems he must, since he heartily recommends this book in his introduction, is he a safe man to occupy the position he does, so potent for the good or ill of our cause?

"George H. Doran published an edition of this book at the request of the Review of Reviews without reading it and naturally supposing that, with George Creel's introduction, he had a kind of official guaranty. As soon as its disloyal and subtly pernicious character was pointed out to him, he immediately discontinued its sale and withdrew it from his catalogue. Some 1,100 copies had been sold."

[From the New York Times, Sept. 1, 1918.]

MANY BOOKS BARRED FROM ARMY READING—SECRETARY BAKER ORDERS DESTRUCTION OF LONG LIST OF TITLES IN ALL LIBRARIES—SOME BY FAMED WRITERS—PRO-GERMAN BOOKS KEPT IN PUBLIC LIBRARIES FOR STUDENTS, BUT NOT FOR CIRCULATION.

The removal or destruction of all copies of a long list of books, many of them by well-known authors, that may be found on the shelves of any of the camp libraries, has been ordered by Secretary of War Baker, according to information received yesterday at the New York headquarters of the library war service of the American Library Association.

The list includes works from the pens of John W. Burgess, formerly a professor in Columbia University; Frank Harris; the late Prof. Hugo Muensterberg, of Harvard University; Alexander Berkman, the anarchist, now in Atlanta, having been convicted of obstructing the draft; Scott Nearing, indicted for conspiring to obstruct the draft; Seumas MacManus; George Sylvester Viereck, former editor of the pro-German weekly Fatherland; Emily G. Balch, formerly of Wellesley and a well-known pacifist; Sven Hedin, the arctic explorer; Frederic C. Howe, commissioner of immigration at the port of New York; James K. McGuire, formerly mayor of Syracuse; Margaret Skinnider; and Count Ernst von Reventlow.

No explanation as to why the books were not regarded as desirable reading matter for soldiers was given in the order, but it was pointed out that in an order sent to all camp librarians on August 9, the director of library war service, Dr. Herbert Putnam, Librarian of Congress, said: "It has recently been brought to our attention that pamphlets of a pacifist character are being sent to camp libraries. Please watch for them and destroy them."

The information as to the latest order of the War Department came in the form of a circular letter sent out from the library war service headquarters in the Library of Congress to all camp librarians. The books listed in the order are the following:

Approaches to the Peace Settlement. E. G. Balch.
Prison Memoirs of an Anarchist, Alexander Berkman.
America's Relation to the Great War, John W. Burgess.
European War of 1914, John W. Burgess.
Witness Testifies, Capshaw Carson.
World in Perplexity, Arthur G. Daniells.
England's World Empire, A. H. Granger.
England or Germany, Frank Harris.
With the German Armies in the West, Sven Hedin.
Germany's Fighting Machine, E. F. Henderson.
Why War? Frederic C. Howe.
Germany Misjudged, Roland Higgins.
A More Excellent Way, Rufus M. Jones.
How to Protect Our Soldiers, W. S. Leake.
Revelations of an International Spy, I. T. T. Lincoln.
Germany in War Time, M. E. Macaulay.
What Could Germany do for Ireland? James K. McGuire.
Emden, H. Von Muecke.
The War in America, Hugo Muensterberg.
The Vampire of the Continent, Ernst von Reventlow.
"German-American Handbook," F. F. Schrader.
"Doing My Bit for Ireland," Margaret Skinnider.
"Conquest of War," M. M. Thomas and others.
"Songs of Armageddon," George Sylvester Viereck.
"World's Crisis in the Light of Prophecy," anonymous.

Earlier this month the War Department also placed its ban upon the following:

"Free Speech and a Free Press," anonymous.
"What Germany Wants," Edmund von Mach.
"Ireland's Case," Seumas MacManus.
"Open Letter to Profiteers," Scott Nearing.
"The Last Weapon," Theodora Wilson Wilson.

At the New York headquarters of the American Library Association, 124 East Twenty-eighth Street, it was said yesterday that no official reason was assigned for the War Department's order for the destruction of the books if found in camp libraries.

"The American Library Association is the sole organization for the distribution of books and magazines to the soldiers, sailors, and marines," said an official of the association. "But in addition to the books we buy for the use of our own camp libraries and those which we supply to the Y. M. C. A., the Knights of Columbus, and other relief organizations we collect and make available for soldiers' reading the books that are contributed by the general public.

"More than 3,000,000 books have been contributed thus far, and it is, of course, entirely possible that German propagandists have tried to slip their work across to the soldiers and sailors through this means. A very careful watch is kept, however, and the gift books are not placed in camp libraries without going through a process of examination and selection. So far we have no information that any of the books named in the War Department's order have actually reached the camp libraries, though there have been instances in which pamphlets of a seditious or pacifist nature have been surreptitiously placed on the open shelves of the libraries without the knowledge of the librarian.

"The working personnel of the Library War Service is composed of trained librarians of proved loyalty, and they are constantly on the alert against such insidious attempt to corrupt our fighting men."

Edwin H. Anderson, of the New York Public Library, who is a member of the war service committee of the American Library Association, when asked last night whether any of the books on the War Department's index were to be found in the New York public libraries, said he did not know. All sorts of books, he said, are found on the reference shelves for research students, the bad as well as the good. "If Satan wrote a pro-German book we should want it for our reference shelves," he said. "It might be of use to future historians. But in the circulating department we exclude all pro-German books, and have done so since the beginning of the war. We go over the books from time to time and take out those that are objectionable."

WAR BOOK 50–50, MR. CREEL SAYS—NEITHER REAL AMERICAN NOR PRO-GERMAN, HE DECLARES—REGRETS PUBLICITY.

George Creel, chairman of the Committee on Public Information, in a letter to the National Security League, made public last night, characterized as "dishonest and indecent" the publicity attending the suppression of the book, Two Thousand Questions and Answers About the War.

MADE PREVIOUS PROTEST.

Incorporated in the letter of protest from Mr. Creel to the league is also a letter the chairman of the Committee on Public Information wrote Dr. Albert Shaw, of the Review of Reviews, on June 26 of this year, in which attention of the editor of the magazine was called to shortcomings of the book, which was declared to be not out-and-out American. The book had its authorship with the Review of Reviews.

In his peroration, Mr. Creel declares that "he is led to believe that the sense of honor of Claude H. Van Tyne, of the department of history of the University of Michigan, now educational director of the league, who made the attack, is somewhat subordinate to his weakness for a little cheap notoriety."

HIS LETTER TO LEAGUE.

Mr. Creel's letter to the league follows:

COMMITTEE ON PUBLIC INFORMATION,
Washington, September 12, 1918.

NATIONAL SECURITY LEAGUE,
31 Pine Street, New York, N. Y.

DEAR SIR: Certain New York papers, under date of September 12, carry articles to the effect that the National Security League has forced the suppression of a book entitled, "Two Thousand Question and An-

swers About the War," with a foreword by me, the plain inference being drawn that this "masterpiece of Hun propaganda," as your organization styles it, was being freely circulated without criticism of any kind until your own investigators took patriotic action.

I can not forego a public protest against the singular dishonesty and even indecency of this publicity. The book, instead of being without responsible authorship, bore the imprint of the Review of Reviews, and as far back as June 26 I wrote the following letter to Dr. Albert Shaw:

WRITES DR. ALBERT SHAW.

JUNE 26, 1918.

Dr. ALBERT SHAW,
Review of Reviews, New York City.

MY DEAR MR. SHAW: While it is true that I glanced through the proofs of "Two Thousand Questions and Answers About the War" before I wrote my foreword, it is equally true that I relied less upon my hasty reading than upon my absolute faith in you.

The last week or so I have made a more careful study of the book, and I must confess to a very definite disturbance of mind. The whole tone of the book strikes me as being fifty-fifty, for nowhere in it can I find the fundamental truth that Germany was entirely responsible for this war and that it is a war of self-defense upon the part of the liberal nations of the world. In connection with atrocities, deportations, hostages, use of gas, I am also unable to find anything that is in the nature of a straight-out condemnation of the Germans.

I feel sure that you yourself could not have had much to do with the book, or else the articles would have had a more intense Americanism and less of the evasive, straddling note. If there is a second edition, I do wish that you would take the whole matter up with me, so that this very valuable contribution to war can be given greater effectiveness.

Sincerely,

GEORGE CREEL, *Chairman.*

MAKES SPECIFIC OBJECTIONS.

This letter was followed at once by seven single-spaced typewritten pages, pointing out specific objections. Dr. Shaw replied at once, promising instant correction and fullest revision. He also stated that the book was based upon the accumulation of material secured in advance sheets from the well-known British journalist, the son of the late William T. Stead, and because of its source the editors had not given it the necessary searching scrutiny.

I then took up the matter with Mr. George H. Doran, the publisher, who, with his usual eager patriotism, agreed that the sale of the book should be stopped until its contents were satisfactory to me. Because there was not the slightest evidence of any premeditated pro-Germanism in the matter, because the good faith and true Americanism of all the parties in the controversy were so obvious, and because the book itself had been stopped and a new edition under way, I avoided all publicity in the matter out of my desire to work no injustice to anyone.

All these facts were laid before Prof. Van Tyne, of your organization. By this careful suppression of them in the story that he gave to the press I am led to believe that his sense of honor is somewhat subordinated to his weakness for a little cheap notoriety.

Very truly,

GEORGE CREEL, *Chairman.*

[From the Washington Post, Sept. 17, 1918.]

AUSTRIA-HUNGARY'S PEACE PROPOSAL IS REJECTED BY THE UNITED STATES IN 68 WORDS HALF AN HOUR AFTER ITS DELIVERY.

Within half an hour after the peace proposal of the Austro-Hungarian Government was received from the Swedish Minister, Secretary of State Lansing last evening issued the following statement:

"I am authorized by the President to state that the following will be the reply of this Government to the Austro-Hungarian note proposing an official conference of belligerents:

"'The Government of the United States feels that there is only one reply which it can make to the suggestion of the Imperial Austro-Hungarian Government. It has repeatedly and with entire candor stated the terms upon which the United States would consider peace and can and will entertain no proposal for a conference upon a matter concerning which it has made its position and purpose so plain.'"

Mr. THOMAS. Mr. President, with regard to the subject matter of the admirable discourse of the Senator from Massachusetts [Mr. LODGE] I am sure I voice the sentiment of this side of the Chamber in saying that there can be no difference of opinion regarding the purpose of America in entering this war, the cause of the war, and the common determination of American sentiment everywhere to carry the war on for those principles and to that end. Propaganda designed in any way to weaken the morale of the people or cast a doubt upon our purpose should be rigidly suppressed. We can not, however much we may try, entirely suppress it; but we can reduce it to the minimum, and whenever it appears public attention should be directed to it, either in the Senate or the House or wherever it can receive the greatest publicity, to the end that it may be effectually terminated.

The President of the United States has voiced the sentiment of America in the briefest official announcement ever delivered upon any important subject. It speaks for the Nation, for Democrats and for Republicans, for Americans everywhere. All honor to him for his courage, his determination, and his leadership.

Mr. McCUMBER. Mr. President, I notice there is no unfinished business upon the calendar. I wish to give notice that at the close of the morning hour I shall submit some remarks in answer to the peace proposal of the Kaiser, as made September 12 at the Krupp munition works.

DISPOSITION OF OIL LANDS.

Mr. WALSH. Mr. President, on January 8 last the Senate passed Senate bill 2812; the House passed it in the month of May, and on the 27th day of May last the Senate conferees were appointed, the bill having been amended in the House. On the 28th day of May the House appointed its conferees. It is accordingly, Mr. President, eight months since that bill passed the Senate and more than five months since the conferees of both Houses were appointed to consider the differences which exist with reference to it. The bill provides for the appropriation and disposition of the public lands containing nonmetallic minerals, including oil.

A report came to the Senate a few days ago exhibiting the fact that there will be a deficit of a million barrels of oil during the current year. So far as anybody knows the only source of supply there is outside of the fields already developed is on the public domain. These fields have been locked up for years, and it was the purpose of this bill to free them for development and exploitation. Mr. President, I should like to inquire of the Senator from Nevada [Mr. PITTMAN], the chairman of the conference committee, what prospect there is of a speedy report from the conference committee on that bill?

Mr. PITTMAN. Mr. President, I realize that the length of time that the conferees on the bill have taken might indicate that there has been some neglect on their part. In the first place, I wish to assure the Senator from Montana and the Senate that every member of the committee has been making most sincere efforts to reach an agreement. We have had a number of meetings, but at several of those meetings it appeared that no agreement could possibly be reached, and that we would be compelled to report a disagreement. Realizing, however, the importance of this measure, particularly at this time, the conferees have manifested the utmost patience.

I say, Mr. President, there is not a western member of the conference committee who is in touch with the situation who does not fully understand the danger of delay. We must immediately pass the leasing bill in some form or the Government will take over and develop and operate all the oil fields and wells of the country.

I am aware that there are those high in authority who believe that it would be to the best interest of this country if the Government did take over all of the coal fields and the oil fields, and possibly the gold and the silver and the copper and the lead mines of this country, and operate them in behalf of the people. Their opinions are entitled to weight and will have weight with the people of the country, but I do not agree with that policy, and I do not believe that there is a western representative on the committee who agrees with such precipitate and revolutionary action. I know that there are those high in authority to-day who are attempting to establish a new policy. They hold that every exhaustible resource of the country must be taken over and held by the Government and by the Government be developed and utilized.

Mr. THOMAS. Mr. President, may I ask the Senator if that opinion is voiced from or represented upon the committee of conference?

Mr. PITTMAN. It is not represented upon that committee, to my knowledge, by anyone, but is possibly sustained by one member of the conference committee, who is not a Member of this body.

Mr. BORAH. Mr. President——

Mr. PITTMAN. I yield to the Senator from Idaho.

Mr. BORAH. Is it not a fact that, generally speaking, the Congress is losing faith in the leasing system as a whole, and that there is not the enthusiasm for the leasing proposition that there was a year ago?

Mr. PITTMAN. Mr. President, I do not know whether or not I can answer that question with any force and effect. I know that the leasing system in Alaska has probably proven a failure, but I am not so sure as to whether it is a failure of the system or a failure of the operation of the system; and that brings about the very disagreement between the Senate bill and the House bill. The House bill attempts to grant absolute discretion to a department. The Senate bill attempts to limit that discretion and define it as practically as the occasion will permit. Now, that is the distinction.

Mr. BORAH. Mr. President——

Mr. PITTMAN. I yield again.

Mr. BORAH. It seems to me the difficulty, both with reference to the measure about which the Senator is speaking, and also the water-power bill and all other leasing measures which are now in process of completion, is that we are not willing to give enough power or enough latitude to private parties to induce them to go in and develop; and, on the other hand, we have not got quite the courage to say that we are in favor of public ownership and development. These leasing systems are all circumscribed and limited in a way which discourages private investment, and at the same time we apparently are not prepared to go to the other proposition and develop it ourselves. My

opinion is that before we get through we will abandon the leasing system on both propositions.

Mr. PITTMAN. Mr. President, there is no question that if we do not pass in the near future a bill which will provide for the development of the 6,000,000 acres of oil lands that are withdrawn and the 44,000,000 acres of coal lands that are withdrawn, the necessity of the case will force the President of the United States, under the power now vested in him, to take possession of, develop, and operate the mines in those lands.

Mr. BORAH. Mr. President——

Mr. PITTMAN. Just a second, if the Senator will pardon me; I am not through with the subject. I am, however, one of those who believe that it would be disastrous, not only locally to the country where those great enterprises exist, but to the initiative and to those characteristics of the American people that have made them the most forceful people in the world. I believe that you would have a development of the minerals now in sight, and you would never find any more minerals that are lying hidden under the ground. I think you would drive away from the West the prospector, a peculiar individual that circumstances have developed in that country, and without whom no mines would have been found. You will drive him to South America, you will drive him to Siberia, to China, to Africa, to everywhere else on earth where there is a reward for individual suffering and initiative. Not only that, but you would drive out of the West the capital that is willing to take chances on finding something hidden in the ground, the capital that has always been a gambling capital; a man who will risk all he has upon the theory that thousands of feet under the ground he will get something of value. These men and their engineers and their associates, deprived of every opportunity for investment and speculation, will go.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Colorado?

Mr. PITTMAN. I yield to the Senator.

Mr. THOMAS. May I inquire of the Senator whether there is any immediate prospect of an agreement of the conference committee? My reason for asking the question is that I have prepared an amendment, and expect to offer it to what is known as the power bill, Senate bill 1419, the amendment consisting of the bill which was passed by the Senate last winter and which the Senator is now discussing. I intended to send it to the desk, and will do so when we reach that order of business.

Mr. WALSH. Mr. President, if the Senator will pardon me, I desire to say to the Senator from Colorado that my understanding about the matter is that that is the bill which has come to us from the House with the enacting clause stricken out and the so-called House bill substituted for it.

Mr. THOMAS. I understand that; but it still bears the number and the title, as I understand.

Mr. WALSH. But it would not be subject to amendment in this body.

Mr. THOMAS. Well, that is a question. I think it will be, and I propose to insist upon the amendment; and if it is not permissible under the rules, then that bill should go to a committee, and it ought to go to the Committee on Public Lands anyhow, because it covers a subject which was not involved in the original Shields bill.

Mr. BORAH. Mr. President——

Mr. WALSH. If the Senator will pardon me just a moment, the trouble about the matter is that that bill is not before us.

Mr. THOMAS. The bill has been sent here, and this bill is reported.

Mr. WALSH. It is a Senate bill that went to the House.

Mr. THOMAS. Yes.

Mr. WALSH. That ends the matter, so far as the legislative consideration of it is concerned.

Mr. THOMAS. Well, does it? The mere fact that the House substitutes a bill for the Senate bill certainly can not deprive this body of the right of amendment. If it can, then the sooner we amend our own rules the better.

Mr. McCUMBER. Mr. President, I rise to a point of order and ask what the business before the Senate is.

The VICE PRESIDENT. The discussion as to when a report is going to be made is not in order if there is objection.

Mr. PITTMAN. I trust the Senator will not object.

Mr. McCUMBER. I have no objection, except that I wanted to suggest that there is a Senator here who has to leave on a train in a short time, and who desires to present a matter after the morning business is concluded.

Mr. PITTMAN. I could have presented this matter in a very few minutes, of course, except for the natural argument that arises; and I should like now to finish it, so that I will never have to answer the inquiry again, if the Senator does not object.

The Senator from Colorado has asked what progress is being made toward an agreement, and I have simply stated that, in my opinion, unless we pass something immediately we will go to Government ownership, which every western man deplores for many reasons, principally because there will never be any more hidden minerals discovered. The Government now has full control over prices, over transportation, and the use of such products; therefore it has every control that is necessary in getting the product for the people as cheaply as possible. It is only a question of production. It is only a question of providing a means by which mining men may operate these fields.

The Senate is wedded to certain principles in the Senate bill, and it is the duty of the Senate conferees to attempt to sustain those principles. I want to say now that when the letters are read which I am about to send to the desk you will see the position of the conference committee, and you will not have to ask me about it. The only difference between the two bills is that the Senate bill limits the discretion of the Department of the Interior wherever it can actually define rules and regulations for operation. The House bill, as I understand, simply turns over the public lands to the Secretary of the Interior and says: "Lease them on such conditions as you want to, in such quantities as you want to, when you want to, and refuse a lease to anybody that you do not desire to lease them to."

Mr. SMOOT. "And value them at anything you want to."

Mr. PITTMAN. That is the situation.

Mr. BORAH. As a practical fact and as a working proposition, both bills will result in the same thing.

Mr. PITTMAN. I do not think that is true with regard to the Senate bill, but I want to state very frankly to the Senator from Idaho that I have not very much hope that Congress will ever pass a practical leasing bill. This body could pass a practical leasing bill because it is composed of a smaller number of men, it is composed of a greater number of business men, and it would pass a bill that would be operative. The bill that Congress as a united body will pass will be a magnificent piece of idealism that will become forever inoperative, because no man will risk a dollar under it. That has proven true in Alaska. The situation is here, however, and I ask the Senator from Idaho now if he would like to-day to see the oil fields and the coal fields of the West taken over, developed, and operated under the power now vested in the President of the United States?

Mr. BORAH. I do not think the President has the power to do it now.

Mr. PITTMAN. Well, if he has the power?

Mr. BORAH. But, as the Senator knows, I have always been opposed to the leasing system, and I still am.

Mr. PITTMAN. The Senator has not answered my question on the matter. I will not press it, however, because it is not really material.

Mr. BORAH. I am waiting for an opportunity to discuss that question with reference to the water-power proposition, when I shall undertake to define my position fully.

Mr. PITTMAN. I believe that the President has the power. I believe that those who legally advise with the President have advised him that he has the power, and I believe that if we do not pass this bill he will take over those fields. I believe that the policy will not only extend to the oil fields of the country but to the coal fields of the country, and possibly to the copper, lead, silver, and gold mines; it will be so extended under the policy now attempted to be established to every exhaustible resource. That is the theory of it, and I say that it is deplorable.

Mr. KIRBY. Mr. President, I should like to ask the Senator a question.

The VICE PRESIDENT. Does the Senator from Nevada yield to the Senator from Arkansas?

Mr. PITTMAN. Certainly.

Mr. KIRBY. Why would it not be better for the Government to operate its oil fields and its coal fields that are now on the public lands than to allow them to be opened to exploitation by private interests, and then have the Government exploited by private interests for their operation? Did we not pass a bill here the other day authorizing the Government to assist the private mining interests throughout this country because it was not able to take care of them in the field of developing metals?

Mr. PITTMAN. Mr. President, for nine years the Government has had 6,000,000 acres of geologically described oil lands, and when we have asked the Government to go in and develop any portion of that 6,000,000 acres the governmental authorities have said they did not know where to go except where the prospector had already found oil. It is a fact—and I say this to the Senator because he is not from the mining country—that neither a geologist nor any engineer ever found a mine. They do not find them. I want to say to the Senator that the Government of the United States has not even found water on the arid lands of the West, and yet every year we have appro-

priated some money for such purpose. Why do they not do it? Because there is only one mine out of a thousand that is found and somebody has to lose 999 mines in order to find that one. Again, it requires a peculiar character of man to find it. You will exhaust the stuff that somebody else has already found for the Government. The Government did not find the oil that is now bubbling out of the ground throughout the West. The Government did not find the coal out there. Somebody had found it with labor, with an expenditure of their lives, with money. Now that it is found, there are people coming from other sections of the country and saying, "This does not belong to you people that have found it, although you found it under the invitation of the Government; it belongs to all of the people of this country." It does belong to all of the people of this country, but the people of this country are not so selfish or narrow-minded as not to want to compensate those people in some way, to some extent, for the great discoveries they have made.

Mr. KIRBY. Did not the mining industry ask for a bill here the other day for the Government to take charge of and develop these different propositions that have been discovered out in the West, saying that they were not able to do it and that the Government needed the product?

Mr. PITTMAN. Oh, no, no. I understand that the Senator, coming from a logging country or a farming country or something like that, does not know anything about mines. That bill did not deal with the commonly known metals of this country. It dealt with rare metals, those of which we have only small quantities here. It was an attempt to foster in this country, by reason of war conditions, an industry that does not exist in this country but has existed in other countries. It was an attempt to induce persons to develop manganese because we must have it and because it can only pay by the giving of a bonus, or something of that kind. It does not apply to oil or coal or gold or silver or lead or copper or zinc or any of the well-known metals that the miner has discovered and that have made this the greatest mineral country in the world.

I ask that the letters that I send to the desk may be read, and then I shall be through.

The VICE PRESIDENT. Is there any objection? The Chair hears none.

The Secretary read as follows:

SEPTEMBER 0, 1918.

The honorable SECRETARY OF THE INTERIOR, *City.*

MY DEAR MR. SECRETARY: The conference committee on the oil-lands leasing bill have had several meetings, yet have not made any substantial progress toward an agreement. The chief difficulty seems to be a difference of opinion among various conferees as to the attitude of the Secretary of the Interior, the Secretary of the Navy, and the Attorney General with regard to certain provisions of the Senate bill.

The members of the conference on behalf of the House indicate that they believe that no report would be approved by the House if it met the opposition of any one of the departments referred to. The members of the conference on the part of the Senate have no doubt that unless some of the provisions of the House bill are either eliminated or materially modified a report including such provisions would not be approved by the Senate. In other words, if the managers upon the part of the House and the Senate are not at liberty to compromise the differences between the two bills, the conferees cease to possess the functions of a conference committee and should so report to their respective bodies.

Every member of the conference is fully conscious of the necessity for the legislation, and is desirous of arriving at an agreement with regard to a bill that may become a law. The departments above named have on several occasions had representatives before the Public Lands Committee of the Senate and the Public Lands Committee of the House and before other committees having such legislation under consideration. In some matters it is now contended by members of the conference that the position taken by some of these representatives has been repudiated by their chiefs. In the opinion of the conference committee these disputed facts can only satisfactorily be settled by the chiefs themselves.

For the foregoing reasons I am directed by the committee to urge you to confer with the heads of the other departments so as to fix a convenient date upon which you may jointly confer with the committee. I am authorized to suggest that, if it suits your convenience, the committee would be pleased to hold a session during any evening. The committee will hold no further meetings until something definite is done in this matter.

Very respectfully, yours,

KEY PITTMAN,
Chairman of the Conference Committee on Senate Bill S. 2812.

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THE SECRETARY OF THE INTERIOR,
Washington, September 16, 1918.

MY DEAR SENATOR: I am sending you a copy of a letter which upon receipt of your letter I sent to the Attorney General and the Secretary of the Navy, together with copies of their replies. I shall see Attorney General Gregory and Secretary Daniels on Tuesday and see if they are willing to participate in such a conference. Of course, I am ready to do so at any time.

Cordially, yours, FRANKLIN K. LANE.

Hon. KEY PITTMAN,
United States Senate.

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THE SECRETARY OF THE INTERIOR,
Washington, September 12, 1918.

DEAR MR. ATTORNEY GENERAL: Here is a copy of a letter that I have received from Senator PITTMAN. Will it be agreeable to you if we meet with the committee on Monday evening next? I fix that evening only to have a day certain. Any other evening will be acceptable to me. I think we ought to let the committee know as soon as possible what date we have agreed upon.

Cordially, yours, FRANKLIN K. LANE.

Hon. T. W. GREGORY,
The Attorney General.

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OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., September 14, 1918.

Hon. FRANKLIN K. LANE,
Secretary of the Interior, Washington, D. C.

DEAR MR. SECRETARY: I acknowledge receipt of yours of the 12th suggesting that you, the Secretary of the Navy, and I meet with the conference committee on the oil lands leasing bill on Monday afternoon of next week.

As far as I am concerned this will not be practicable and I am also told that the Secretary of the Navy has indicated to you that he could not make such an engagement for Monday afternoon. I may be in position to talk the matter over with you after Cabinet meeting on next Tuesday. I have not finally made up my mind as to whether or not I should attend such a conference.

Cordially, yours,

T. W. GREGORY,
Attorney General.

Mr. THOMAS. Does not that mean that these heads of departments are to meet and confer for the purpose of determining what sort of a bill they will allow the Congress of the United States to enact?

Mr. PITTMAN. That is exactly the position.

Mr. THOMAS. I wanted to know.

Mr. PITTMAN. The Senator is absolutely right. It means that the conferees on the part of the House indicate to us that no other kind of a bill can pass, and therefore they have been invited to advise us. I ask that the letter of the Secretary of the Navy be read.

The VICE PRESIDENT. It will be read.

The Secretary read as follows:

THE SECRETARY OF THE NAVY,
Washington, September 12, 1918.

MY DEAR MR. SECRETARY: I have your letter inclosing one from Senator PITTMAN. My engagements are such that it will be impossible for me to be at the meeting on Monday afternoon. I will see you at the Cabinet Tuesday about the matter. I do not see that I could agree going any further than we have gone in the House bill, but I will, however, talk with you about it on Tuesday.

Cordially, yours, JOSEPHUS DANIELS.

Hon. FRANKLIN K. LANE,
Secretary of the Interior, Washington, D. C.

Mr. PITTMAN. Mr. President, I think that shows very plainly the condition the committee is in. It is apparent to me that we will either adopt whatever policy they will let us adopt or you will have Government ownership all over the West in the oil and coal lands, the phosphate lands, and, under the same theory, the copper, the iron, the zinc, the lead, and other metals. I for one would deplore that result.

Mr. SHAFROTH. Mr. President, I want to make further answer to the question propounded by the Senator from Montana [Mr. WALSH] to the Senator from Nevada [Mr. PITTMAN]. As the Senator from Montana knows, there has been a bill in this body for some time called the Walsh bill, providing for the leasing of coal, oil, phosphate, sodium, and other mineral lands upon the public domain. There have been also bills introduced by me as to those lands which provide for the entry system, a system under which the Government of the United States developed its resources with marvelous results until about 15 years ago, when such lands were withdrawn from entry.

Mr. President, the Senator from New Mexico [Mr. JONES] was formerly the Assistant Secretary of the Interior, and when he came to this body he stated to Senator WALSH and me that he felt confident that if we would compromise our differences by giving to the locator the right to buy at public auction, as provided in my bill, or to lease at public auction, as provided in Senator WALSH's bill, it would meet the approval of the Secretary of the Interior. Senator WALSH having contended that no one would buy who could lease, and I having contended that no one would lease who could buy, a compromise bill was effected embodying those and some other principles which we expected would go through, it having, as I understood, the approval of the Interior Department. That was the bill which was presented to and was passed by the Senate. Certain concessions were made upon both sides. The principle applied to the oil lands was a leasing system upon three-fourths of the land located and a patent to one-fourth thereof as a reward to the prospector for his discovery. When we met the conferees of the House, we found that the House had passed a straight leasing bill; that there was nothing therein in the way of a concession of any kind to that which we think is absolutely necessary to the development of our natural resources.

When people undertake to float a coal-mining enterprise, with the necessity of buying a million dollars' worth of machinery and building a railroad that will cost a million or two million dollars,

it is folly to think there can be any development unless you present a title that the money lender will lend money upon. He will not lend money upon a leasehold estate that may be forfeited.

That is the situation in the conference and those are the main differences between the House and the Senate. We are simply standing by the Senate bill, and the people who believe in the entry system in the compromise bill had conceded to a large extent the contention of the advocates of the leasing system. It seems to me when the House attempted to make this purely a leasing bill without any alternative it provided that kind of a title upon which you can not borrow money for the development of these resources; it is practically a measure that means no development whatever. That is the condition we are trying to meet in the committee. We are trying to insist that the compromise which the Senator from Montana and the Senator from New Mexico and myself agreed upon shall be carried out. It was carried out substantially in the Senate. It has been totally ignored in the House.

Mr. KING. Will the Senator yield?

Mr. SHAFROTH. I yield.

Mr. KING. I was going to invite the attention of the Senator to the fact that when the bill came before the Senate he, as well as others, gave assurances that the executive department of the Government had agreed to the provisions of the bill. What I want to ask the Senator now is whether those same executive heads have receded from the agreement which they made and the assurance which they gave, and whether they are standing in the way of the Senate bill, whether they are guilty of punic faith, or whether it is some other agency?

Mr. SHAFROTH. I must say that the understanding we had related only to the Secretary of the Interior. I have been to see the Secretary of the Interior with relation to this matter, and, with very slight modifications, he is willing to take the Senate bill. He has assured me that he has not any objection to the alternative proposition that is presented as to coal lands and also as to some of the other matters that are contained in the bill.

Mr. PITTMAN. Mr. President——

Mr. SHAFROTH. I yield to the Senator.

Mr. PITTMAN. I think the statement of the Senator from Colorado might give a mistaken impression with regard to the House bill when he says it is a purely straight leasing bill with regard to coal. The House bill reaffirms the present selling clause in the existing law with regard to coal. The only distinction between them is that the House, by reaffirming existing law, provides that an agent of the Government shall appraise the land, and no matter how erroneous he may appraise it, or how high, it can not be sold for less. Under the Senate bill there is a minimum price fixed. There is competitive bidding so as to ascertain the value, and then there is still reserved in the Secretary of the Interior the right to refuse all bids that he considers unfair. So both bills provide for the same thing; but the House provision, as found in the existing law, has proven wholly impracticable.

Mr. SHAFROTH. The difficulty with the situation as to the present law is simply this: In the first place, you can not compete with the large coal-mining companies in the country unless you can acquire more coal land than 160 or 320 acres now authorized. Consequently people will not take up only that quantity of land for the purpose of opening a coal mine.

Another thing, about 12 or 15 years ago there was placed such an enormous price upon the coal land under the present system that no one would enter the same. Land that ordinarily was worth $25 or $50 an acre was placed at $500 or $400 an acre and that was prohibitive. Consequently under the law as it exists at the present time we do not get any development. I do not believe there have been a thousand acres of public coal land sold a year in the United States in the last three or four years. It is due to the fact that there have been these exorbitant prices placed on it. In the meantime the coal companies that own large acreage have the monopoly of production and exact exhorbitant prices for coal. According to a report of the Geological Survey there are 371,000,000,000 tons of coal in Colorado, enough to supply the world at the present rate of consumption for 200 years, and in Wyoming enough to supply the world for 300 years.

Mr. President, it does seem to me that we ought to give a satisfactory answer to the question by saying that we are standing by the Senate bill.

Mr. WALSH. Mr. President, I regret that this debate has been so prolonged, but I trust the Senate will permit me to make another suggestion in respect to the bill. There are certain features of the bill referred to as relief provisions intended for the relief of certain claims in the States of California and Wyoming in controversy with the Government concerning the title. My State is not interested in those provisions nor am I advised that any other States than these two are interested. These provisions cover only a very small portion of the oil lands in those States. All the rest of the oil lands and the great phosphate deposits of my State and Wyoming and Utah are tied up. I wish to inquire of the Senator from Nevada——

Mr. THOMAS. Mr. President——

Mr. WALSH. I will yield in just a minute. I inquire of the Senator from Nevada if those provisions were eliminated from the bill whether there would be any prospect of an agreement that would permit the disposition of all other lands that are not in dispute.

Mr. PITTMAN. Mr. President, if they were eliminated from the bill there would, of course, still be the disagreement with regard to the limited discretion in the Department of the Interior, but it would not be so serious a contest, because it would deal more with something we expect to have than that which we have. On the other hand, I think the Senator from Montana is mistaken in one thing. He says that the area that would be affected by the elimination would be small in comparison to the land that would then be affected by the bill. I do not think that is true. I believe that practically every known oil field in the United States to-day is in litigation or under protest by the Department of Justice.

The main object of this bill is to increase the production of oil, and unless we deal with lands that are in contest, lands the title to which is disputed by the Government, we will not have available sufficient oil lands to increase the production which this country requires.

It is for that reason and that reason only that we can not eliminate such lands from this bill.

Mr. THOMAS. If the Senator will permit me, I think there is another reason. It is true that as the situation now stands, this bill affects a comparatively small acreage, but the difficulty is that with every extension of oil discoveries there is an extension of interference by the Government, and as fast as the prospector finds oil just so fast the Government steps in and takes it away from him. These reservations and the operation of this leasing bill are commensurate only with the extent of possible oil resources on the public domain.

Mr. WALSH. I understand that there is a provision in both bills to the effect that no further reservation shall be made.

Mr. THOMAS. I am aware of that provision. I am aware also of the fact, and I do not think it is exaggerated, that as you go out to prospect Government agents go along for the purpose of ascertaining what the developments are, and if they are favorable a report is made and, as a consequence, there is immediate action upon the part of the Government.

Mr. WALSH. If the Senator will pardon me, I was merely inquiring whether we could not pass a law that could be made applicable to all present undisputed areas. For instance, there is no controversy about phosphates anywhere. Why can we not have a law that will permit an appropriation of phosphate lands? Why must a law providing for the disposition of phosphate lands await the determination of a controversy concerning certain oil lands in the State of California and the State of Wyoming?

Mr. THOMAS. The reason would seem to be administrative interference.

Mr. PITTMAN. I think the Senator from Montana should introduce a separate bill for phosphates, just as the Senator from Nevada introduced a separate bill for potash. The potash bill became a law. It is unfortunate that phosphates have been put with oil, but the question that I was asking is whether it is practicable to eliminate from consideration in this bill the so-called relief provisions. I say it is not practicable, because the so-called relief measures takes in practically all the great known oil fields, and the real object of this bill is to provide a machinery for the development of those known oil fields, and we have either got to provide machinery for the development and operation of such oil fields immediately, or the Government will take them under the power heretofore granted.

Mr. POMERENE. Mr. President, may I ask the Senator a question? Is it expected to settle this mineral-land question during the morning hour?

Mr. PITTMAN. No; but I will state very frankly to the Senator that this is the first opportunity which has arisen wherein I could explain the situation. I consider that the conference is in a very serious situation, and I consider the effect of a disagreement of the conferees not only disastrous, as I said before, to the great industries of the West but disastrous to the development of minerals in this country in the future. I think it will

mean that the discovery of minerals of this country will practically cease. I do not think it will cheapen such products, because the Government to-day has complete control over the price. I think it would be a catastrophe, and I want to warn the Senate of the situation and prepare the people of the country for the shock.

Mr. FALL. Mr. President, some of us seem to be laboring under a misunderstanding as to the situation. There is a law now for the operation of phosphate lands, coal lands, oil lands, and all other mineral lands in the United States. The trouble is that the Department of the Interior has withdrawn the lands from the operation of the law—the statute upon the books under which all these deposits can be acquired and can be worked for war necessities or peace requirements. The Department of the Interior under its theory has withdrawn to a great extent the phosphate lands, the coal lands, and the oil lands from development, and no individual can acquire these under the law which the Congress of the United States enacted. The Department of the Interior has a theory that it must change the law under which those deposits have been operated, and which still stands as the law unrepealed by Congress. The theory of the department was that the development should be by lease. The theory of the Senate was that the individual acquiring the lands might be allowed to acquire them by either lease or outright purchase.

The committee of conference is in a deadlock over those two propositions, the members of the committee on the part of the Senate insisting upon the alternative proposition of handling these deposits and the members of the committee on the part of the other House insisting upon its bill, which contains only the lease provisions, and those worked out in such a way that to those of us who are practical mining men it seems it would be idle to enact the proposed legislation at all.

I am frank to say, sir, that, in my judgment, if the House bill were adopted, it would not be operative, and that the next step in Government ownership would be an application to the Congress of the United States for an enormous appropriation through which the Bureau of Mines or some other bureau or department of the Government might proceed to operate the oil lands and the other mineral lands of the United States. That, however, is merely my judgment.

I may say, further, frankly, that at the last meeting of the committee which I attended we were informed—at least, I understood that was the information intended to be given and which, according to my understanding, was imparted to us—that the House bill had received the approval of the Department of the Interior; that the Senate bill had not; and that unless the House bill was adopted by both bodies nothing would be the result; in other words, that the Senate bill would not be signed even if it were passed by Congress. That is the situation.

MICHIGAN SENATORIAL ELECTION.

Mr. POMERENE. Mr. President, may I ask what is the order of business?

The VICE PRESIDENT. The order of business is reports of committees. If there be none, the introduction of bills and joint resolutions is in order. Concurrent and other resolutions are now in order.

Mr. POMERENE. I send to the desk a resolution and ask that it be read.

The VICE PRESIDENT. The Secretary will read as requested.

The Secretary read the resolution (S. Res. 306), as follows:

Whereas a political committee in the State of Michigan has reported that it received $178,856 and expended $176,568.08 in conducting the campaign for the nomination of a candidate for United States Senator in Michigan; and

Whereas reports are current in the public prints and elsewhere to the effect that extravagantly large sums have been expended in campaigns for the nomination of candidates for Senator in other States: Therefore be it

Resolved, That the Committee on Privileges and Elections, or a subcommittee thereof, be authorized and directed to investigate the subject of said receipts and expenditures, with a view to ascertaining whether or not, and to what extent, moneys have been collected and disbursed in violation of law, either State or National; to make report thereof to the Senate; and also to report what, if any, additional legislation may be necessary in order to further limit the excessive use of money in either primary or general elections; and be it further

Resolved, That the said committee, or subcommittee thereof, is hereby given power and authorized, during the sessions of the Senate or during recess, to summon witnesses, administer oaths, and take testimony under oath as to all matters and things covered by this resolution, and to employ such clerical and stenographic assistance as may be necessary under the circumstances, the expenses of the committee, or subcommittee thereof, to be paid out of the contingent fund of the Senate.

Mr. POMERENE. Mr. President, a good deal of information has come to me bearing upon the subject covered by the resolution and upon the question as it relates to several other States. It was not, however, until I had been furnished with a copy of the account which had been filed by this committee that I felt constrained to present this resolution. I have before me a copy of that account, which shows the receipts and disbursements. The receipts amounted to $178,856 and the expenditures to $176,568.08. It shows advertising in 650 newspapers; it shows 285 newspaper subscriptions; it shows personal contributions from 69 sources, ranging from $1 to something like $99,000.

I do not care to discuss the question of the excessive expenditure of money in campaigns nor the effect of it; that question has been fully discussed in the Senate. However, this comes at a time when, if I understand the public viewpoint, the people are more than interested to know whether any of these expenditures have been in violation of any statute, State or National. At the same time it is only just that the position of the candidate in whose behalf these collections were made and moneys disbursed should have his side of the case presented. He filed, under the corrupt-practices act of the United States, an affidavit, in which this language appears under the subject of "Contributions":

None with my knowledge and consent.

Under the column designated as "Disbursements—What given, contributed, expended, used or promised, and to whom," follows this language:

None with my knowledge and consent. I have read a general public statement of Paul H. King concerning expenditures made by a volunteer committee of my friends, but these were made without my knowledge or consent.

Mr. President, I also have before me a copy of the Detroit News of the date of Thursday, August 22, 1918, which contains a letter addressed by Lieut. Gov. Loren D. Dickinson to Hon. Truman H. Newberry, Brooklyn Navy Yard, N. Y. I ask that it may be read into the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary read as follows:

Hon. TRUMAN H. NEWBERRY,
Brooklyn Navy Yard, New York.

DEAR SIR: Men of all walks of life who have the best interests of our State at heart believe the men who are conducting your campaign for United States Senator are conducting one that will bring one of the greatest scandals on our State that Michigan politics ever saw, and have asked me to take the lead in attempting to rid our State of this blight.

CAMPAIGN CALLED "ROTTEN."

I note by your statement that you say you do not know of these things.

In giving you the information I will give you the terms that I hear everywhere in the 62 counties in which I have been recently. I have always had the highest regard for you and must believe you will relieve the Republican Party and the State of a campaign that is now being likened to the notorious Lorimer campaign of Illinois a few years ago. The terms "boodle" and "rotten" seem to be general terms that I hear.

Every section of the State shows evidence of an expensive newspaper campaign, costing thousands and thousands of dollars. Thousands of men are liberally paid for work at many more thousands of dollars, an expensive suite of offices with a large force sending out hundreds of thousands of letters to influential voters at more thousands of dollars, thousands of autos already engaged for use on primary day at many more thousands, that practically every opponent of the primary system is backing your campaign and that hundreds of the experts who have figured in or conducted for money the wet campaigns of the past are among the most active of your supporters.

CLAIMS $500,000 FUND.

Conservative estimates say everywhere from $250,000 to $500,000 is being used. The good people of the State are apparently powerless to give the voters these matters on short notice. In case you get the most votes you must expect to have the placing of your name on the election ballot contested. If by technical reasons you succeed then you must expect every church and moral organization to work until election night to keep our fair State from the baneful influence that success following such methods would leave for years to come.

Should you be successful at the polls, you must expect a legislative investigation that would be demanded by an indignant populace. And if by technicalities you could overcome this you will probably have to face a Democratic Senate, which will unseat you, as it justly unseated William Lorimer, jr., because of flagrant disregard in your behalf of Michigan's primary laws. The effect on the Republican Party with the people demanding cleaner things can not be estimated. Already we hear the Democrats will make the corrupting use of money in your campaign one of their great campaign arguments.

ASKS WITHDRAWAL.

I can not believe you understand the situation, and if you did you would come to the rescue. I am, therefore, asking you in behalf of the old Republican Party, clean politics, preservation of the primaries, social and business interests, to withdraw from this campaign and save the everlasting disgrace to the party and the State from a pollution that would stay for years. Hoping you may act favorably and retain the high esteem in which you have been held in the State, I am,

Sincerely, yours,

L. D. DICKINSON,
Lieutenant Governor of Michigan.

Mr. SMITH of Arizona. Mr. President, will the Senator from Ohio permit me to ask the date of that letter to the candidate?

Mr. POMERENE. It was printed, I may say to the Senator, in the Detroit News of August 22, and, of course, was written on or before that date and before the primary election.

Mr. SMITH of Arizona. When was the report of receipts and expenditures filed with the Secretary of the Senate?

Mr. POMERENE. I am informed that the certificate of expenditures was sworn to on August 29 and filed in the Secretary's office on September 5.

Mr. President, I have here what purports to be an accurate copy of the receipts and expenditures as filed under the Michigan State law, and, for the information of Senators, I ask that it be printed in the RECORD without reading.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

In accordance with act 109, public acts of 1913, I, Frank W. Blair, treasurer of the Truman H. Newberry Senatorial Committee, which committee was organized to promote the candidacy of Truman H. Newberry for nomination to the office of United States Senator at the primary election held on the 27th day of August, 1918, in the State of Michigan, hereby submit the following detailed statement of disbursements, receipts, and unpaid debts or obligations:

Disbursements as per accompanying statement.

Advertising and other publicity	$147,860.16
Office expenses, including rent, furniture, light, and clerk hire	9,070.13
Telephone, telegraph, and other charges	1,514.14
Traveling expenses	9,104.52
Copying election registers and canvassing of voters	4,875.38
Salaries and compensations, not otherwise charged	4,143.75
Total	176,568.08

ADVERTISING AND OTHER PUBLICITY.

Advertising:	
Detroit News, per Campbell-Ewald Co	2,582.57
Detroit Free-Press, per Campbell-Ewald Co	1,132.43
Detroit Journal, per Campbell-Ewald Co	612.36
Detroit Saturday Night, per Campbell-Ewald Co	390.60
Coldwater Sun and Star	24.70
Hastings Banner	60.25
Bangor Gazette	3.65
Pinconning Press	20.90
Baraga Journal	23.45
Berrien Journal	62.40
Niles Daily Star	23.37
Prairieville Press	7.00
News Palladium Co	48.93
Watervleit Record	29.12
Woodlawn News	18.28
L'Anse Sentinel	21.02
Commercial Record	11.28
Benzie County Patriot	35.25
Freeport Herald	29.65
Benzie Record	20.72
St. Joseph Herald-Press	47.20
Bay City Times Tribune	81.30
Hastings Journal-Herald	43.00
Benzie County Leader	33.60
Berrien County Record	52.36
Carpenter Scherer Co	11.87
Campbell-Ewald Co	13.99
Sztandar-Polski	73.15
Quincy Herald	26.44
Thompsonville News	23.20
Banner Publishing Co	3.08
Coloma Courier	35.35
Era Publishing Co	34.83
Bay City Democrat	89.80
Coldwater Reporter	11.13
Register Weekly	43.08
Upper Pen. Farmer	19.50
Middleville Sun	20.10
Industrial Herald	25.00
Hopkins Leader	31.66
Sandlake Herald	18.25
Michigan Tradesman	216.88
West Side News	86.83
Grand Rapids Herald	200.60
Grand Rapids Press	341.37
The Observer	63.90
The Chronicle	55.13
Northwestern Weekly	37.10
Creston News	70.35
Grand Rapids News	407.25
The Fruit Belt	299.00
The Husivriend	56.60
Caledonia News	32.69
Progressive Publishing Co	57.15
Sentinel Leader Publishing Co	3.98
Lowell Ledger	35.10
Rockford Register	32.21
Cedar Springs Liberal	23.90
Echo Publishing Co	61.20
De Hollandsche Farmer	65.80
Grandville Star	35.40
Christian Journal	118.60
Grand Rapids Times	47.00
Grand Rapids Standard	43.75
Bulletin Printing Co	93.20
South End Weekly Sun	20.25
Lowell Journal	16.40
Alto Weekly Solo	23.40
Omer Progress	15.75
National Democrat	22.10
Cassopolis Vigilant	23.00
Tekonsha News	20.65
Clinton Republican	13.11
Homer Index	36.00
Marcellus News	35.35
Moon-Journal Publishing Co	101.31
Dowagiac Daily News	36.45
Clare Sentinel	16.56
Advertising—Continued.	
Athens Times	$13.75
Maple Rapids Dispatch	22.75
Cheboygan Democrat	17.52
Morning Enquirer	82.80
Charlevoix Courier	9.23
Soo Times	6.45
Crawford Avalanche	23.50
Albion Recorder	19.32
The Argus	7.10
Albion Leader	12.20
Cheboygan Daily Tribune	32.40
St. Johns News	27.80
East Jordan Enterprise	23.00
Clare Courier	37.35
Sault News Print Co	32.85
Boyne Citizen	34.87
Clare County Cleaver	34.50
Wolverine Courier	15.25
Elsie Sun	57.50
Evening Chronicle	33.69
Grand Rapids Chronicle	3.50
Marshall News-Statesman	17.75
Medborgaren	64.80
Tom A. Hanna, Iron Mountain Press	25.20
Escanaba Morning Press	62.00
Delta County Reporter	20.48
Daily Tribune Gazette	20.90
Rapid River News Printery	34.80
Escanaba Journal	27.63
Daily Mirror	73.90
Detroit Photoengraving Co	300.20
Pellston Journal	28.02
Republican and Graphic	36.53
Levering Local	33.04
Churchill Printing Co	36.18
Grand Ledge Times	29.38
Journal Publishing Co., Eaton Rapids	33.00
Grand Ledge Independent	29.77
Vermontville Echo	25.11
Sunfield Sentinel	23.05
Eaton Rapids Review	36.15
Charlotte Tribune	37.38
Diamondale News	46.70
Bellevue Gazette	34.96
Charlotte Republican	54.97
Charlotte Leader	48.40
Mulliken Press	18.00
Owendale Herald	27.90
Hillsdale Leader	8.10
North Adams Advocate	17.64
Pittsford Reporter	28.26
Camden Advance	23.10
Port Austin News	29.12
Litchfield Gazette	29.90
Kewenaw Printing Co	24.25
Montgomery Record	17.01
Kinde Visitor	18.48
Finnis Printing Co	79.60
Grand Traverse Sun	23.45
Flint Daily Journal	55.86
Traverse City Record-Eagle	144.89
Montrose Record	34.88
Fenton Courier	62.75
Gratiot County Herald	17.50
St. Louis Leader	37.25
Alma Journal	44.70
Fenton Independent	38.67
Flint Daily Journal	58.44
Gothic Press	28.73
Herald Publishing Co	13.90
Grand Rapids News	100.00
Grand Rapids Standard	5.25
Breckenridge American	32.85
Clio Messenger	34.21
Gladwin County Record	33.20
Linden Leader	24.00
Flushing Observer	20.70
Ironwood News-Record	2.00
Riverdale Promoter	15.36
Davison Index	23.40
Beverton Clarion	45.40
Alma Record	42.57
Wakefield Advocate	22.80
Dann Printing & Publising Co	45.66
Do	14.55
Banner Publishing Co., Belding	12.54
Courier Publishing Co	26.50
Kingston Enterprise	25.07
Gies Printing Co	35.18
Unionville Crescent	23.00
Tuscola County Advertiser	58.50
Cass City Chronicle	14.25
Gagetown Times	28.91
Vassar Pioneer Times	47.20
The Akron Leader	24.37
Cass City Chronicle	19.13
Courier Publishing Co	10.13
Mayville Monitor	24.15
Paw Paw Courier and Free Press	14.05
Bloomingdale Leader	17.12
Paw Paw True Northerner	40.91
Bangor Gazette	54.55
South Haven Tribune	27.90
Chelsea Tribune	8.52
Gobleville News	13.70
Vicksburg Semi-Weekly Commercial	35.25
Advocate Publishing Co	116.50
Kalamazoo Herald	55.60
Dalm Printing Co	52.15
Crescent Publishing Co	26.20
J. W. De Veny (Augusta Beacon)	56.08
Kalamazoo Gazette	72.00
Kalkaska Publishing Co	42.20

Advertising—Continued.	
Semi-Weekly Argus	$30.10
Schoolcraft Express	26.58
Kalamazoo Gazette	53.25
Angelus Publishing Co	55.50
Wayland Globe	18.30
Marshall News-Statesman	20.38
Medborgaren	5.40
Le Courier du Michigan	7.00
Hillsdale Leader	11.40
News Printing Co	6.30
Mount Pleasant Times	2.94
Rockford Register	2.52
Northwestern Weekly	4.20
West Side News	3.50
Grand Rapids Times	68.75
Richmond Review	2.10
White Printing Co	1.68
The Oddfellow	11.50
Midland Republican	10.20
Rose City Review	1.40
Roscommon Herald-News	42.02
Messick Sun-Pioneer	14.00
Times News Co	35.50
Washtenaw Post	17.75
Lawrence Times	29.11
Hartford Day Springs	35.55
Bangor Advance	23.50
Lawton Leader	35.18
Vermontville Echo	2.52
Utica Sentinel	2.10
United Weekly Press Association	2.10
Manchester Enterprise	33.95
Ann Arbor Times News	33.25
Willis Times	22.85
Dexter Leader	21.70
Chelsea Tribune	9.54
Washtenaw Post	43.00
Milan Leader	44.90
Chelsea Standard	35.70
Ypsilanti Press	47.00
Ypsilanti Record	35.25
Manton Tribune-Record	24.60
Manton Tribune-Record	10.65
Mesick Sun-Pioneer	6.40
Cadillac Evening News	27.70
Highland Park News	56.17
F. E. Van Vlack: Hamtramck News, North End Journal, Ferndale News, Greater Detroit Westward, Hamilton Boulevard, Union News	341.83
Contractor Publishing Co	192.08
Chelsea Tribune	9.96
West Detroit Times	82.20
Redford Record Co	32.93
Portland Observer	58.64
Isabella County Republican	34.81
Williamston News	19.05
Clarksville Record	8.88
Advertiser, Saranac	35.85
Isabella County Enterprise	45.00
Ionia Sentinel	10.50
Weidman Messenger	14.08
Springport Signal	22.30
Jackson County Patriot	195.51
Concord Independent	15.00
Brooklyn Exponent	33.75
Grass Lake News	35.55
The Square Deal	104.25
Parma News	32.23
Hanover Horton Local	30.36
Saturday Evening Star	50.10
Manselona News	16.56
Bellaire Publishing Co	23.05
Augusta Publishing Co	2.10
Alpena News	27.20
Elk Rapids Progress	20.63
Akron Leader	10.65
Elkona County Review	26.90
Allegan News	53.80
Wood, Gibson Co	43.35
Manselona Herald	23.20
Cloverland Farmer	58.88
Commercial Record	16.50
Allegan Gazette	46.90
Arenac County Independent	313.40
Albion Leader	7.00
Wayland Globe	10.35
Fenville Herald	38.44
Plainwell Enterprise	23.35
Mendon Globe-Leader	27.66
Commercial Printing Co	22.90
Birch Run Leader	18.75
Yale Record	35.25
Yale Expositor	34.67
Freeland Star	20.54
Byron Herald	34.96
Perry Journal	23.40
New Lothrop Globe	21.66
Courier Print Co., Algonac	47.00
Courier-Herald, Saginaw	75.32
Sturgis Daily Journal	27.00
The Square Deal (Jackson)	7.00
Minden City Herald	48.90
Three Rivers Publishing Co	18.62
Frankenmuth News	33.82
White Pigeon News	38.90
Constantine Advertiser-Record	22.40
Saginaw Journal	63.25
Marlette Leader	42.60
Catac Journal	18.36
Chesaning Argus	46.70
Chesaning Monitor	31.93
Port Huron Times-Herald	268.50

Advertising—Continued.	
Workers Voice	$51.60
Sanilac County Times	14.20
Saginaw Daily News	96.25
Lennon News	27.12
Merrill Monitor	46.60
Burr Oak Acorn	34.65
The Resorter	10.00
Postmaster Everywhere	141.75
Sandusky Tribune	44.20
St. Claire Republican	47.00
New Lothrop News	27.12
Manistique Pioneer Tribune	27.60
Laingsburg News	32.62
Carsonville Journal	37.03
St. Claire County Press	28.31
Centerville Observer	23.05
Durand Express	35.04
Marine City Reporter	35.47
Hemlock News	47.10
Crosswell Jeffersonian	46.60
Sanilac County Republican	58.13
Gero. Pub	28.40
Colon Express	6.90
Lexington News	28.65
Sentinel Publishing Co	27.37
St. Joseph Herald-Press	19.80
Slovanian News Publishing Co	12.88
Saginaw Press	34.76
Corona News	27.22
Social Moose	164.00
Polish Daily News	114.00
Michigan Christian Advocate	99.40
Detroit News	2.20
Detroit Labor News	321.00
Manufacturer Publishing Co	388.50
D. A. Garaboneias (Dongo)	87.50
Ongilsko Domowe Publishing Co	126.60
Polonia Publishing Co	268.00
Russia Life	199.00
Wayne Weekly	12.78
State Review Publishing Co	67.50
Gateway Publishing Co	63.00
News Retailer	43.50
The Oddfellow	25.00
North End Journal	91.88
Dispatch Print Co	106.00
Hamilton Blvd. News	58.28
Wyandotte Herald	22.95
Little Stick	90.75
Belgian Press	42.00
Bellville Enterprise	22.85
Detroit Courier Publishing Co	305.58
Ferndale News	102.38
Trenton Times and List	52.87
Ecorse Weekly Review	40.10
Highland Park Times	233.00
Michigan Investor Publishing Co	262.18
St. Claire Heights Enterprise	88.69
Daum River Suburbanite	108.50
Catholic Vigil	92.00
The Gleaner	279.16
Magyar Hirlop	116.00
Romulus Roman	23.20
Northwestern Review	73.00
Michigan Business Farmer	329.60
Inside American	200.00
Michigan Catholic	235.00
Detroit Times	1,400.86
Pathfinder	30.00
Detroit Leader	71.00
Detroit Legal News	235.00
Westward News	16.00
Michigan Christian Advocate	172.20
Relief Signal, Muskegon (extra copies)	250.00
Reading Hustler	23.60
Ubly Courier	15.00
News Printing Co., Harbor Beach	7.10
Sevewaing Blade	28.08
Native Cooper Times	23.35
Huron County Review	27.80
Harbor Beach Times	28.57
Pigeon Progress	34.20
Le Courier du Michigan	18.20
The Minor Publishing Co	104.50
Slovanian News Publishing Co	22.10
Finnish Republican	236.00
Houghton Aura	112.80
Amerikan Suometar	76.00
Huron County Tribune	55.75
Mining Gazette	51.45
Pewamo Weekly News	57.50
Williamston Enterprise	36.08
Banner Publishing Co	18.04
Palo Post	22.90
Clarkesville Record	20.26
Local Republican	62.25
Diamond Drill	18.91
Portland Review	46.70
Oscoda and Ausable Press	30.00
Stockbridge Brief	23.40
Crescent Publishing Co	19.20
Tawas Herald	34.96
Iron River Stambaugh Reporter	35.25
Otsego County Herald and Times	48.50
Otsego County Advance	26.80
Otsego Union	32.64
Courier Tribune—Hart	17.38
Hart Journal	34.72
Meers News	1.65
Oceana Herald	38.26
Pentwater News	13.10
Hesperia Union	23.35

Advertising—Continued.

Review Publishing Co., Orion	$64.75
Times Printing House, Milford	34.80
Rochester Clarion	14.00
Royal Oak Tribune	46.60
Rochester Era	30.30
Holly Herald	24.40
Pontiac Press-Gazette	67.48
Rochester Clarion	32.40
Birmingham Eccentric	21.58
Southland Herald	23.20
Holly Advertiser	23.25
Farmington Enterprise	35.60
Osceola County Herald	27.50
Northern Oseola Press	35.03
Tustin Times	48.80
Evart Weekly Review	32.64
Ontonagon Herald Co	21.15
Rockland Reporter	13.45
Cloverland Press	9.00
Rose City Review	22.05
Sentinel Publishing Co., Holland	90.63
De Hope Publishing Co	25.00
Holland City News	80.87
Grand Haven Daily Tribune	11.20
Zealand Record Co	39.51
Coopersville Sun	16.32
Coopersville Observer	33.45
Little Stick	146.70
Northrop Leader	7.00
Hudson Gazette	49.90
Hudson Post	49.00
Addison Courier	24.75
Blissfield Advance	32.25
Semi-Weekly Herald, Tecumseh	35.40
Adrian Daily Telegram	96.71
Deerfield Times-Journal	46.60
Morenci Observer	20.40
Bradley Press	27.90
Clinton Local	33.23
Onsted News	28.44
Clarion Publishing Co	54.24
Newberry News	8.00
Pinckney Dispatch	22.00
Livingston Democrat	36.90
Republican, Howell	37.20
Brighton Argus	15.00
Columbiaville Home News	26.10
Gazette, North Branch	32.63
Luther Printing Co	23.25
Lake County Star	21.25
Almont Herald	27.67
Provemount Courier	23.20
Empire Journal	23.40
Mount Pleasant Times	39.06
Index, Webersville	21.30
State Journal, Lansing	139.80
Ingham County News	39.50
Lyons Herald	58.50
Standard Publishing Co	19.14
Isabella County Courier	20.33
Index, Remus	23.80
Press, Barryton	35.40
Evening News, Monroe	75.75
Times, Carleton	35.12
Reporter, Dundee	35.10
Sun, Petersburg	35.40
Enterprise, St. Ignace	34.71
Republican News, St. Ignace	23.60
Enterprise, Scottville	12.78
Journal, Lewiston	23.10
Daily News, Ludington	56.63
Montmorency County Herald and Tribune, Hillman	53.25
Chronicle, Marquette	46.80
Iron Herald	28.14
Superior Postem Ishpeming	46.00
Record, Ishpeming	58.00
Iron Ore, Ishpeming	57.51
Daily Mining Journal, Marquette	59.75
Independent, Coleman	32.62
Republican, Midland	25.43
Advocate, New Haven	23.15
Monitor, Mount Clemens	64.00
Daily Leader, Mount Clemens	33.45
Standard, Lenox	9.60
Review, Richmond	32.70
Era, New Baltimore	23.15
Bee, Memphis	18.52
Sentinel, Utica	32.85
Watchman, Warren	23.55
Observer, Romeo	45.90
Times-Graphic, Armada	22.70
American, Mount Clemens	2.10
Times, Edmore	25.50
News, Coral	46.60
Clipper-Herald, Stanton	25.18
Record, Howard City	45.80
Review, MacBride	29.25
Mail, Crystal	22.95
Advertiser, Sheridan	23.30
Progress, Copemich	19.75
Keddiprint Papers, Bear Lake	59.41
News Advocate, Manistee	58.88
Cloverland Magazine, Menominee	32.00
Journal, Stevenson	20.40
Powers, Spalding Tribune	46.00
Herald-Leader, Menominee	54.90
Plain Dealer, Lake City	15.70
Chronicle, McBain	22.73
Republican, Missaukee	23.30
Forum, Whitehall	23.55
Herald, Casnovia	18.08
Times, Aavenna	47.00
Enterprise, Conklin	32.80

Advertising—Continued.

Observer, Montague	$23.50
Chronicle, Muskegon	25.91
Pioneer, Big Rapids	46.80
Journal, Morley	27.20
News, Mecosta	21.95
Herald and Independent, Grant	23.60
Republican, Newaygo	20.78
Ego, White Cloud	19.74
Times Indicator, Freemont	10.65
Outlook, Onaway	27.42
Dispatch, Pinckney	5.75
Mail, Plymouth	22.35
Presque Isle County Advance	20.40
Michigan Farmer	1,596.31
River Rouge Herald	81.73
Dearborn Independent	58.13
Vannatter Printing Co	115.00
Kuryer Publishing Co	58.80
Michigan Bulletin	53.50
Jewish Chronicle	291.59
Detroit Northern Review	115.25
La Tribuna Italiana	69.50
Italian Weekly	135.50
Western Newspaper Union	4,341.76
Thomas May (Cartoons)	375.00
Sprunk Engraving Co	94.60
The Gleaner	368.00
Western Newspaper Union	1,956.59
Italian Publishing Co	58.50
Magyar Hirlap	55.00
Russian Life	140.00
Miner Publishing Co	17.50
Clare Sentinel	14.40
Benzie Banner	14.32
Benzie Record	14.32
Three Rivers Publishing Co	13.44
Clinton Republican	20.90
St. John's News	19.60
Decatur Republican	32.86
Moon-Journal Publishing Co	72.57
Isabellas County Courier	12.88
Marshall News Statesman	24.25
Quincy Herald Co	4.92
Vermontville Echo	27.12
Saginaw Press	17.28
Deckerville Record	47.00
The People	26.10
Evening Chronicle	24.12
Semi-Weekly Argus	16.60
Vicksburg Semi-Weekly Commercial	17.50
William B. Wells—The Daily Call	24.40
Fowlerville Review	22.05
Ionia Sentinel	24.45
Traverse City Record Eagle	90.78
Iosco County Gazette	29.10
Millington Gazette	34.92
Grand Rapids Herald	135.10
Oxford Leader	29.75
Alcona County Herald	31.30
Times-News Co	40.50
Dalm Printing Co	22.40
Brighton Argus	8.30
La Tribuna Italiana	33.00
Plymouth Mail	12.30
Birmington Eccentric	14.25
Freeland Star	14.32
Midland Publishing Co	33.90
Lapeer County Press	61.00
Workers' Voice	149.80
Newberry News	39.75
Sentinel Leader Publishing Co	47.96
Indicator	162.50
Otsego County Advance	19.30
The Argus	16.10
McBain Chronicle	12.45
Free Press & Courier	9.60
Pontiac Press Gazette	54.32
Montgomery Record	12.12
Colon Express	17.20
Times Printing Co., Grand Rapids	35.03
John Lignian, The Olivet Optic	57.38
Bay City Times	56.15
Presque Isle County Advance	48.55
Hope Publishing Co	9.20
Reporter	22.26
Journal	10.60
Superior Posten	19.00
Delta County Reporter	12.60
Oseola County Herald	19.20
Fairgrove Enterprise	26.20
St. Charles Union	32.63
Albion Recorder	13.37
Newaygo Republican	14.70
White Cloud Eagle	11.62
Mason County Enterprise	23.03
Muskegon Chronicle	102.69
Churchill Printing Co	14.40
Saginaw News Courier	65.51
The Observer	51.50
Grand Rapids Standard	4.37
Morning Enquirer	58.50
The Soo Times	14.71
Cheboygan Democrat	8.16
Herald Times & Ogemaw Republican	48.60
Charlotte Tribune	20.88
Jonesville Independence	22.00
Owaso Argus Press	48.40
Constantine Advertiser-Record	12.60
Niles Daily Sun	41.54
Sturgis Daily Journal	19.40
Cadillac Evening News	19.20
Currant	43.90
Churchill Printing Co	8.30

Advertising—Continued.	
Trenton Time and List	$33.95
Apel-Campbell Co	35.01
Detroit Photo Engraving Co	9.10
Everton Engraving Co	2.79
Michigan Electrotype & Stereotype Co	16.36
Western Newspaper Union	1,627.46
Clerical work in connection with newspaper advertising: Per B. F. Emery and H. O. Turner, assistant secretaries	3,597.10
Newspaper and general advertising expense country committees:	
Per C. A. Floyd, secretary	558.92
Per James F. McGregor, assistant secretary	49.60
Per James R. Davis	2.50
Per B. F. Emery	68.25
Per E. V. Chilson	23.50
Expense of publicity department in connection with newspaper advertising, per H. H. Hopkins, director of publicity	5,806.26
Charles P. O'Neil, public speaking	299.60
Roy Herald, public speaking	90.00
Frank P. Hinks, public speaking	10.00
Louis Cohane	87.48
Clerical work in connection with speakers' bureau, per B. F. Emery and Harry O. Turner, assistant secretary	1,789.55
Expense publicity department in connection with speakers' bureau, per H. A. Hopkins, director publicity	285.00
Expense of assistant secretary in connection with speakers' bureau, per H. O. Turner and B. F. Emery, assistant secretary	987.50
Newspaper subscriptions:	
Jonesville Independent	1.25
Saginaw Evening News	3.00
Elk Rapids Progress	1.50
State Journal	1.00
Birmingham Eccentric	1.00
Battle Creek Evening News	2.10
Mesick Sun	1.50
Bangor Gazette	1.00
Telegram-News	1.50
Cloverland Farmer	2.00
Munising News	1.50
Soo Evening News	3.50
Dann Publishing Co	2.00
Iron Mountain Gazette	5.00
Ann Arbor News	2.00
Ludgington Daily News	4.00
Marquette Chronicle	3.00
Scottville Enterprise	1.00
Claire Sentinel	1.00
Michigan W. C. T. U	.25
Lewiston Journal	1.25
Montague Observer	1.25
News Record Ironwood	2.00
Manistique Tribune	2.00
Hamtramck News	1.00
Missaukee Republican	1.00
Cadillac Republican	3.00
Marine City News	1.00
Byron Herald	1.00
Coleman Independent	1.00
Chelsea Standard	1.00
Addison Courier	1.25
Leeland Record	1.50
Finnish Lutheran	1.00
Minden City Herald	1.50
Huron County Review	1.50
Hastings City Journal	1.50
Bear Lake (Region) Beacon	1.50
Rose City Review	1.25
Weekly Chronicle	1.00
Romulus Roman	1.00
St. Claire Press	1.00
Memphis Bee	1.50
Port Huron Herald	1.50
Stockbridge Sun	1.25
White Cloud Eagle	1.50
Lenox Standard	1.00
Paw Paw Free Press	1.25
Springport Signal	1.25
Marquette Mining Journal	2.75
Richmond Review	1.50
Leslie Republican	1.25
Levering Local	1.25
Reading Hustler	1.00
Mount Clemens Leader	2.00
Deckerville Recorder	1.50
Manistee Advocate	3.00
The Watchman	1.00
Chelsea Tribune	1.00
Owosso Argus Press	2.50
Pinconning Press	1.00
Williamston News	1.00
Orion Review	1.50
Down River Suburbanite	2.00
Rochester Era	1.00
Dowagiac Daily News	3.00
Coopersville Observer	1.00
Morenci Observer	1.50
Camden Advance	1.00
Schoolcraft Express	1.15
Unionville Crescent	1.50
Berrien County Journal	2.00
Romeo Observer	1.50
Colon Express	1.25
Hanover Local	1.25
Highland Park Times	1.50
Omer Progress	1.00
Saranac Observer	1.00
Chesaning Observer	1.25
Rockford Register	1.50
Decatur Republican	1.50
Lawrence Times	1.50
Howard City Record	2.00
Newspaper subscriptions—Continued.	
Sanilac County Times	$1.50
Ogemaw Republican	1.25
Jackson Press	2.50
South Haven Tribune	1.50
Cass City Chronicle	1.50
Ypsilanti Record	1.50
Rochester Clarion	1.50
Charlevoix Courier	1.00
Berrien Springs Era	1.50
Middleville Sun	1.50
Davison Index	1.50
Sturgis Journal	1.50
Onaway Outlook	2.00
St. Joseph Herald	1.50
East Tawas Herald	3.32
Coral News	1.50
Grand Haven Tribune	1.00
Grand Ledge Independent	2.00
Grand Ledge Times	1.13
Grand Rapids News	1.00
Albion Leader	3.00
Chesaning Argus	1.00
Waldron Recorder	1.00
Vermontville Echo	1.00
Yale Expositor	1.25
Isabella Enterprise	1.50
Montrose Record	1.00
Crescent Publishing Co	1.00
Waite Pigeon News	1.50
Courier-Herald	1.50
Escanaba Journal	3.00
Charlotte Republican	2.00
Manchester Enterprise	1.50
Hudson Post	1.50
Newaygo Republican	1.50
Eaton Rapids Review	1.50
Bellevue Gazette	1.50
Oliver Optic	1.25
Frankenmuth News	1.00
Croswell Jeffersonian	1.00
Alma Record	1.50
St. Ignace Enterprise	1.50
Holland City News	1.50
Holland Sentinel	1.00
Almont Herald	3.00
Recorder Press	1.00
Sentinel-Leader, Sparta	2.50
Kalamazoo Advocate	1.50
Owaso Times	1.00
Sandusky Tribune	1.50
Ingham County News	1.50
Milan Leader	1.25
Boyne City Citizen	1.50
North End Journal	1.50
Dundee Reporter	1.00
Leader Press	1.50
Midland Sun	2.00
Fowlerville Review	1.50
Bay City Times	1.50
Homer Press	3.00
Allegan Gazette	1.00
MacBride Review	1.00
Walkerville News	1.00
Edmore Times	1.00
Lakevilew Enterprise	1.25
Grand Rapids Press	1.50
New Haven Advocate	4.00
Otsego Union	1.00
Howell Republican	1.00
Plain Dealer, Lake City	1.50
Reed City Herald	1.00
Williamston Enterprise	1.50
Caledonia News	1.25
Commercial Record	1.50
Arenac County Independent	1.00
Lowell Ledger	1.25
Grand Rapids Herald	2.10
Thompsonville News	6.00
Weidman Messenger	1.00
Lake Odessa Wave	1.00
Lawton Leader	1.50
Tuston Times	1.50
White Cloud Star	1.50
Flint Labor News	1.00
La Peer Clarion	1.50
Lyons Herald	1.50
Monroe Courier	1.50
Semi-Weekly Argus	2.25
Big Rapids Pioneer	1.50
Battle Creek Enquirer	2.50
Michigan Christian Advocate	1.50
Grand Haven Journal	1.50
Ecorse Weekly Review	.85
Wyandotte Record	2.00
Isabella County Republican	2.00
Cheboygan Democrat	1.00
Omsted News	1.00
Empire Journal	1.00
Bangor Advance	.80
Kalamazoo Gazette	1.20
Pittsford Reporter	5.00
Alcona County Herald	1.25
Iron Mountain Press	1.25
Pontiac Gazette	2.00
Edwardsburg Gazette	3.00
Mayville Monitor	1.50
Berrien County Record	1.50
Mining Gazette	1.50
Gagetown Times	5.00
Laingsburg News	1.50
Mining Gazette	1.50
Nashville News	6.00
Presque Isle Adv	1.25
	1.50

Newspaper subscriptions—Continued.	
Gratiot County Herald	$1.50
Concord Independent	1.50
Grass Lake News	1.50
Herald-Bessemer	1.50
Provemont Courier	1.50
Three Oaks Acorn	1.00
Crawford Avalanche	1.50
Newberry News	1.50
Riverdale Promoter	1.50
Little Stick	4.00
Globeville News	1.50
Workers Voice	2.00
Ovid Register Union	1.00
Soo Times	1.50
Oceana Herald	1.50
Grand Traverse Sun	1.50
North Adams Advocate	1.50
Centerville Observer	.75
L'Anse Sentinel	1.50
Bangor Gazette	1.40
Casnovia Herald	1.50
Manistique Courier-Herald	1.50
St. Ignace Republican News	1.50
Ravenna News	2.00
Charlotte Leader	1.00
Northville Record	1.50
Benzie County Leader	1.50
Delta County Reporter	1.50
Alcona County Review	1.50
Elsie Sun	1.50
Redford Record	1.00
Alpena News	1.50
Grant Herald	1.50
Yale Record	.40
Pewamo News	1.50
Three Rivers Commercial	3.00
Ionia Sentinel	1.50
Harbor Beach News	1.50
Portland Observer	1.50
Litchfield Gazette	1.50
Goldwater Reporter	1.50
Carlton Times	3.65
Fairgrove Enterprise	1.00
Mears News	1.50
Osceola Press	1.50
Adrian Telegram	3.00
Powers Tribune	1.50
Armada Graphic	1.50
Sanilac County Republican	1.00
Lexington News	1.50
Whitehall Forum	1.50
Michigan Patron	.25
Bangor Gazette	2.00
Brown City Banner	1.50
National Democrat	1.50
Flint Daily Journal	3.00
Birch Run Leader	.75
Journal-Chronicle	1.50
Battle Creek Journal	2.00
The Northwestern Weekly	.50
Hopkins Leader	.50
Oscoda Press	1.20
Cressey Publishing Co	1.00
Augusta Beacon	1.50
Sunfield Sentinel	1.00
Royal Oak Tribune	1.00
Watervliet Record	1.00
Athens Times	1.00
Allegan News	1.00
Benton Harbor News	2.25
Paw Paw Northerner	1.50
Morley Journal	1.50
Huron County Tribune	1.50
Rapid River News	2.00
Brooklyn Exponent	1.50
Mount Pleasant Times	.75
Iron Ore	2.00
Detroit American	2.00
Petoskey Evening News	3.50
Dimondale News	1.00
Cheboygan Daily Tribune	2.25
Baraga Journal	1.50
St. Louis Leader	2.25
Hudson Gazette	1.50
Hesperia Union	1.00
State Journal	1.00
St. Clare Republican	1.00
Plymouth Mail	1.50
Rural Publishing Co	2.50
Printing:	
Saturday Night Press	2.50
Jeffery White Photographs	16.00
Highland Park Times	90.00
Williams Co	42.45
Stoll Printing Co	14.00
Beecher, Peck & Lewis	15.19
H. J. Stecker Co	11.00
O. A. Koss Co	376.75
Howard City Record	5.00
Howe Printing Co	39.50
Dispatch Printing Co	32.00
Karyer Publishing Co	107.80
Commercial Printing Co	22.90
Ainger Printing Co	350.00
Herald-Leader Co	847.25
Wayne Publishing Co	1,750.05
Williams & Houghton	5,925.76
Inland Press	12,196.70
Etheridge Co	331.60
Charles F. May Co	355.00
Echo Publishing Co	277.75
Reardon Parshall Co	148.25
Printing—Continued.	
Detroit Photo-Engraving Co	$34.00
Henry Romeike Clipping Bureau	54.76
Leslie-Judge Publishing Co	70.00
Western Newspaper Union	373.20
Standard Map Co	27.42
Clerical expense in connection with distribution of literature, per B. F. Emery and H. O. Turner, assistant secretaries	894.28
Expense of distribution of literature in counties, per—	
Charles A. Floyd, secretary	1,874.80
B. F. Emery, assistant secretary	2,799.21
James F. MacGregor, assistant secretary	175.00
James R. Davis, assistant secretary	181.25
E. V. Chilton, assistant secretary	87.00
Expense of publicity department in connection with distribution of literature, per H. A. Hopkins, director of publicity	415.75
Mimeograph letters:	
Hoven Auto Typewriting Co	134.61
Curtis & Hyde	6,700.56
Grand Rapids Typewriting Co	43.05
Stott Printing Co	48.50
George S. Cotter	225.00
E. B. Morton	55.00
F. O. Lindquist	4,557.00
Direct Advertising Service	465.65
Artcraft Letter Shop	120.73
Clerical expense in connection with mailing letters, per B. F. Emery and Harry O. Turner, assistant secretaries	10,791.31
Expense of publicity department in connection with preparing letters, per H. A. Hopkins, director of publicity	430.00
Postage:	
B. F. Emery	880.00
William J. Nagel	11,495.00
Postmaster, Detroit	5,666.90
Postmaster	1,502.75
Williams & Houghton	302.08
For county committee—	
Per Charles A. Floyd, secretary	840.99
Per B. F. Emery, assistant secretary	309.92
Per James F. McGregor, assistant secretary	234.62
Per James R. Davis, assistant secretary	107.00
Per E. V. Chilson, assistant secretary	62.00
Printing and stationery for county committee:	
Charles A. Floyd, secretary	751.10
B. F. Emery, assistant secretary	260.50
James F. McGregor, assistant secretary	330.90
James R. Davis, assistant secretary	34.85
E. V. Chilson, assistant secretary	78.00
Clerical expense of county committee:	
Charles A. Floyd, secretary	1,203.68
B. F. Emery, assistant secretary	1,957.71
James F. McGregor, assistant secretary	705.00
James R. Davis, assistant secretary	103.50
E. V. Chilson, assistant secretary	102.00
Whitehead & Hoag, campaign buttons	1,634.70
Expense of publicity department in preparation of literature, per H. A. Hopkins, director of publicity	1,663.00
Expenses of assistant secretaries in arranging public meetings, per B. F. Emery, assistant secretary	993.75
Expense of county committee in holding public meetings:	
Charles A. Floyd, secretary	901.50
B. F. Emery, assistant secretary	372.80
Stationery:	
American Printing Co	42.00
John Galvin	24.00
Kee Lox Manufacturing Co	4.50
Miller, Bliss & Hughes	11.75
Union Paper & Twine Co	5.05
Volk Stamp & Stencil Co	25.53
George A. Drake & Co	3.00
Beecher, Peck & Lewis	139.44
Gregory, Mayer & Thom Co	137.15
Richmond & Backus	296.35
George J. Reindel & Co	36.25
Wills Manufacturing Co	17.64
Wells Manifolding Co	9.00
Charles A. Floyd	124.70
H. J. Stecker Co	131.29
Frankel Carbon Co	10.00
H. O. Turner	10.00
Challenge Envelope Co	6.00
Total expense for advertising and other publicity	147,860.16

OFFICE EXPENSES.

Detroit Typewriter Co., typewriter	35.00
Royal Typewriter Co., typewriter	61.50
B. W. Randall, furniture	63.70
L. C. Smith & Bro., typewriter	102.50
American Multigraph Sales Co., multigraph	697.20
Underwood Typewriter Co., typewriter	175.50
Hudson & Symington, curtains	27.60
George J. Reindel, furniture	1,356.04
Addressograph Co., addressograph and plates	2,663.88
Corona Typewriter Co., typewriter	99.00
Typewriter Supply Co., typewriter	35.00
County committee's rent, furniture, light, and other office expenses—	
Per Charles A. Floyd, secretary	949.43
Per B. F. Emery, assistant secretary	30.00
Per E. V. Chilson, assistant secretary	150.00
Rentals:	
American Writing Machine Co	71.00
Edward Ford	1,861.51
Underwood Typewriter Co	113.75
Remington Typewriter Co	65.90
B. E. Taylor	13.50
Detroit Electric Co	24.00
Corona Typewriter Co	10.00
Detroit Electric Co	6.00
Charles A. Floyd, office	40.00
Sundry	23.33

Hiram Marks Electric Co., installation		$11.53
Michigan Stereotype Co., cuts		6.75
Corona Typewriter Co, supplies		45.00
L. Breen Co., supplies		4.00
Underwood Typewriter Co., rentals		87.75
Banner Laundry Co., laundry		20.85
Supplies:		
Frankel Carbon Co		4.00
Gregg Hardware Co		2.25
Remington Typewriter Co		1.15
N. N. Rulison		15.00
American Multigraph Sales Co		50.00
Express charges:		
Wells Fargo & Co		10.03
Sundry items		88.39
McKinnon Cartage Co		8.00
H. O. Turner, assistant secretary		33.49
B. F. Emery, assistant secretary		6.60
Total office expenses		9,070.13

TELEGRAPH AND TELEPHONE CHARGES.

Michigan State Telephone Co	446.69
Western Union Telegraph Co	263.72
Saturday Night Press	8.34
Postal Telegraph Co	2.36
Charles A. Floyd, secretary (county committee)	549.82
B. F. Emery, assistant secretary	131.81
James F. McGregor, assistant secretary	49.60
James R. Davis, assistant secretary	26.25
E. V. Chilson, assistant secretary	35.65
Total expense for telegraph and telephone charges	1,514.14

TRAVELING EXPENSES.

Paul H. King, chairman	980.98
Charles A. Floyd, secretary	1,084.00
H. A. Hopkins, director of publicity	150.00
Clarence Stibben, stenographer	816.59
B. F. Emery, assistant secretary	251.10
James R. Davis, assistant secretary	350.00
James B. Haskins, assistant secretary	174.20
B. C. Wilson, publicity representative	25.00
E. V. Chilson, assistant secretary	114.50
A. K. Moore, assistant secretary	651.50
H. W. Rose, publicity representative	100.00
Thomas Phillips, publicity representative	255.00
A. G. MacEachron, publicity representative	50.00
Terry T. Corliss, assistant secretary	745.00
James F. McGregor, assistant secretary	599.60
B. F. Reed, assistant secretary	450.00
E. E. Smith, publicity representative	100.00
E. O. McLean, publicity representative	542.00
Incurred by county committee:	
Charles A. Floyd, secretary	1,277.58
B. F. Emery, assistant secretary	241.87
James R Davis, assistant secretary	145.60
Total traveling expenses	9,104.52

Copying elections registers and canvassing votes, list of voters from county and township clerks, as follows:		
Charles J. McGuire	$25.00	
Frank E. Ford	7.84	
M. Voseback	5.00	
S. L. Utley	27.78	
William Krohn	5.50	
B. F. Emery	10.00	
W. E. Barber	10.00	
E. E. Harwood	2.00	
Andrew Faulde	2.00	
W. L. Johnson	5.50	
W. S. Thompson	6.30	
Julia Gaylord	50.00	
Frank Jenks	78.10	
J. H. Taylor	5.25	
		240.27
E. S. Upston		1.55
C. A. Anderson		40.00
E. E. White		17.00
Felix Flynn		20.00
Samuel T. Taylor		35.00
B. B. Gorman		5.00
R. G. Sampson		5.25
Chris Kohn		35.00
Sundry township clerks		692.79
Clerical expense in general office in connection with securing and transcribing lists of voters, per B. F. Emery, assistant secretary		894.27
Expense in counties, canvassing voters, and tabulating lists, per:		
Charles A. Floyd, secretary		2,107.20
B. F. Emery, assistant secretary		653.55
James R. Davis, assistant secretary		128.50
Total expenses for copying election registers and canvassing voters		4,875.38

SALARIES AND COMPENSATIONS NOT OTHERWISE CHARGED.

Paul R. Dailey, attorney fee	$500.00
James R. Davis, assistant secretary	1,000.75
Terry T. Corliss, assistant secretary	907.50
James F. McGregor, assistant secretary	866.25
A. K. Moore, assistant secretary	866.25
Total salaries and compensations not otherwise charged	4,143.75
Total disbursements	176,568.08

RECEIPTS.

Sundry persons, as per accompanying list:			
Mar.	22.	John S. Newberry	$1,000.00
	29.	Do	1,000.00
Apr.	6.	Do	3,000.00
	10.	Do	3,000.00
	17.	Do	4,000.00
	24.	Do	6,000.00
May	9.	Do	2,000.00
	14.	Do	1,000.00
	24.	Do	1,000.00
June	1.	Do	2,000.00
	11.	Do	2,000.00
	13.	Do	2,500.00
	20.	Do	1,000.00
	24.	Do	2,000.00
	26.	Do	2,500.00
July	2.	Do	3,000.00
	8.	Do	5,000.00
	10.	Do	5,000.00
	11.	Do	2,000.00
	12.	Do	10,000.00
	17.	Do	2,000.00
	22.	Do	3,500.00
	25.	Do	2,000.00
Aug.	8.	Do	2,000.00
	10.	Do	8,000.00
	14.	Do	7,400.00
	16.	Emory W. Clark	100.00
	16.	Elizabeth L. Clark	100.00
	16.	Richard B. Joy	100.00
	16.	John S. Newberry	2,500.00
	16.	Henry B. Ledyard	200.00
	16.	Col. Frank J. Hecker	1,000.00
	16.	R. A. and F. M. Alger	1,000.00
	16.	Fred J. Moran	100.00
	19.	John S. Newberry	3,500.00
	19.	Lyman D. Smith	10,000.00
	20.	Citizens of Ludington, Mich	1.00
	20.	Henry B. Joy	1,000.00
	20.	Hugo Scherer	100.00
	20.	William G. Mathier	1,000.00
	21.	M. S. Keeler	25.00
	21.	S. W. Utley	10.00
	21.	E. P. Hammond	50.00
	21.	E. M. Carter	50.00
	21.	A. Victor Barnes	10,000.00
	22.	Frederick Brooks	2,500.00
	22.	Henry B. Joy	7,500.00
	23.	Joseph Boyer	50.00
	23.	John N. Bagley	50.00
	23.	Paul F. Bagley	50.00
	23.	Henry M. Leland	100.00
	26.	W. W. Johnson	50.00
	26.	C. Roehm	50.00
	26.	David Whitney	250.00
	26.	J. T. Keena	100.00
	28.	John G. Rumney	100.00
Aug.	28.	A. H. Buhl	250.00
	29.	E. F. Roberts	25.00
	29.	F. R. Robinson	10.00
	29.	F. L. Jandron	5.00
	29.	W. D. Walker	5.00
	29.	F. T. Druar	5.00
	29.	G. H. Brodie, jr	5.00
	29.	John D. Wilson	5.00
	29.	J. J. Marks	5.00
	29.	C. H. Vincent	5.00
	29.	John R. Bodde	25.00
	29.	F. G. Eastman	5.00
	29.	C. S. Hair	25.00
	29.	F. H. McKinney	5.00
	29.	D. G. Stanbrough	5.00
	29.	C. J. Sherrer	5.00
	29.	Frank Blandon	5.00
	29.	Milton Tibbitts	5.00
	29.	George C. Reifel	5.00
	29.	C. R. Lister	5.00
	29.	F. G. Eastman	5.00
	29.	C. G. Moore	10.00
	30.	Murray W. Sales	200.00
	31.	J. E. Locker	5.00
	31.	R. B. Smith	5.00
	31.	A. W. George	5.00
	31.	H. Lansdale	5.00
	31.	Frank W. Blair	100.00
Sept.	3.	A. I. Lewis	50.00
	3.	H. E. Bodman	100.00
	3.	S. S. Kresge	100.00
	3.	Cooper Wood	100.00
	3.	A. R. Demory	200.00
	3.	Alvin Macauley	250.00
	3.	Enoch Smith	25.00
	3.	A. Victor Barnes	15,000.00
	4.	Henry B. Joy	5,000.00
	5.	J. D. Lyon	50.00
	5.	Harry J. Dean	100.00
	5.	Henry M. Campbell	100.00
	6.	Mrs. H. B. Joy	10,000.00
	6.	Henry B. Joy	11,500.00
	6.	John S. Newberry	10,000.00
Total			178,856.00

Unpaid debts or obligations: None, to the best of my knowledge, information, and belief.

STATE OF MICHIGAN,
County of Wayne:

Frank W. Blair, being duly sworn, deposes and says that the foregoing is a full, true, and detailed account and statement of his disbursements, receipts, and unpaid debts or obligations, made, received, and

incurred as treasurer of the Truman H. Newberry senatorial committee in connection with said campaign for the nomination aforesaid.

FRANK W. BLAIR.

Subscribed and sworn to before me this 6th day of September, 1918.

PAUL R. DAILEY,
Notary Public, Wayne County, Mich.

My commission expires August 16, 1921.

Mr. POMERENE. Mr. President, in presenting this matter I want it distinctly understood that I am not attempting in any wise to prejudge this case. I express no opinion as to whether or not these moneys were legally or illegally contributed, or legally or illegally distributed. That is a matter for the committee first to determine and later for the Senate to pass judgment upon. I express no opinion as to the legal effect of these expenditures. I ask that the resolution be referred to the Committee on Privileges and Elections.

The VICE PRESIDENT. The Chair will suggest that the resolution should go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. POMERENE. It would eventually have to go to that committee before it is acted upon by the Senate, but I should like to have it first referred to the Committee on Privileges and Elections.

The VICE PRESIDENT. Very well; the resolution will be referred to the Committee on Privileges and Elections.

Mr. TOWNSEND. Mr. President, I am surprised at the action of the chairman of the Committee on Privileges and Elections in presenting this resolution to the Senate at this time. While I have the utmost respect for the Senator from Ohio [Mr. POMERENE], as he well understands and has known ever since we entered the Senate together, yet I am forced to believe that politics inspires this proceeding. It must not be forgotten that the President assumed to select a candidate for United States Senator from Michigan. A man was chosen by him evidently with the idea that he would run on both tickets, and the program was carried out in this regard.

Mr. POMERENE. Mr. President——

The VICE PRESIDENT. Does the Senator from Michigan yield to the Senator from Ohio?

Mr. TOWNSEND. If the Senator will allow me to finish my statement then I will yield. This candidate did run on both tickets in the primaries. It was charged at that time, proven, and admitted that he had contracts with the Government the profits of which would amount to millions of dollars—$30,000,000, I believe. It was a cost-plus contract, where there was no possible chance for the contractor to lose. It was urged in the primary campaign, which was a very warm one, that Mr. Ford, the candidate on both tickets, the President's candidate, was making this sum of money, or stood to make it; and, therefore, he came out in a statement saying that his share of the profits from the contract would be turned over to the Government. This statement was made in the midst of the campaign, when it might be beneficial in influencing the votes at the primary. Possibly the committee will investigate that fact. That it might have influenced votes for Mr. Ford no one can deny. The major part of $30,000,000 is greater than $176,000.

The letter which has been read into the RECORD, written by the lieutenant governor of Michigan, who was, as it was charged, a partisan friend of one of the other candidates in the primary, was printed at a time when the people of the State had full knowledge of what was going on and before the primary, and the result was an overwhelming majority on the Republican ticket for Mr. Newberry, he receiving more votes, I am informed, than Mr. Ford received on both Democratic and Republican tickets.

I am not at this time going into the qualifications of Mr. Ford in connection with his attitude on the war or as a statesman, nor try to discover the peculiar reasons which must have actuated the President in putting him forward as an administration candidate in Michigan, whose loyalty has never been questioned. I simply desire to state that Mr. Newberry did not, as I understand, come into the State during his campaign and had nothing to do with it during the primary. I know who did have. Mr. Paul H. King, a man whom I have known for years, one of the cleanest and best young men in Michigan, a man in whom everybody who has ever known him has confidence, had charge of the campaign. He is familiar with our State and Federal statutes, and I can not believe that he did or permitted to be done any unlawful act. No one regrets more than I do that so much money was used, and I will vote to make such use unlawful; but as between Mr. Ford and Mr. Newberry the people made no mistake in their choice. It was the natural, the inevitable, one, and if no law was violated which resulted in Mr. Newberry's election the Senate has no business to contribute to his opponent's success.

I repeat that I regret exceedingly that it should have been thought advisable on the part of anybody to spend $176,000 in the Michigan primary. I happen to know, however, that that expenditure was a detriment to Mr. Newberry rather than a benefit. This letter by Dickinson was circulated in the campaign—a people's campaign—and Mr. Newberry's opponents made the use of money in his campaign their issue. The voters knew all about it. I know this expenditure was a detriment to Mr. Newberry, because I heard it discussed frequently, and generally deprecated, although I heard of no charge that corruption had been practiced. No one questioned Mr. Newberry's honesty, ability, or patriotism. The newspapers carried much advertisement of this candidate, unnecessary, as I believe, but legal, as I am informed.

I am not objecting to an investigation at the proper time. Indeed, I would be glad to have a full and complete investigation, and if Mr. Newberry shall receive a certificate of election in November and charges are preferred against his title, I will not only vote to investigate but I will vote to unseat him if corruption which secured his nomination is proven. Now, however, in the midst of an election campaign a propaganda which failed in the primary, because the people believed they saw the animus back of it and what the object was, is to be carried further, not so much to uncover and punish corruption but to elect Mr. Newberry's opponent. An investigation after election would not inure to the benefit of any candidate, and the Committee on Privileges and Elections is to pursue an unusual course and in advance investigate this case. There is no law for this action, but later, if Mr. Newberry is elected, the Senate, being judge of its Members' qualifications, can pass upon them.

There will be time enough for the Senate to act when this candidate presents himself to take the oath of office, when his certificate is issued, if he shall be elected. Then will be the proper time to air this campaign issue. I am wondering why the Senator is not exercised over the condition in West Virginia, where equally gross charges against the successful Democratic candidate are made.

Mr. THOMAS. Mr. President, if I understand the scope of this resolution, it is not confined to Michigan, but takes in West Virginia and perhaps my own State. The Democratic candidate from West Virginia, I understand, if rumor is to be credited at all, will be subject to the terms of this resolution if it shall be enacted by the Senate.

Mr. TOWNSEND. That may be; but the Michigan case is the only one specified; and yet, in spite of all the protestations—and I do not wish to question the statements of Senators—the fact yet remains with me that this is in furtherance of the scheme which originated in the White House to call Mr. Ford in and induce him to enter this race for the Senate in Michigan. The administration wants a Senator from Michigan who will affiliate with the Democratic Party. I do not believe it will succeed. I want the facts known at the proper time. The question is, Will the Senate of the United States seat an improperly elected candidate? I will join, I repeat, even as against a man from my own State, in voting to unseat or to refuse a seat to a candidate who is proven to have been nominated or elected illegally; but this, I submit, is an unusual and unwarranted course of procedure. In the midst of a political campaign is not the proper time. The publication of these charges in the RECORD is for the purpose of free circulation. It is unworthy politics and will fail, however, because these charges were known in Michigan all during the primary campaign. The people in November will determine whether or not they believe there has been fraud. An enemy of Mr. Newberry said that if he received the nomination that nomination would be tested. The committee of the Senate propose to make that threat good. You had better let the people pass upon these charges in November before you act.

I understand that this resolution must go to the Committee on Contingent Expenses.

The VICE PRESIDENT. It has gone first to the Committee on Privileges and Elections for a determination as to whether they want to report it, and then it must go to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. TOWNSEND. The practical object has been accomplished thus far, in giving notice to the country through the RECORD, and especially to the people in the State of Michigan, that the Senate Committee on Privileges and Elections questions the right of their choice to run in the coming election. When further action is taken, I perhaps shall have something further to say upon the subject.

Mr. POMERENE. Mr. President, my distinguished friend "doth protest too much." When he charges that this resolution

was inspired because of an improper motive, I hardly think he intended to say that, or intended the effect of his words. Nothing that I have said, and nothing that I have done, justifies that construction. I submit that if the question arises as to whether I or the Senator from Michigan made a political speech there will be little difficulty in determining it.

The Senator from Michigan has suggested that he does not approve the expenditure of $176,000. That does him credit. I would not have expected him to take any other position than that. It now appears that $176,000 has been expended, and the Senator from Michigan does not approve it. Why? Is it because he thinks it is wrong or right? If wrong, then why should it not be investigated in time?

The precedents are all against the Senator. I myself served on a committee in the presidential campaign in 1912 when the subject matter under investigation was the expenditures in presidential campaigns. I do not know that there was any serious objection to that investigation at that time.

Mr. LODGE. Mr. President, may I ask the Senator a question?

Mr. POMERENE. Pardon me just a minute. When the Senator makes the statement that this investigation was prompted at the White House, that was wholly gratuitous on his part. It is not true.

I yield to the Senator from Massachusetts.

Mr. LODGE. Was that investigation of presidential campaign expenditures an investigation of the campaign then in progress?

Mr. POMERENE. It was. The resolution as first presented in the Senate was to apply to previous campaigns.

Mr. LODGE. That was my memory.

Mr. POMERENE. An amendment was made on the floor extending it to the then current campaign.

Mr. LODGE. Yes, Mr. President.

Mr. POMERENE. And those expenditures were inquired into by the committee. Witnesses came to testify concerning the expenditures by and on behalf of candidates of each of the three parties.

Mr. LODGE. I recall the investigation. It was purely political. I do not see myself, and never have been able to see, what possible jurisdiction the Senate had to investigate the election expenses of primaries or any other elections until they came before the Senate for action. We are not conducting a general inquest.

Mr. POMERENE. That may or may not be the correct view. I only know what the Senate has done in the past, and I accept full responsibility for presenting this resolution, because I believe it ought to be presented. That is all I care to say.

Mr. TOWNSEND. Mr. President, I desire to correct the statement made by the Senator from Ohio. I did not say that this investigation originated in the White House. I said the candidacy of Mr. Ford originaed in the White House.

Mr. LODGE. Of course it did.

Mr. OWEN. I think the Senator will want to correct the statement made by him, because he said the scheme originated in the White House if I remember correctly.

Mr. TOWNSEND. For the candidacy of Mr. Ford. That is what I mean.

Mr. POMERENE. Mr. President, I accept the correction made by the Senator; but I think, if he will look at the report of his remarks, he will find that I did not misstate his position.

Mr. LODGE. Mr. President, I want to say that if we are going on to things beyond our jurisdiction, and enter into campaign expenditures for political purposes, I think we shall have to examine them all. The reports from West Virginia of the struggle there between two eminent Democrats are quite as glowing, in a money way, as those from Michigan; and I think we had better investigate them all. I think it is useless politically, and I think it is beyond our jurisdiction anyway.

Mr. POMERENE. Mr. President, if the Senator will look at the second paragraph of the preamble he will discover that that was within the contemplation of the proponent of the resolution.

Mr. LODGE. I discovered it, Mr. President, while reading the second paragraph, but I noticed that the name of West Virginia was not printed in the resolution; and I am inclined to think it will be before we get through.

Mr. POMERENE. Mr. President, it was not printed there because I had no detailed information upon that subject. The other was beyond the peradventure of dispute.

Mr. TOWNSEND. Mr. President, with reference to the statement that I made, I overheard the Senator from Colorado [Mr. THOMAS] say a moment ago that I did make the statement that the proposal for an investigation originated in the White House. If I made that statement, I desire permission to change the RECORD in that respect.

Mr. THOMAS. I also said that I knew the Senator did not intend the statement.

Mr. TOWNSEND. I know the Senator did; but I do not wish to be misunderstood, because my expression in connection with Mr. Ford's candidacy made clearly evident what I intended.

Mr. FALL. Mr. President, with reference to the resolution which has just been referred to, I want to say that I am a member of the Committee on Privileges and Elections. With reference to the West Virginia case, for example, and with reference to the Michigan case, it is understood that charges have been made in West Virginia against the successful candidate that he spent an enormous amount of money. The same charges were made against the candidate in Michigan. The election is now pending. The candidate in West Virginia is serving his country in France; but he must conduct his campaign, or withdraw from it under the stigma of being investigated now by the Senate of the United States, under the statement that has been made. He must have it said of him by his political opponents or by his personal enemies in his State, as must be the case in Michigan, that the Senate of the United States has already paid enough attention to the charges made through the public press or elsewhere to place under investigation his right to occupy a seat in the Senate—his title, in the event it is finally conferred upon him by the people of a sovereign State. It will be said: "That right is now under investigation; and what assurance have you that if this man is elected he will be allowed by that holier-than-thou body to take his seat?"

This is exactly the situation. I deprecate this condition. In so far as I am personally concerned, it matters not to me at all. In my own State the condition to-day is that there are three or four candidates for the nomination upon one ticket. One of them is conducting, through the public press, such a campaign as we have never had in my State before, by paid advertisements in the public press, perfectly legitimately; and I want it understood here and now that as a member of the Committee on Privileges and Elections I would resent any statement reflecting upon that gentleman or the methods which he is now using. He has a perfect right to advertise in every paper in the State if he so desires, and he is doing it, with full-page advertisements. What the cost may be, I do not know. I regard it as a perfectly legitimate method of canvassing; and unless it can be shown that one of the men referred to here whom we are now to investigate, one of these candidates, has so expended his money corruptly as to buy a paper which was against him, I say he had a perfect right to do so; and I am speaking now as a member of the committee. This would be my judgment. Therefore, I presume that I would be disqualified, because I am not a fully qualified member of the Congressional Salvation Army. [Laughter.]

Mr. TOWNSEND. Mr. President, I desire to state something further, which has been brought to my mind by the statement of the Senator from New Mexico.

Mr. Newberry, who has been insidiously attacked here, is commander of the third naval district in New York. He has been since the war began, when he enlisted. He has devoted his time entirely to the duties that he owed his country. He has two sons, one of whom is in the Army and the other is in the Navy. I do not care to make any invidious comparisons with the man who ran against him, who was recommended for the place, and whom—whether it is intended or not—it is expected that this investigation will benefit. These facts will all be disclosed, because if the committee does investigate Mr. Newberry's nomination, it must in fairness disclose all the conditions attending the late Michigan primary.

Mr. OWEN. Mr. President, I merely want to observe that while it is legitimate, in the sense that it is not a violation of statute law, to use newspaper advertising on a large scale, there comes a point where the use of money in advertising in the newspapers may become against the public interest. It may be grossly unfair to other candidates who do not have the means of obtaining that publicity. It only emphasizes the need for a publicity pamphlet, published at the public expense, where each candidate may have an equal show before the electorate.

It is obviously unfair that Mr. Newberry's friends should spend confessedly $176,000—for newspaper advertising, I suppose, in the main—or $500,000, as charged against them by those who have criticized Mr. Newberry's campaign. When money is used on so large a scale it can influence the press through the business office; and money ought not to be used for advertising on such a scale that the business office may have weight with the editorial staff in commenting on candidates. The law ought to limit the amount that can be expended per capita if individuals are going to be permitted to spend money in this wholesale way, and I think somewhat shameless

way, because there is a point beyond which it ought not to be permitted to go, and where the conscience of men and the ethical sense of men will feel that certain expenditures are not in the public interest.

I do not know the gentleman whose campaign has been under discussion, but I think I do know something of Mr. Ford. I do not believe that Mr. Ford's loyalty should be questioned because of his mad hope to affect the opinion of the German Kaiser. He had an idea that the Bengal tiger was a house cat, and he made a very great error in any such conception; but I do not think anyone should question his loyalty.

Another thing: The instrumentalities built up by this great constructive force in the building of ships and in the building of other machinery of war are of the very first magnitude; and the employment of a man of this kind in such a service would be far more important that having him or his son either digging a trench.

The dangers of war can not be distributed per capita. Many men think that that ought to be the rule. The rule of service is where men can serve their Nation best, whatever the danger that may be incurred.

Mr. TOWNSEND. Who is to determine that?

Mr. OWEN. The proper authorities, I think.

Mr. TOWNSEND. The proper authority determined that Mr. Edsel Ford—and I take it the Senator has him in mind—was not entitled to exemption and did not grant him exemption. But he was not taken. He made an appeal to the President, who held the matter in abeyance until an order was issued by the Provost Marshal to the effect that those conscripts who were married, regardless of whether they had dependents or not, should be put in a deferred class. Mr. Edsel Ford, the local board had determined, was not entitled to exemption under the law which took the sons of less influential fathers.

Mr. OWEN. Of course, the local board and then the board of appeals determine upon a question of that character. I do not know anything about the individual. I only speak of the industrial exemptions, which have been found necessary in France, in Great Britain, and in the United States, because the men who are at the front must be supplied with the materials of war and with the machinery of war. I merely made that comment because the Senator's observation would seem to reflect on the loyalty of the son as well as on the loyalty of the father.

Mr. KENYON. Mr. President, I merely wish to say a word, because the Senator from Ohio [Mr. POMERENE] has been charged with playing politics in the introduction of this resolution. I think those who know the Senator from Ohio closely know that that would be unworthy of him. I know that there has been no politics whatever in it. The Senator from Ohio talked with some Republican Senators on the committee, and they agreed with him that the resolution should be introduced.

Outside of all question, Mr. President, if this enormous expenditure of money in senatorial campaigns is to go on without any challenge by Congress, then the poor man has no chance ever to secure a seat in this body, and simply the rich can purchase a seat here.

The PRESIDING OFFICER (Mr. KING in the chair). The morning hour is concluded.

Mr. McCUMBER. I gave notice that at the close of the morning hour I would discuss certain peace propositions made by the German Kaiser, but the Senator from Massachusetts [Mr. WEEKS] desires to leave very shortly and asked me to yield to him that he may discuss another subject before I begin. I gladly yield to him for that purpose.

Mr. WEEKS obtained the floor.

Mr. THOMPSON. Will the Senator from Massachusetts yield to me?

Mr. WEEKS. I yield.

GERMAN SUBMARINE WARFARE.

Mr. THOMPSON. Mr. President, I simply wish to announce that on to-morrow, Wednesday, September 18, following the morning business, if I can properly obtain the floor, I desire to address the Senate briefly on the question of German submarine warfare.

Mr. SMOOT. I understood that the Senate was going to adjourn over until Thursday. Let the Senator give the notice for the next meeting of the Senate.

Mr. THOMPSON. I talked with the floor leader, and he said there would be a session to-morrow, but Thursday will suit me just as well as to-morrow.

Mr. SMOOT. It does not make any difference whether the notice is for to-morrow or Thursday, the next session of the Senate will cover it.

Mr. THOMPSON. Very well, I give the notice for the next session of the Senate, changing the announcement in that particular.

SERIAL BOND ISSUES.

Mr. WEEKS. Mr. President, our Government is about to issue a fourth liberty loan, larger than any of the previous issues, and therefore a greater strain on the financial resources of the country than we have had heretofore to meet. I assume that the country will respond as patriotically in this instance as it has in the past, and that there will be no question about a full subscription to the $6,000,000,000 of bonds which are to be offered to the public. I am interested in the manner of issuing these bonds, and it is that question which I wish to bring to the attention of the Senate. It is an inopportune time, I am sure, if an audience is expected on the floor of the Senate, but it will be a matter of record, which, I think, may justify the effort.

In February last year, when the finance bill of that month was under consideration, I submitted to the Senate some observations, included in which was a statement relating to the manner of issuing bonds in serial form. I thought at the time, in fact I was confident at the time, that many Senators who had not had the opportunity to study this question were impressed with the value of the suggestion; but for some reason of which I am not informed the Treasury Department decided not to take advantage of the forms and figures which had been prepared and which were included in the RECORD. It is to once more see if I can not obtain enough interest in this important subject, which, in my judgment, will save more money than all the savings that can be made between now and the end of the war without in any way impairing the possibility of placing loans that I now address the Senate.

One of the striking actions taken in connection with that bill was the refunding of the bonded indebtedness incurred in prosecuting the Spanish-American War. Some sixty-eight millions of bonds were issued at the time of the Spanish War to supplement the additional taxation which was laid to provide for the expenditures incident to that conflict. Those bonds were to mature in 20 years, and the provision was made for their renewal for 50 years. In other words, and there could be no better example of the folly of such a system, the grandchildren or the great grandchildren of those who were active in affairs in 1898 are going to be obliged to either pay for the expenses of a small war fought at that time or renew again the indebtedness then incurred, and all the generations living between 1898 and 1968 will have to bear the burden of paying the interest on that indebtedness. There are three well-known methods of issuing public indebtedness, as far as the method relates to payment and maturity:

First. In the form which I have just illustrated, no part of the indebtedness being paid or provided for until the maturity of the entire loan;

Second. Providing for a sinking fund sufficient to meet the payment of the loan at maturity; and

Third. Providing for an annual contribution in the form of an installment sufficient to pay not only the interest for that year, but a proportional part of the indebtedness, so that an equal contribution each year, until the maturity of the debt, will pay the entire issue in annual contributions. Or, in other words, the repayment of the loan in annual installments, the amount being collected equal to a definite part of the loan, dependent on the number of years it has to run.

Until 20 or 25 years ago the ordinary method of overcoming the various serious objections of having an entire loan come due at one time without any provision for its payment was provided for through sinking-fund provisions; that is, the purchase of securities of sufficient amount in each year to provide a fund which would pay the entire debt at maturity. There have been so many failures of sinking-fund provisions that long ago the method was recognized as an uncertain and insecure policy to follow. No better illustration could be given of this failure to operate than that in the case of our own Government. When the Civil War bonds were issued, about two and a half billions of them, provision was made for a sinking fund which would retire them within the course of a reasonable number of years. The revenues which followed the Civil War for 20 or 25 years were so redundant that it was not necessary to apply the sinking fund, but the Treasury Department purchased bonds from time to time, so that the entire issue was reduced as early as 1890 to about one billion. Since that time the sinking-fund requirements were not put into operation for various reasons, one being that, due to one of the methods followed by us in issuing circulation, it was necessary to use the entire issue of Government bonds as a basis for our circulation.

In any case no party or no set of men paid very much attention to this sinking fund, and then, too, there is another very definite objection to the operation of a sinking fund in case of large indebtedness. It is difficult to get bonds suitable for trustee purposes sufficient to make ample provision for a large

loan, and of course that would be absolutely impossible in case of the enormous loans that are issued to prosecute the present war. Moreover, the undesirability of a sinking fund for our national debt has already been recognized by the repeal of the existing law requiring the establishment and maintenance of a sinking fund. The change made is in this language:

In lieu thereof the Secretary of the Treasury is hereby authorized to use, in his discretion, the surplus moneys in the Treasury from time to time or such portion thereof, as he may deem proper for the purchase or redemption of the outstanding obligations of the United States, and the obligations so purchased or redeemed shall be canceled and retired and their respective amounts shall be deducted from the outstanding principal of the public debt.

Of course it is better to repeal a provision of law which is not being observed than to leave it on the statute books, because a failure to enforce a law begets an indifference to all law and is harmful as a public policy, but it will be seen that in this provision, which has received the sanction of Congress, no definite action is taken to provide for our indebtedness, and there is a distinct disadvantage in leaving in the hands of the Secretary of the Treasury such a power as this. One Secretary might very well have definite opinions relating to the desirability of proposing a large annual budget from which he would anticipate a large amount to pay indebtedness, while another Secretary might take a directly contrary view, and as a result have very little available for the payment of indebtedness. Then, again, this is also true, that a large surplus in the Treasury is a temptation for excessive and frequently unlicensed public expenditures, suggesting undertakings which in the ordinary course would not be thought of, so that when we reach the distinction of having a real national budget system, instead of leaving it optional with the Secretary of the Treasury to carry out his personal views there should be definite and distinct provision for the raising of enough additional money to that required in carrying on our annual operations to make suitable provision for retirement of a part of the national indebtedness. There were those at the beginning of this war who argued that the larger part if not the entire expenditures of the war should be paid from moneys raised by taxation. Of course, the volume of expenditures has become so large that this would be impossible, even if it were believed by a majority that it was good public policy, but the contention which was made by the advocates following that method—that it is undesirable to extend indefinitely the costs of a war—has very much weight. We have no means of knowing what the extraordinary expenses of the Government will be in the generations to follow, and, in my judgment, the country at the end of this war will be strong and responsive enough so that there will be no hesitation about undertaking the payment of a proportional amount of the war debt annually. There is another advantage which I think should not be lost sight of in paying a portion of the indebtedness annually. Following that course will release the amount paid, making it available to use in legitimate enterprises. If the serial system were not adopted this would be impossible and would be particularly embarrassing in the methods used in providing sinking funds, because neither would the national indebtedness be paid nor would the indebtedness carried in the sinking fund for which provision might be made if it were not used in that way. Moreover, there is always more or less loss in the case of sinking-fund operations.

Take a case, for example, like the city of New York. I understand the amount of uninvested money belonging to its various sinking funds averages as much as $10,000,000. The bank rate of interest obtained on this uninvested money can not be more than about one-half of the rate of interest carried by the outstanding bonds, so that there is a very definite loss at all times for this reason, and the difficulty of obtaining suitable bonds to put into a sinking fund and the loss of interest on a part, if not on the entire fund, has long ago convinced thoughtful men, and especially skilled accountants, that it is not the most economical method to follow in conducting municipal or other public finances. This was recognized many years ago in the State of Massachusetts, and as early as 1906 a law was passed compelling the abandoning of the sinking-fund method in issuing State indebtedness and substituting for it serial bonds. Massachusetts has a very large gross debt, aggregating about $125,000,000, being second in the size of its debt to the State of New York and having the largest per capita debt of any State in the country. So it was, of course, an important question in that Commonwealth and was solved by the legislation to which I have referred after mature and serious consideration. Moreover, a few years later a law was passed by the Massachusetts Legislature compelling municipalities in that State to issue serial bonds, so that now all public indebtedness in Massachusetts is issued under the serial form. That Commonwealth is not alone in adopting this system. It has been done by many other States and local communities. I have recently had brought to my attention a statement made by the commissioner of finance of the city of Toronto, Canada, in which he made a very strong argument in favor of serial bonds. A brief statement of the results in the case to which he refers may not be out of place. The total amount of debenture issue in Toronto in 1916 aggregated $12,385,914.58, these debentures running from 3 to 33 years. The amount of levy for interest and principal, according to the sinking-fund method, in order to retire this indebtedness would aggregate $1,589,323.59 annually. By the serial bond method the amount required would be $1,500,826.17, showing an annual saving of $88,497.42, or a saving in the whole term of the loan of $1,291,537.75. It will be noted that this is simply a comparison between the sinking fund and the serial bond methods. The advantage to be obtained in serial bond form of issuing indebtedness over that maturing at one time and without any provision for its payment can be better demonstrated by figures, which I will submit a little later in another way. I regret exceedingly that in issuing the three series of liberty bonds which have already been sold to the public that action has not been taken to adopt the serial system, because while in time of war it is necessary to act with very little regard to the cost of any definite action, yet the time will come, and it will come soon, when the people of the country are going to demand an accounting, and when there has been a failure to take advantage of a sound economic policy, without some very substantial reason for such failure, not only will the administration be criticized for this neglect, but Congress as well. When it is so easy to demonstrate, in the issuing of the great volumes of indebtedness which we have done and must continue to do until the end of the war, that by following the serial method the Government will save hundreds of millions, yes, actually billions, there can not be any very good excuse given for failing to adopt that policy.

Very much of the information which I have received on the subject of serial bonds has been furnished me by Mr. Alfred D. Chandler, a well-known citizen of Brookline, Mass., who has given long and intelligent study to this question and who probably knows more about it than any man in the United States, but there are others who have given the subject consideration and who coincide with his views. In fact I do not find any trained accountant who does not agree with the conclusions which Mr. Chandler reaches in the figures which I will later submit. In order to indicate how general the practice of issuing serial bonds is upheld I quote from Prof. Seligman, the well-known professor of political economy at Columbia University, in an article published in the New York Times of April 15, 1917. He said, "One conclusion is certain, namely, that from the very time of issue adequate provision should be made for an annual amortizatiton quota so arranged that at the expiration of the life of the loan the entire loan will be virtually extinguished. It would be deplorable in the extreme if such gigantic issues as we have in contemplation were to be made with the simple prospect of refunding the loans at some future time. A perpetual debt or even a long debt must be avoided at all hazards." And Prof. Henry C. Adams, the well-known statistician, in his Science of Finance refers to this issue as follows: "The payment of the principal of a debt tends neither to impoverish a nation nor to retard its development, but, on the other hand, the maintenance of the principal and the constant increase of the interest tend to cripple the productive capacity of a people."

Moreover, very large continuing national indebtedness has a tendency to increase inflation and maintain it in normal times. It was on April 2, 1918, that President Wilson referred to this subject in an address in which he said, "It is our duty, I most respectfully urge, to protect our people so far as we may against the very serious hardships and evils which would be likely to arise out of the inflation which would be produced by vast loans." These vast loans are necessary. All of the money which can be raised from taxation, following the methods which have been adopted, will be raised in the finance bill this year and therefore we want to avoid as far as may be done the danger to which the President refers by reducing our indebtedness as rapidly as it is possible after the termination of the war. No preparation has been made for this in the three issues of bonds already placed. Neither the sinking fund nor the serial form of issuing indebtedness has been adopted. The first issue of 3½ per cent bonds runs 30 years, and is redeemable after 15 years, so that no part of that indebtedness can be paid, without going into the market to make purchases, before the 15th of June, 1932. The second liberty bond issue of 4 per cent bonds matures in 25 years, and is redeemable after 10 years, so that no part of that loan will be available for payment until November 15,

1927. The third issue of 4¼ per cent liberty bonds is made payable in 10 years, and is not subject to prior call, so that no part of this indebtedness will be due or available for payment before September 15, 1928. In other words, no part of this war indebtedness is available for payment within 10 years. The only recourse the Government will have will be to go into the market to purchase bonds, in which case it will be at the mercy of the bondholder and will be quite likely to pay excessive prices when it should be able to purchase the bonds at par. I now wish to call attention to the definite figures which will illustrate the utter folly of failing to adopt an approved method of issuing the bonds covering our national indebtedness, and I take for this purpose the $6,000,000,000 loan which is about to be issued at 4¼ per cent interest and compare the result from the issuing of this loan as a single-maturity issue with that under the partial-payment method, using different rates of interest and the issue running for different terms.

I do not intend to read all these figures to the Senate, but I ask permission to put them into the RECORD to complete the statement which I am making.

Ten years—$6,000,000,000.

Single maturity, 4¼ per cent:		
Interest	$2,550,000,000	
Principal	6,000,000,000	
Cost, end of 10 years, and principal unpaid		$8,550,000,000
Partial payment, 4¼ per cent:		
Interest	$1,402,500,000	
Principal	6,000,000,000	
Cost, end of 10 years, and principal paid in full		7,402,500,000
Difference in favor of partial payment and entire debt paid		1,147,500,000
Single maturity, 4¼ per cent:		
Interest	$2,550,000,000	
Principal	6,000,000,000	
Cost, end of 10 years, and principal unpaid		8,550,000,000
Partial payment, 4½ per cent:		
Interest	$1,485,000,000	
Principal	6,000,000,000	
Cost, end of 10 years, and principal paid in full		7,485,000,000
Difference in favor of partial payment and entire debt paid		1,065,000,000
Single maturity, 4¼ per cent:		
Interest	$2,550,000,000	
Principal	6,000,000,000	
Cost, end of 10 years, and principal unpaid		8,550,000,000
Partial payment, 5 per cent:		
Interest	$1,650,000,000	
Principal	6,000,000,000	
Cost, end of 10 years, and principal paid in full		7,650,000,000
Difference in favor of partial payment and entire debt paid		900,000,000

Fifteen years—$6,000,000,000.

Single maturity, 4¼ per cent:		
Interest	$3,825,000,000	
Principal	6,000,000,000	
Cost, end of 15 years, and principal unpaid		$9,825,000,000
Partial payment, 4¼ per cent:		
Interest	$2,040,000,000	
Principal	6,000,000,000	
Cost, end of 15 years, and principal paid in full		8,040,000,000
Difference in favor of partial payment and entire debt paid		1,785,000,000
Single maturity, 4¼ per cent:		
Interest	$3,825,000,000	
Principal	6,000,000,000	
Cost, end of 15 years, and principal unpaid		9,825,000,000
Partial payment, 4¼ per cent:		
Interest	$2,160,000,000	
Principal	6,000,000,000	
Cost, end of 15 years, and principal paid in full		8,160,000,000
Difference in favor of partial payment and entire debt paid		1,665,000,000
Single maturity, 4¼ per cent:		
Interest	$3,825,000,000	
Principal	6,000,000,000	
Cost, end of 15 years, and principal unpaid		9,825,000,000
Partial payment, 5 per cent:		
Interest	$2,400,000,000	
Principal	6,000,000,000	
Cost, end of 15 years, and principal paid in full		8,400,000,000
Difference in favor of partial payment and entire debt paid		1,425,000,000

Twenty years—$6,000,000,000.

Single maturity, 4¼ per cent:		
Interest	$5,100,000,000	
Principal	6,000,000,000	
Cost, end of 20 years, and principal unpaid		$11,100,000,000
Partial payment, 4¼ per cent:		
Interest	$2,677,500,000	
Principal	6,000,000,000	
Cost, end of 20 years, and principal paid in full		8,677,500,000
Difference in favor of partial payment and entire debt paid		2,422,500,000
Single maturity, 4¼ per cent:		
Interest	$5,100,000,000	
Principal	6,000,000,000	
Cost, end of 20 years, and principal unpaid		11,100,000,000
Partial payment, 4½ per cent:		
Interest	$2,835,000,000	
Principal	6,000,000,000	
Cost, end of 20 years, and principal paid in full		8,835,000,000
Difference in favor of partial payment, and entire debt paid		2,265,000,000
Single maturity, 4¼ per cent:		
Interest	$5,100,000,000	
Principal	6,000,000,000	
Cost, end of 20 years, and principal unpaid		11,100,000,000
Partial payment, 5 per cent:		
Interest	$3,150,000,000	
Principal	6,000,000,000	
Cost, end of 20 years, and principal paid in full		9,150,000,000
Difference in favor of partial payment, and entire debt paid		1,950,000,000

Twenty-five years—$6,000,000,000.

Single maturity, 4¼ per cent:		
Interest	$6,375,000,000	
Principal	6,000,000,000	
Cost, end of 25 years, and principal unpaid		$12,375,000,000
Partial payment, 4¼ per cent:		
Interest	$3,315,000,000	
Principal	6,000,000,000	
Cost, end of 25 years, and principal paid in full		9,315,000,000
Difference in favor of partial payment and entire debt paid		3,060,000,000
Single maturity, 4¼ per cent:		
Interest	$6,375,000,000	
Principal	6,000,000,000	
Cost, end of 25 years, and principal unpaid		12,375,000,000
Partial payment, 4½ per cent:		
Interest	$3,510,000,000	
Principal	6,000,000,000	
Cost, end of 25 years, and principal paid in full		9,510,000,000
Difference in favor of partial payment and entire debt paid		2,865,000,000
Single maturity, 4¼ per cent:		
Interest	$6,375,000,000	
Principal	6,000,000,000	
Cost, end of 25 years, and principal unpaid		12,375,000,000
Partial payment, 5 per cent:		
Interest	$3,900,000,000	
Principal	6,000,000,000	
Cost, end of 25 years, and principal paid in full		9,900,000,000
Difference in favor of partial payment and entire debt paid		2,475,000,000

Thirty years—$6,000,000,000.

Single maturity, 4¼ per cent:		
Interest	$7,650,000,000	
Principal	6,000,000,000	
Cost, end of 30 years, and principal unpaid		$13,650,000,000
Partial payment, 4¼ per cent:		
Interest	$3,952,440,000	
Principal	6,000,000,000	
Cost, end of 30 years, and principal paid in full		9,952,440,000
Difference in favor of partial payment, and entire debt paid		3,697,560,000
Single maturity, 4¼ per cent:		
Interest	$7,650,000,000	
Principal	6,000,000,000	
Cost, end of 30 years, and principal unpaid		13,650,000,000

Partial payment, 4½ per cent:		
Interest	$4,185,000,000	
Principal	6,000,000,000	
Cost, end of 30 years, and principal paid in full		$10,185,000,000
Difference in favor of partial payment, and entire debt paid		3,465,000,000
Single maturity, 4½ per cent:		
Interest	$7,650,000,000	
Principal	6,000,000,000	
Cost, end of 30 years, and principal unpaid		13,650,000,000
Partial payment, 5 per cent:		
Interest	$4,650,000,000	
Principal	6,000,000,000	
Cost, end of 30 years, and principal paid in full		10,650,000,000
Difference in favor of partial payment, and entire debt paid		3,000,000,000
Forty years—$6,000,000,000.		
Single maturity, 4½ per cent:		
Interest	$10,200,000,000	
Principal	6,000,000,000	
Cost, end of 40 years, and principal unpaid		$16,200,000,000
Partial payment, 4½ per cent:		
Interest	$5,227,500,000	
Principal	6,000,000,000	
Cost, end of 40 years, and principal paid in full		11,227,500,000
Difference in favor of partial payment and entire debt paid		4,972,500,000
Single maturity, 4½ per cent:		
Interest	$10,200,000,000	
Principal	6,000,000,000	
Cost, end of 40 years, and principal unpaid		16,200,000,000
Partial payment, 4½ per cent:		
Interest	$5,535,000,000	
Principal	6,000,000,000	
Cost, end of 40 years, and principal paid in full		11,535,000,000
Difference in favor of partial payment and entire debt paid		4,665,000,000
Single maturity, 4½ per cent:		
Interest	$10,200,000,000	
Principal	6,000,000,000	
Cost, end of 40 years, and principal unpaid		16,200,000,000
Partial payment, 5 per cent:		
Interest	$6,150,000,000	
Principal	6,000,000,000	
Cost, end of 40 years, and principal paid in full		12,150,000,000
Difference in favor of partial payment and entire debt paid		4,050,000,000
Fifty years—$6,000,000,000.		
Single maturity, 4½ per cent:		
Interest	$12,750,000,000	
Principal	6,000,000,000	
Cost, end of 50 years, and principal unpaid		$18,750,000,000
Partial payment, 4½ per cent:		
Interest	$6,502,500,000	
Principal	6,000,000,000	
Cost, end of 50 years, and principal paid in full		12,502,500,000
Difference in favor of partial payment and entire debt paid		6,247,500,000
Single maturity, 4½ per cent:		
Interest	$12,750,000,000	
Principal	6,000,000,000	
Cost, end of 50 years, and principal unpaid		18,750,000,000
Partial payment, 4½ per cent:		
Interest	$6,885,000,000	
Principal	6,000,000,000	
Cost, end of 50 years, and principal paid in full		12,885,000,000
Difference in favor of partial payment and entire debt paid		5,865,000,000
Single maturity, 4½ per cent:		
Interest	$12,750,000,000	
Principal	6,000,000,000	
Cost, end of 50 years, and principal unpaid		18,750,000,000
Partial payment, 5 per cent:		
Interest	$7,650,000,000	
Principal	6,000,000,000	
Cost, end of 50 years, and principal paid in full		13,650,000,000
Difference in favor of partial payment and entire debt paid		5,100,000,000

When you stop to consider that there is a saving of more than the face of the entire issue if the bonds are issued by the single-maturity and partial-payment method in 50 years, or $6,247,000,000, what possible reason can there be for not adopting this system?

I wish, Mr. President, to add to this record of figures which I prepared, and which I wish to submit, another statement, relating to partial payments, which I think has particular force, because it shows exactly what will have to be done each year in order to pay the debt in full. Take the $6,000,000,000 issue which we are now considering, the appropriation to run for 25 years. The appropriation for the first year for interest is $255,000,000; for principal and interest combined, $495,000,000. But each year the amount of interest decreases, so that the total appropriation will be decreased by the amount of interest which would have been required to pay the amount of the loan so reduced the previous year; or, in other words, if this loan ran for 25 years, by the partial-payment method there would be a saving of $117,600,000 annually and the entire debt would be paid at the end of that time, while in the other case there would be caused not only a payment of that additional amount, but the debt would be in full force at the end of 25 years. I ask permission to put all of those figures in the RECORD, Mr. President.

The PRESIDING OFFICER (Mr. NUGENT in the chair). Without objection, permission to do so is granted.

The figures referred to are as follows:

Cost, by partial payments, of $6,000,000,000 4½ per cent, 25 years, one twenty-fifth, or $240,000,000, payable each year.

Years.	Principal.	Interest, 4½ per cent.	Principal and interest.
1	$6,000,000,000 240,000,000	$255,000,000	$495,000,000
2	5,760,000,000 240,000,000	244,800,000	484,800,000
3	5,520,000,000 240,000,000	234,600,000	474,600,000
4	5,280,000,000 240,000,000	224,400,000	464,400,000
5	5,040,000,000 240,000,000	214,200,000	454,200,000
6	4,800,000,000 240,000,000	204,000,000	444,000,000
7	4,560,000,000 240,000,000	193,800,000	433,800,000
8	4,320,000,000 240,000,000	183,600,000	423,600,000
9	4,080,000,000 240,000,000	173,400,000	413,400,000
10	3,840,000,000 240,000,000	163,200,000	403,200,000
11	3,600,000,000 240,000,000	153,000,000	393,000,000
12	3,360,000,000 240,000,000	142,800,000	382,800,000
13	3,120,000,000 240,000,000	132,600,000	372,600,000
14	2,880,000,000 240,000,000	122,400,000	362,400,000
15	2,640,000,000 240,000,000	112,200,000	352,200,000
16	2,400,000,000 240,000,000	102,000,000	342,000,000
17	2,160,000,000 240,000,000	91,800,000	331,800,000
18	1,920,000,000 240,000,000	81,600,000	321,600,000
19	1,680,000,000 240,000,000	71,400,000	311,400,000
20	1,440,000,000 240,000,000	61,200,000	301,200,000
21	1,200,000,000 240,000,000	51,000,000	291,000,000
22	960,000,000 240,000,000	40,800,000	280,800,000
23	720,000,000 240,000,000	30,600,000	270,600,000

Cost by partial payments of $6,000,000,000, 4½ per cent, 25 years, one twenty-fifth, or $240,000,000, payable each year—Continued.

Years.	Principal.	Interest, 4½ per cent.	Principal and interest.
24	$480,000,000 240,000,000	$20,400,000	$260,400,000
25	240,000,000 240,000,000	10,200,000	250,200,000
		3,315,000,000	9,315,000,000

Twenty-five years—$6,000,000,000, 4½ per cent.

Single maturity, 4½ per cent:
Interest $6,375,000,000
Principal 6,000,000,000

Cost, end of 25 years, and principal unpaid $12,375,000,000

Partial payment, 4½ per cent:
Interest $3,315,000,000
Principal 6,000,000,000

Cost, end of 25 years, and principal paid in full 9,315,000,000

Difference in favor of partial payment and entire debt paid 3,060,000,000

Average yearly payments for 25 years.

Under partial-payment method:
Interest $132,600,000
Principal 240,000,000

Total, and entire $6,000,000,000 debt paid $372,600,000

Under single-maturity method, interest only, and no part of the $6,000,000,000 principal paid 255,000,000

Annual excess by partial-payment method, but with entire debt (principal and interest) paid at maturity 117,600,000

Cost, by partial payments, of $6,000,000,000, 4½ per cent, 50 years, one-fiftieth, or $120,000,000, payable each year.

Years.	Principal.	Interest, 4½ per cent.	Principal and interest.
1	$6,000,000,000 120,000,000	$255,000,000	$375,000,000
2	5,880,000,000 120,000,000	249,900,000	369,900,000
3	5,760,000,000 120,000,000	244,800,000	364,800,000
4	5,640,000,000 120,000,000	239,700,000	359,700,000
5	5,520,000,000 120,000,000	234,600,000	354,600,000
6	5,400,000,000 120,000,000	229,500,000	349,500,000
7	5,280,000,000 120,000,000	224,400,000	344,400,000
8	5,160,000,000 120,000,000	219,300,000	339,300,000
9	5,040,000,000 120,000,000	214,200,000	334,200,000
10	4,920,000,000 120,000,000	209,100,000	329,100,000
11	4,800,000,000 120,000,000	204,000,000	324,000,000
12	4,680,000,000 120,000,000	198,900,000	318,900,000
13	4,560,000,000 120,000,000	193,800,000	313,800,000
14	4,440,000,000 120,000,000	188,700,000	308,700,000
15	4,320,000,000 120,000,000	183,600,000	303,600,000
16	4,200,000,000 120,000,000	178,500,000	298,500,000
17	4,080,000,000 120,000,000	173,400,000	293,400,000
18	3,960,000,000 120,000,000	168,300,000	288,300,000
19	3,840,000,000 120,000,000	163,200,000	283,200,000
20	3,720,000,000 120,000,000	158,100,000	278,100,000

Cost, by partial payments, of $6,000,000,000, 4½ per cent, 50 years, one-fiftieth, or $120,000,000, payable each year—Continued.

Years.	Principal.	Interest, 4½ per cent.	Principal and interest.
21	$3,600,000,000 120,000,000	$153,000,000	$273,000,000
22	3,480,000,000 120,000,000	147,900,000	267,900,000
23	3,360,000,000 120,000,000	142,800,000	262,800,000
24	3,240,000,000 120,000,000	137,700,000	257,700,000
25	3,120,000,000 120,000,000	132,600,000	252,600,000
26	3,000,000,000 120,000,000	127,500,000	247,500,000
27	2,880,000,000 120,000,000	122,400,000	242,400,000
28	2,760,000,000 120,000,000	117,300,000	237,300,000
29	2,640,000,000 120,000,000	112,200,000	232,200,000
30	2,520,000,000 120,000,000	107,100,000	227,100,000
31	2,400,000,000 120,000,000	102,000,000	222,000,000
32	2,280,000,000 120,000,000	96,900,000	216,900,000
33	2,160,000,000 120,000,000	91,800,000	211,800,000
34	2,040,000,000 120,000,000	86,700,000	206,700,000
35	1,920,000,000 120,000,000	81,600,000	201,600,000
36	1,800,000,000 120,000,000	76,500,000	196,500,000
37	1,680,000,000 120,000,000	71,400,000	191,400,000
38	1,560,000,000 120,000,000	66,300,000	186,300,000
39	1,440,000,000 120,000,000	61,200,000	181,200,000
40	1,320,000,000 120,000,000	56,100,000	176,100,000
41	1,200,000,000 120,000,000	51,000,000	171,000,000
42	1,080,000,000 120,000,000	45,900,000	165,900,000
43	960,000,000 120,000,000	40,800,000	160,800,000
44	840,000,000 120,000,000	35,700,000	155,700,000
45	720,000,000 120,000,000	30,600,000	150,600,000
46	600,000,000 120,000,000	25,500,000	145,500,000
47	480,000,000 120,000,000	20,400,000	140,400,000
48	360,000,000 120,000,000	15,300,000	135,300,000
49	240,000,000 120,000,000	10,200,000	130,200,000
50	120,000,000 120,000,000	5,100,000	125,100,000
		6,502,500,000	12,502,500,000

Fifty years—$6,000,000,000, 4½ per cent.

Single maturity, 4½ per cent:
Interest $12,750,000,000
Principal 6,000,000,000

Cost, end of 50 years, and principal unpaid $18,750,000,000

Partial payment, 4½ per cent:
Interest $6,502,500,000
Principal 6,000,000,000

Cost, end of 50 years, and principal paid in full 12,502,500,000

Difference in favor of partial payment, and entire debt paid 6,247,500,000

Average yearly payments for 50 years.

Under single maturity method—interest only and no part of the $6,000,000,000 principal paid		$255,000,000
Under partial payment method:		
Interest	$130,050,000	
Principal	120,000,000	
Total and entire $6,000,000,000 debt paid		250,050,000
Average annual saving by partial payment method and entire debt (principal and interest) paid at maturity		4,950,000
A total saving in the 50 years, and the entire debt paid of $6,000,000,000, of		247,500,000

Cost by partial payments of $6,000,000,000, 4½ per cent, 25 years, one twenty-fifth, or $240,000,000, payable each year.

Years.	Principal.	Interest, 4½ per cent.	Principal and interest.
1	$6,000,000,000 240,000,000	$270,000,000	$510,000,000
2	5,760,000,000 240,000,000	259,200,000	499,200,000
3	5,520,000,000 240,000,000	248,400,000	488,400,000
4	5,280,000,000 240,000,000	237,600,000	477,600,000
5	5,040,000,000 240,000,000	226,800,000	466,800,000
6	4,800,000,000 240,000,000	216,000,000	456,000,000
7	4,560,000,000 240,000,000	205,200,000	445,200,000
8	4,320,000,000 240,000,000	194,400,000	434,400,000
9	4,080,000,000 240,000,000	183,600,000	423,600,000
10	3,840,000,000 240,000,000	172,800,000	412,800,000
11	3,600,000,000 240,000,000	162,000,000	402,000,000
12	3,360,000,000 240,000,000	151,200,000	391,200,000
13	3,120,000,000 240,000,000	140,400,000	380,400,000
14	2,880,000,000 240,000,000	129,600,000	369,600,000
15	2,640,000,000 240,000,000	118,800,000	358,800,000
16	2,400,000,000 240,000,000	108,000,000	348,000,000
17	2,160,000,000 240,000,000	97,200,000	337,200,000
18	1,920,000,000 240,000,000	86,400,000	326,400,000
19	1,680,000,000 240,000,000	75,600,000	315,600,000
20	1,440,000,000 240,000,000	64,800,000	304,800,00
21	1,200,000,000 240,000,000	54,000,000	294,000,000
22	960,000,000 240,000,000	43,200,000	283,200,000
23	720,000,000 240,000,000	32,400,000	272,400,000
24	480,000,000 240,000,000	21,600,000	261,600,000
25	240,000,000 240,000,000	10,800,000	250,800,000
	.....	3,510,000,000	9,510,000,000

Twenty-five years—$6,000,000,000, 4½ per cent.

Single maturity, 4½ per cent:		
Interest	$6,750,000,000	
Principal	6,000,000,000	
Cost, end of 25 years, and principal unpaid		$12,750,000,000
Partial payment, 4½ per cent:		
Interest	$3,510,000,000	
Principal	6,000,000,000	
Cost, end of 25 years, and principal paid in full		9,510,000,000
Difference in favor of partial payment and entire debt paid		3,240,000,000

Average yearly payments for 25 years.

Under partial-payment method:		
Interest	$140,400,000	
Principal	240,000,000	
Total, and entire $6,000,000,000 debt paid		$380,400,000
Under single-maturity method, interest only, and no part of the $6,000,000,000 principal paid		270,000,000
Annual excess by partial-payment method, but with entire debt (principal and interest) paid at maturity		110,400,000

Cost by partial payments of $6,000,000,000, 4½ per cent, 50 years, one-fiftieth, or $120,000,000, payable each year.

Years.	Principal.	Interest, 4½ per cent.	Principal and interest.
1	$6,000,000,000 120,000,000	$270,000,000	$390,000,000
2	5,880,000,000 120,000,000	264,600,000	384,600,000
3	5,760,000,000 120,000,000	259,200,000	379,200,000
4	5,640,000,000 120,000,000	253,800,000	373,800,000
5	5,520,000,000 120,000,000	248,400,000	368,400,000
6	5,400,000,000 120,000,000	243,000,000	363,000,000
7	5,280,000,000 120,000,000	237,600,000	357,600,000
8	5,160,000,000 120,000,000	232,200,000	352,200,000
9	5,040,000,000 120,000,000	226,800,000	346,800,000
10	4,920,000,000 120,000,000	221,400,000	341,400,000
11	4,800,000,000 120,000,000	216,000,000	336,000,000
12	4,680,000,000 120,000,000	210,600,000	330,600,000
13	4,560,000,000 120,000,000	205,200,000	325,200,000
14	4,440,000,000 120,000,000	199,800,000	319,800,000
15	4,320,000,000 120,000,000	194,400,000	314,400,000
16	4,200,000,000 120,000,000	189,000,000	309,000,000
17	4,080,000,000 120,000,000	183,600,000	303,600,000
18	3,960,000,000 120,000,000	178,200,000	298,200,000
19	3,840,000,000 120,000,000	172,800,000	292,800,000
20	3,720,000,000 120,000,000	167,400,000	287,400,000
21	3,600,000,000 120,000,000	162,000,000	282,000,000
22	3,480,000,000 120,000,000	156,600,000	276,600,000
23	3,360,000,000 120,000,000	151,200,000	271,200,000
24	3,240,000,000 120,000,000	145,800,000	265,800,000
25	3,120,000,000 120,000,000	140,400,000	260,400,000
26	3,000,000,000 120,000,000	135,000,000	255,000,000
27	2,880,000,000 120,000,000	129,600,000	249,600,000
28	2,760,000,000 120,000,000	124,200,000	244,200,000
29	2,640,000,000 120,000,000	118,800,000	238,800,000
30	2,520,000,000 120,000,000	113,400,000	233,400,000
31	2,400,000,000 120,000,000	108,000,000	228,000,000

Cost, by partial payments, of $6,000,000,000, 4½ per cent, 50 years, one-fiftieth, or $120,000,000, payable each year—Continued.

Years.	Principal.	Interest, 4½ per cent.	Principal and interest.
32	$2,280,000,000 120,000,000	$102,600,000	$222,600,000
33	2,160,000,000 120,000,000	97,200,000	217,200,000
34	2,040,000,000 120,000,000	91,800,000	211,800,000
35	1,920,000,000 120,000,000	86,400,000	206,400,000
36	1,800,000,000 120,000,000	81,000,000	201,000,000
37	1,680,000,000 120,000,000	75,600,000	195,600,000
38	1,560,000,000 120,000,000	70,200,000	190,200,000
39	1,440,000,000 120,000,000	64,800,000	184,800,000
40	1,320,000,000 120,000,000	59,400,000	179,400,000
41	1,200,000,000 120,000,000	54,000,000	174,000,000
42	1,080,000,000 120,000,000	48,600,000	168,600,000
43	960,000,000 120,000,000	43,200,000	163,200,000
44	840,000,000 120,000,000	37,800,000	157,800,000
45	720,000,000 120,000,000	32,400,000	152,400,000
46	600,000,000 120,000,000	27,000,000	147,000,000
47	480,000,000 120,000,000	21,600,000	141,600,000
48	360,000,000 120,000,000	16,200,000	136,200,000
49	240,000,000 120,000,000	10,800,000	130,800,000
50	120,000,000 120,000,000	5,400,000	125,400,000
	.....	6,885,000,000	12,885,000,000

Fifty years—$6,000,000,000 4½ per cent.

Single maturity, 4½ per cent:		
Interest	$13,500,000,000	
Principal	6,000,000,000	
Cost, end of 50 years, and principal unpaid		$19,500,000,000
Partial payment, 4½ per cent:		
Interest	$6,885,000,000	
Principal	6,000,000,000	
Cost, end of 50 years, and principal paid in full		12,885,000,000
Difference in favor of partial payment, and entire debt paid		6,615,000,000
Average yearly payments for 50 years.		
Under single maturity method—interest only, and no part of the $6,000,000,000 principal paid		$270,000,000
Under partial payment method:		
Interest	$137,700,000	
Principal	120,000,000	
Total, and entire $6,000,000,000 debt paid		257,700,000
Average annual saving by partial payment method, and entire debt (principal and interest) paid at maturity		12,300,000
A total saving in the 50 years, and the entire debt paid of $6,000,000,000, of		615,000,000

Mr. WEEKS. There has been objection on the part of a few individuals to the issuing of national bonds to the public in serial form on the ground that different dates of maturity would naturally sell at different prices and that therefore one subscriber would have an advantage over another. I think there is no particular validity in this objection. It might occur under some circumstances but in these days serial issues of bonds sell quite as well as do an issue maturing at one time. There are so many forms of investment requiring different maturities and especially if provision must be made for sinking-fund payments, that bond dealers of long experience have, I think, without exception come to the conclusion that as high a price is obtained for a serial issue as for a single-maturity issue, and I do not think in the present temper of the public that there will be any serious objection even if the same issue of bonds of different maturities sold at a somewhat different price. Moreover, it would not be necessary to adopt such an expedient as the one recently suggested by the Secretary of the Treasury to stabilize outstanding issues of bonds as well as to induce additional subscriptions. I am not criticizing his suggestion nor his desire to aid as far as possible the sale of the fourth liberty loan but am simply calling attention to the fact that a serial-bond issue would promote uniformity of bond quotations in the bond market and therefore provide for their automatic stabilization. It has been suggested that a large fund be furnished the Secretary of the Treasury, taken presumably from borrowed money instead of taxes, for the purpose of enabling the Secretary of the Treasury to stabilize bond prices. If the method to be followed in this case conforms in any degree with the usual stock-market methods of supporting stocks it would have as a result, in my opinion, a very demoralizing effect on bond prices rather than a stimulating one. We should not lose sight of the fact that every effort should be made to strengthen the Nation's credit, for by so doing we add an additional surety to our position as a military as well as a commercial power, and a large indebtedness for which no provision has been made for payment can not but produce a bad impression and will result in lessening the Nation's credit. Moreover, bonds issued under the serial method properly and justly distributes the cost of the war over the time it is determined as being necessary to pay the entire indebtedness. No part of this or succeeding generations until the entire indebtedness is paid will be able to escape its measure of the responsibility and that in itself will have a good effect on the Nation and a stabilizing effect on the price of bonds. We are necessarily spending enormous sums of money and there should be no hesitation to make every expenditure which is legitimate, but there should be no opportunity lost to make a saving wherever it can be done without in any degree lessening the effectiveness of the prosecution of the war, and I maintain that all of the methods combined which might be discovered to produce economies in our expenditures would not equal the saving that can be made to the Government if the serial-bond method is adopted. While it may be said that the printing of the bonds for the fourth liberty loan has already been undertaken, even if it has the plates and every other preparatory step which may have been made could be very well thrown away to bring about the enormous savings evidenced by the figures which I have submitted, the correctness of which I believe can not be successfully disputed.

THE KAISER'S PEACE PLEA.

Mr. McCUMBER. Mr. President, on the 12th day of September, 1918, Emperor William of Germany made an address to the Krupp munition workers at Essen. I desire to place in the RECORD such excerpts from that address as I have marked and to respond to some of them at this time. I wish first to read one excerpt from this address, as follows:

> Every one of you in the remotest corner of the fatherland knows that I left no stone unturned to shorten the war as far as possible for you and your people and for the entire civilized European world. In December, 1916, I presented the enemy public with a clear and unambiguous offer of peace in the name of the German Empire and my allies. Jeers, mockery, and contempt were the answer.

READY TO ACCEPT PEACE.

> God above knows my sense of responsibility. Repeatedly during the past months the responsible leaders of the imperial government have unambiguously given to understand, to every one who wished to understand, that we are at all times ready to offer the hand to peace.

Mr. President, this renewed bid for peace, taken in conjunction with the suggestions made by the Austrian Government, demands, it seems to me, some restatement of our case in addition to what has been made by the President of the United States and on the floor of the Senate. I wish to address myself to certain features that would come under the general term of reparation features which were not touched upon by the Senator from Massachusetts [Mr. LODGE] in his able address the other day nor by anyone else who has discussed the subject of peace terms.

Mr. President, I ask permission to insert in the RECORD without reading certain other excerpts which I have marked.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

> Many among you have often asked themselves during this long war, "How did such a thing happen? Why did we have to undergo such a thing after 40 years of peace?" I think it is a question well worthy of an answer and which must be answered for the future—for our children and our grandchildren.

I have thought long on the matter and have come to the following answer:

In this world good clashes with evil. That is how things have been ordered from On High—the yes and the no; the no of the doubting mind against the yes of the creative mind; the no of the pessimist against the yes of the optimist; the no of the unbeliever against the yes of the champion of faith; the yes of heaven against the no of hell.

PRODUCT OF GREAT NEGATION.

You will acknowledge that I am right in describing this war as the product of a great negation. And do you ask what negation it is? It is the negation of the German people's right to existence. It is the negation of all our kultur, a negation of our achievements, of all our work.

The German people was industrious, meditative, assiduous, imaginative in all domains. It worked with body and soul. But there were people who did not wish to work, but to rest on their laurels. Those were our enemies. We got close to them through our profitable work and the development of our industry, science, and art; through our popular education and social legislation. Thereby our people throve, and then came envy.

"ENVY INDUCED FOE TO FIGHT."

Envy induced our enemies to fight, and war came upon us. And now when our opponents see that their hopes have been deceptive and how our mighty generals, after whom your new workshops are rightly named, have dealt them blow upon blow, hatred springs up. We only know the honest wrath which deals the enemy the blow, but when he lies prostrate and bleeding we extend to him our hand and see to his recovery.

Hatred manifests itself only among peoples who feel themselves beaten. If, therefore, such terrible hatred exists among our enemies it owes its origin to the fact that their calculations have been wrong.

REFERENCE TO RUSSIA.

And now, my friends, let me draw your attention to something more. You have read what recently happened in Moscow—the mighty conspiracy against the present government. The parliamentary-governed, democratic British nation has endeavored to overthrow the ultrademocratic government which the Russian people had begun to construct, because this government, considering the interests of its fatherland, wishes to maintain its people in the peace for which it clamors.

Mr. McCUMBER. Mr. President, the king of brute force and emperor of unbridled militarism, with fingers still dripping with the blood of millions of men, women, and babes, with an arrogance in keeping with his merciless policies, and with a cunning and deception in harmony with all the startling disclosures of his treacherous international diplomacy, again appeals to his own people for renewed allegiance to his base cause and to neutrals and pacifists to stay the avenging arm of justice.

I propose to place in the RECORD the heart response of one American citizen to this plea for a peace conference—the sentiments which I know reflect the conscience and conviction of every American who loves justice and hates tyranny and oppression.

The Kaiser in his speech to the Krupp gun workers says he wants peace. He can have it to-day. But he can have only a just and righteous peace. A peace that is not both righteous and permanent, a peace that imposes no punishment on the perpetrator of the most atrocious crime in the history of the world, a peace that leaves such a criminal with such criminal tendencies in a position to again perpetrate a like crime would be worse than a sham; it would be an act of treason against humanity itself.

This is the American answer to you, most august monarch of autocratic militarism, you who appeal for a cessation of this war, a war which you and you alone launched on an unprepared and a defenseless world.

The press reports attribute to you these words:

Many among you have often asked yourselves during the long war, "How did such a thing happen? Why did we have to undergo such a thing after 40 years of peace?" I think it is a question well worthy of an answer and which must be answered for the future—for our children and for our grandchildren. I have thought long on the matter and have come to the following answer.

Then, after indulging in a weak attempt at camouflage, you record this as your conclusion:

Envy induced our enemies to fight, and war came upon us.

Is it possible that you have so concealed the truth from the German people that such a cheap and silly falsehood can find lodgment in their minds? You and your autocratic and arrogant military caste are solely responsible for this holocaust of blood and misery. The German people are responsible only in that they have submitted their bodies and lives, mere pawns on the chessboard of aristocratic ambitions, to be sacrificed for the perpetuation and glory of his majesty the Emperor.

"Envy induced our enemies to fight, and war came upon us." What a monstrous falsehood! For 40 years German militarism had been preparing to launch this war. Your military statesmen declared this purpose. Your writers published their schemes for world conquest. They played upon the greed of your merchants and the vanity of your people. During all these 40 years you have been envious of Great Britain's sea power and her success in colonizing and binding to her great sections of the earth. You and your coterie have published volume after volume of literature declaring it a national duty to destroy the British Empire. You evolved the scheme of uniting into one realm all the territory of central Europe, that it might give you a power to crush and enslave every weaker nation of Europe, to dominate and conquer India, and finally to control the destinies of South America. You even formed companies which were to exploit India and bring its wealth to the fatherland.

Your military zealots have always been dissatisfied with the toll of a billion dollars imposed upon defeated France in 1870, in addition to the seizure of her two fairest Provinces. You had determined that in this war your crushed and subjugated enemies should pay all the cost of their very undoing. Wherever you have succeeded, whatever territory you have brought under your control, you have robbed the people of their wealth and made slaves of their populations. If you should succeed in this war, the indemnities you would impose would appall the world. But a just God, whose justice you have slandered in this impious and brutal war, will never allow you to perpetrate your purpose upon the world.

Again, you say:

Hatred manifests itself only among peoples who feel themselves beaten. If, therefore, such terrible hatred exists among our enemies, it owes its origin to the fact that their calculations have been wrong.

You talk of hatred! You, the embodiment of the very soul of hate, accuse your enemies of hating you! Who originated your Hymn of Hate? Who but your military autocracy? Who has made it a national anthem? You, and you alone. Is it possible that you expect the world to refrain from hating you for making such a war and for your atrocious methods of conducting it? Yes; it is true that the world does hate you, but it hates you for the crimes you have committed. The world will be a lost world when it ceases to grow in hate of hate, when it ceases to hate the carnivorous beast or despise the cunning, poisonous serpent.

By your shocking orders, by your brutal conquests, by your murder of children, by your ravishment of women, encouraged, yes, even ordered, by you, you have incurred the hatred of the civilized world.

You now appeal to the German people to sustain you—you who have cast a blot of shame upon the German name which centuries can not eradicate. The German character is not naturally brutal, but rather kind and sympathetic. During war that savagery in human nature which centuries of civilization have failed to eliminate must in the heat of conflict, in the excitement of battle, be held down by the strong arm of military discipline. Every other civilized nation guards against this danger. You encourage and command it, seeking to awe into submission by terror and savagery. Compare your orders and your conduct in this war with those of our American Expeditionary Force. An American soldier found guilty of assault upon a woman is court-martialed and shot. You have never punished one of those guilty of the most hideous crimes against helpless men, women, and even babies, but have decorated them with the highest order of your realm. What more inhuman character could be conceived than that which orders a public holiday that the children in your schools may celebrate the sinking of the *Lusitania* in a most cowardly and brutal way, teaching your immature children to glory in the tears and frenzied gasps of agonized mothers as they sink beneath the waves clasping their silken-haired babies in their arms?

Yes; the world does hate you for your philosophy that recognizes might above right, and this hatred is a most righteous hatred.

I repeat, the German people are responsible for this war only to the extent that they have allowed this monster of militarism, with its world-domination ideas, to reach its octopus tentacles into the body and soul of a people and hold them in its evil grasp. You prate of German "kultur." In science, in philosophy, in literature, in poetry, in music, Germany may well compare with any other nation in the world. But in government, in the recognition of the sacred rights of the individual, she is 500 years behind the nations she would destroy. Since the days of Magna Charta the inalienable rights of the English people have been maintained and reinvigorated in every bloody struggle for their defense. Germany, on the other hand, has submitted to a military autocracy more arrogant and tyrannical in its power than that in any other country on earth. When Prussia, Austria, and Russia allied themselves to destroy representative government in the world, their plea to the King of England to join them was met by his reply that England was a constitutional government and the people ruled. That little island which for 40 years you have declared again and again must be destroyed, because it was in your way, an obstacle to the expansion of your "kultur," is the same little island that refused to join you in the destruction of representa-

tive government in the world—refused to assist you to quench the then flickering flame of liberty. That little island has been the mother of liberty throughout the world. That little island has ever maintained that the State exists for the people and is subject to them, while your doctrine of force and murder is that the people exist only for the power of the State and the aggrandizement of its divinely appointed ruler.

Your doctrine of the divine right of kings has maintained upon the German throne the most brutal, arrogant, and insane tyrants that have cursed the earth. It has maintained upon the throne a dynasty in whose veins the germ of insanity has ever been present. From the time the great elector conspired to don the regal robe of kingship, and after achieving his end became obsessed with the malady of military display; from the time the grandfather of Frederick the Great spent his whole time and efforts in the search for giants to fill his armies and satisfy his military craze; from the time the father of Frederick the Great, whose clenched fist struck to insensibility his 16-year-old daughter and whose iron heel kicked and bruised her prostrate body; from the time he so abused and maltreated his son, the heir apparent, that he was compelled to seek shelter from his father's wrath; from the time this father compelled that son to witness the gruesome beheading of his boy companion and friend; from that time down to the present this brutal malady has from time to time broken out in the Hohenzollern dynasty, and has found permanent lodgment in the soul and character of the present war lord of Europe, and manifested itself in his military vanities and in his hatred and contempt of his own mother.

From childhood you have dreamed only of conquest and military glory. As your ancestor, Frederick the Second, declared as principles of international ethics that "if there is anything to be gained by it we will be honest; if deception is necessary, let us be cheats"; that "one takes when one can and one is wrong only when obliged to give back," and, again, "no ministers at home but clerks, no ministers abroad but spies," so in your own reign you have debased the high position of your ambassadors by making them agents of bribery and corruption. You have instructed them in every line of deception and counseled them to murder and pillage. You have filled every country with spies and have conspired to destroy the very nations which gave them shelter and guarded them as an act of international courtesy.

Knowing the baseness of your cause, you have not trusted to the strong arm made stronger by the knowledge of right, but for years you have been preparing to take cowardly advantage of your enemies. You have been making and experimenting with gases with which you hoped to destroy whole armies and cities. You saw and eagerly grasped the opportunity of converting the submarine, designed only to defend coasts or battle against warships, into an undersea monster that could strike unseen and destroy the commerce of the world, and in the exuberance of your expectations concerning the success of this treacherous undersea monster you defied even the great American Nation itself.

You boast of your achievement in Russia. What a boast! Was it your arms or your armies that defeated Russia? No; your gold purchased sedition and destroyed the force of an Empire. What you could not do in open, honorable battle you did succeed in doing by cunning and bribery.

You talk about the enemies of Germany. The real enemies of Germany have been yourself and your arrogant military caste, who have turned the hitherto humane German philosophy into the godless philosophy that force is the only deity, that a fully developed State can be built only on the ruins of another State, that Germany's right to a place in the sun means the right to so dominate all other nations as to deprive them of their equal right to a place in the sun, leaving them cringing, obeisant vassals under the shadow of a mighty Germanic State, and subject to such exploitation, robbery, boundless greed, and illimitable avarice as would necessarily obtain under such a philosophy.

The real enemies of Germany are you and that coterie of pan-Germans who conceived the Mitteleuropa scheme as a first step in world domination, and who, to accomplish such purpose, have directed the scientific powers of the German brain to the one grand purpose of murder—utilized that power intended to bless humanity to curse and kill humanity.

Whatever of brutality there has been in this war, you are its prime and therefore responsible cause. It was you who said to your soldiers as they embarked for China on the occasion of the Boxer rebellion:

> If you come to grips with him (the enemy), be assured quarter will not be given; no prisoners will be taken. Use your weapons in such a way that for a thousand years no Chinese shall dare to look upon a German askance. Be as terrible as Attila's Huns.

And in obedience to your suggestion your soldiers, not of their own volition but under command of your officers, committed such acts of wanton brutality as caused the commander of every other national force to hang his head in shame.

It was you who, in the arrogance of your assumption of partnership with the Almighty, said to your young recruits:

> Recruits, you are now before the consecrated servant of the Lord and before his altar sworn fealty to me. You are still too young to understand the true meaning of what has just been said, but be diligent now and follow the directions and instructions given you. You have sworn loyalty to me; that means, children of my guard, that you are now my soldiers; you have given yourselves up to me, body and soul; there is for you but one enemy, and that is my enemy. In view of the present socialistic agitations, it may come to pass that I shall command you to shoot your own relatives, brothers, yea, parents—which God forbid—but even then you must follow my command without a murmur.

Oh, German people, you with such a record of accomplishment behind you, how is it possible that you can kneel in reverence to one so steeped in egotism, so devoid of humane sensibilities?

It has been you who, in all your utterances, have alluded to Great Britain, whose success at colonization has excited your envy, as "our most-hated enemy." And well you might envy her success in that field of expansion and colonization, for, although she has made errors and her statesmen have sometimes forgotten that the inherent personal rights enjoyed by Britons in their own land were inalienable human rights, applicable to all lands and all peoples, she has, nevertheless, brought liberty and civilization, the rule and law of order, wherever her flag floats. She has made the desert bloom and has banished famine. She has accorded to the black man, the yellow man, the brown man, rights of life and liberty unkown in your colonies, so that to-day in her great stress the sons of her every colony, with the song of Mother of Liberty on their lips, spring to arms in her defense with a loyalty as true as that which burns in the breast of her native sons, while every prince of India lays at her feet his treasure to sustain her cause. Even the sons of the Transvaal, Teutons in blood, after 15 years of British law and British liberty, are to-day fighting her battles in South Africa.

Compare that with your own record of colonization under your rule of force. The first 25 years of your military rule in southwest Africa was an unbroken record of oppression and cruelty. Your barbarities brought on the Herero and Hottentot rebellions, and your war upon them was turned into a ruthless massacre of man, woman, and child. During those 25 years you reduced the Hereros from about 80,000 to 15,000, the Hottentots from about 20,000 to 9,800, and the Berg-Damaras from about 30,000 to 12,800.

Well may you be envious, for while your "most hated enemy" is loved and defended in her every possession, you are hated and feared, and were it left for your colonies to determine whether they should remain under your control, nothing short of that cunning and bribery which gave you your success in Russia could save them to you.

You say, "Envy induced our enemies to fight, and war came upon us." Your preparation for 40 years belies your utterance. Your military writers proclaim its falsity. Every written instrument, every diplomatic utterance of every European nation which has been drawn into the vortex of this awful conflagration, spells the word "lie" across that declaration.

Austria, under your guidance and influence, using the murder of the Archduke Frederic as a pretext, prepared for the conquest of Serbia. She imposed terms upon that little country which no self-respecting nation could accept. She not only imposed terms of severe abasement but demanded the surrender of Serbian sovereignty itself. Through the pressure of Great Britain, in an effort to prevent this war, Serbia agreed to all the terms imposed by the Austrian note, with the exception of the surrender of her sovereignty to Austria. Sir Edward Grey then appealed to Austria not to insist upon the destruction of Serbian sovereignty. He appealed to Russia, the guardian of this helpless Balkan State, to assure Austria that Russia would not interfere if Serbian independence were not threatened. He appealed to France and to Germany. Russia gave the assurance, France acquiesced. He begged and pleaded with all to avert this threatened world war. The Austrian attitude was gradually being softened, and, except for the German war lord and the German war party, who claimed to withhold their advice to their ally but who secretly encouraged her and insisted that she should not yield, the efforts of the British premier would have been successful. Upon the refusal of Germany to do anything to prevent this war, Sir Edward Grey appealed for arbitration, asking Germany herself to be one of the arbitrators. France agreed, Russia consented. But the power that had prepared for and was engineering this war was obdurate. He then pleaded for an extension of time in the

Austrian ultimatum, pleaded for just a few days, that he might influence the peace-loving instinct of the nations of the world to avert this war. All his pleas were treated with arrogant disdain.

Germany knew that Russia could not and would not allow Austria to subjugate Serbia. She knew a treaty existed between Russia and France similar to that between herself and Austria; that an attack by more than one great nation would bring to the one so attacked the support of her ally.

Failing to check Austrian aggression toward Serbia, Sir Edward Grey, realizing what fate held in store for humanity in the event of a world war, sought to confine the impending conflict to Russia and Austria, holding out the assurance that if Germany would abstain from the conflict France would do likewise. Again these peace endeavors by the British premier were spurned. But still undaunted, Sir Edward Grey pressed to limit the sphere of this conflict. The German ambassador was directed to ascertain the British attitude in case of war—what would be the attitude of England if Germany and Austria made war on France and Russia. There could be but little question in the German mind as to the final outcome of such a war.

Before replying to these queries as to British attitude, and seeking further to keep England out of the war if it were possible to do so, Sir Edward Grey put the question directly to the German Government: In case your armies are successful, what is your purpose toward French colonies; will you agree not to interfere with them? Answer: We will not. Will you agree to adhere to the treaty which you signed with us and other nations to respect the national and territorial sovereignty of Belgium? Answer: We will not promise.

The British ambassadors to Berlin and Vienna then made it clear that Great Britain must keep her treaty with Belgium, and gave them to understand that the invasion of Belgium or a threat to dispossess France of her colonies would compel Great Britain to come to their defense. But, unlike the German autocracy, the English people themselves must decide for war or peace, and they could speak only through their parliament.

Fearing that diplomacy might prevent war, the war lord dared not stay his purpose longer, and in the midst of the most earnest efforts of other nations to avoid this storm, he declared war, first on Russia, and then on France, and at the same instant began the invasion of Belgium.

And yet he talks about our "envious enemies" making war on Germany; that England, unprepared England, who, for three long years has been fighting this war with one hand while she has been preparing for war with the other, instigated this war against Germany. Was ever such a monstrous slander of nations and of truth—was ever such an ungodly falsehood fed to a people?

You might ask me, Why reiterate these first causes of war, with which we are all familiar? I answer: Because the terms which should be imposed must rest on the question of responsibility for this devastating conflict, on the question of who made this war; and I desire that we shall not lose sight of that responsibility now that the enemy bids for peace.

But you, the divinly consecrated war Emperor, say you wish peace. Your ally asks a conference. What an insult to our sense of honor and justice is this request for a conference! The burglar who has murdered our children and burned our home asks us to sit with him in friendly discussion of terms of peace. The nation that would accept an invitation to talk peace before this monster of arrogant militarism has been defeated and tethered blasphemes our sacred cause and dishonors our noble dead.

Yes; you can have peace to-day. Under what terms? First, the unconditional surrender of your armies; second, immediate restitution of countries occupied by you; third, reparation for your wrongs.

Restitution alone can never be accepted as a peace condition. Before another year has closed you will have no foreign territory to restore. Our armies will have restored those devastated countries to their rightful sovereignties and liberated their peoples whom you have enslaved.

If the entire cost of this war could be imposed on those who are directly responsible, we would unhesitatingly say that you should repay to the last dollar all the damages and injuries you have inflicted. But such a burden could not be borne by any single nation or by the central powers combined; and even if it could be borne, the German common people, who, as I have said, are not directly responsible for this war, would have to bear the onerous load of debt for at least 300 years.

We shall not be guided by what you would have done had you been victorious. We shall not put ourselves on the level with the robber and murderer. You have pillaged every province which you have overcome, taken every dollar in sight, levied enormous tribute, and enslaved the peoples.

But to the extent that reparation can be made, and within the clear rules of international law, we should demand and enforce reparation. What reparation, then, can and should be enforced under international law? You plotted for and caused this awful carnage. Because of your malicious purpose to dominate and subjugate the balance of the world, Serbia, Roumania, Belgium, a large portion of Russia, and a portion of France have been devastated. You should, therefore, be compelled to pay every dollar necessary to rebuild the devastated cities and villages, and make habitable and productive the once fertile fields. That is the first step toward reparation.

Under international law commerce-carrying vessels can be attacked only by a war vessel after being commanded to stop and submit to search, and then only in case of an attempt to escape. And no ship can be sunk without first having the safety of passengers and crew provided for, and even then only in case such ship is clearly proved to be carrying contraband of war to a belligerent whose shores have effectively been blockaded.

Your entire submarine warfare, so far as it has been directed against merchant ships, has been piratical, brutal, and contrary to international law. Therefore, you should pay the value of every ship and cargo so illegally destroyed.

Again, more than 40 years ago you made successful war on unprepared France. You robbed her of two of her fairest Provinces, and, not content with that, you forced her to pay you a billion dollars of tribute. Anything short of the return of these Provinces and the repayment of this forced tribute with interest would be playing with justice.

I am not so certain that we should not go back farther and compel a restitution of the Provinces taken by force from Denmark in 1864 and from Austria in 1866. But if time has healed the lacerations caused by those wars and conquests, we may also forget.

Nor should we stop here. Contrary to international law and every law of humanity, your officers have murdered and ordered murdered helpless military and civil prisoners. I need here but cite the case of the submarine captain who first compelled his prisoners to throw into the sea their life preservers, then placed them on the outer deck, submerged his vessel, and left those prisoners to die a strangling death in the waves; the murder of Capt. Fryatt because he dared to offer resistance to this slimy monster of the undersea; the murder of the nurse, Edith Cavell, whose tender hands had ministered to the needs of suffering and wounded German and English soldiers alike, because she did not attempt to prevent the escape of English wounded prisoners from brutal captors; the torturing to death of sick prisoners because of their inability to bear the cross of labor imposed upon them; the murder and maiming of civilian men, women, and children. None of these are acts of war. They all fall into the category of malicious murder and should be dealt with as such. They are outrageous breaches of international comity, and no unwhipped nation can do less than demand the trial and execution of the monsters who perpetrated them and the payment of punitive damages.

If you want peace, therefore, say to the world which you have outraged, to the nations you have attempted by this inexcusable war to destroy and enslave: We now renounce our hypocrisy; we admit our criminal purpose in inaugurating this war and our criminal acts in attempting to effectuate those purposes. We will restore every foot of foreign territory occupied by us. We will pay the cost of restoring the cities, villages, and farms we have devastated. We will return to France Alsace and Lorraine, and repay the war indemnity we exacted from her in 1870. We will pay for every ship and cargo sunk by our submarines contrary to the law of nations and humanity. We will surrender for trial those who have willfully murdered prisoners and civilians, and will meet such indemnity charges as justice will warrant. We will leave the question of the return of our colonies, the right to which we have forfeited by our own acts, to the judgment of the great nations of the world, governed and influenced by the desire of the people of the colonies themselves.

And, finally, we will agree to such a system of disarmament as will insure our future good behavior, and sign with other nations a solemn compact that will assure every nation, great and small, its territorial and sovereign rights.

Do and say these things, and Germany will be spared that awful spectacle of devastating warfare which other nations have suffered because of the crimes of her aristocratic and autocratic militarism.

You boasted the day, and you toasted the day,
And now the day has come.
Blasphemer, braggart, and coward all,
Little you reck of the numbing ball,
The blasting shell, or the white arm's fall,
As they speed poor humans home.

You spied for the day, you lied for the day,
And worked for the day's red spleen.
Monster, who asked God's aid divine,
Then strewed His seas with ghastly wine,
Not all the waters of the Rhine
Can wash thy foul hands clean.

You dreamed for the day, you schemed for the day,
Watch how the day will go.
Slayer of age, and youth, and prime
(Defenseless slain for never a crime),
Thou art steeped in blood as a hog in slime,
False friend and cowardly foe.

You have sown for the day, you have grown for the day,
Yours is the harvest red.
Can you hear the groans and the awful cries?
Can you see the heap of slain that lies,
And sightless, turned to the flame-split skies,
The glassy eyes of the dead?

You have wronged for the day, you have longed for the day,
That lit the awful flame.
'Tis nothing to you that hill and plain
Yield sheaves of dead amid the grain;
That widows mourn for their loved ones slain,
And mothers curse thy name.

But after the day there's a price to pay
For the sleepers under the sod,
And He you have mocked for many a day—
Listen and hear what He has to say:
"Vengeance is mine, I will repay."
What can you say to God?

As he best serves God who serves his fellow man, so this debt you owe to God can only be paid by making amends, so far as is in your power, for the great wrongs you have inflicted upon His people. When with truly contrite heart you cry your readiness to meet each and every one of these just demands it will be time to talk of peace. Until then there can be but one answer to your plea—let the war go on.

WITHDRAWAL OF PAPERS—W. H. H. HART.

Mr. SMOOT. Some time ago I presented to the Senate certain papers of W. H. H. Hart. They were referred to the Committee on Printing, with a view of having them printed as a public document. I now ask the privilege to withdraw those papers from the files of the Committee on Printing.

The PRESIDING OFFICER (Mr. BRANDEGEE in the chair). Is there objection? The Chair hears none, and the request is granted.

SELECTIVE DRAFT.

Mr. SHEPPARD. I ask unanimous consent to insert in the RECORD a brief statement by Elihu Root with reference to the work of Gen. Crowder in connection with the draft.

The PRESIDING OFFICER. Without objection, the request is granted.

The matter referred to is as follows:

[Extract from opening address of Hon. Elihu Root at conference of State and local bar association delegates, Cleveland, Ohio, Aug. 27, 1918.]

The bar has answered to the demands which these amazing issues present. It was a fortunate circumstance that the President placed in the hands of the head of the law department of the Army the application of the law for conscription and for the raising of the vast Army already in France, and the still greater Army which is about to follow; for, in the first place, the Judge Advocate General, Gen. Crowder, when he became Provost Marshal General, applied the new law under the war power of the Constitution to the people of the country with a just sense of their legal rights and the legal principles to which they were accustomed. I do not want to pass his name without expressing a sense of satisfaction and doing honor to that admirable and able and effective officer, Gen. Crowder. [Applause.] We have had much criticism; many things have necessarily gone wrong, many things have made us unhappy, but we could always turn to him and to his work as proof that virtue still remained in the American people. [Applause.] Whatever has gone wrong it has not gone wrong with him, and the result of his work is a million and a half of American soldiers in France to-day and a million and more that are yet to go. [Applause.] Gen. Crowder, as I say, applied the new law under war powers to the American people with a just sense of their legal rights. To accomplish that he called upon the bar, and the bar of America has responded most nobly by the thousands and tens of thousands and have given their services and their devotion to the work which underlies all American service in France. The law offices of the country have been emptied not merely of the noble and generous youths who have gone across the water, but of their elders who have laid aside lucrative business and have given their time and their strength, some of them to the extreme limit, to the application of this law of conscription to the American people. The result is that the draft has taken its place throughout America with the good will and the satisfaction and the undiminished patriotism and the enthusiasm of the entire people, and the boys who have been drafted and have gone into the National Army are as full of patriotism as any man that ever marched in any army. [Applause.]

Gen. Crowder was to have been here to-day. Unfortunately, the paramount duties imposed upon him by the condition in which the new draft law is forbade him to come. That law is imminent; the committees are at work upon it now, and it is about to be reported. That law extends the ages of conscription to 18 and 45. It is a law which is necessary to enable us to do actually our great part. So Gen. Crowder must stay in Washington at his post of duty; we could not ask him to come here, though we greatly regret his absence. In Gen. Crowder's absence, Mr. Lowell and Mr. Boston, both of them very familiar with the work which the bar has been doing, will speak to the conference and explain that work in detail.

LIBERTY BONDS.

Mr. SIMMONS. From the Committee on Finance I report back favorably, with amendments, the bill (H. R. 12923) to supplement the second liberty-bond act, as amended, and for other purposes, and I submit a report (No. 571) thereon.

I desire to say that it was my purpose to call up this bill for consideration this afternoon, but I learn that the Senator from South Dakota [Mr. STERLING] has to leave the city; and if I should do so it would interfere with his desire to submit some remarks. Therefore I shall not call up the bill this afternoon, but give notice that to-morrow morning, as soon as the routine business is over, I shall ask the Senate to proceed to the consideration of this bill.

THE REVENUE.

The PRESIDING OFFICER. The bill will be placed on the calendar.

Mr. STERLING. Mr. President, we are nearing the time when the Senate, for the purposes of the national security and defense and to insure the vigorous prosecution of the war, will have under consideration a new war-revenue bill.

The bill as reported by the House Ways and Means Committee is now and has for several days been under discussion in that body.

The bill imposes a great task upon the Members of the two Houses to know thoroughly the contents of the bill, including the subjects and methods of taxation proposed therein.

A yet greater task will be imposed on the American people.

It is conceded on all sides that whatever criticism there may be of the methods of taxation as proposed in the bill, or however such methods may be modified before the bill becomes law, it will, as it is finally passed and approved, provide for the raising by taxation of the enormous sum of $8,000,000,000 in a single year, or more than double the amount raised under the law of October, 1917.

The nearly $4,000,000,000 collected under that act exceeded the estimated amount by nearly $1,500,000,000.

If the act which we are soon to consider yields proportionally larger returns, the Government will receive therefrom, instead of $8,000,000,000, more than $12,000,000,000, or more than one-half the estimated expenses for the fiscal year ending June 30, 1919.

If we succeed in this, it will be a marvelous achievement—such a one as so recently as two years ago, or even within less time than that, we would have hardly thought possible. Aside from liberty loan and Red Cross subscriptions, it will be the splendid evidence of both the material resources of the Nation and the patriotism of the American people.

I can not but pause to consider for a moment the unanimity with which we will agree to impose on the taxpayers of the land this estimated burden of $8,000,000,000, whatever the exact process or method adopted for portions of the tax.

In this respect there will be no political party division. I am confident that on this side of the Chamber there will be that unanimity which thus far has characterized Republican support of every measure meant for the vigorous prosecution of the war. In regard to the attitude of Republicans toward such measures it is surplusage to say that "politics is adjourned." There never has been any politics. The country will not fail to recognize the part the counsels and opinions of the minority have played, whether expressed in speech or in vote, in helping along, in stemming the tide of German propaganda, in arousing and unifying the national spirit, in hastening the work of preparation, too long delayed, and in insisting first of all on the complete victory that will insure a just and lasting peace. In this we stand united behind the declaration of the President of the United States. But without raising any party issue, without a word in derogation of the record and achievements of a Democratic administration, the Republican Party, from its beginning until now, has been preeminently the party with a national vision; naturally and I may say necessarily so. The wrongs, real and threatened, which gave the party birth; the struggle for a free and reunited Nation which it carried on to victory; the settlement of a thousand questions growing out of the Civil War; the intervention later which brought freedom and civilization to the many millions of our now insular possessions show alike the broad national spirit which has animated it and its capacity to govern. In supporting now with earnestness and enthusiasm a new tax bill for the national

safety and defense, the Republican Party is but acting in accordance with its own national ideals and traditions.

But, Mr. President, to recur briefly to the bill and to its predecessor, the act of October, 1917:

There has been, if there is not now, in certain quarters a gross misconception as to the sanction or want of sanction under which the latter bill was considered and passed. For example, it has been represented by insinuation and inuendo, if not in direct terms, that the President, while he signed the bill, had manifested his disapproval of the rates of taxation imposed on incomes and excess profits on the ground that such rates were not sufficiently high. The Secretary of the Treasury is also involved, and the impression sought to be conveyed is that he likewise had advocated a higher rate. But who on this floor during the many weeks of earnest debate of these two main features of the bill, the income and excess-profits tax, ever heard a suggestion that the White House or the Treasury was of the opinion the rates for either were too low? What Senator who voted for any of the amendments to increase rates which were rejected received any hint that his support of such amendments would be agreeable to the administration? Not one.

And I venture the assertion, Mr. President, that not a member of the great Finance Committee of the Senate from its distinguished chairman down to the last appointee on that committee was ever informed, directly or indirectly, that the rates agreed to by the committee, either in session or on the floor of the Senate, were not as high as the administration thought justifiable under the then existing conditions.

Mr. President, of the same piece and of the same character exactly is the statement persisted in that Senators and Representatives are exempt from the income and excess-profits tax under the law of 1917.

Some months ago I had the honor in an address to the people of South Dakota to make the following statement:

> There being some doubt whether, under the new revenue act, Senators and Representatives were exempt from the excess-profits tax, on the 17th day of December last I introduced an amendment to the act providing that it should not be construed so as to exempt Senators and Representatives from such tax. It has since been ruled by the Treasury Department that they are not exempt.

There are Senators here who will remember the introduction of the amendment referred to in that address and the suggestion made by the chairman of the Finance Committee at the time that there was some doubt as to whether, under the language of the act of 1917, Senators and Representatives were not exempt, but the chairman thought it probable that the Treasury Department would rule that they were not exempt. And the ruling was long ago made that they are not exempt. There is absolutely, Mr. President, no excuse whatever at this late day for assertions or intimations of this kind.

But, recurring to rates, I do not mention this want of administration sanction of higher rates in the law of 1917 as a matter of great importance in itself. It is not nor should it be so regarded in determining the votes of Senators. While we may respect the Executive will and judgment, it is not supposed that the legislative judgment and conscience are subordinate thereto. Nor do I mention it in defense of the law. I think it needs none from the standpoint of rates.

I mention it because of the baseless assumption that the administration itself desired the rates should be higher and because of the political prejudices sought to be created thereby. Resort is had to the address of the President to the joint assembly of the two Houses May 27 last as ground for these false representations of the President's attitude in September, 1917. But when the President said in that address that the present tax laws were marred by inequities which ought to be remedied, he was not understood as intimating that the higher rates on either excess profits or incomes as provided by the law of 1917 were not high enough, but rather that there were inequities between the lower and the higher rates which should be remedied—a proposition to which we all might agree. But these are inequities which the administration of the law rather than the passage of the law has disclosed.

When the President said in his May address that there was much profiteering, and that the profiteering which can not be got at by the restraints of conscience and the love of country can be got at by taxation, he suggested to my mind a doubtful remedy, at least an incomplete remedy. For this question has a double aspect—the Government, as such, on the one hand, and the consuming public on the other. The extra tax imposed by the Government against the profiteer does not relieve the victims of the profiteer, who themselves pay the prices which yield the profits out of which the tax is paid, unless, indeed, the profiteer is taxed to death. There is much loose thinking and more loose talking about the profiteer. Large profits and profiteering are not synonymous. If they were, the farmer, the live-stock grower, the cotton grower, the gardener, and the dairyman would come under the condemnation implied in the word "profiteer." And likewise would many corporations whose situation or facilities enable them to produce at low cost and to sell at a fair margin of profit, but for whose product there is that extraordinary and continuous demand which insures in the aggregate a large profit. But none of these are profiteers, at least in that opprobrious sense in which we use that term nowadays.

The real profiteer, the man or the corporation who refuses a fair price and holds and hoards against a time of stress when he sells at an inordinate price; the workman getting a fair wage in building ships who uses the "strike" weapon in time of the Government's direst need to compel payment of more than a fair wage; the munitions manufacturer who is oblivious to the cause for which the allies fight, who sees his prosperity in their necessities, and remorselessly takes advantage of the same in the egregious price he demands for his product—these all are profiteers. They are the men who are not restrained by conscience or by love of country. You can not so distinguish and classify as to remedy the evil and extortions for which they are responsible by a general revenue bill. Something more speedy, certain, and drastic is needed.

I think many of them might be summarily dealt with under laws now in force. If not, let us pass another law for the purpose of the national security and defense, and in the interests of justice and humanity as well.

A word further as to the $8,000,000,000 revenue bill now pending in the House. Some time ago in referring to some profits taxes were not high enough I said:

> I shall support any necessary increase in both income and excess-profits taxes and in doing so shall be governed by the principle that the big incomes and big profits should bear the largest part of the burden.

The need is evident. We have lived in anticipation of it. There may be radical differences of opinion as to methods and rates, but an act will be passed under which that amount will be raised.

Our chief concern must be in seeing that the burden is justly and equitably distributed and that in fixing rates we make "ability to pay" our guiding principle.

I am not sure that this principle has been followed in the proposed income-tax rates.

The bill does not deal as justly with the smaller incomes as does the law of 1917.

The normal tax is increased to 12 per cent, except that for the first $4,000 of net income the rate shall be 6 per cent. Waiving the question as to whether the limitation of 6 per cent should not be applied to larger incomes than $4,000, say $5,000 or $6,000, the surtax rates are unjustly and, I think, unnecessarily high on the smaller incomes. If rates were properly apportioned to increased incomes with the principle of "ability to pay" kept steadily in mind as we approach the larger incomes, more revenue would be derived than under the schedule proposed by the bill. The income of $4,000 of a married person being allowed a deduction of $2,000 and subject to a normal tax of 6 per cent only will pay a tax of $120 under the proposed law. The income of $5,000 will, with like deduction, pay a tax of $180. There is not much objection to the successive increases in rates on incomes from $4,000 up to $10,000, where the whole tax is $845. But the tax on $12,500 is $1,320, which makes a tax of $475 on an additional income of $2,500, or 19 per cent. Then thousand dollars is not a large income, by any means, and the addition of $2,500 thereto should not be subjected to that much of a burden. It is at least not proportionate to the additional surtax imposed on large increases to large incomes. Take another illustration among the ordinary incomes: The income of $20,000 will pay under the proposed bill $2,895, the income of $25,000 will pay $4,245, which means a tax of 27 per cent on the additional $5,000.

But now turning to the surtaxes as applied to the larger incomes: On the $50,000 difference between $150,000 and $100,000 the rate is 50 per cent, and that is an increase of but 2 per cent over the rate in the last bracket of $90,000 to $100,000. For the income in excess of $150,000 and not exceeding $200,000 exactly the same rate per cent of surtax is paid as on the income between $100,000 and $150,000.

Compare this with the case of the man who manages, by hard work and close attention to business, to increase his income from $10,000 to $15,000. He is required to pay 7 per cent, or $350 on the increase; and the man fortunate enough to increase his income from $30,000 to $40,000 may pay $2,000 in surtaxes for the privilege.

The inequity is the more apparent as we go up the scale.

The income of $300,000 pays no higher rate than the income of $200,000; the income of $500,000 no higher rate than the income

of $300,000; the income of one million no more than the income of $500,000; the income of five millions no higher rate than the income of one million. All pay a normal tax at the same rate, of course. Under it men are taxed in proportion to the amounts of their fortunes, but this is not the test of ability to pay. The surtax is adaptable to the progressive increases in income, and it should be made commensurate with ability to pay as disclosed by successive increases. It will require finer gradations of these incomes and probably increased rates for the larger incomes over those prescribed in the bill, but I am sure it will be in the interest of justice and an equitable distribution of the burden.

The bill provides for a war-profits tax and an excess-profits tax method; the assessment against any corporation to be made under the method which will produce the greater amount of revenue.

The suggestion revives the discussion of a year ago. In view of that and of the prewar incomes of various corporations as compared with their incomes subsequent to 1913 the objection of the Secretary of the Treasury to any increase in excess-profits taxes came as a surprise, not that the discussion showed there should be an increase over the rates provided in that bill, but because of the new and extraordinary demand that we raise this year $8,000,000,000 instead of $2,535,000,000, as estimated under the law of 1917. This means an increase in rates all along the line. Excess profits should take their due share. I mean here excess profits as distinguished from war profits. Last year the only method was the excess-profits tax. The impression seemed to be that it must be either the one or the other, and in that view Congress wisely adopted the excess-profits plan in order that the corporations with large prewar profits, but with such profits not enhanced by reason of the war, might bear their just proportion of the public burden. Had we adopted the war-profits method with an 80 per cent rate even, after allowing credits according to the pending bill one corporation of the United States would have paid in war-profits tax $175,118, but the same corporation paid in excess-profits tax under the 1917 law the sum of $715,924.

Another great corporation would have paid no war-profits tax at all, but as excess-profits tax it paid the handsome sum of $3,452,884.

Still another corporation that would have gone scot free under the war-profits tax method paid under the act of last year the sum of $1,852,624 as an excess-profits tax.

Another concern not liable for war-profits taxes paid excess-profits taxes amounting to $275,618.

And there were others whose profits for 1917 were not in excess of the average annual prewar period profits and who, under a strictly war-profits plan of taxation, would have contributed little or nothing to the Federal Treasury. Hence the excess-profits method of 1917.

Granting, Mr. President, that corporations of this character are comparatively few, an excess-profits instead of a war-profits tax is the only way to reach them. In view of the increased need, as well as in justice to other taxpayers, one can hardly understand why the Secretary of the Treasury should oppose an increase in the excess-profits tax. The Secretary says in the hearings before the Ways and Means Committee that "the existing law should receive modification not from the point of view of producing additional revenue from the excess-profits tax, but from the point of view of producing the same revenue and with a reduced and not an increased injustice and inequality."

But there is nothing incompatible between high rates of taxation and justice and equality. I venture the suggestion that the tax might be increased so that corporations like those mentioned might pay their just proportion of a greatly increased general burden of taxation without any increased injustice and inequality. We ought to be able to frame a statute accordingly.

Mr. President, remembering what the act of 1917 has accomplished as a revenue producer; how the estimates as to what would be raised under it exceeded the estimates of the Secretary of the Treasury as to the amount necessary to be raised by taxation, and how in turn the amount actually raised exceeded the former estimate by a billion and a half, there is reason for some satisfaction with the act, and reason for pride in the resources and material wealth which the administration of the act has disclosed, and pride, too, in the general ready response of those who own and control that wealth to the requirements of the law. In not going beyond the rates there imposed, or I may say in not going beyond the requirements of the Treasury, we saved and conserved for a time of greater need. We did not cripple or destroy the wealth or the industries which produce it, and, better than all, we saved the hope and spirit of the men whose investments and energies have done so much to rear the industrial fabric on whose stability and efficiency a Nation in arms must rely.

And the hour of greater need is here. To meet it the Secretary of the Treasury, while not approving an increase in the excess-profits tax, advises a war-profits tax of 80 per cent. We shall have both. And the Nation, with a keener perception of the mighty task we have undertaken, of the splendid mission we are to fulfill, will ungrudgingly respond to the call. For "what profiteth it a man if he gain the whole world and lose his own soul?" Of what solace will it be, what source of pride will it be, to have made ourselves the richest Nation in the world and yet to know that we had neglected our mission or failed in our task because we had forgotten our priceless heritage of American liberty and lost our interest in the liberties of the rest of mankind?

WOMAN SUFFRAGE.

Mr. JONES of New Mexico. Mr. President, sometime ago when House joint resolution No. 200—Order of Business 123 on the calendar—was under consideration there was an understanding that before the joint resolution should be brought up again for consideration ample notice would be given in the open Senate so that absentees might be present. I therefore desire to give notice now that on Thursday of next week, at the conclusion of the morning business, I shall move to take up for consideration House joint resolution 200, which is the woman-suffrage amendment to the Constitution.

ADJOURNMENT.

Mr. MARTIN of Virginia. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock p. m.) the Senate adjourned until to-morrow, Wednesday, September 18, 1918, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *September 17, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Come, Thou Almighty, Creator and Dispenser of all good, quicken our minds, that we may think clearly, act wisely, and thus become potent factors in restoring order and establishing peace in a distracted world; that the energy bestowed upon Thy children may be used for the promotion of good; that happiness and peace may rejoice every heart; and Thy will be done in Christ Jesus our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that my colleague, Mr. KETTNER, be excused indefinitely, on account of illness in his family.

The SPEAKER. The gentleman from California asks unanimous consent that his colleague, Mr. KETTNER, be given indefinite leave of absence on account of illness in his family. Is there objection?

There was no objection.

CHANGE OF REFERENCE.

Mr. TIMBERLAKE. Mr. Speaker, on September 11 I introduced a bill (H. R. 12919) granting an increase of pension to Ann E. McGrew, which was inadvertently referred to the Committee on Pensions. It being a Civil War case, I ask that it be referred to the Invalid Pensions Committee.

The SPEAKER. The gentleman has a right to change the reference. It is a private bill.

WAR SUPPLY OF CERTAIN ORES, METALS, AND MINERALS.

Mr. FOSTER. Mr. Speaker, I ask unanimous consent that the bill (H. R. 11259) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of those ores, metals, and minerals which have formerly been largely imported, or of which there is or may be an inadequate supply, may be taken from the Speaker's table, and that the House disagree to the Senate amendments and agree to the conference asked by the Senate.

Mr. MILLER of Minnesota. Is that the war minerals bill?

Mr. FOSTER. Yes.

Mr. MILLER of Minnesota. May I inquire if the Senate have made very extensive changes in the bill?

Mr. FOSTER. They accomplish the same purpose in a roundabout way.

Mr. MILLER of Minnesota. I have been advised that they struck out most of the minerals that were comprehended in the House bill.

Mr. FOSTER. No; the gentleman is mistaken about that.

Mr. WALSH. It is all one amendment.

Mr. FOSTER. It is all one amendment. They have added one or two minerals, principally sodium. We had sea salt in the bill, and they struck that out and inserted sodium, which enlarges the scope of the bill.

Mr. STAFFORD. The Senate-bill plan of developing these minor minerals is entirely different from that set out in the House bill?

Mr. FOSTER. Yes.

Mr. STAFFORD. The Senate bill does away with the guaranteed price for a certain number of years, which was objectionable to quite a number of Members of the House?

Mr. FOSTER. I know that is true.

Mr. MILLER of Minnesota. The bill as it came from the Senate is quite a different bill in plan and scope, is it not, from the House bill?

Mr. FOSTER. It is quite different.

Mr. MILLER of Minnesota. I do not want to delay the passage of the bill, because I think it is a good bill. Under ordinary conditions it would seem to me that it ought to go back to the Committee on Mines and Mining, but to do that would delay it.

Mr. FOSTER. That would delay it, and I think it is important that it be passed as soon as possible.

Mr. MILLER of Minnesota. Of course the gentleman is aware that under this plan of procedure various details of the bill may never come up for consideration by the House.

Mr. FOSTER. As far as I am concerned, I shall try to give the House an opportunity for full consideration of the bill.

Mr. MILLER of Minnesota. Will the gentleman give us an opportunity to discuss the various changes which are made?

Mr. FOSTER. I will.

Mr. GARNER. We ought to be willing to trust the gentleman from Illinois.

Mr. MILLER of Minnesota. I am entirely willing to do so.

The SPEAKER. The Clerk will report the bill by title.

The Clerk read the title of the bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent to take this bill from the Speaker's table, disagree to the Senate amendments, and agree to the conference asked by the Senate. Is there objection?

There was no objection; and the Speaker announced as conferees on the part of the House Mr. FOSTER, Mr. TAYLOR of Colorado, and Mr. GARLAND.

REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House bill 12863.

The question being taken, on a division (demanded by Mr. WALSH), there were—ayes 101, noes 4.

Mr. BENJAMIN L. FAIRCHILD. Mr. Speaker, I raise the point of no quorum.

The SPEAKER. Does the gentleman mean a quorum of the House or of the committee?

Mr. BENJAMIN L. FAIRCHILD. A quorum of the House.

The SPEAKER. Evidently there is no quorum of the House.

Mr. KITCHIN. We will have a quorum in the committee.

The SPEAKER. The doorkeeper will lock the doors, the sergeant at arms will notify absentees, and the Clerk will call the roll.

Mr. SCOTT of Michigan. Mr. Speaker, I raise a point of order.

The SPEAKER. What is the gentleman's point of order?

Mr. SCOTT of Michigan. The gentleman's position is untimely.

The SPEAKER. That does not make any difference. In the House a man can do anything allowed by the rules, at the right time or at the wrong time. The Clerk will call the roll.

The question was taken; and there were—yeas 278, not voting 152, as follows:

YEAS—278.

Alexander	Black	Burnett	Cantrill
Anthony	Blackmon	Burroughs	Carlin
Austin	Bland, Va.	Butler	Carter, Mass.
Ayres	Blanton	Byrnes, S. C.	Carter, Okla.
Bankhead	Booher	Byrns, Tenn.	Chandler, N. Y.
Barnhart	Bowers	Caldwell	Chandler, Okla.
Beakes	Brodbeck	Campbell, Kans.	Clark, Fla.
Bell	Browning	Candler, Miss.	Classon
Beshlin	Brumbaugh	Cannon	Claypool
Cleary	Greene, Mass.	McLaughlin, Mich	Shallenberger
Coady	Greene, Vt.	McLaughlin, Pa.	Sherley
Collier	Gregg	McLemore	Sherwood
Connally, Tex.	Griest	Madden	Shouse
Connelly, Kans.	Hadley	Magee	Sims
Cooper, W. Va.	Hamilton, Mich.	Mansfield	Sinnott
Cooper, Wis.	Hamlin	Mapes	Sisson
Cox	Hardy	Martin	Slayden
Crago	Harrison, Va.	Meeker	Sloan
Crisp	Haskell	Merritt	Smith, Idaho
Crosser	Hastings	Miller, Minn.	Smith, Mich.
Currie, Mich.	Haugen	Miller, Wash.	Smith, T. F.
Curry, Cal.	Hawley	Mondell	Snook
Dale, Vt.	Hayden	Montague	Stafford
Dallinger	Hayes	Moon	Steagall
Decker	Heflin	Moore, Pa.	Stedman
Denison	Helm	Moores, Ind.	Steele
Dewalt	Hersey	Morgan	Steenerson
Dickinson	Hilliard	Morin	Stephens, Miss.
Dill	Holland	Neely	Stephens, Nebr.
Dixon	Hollingsworth	Nichols, Mich.	Sterling, Ill.
Dominick	Houston	Nolan	Stevenson
Doolittle	Huddleston	Norton	Strong
Doremus	Hull, Iowa	Oldfield	Sumners
Doughton	Hull, Tenn.	Osborne	Sweet
Dowell	Humphreys	O'Shaunessy	Taylor, Ark.
Drane	Hutchinson	Overmyer	Taylor, Colo.
Dyer	Igoe	Overstreet	Temple
Eagle	Jacoway	Padgett	Thomas
Elliott	James	Paige	Thompson
Elston	Johnson, Wash.	Park	Tillman
Emerson	Kearns	Parker, N. J.	Tilson
Esch	Keating	Phelan	Timberlake
Evans	Kehoe	Platt	Towner
Fairchild, B. L.	Kennedy, Iowa	Polk	Treadway
Fairchild, G. W.	Key, Ohio	Pou	Venable
Fairfield	Kincheloe	Pratt	Vestal
Fess	Kinkaid	Quinn	Voigt
Fields	Kitchin	Rainey, H. T.	Volstead
Fisher	Knutson	Rainey, J. W.	Waldow
Flood	Kraus	Raker	Walsh
Focht	Kreider	Ramsey	Walton
Fordney	La Follette	Ramseyer	Wason
Foster	Langley	Rayburn	Watson, Pa.
Frear	Larsen	Reavis	Watson, Va.
Freeman	Lazaro	Riordan	Webb
French	Lee, Ga.	Robbins	Welty
Fuller, Mass.	Lehlbach	Roberts	Wheeler
Gallagher	Lesher	Robinson	White, Me.
Gandy	Lever	Rodenberg	White, Ohio
Garner	Little	Rogers	Williams
Garrett, Tenn.	Littlepage	Romjue	Wilson, Ill.
Gillett	Lobeck	Rouse	Wilson, La.
Glass	London	Rubey	Wingo
Glynn	Lonergan	Rucker	Winslow
Goodall	Longworth	Sanders, Ind.	Wood, Ind.
Goodwin, Ark.	Lufkin	Sanders, La.	Young, N. Dak.
Gordon	McAndrews	Sanford	Young, Tex.
Gould	McClintic	Saunders, Va.	Zihlman
Graham, Pa.	McKenzie	Scott, Iowa	
Green, Iowa	McKeown	Scott, Mich.	

NOT VOTING—152.

Almon	Edmonds	Kennedy, R. I.	Russell
Anderson	Ellsworth	Kettner	Sabath
Ashbrook	Estopinal	Kiess, Pa.	Sanders, N. Y.
Aswell	Farr	King	Schall
Bacharach	Ferris	LaGuardia	Scott, Pa.
Baer	Flynn	Lea, Cal.	Scully
Barkley	Foss	Linthicum	Sears
Bland, Ind.	Francis	Lundeen	Sells
Borland	Fuller, Ill.	Lunn	Shackleford
Brand	Gallivan	McArthur	Siegel
Britten	Gard	McCormick	Slemp
Browne	Garland	McCulloch	Small
Buchanan	Garrett, Tex.	McFadden	Smith, C. B.
Campbell, Pa.	Godwin, N. C.	McKinley	Snell
Caraway	Good	Maher	Snyder
Carew	Graham, Ill.	Mann	Sterling, Pa.
Cary	Gray, Ala.	Mason	Stiness
Church	Gray, N. J.	Mays	Sullivan
Clark, Pa.	Griffin	Mott	Swift
Cooper, Ohio	Hamill	Mudd	Switzer
Copley	Hamilton, N. Y.	Nelson	Tague
Costello	Harrison, Miss.	Nicholls, S. C.	Talbott
Cramton	Heaton	Oliver, Ala.	Templeton
Dale, N. Y.	Heintz	Oliver, N. Y.	Tinkham
Darrow	Helvering	Olney	Van Dyke
Davis	Hensley	Parker, N. Y.	Vare
Delaney	Hicks	Peters	Vinson
Dempsey	Hood	Porter	Walker
Dent	Howard	Powers	Ward
Denton	Husted	Price	Watkins
Dies	Ireland	Purnell	Weaver
Dillon	Johnson, Ky.	Ragsdale	Welling
Donovan	Johnson, S. Dak.	Randall	Whaley
Dooling	Jones	Rankin	Wilson, Tex.
Drukker	Juul	Reed	Wise
Dunn	Kahn	Rose	Woods, Iowa
Dupré	Kelley, Mich.	Rowe	Woodyard
Eagan	Kelly, Pa.	Rowland	Wright

So the motion to go into Committee of the Whole House on the state of the Union was agreed to.

The following pairs were announced:

Until further notice:

Mr. KETTNER with Mr. IRELAND.

Mr. HENSLEY with Mr. SWIFT.

Mr. BRAND with Mr. HEATON.

Mr. TALBOTT with Mr. HICKS.

Mr. OLNEY with Mr. WARD.

Mr. WILSON of Texas with Mr. FARR.
Mr. EAGAN with Mr. PARKER of New York.
Mr. GALLIVAN with Mr. KIESS of Pennsylvania.
Mr. NICHOLLS of South Carolina with Mr. BRITTEN.
Mr. RANDALL with Mr. FOSS.
Mr. MAHER with Mr. GRAY of New Jersey.
Mr. OLIVER of New York with Mr. SWITZER.
Mr. TAGUE with Mr. KENNEDY of Rhode Island.
Mr. DALE of New York with Mr. DUNN.
Mr. SCULLY with Mr. TINKHAM.
Mr. LEA of California with Mr. MUDD.
Mr. SABATH with Mr. SIEGEL.
Mr. OLIVER of Alabama with Mr. PETERS.
Mr. VINSON with Mr. MOTT.
Mr. RAGSDALE with Mr. MCKINLEY.
Mr. GRIFFIN with Mr. PURNELL.
Mr. HAMILL with Mr. FULLER of Illinois.
Mr. HOWARD with Mr. GRAHAM of Illinois.
Mr. VAN DYKE with Mr. COPLEY.
Mr. LUNN with Mr. ROWE.

The result of the vote was then announced as above recorded.

A quorum being present, the doors were opened.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, to provide revenue, and for other purposes.

Mr. SLAYDEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SLAYDEN. My recollection is that when the committee rose last night there was pending a demand for tellers on an amendment offered by the gentleman from Virginia [Mr. MONTAGUE]. Am I correct?

The CHAIRMAN. The gentleman is correct. The Chair was going to state the parliamentary status. A call for tellers had been made and at that moment the point of no quorum was made. It was ascertained that there was no quorum present, and the committee rose. The question now is on the demand for tellers.

Mr. GILLETT. Mr. Chairman, I ask unanimous consent that the amendment may be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection.

The Clerk read as follows:

Page 10, line 1, after the word "State," strike out the word "Territory," and in line 2, after the word "thereof," strike out all down to and including "$5,000" in line 18, page 10.

The CHAIRMAN. The question is on the demand for tellers.

Tellers were ordered, and the Chair appointed as tellers the gentleman from Virginia, Mr. MONTAGUE, and the gentleman from Georgia, Mr. CRISP.

The committee again divided, and the tellers reported that there were 61 ayes and 132 noes.

So the amendment was rejected.

Mr. PARKER of New Jersey. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 10, line 21, after the word "possessions," strike out the last sentence of the clause, being the rest of the line, and all of lines 22, 23, and 24 on that page, and the first two lines of page 11.

Mr. PARKER of New Jersey. Mr. Chairman, may I ask that the Clerk read the portion proposed to be stricken out and show what is left?

The CHAIRMAN. Without objection, the Clerk will read.

The Clerk read as follows:

In the case of obligations of the United States issued after September 1, 1917, the interest shall be exempt only if and to the extent provided in the act authorizing the issue thereof, and shall be excluded from gross income only if and to the extent it is wholly exempt from taxation both under this title and under Title III.

Mr. PARKER of New Jersey. That is what is stricken out, and what is left is the exemption of the obligations of the United States or its possessions.

It is odd that, as the matter now stands and if the clause remain as it is now, interest on the obligations of the Philippines would be totally free from taxation when received as income. The obligations of any Territory would be totally free from taxation, because money received from the obligations of the United States and its possessions is excepted from the gross income, whereas there is only a restriction upon that exception with reference to the United States; but, Mr. Chairman, that is a matter which I suppose the chairman of the committee would change as to the bonds of the possessions of the United States. There is no reason why those should be better than the bonds of the United States. To come to my amendment, I ask the gentleman to consider what a muddle we are making of the grand old credit of the United States by saying that the bonds of the United States shall not be taxable in the hands of a man who holds $25,000 or $45,000 of them and shall be taxable in the hands of a man who holds more. If the man who holds a small amount wants to sell, he can not find a market, because the great man can not buy them. In old times the United States issued obligations bearing interest as high as 6 per cent, and we reduced the interest regularly to 5 and 4 and 3 and even 2 per cent, because the bonds represented the credit of the United States, absolutely free from taxation in the hands of the holder, and we could thus maintain that credit of the United States. Now we exempt income that comes from a 3½ per cent bond, and it is now at a premium. We may well believed we could put out a 3 per cent bond at a premium, as we used to do. The credit of the United States is good, but if the law says, as to the bonds of the United States, that if anyone holds them in large blocks he must pay a surtax upon them up to as high as 40 and 50 and 65 per cent, Congress will then have ruined the credit of the United States in the great markets of the world. That is not the way in which the Congress of the United States should deal with the credit of the United States.

The amendment of the gentlman from Virginia [Mr. MONTAGUE] was right. State credit should be preserved, so that the States could negotiate their securities at 5 and 6 per cent free of taxes, but the United States credit should be preserved also, so that our bonds may be negotiated, as they can be now, at 3½ per cent, and as they used to be at 3 and 2 per cent, for we are the greatest country in the world, with the greatest credit anywhere, and we have no right to play with that credit by making our bonds taxable at any time. I did not bring that question up the other day because it seemed to be a matter of agreement, but it has now come on this great revenue bill. If we want revenue, we must maintain credit; and the only way to maintain credit is to make the bonds of the United States unimpeachable in any hands or in any market. [Applause.]

Mr. COOPER of Wisconsin. Mr. Chairman, I move to strike out the last word. I desire to speak briefly concerning an important subject which came before the House yesterday during the argument made by the distinguished gentleman from Virginia, Gov. MONTAGUE. While the gentleman from Virginia was contending against the constitutionality of the provision taxing the income from State and municipal bonds I came into the Chamber, after having been called out by a constituent, and interrupted the gentleman, but merely to suggest to him that Mr. Justice Cooley, in his works on the Constitution, declares that if a legislator be in doubt as to the constitutionality of a pending measure it is his duty to vote against it, and not, as men are accustomed to say, put it up to the court to decide. I said nothing more. Subsequently several gentlemen, in private conversation, doubted the accuracy of my reference to the statement of Mr. Justice Cooley. As I had not read the statement for a long time I decided to consult the book itself. This I did, and I now invite attention to page 172 of Cooley on Constitutional Law, and to the following:

"Legislators have their authority measured by the Constitution; they are chosen to do what it permits, and nothing more, and they take solemn oath to obey and support it. When they disregard its provisions they usurp authority, abuse their trust, and violate the promise they have confirmed by an oath. To pass an act when they are in doubt whether it does not violate the Constitution is to treat as of no force the most imperative obligations any person can assume. A business agent who would deal in that manner with his principal's business would be treated as untrustworthy; a witness in court who would treat his oath thus lightly and affirm things concerning which he was in doubt would be held a criminal. Indeed, it is because the legislature has applied the judgment of its members to the question of its authority to pass the proposed law and has only passed it after being satisfied of the authority that the judiciary waive their own doubts and give it their support."

It thus appears that I was correct in the reference which I made to the views of this distinguished jurist and authority on constitutional law as to the duty of legislators when confronted by questions of constitutionality.

I believe that if we examine carefully into our attitude toward measures we shall very often find that what we call our "doubts" are not real doubts at all. And I believe also that in the great majority of cases of so-called doubts on the question of constitutionality we can resolve them satisfactorily, at least to ourselves, by remembering and applying the rule laid

down in a famous case by Chief Justice Marshall, a rule which lawyers know by heart and with which many of the laity are familiar.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. COOPER of Wisconsin. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. COOPER of Wisconsin. To test the constitutionality of a law, the great chief justice lays down this rule: Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, which are not prohibited, but which consist with the letter and spirit of the Constitution, are constitutional.

Now, a few minutes ago I voted against the amendment of the distinguished gentleman from Virginia, proposing to strike out an important provision from the income-tax section of the pending bill, because, applying the famous rule thus established by the Supreme Court, speaking through Chief Justice Marshall, those provisions are, in my judgment, constitutional. I have time only for a mere suggestion of reasons. Certainly the end proposed is ligitimate and within the scope of the Constitution. It is to raise money necessary to enable our Government to carry on the war—to save, it may be, its life. The money is to be raised by taxation. Therefore the means proposed are appropriate and plainly adapted to that end. They are not prohibited, but consist with the letter and spirit of the Constitution, because the taxes are to be levied impartially upon incomes from whatever source derived. Therefore, in my judgment, as I already have said, the provisions which by our last vote we kept in the bill are constitutional. [Applause.]

Mr. HULL of Tennessee. Mr. Chairman, the amendment offered by the gentleman from New Jersey would strike out the provision which was inserted in the income-tax law in accordance with the fixed policy established by the different bond-authorization acts with respect to the taxation of the interest and the principal of liberty bonds. Now, Congress, after full consideration, early decided against the policy of issuing tax-free bonds for the support of the war, but inserted in the various authorization acts provisions to the effect that those bonds should be exempt, both principal and interest, as to all taxes except income and excess-profits tax, on the interest and inheritance tax, on either principal or interest, or both. Now, this provision was simply inserted here in conformity with the authorization acts which had heretofore been passed by Congress in connection with the issuance of the different series of liberty-bond loans. I think the committee and the House do not desire now to reconsider in this manner, at least, and to reverse the entire policy which was originally adopted and has consistently and without material difference of opinion been pursued until this time. I think it is not worth while, therefore, to repeat the numerous arguments, the sound arguments, as I conceive them and as Congress has conceived them, in opposition to a policy of issuing tax-exemption liberty bonds to the enormous extent they must be issued for the successful and complete prosecution of the war. I hope, therefore, and I feel that, without entering into a discussion or a repetition of those well-known and well-understood reasons, the committee will be disposed to vote down the amendment of the gentleman from New Jersey.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The question was taken, and the amendment was rejected.

Mr. LITTLE. Mr. Chairman, I desire to offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 10, line 1, after the letter "(a)," insert "obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia, in the same amount and conditions as liberty bonds up to and including the same rate of interest as the liberty bonds."

Mr. LITTLE. Mr. Chairman, when this legislation was proposed to this House it provided that State, county, and city bonds receive just the same treatment as liberty bonds were to receive; that they should have to pay the same taxes and should receive the same exemption. This legislation that has been brought in here and passed at the suggestion of this committee or the Secretary of the Treasury, by which a much larger amount of liberty bonds is exempted, has changed that situation. You now have a very considerable exemption of a good many thousands of dollars of liberty bonds, but not such exemption for the bonds of a city, State, and county. Now, if it was right when this bill was brought in to extend the same exemptions to both of them, and the same taxation, that principle is still correct, and I am of the opinion that that is the fact, and for that reason this amendment is offered.

Furthermore, you have previously felt that you had no authority to tax these bonds at all. Here, suddenly, you not only revolutionize your theory of what is constitutional taxation on the securities of sovereign States but you actually discriminate against their bonds in favor of your own. If you can really do this, you can make it impossible for city, State, or county to sell bonds at all and force the people to buy yours. Congress did that in the matter of State-bank notes, but you had a different constitutional provision. Perhaps you may make an equal tax stick, but the courts will probably hold your tax discriminating against the State bonds is unconstitutional. They should. You are taking a leap in the dark, anyway. Unless you accept my amendment you are simply trying to break your neck.

Mr. BLACK. Will the gentleman yield?

Mr. LITTLE. I will.

Mr. BLACK. It occurs to me the gentleman's amendment would lessen and make smaller the exemption——

Mr. LITTLE. Not if the gentleman has read the context.

Mr. BLACK. This section absolutely exempts all of the bonds that have been heretofore issued from tax——

Mr. LITTLE. Yes.

Mr. BLACK. Now, it seems to me, if he writes in the limitation which his amendment suggests he would limit it only to the extent——

Mr. LITTLE. No; the exemption for the bonds already issued will remain just the same, but all bonds, either city, State, or county, issued before or hereafter, will now, if my motion prevails, be given the same exemption as liberty bonds are given.

Mr. HASTINGS. Will the gentleman yield?

Mr. LITTLE. I will.

Mr. HASTINGS. Has the gentleman given consideration to the question of offering his amendment to the proviso found further in this paragraph?

Mr. LITTLE. I have read that quite carefully.

Mr. HASTINGS. Does not the gentleman think his amendment had better come by striking out "$5,000," in line 18, page 10, and inserting his language or similar language?

Mr. LITTLE. I had considered at one time the placing of it there, but after a careful consideration I have decided this is the best place for it, and I think the gentleman from Oklahoma would think so if he would study it a little more.

The city bonds, for example, of course, are not supposed to have as good security as Federal Government bonds, and therefore the national bonds can sell at lower rates of interest than city bonds. Now, if you put a tax upon city bonds which is not put upon Federal bonds, you are really reducing the rate of interest on the city, State, and county bonds compared to that the Federal Government investment pays. In other words, the city will be compelled to raise the bond rate of interest if it is going to compete with Government bonds thus exempted. They have got to maintain these different State, city, and county governments and they have got to run them, and those gentlemen on this committee had that in mind when they made arrangements for similar exemption when this bill came in, but this sudden change in this new legislation (this other bill now passed since we began to consider this) exempting a good many thousand dollars' worth of these liberty bonds is a change that demands a change here, gentlemen, and that is what this provision gives. It simply says you shall exempt just as many thousand dollars' worth of city bonds as you do of liberty bonds, so they may continue to sell as before. In order to make it exactly the same, I have stated in my amendment you not only do that, but you shall not exempt the income on city bonds over and above the amount of interest the liberty bonds pay. This will bring an equality of taxable income and equality of taxable amount of principal. The two classes of bonds will maintain themselves as before on the market. If two men invest, the one in $10,000 of liberty bonds and the other in $10,000 of State bonds, they will pay exactly the same tax, and there will be no favoritism shown by this Government.

If, for example, a liberty bond would draw 4 per cent and a city bond 5, I only ask you to exempt the city-bond income up to 4 per cent, just the same as the liberty bond, and the other per cent they can pay upon. So they are in the same relation to taxation as if they had the same rate of interest as the liberty bond. Why should we interfere to favor one investment and injure another? I can not see how anybody can concede that the bill was properly drawn in the first place when they gave the liberty bond and municipal bond the same exemption, and then say that my amendment is not correct. Unless my amendment is just, and right, and equitable, and proper, then this bill was

badly drawn in the first place. If these two sets of bonds are to be placed on the market alike, if they are to sell side by side, you have got to start them off even. You can not expect one horse to carry the big weight in this race to sell. We must legislate to give justice to all branches of this Government. We have got to take care of these municipalities. They can not stop operating every time we go to war. He is a mighty near-sighted statesman who does not consider this fact.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LITTLE. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. We must take care of the cities, States, and counties. We have got to see to it that the bonds they sell do not disorganize the market and are not disorganized on the market. You put a liberty bond on the market and it goes, for example, at 4 per cent, and it has no tax, and a city bond pays, say, 5 per cent with a tax. You are not going to sell those bonds, the city bonds, the State bonds, and the county bonds, at all. They will have to readjust the whole system that they have in order to raise the rate of interest upon every county, city, and State bond. If the market would go on without disorganization under that bill as originally drawn, with the same tax, it will not go that way if you differentiate between them. This is a matter of considerable importance, of great importance, to many communities, to all communities, and all I am asking is to restore this bill to the original plan and purpose by allowing municipal bonds and liberty bonds to go on the market in exactly the same condition; and if they do not, the market will be disorganized and you will have a great deal of trouble. What is the sense in making all this trouble when the courts may complicate the bond sales still further by deciding you are without authority to legislate to this purpose? The committee must enjoy adventure on an unknown sea to both invent a new system of taxation and use it to club the cities, counties, and States out of the bond market, all at one fell swoop, as our friend Macduff would say. Why involve your new-found authority, if you have any, in the complications that will arise when the court passes on your right to say the cities, counties, and States can not sell bonds if the Nation desires to? Gentlemen, it is hardly possible the Federal Government has the power to monopolize the bond market and stop cities, counties, and States from borrowing money.

Mr. HASTINGS. In line 18, if you would reform your amendment and strike out "$5,000" and insert "$30,000," it would accomplish that purpose.

Mr. LITTLE. After carefully studying the question I thought this was the place it should go.

Mr. LONGWORTH. I would also suggest to the gentleman from Kansas and the gentleman from Oklahoma that that would not accomplish the purpose, because the $30,000 exemption only lasts until a year after the war, while the $5,000 would last forever.

Mr. LITTLE. That is a reason I had in mind in deciding as to the proper location for the amendment.

The CHAIRMAN. The question is on the amendment of the gentleman from Kansas [Mr. LITTLE].

The question was taken; and the Chairman announced that the noes seemed to have it.

Mr. LITTLE. Division, Mr. Chairman.

The committee divided; and there were—ayes 11, noes 41.

So the amendment was rejected.

Mr. BLACK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 10, line 24, after the word "thereof" and before the comma, insert the following: "as amended and supplemented."

Mr. BLACK. Mr. Chairman, I have no argument to make.

Mr. KITCHIN. The committee is willing to adopt that amendment. It ought to be in.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. PARKER of New Jersey. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from New Jersey offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PARKER of New Jersey: Page 10, line 21, after the words "United States," strike out "or its possessions."

Mr. PARKER of New Jersey. Mr. Chairman, I merely submit this to the gentleman in charge of the bill. You seem to have provided for the District of Columbia and for the Territories and subdivisions thereof as to prior debts only, and this makes absolute exemption of all obligations of our possessions, which I do not think was intended.

Mr KITCHIN. Under the existing law they have the same plan. Take the Philippines and Porto Rico, and they can have such tax law as their local legislatures prescribe. "Territory" is specified in the beginning of that page.

Mr. PARKER of New Jersey. Does the committee desire to exempt what they have issued and shall issue thereafter without any limitation?

Mr. KITCHIN. So far as a "possession" is concerned, they can control. All the money that goes over goes to their treasury.

Mr. PARKER of New Jersey. Their treasury issues bonds and some of our citizens hold those bonds, and this provides that our citizens shall be free from income tax on anything they receive from those bonds.

Mr. KITCHIN. I will say to the gentleman that they have always been.

Mr. PARKER of New Jersey. I do not ask for a vote, if it is so intended by the committee, although I do not agree.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word and request the attention of the gentleman from North Carolina [Mr. KITCHIN]. Farm loans are included here amongst those exempted from taxation. I ask the gentleman if that provision was not made at the instance of the Secretary of the Treasury?

Mr. KITCHIN. Interest from farm-loan bonds is exempt from tax under existing law and the proposed bill. The committee conferred with the Secretary of the Treasury in respect to striking out this exemption from the provision and making such interest subject to the tax, but the Secretary of the Treasury, after considerable consideration, advised the committee by letter that it would be very unwise to do that, and the committee concurred in the opinion of the Secretary.

Mr. MOORE of Pennsylvania. The gentleman confirms my recollection that, although an effort was made to tax them, the farm loans were exempted at the instance of the Secretary of the Treasury.

Mr. KITCHIN. I append herewith the letter of the Secretary of the Treasury that I refer to above:

THE SECRETARY OF THE TREASURY,
Washington, August 20, 1918.

Hon. CLAUDE KITCHIN,
House of Representatives.

DEAR MR. KITCHIN: I have your letter of August 9 asking my views with reference to a proposal to amend the Federal farm-loan act of July 17, 1916, so that any bonds hereafter issued under such act shall be issued at the same rate and subject to the same taxation as bonds issued under the second liberty loan act as amended by the third liberty loan act.

The credit of the Federal land banks is high, but does not equal that of the United States Government, nor is it possible for Federal land banks to make an appeal to the patriotism of the people which the United States Government makes in offering its liberty bonds.

I have no hesitation in saying that the bonds issued under the farm-loan act could not be issued at the same rate and subject to the same taxation as bonds issued under the second liberty loan act, as amended by the third liberty loan act.

Whether bonds could be issued bearing interest at a higher rate, but subject to the same taxation as liberty bonds, I do not know. If the Congress should direct such an experiment, it would be necessary to authorize the Treasury, during the period of the war, to buy and hold such bonds as can not be sold, so that the functions of this great farm-loan system shall not be crippled at a time when farm production is of major importance. I do not undertake at this time to express an opinion as to the bonds of the joint-stock land banks which stand on a different footing.

Cordially, yours, W. G. MCADOO.

Mr. PARKER of New Jersey. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to withdraw this amendment. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(8) So much of the amount received by a person in the military or naval forces of the United States as salary or compensation in any form from the United States for services abroad or at sea in such forces as does not exceed $3,500.

Mr. KITCHIN. Mr. Chairman, a gentleman who is now necessarily absent from the floor wishes to return to this at a later time. I ask unanimous consent that we may return to that later on.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that the paragraph indicated may be returned to later, at the pleasure of the committee. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(c) In the case of nonresident alien individuals, gross income includes only the gross income from sources within the United States, including interest on bonds, notes, or other interest-bearing obligations of residents, corporate or otherwise, and including dividends from resident corporations.

Mr. PARKER of New Jersey. Mr. Chairman, I move to strike out the last word, for the purpose of asking a question.

The CHAIRMAN. The gentleman from New Jersey moves to strike out the last word.

Mr. PARKER of New Jersey. Is it intended to tax interest on Government bonds received by people abroad—banks in Holland, or whoever might take them? Do the words "gross income from sources within the United States, including interest on bonds, notes, or other interest-bearing obligations of residents," and so forth, include interest on United States bonds?

Mr. KITCHIN. To just the extent that the act taxes.

Mr. PARKER of New Jersey. It taxes them just as at home?

Mr. KITCHIN. Yes.

Mr. PARKER of New Jersey. Does the gentleman think that there is likely to be much market for United States bonds abroad if everybody who buys them there has to pay surtaxes and all that sort of thing?

Mr. KITCHIN. He has to pay them over there.

Mr. PARKER of New Jersey. We have always tried to maintain the credit of the United States all over the world. It seems to me this is the best way to destroy it. I withdraw the pro forma amendment.

The CHAIRMAN. The gentleman from New Jersey withdraws his pro forma amendment. The Clerk will read.

The Clerk read as follows:

(2) All interest paid or accrued within the taxable year on indebtedness (or, in the case of a nonresident alien individual, the proportion of such interest paid which the amount of his gross income from sources within the United States bears to the amount of his gross income from all sources within and without the United States) in excess of interest received free from taxation under this title.

Mr. KITCHIN. Mr. Chairman, the committee offers an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment: Page 13, line 8, strike out the parenthesis and insert a comma. Line 12, strike out the parenthesis and all of line 12 after the parenthesis and all of line 13 through the word "title."

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. STAFFORD. May we have it read as amended?

The CHAIRMAN. Without objection, the Clerk will read it as amended.

The Clerk read as follows:

So that it will read as follows:

"All interest paid or accrued within the taxable year on indebtedness or, in the case of a nonresident alien individual, the proportion of such interest paid which the amount of his gross income from sources within the United States bears to the amount of his gross income from all sources within and without the United States."

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I will.

Mr. PLATT. That is a matter that the New York Times called attention to in an editorial yesterday, is it not?

Mr. KITCHIN. I have not seen the New York Times.

Mr. PLATT. This taxes interest which you had previously tried to exempt. It puts it right back in again. You are striking out lines 12 and 13 because they make subject to taxation what you had previously tried to make free?

Mr. KITCHIN. Yes. I will say that is a suggestion of the Treasury Department which the committee has considered very carefully, and thinks it is a mistake and thinks it ought to be stricken out.

Mr. PLATT. I think it is right.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. LONDON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. LONDON. Yesterday during the discussion of the revenue bill and a few minutes before adjournment I made the statement that I was the only Representative of the State of New York on the floor at the time, and Mr. BENJAMIN L. FAIRCHILD, who represents a New York district, suggested that he was present.

I do not want to do any injustice to any other Member of Congress from the State of New York. The mere fact that at that particular moment Mr. FAIRCHILD and myself were the only ones from the city of New York who were on the floor does not indicate that the others were not in Washington or on the floor during some part of the day. So, for instance, Mr. CLEARY, Mr. CHANDLER, and Mr. DONOVAN have been very regular in their attendance. I have always seen them here on the floor. Mr. SMITH and Mr. RIORDAN were here yesterday during the day, and they are here to-day. I have been receiving fair play at the hands of every Member of this House, and I want to be fair to every Member of the House.

I just wanted to make this statement so that no more ill feeling should be aroused than is absolutely necessary. It is to be regretted that a good many Members find it necessary, or are compelled by attendance to departmental work on behalf of various constituents, to absent themselves from the floor. It is to be regretted that during the discussion of this revenue bill, involving the unprecedented burden of $8,000,000,000, only 278 Members have responded this morning to the call of the House. I thought it was my duty to make this statement, so that those who are regular in their attendance upon their duties in the House should not be injured by me.

Mr. CANNON. Mr. Chairman, will the gentleman yield for a question?

Mr. LONDON. I do.

Mr. CANNON. I think the gentleman claimed yesterday, on the amendment that we voted on this morning, that he was the only New York Member now that complied with the request of the mayor of New York.

Mr. LONDON. Oh, the mentioning of the mayor was incidental.

Mr. CANNON. I know.

Mr. LONDON. I voted against the amendment, by the way.

Mr. CANNON. In other words, the gentleman voted with the majority this morning in passing through the tellers?

Mr. LONDON. Yes. I will let the CONGRESSIONAL RECORD show the attendance of Members. I do not want to be a censor, but I think too many Members are absent from the floor during the discussion of important legislation.

Mr. WALDOW. Mr. Chairman, will the gentleman yield?

Mr. LONDON. Yes.

Mr. WALDOW. As I understand the gentleman's remarks, he referred to the city of New York and not the State of New York.

Mr. LONDON. That is so; and as to the New York City Members, it is quite clear that absence at a particular moment from the floor does not indicate absence from Washington.

Mr. THOMAS F. SMITH. Is it not a fact that 20 minutes before the gentleman made this statement—that he was the only Member here from New York City present—he spoke to me at that door?

Mr. LONDON. The gentleman can not do any more than I have just done when I made the statement that Mr. SMITH and Mr. RIORDAN were here during the day yesterday. I think that closes the incident.

Mr. FESS. Mr. Chairman, I rise in opposition to the pro forma amendment, for the purpose of obtaining the floor for five minutes.

Members of the committee, I have been interested and have spoken several times about the numerous peace proposals that have emanated from Berlin and Vienna and have made statements on the importance of a conclusive peace, warning the country against a peace without victory, a statement which was quoted from high authority. I now rise to say to you, in language that I do not want to be misunderstood, that I am pleased with the answer made by the President to the peace proposal. It leaves no chance for the enemy to gain by diplomacy what it could not win on the field.

The quick reply may jar upon diplomatic ears, but is justified as a rebuke to the double dealing of our enemy, and a forestalling of either propaganda to weaken the allies or time to rebuild shattered enemy lines.

The reply should be a guarantee against our taking a first step which must be followed by a second and third to the last. Discussion of "unbinding terms" in the dark, as suggested in the note, can result in no good, but, I fear, in great harm.

The Dual Monarchy is tottering. It has never been secure. The huge majority of her subjects are and have been longing for a chance for relief from the yoke of the Hapsburgs. The millions of Czecho-Slovaks in the north, Jugo-Slovaks in the south, and others, which together make up two-thirds of the entire population of Austria, are seeing the rays of promise in our official recognition of their rights as a people. This spells dissolution of the Hapsburg monarchy. The note reveals the seriousness of this situation and proposes steps to forestall the inevitable. Germany can not be unaware of its effect upon the destinies of the Hohenzollern house; hence her acquiescence.

If the rôle of Teutonism ever endangered the liberties of the world, that danger was never so appalling and imminent as

now. The world must end that danger now or never. To enter conferences on the basis of the note means, in my judgment, four years of sacrifice all in vain. It offers time and conditions for successive crops of world tragedies. To do that now when the enemy is driven from post to post by the united powers of most of the world fighting against a horde led by a war-mad autocrat, and at the time the enemy of the world's liberties is being girdled with fire and flame and is about to cry enough, would be not only a crime against the suffering populations of western Europe and other peoples trampled upon ruthlessly, but a crime against humanity. It is the bully who, having prostrated his victim to the earth to trample upon and crush out all ability to resist his inhuman brutality, sees the strength of his victim steadily gathering and fears his grasp tightening, cries, "Hold! Enough! Let's quit now." The Teutons, breaking at home under the powerful grip of our armies on their front, are sick of war and wish to talk over "unbinding terms" of peace.

This reply should be an end to this peace offensive until the enemy is on its knees, its armies surrendered, and these people who have backed this orgy of crimes of terrorism may demand not of us, but of their rulers, that this war shall not only cease, but those responsible for it shall guarantee against a repetition of such a world tragedy. This condition will not be agreed upon in a peace conference. It must be commanded on the field, when the American Army is on German soil headed for Berlin.

That is my opinion of the reply this morning. [Applause.]

Mr. HARDY. Will the gentleman yield for a question?

Mr. FESS. I yield to the gentleman.

Mr. HARDY. Does not the gentleman think it is perfectly apparent that the note of the Austrian Government was not intended to evoke any other reply from the allies than the kind it has had, but was intended as an appeal to their own people and an attempt to make them believe that Austria and Germany were not responsible for this war, and that the entente allies were responsible; that the whole purpose was that and nothing more?

Mr. FESS. I will say to my friend that that element is in the note and quite probably the dominant element. However, I would not be surprised if these powers felt that through the humanitarian impulses of our people we might make concessions that I feel convinced we will never make.

Mr. HARDY. There appears a secondary purpose—the hope of starting a division among the entente allies.

Mr. FESS. Yes; to divide the allies.

I withdraw the pro forma amendment.

The Clerk read as follows:

(3) Taxes paid or accrued within the taxable year imposed (a) by the authority of the United States, except income, war-profits, and excess-profits taxes; or (b) by the authority of any of its possessions, except the amount of income, war-profits, and excess-profits taxes allowed as a credit under section 222; or (c) by the authority of any State or Territory, or any county, school district, municipality, or other taxing subdivision of any State or Territory, not including those assessed against local benefits; or (d) in the case of a citizen or resident of the United States, by the authority of any foreign country, except the amount of income, war-profits, and excess-profits taxes allowed as a credit under section 222.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

Mr. KITCHIN. Mr. Chairman, the last two speeches made have not been at all pertinent to the bill. Both of them were subject to a point of order. It is all right for those two speeches to have been made, but I want to give notice that hereafter we will insist that the speeches under the five-minute rule be confined to the bill. [Applause.]

I want to state that we ought easily to get through with this bill by Friday or Saturday, certainly not later than Saturday. We had six or eight days of general debate. The report upon the bill was filed on September 3 and has been in the hands of every gentleman in the House. That report states the changes made in existing law. We can get through with this bill by Friday if we confine our amendments to bona fide amendments for the sake of perfecting the bill and confine our remarks to a discussion of pending amendments. My hope is that we will finish this bill this week. We certainly can do it if we confine ourselves to the bill and to bona fide amendments. After we pass this bill, then my hope is that not to exceed a week will be consumed in disposing of the Agricultural bill, the agricultural extension bill, and the consideration of the Unanimous Consent Calendar and the Private Calendar. I think we can do all of that in the week following the passage of this bill. Then I am very hopeful that we can enter into some kind of a gentlemen's agreement and make it of record to adjourn three days at a time during the month of October, while the Senate is considering the revenue bill in the committee and in the Senate. If we can carry out this program, finishing this bill this week and finishing the other legislation the following week, we can all have the opportunity to go home to our districts and States and join in the liberty loan campaign. I presume every man here wishes to do that. If every man present will cooperate with the committee in facilitating the passage of the bill and the consideration of the several amendments to be offered, I am sure we can do this.

Mr. MOORE of Pennsylvania. I want to say that the minority members of the committee, so far as I have conversed with them, and particularly the ranking member [Mr. FORDNEY], who has just stepped out, heartily indorse what the gentleman from North Carolina has said. There is every desire on the part of the minority to cooperate in carrying out the program just announced.

Mr. SIMS. Mr. Chairman, I want to state that the gentleman from North Carolina [Mr. KITCHIN] left out, inadvertently no doubt, the emergency power bill now pending, which will be reported to the House this week. [Laughter.] Some gentlemen are laughing before they know what they are laughing about. The bill is to enable the increase of the output of power for shipbuilding purposes, the manufacture of munitions so assential to the prosecution of the war, and for like purposes. This House can not adjourn or recess until it acts on that measure if any Member expects to be reelected.

Mr. KITCHIN. I will say that no man in the House will think of leaving here when there is any emergency legislation, and that we can not enter into a gentlemen's agreement unless every Member of the House consents to it.

Mr. SIMS. It is the welfare and protection of the United States that demands the passage of the emergency power bill.

Mr. KITCHIN. Any one man can do it. All I ask is that the gentleman from Tennessee cooperates with us to get this bill through so that we can reach his bill.

Mr. SIMS. The gentleman is exactly right, and I shall be glad to do it, but I did not want the gentleman to overlook this all-important bill.

Mr. POU. Will the gentleman yield?

Mr. KITCHIN. Certainly.

Mr. POU. I want to say to my colleague that as far as I am concerned I shall most heartily cooperate in bringing about the desired result, but I would remind the chairman of the Ways and Means Committee that there are one or two matters pending before the Committee on Rules that have been temporarily laid aside until the water-power bill and revenue bill were disposed of. One of them is a bill from the Committee on Labor, and there has been a tacit understanding, I think on both sides of the Committee on Rules. that these gentlemen should have an opportunity to present their bill to the House. I do not think either one of these matters ought to take over a single day.

Mr. KITCHIN. The point that I am making is that the earlier we dispose of this bill the earlier we can get to the consideration of other necessary bills. I believe those bills that have been mentioned can be disposed of in a week.

Mr. POU. There is another measure that the President is urging for consideration, and that is the convict-employment bill.

Mr. GARNER. In other words, if we can pass this bill this week we ought to be able to consider all necessary legislation next week and be ready to take up the arrangement the gentleman has stated.

Mr. KITCHIN. That is correct.

Mr. MADDEN. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. MADDEN. I think it is wise to expedite the legislation as much as possible, so that Members can join in the movement throughout the different States for the liberty-loan campaign. I want to announce here that Cook County, in which the city of Chicago is situated, representing over two-fifths of the State of Illinois, has already found itself in the situation of being able to have the Democrats and Republicans who speak for the organization of both parties join in a written agreement that no political campaigning will be done by either party until the end of the liberty-loan campaign, and that every precinct worker in the Republican and Democratic Parties in that county, representing over 10,000 men, will be utilized; that instead of engaging in politics they will make a drive for the sale of liberty bonds; and that no politics will enter into the consideration of any question involved until after that drive is over. I hope that all of the States in the Union will enter into such an agreement.

Mr. GARNER. If it is as effective as the drive in politics you will go over the top about the second day. [Laughter.]

Mr. MADDEN. We have made arrangements, and it is in writing, and 10,000 men have volunteered to do this liberty-loan work.

Mr. FESS. Mr. Chairman, I sympathize entirely with what the gentleman from North Carolina has suggested. I was the first one present who violated the rule——

Mr. KITCHIN. Oh, no; I was willing that the gentleman should present his matter.

Mr. FESS. The chairman will remember that a communication was put in the RECORD in which my name was used.

Mr. KITCHIN. I did not criticize the gentleman from Ohio nor the gentleman from New York, but I thought that some other Members on either side might consider it a precedent, and I wished to make an announcement.

Mr. LONDON. Mr. Chairman, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McKENZIE. Mr. Chairman, I desire to ask the gentleman from Illinois a question.

Mr. KITCHIN. I will yield.

Mr. McKENZIE. In regard to the agreement which the gentleman from Illinois [Mr. MADDEN] has just stated as entered into between the Republicans and Democrats in Cook County, are we to understand that just as soon as they go over the top with the liberty loan, that agreement is at an end and politics begins?

Mr. MADDEN. No; the agreement continues until the end of the liberty-loan campaign, which would be on the 19th of October.

The Clerk read as follows:

(9) In the case of buildings, machinery, equipment, or other facilities constructed, erected, installed, or acquired on or after April 6, 1917, for the production of articles contributing to the prosecution of the present war, there may be allowed a reasonable deduction for the amortization of such part of the cost of such facilities as has been borne by the taxpayer, but not again including amounts otherwise allowed under this title for depreciation, exhaustion, or wear and tear. At any time within three years after the termination of the present war with the Imperial German Government, as declared by proclamation of the President, the commissioner may, and at the request of the taxpayer shall, reexamine the return, and if he then finds as a result of an appraisal or from other evidence that the deduction originally allowed was incorrect, the necessary adjustment of the taxes for the year or years affected shall be made, and the amount of tax due upon such readjustment, if any, shall be paid upon notice and demand by the collector, or the amount of tax overpaid, if any, shall be credited or refunded to the taxpayer in accordance with the provisions of section 252. In the case of a nonresident alien individual this deduction shall be allowed only as to facilities within the United States. In no case shall the deduction allowed under this paragraph exceed 25 per cent of the taxpayer's net income as computed without the benefit of this paragraph or paragraph (11).

Mr. ANDERSON. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Add at the end of the paragraph, on page 15, line 21, the following: "*Provided*, That wherever the contract for the production of war material or articles contributory to the prosecution of the war or additional plant extensions or facilities necessary therefor makes provision or allowance for the amortization of plant extensions or facilities or for the depreciated value of the same, either before or upon the expiration of the contract no allowance or deduction shall be made under this paragraph."

Mr. ANDERSON. Mr. Chairman, no one, I think, can consider this particular paragraph of the bill without some doubts and I might say some apprehension. It seeks to afford a flexible method whereby deductions or allowances from gross income may be made to the owners of plants which will at the end of the war be greatly depreciated in value, or perhaps entirely worthless for peace purposes and which have been amortized from earnings or otherwise. Personally, I am of the opinion that this paragraph ought to go out altogether, but I recognize the fact that these are extraordinary times and that extraordinary latitude must be given to the administrative officers of the Government in administering the law which shall apply to these unprecedented conditions. I have not had a chance to examine the contracts under which the war materials and articles contributing to the prosecution of the war are being made. I have studied with some diligence, however, the testimony which has been given before the various committees of the House and Senate touching the general character of these contracts, and I have read such of the contracts as actually appear in the testimony. These contracts show that in many instances provision is made in the contract itself for the amortization of the plant or for an allowance for the depreciated value of the plant at the end of the contract period. It seems quite apparent where the contract itself provides for amortization, or where, either by an allowance in the price or by some other method, consideration is given for the depreciated value of the property, that the Secretary of the Treasury ought not to have the power to make allowances as a matter of deduction from the gross income, because the matter is then not a question of income tax at all, but becomes a question of the readjustment of the contract which in the first instance was made by the Secretary of War or the Secretary of the Navy and not by the Secretary of the Treasury. I want to call attention particularly and specifically to one contract which appears in one of the hearings before the Committee on Appropriations. This is a contract for the production of T. N. T. and the construction of additional facilities for that purpose. In that contract the following sentence occurs:

Of the said contract price of $0.435 per pound the sum of $0.105 is fixed as allowance for and toward the partial amortization of the equipment and plant referred to in article L.

Here is a case in which the contracting officer on the part of the Government in the contract for the manufacture of war material has made an allowance for the amortization of the plant extension necessary to produce it. It seems to me absolutely clear that in that case the Secretary of the Treasury ought not to have the power to make an allowance or deduction from the gross income for amortization because that allowance becomes not a matter of deduction of the tax, but the readjustment of a contract that the Secretary of the Treasury did not make.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. GREEN of Iowa. I am not sure I understand how far the gentleman's contention goes. Does the gentleman contend that in such a case as he has just mentioned a further allowance for amortization might be made under this contract?

Mr. ANDERSON. Yes.

Mr. GREEN of Iowa. Of course, the gentleman has examined the provisions at the top of page 15, where it provides—

There may be allowed a reasonable deduction for the amortization of such parts of the cost of such facilities as has been borne by the taxpayer.

The committee thought, or at least I thought, that that would cover just such cases as the gentleman mentioned.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. ANDERSON. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDERSON. Of course, the contracts that have been made for war materials vary greatly in their terms, but many of them provide for plant extensions necessary for the production of war materials out of the funds of the corporation that is producing the material. In those cases the Government, recognizing the fact that the plant will be greatly decreased in value at the end of the contract period, has provided for amortization or has provided for the depreciated value of the plant in some other way. It seems to me that under those cases the Secretary of the Treasury clearly ought not to have the power to make further allowance because a further allowance in that case is not a matter of taxation or a deduction from a basis of taxation, but is a readjustment of a contract which itself defines and determines absolutely the rights of the parties to the contract. You have an absolute conflict here between the Secretary of the Treasury and the Secretary of War, and you have placed in the hands of the Secretary of the Treasury not the administration of this law, in the sense of collecting a tax, but you have placed in his hands the power to review a contract made by the Secretary of War which itself provides for the very things which you intend to provide for in this paragraph.

Mr. KITCHIN. Mr. Chairman, I would like to say to the committee that the gentleman's amendment would, of course, destroy the whole of paragraph 9. With his amendment adopted there would be no use for the amortization provision, and he overlooked the fact that although the contract given by the War Department may contain an amortization clause, the Treasury can not allow any amount of this amortization allowance as a deduction in computing net income under existing law. With paragraph 9 out, or with this amendment adopted, which would have practically the same effect as striking it out, the commissioner would have no power to allow any reasonable reduction from the income on account of amortization. Suppose we have a contract with a corporation that had to expand its plant and put in facilities that would not have been necessary to put in but for the contract; and suppose ordinarily the amount of the contract would have been $800,000. Suppose that owing to this expansion of the plant and the installing of new facilities, for the purpose of the contract, which would probably be worthless after the contract was performed, the Government says, "We will pay you $200,000 additional; that is, we will give you $1,000,000 instead of

$800,000 for the articles produced." The gentleman's proposition would not permit the Commissioner of Internal Revenue to make any amortization allowance.

Now, under the provision in the bill the Commissioner of Internal Revenue would consider the whole $1,000,000, including the $200,000 amortization allowance under the contract, as income and treat it as income. The provision in the bill permits the commissioner and the advisory board to take the whole matter into consideration—the contract to which the gentleman refers and the income tax upon that extra $200,000—and, after considering the facts and circumstances, to determine what is a reasonable amortization deduction. They will not be bound by the $200,000 or the war contract at all. The provision in the bill carries out what the gentleman from Minnesota desired. I think it is a better proposition than his, and that the gentleman's amendment ought to be voted down; otherwise the Commissioner of Internal Revenue will be unable to make proper allowances for amortization.

Mr. ANDERSON. Well, does the gentleman from North Carolina think that where the Secretary of War has made a contract which provides for the amortization of a plant that the Secretary of the Treasury ought to be permitted to review that contract and practically to make a greater allowance for amortization by way of deduction from income tax?

Mr. KITCHIN. Yes; I do. As a taxing proposition, they ought to be allowed to deduct more if this taxing board thinks that the amortization allowance is insufficient, and they ought to be able to require a great deal less amortization deduction than the contract calls for if they find the contract allows too large an amortization allowance.

Mr. GREEN of Iowa. Mr. Chairman, there is another very important matter which ought to be mentioned in this connection. In the first place, I think the gentleman from Minnesota is mistaken in saying the provision to which I referred in my interrogatory does not fully cover the whole matter. There is already provision by which the commissioner may take into consideration the amount already allowed and taxable in the way of amortization. This is provided in line 2. It is only such part of the cost of such facilities as has been borne by the taxpayer for which amortization may be allowed. For that reason there is no danger of duplication of the matter of amortization under this paragraph as it now stands, and where the contract fully provides for amortization no allowance can be made under this provision.

Another feature, which I think is quite important, is that it would be far better to have some provision of this kind than to have these contracts made as the committee found they were made in a great many cases—making allowance for all possible losses that could be imagined or conceived. These contracts were so drawn in many cases they made, as the committee thought, a larger allowance than was really justified except from the fact that the Government had to have the material contracted for and had to make such a contract as would result in the Government obtaining it. Now, if we have this provision in the law that reasonable amortization may be made in assessing taxes, it will not be necessary to make contracts with such wide margins. The Government can make a better contract, a lower contract, and the party who is entering into the contract with the Government will realize that the whole matter can be reviewed afterwards and such allowances made him as are proper and necessary. This, I think, is very important in this connection. The great trouble has been that the parties who make contracts with the Government can not look far enough into the future to determine just how they are going to come out, and, as a result, they make these contracts, as I have said, with extraordinarily wide margins, so that they are certain to result in a profit and may result in an unjustifiably large profit, but with a provision of that kind in this bill I think they will be able to make more reasonable contracts and the Government will benefit by it. For that reason I hope the amendment of the gentleman from Minnesota will not prevail.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I could not support the proposed amendment, because I think it would destroy the otherwise useful purpose of this paragraph. There is a class of contracts which have been made to which my attention has been called that are, perhaps, not fully or properly covered even by the provision of this paragraph. I refer to those cases where, in order to accommodate the Government in its demand for speed in building vessels of war, large expenditures have been made for facilitating the work by the construction of buildings and machinery which will be practically useless to the party making the expenditures after the war has closed. For them to take out of their income the enormous sum of money for the purpose of making these improvements, the money temporarily is advanced by the Navy Department in order that the work may be done quickly and at once. It seems to me instead of limiting this paragraph, there ought to be a provision in it so that the amount they expended shall be permitted to be deducted in making the return of income upon which return the income tax against them will be assessed. In order to facilitate the work, they have made these enormous expenditures, and this amount of money which has been taken and put into the plant will be practically useless to them when the war has closed. I have taken the liberty of discussing this branch of the subject with the distinguished chairman of the Ways and Means Committee and do not propose at this time to interfere with the progress of the consideration of this bill by making a motion for an amendment, but I do raise my voice in opposition to the amendment which has just been offered, that it would destroy the efficiency entirely of this paragraph. It is only a provision for making a reasonable reduction for the amortization of such part of the cost of such facilities as has been borne by the taxpayer and, of course, not including the amount allowed for depreciation under the preceding paragraph.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken, and the amendment was rejected.

Mr. ANDERSON. Mr. Chairman, I offer a further amendment.

The CHAIRMAN. The Clerk will report the amendment. The gentleman does not indicate where his amendment comes.

Mr. ANDERSON. In the same place as the other one, at the end of the paragraph just read.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 15, line 21, insert the following at the end of the line:
"*Provided*, That wherever the contract for the production of war material or articles contributive to the prosecution of the war or additional plant extensions or facilities necessary therefor makes provision or allowance for the amortization of plant extensions or facilities or for the depreciated value of the same, either before or upon the expiration of the contract, such provision or allowance shall be considered in determining the allowance or deduction to be made under this paragraph."

Mr. ANDERSON. Mr. Chairman, having in mind the suggestion of the chairman of the committee that the consideration of the bill be expedited as much as possible, I shall take only a moment upon this amendment. As I said a moment ago, the provision in the bill seeks to make an allowance in the way of deduction from taxable incomes for the amount paid for amortization or set aside for the amortization of plants or facilities necessary for the production of war material. My amendment simply seeks to provide that where amortization or depreciation has been considered and provided for in the contract itself, the Secretary, in making the deductions and allowances for taxable income, shall consider the provisions and allowances made in the contract. The proposition is perfectly simple. It seems to me it ought to be in the bill, and I hope the gentleman from North Carolina will accept it.

Mr. KITCHIN. Mr. Chairman, I will say that the same reason against the other amendment stands against this amendment. I do not think it has any place in this bill. I think the Treasury Department should consider each individual case. We could not put in the statute any specific rule that will apply properly to each individual case.

Mr. ANDERSON. Who is levying these taxes? Are we doing it or the Secretary of the Treasury doing it?

Mr. KITCHIN. We are doing it In every tax law in existence some kind of an amortization provision is provided. Some call it an allowance for depreciation. Some have an amortization clause. We limit this provision. As the gentleman from Pennsylvania [Mr. GRAHAM] says, if anything at all should be done to this section it should be liberalized. We should, perhaps, take off the 25 per cent limit. I can conceive of a great many cases, which were suggested by the gentleman from Pennsylvania [Mr. GRAHAM], that 25 per cent would not cover. But we think, taking everything into consideration, that it is safe to limit the amortization allowance to 25 per cent of the taxable income. There were a great many suggestions from some of the industries of the country that it should be no less than 50 per cent. There was a suggestion from the Treasury Department at one time not to limit it; that 100 per cent total income may be necessary to amortize the whole plant and to allow the deduction for the whole income of the taxable year. But our committee, after considering the pros and cons of the question, decided it was safe to make the 25 per cent limit. I am sure the gentleman from Minnesota [Mr. ANDERSON] has not noticed the 25 per cent limit.

Mr. GREEN of Iowa. Mr. Chairman, the amendment of the gentleman from Minnesota, as I view it, is entirely unnecessary.

The provisions of the paragraph go even further than his own amendment in providing that where the loss is not borne by the taxpayer there shall be no amortization. For that reason I can see no necessity for his amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. ANDERSON].

The question was taken, and the amendment was rejected.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I wish to make the following motion by way of amendment to the paragraph: Page 15, line 18, strike out the words "in no case shall the"; also lines 19, 20, and 21.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Pennsylvania: Page 15, line 18, after the words "United States," strike out the remainder of the paragraph.

Mr. GRAHAM of Pennsylvania. There are certainly cases in which the limitation will work a grave hardship, and there ought to be no limitation, for where the expenditures in facilities amount to millions it will be in excess largely of 25 per cent of the profits, and an injustice is done by limiting the consideration of those who are called upon to exercise an equitable consideration of this subject. We leave it entirely in the power of the department to do justice. They are to make a reasonable deduction for the amortization of such part of the cost of such facilities as has been borne by the taxpayer. Why not, therefore, in fairness omit this limitation, which can on the face of things, as anyone will see, work an injustice?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. KITCHIN. Mr. Chairman, I hope the amendment of the gentleman from Pennsylvania will not be adopted. The committee has given much attention and earnest consideration to that proposition, perhaps more than any one man in the House. When the thousands of returns are taken into consideration we think it would be pretty dangerous to strike out that limit, and that we might run into the very trouble which the gentleman from Minnesota [Mr. ANDERSON] suggested. Maybe we should really put absolutely in the power of the commissioner and the tax advisory board the determination of a reasonable amortization allowance without limit, so far as these war workers and ammunition makers are concerned; but if we provide no limit they could allow such a large amortization allowance in any given year that the total net income for that year might be absorbed, and we would get no tax from these munition makers at all.

Mr. KREIDER. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. KREIDER. I am curious to know why this deduction is based upon the income rather than the cost of the building or machinery?

Mr. KITCHIN. This deduction is in addition to the deduction allowed for wear and tear and exhaustion, to which the gentleman refers.

Mr. KREIDER. I understand. I did not look it up closely, but I thought the other would be on the cost of the machinery.

Mr. KITCHIN. No. You see the income is what is taxed. We give them a part of the deduction from the incomes.

Mr. KREIDER. At the present time the Collector of Internal Revenue has made certain rules that apply to firms who are in the manufacturing business, permitting them to charge off for depreciation a certain per cent on buildings and certain per cent on machinery. That is all based upon the cost of the real estate and upon the cost of the machinery. This, I notice, is based upon the income. Now, then, if I understand it, if a party did not make a large profit he would not be permitted to charge off?

Mr. KITCHIN. If he did not make any profit at all he would not want any deductions. He would not be taxed. But, generally, I think you will find that those who have extended their plant to produce war material are not making small profits.

Mr. KREIDER. I think the gentleman is correct.

Mr. KITCHIN. They are making large profits.

Mr. KREIDER. If the gentleman will permit, if a firm expended two or three hundred thousand dollars on improvements and extensions, the per cent to be deducted should be based upon the expenditures rather than profit, should it not?

Mr. KITCHIN. Probably in nine times out of ten he will make three or four or five hundred thousand dollars clear net profit, and he will be able to deduct an amount for amortization not to exceed one-fourth of his net income each year.

Now, there is another proposition in this section to the effect that three years after the expiration of the war the taxpayer may have the amortization reappraised. If he was not allowed enough they will reappraise it and allow him what it should have been.

Mr. KREIDER. If the gentleman will permit, in my judgment this is perhaps more largely in favor of the manufacturers of these munitions of war than if it were based upon the cost or the investment for the extension.

Mr. KITCHIN. The committee believes that the amortization allowance in any one year ought not to exceed 25 per cent of the net income for that year.

Mr. KREIDER. Would that be the proper thing, in the judgment of the gentleman from North Carolina?

Mr. KITCHIN. Yes; we think so. We think that three-fourths of the income of each year should be subject to taxes in order to help win the war. It might be that if the entire amortization allowance were permitted to be deducted in one year that it would take all the income to amortize the cost of buildings and plant and facilities that the taxpayer has installed. In other words, we wanted the Government to be sure of some taxes from these munition makers to help to win this war, and at the same time we were willing for them to have a part of the income with which to amortize the plant. That is the reason why we based it on the income.

Mr. SLAYDEN. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. SLAYDEN. How would that work out in a case like this, a hypothetical case purely: A man is engaged in manufacturing and has a normal-sized plant. Suppose he is engaged in dyeing, and his plant is adapted to peace conditions, but that plant can be modified or transformed for use to the Government in making explosives, and so forth. Suppose they spend $200,000 in the enlargement of the plant because they have opportunity to sell those things to the Government. They are permitted in the amortization process which the gentleman refers to to charge off 25 per cent?

Mr. KITCHIN. Suppose their net income was $200,000. They could charge off $50,000.

Mr. SLAYDEN. Very well.

Mr. KITCHIN. In other words, we deduct——

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLAYDEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. SLAYDEN. But suppose the war should end in six months, as I hope it will, and those people have not had time or opportunity to make and fulfill contracts such as would reimburse them for any appreciable percentage of their investment. There is no relief for those people?

Mr. KITCHIN. I suppose Congress would have to give relief in that particular case. The bill contains other provisions with reference to exhaustion and wear and tear.

Mr. SLAYDEN. The gentleman can readily see that the fear of that might interfere with the enlargement of the plant.

Mr. SHERLEY. If the gentleman will permit, I do not recall a single instance that would at all compare with the supposititious facts stated by the gentleman. The fact is that the Government is advancing money to people for their extensions, and they have provisions in the contract by which the risk subject to a cancellation of the contract is more or less taken care of, and we are having a great deal of unnecessary fear over what will happen to most of the munition makers.

Mr. KITCHIN. The trouble is they are making too much out of the Government. Our concern is to guard the Government against them.

Mr. GRAHAM of Pennsylvania. You say the Government has made advances. Does not the Government require that those advances shall be paid back?

Mr. SHERLEY. Yes. Where that happens you will find that those items are figured in by the manufacturer on the price provided.

Mr. GRAHAM of Pennsylvania. I am speaking of a fact, not hearsay.

Mr. SHERLEY. I think I am speaking of facts, too; and I think I have more chances of obtaining information that the gentleman has.

Mr. GRAHAM of Pennsylvania. Not in this particular case.

Mr. SHERLEY. We are not going to make a law to deal with particular cases.

Mr. GRAHAM of Pennsylvania. It is an illustration of other cases.

Wherever there is a general contract price the statement of the gentleman might be thoroughly accurate, but where there is a particular price or percentage on cost it is not so. That is the case of most of these shipping contracts, where the destroyers were to be built.

Mr. SHERLEY. This is the rule, that wherever such a factor or risk has been taken by the manufacturer, it has been figured in as part of the contract made by the Government, and the manufacturer has not been so blind as the gentleman would have us believe. He has looked out for just that risk, and has urged it as one of the grounds for the price fixed for the thing he manufactures.

Mr. GRAHAM of Pennsylvania. Apart from that, this is a limitation upon doing what your committee has conceded to be an act of justice.

Mr. SHERLEY. I do not agree with the gentleman that 25 per cent is a wrong rule, and that because you give that you ought to give all. The statement of the gentleman from North Carolina [Mr. KITCHIN] must be given some weight even by the gentleman from Pennsylvania, and that is that there ought to be some revenue obtained during this year, and that if you permitted the entire amount of this investment to be charged off as against income, in many instances you would have to wait more than a year before you got any revenue out of this bill at all. The equity will be done, if there be an equity, on a 25 per cent basis on a larger period of time, but not at all at once. In the meantime this bill is for the purpose of raising revenue.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move to strike out the last two words of the section.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last two words.

Mr. GRAHAM of Pennsylvania. The gentleman from Kentucky [Mr. SHERLEY] has manifested unusual earnestness about a simple question of an amendment which I offered, which, if the committee does not wish to adopt, they will reject, and I have no feeling about it. When the gentleman says that the suggestion of the chairman of the committee ought to be given heed to as well as the suggestion of the gentleman from Pennsylvania, he is quite right, and I do not ask anyone not to give heed to the suggestion of the chairman of the committee.

I ask you simply to listen to certain facts that are stated. Now, the cry that is always raised on measures of this kind, where the equity of the case is against one, is, "Oh, we must raise the taxes to prosecute the war." That is the refuge every time when the equity side of the proposition is weak. I grant you we must raise the revenue to carry on the war, but that is no answer to a serious criticism of a piece of legislation when I say that that piece contains an unfair proposition. I argue that the proposed amendment will not interfere in the slightest degree with raising the revenue to carry on the war. What is it that my amendment proposes? It proposes to strike out these words:

> In no case shall the deduction allowed under this paragraph exceed 25 per cent of the taxpayer's net income as computed without the benefit of this paragraph or paragraph (11).

In the first place, as my colleague from Pennsylvania raised the question, why should it be based upon 25 per cent of the net income? Why should it not be based on a percentage of the amount used in producing the plant if it is to be amortization? I can not give you the exact figures at this moment, but I will illustrate a case in mind in this way: The cost of the plant may be $400,000; the amount of the net income may be $100,000; and you are limiting the provision here to 25 per cent of the net income, or $25,000, which would be 6 per cent and a fraction upon the total expenditure. Why put in a clause that would limit the power of your own trusted commissioner to make a reasonable deduction? I do not say that he will make an unreasonable one. I simply say that by striking out this paragraph you leave it entirely in the hands of those who represent the administration and the Government in this country in this trying period of war to do only exact justice; and where one offers an amendment of that kind he must not be treated as though he were hindering or obstructing the raising of revenue to prosecute the war. That is not my purpose, but my purpose is as clear and sure and free from such a criticism as any that the gentleman can entertain or express.

Mr. SHERLEY. Mr. Chairman, the gentleman is unduly sensitive. Nobody is questioning his motive. I always assume, certainly, touching the gentleman from Pennsylvania, that his motive is a lofty one; but I am not willing to take an assertion of a premise as a demonstration of the correctness of that premise. The very case that the gentleman illustrates is not such a case of extreme hardship as to cause people to be unduly concerned. I think a concern that invests $400,000, which the gentleman assumes is going to be a total loss, and on that investment makes in one year $100,000 net, and then is permitted to charge off 25 per cent of that, and has to pay a tax on only $75,000 of the $100,000 which it has made on a $400,000 investment, is not in such a terrible state that it is a victim of the cruelty and avarice of a Governmeut that is engaged in war. Notwithstanding the gentleman's dislike of it, I still insist that the major purpose of this bill is to raise revenue, and that that fact must be kept constantly in mind. The trouble with much of the argument that is made on this floor is that it is made on the supposition that you can pass a law that will not work a hardship somewhere. You can not do that. The wisdom of man has never been such as to pass general laws, particularly tax laws, that do not work hardship somewhere. After all, it is a balancing and weighing of equities in the case. This bill proposes to raise $8,000,000,000. Unless I am very much mistaken, before it goes on the statute book it will have to provide for raising at least $2,000,000,000 more if we are to finance properly the expenditures of the Government in the prosecution of this war; and that being so, it is proper, without gentlemen being unduly sensitive, to suggest for their renewed consideration that the purpose of the bill is to raise revenue.

Mr. MOORE of Pennsylvania. Mr. Chairman, I feel impelled to oppose the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM] and also to take issue with him as to one or two of his premises. There are many provisions of this bill with which I do not agree, but the bill has been built up very much as a tariff bill is built up. It is built up section by section, with a view of raising a certain amount of money, $8,000,000,000, which the President and the Secretary of the Treasury said must be raised by taxation, for the purposes of the war. There are many provisions of this bill against which the minority in committee voted, and probably would vote against upon the floor if it were not for the extreme urgency of raising this $8,000,000,000 demanded by the President and the Secretary of the Treasury to sustain our men in the field. If we were to strike down this provision limiting the allowances on amortization to 25 per cent, however, we would then do the very thing which is the last thing this Congress ought to do in passing a bill of this kind. We would be turning over to the administrative authorities the right to say whether the whole allowance should be made, according to the discretion of the administrative officer. Congress should place a check somewhere upon the administrative officer. That is good legislative practice. In this instance it has said to the Secretary of the Treasury and to the Commissioner of Internal Revenue, "You may make allowances up to a certain point, but beyond that point, no matter whether you desire to favor or punish, you shall not go." That is the law as proposed. Twenty-five per cent may be too high or too low, but that is the limit to which we propose to permit the administrative officer to decide. We abdicate our powers as a great legislative body when we throw the doors down and let him do as he pleases.

Mr. GRAHAM of Pennsylvania. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to my colleague.

Mr. GRAHAM of Pennsylvania. Have you not delivered over by your vote in a dozen other enactments vastly more power than ever was contemplated by the amendment offered to this paragraph, which simply submits to the judgment of an officer the determination of the question of the reasonableness of the allowance?

Mr. MOORE of Pennsylvania. I am inclined to think the gentleman is right, but I recall distinctly that yesterday, when the gentleman from Virginia [Mr. MONTAGUE] offered an amendment to save the Constitution, my distinguished friend from Pennsylvania [Mr. GRAHAM] stood with him. We were then touching the pocketbooks of some of the great investors of this country by imposing taxes upon municipal bonds.

I admit that gentlemen have voted for measures since the war began that did to a certain extent infringe upon the Constitution of the United States and confer upon the Executive power which perhaps we would not have conferred in times of peace. But yesterday some of the gentlemen were very strict constitutionalists. We were then beginning to touch the interest on bonds. My point is that we must save as much of legislative authority as we can; we must preserve, so far as we may be permitted to do it in war times, the right of Congress to legislate, and in this particular instance, as representatives of the people, to say to the Secretary of the Treasury or to the Commissioner of Internal Revenue, "You can go as far as 25 per cent, but you can not go the whole hog."

Mr. SLAYDEN. Mr. Chairman, I move to strike out the last word. The gentleman from Pennsylvania has made a statement which is quite important. In effect he says that the other gentleman from Pennsylvania [Mr. GRAHAM], who happened to vote as I did yesterday on the amendment offered by the gentle-

man from Virginia [Mr. MONTAGUE], did so in the interest of some people who would have income from such securities. If he did, he had a motive different from mine and, I am sure, contrary to that of the gentleman who offered the amendment. I would like to ask my friend from Pennsylvania, for whom I have high personal regard, whether he really believes that Members who voted yesterday against the right of the Federal Government to tax the obligations of the State did so because of interest in the personal welfare of the investors?

Mr. MOORE of Pennsylvania. I do not impugn the motive of any Member who voted for "State rights" yesterday, but I suggest that it was a little inconsistent for gentlemen to stand so firm for State rights then, when we were touching the pocketbooks of the investors, who were not so firm when we were passing laws giving extraordinary powers to the Food Administrator and the Fuel Administration. Then we were inclined to forget about the Constitution. [Applause.]

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

(10 (a) In the case of oil and gas wells a reasonable allowance for actual reduction in flow and production to be ascertained not by the flush flow but by the settled production or regular flow; (b) in the case of mines a reasonable allowance for depletion; (c) in the case of mines, oil and gas wells, a reasonable allowance for depreciation of improvements; such reasonable allowance in all the above cases to be made according to the peculiar conditions in each case and under rules and regulations to be prescribed by the commissioner with the approval of the Secretary. In the case of leases the deductions allowed by this paragraph shall be equitably apportioned between the lessor and lessee. In the case of a nonresident alien individual deductions under this paragraph shall be allowed only as to property within the United States.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent to pass over this paragraph and return to it later.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the paragraph just read may be passed over, to be returned to later. Is there objection?

There was no objection.

The Clerk read as follows:

(11) Contributions or gifts made within the taxable year to corporations organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, to an amount not in excess of 15 per cent of the taxpayer's net income as computed without the benefit of this paragraph. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the commissioner, with the approval of the Secretary. In the case of a nonresident alien individual this deduction shall be allowed only as to contributions or gifts made to domestic corporations.

Mr. BANKHEAD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. BANKHEAD: Page 16, line 16, after the comma, insert "or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act" and a comma. In line 24, after the word "corporations," insert the words "or to such vocational rehabilitation fund."

Mr. BANKHEAD. Mr. Chairman, I understand this proposed amendment meets with the views of the Committee on Ways and Means.

Mr. KITCHIN. The committee considered the substance of the amendment, and think that it ought to go in.

The CHAIRMAN. The question is on the amendment.

The amendment was considered and agreed to.

Mr. ROBBINS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 16, line 11, after the word "made," insert the words "or by individuals, partnerships, or corporations."

Mr. HULL of Tennessee. If the gentleman will pardon me, that amendment really belongs on the corporation side of the bill, which we will reach a little later. This is on the individual side.

Mr. ROBBINS. The purpose is to allow the same credit for charitable gifts made by corporations as those made by individuals.

Mr. HULL of Tennessee. These are allowances for the individual. On the corporation side of the income tax, which we will reach presently, are similar provisions for corporations, to which this would be a proper amendment if the gentleman wants to offer it.

Mr. ROBBINS. I am not particular where it comes in, but it seems to me it is a very important amendment to be in the bill, because you are going to dry up the charities if you do not allow credit to corporations as well as to individuals.

Mr. LONGWORTH. If the gentleman will pardon me, I think the suggestion of the gentleman from Tennessee is right, the amendment ought to be on pages 18 and 19 in the list of deductions; and I suggest to the gentleman that he wait until we reach that part of the bill.

Mr. ROBBINS. Very well, Mr. Chairman, I will withdraw it and offer it later.

Mr. CANNON. Mr. Chairman, I offer the pro forma amendment for the purpose of asking a question. This limits donations for the purposes mentioned in (11) to 15 per cent of the income of the donor. Is that right?

Mr. HULL of Tennessee. That is correct.

Mr. CANNON. How broad is this—

Religious, charitable, scientific or educational purposes, or for the prevention of cruelty to children or animals—

That would cover any organization such as hospitals?

Mr. HULL of Tennessee. It would cover any corporate organization for the purposes set out in these lines.

Mr. CANNON. My recollection is that the present law covers hospitals not organized for profit.

Mr. HULL of Tennessee. On the corporations side, I would say again that the gentleman will find the exemptions and exceptions that relate especially to corporations. We are dealing now only with allowance to individuals in computing their net incomes.

Mr. GARNER. These are deductions to individuals.

Mr. KREIDER. That is all right, but the gentleman is talking about a hospital that may not be organized.

Mr. BORLAND. The gentleman will find the answer to that question in lines 14 and 15—

No part of the net earnings of which inures to the benefit of any private stockholder or individual.

If the hospital or school is of such character that there are private stockholders, it would not be within the list of purely charitable organizations.

Mr. CANNON. Take the Red Cross, for instance, or the Y. M. C. A., or the Knights of Columbus, in war work.

Mr. BORLAND. They would undoubtedly be included under that list, but a hospital which charged its patients and distributed the dividends or profits would, of course, be excluded by this language. The same would be true of a school that distributed dividends.

Mr. CANNON. How about charities? In all of our cities, or substantially all, there are funds raised for charity to be dispensed by a board that operates without profit. Would that be deductible?

Mr. GARNER. Yes.

Mr. BORLAND. No.

Mr. GARNER. The gentleman will find the definition of "corporations" on page 1 of the bill to include associations, joint-stock companies, and insurance companies, as well as private corporations. The term "corporation" embraces any kind of an association to which an individual makes a donation.

Mr. BORLAND. I take it that the word "corporation" would include an organization which had a legal entity. It would not include an association in the ordinary sense—a club or a society.

Mr. CANNON. Is there a subsequent section where you can make deductions? Take it in the city of Kansas City—and I have no doubt it is so in one city of Kansas—I have no doubt that there are many thousands of dollars raised and dispensed by a board that is not operated for profit.

Mr. HELM. Such as the Salvation Army?

Mr. CANNON. Yes.

Mr. BORLAND. We have a board of public welfare which is conducted by men who serve without pay. They are appointed by public authorities. They do collect quite a fund.

Mr. CANNON. Are they incorporated?

Mr. BORLAND. No.

Mr. CANNON. Are they included.

Mr. GARNER. They would be if they are an association of people. It makes no difference whether they are incorporated, if they are an association of people. Let the gentleman turn to the definition of "corporation" on page 1 of the bill which I just read. What is an association? It is a number of people who are associated together.

Mr. CANNON. The gentleman is sure that would change it.

Mr. GARNER. We undertake to do it in the definition here.

Mr. BORLAND. The word "corporation" ordinarily means a legal entity.

Mr. GARNER. I know, but we have changed it. We have undertaken to determine what a corporation is by stating specifically what it includes, and we say that it includes an association. Now, if you want to go to the dictionary and find out the definition of association, well and good. I think it means a number of people, whether organized under law or voluntarily.

Mr. CANNON. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

(d) Premiums paid on any life insurance policy covering the life of any officer or employee, or of any person financially interested in any trade or business carried on by the taxpayer, when the taxpayer or anyone financially interested in such trade or business is a beneficiary under such policy.

Mr. KREIDER. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman from Tennessee a question. Suppose, as is a common practice in business, that a firm places insurance upon individual members of the firm for the benefit of the firm. According to this, such premiums paid for insurance would not be deducted as expense items.

Mr. HULL of Tennessee. That is true.

Mr. KREIDER. That being the case, in the event the insured dies, or if the policy is a 10, 15, or 20 year term policy and expires and the insurance money comes in, should that then be considered as income? It would seem to me it would hardly be just to allow premiums to be charged as expense items and then, when the policy becomes due and payable and is paid, to include that amount as income.

Mr. HULL of Tennessee. Of course, in any kind of insurance investment the profits are the amount received back from the investment in excess of the amount paid in. That would be true of an annuity or any other insurance investment in the general sense. This provision, as was stated yesterday, was inserted last year in the Senate on account of the complaint which the Treasury officials made, to the effect that large stockholders of corporations were utilizing the corporations to take over and handle their insurance for them and in that way evade a measurable portion not only of their income tax but ultimately of their estate tax.

Mr. KREIDER. If the gentleman will permit, there may be abuse of the practice, but the point I want to make clear is this: There are many firms in business that have perhaps one valuable man or more than one who are essential to the business. This firm is perhaps a heavy borrower of money, and in order to negotiate their paper on the market and to secure large loans from banks they find it advisable and profitable to take out insurance policies upon these particular men, and they so notify the banks or their creditors that in case the individual who is responsible for the successful carrying on of the business should die the insurance becomes due and payable, and there will be cash to liquidate the debts; and, as such, it becomes an asset to the business, and the premiums are an expense item just as much as fire insurance premiums are.

Mr. HULL of Tennessee. I agree with the gentleman as to the existence of that business practice, but the gentleman will remember that even if that firm should in this case pay their income tax, it will not materially interfere with that phase of their business. It will not amount to enough.

We have talked a great deal here about exempting profits used in business and some of us have almost reached the conclusion that where any firm desires to use the amount of profits in business they ought to be exempted, but if we follow that doctrine to its utmost limit we would not have any profits to tax in the country. This is not really burdensome from the standpoint of the smaller business concerns who are in the habit of engaging in this practice.

Mr. KREIDER. My only point is this, that if it is not allowed as an expense of the firm, then if the policy becomes due, its income should not be considered as profit on the business.

Mr. HULL of Tennessee. We tax the difference between the premium and the total proceeds.

Mr. KREIDER. I do not see it provided for in this bill.

Mr. HULL of Tennessee. That is the method of computation.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

(c) In the case of a single person, a personal exemption of $1,000, or in the case of the head of a family or a married person living with husband or wife, a personal exemption of $2,000. A husband and wife living together shall receive but one personal exemption of $2,000 against their aggregate net income; and in case they make separate returns, the personal exemption of $2,000 may be taken by either or divided between them.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I rise to inquire whether the Treasury Department has by regulation given any construction to the phrase "head of a family." I notice in the bill in a subsequent section you distinguish between a single person and a married person, but do not include the phrase "head of a family," which is part of this subsection.

Mr. HULL of Tennessee. Of course, the phrase "head of a family" is fairly well understood under our existing laws.

Mr. STAFFORD. In Wisconsin, for instance, the head of a family is considered a person who may be a bachelor who is supporting a mother or other dependent persons, and I wanted to know whether the National Government has given any construction to this phrase.

Mr. HULL of Tennessee. This is the Treasury regulation:

For this purpose the head of a family is held to be a person who actually supports and maintains one or more individuals who are closely connected with him by blood relationship, relationship by marriage, or by adoption, and whose right to exercise family control and provide for those dependent individuals is based on some moral or legal obligation.

Mr. STAFFORD. The gentleman has furnished the information, and I withdraw the pro forma amendment.

The Clerk read as follows:

(e) In the case of a nonresident alien individual who is a citizen or subject of a country which imposes an income tax, the credits allowed in subdivisions (c) and (d) shall be allowed only if such country allows a similar credit to citizens of the United States not residing in such country.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman in reference to this paragraph what is the construction to be placed upon the phrase, "if such country allows a similar credit to citizens of the United States not residing in such country"?

Mr. HULL of Tennessee. That adopts the policy that is in quite a number of tax laws of the other countries. It proposes a reciprocal administration by this Government, which is now practiced by those Governments, that any other country willing to give a statutory exemption within this range to American citizens residing there, the foreign citizens residing here will have a like benefit.

Mr. WALSH. Well, of course, I appreciate that it may not mean the same amount, but it means the same character of exemption?

Mr. HULL of Tennessee. Yes.

Mr. WALSH. Well, is not subparagraph (c) changing existing law somewhat?

Mr. HULL of Tennessee. There is virtually no change in that paragraph.

Mr. WALSH. Under existing law is there but one personal exemption of $2,000 permitted against the aggregate return?

Mr. HULL of Tennessee. That is all.

Mr. WALSH. And the foreign country must have a similar exemption to that before the United States nonresident aliens can get that in this country?

Mr. HULL of Tennessee. That is substantially it.

Mr. STAFFORD. Will the gentleman permit a question?

Mr. HULL of Tennessee. I will.

Mr. STAFFORD. Can the gentleman inform the committee whether the phrase "head of a family" is new phraseology in subsection (c)?

Mr. HULL of Tennessee. No; that was inserted in the act of 1916.

Mr. STAFFORD. I was under the impression that was new language.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

There was no objection.

The Clerk read as follows:

(d) The net income of the partnership shall be computed in the same manner and on the same basis as provided in section 212, except that the deduction provided in paragraph (11) of subdivision (a) of section 214 shall not be allowed.

Mr. ROBBINS. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 21, line 9, after the figures "212," strike out the balance of the paragraph.

Mr. ROBBINS. Mr. Chairman, I ask the attention of the gentleman in charge of the bill to this amendment. It proposes to relieve partnerships from this tax to the extent of 15 per cent of gifts they make to charitable purposes and to place them on the same basis that is now allowed under this bill to individuals. I propose when we reach page 39, at the end of paragraph 9, to insert a provision relieving corporations to the same extent as to gifts they make to charitable purposes. Now, the whole purpose of this amendment is simply that and nothing more. I think it is manifestly unfair, gentlemen of the committee, that corporations who contribute to the Red Cross, Y. M. C. A., K. of C., and H. A., and the local charities in connection with this war, whether church or State, should not be allowed the same exemption at the end of the year when they make up their income-tax report that individuals are allowed. Now, take my own district—and I know about that and we all know more about our own districts than we do about the country at large, and we illustrate what we mean from our own experience. The coal corporations of western Pennsylvania, when the

drive was made for the first Red Cross $100,000,000 fund, were the largest contributors to that fund. I have in my district a half dozen corporations which gave $25,000, each voluntarily, to make up the quota which was assigned to the respective counties in which they exist. Every drive that has been made during this war the coal companies, coke companies, and manufacturing companies have contributed liberally out of their funds for that purpose, and so have the banks, so has every corporate interest throughout western Pennsylvania, and throughout the State, for that matter. Now, the individual, under section 11, paragraph 214, is allowed a certain credit up to 15 per cent, I believe, of the contributions made. Now, why is it wrong to allow a similar deduction—and that is all that this amendment proposes—as to partnerships (and later on I shall offer a similar amendment as to corporations) which are so charitably disposed, because corporations and partnerships are simply an aggregate of men who own the corporation and the funds they contribute? It is a contribution "en masse" what they might fail to contribute if acting separately.

And if we are not going to encourage these contributions we are going to dry up sources of charitable funds that are now open to these beneficent objects and stop a source for money that will not be available unless we encourage the continuance of this practice. It is most laudable; it is most liberal; it is most just; but if we refuse to treat them in the same way as individuals are in making like contributions, I submit to the gentlemen of this committee that we are going to stop this source of contribution.

Mr. BORLAND. Will the gentleman yield?

Mr. ROBBINS. Yes.

Mr. BORLAND. Does not the gentleman recall that the Congress passed an act permitting national banks to contribute to the Red Cross?

Mr. ROBBINS. I do, and believe it to be a proper corollary to that act that we now allow them to have credit on their income-tax payments to the extent of 15 per cent of those contributions.

Mr. BORLAND. I am inclined to think the gentleman is right.

Mr. ROBBINS. I think it is a proper law now to enact to complete the plan already open for charity funds from that source.

Mr. HAWLEY. A partnership as such pays no normal tax and no surtax. The moneys earned by the partnership are to be distributed to the members of the partnership, and then each member pays his normal tax and his surtax; and gifts to charity will be divided among the members, and each one will have credit for his proportionate share of the gift. Partnerships, as such, will not make the contributions. These will be made by the partners severally.

Mr. ROBBINS. But the partners do pay an excess-profits tax if there is any excess profit.

Mr. HAWLEY. A partnership as such pays no excess-profits tax. The excess-profits tax is paid by corporations only under this bill. The normal tax and the surtax are to be paid only by the members of the partnership after the earnings have been distributed, and they will pay as individuals.

Mr. ROBBINS. An income tax.

Mr. HAWLEY. No tax at all.

Mr. ROBBINS. It ought to be allowed, because if given by the partnership it depletes money due the partners.

Mr. HAWLEY. It pays no income tax—neither the normal tax nor the surtax.

Mr. ROBBINS. This amendment would not alter the proposition. This amendment strikes it out so far as it applies to partnerships.

Mr. HAWLEY. As I understood the gentleman, he desired that partnerships be credited with gifts made to charity. There is no necessity for so doing.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. ROBBINS. I ask unanimous consent for one minute, in order to answer the question.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. ROBBINS. I simply strike out, on page 21, after the figures, lines 9 and 10, and the word "allowed," in line 11. It strikes out what you propose to impose on partnerships, so far as gifts are concerned, under that paragraph.

Mr. McKENZIE. If the gentleman's intention was adopted, would it not be possible for partners to get credit for 30 per cent instead of 15 per cent?

Mr. ROBBINS. No; it would not, because individuals are taxed under another paragraph altogether.

Mr. McKENZIE. But a partnership, not a corporation.

Mr. BLACK. Will the gentleman from Pennsylvania [Mr. ROBBINS] yield for one question? As I understand the gentleman's contention—and I entirely agree with him, if I understand it correctly—whatever contribution the partnership makes—for instance, to the Red Cross or the Young Men's Christian Association—is counted in as income, and although the individual partner would never receive any of it at all, because it already would have been donated, yet he would have to pay taxes on it, because it is a part of the undistributed gain?

Mr. ROBBINS. And ought to be relieved from that. And that is exactly what this amendment does by striking out that provision. It introduces no new provision in the law, and relieves them to the amount of 15 per cent of such charitable gifts, which is the same credit given to individuals for donations made to charitable objects.

Mr. HULL of Tennessee. The income-tax law only defines two taxable entities, the individual and the corporation. It prescribes systems of deductions for those two business entities in computing their income for taxation. Now, partnerships not being recognized as a taxable entity under the law in any of these provisions for the purpose of taxation, I take it the House is not desirous of creating a taxable entity of a partnership for the sole purpose of a tax exemption.

Mr. BLACK. Is it not a fact that under this amendment the partnership in determining its gains for the year would include money that it had already paid out for charitable purposes, and that the individual partner, when he goes to make his individual return, would have to include in those gains, for the purpose of taxation, money that had been contributed to those charitable purposes and would pay, notwithstanding they had no chance in the world to receive anything from that source?

Mr. HULL of Tennessee. I was in the act of saying that individuals have preferred to be taxed individually rather than through the partnership with which they may be connected. Now, the law gives to the individual the fullest rights and latitude with respect to any rightful allowances or deductions in computing individual net incomes. The individual has handled all his rights and secured them, whether they arose in connection with the operation of his partnership or in connection with his own individual affairs. He preferred, I say, to handle those matters individually rather than to inject them into a partnership situation which the income-tax law does not recognize. And it is not contemplated that you shall go beyond the well-understood methods prescribed for an individual to compute his net income and take up a partnership situation and thereby very much confuse the plain methods of computing individual net income. It is an easy matter for an individual who owns a part of the partnership, unless he wants to advertise his partnership, for him to put the money in or take it out whenever he wants to devote it to any charitable or other purpose, just as all such individual partners do with respect to any and every kind of transaction they see fit to engage in.

Mr. SLOAN. Is not this an undue encouragement by legislation to invite a partnership to go beyond the purpose of an organization which is purely business, and not eleemosynary or charitable, but organized by two or more persons to do a particular line of business? And, if charity is exercised, it should be exercised after the division of this business, which is contemplated by the law, after the earnings have been made; and it would be stepping outside of our proper jurisdiction to endow a partnership with the power of making these charitable donations and then getting special credit for them, because that is no part of a partnership's ordinary business. It should be, as the gentleman from Tennessee [Mr. HULL] suggests, remanded to the individual, letting the individual make his donation, whatever it is, and get his credit for it, not only from the institution but by the Government, which will release taxation if that is done. I think that exception should be made, and it should not be broadened.

Mr. HULL of Tennessee. The gentleman is correct. This tax law makes the individual, as far as it can, the unit of taxation. It does not undertake to put a surtax on corporations, but concentrates in the individual as much as possible all income from every source for the purpose of levying the higher rates. The citizen, as I conceive it, owes alike the double duty of paying taxes on his income and also making contributions to charitable purposes, especially in time of war.

I have noticed, and I have noticed it often, that persons are constantly coming here and asking for exemptions for every little item they happen to contribute to some charitable or like purpose. The truth is, under the operation of this law, carrying rates from 4 per cent up to 77 per cent, the man with the large income, which subjects him to a rate of 50 per cent, for instance, can contribute $10,000 or $100,000 to some chari-

table object and publish to the country the statement that he contributed such amount himself for that charitable purpose when in fact he did not do so. The Government contributed 50 per cent of it, and he took credit for it.

That rule applies all up and down the scale of income-tax legislation. Citizens all over the country ought to be willing to pay taxes on their total net income and then, apart from that, make such patriotic contributions to the Red Cross, the Y. M. C. A., and other charitable purposes as their sense of duty suggests. They ought to be content to make them without coming back here to the Government and demanding exemption from their just share of taxes, which is a wholly different duty, a wholly different burden. I mention that, because the gentleman brought up the matter, as my own individual view.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last two words.

Mr. STAFFORD. Mr. Chairman, I can not subscribe to the principle advocated by the gentleman from Pennsylvania [Mr. ROBBINS] in asking to give exemption from taxation to contributions of a partnership or of a corporation for some charitable purpose. We have before us a question of principle as to whether we should recognize the right of directors of corporations to parcel out the money, the property of other stockholders, for charitable or humanitarian purposes without express authorization. This bill allows a certain deduction to individuals amounting to 15 per cent of their net income, for contributions to charitable associations, but it does not recognize the principle that we shall encourage directors of large corporations to divert their earnings from the tax on excess profits or war profits, so that they will not be charged with the high taxes which this bill carries, by diverting those earnings for even such worthy purposes as the Red Cross, the Y. M. C. A., or the Knights of Columbus.

We all know that it is foreign to the purpose or object of a corporation to divert the moneys of the corporation to such purposes, no matter how commendable they may be. Well might the directors of a corporation say, "We have contributed to the Red Cross, to the Y. M. C. A., and to the Knights of Columbus funds," when in fact they would be appropriating the property of others, and at the same time taking away from the Government the excess-profits tax which the Government needs in these times.

Under this bill we are appropriating 80 per cent of the earnings of corporations as a war-profits tax, and yet by granting this exemption we are putting a premium on the diversion of these funds to escape this tax by allowing them to be diverted by the board of directors for such humanitarian purposes as the Red Cross. We are in no wise dissuading the individual from contributing to the Red Cross or to any of these other humanitarian purposes, but we are preventing the corporations from diverting their funds and getting the benefit from that diversion of funds which belong to the individual stockholders, and to that extent relieving themselves of the duty they owe to contribute individually to these worthy institutions.

I am not in favor of that kind of charity camouflage. I believe the individual should contribute out of his own funds to these various purposes, the Red Cross, the Y. M. C. A., and the Knights of Columbus, and not appropriate the funds of other stockholders who may perhaps contribute out of their individual earnings where the directors of these corporations are not contributing more than to the extent of the holdings they may have.

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. Yes.

Mr. BORLAND. I do not recall whether or not the gentleman was among those who voted for the bill to permit the national banks to make contributions to the Red Cross.

Mr. STAFFORD. I have no hesitation in saying that I voted against it on principle, not that I was not in favor of the Red Cross being subscribed to. As a matter of fact, the fund was oversubscribed at the time the resolution was considered in the House. I was opposed to the principle of allowing bank directors in charge of the funds of stockholders in their fiduciary capacity to divert those funds without the consent of the stockholders.

Mr. BORLAND. The gentleman will agree with me that it is better for a national bank under the restrictions imposed by law to divert some of its capital to charity than it is to allow individuals to devote part of their capital to charity and then receive exemptions for it. I admit it is a serious subject.

Mr. STAFFORD. I certainly believe that to permit directors to so contribute would be a violation of their trust. An exemption should not be granted to a corporation for charitable contributions as a method of tax dodging.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. STAFFORD. I yield to the gentleman from Texas.

Mr. BLACK. It is the difference between the corporation and the partnership. Under the general law in every partnership each partner must pay his income tax, whether the gains are distributed or not, and it amounts to this: That whatever charitable contributions the partnership makes, the partner has to pay it, because they are undistributed profits.

Mr. STAFFORD. The bill is not framed on the idea of taxing the partnership as an entity.

Mr. BLACK. Certainly not.

Mr. STAFFORD. If this bill recognized that principle, then it would have to follow logically that you should exempt the partnership from the payment of taxes on those funds donated for humanitarian purposes if you would grant corporations the same privilege.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. I ask unanimous consent for two minutes more, Mr. Chairman.

The CHAIRMAN. The gentleman from Wisconsin asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. STAFFORD. You would have to allow that same privilege to corporations if they would contribute. Now, here is a partnership whose profits are to be assigned to individual partners as partners, and they are to pay the tax as individuals. How difficult of calculation would it be as a bookkeeping process if the partnership should contribute to the fund as a partnership per se, and then, when the individual came along to make his return, he would have to go to the books to ascertain how much of the funds had been contributed to this humanitarian and worthy purpose. The gentleman can see how great a difficulty would confront the individual partner in making up his individual return under those circumstances.

Mr. BLACK. If the partnership goes ahead and does it as a partnership, it will have no right to deduct it.

Mr. STAFFORD. I am opposed to the principle of allowing an entity, whether a partnership or corporation, to donate the property of others for a cause, no matter how worthy, but I favor the principle of permitting the individual to donate the property out of his own belongings.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was rejected.

The Clerk read as follows:

(c) In cases under paragraph (1), (2), or (3) of subdivision (a) the tax shall be imposed upon the net income of the estate or trust and shall be paid by the fiduciary. In such cases the estate or trust shall, for the purpose of the normal tax, be allowed the same credits as are allowed to single persons under section 216.

Mr. BORLAND. Mr. Chairman, I move to strike out the last word. This section, giving the fiduciary the right to make the return of income, and providing that the net income of the estate or trust shall be computed in the same manner and on the same basis as provided in section 216, in effect gives the trustee the right to deduct gifts for charity, where it denies that right to partnership. It does seem to me that if a partnership, which is controlled by two or more active partners who can say what its policy shall be and who are handling their own funds, is forbidden to make gifts to charity and to deduct them, it seems rather a strange thing that a fiduciary handling the money of somebody else is permitted to do the same thing. Yet there does not seem to be any provision there excluding the fiduciary from deducting gifts for charity, because he may make all the deductions provided in section 216.

Mr. GARRETT of Tennessee. Is the gentleman quite accurate in the statement that the law prevents a partnership from making contributions to charity?

Mr. BORLAND. No; I would not put it in that particular form—that it prevents a partnership making gifts to charity—but it says that in computing the net income of the partnership gifts to charity shall not be deducted.

Mr. GARRETT of Tennessee. That is only for the purposes of taxation.

Mr. BORLAND. For the purposes of taxation. In other words, if a partnership makes a contribution to charity as a partnership, it must still include in its net income the sum which it has actually paid out for that purpose.

Mr. GARRETT of Tennessee. Undoubtedly.

Mr. BORLAND. That is still included as a part of its income.

Mr. GARRETT of Tennessee. Undoubtedly.

Mr. BORLAND. And it is charged against the individual partners as though it were income on hand.

Mr. GARRETT of Tennessee. Undoubtedly. Now, there is nothing about this law, if I have read it accurately, that authorizes a fiduciary, in violation of the laws of the State or of the Federal Government, to make contributions. In other words, is it not true that a fiduciary would be controlled by the laws of his State or whatever authority had control over it?

Mr. BORLAND. Undoubtedly; but suppose the fiduciary did make the contributions and undertook to deduct them in accordance with section 212; it would not lie in the mouth of the collector of internal revenue to say whether he had the right to do so or not. The collector of internal revenue would be bound by the fact that he had done it. He might have legal authority to do it and he might not; but if he did it, it would have to be deducted.

Mr. SLOAN. Is it not contemplated here that a part of the duty of the fiduciary is to administer the estate? And usually is there not a clause or a provision for charitable contributions, and does not this contemplate the direct charitable contributions that are named in the duty of the fiduciary as set out in the trust deed or trust document?

Mr. BORLAND. I do not know that I comprehend the gentleman's question exactly.

Mr. SLOAN. This refers to such charitable donations as have been made under the terms of the trust. For instance, an estate consisting of personalty or realty, or the two combined, is placed in the hands of a fiduciary, and he simply carries out the terms of the trust, under which a part of the income of the estate, or in a great many instances nearly all of it, is to be devoted to charitable purposes, to be given at intervals, or all at the end of the settlement of the estate, or under a thousand different conceivable conditions. I think this simply relates to the thing that he is definitely authorized to do. It does not charge him with the duty of contributing, neither does it sanction any contribution that he may make, not directly set out in the deed of trust or the document of trust, whatever it may be.

Mr. BORLAND. If I understand the gentleman's question correctly, I think it illustrates a still further vice of this provision. If the gentleman believes that a fiduciary under the terms of his deed of trust is required to pay out so much money to charity and then is permitted to take a deduction from the net income of the estate to cover those payments required by the deed of trust, I think that is a still greater evil that I had not called attention to, because the object of the law ought to be to tax the income of the trust as income, before it is distributed under the trust instrument; and if he is required to pay it out, either to an individual or to a charity in pursuance of his trust powers, he ought still to be taxed on the income of the trust, as it comes into his hands before he pays it out for any purpose. When he pays it out he does so in the discharge of his duty as fiduciary. He is doing that in pursuance of the trust and not as a voluntary act of charity on his own part. So I was talking about a totally different thing than was the gentleman from Nebraska.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. STAFFORD. I ask unanimous consent that the gentleman's time be extended two minutes for the purpose of asking a question.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. As I understand the gentleman's objection, it is that we are granting to the fiduciary agent deductions for contributions for humanitarian purposes and denying them to the partnership.

Mr. BORLAND. I did not put it in that form. I said no restrictions are put on the fiduciary, because he is controlled by local law, and we can not grant him any powers that he has not got.

Mr. STAFFORD. I do not find in the bill any recognition of the right of a trustee to deduct for any contribution such as the Red Cross, the Y. M. C. A., or the K. C. fund. I wish the gentleman would direct my attention to such authorization.

Mr. BORLAND. The gentleman is probably right; it says it shall be computed on the same basis as section 212. I had in mind section 214.

Mr. STAFFORD. I assume, then, that the gentleman finds that his argument lacks the foundation which he thought it had.

Mr. BORLAND. Yes; I was proceeding on a false ground.

The Clerk read as follows:

(c) The credits allowed in subdivisions (a) and (b) shall be allowed only if the taxpayer furnishes evidence satisfactory to the commissioner showing the amount of income received from sources within such foreign country, Porto Rico, or the Philippine Islands, as the case may be, and all other information necessary for the computation of such credits.

Mr. HULL of Tennessee. Mr. Chairman, I ask unanimous consent to return to line 22, page 26, for the purpose of offering a clerical amendment.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to return to line 22, page 26, for the purpose of offering an amendment. Is there objection?

There was no objection.

Mr. HULL of Tennessee. I offer the following amendment.

The Clerk read as follows:

Page 26, line 22, strike out the word "received" and in lieu thereof insert the word "derived."

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

INDIVIDUAL RETURNS.

SEC. 223. That every person having a net income for the taxable year of $1,000 or over if single or if married and not living with husband or wife, or of $2,000 or over if married and living with husband or wife, shall make under oath a return stating specifically the items of his gross income and the deductions and credits allowed by this title. If a husband and wife living together have an aggregate net income of $2,000 or over, each shall make such a return unless the income of each is included in a single joint return.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. It was this provision to which I referred when I was directing attention of the gentleman in charge of the bill where the phrase "head of the family" is found in section 216, subsection "c." This section is predicated on the idea of two classes, single and married. It does not recognize the class referred to in section 216, the head of a family, a single person having persons dependent on him. Is that an oversight, or is it the purpose to compel all single persons, although they may be heads of families, to make a return if their income is $1,000 and over?

Mr. HULL of Tennessee. It is made comprehensive in that way so that the Treasury Department can determine what the facts really are. They make the return for the determination of the Treasury Department.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

TAX ON CORPORATIONS.

SEC. 230. That there shall be levied, collected, and paid for each taxable year upon the net income of every corporation a tax as follows:

Mr. HULL of Tennessee. Mr. Chairman, I desire to offer the following amendment.

The Clerk read as follows:

Page 31, line 17, after the word "That," insert "in lieu of the taxes imposed by section 10 of the revenue act of 1916, as amended by the revenue act of 1917, and by section 4 of the revenue act of 1917" and a comma.

Mr. HULL of Tennessee. Mr. Chairman, that is to cover the corporation side, which is already covered on the individual side.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. ROBBINS. Why do they make the returns to Baltimore, Md., instead of Washington?

Mr. HULL of Tennessee. The office is in Baltimore for this collection district.

The Clerk read as follows:

(a) In the case of a domestic corporation 18 per cent of the amount of the net income in excess of the credits provided in section 236: *Provided*, That the rate shall be 12 per cent upon so much of this amount as does not exceed the sum of (1) the amount of dividends paid during the taxable year, plus (2) the amount paid during the taxable year out of earnings or profits in discharge of bonds and other interest-bearing obligations outstanding prior to the beginning of the taxable year; and.

Mr. HULL of Tennessee. Mr. Chairman, I offer the following committee amendment.

The Clerk read as follows:

Page 32, line 3, after the word "year" and before the semicolon, insert a comma and the following: "plus (3) the amount paid during the taxable year in the purchase of obligations of the United States issued after September 1, 1918."

Mr. STAFFORD. Mr. Chairman, will the gentleman please explain the amendment? Some explanation should be made, because it has a very far-reaching effect.

Mr. GARNER. If they use this money for the purpose of buying United States bonds, they pay 12 per cent; if they do not use it for that purpose, or if they use it for any other purpose in the bill, they pay 18 per cent.

Mr. HULL of Tennessee. Yes; this makes the tax limit 12 per cent, with respect to this class of income.

Mr. MERRITT. It is a provision in the present law.

Mr. GARNER. It is an encouragement to buy bonds. If you buy bonds, it will be 12 per cent, and if you keep it in the Treasury, it will be 18 per cent. I understand that all corporations are to have a deduction for liberty bonds.

Mr. HULL of Tennessee. A corporation which invests its profits in liberty bonds will be able to take advantage of the 12 per cent rate.

Mr. LONGWORTH. This is treated the same way as the amount distributed in dividends?

Mr. HULL of Tennessee. Yes.

Mr. STAFFORD. The tax of 12 per cent is limited to the amount that is purchased by the corporation during the taxable year?

Mr. HULL of Tennessee. Yes; and the amount distributed as dividends, of course.

Mr. STAFFORD. This has nothing to do with dividends. If a corporation invests some of its profits in Government bonds during the taxable year, it is to be charged only 12 per cent on that amount rather than 18 per cent.

Mr. HULL of Tennessee. Yes.

Mr. STAFFORD. Because that is a part of the profits and it is given a preferential consideration.

Mr. KREIDER. It may not be a part of the profits. This is an investment.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection, and the Clerk again reported the amendment.

Mr. STAFFORD. Then, I understand that, as far as prior purchases of Government bonds by corporations are concerned, they do not get any preferential consideration at all?

Mr. HULL of Tennessee. No.

Mr. STAFFORD. The corporation is taxed under the same rates, regardless of whether profits are distributed as dividends or invested in Government bonds?

Mr. HULL of Tennessee. Yes.

Mr. STAFFORD. It is the intention that all purchases of bonds issued after September 1 of this year shall be given preferential consideration.

Mr. KREIDER. Mr. Chairman, will the gentleman yield?

Mr. HULL of Tennessee. Yes. Mr. Chairman, has the amendment been voted upon?

The CHAIRMAN. It has not been voted upon.

Mr. HULL of Tennessee. I yield to the gentleman from Pennsylvania.

Mr. KREIDER. I thought I understood this until I asked a question, and the gentleman from Ohio [Mr. LONGWORTH] shook his head as though I was wrong. I want to know whether I am right or wrong. If a corporation buys $100,000 worth of Government bonds and includes those bonds in its assets, is that not a legitimate investment?

Mr. HULL of Tennessee. The gentleman is perhaps thinking of the excess-profits provision.

Mr. KREIDER. No; I am thinking of this. I want to know whether the $10,000 or the $50,000 or the $100,000 worth of Government bonds which may be purchased by a corporation are considered an investment on which a 12 per cent tax or an 18 per cent tax must be paid?

Mr. GARNER. It has nothing to do with this.

Mr. HULL of Tennessee. The corporation may invest whatever amount it may see fit to invest of its profits during the taxable year in liberty bonds, as defined in the amendment, and on the amount of profits so expended it shall be required to pay only a tax of 12 per cent and not 18 per cent.

Mr. KREIDER. The gentleman presumes that the bonds were purchased out of profits. I presume that pressure has been brought to bear upon the concern so that they have borrowed the money and have bought $50.000 worth of bonds to help the sale of liberty bonds. Assuming that a corporation has made a profit, it is taxed 18 per cent on that profit, which will be reduced to 12 per cent upon such moneys as are actually needed in the business, and I think the intent is that the firm should not carry an unnecessary or idle surplus. If the money is not needed in the business they are supposed to pay it out in dividends, so that it goes into the hands of the individual and then will be included in his individual income-tax return. I have in mind corporations that have made money, but that have also borrowed money, and have more borrowed money than they are able to pay during the year. I want to know whether any money they have invested in liberty bonds is taxed on an 18 per cent basis, or whether it is only taxed on a 12 per cent basis.

Mr. HULL of Tennessee. If a corporation has net earnings of $100,000 for the taxable year and buys $100,000 of liberty bonds, as provided in this amendment, the tax is 12 per cent.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. CHANDLER of Oklahoma. Mr. Chairman, I offer the following substitute for the amendment of the gentleman from Tennessee, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 32, line 3, after the word "year," insert the following: "plus (3) the amount which is actually invested and employed in the business or is retained for employment in the reasonable requirements of the business, or is invested in obligations of the United States issued after September 1, 1918: *Provided*, That if the Secretary of the Treasury ascertains and finds that any portion of such amount so retained at any time for employment in the business is not so employed or is not reasonably required in the business, an additional tax of 15 per cent shall be levied, assessed, collected, and paid thereon."

Mr. CHANDLER of Oklahoma. Mr. Chairman, the gentleman from Oregon [Mr. HAWLEY] here has just called my attention to the fact that the gentleman from Michigan [Mr. FORDNEY] made a very able argument a few days ago in behalf of this amendment which I am now offering. This amendment is practically what the law is at the present time. The present law allows a conservative corporation to set aside a certain amount of its undivided profits to take care of any of its future business requirements. Now the law as proposed puts a premium upon bad business. Any good, conservative business organization or any bunch of directors—a good set of directors—will always set a reasonable amount aside each year as a surplus or from among their undivided profits to take care of any emergency which might arise. Now, the provision of this amendment which I am now offering allows the Secretary of the Treasury to take care of this matter, see that the corporation does not abuse it, and to see that if it is abused there is placed a large penalty upon the corporation and in addition to that a penalty of 15 per cent. Now, modern business methods require that they keep a certain amount on hand at all times of their undivided profits. I want to call your attention to a hypothetical case. Assume we have organized a corporation at the beginning of the year 1918, say January 1, 1918, say for $2,000.000. They start in to do business. Suppose they have charged off for depreciation and depletion and other deductions and after that they have a net income of $1,000,000. The prewar exemption of 10 per cent on capital invested was $200,000. The specific exemption would be allowed them of $3,000, making a total of $203,000, leaving $797,000 subject to a war tax of 80 per cent. This 80 per cent would amount to $637,600. Now, allowing the specific exemption of $2,000 would make $639,600. That would leave subject to net income tax $360,400. Then take the income tax of 12 per cent, $43,248. Now add those taxes together and you have $680,848, which would leave a balance after deducting from the million-dollar profit of $319,152. Now, suppose that is paid out as dividends. The corporate income subject to normal tax is $360,400. After paying $319,152 out as dividends would leave you a difference of $41,248. Now, the difference is taxable at an additional 6 per cent; this 6 per cent difference is $2,474. To what account can this additional tax of $2,474 be charged? Now, suppose this company is a good, conservative company. They have $680,000 worth of taxes to pay. They have money on hand and desire to carry it over until the next year for the purpose of paying those taxes when they come to make payment in March. Now, you place a 6 per cent penalty upon the company for being conservative and being able to take care of their transaction. In other words, you charge them about $40,000 for being conservative. Now, that absolutely is not right; it is unjust, and there is no reason in the world why such a penalty should be placed upon a good, conservative corporation. Now, if they pay that out in dividends and the tax comes due in March, where are they going to get the money to pay it?

The CHAIRMAN. The time of the gentleman has expired.

Mr. CHANDLER of Oklahoma. Mr. Chairman, I ask for two minutes more time.

The CHAIRMAN. The gentleman desires to proceed for two minutes additional. Is there objection? [After a pause.] The Chair hears none.

Mr. CHANDLER of Oklahoma. Now, it will be necessary for this company to go and sell some of their assets, probably sacrifice them, in order to get the money to pay this $680,000 I mentioned, and I sincerely hope this House will see the justice of this amendment and accept it.

Mr. LONGWORTH. Mr. Chairman, the vice of the gentleman's argument, like that of all gentlemen who have taken the same position, is that he assumes that this 6 per cent differential is a penalty. In other words, they argue that 12 per cent is the normal tax on corporations, and 18 per cent is a surtax, whereas precisely the contrary is true. The 18 per cent is the normal tax on all corporations and 12 per cent is the bonus for distribution. The committee has acted logically in this matter. We

have tripled the normal tax on all individuals. We have raised it from 4 to 12 per cent. The present normal tax on corporations of 6 per cent is treated in the same way as the income on individuals, and therefore the normal tax on corporations, under this law, is 18 per cent and not 12 per cent. I admit this is a new policy. So far as I know, there is no precedent for it in this country, but let me call your attention, gentlemen, to the way Great Britain treats corporations. There they have a 30 per cent tax on all amounts undistributed. They impose a 30 per cent normal tax on all profits undistributed and no tax whatever on the amount distributed in dividends. So there the bonus is much greater in favor of the distribution of profits as dividends than it is here. It has seemed to me that it is wise public policy to encourage a reasonable amount of distribution in dividends, particularly in war times. The temptation to very rich men who have their money in corporations and who control the directorate is to have all the money left in surplus and not distribute it, so that they will not have to pay any individual surtax. By this provision we are, I think, simply encouraging the distribution. It does not force any distribution, but it encourages the distribution of a reasonable amount of the net profits of the corporation. Of course, any conservative corporation, with or without this provision, will keep a certain amount of their profits in surplus to provide for conditions which can not be anticipated. Now, we have gone pretty far to-day, we have gone pretty far since this bill was first introduced, in extending the exemption of the distribution of corporate profits.

We allow all that is distributed in the payment of outstanding debts to carry the lower limit of 12 per cent. We just a few moments ago adopted an amendment which allows a corporation to pay tax at the lower rate on all of their profits that they may invest in liberty bonds. It seems to me, gentlemen, that this is not a harsh method of treating the corporations at all. It is simply subjecting them, as we do individuals, to the normal tax and virtually offering them a present for distributing their profits. It comes to them if they do one of three things, either distribute their profits among their stockholders, hold it to pay their debts, or buy the forthcoming issue of liberty bonds.

Mr. CHANDLER of Oklahoma. Will the gentleman yield?

Mr. LONGWORTH. I will.

Mr. CHANDLER of Oklahoma. Suppose it is a small bank in the country. You know that at every meeting of the directors of the bank on the 1st of January they usually go over the paper and charge off the bad paper in that bank; now, if you compel them to distribute all of their profits on the last day of December what are they going to charge this paper to?

Mr. LONGWORTH. The gentleman imputes to me a knowledge which I lack, as I am not a director in any bank and have never been present at a directors' meeting of a bank. But even if they have been unfortunate and have not sufficient profits to distribute in dividends they pay the normal tax, just as you and I will pay the normal tax on our incomes.

The CHAIRMAN. The question is on the substitute to the amendment offered by the gentleman from Oklahoma [Mr. CHANDLER].

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question is now on the amendment offered by the gentleman from Tennessee [Mr. HULL].

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(b) In the case of a foreign corporation 18 per cent of the amount of the net income in excess of the credits provided in section 236: *Provided*, That the rate shall be 12 per cent upon so much of this amount as does not exceed the sum of (1) the amount of dividends paid during the taxable year to citizens or residents of the United States or to domestic corporations or partnerships, plus (2) the same proportion of the amount paid during the taxable year out of earnings or profits in discharge of bonds or other interest-bearing obligations outstanding at the beginning of the taxable year which the amount of gross income of the corporation from sources within the United States bears to the amount of its gross income from all sources within and without the United States.

Mr. HULL of Tennessee. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 32, line 16, after the word "States" and before the period, insert a comma and the following: "plus (3) the amount paid during the taxable year in the purchase of obligations of the United States issued after September 1, 1918."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

(4) Domestic building and loan associations and cooperative banks without capital stock organized and operated for mutual purposes and without profit.

Mr. DALLINGER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DALLINGER: Page 33, line 4, after the word "associations," strike out "and" and insert after the word "banks," in line 5, the following: "and cooperative-store societies."

Mr. DALLINGER. Mr. Chairman, the object of this amendment is to exempt from the corporation income tax cooperative-store societies that are organized for the sole purpose of enabling the members to obtain commodities at cost.

There are two classes of these societies—one composed of organizations of laboring men, often near large industrial plants, and the other composed of students attending many of the universities and colleges of the country. In both cases the object is to enable persons of limited means to purchase the things they need at cost.

Now, I have offered this amendment at this particular place in the bill so that by no possibility can organizations that call themselves cooperative stores and are really money-making institutions obtain the benefit of the exemption, because, if the members of the committee will notice the form of the amendment, the cooperative-store societies are subject to precisely the same limitations as cooperative banks and building and loan associations. They must be "without capital stock, operated and organized for mutual purposes, and without profit." Now, these stores that I speak of are stores organized under what is known as the "Rochdale" or "Tintag" system. This system originated in England more than half a century ago, the first society being known as the Rochdale Society of Equitable Pioneers. A few people get together, chip in a little capital, just enough to start the enterprise; and, of course, it being impossible to charge for the commodities exactly what they cost, for the reason that the cost can not be ascertained in advance, a reasonable price is charged, and then, after all the expenses of management are paid, dividends are returned to the members of the society in accordance with the purchases made; in other words, a rebate is given to each member according to the amount that he has purchased. And the net result is that the member does get the commodity at the actual cost price.

Mr. BORLAND. Will the gentleman yield?

Mr. DALLINGER. Certainly.

Mr. BORLAND. Do not these stores sell to nonmembers?

Mr. DALLINGER. Mr. Chairman, in case they do, that can be easily regulated by a ruling of the Internal Revenue Department. My idea is to limit the exemption entirely to stores that sell to the members and to the members only.

Mr. BORLAND. Are there any such stores that sell only to members?

Mr. DALLINGER. I think there are; but if there are not, they certainly can limit their sales to members if they desire to avail themselves of the exemption. It is easy for them to require a member to show his card before he can purchase. I do not think they ought to be exempt on profits they make from nonmembers. My object is to limit the exemption entirely to those societies which sell only to members and which therefore are "operated and organized for mutual purposes and without profit."

Mr. EMERSON. What constitutes a member?

Mr. DALLINGER. The Harvard Cooperative Society, with which I used to be familiar, allowed any student to join upon the payment of a small annual membership fee. In the case of stores carried on by labor unions I presume that any member of the union in good standing is eligible to membership.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. DALLINGER. I will.

Mr. MOORE of Pennsylvania. Are salaries paid to the officers of these societies?

Mr. DALLINGER. Not to the officers of the society. The board of directors, however, employ a business manager, who is paid a salary, just as in the case of cooperative restaurants down at the Bureau of Engraving and Printing. There the employees employ a manager to manage the business for them, who buys the food and hires the necessary help.

Mr. MOORE of Pennsylvania. The Rochdale system, as I recall it from old labor days, was purely a mutual system?

Mr. DALLINGER. Purely.

Mr. MOORE of Pennsylvania. And such a system, I presume, if carried out in that form of organization would be exempt under the existing law.

Mr. DALLINGER. How? There is nothing in this bill referring to cooperative stores, although there is such a provision later on with reference to mutual fire insurance companies.

Mr. MOORE of Pennsylvania. Except such business as was done outside of the membership; and if business were done outside of the membership the gentleman does not object to its being taxed, and it would be taxed under existing law. But so far as the mutual part of the business is concerned, I presume that would be exempt.

Mr. DALLINGER. Then, Mr. Chairman, the gentleman from Pennsylvania can not have any objection to the amendment.

Mr. MOORE of Pennsylvania. I think the amendment is superfluous.

Mr. DALLINGER. The wording would be "and cooperative store societies operated for mutual purposes and not for profit." If there is already such a provision in the bill applying to cooperative stores, as well as to cooperative banks, I wish the gentleman would point it out. I certainly do not desire to add any superfluous language to this very carefully drawn bill.

Mr. MOORE of Pennsylvania. It seems to me that the amendment is not necessary, because if it is a mutual and cooperative business it would be exempt under these provisions, which are also the provisions of existing law; and if business is done apart from membership, that would be taxed, and the gentleman does not object to its being taxed, as I understand.

Mr. TREADWAY. Mr. Chairman, I appreciate the feeling of my colleague from Massachusetts [Mr. DALLINGER] in view of the fact that he represents the city where Harvard is located and to which his amendment directly refers in connection with the cooperative store there conducted. There are stores similar to that in many of the educational institutions of the country, probably not as large as the one at Cambridge, but stores where the students can secure at somewhat lower prices the articles needed by them in the course of their studies, and other things as well. But practically it is intended, as I recall, to have an establishment where stationery, books, and the usual supplies for students can be obtained at a less price than if bought in a regular store.

So far as the amendment offered by the gentleman from Massachusetts is concerned, I think there would be very little opposition to it if limited to just that sort of a store.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. But it is possible to secure that sort of an amendment that would not open the door to all kinds of cooperative organizations.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Illinois?

Mr. TREADWAY. Yes.

Mr. MADDEN. Why should we legislate for Harvard any more than for any place else?

Mr. TREADWAY. I was coming to that point in opposing the amendment. As the gentleman from Missouri [Mr. BORLAND] suggested in his inquiry, if other than members could secure the goods at the prices charged at these stores there would be no provision against anybody coming into these cooperative stores and purchasing goods at the prices charged to the members. It is absolutely impossible, Mr. Chairman, to exempt this form of a store and not open the door wide to all kinds of store organizations; and therefore the committee, after due consideration of the amendment this morning offered by the gentleman from Massachusetts, which he presented to the committee in advance, were unanimous in their opposition to it, and hope that it will not be adopted.

Mr. DALLINGER. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. I yield to my colleague.

Mr. DALLINGER. Will the gentleman please point out how there can be any door opened, the way the amendment would read in that particular section?

Mr. TREADWAY. There is no question but that the intention of the gentleman from Cambridge was to limit it directly to college cooperative stores, but——

Mr. DALLINGER. No; Mr. Chairman——

Mr. TREADWAY. But it is impossible, Mr. Chairman, to secure that sort of an amendment that would hold, and not permit all kinds of cooperative organizations to secure the benefit of the exemption which he has in mind, directly applying to one kind of an organization.

Mr. DALLINGER. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. DALLINGER. I want simply to state to my colleague from Massachusetts that this amendment of mine not only applies to college cooperative stores but to all stores operated under the same system, operated simply and solely to enable the members to get the things they buy at cost.

Mr. TREADWAY. That is a very laudable desire; but, if carried to the extreme, where would there be any profit secured through retail sales? If the gentleman's idea were carried out in full there would be no retail stores in the country other than those kept for members under the cooperative process, and any form of revenue derived therefrom would be absolutely unsecured, either by the Government or the stockholders in the store. It would be a cooperative Government, practically, if the gentleman's theory were carried to the full limit.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. LONGWORTH. I would like to say to the gentleman from Massachusetts [Mr. DALLINGER] that if he will limit his amendment to the Harvard Cooperative Society I will support it.

Mr. TREADWAY. It is unnecessary to say that the gentleman from Ohio [Mr. LONGWORTH] took that same position in the committee. If it were confined to Harvard, he would advocate it. Otherwise he would be opposed to it, and the committee was opposed to it.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. MADDEN. Mr. Chairman, we are engaged in serious business, if I understand the situation, and I do not think we ought to be trifled with. I think amendments of this sort are intended to trifle with the serious situation that confronts the Government of the United States. There are many things in this bill that perhaps ought to be amended because there is merit in suggested amendments, but there is absolutely no merit in this amendment proposed by the gentleman from Massachusetts [Mr. DALLINGER], and I can not sit idly by here and listen to that sort of an amendment and let it go without protesting against it.

Mr. DALLINGER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Massachusetts?

Mr. MADDEN. No; I do not yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. MADDEN. I presume, of course, that the gentleman presented his amendment in good faith. But he should have had sufficient vision to realize that Harvard is not the only institution in the United States, and that those who can attend Harvard can afford to buy their food and their supplies, and that there are other people who are a good deal worse off than those who are permitted to attend Harvard who are compelled to pay the tax and to pay the high prices that are charged for commodities.

If the gentleman from Massachusetts wants to offer a real amendment to the bill, let him offer it to some section that needs amending. But we are here to raise $8,000,000.000 and not to trifle with the public. I apprehend this bill will be passed without amendment, and the sooner it is passed the happier the American people will be, for they are waiting for the opportunity to pay the taxes that are imposed upon them under this beneficent measure. Do not trifle with it any longer, but let us pass it and get it done, and do not offer amendments that are intended to be jocular, as the amendment of the gentleman from Massachusetts evidently is.

Mr. DALLINGER. Mr. Chairman, I would like to inform the gentleman from Illinois that the amendment which I have offered in good faith is not intended to be jocular and is not a trifling amendment, but is of vital importance to labor organizations all over the country. I should like to ask the gentleman if he can give the House any reason whatever why the cooperative stores that some of the laboring men in his own district have established should not be exempt from the corporation tax just as much as the building and loan associations? I should like to have him answer that question.

Mr. MADDEN. Oh, the gentleman is trying to play peanut politics, thinking he can get some votes from the students at Harvard by the introduction of an amendment like this. This is no place for politics and no time for politics. [Applause.]

Mr. PLATT. Mr. Chairman, I move to strike out the last word simply to ask the chairman of the committee if he knows how these cooperative societies are treated in the English act? There are laboring men's societies over there which operate very large cooperative stores, doing an enormous business, enabling the laboring men who are members of them to buy at cost.

Mr. KITCHIN. I understand in Great Britain they were exempt before the war, but that since the war the tax applies to them all throughout Great Britain.

Mr. PLATT. Is the gentleman sure of that?

Mr. KITCHIN. That is my information; yes.

Mr. PLATT. Of course, if that is the case, perhaps the same provision should be applied here, but I do not see why they should not be exempted. They do not make any profit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. DALLINGER].

The question being taken, the amendment was rejected.

The Clerk read as follows:

(2) All interest paid or accrued within the taxable year on its indebtedness (or, in the case of a foreign corporation, the proportion of such interest paid which the amount of its gross income from sources within the United States bears to the amount of its gross income from all sources within and without the United States) in excess of the interest received free from taxation under this title.

Mr. KITCHIN. Mr. Chairman, I offer an amendment which is the same interest amendment that the House adopted this morning with reference to individuals.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 36, line 13, strike out the parenthesis and insert a comma; line 17, strike out the parenthesis and all of line 17 after the parenthesis and all of line 18 through the word "title."

Mr. MADDEN. I should like to have the section read as it will read when it is amended.

Mr. KITCHIN. It is exactly what we passed this morning as to individuals. This applies to corporations.

Mr. MADDEN. What did we pass this morning? I am not a mind reader.

Mr. KITCHIN. We struck out the words—

in excess of the interest received from taxation under this title—

so that the corporation will be able to have all the interest it pays on its indebtedness deducted.

Mr. MADDEN. This applies to individuals, does it?

Mr. KITCHIN. This amendment applies to corporations. We passed the amendment as to individuals this morning.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The Clerk read as follows:

(9) (a) In the case of oil and gas wells a reasonable allowance for actual reduction in flow and production to be ascertained not by the flush flow but by the settled production or regular flow; (b) in the case of mines a reasonable allowance for depletion; (c) in the case of mines, oil and gas wells, a reasonable allowance for depreciation of improvements; such reasonable allowance in all the above cases to be made according to the peculiar conditions in each case and under rules and regulations to be prescribed by the commissioner with the approval of the Secretary. In the case of leases the deductions allowed by this paragraph shall be equitably apportioned between the lessor and lessee. In the case of a foreign corporation the deductions under this paragraph shall be allowed only as to property within the United States.

Mr. HULL of Tennessee. Mr. Chairman, I make the same request as to this provision that was made with respect to the same provision on the individual side; that is, that it be passed for the present, with an agreement to return to it later.

The CHAIRMAN. The gentleman asks unanimous consent that the consideration of the paragraph just read be passed for the present, to be returned to hereafter at the pleasure of the committee. Is there objection?

There was no objection.

Mr. ROBBINS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROBBINS: Page 39, after line 8, insert as a new paragraph as paragraph 10:

"(10) Contributions or gifts made within the taxable year to corporations organized and operated exclusively for religious, charitable, scientific, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, to an amount not in excess of 15 per cent of the taxpayer's net income as computed without the benefit of this paragraph. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the commissioner, with the approval of the Secretary."

Mr. ROBBINS. Mr. Chairman, this amendment to paragraph 10, found on page 16 of the bill, places an exemption to the extent of 15 per cent on contributions enumerated in the provision when made by individuals. It is offered for the purpose of placing corporations on the same basis as individuals as to charitable donations. The amendment offered a few moments ago as to partnerships was met by a strong objection on the part of the committee that the income tax is collected from the individual partners after it is distributed, and that does not apply to funds still in the partnership and undivided. In considering the objections made by the members of the committee to the proposition as applied to partnerships, which I presume will be reiterated now, it appears to me they do not apply, because the proposition as to partnerships went down on the objection made by the gentleman from Oregon, that such tax was not assessed against funds as partnership funds. I will not dwell on that now, although I think the amendment ought to have prevailed; but such objections have no application to this amendment. The gentleman in charge of the bill argues that to allow corporations to contribute out of their net earnings for charitable purposes would defeat the payment of income tax to the Government.

Mr. HULL of Tennessee. Will the gentleman yield?

Mr. ROBBINS. In a moment. That is what the gentleman said. I do not want to misquote him. He said that to allow an exemption of 15 per cent would encourage contributions to charity and thereby relieve them from the payment of the income tax.

Mr. HULL of Tennessee. I stated that instead of being subjected to a rate of 50 or 75 per cent, corporations would only pay 6 per cent.

Mr. ROBBINS. This abatement of 15 per cent comes out of the whole income tax whether it is war-profits tax or excess-profits tax, whichever they have to pay. In no case would it reduce the tax of a corporation from 75 per cent to 6 per cent. Such could not be the effect of this amendment. Now, these corporations are assessed according to the population of the various communities. In my own county, where we have a population of over 300,000, many of our people are workmen in the mines, in the factories, and industries, and they are not expected to and can not contribute the amount required to make up the vast sum needed by the Red Cross and the Young Men's Christian Association and the Knights of Columbus and Hebrew Association and other charities that are assessed against the communities in which they live; but the corporations come forward and make up the grand total. This is in the interest of the poor people, and corporations ought to be encouraged that it is right and proper for them to so contribute and not be discriminated against. They ought to be stimulated to contribute, and they ought to be allowed an exemption of 15 per cent just as an individual is by this bill allowed this exemption or credit on account of income tax. I think this amendment ought to prevail. It is right and just that it should prevail, and, moreover, it was urged here that it was a misapplication of corporation funds to contribute any amount to charity. That is not the case. The corporation surplus or accumulated earnings can be contributed by those who are in control of it. If the stockholders object, they can stop it. We have legalized it in the case of national banks. We have authorized them to make contributions, and why not in the case of other corporations?

Mr. GORDON. It is a violation of their charters.

Mr. ROBBINS. Oh, no, it is not; that is a mere inference of the gentleman from Ohio. The fact of it is that all corporations are asked to contribute—stores, banks, coal companies, coke companies, railroad companies—and they do contribute for all these purposes. If we do not say that they are entitled to some consideration, they will not contribute, and where, then, shall we get the money? We must get it from somewhere. We are on the point of attempting to raise $170,000,000 for the Red Cross, for the Y. M. C. A., the K. of C., and the H. A., and other allied charities. Where do we get this money? It is to be raised by voluntary contribution. It is a great national charity—the greatest ever undertaken by any people for the benefit of our soldiers at the front. We ought to encourage every means by which this money can be contributed. One great source, and one unavailing source, from which we can get the money is our corporations in the United States. There is where it comes from and where it is expected to come from.

Mr. STAFFORD. Will the gentleman yield?

Mr. ROBBINS. Yes.

Mr. STAFFORD. Do we exempt the funds that corporations invest in liberty bonds?

Mr. ROBBINS. No.

Mr. STAFFORD. Are they not more necessary to carry on the war than these contributions to charity?

Mr. ROBBINS. Not a bit more, but quite as much. The gentleman is not familiar with this matter.

Ask the men who return from the trenches, ask the men who have been in the war, who know something about its hardships and sufferings, where the greatest help is the men get, and they will tell you that it is from the Red Cross, it is from the Y. M. C. A., from the Knights of Columbus, and the Hebrew Society—organizations which stand up behind the firing line and administer those charities and acts of kindness that the United States Government can not and does not pretend to administer. [Applause.] The Government of the United States, my fellow committeemen, has recognized and is encouraging these acts of charity by these societies because they supply a place which the Government can not and will not fulfill, and I am pleading here for equity and justice for those who are put-

ting funds in the hands of these charitable organizations that they may carry out these great and beneficent objects.

Mr. BORLAND. Mr. Chairman, I want to support the gentleman's amendment, but I notice that he has copied literally section (11), on page 16, the concluding sentence of which is as follows:

In the case of a nonresident alien individual this deduction shall be allowed only as to contributions or gifts made to domestic corporations.

I think that ought to be stricken out.

Mr. ROBBINS. Yes; that should be stricken out, and I ask unanimous consent to so modify the amendment.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to modify his amendment by striking out the last sentence. Is there objection?

There was no objection.

Mr. ROBBINS. These corporations make charitable contributions generally in three ways:

First. The directors vote the money and ask the stockholders to ratify their action.

Second. The directors vote the money in the form of special dividends, mail the checks to the stockholders, and request them to indorse and return them, so the money can be contributed to the charity named.

Third. The directors in a very large or very small corporation assume the responsibility after having an expression on their corporate acts at an annual meeting on this or kindred acts.

Can there be any moral wrong or violation of charter rights in such acts upon the part of a board of directors of a corporation? Of course not. Such acts are not ultra vires. The charter of a corporation is not violated by such acts of its directors. But charity is helped and the sufferers at the front are cared for, and the world is better for such donations.

Mr. HULL of Tennessee. Mr. Chairman, speaking individually, I think this character of relief ought to be withheld from corporations, and I also think it is not good policy to insert or retain that relief upon the individual side even. As I indicated awhile ago, the citizen is under as high an obligation to make proper contributions, when he is able to do so, to meritorious charitable organizations, such as the Red Cross, the Y. M. C. A., and others, as he is to pay his full share of taxes; and it is almost as logical under present war conditions for a citizen to ask for a tax rebate or deduction upon a gift that he proposes to the Red Cross as it is to ask for a gift rebate or deduction upon the just amount of taxes due the Government computed upon his full income. A man, subject to income surtax of 75 per cent, who makes one of these contributions makes only a 25 per cent contribution, as I indicated awhile ago. The Government makes the other 75 per cent and the individual gets the credit for it. My individual view is that it is bad policy for Congress constantly to be acceding to every request that comes in here from some one who has made a gift, allowing him to inject that into the computation of his legitimate tax obligations. I can see a much stronger reason for the contention as to individuals, and I take it that that is the way in which this individual provision forced itself into the law last year. The tax on individuals was as high as sixty-odd per cent, and when an individual got credit for one of these gifts in computing his income surtaxes it meant something to him; but the corporation is exempt from this high system of surtax rates under the effort of the law to concentrate income from all sources in the individual and make him the real criterion for the imposition of the tax in its most comprehensive form; and it is quite a different principle for an individual subject to that high scale of graduated rates, if there is any principle in this matter. He is, at least, on stronger grounds when he asks for relief with respect to gifts that he makes than is the corporation, which is subject only to the normal tax. I need not repeat the arguments that were made when the bill was pending to permit national banks to make contributions—the reasons of public policy, the prohibitions in different State laws against such corporations and other associations making any gift. My opinion is that Congress could not do a wiser thing than to defeat this amendment, and by establishing this policy of not extending the range of exemptions for every class and kind of gifts the taxpayer may make encourage the elimination of the other provision upon the individual side.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HULL of Tennessee. Yes.

Mr. GREEN of Iowa. In my own State, and I think in most of the States of the Union, as the gentleman is well aware, it is not legal for the directors of a corporation to use the money of the corporation for charitable purposes without some express provision in the charter. Does the gentleman think it would be well for the Government to practically ratify a violation of the law by exemption from taxes?

Mr. HULL of Tennessee. That is true, perhaps, in most States. Of course if these exemptions should be allowed to the corporation, and it should distribute its profits to the individual owner or stockholder, and he should make another contribution, of course there would still be another exemption. I do not wish to detain the committee by a repetition of other reasons that have been offered in connection with this and similar proposals.

Mr. KREIDER. Mr. Chairman, I move to strike out the last two words. Mr. Chairman, the purpose of this amendment is to encourage the giving of gifts and money by corporations to charitable institutions. If, as it seems to appear, judging by the remarks made by some members of this committee, to be a crime to support the Red Cross, if it is a crime to support the Y. M. C. A., why do you not pass a law and say so? Why does the Government stand back of these organizations if the people are supposed to support them? If this amendment has any merit and if there is any useful purpose in it, it is to encourage giving and supporting these charities.

Mr. GORDON. Will the gentleman yield?

Mr. KREIDER. Not now. I know that whenever a demand is made upon an organization or a corporation somebody who does not want to give hides back of the proposition and says, "We can not give; it is against the law." But it is not against the law for those people, and they do not regard it so, to spend ten times that amount in useless, worthless—well, I do not want to enumerate what I have in mind; but, gentlemen of the committee, in my judgment the generosity of the American people has not yet reached that point where it needs curbing. I do not think that we have yet been giving until it hurts, but we probably may reach that point. I believe that this amendment is a step in the right direction.

Now, the way the proposition is worked in many of the large cities is different from the smaller towns and country, and if you will pardon me I will call your attention to the fact that many men having business in the large cities live in the suburbs and are expected to give largely personally in the suburbs where they live. Their place of business is in the city, and the city as a city is always assessed and supposed to give a certain amount to these organizations. Usually those in one particular line of business are classed together, and a committee is appointed, and this committee practically lays an assessment against these corporations, and heretofore these corporations have paid these assessments, and if they did not do so they were regarded as sort of "black sheep" in their community. Pressure was brought to bear until they did pay. Now, if this Congress is going on record as putting down its foot, discouraging the giving to and supporting of these charitable organizations by corporations, it will greatly reduce the amount of the money they will be able to collect—it will give to some corporations just exactly what they want. They will say, "Here, Congress does not recognize us; they do not want us to support these organizations." And if they could have the speeches made by some men on this floor they would have them framed and put in their offices and say, "That is what they said on the floor of Congress. Go along. Congress does not want or expect us to support you, and we shall give you nothing. You are not supposed to be supported by corporations of the United States."

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, I do not know where the gentleman from Pennsylvania gets the idea that anybody calls giving to the Red Cross a crime. It requires a peculiar sort of reasoning and imagination to develop any such idea as that. There is not any Member of this House who has not the greatest respect and esteem for associations like the Red Cross and the Y. M. C. A. There is no Member of this House, I venture to say, but who has donated freely from his own funds to help carry on those organizations. What the members of the committee object to, what I object to, is the giving away of somebody else's money and calling it generosity. There is no generosity about that. There is nothing to be commended about that. If you donate your own funds, if you give your own money, to the Red Cross or to the Y. M. C. A., possibly there might be some credit in that, although I believe no one in these times of war and these times of stress and war, in view of the support they give to the soldiers on the field—no one would be inclined to take very much credit for giving his own money to these organizations so far as he was able to do so. But when it comes to breaking a law in order to give away some other person's money, then the gentleman from Pennsylvania [Mr. KREIDER] imagines there is a great deal of credit to be derived from that kind of a proceeding.

Mr. GORDON. He calls it wear and tear on the conscience.

Mr. GREEN of Iowa. Yes; that is very well said.

This does not encourage real giving. The real patriotic movement that we want to encourage on the part of the American

people is to put such heart and soul in the conflict as will cause them to use their own means instead of trying to take money from somebody else and then putting it forward in the way of generosity and patriotism.

Mr. STEENERSON. Is not this proposition based on the theory that a man who can beat the United States out of $12 tax is entitled to give $100 to charity?

Mr. GREEN of Iowa. It is on the proposition that he needs to be encouraged to give by the thought that he can thereby beat the Government out of some sort of taxes. I do not think we have to search that far for our gifts in this country.

Mr. ROBBINS. Is not the gentleman a member of this committee?

Mr. GREEN of Iowa. I am.

Mr. ROBBINS. Then did you not vote to allow individuals to deduct 50 per cent from the income tax?

Mr. GREEN of Iowa. Because they are giving of their own money.

Mr. ROBBINS. And are not stockholders and directors giving their own money?

Mr. GREEN of Iowa. Part of it; but also the money of other people.

Mr. ROBBINS. Do the corporations where you live give anything?

Mr. GREEN of Iowa. They give $500 perhaps and take credit for giving the whole of it, when they only have anything to do with a small portion of it.

Mr. GRAHAM of Pennsylvania. Will the gentleman permit a question?

Mr. GREEN of Iowa. Yes.

Mr. GRAHAM of Pennsylvania. I can give you the instance of a corporation that in making up the war chest in Philadelphia, following the example of hundreds of other corporations, voted to pay $1,500 a month, or $18,000 for the year, to that fund. Now, the exigency was on us to do this, and the board of directors voted it, and it secured the ratification and approval of the stockholders, and it is a gift of the corporation. And the gentleman from Pennsylvania [Mr. KREIDER] is right. A corporation ought to have just as much credit for that as an individual has for it.

Mr. GREEN of Iowa. If they obtain the approval of their stockholders.

Mr. GRAHAM of Pennsylvania. They could not live in the community if they did not.

Mr. GREEN of Iowa. They do not have to raise it that way.

Mr. LONGWORTH. How much more would that corporation have given if we had exempted 15 per cent of their net income?

Mr. GRAHAM of Pennsylvania. I do not quite catch your point.

Mr. LONGWORTH. How much more would they give if we gave them 15 per cent?

Mr. GRAHAM of Pennsylvania. I am simply justifying the equity of the situation.

Mr. GREEN of Iowa. I will have to decline to yield further.

Mr. GRAHAM of Pennsylvania. May I have unanimous consent for just a moment to ask a question?

The CHAIRMAN. The gentleman must get his time from the gentleman from Iowa.

Mr. GRAHAM of Pennsylvania. He asked me a question.

Mr. GREEN of Iowa. I object to this being taken out of my time.

Mr. GRAHAM of Pennsylvania. I will not take a minute.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GREEN] has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

Mr. GRAHAM of Pennsylvania. I ask unanimous consent, Mr. Chairman, to proceed for two minutes.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Mr. Chairman, here is the situation——

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GRAHAM] preferred a unanimous-consent request.

Mr. HULL of Tennessee. The gentleman from Iowa [Mr. GREEN] also made the request.

Mr. GREEN of Iowa. I preferred my request first, and I think as a member of the committee I am entitled to recognition.

The CHAIRMAN. The Chair did not hear the gentleman first. If he had he would have put the unanimous consent of the gentleman from Iowa. The gentleman from Pennsylvania [Mr. GRAHAM] has been recognized by unanimous consent of the committee for two minutes, and is entitled to the floor.

Mr. GRAHAM of Pennsylvania. Replying to the gentleman from Ohio [Mr. LONGWORTH] and his inquiry, I would say, How much more will individuals be encouraged by exempting 15 per cent to them? My colleague from Pennsylvania [Mr. KREIDER] is simply asking that the same rule be applied to the corporations giving as you apply to individuals. Now, that is all there is to it. That is all there is to it. I wanted simply to make that explanation in his behalf.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, here is the situation with reference to these corporations making contributions in this way: The question ought to be asked, How much more should they give and how much would the community think they ought to give if the separate members were called upon individually to give their separate share? They give this amount collectively, and then think they are exempted from further gifts.

Mr. KREIDER. The gentleman is mistaken entirely.

The CHAIRMAN. Does the gentleman yield?

Mr. GREEN of Iowa. I do not care to yield.

The CHAIRMAN. The gentleman declines to yield. The Chair desires to state to the Members that when a gentleman has the floor other gentlemen can not break in on him without his consent. If he declines to yield, he has the right to proceed without interruption.

Mr. GREEN of Iowa. I do not care to make any further objections to these gifts by corporations, only I say this, that the Government itself ought not to undertake to encourage the breaking of the law. Of course, there are some cases where the law permits it; in fact, a special statute was passed, as I understand, in the State of Massachusetts permitting corporations to make valuable gifts during the progress of the war. We have already authorized national banks to make such contributions to the Red Cross. But they are sufficiently compensated, or ought to be, from the fact that these gifts are going to the Red Cross or the Y. M. C. A., or these other institutions which merit their approval and support. Is it possible that we have come to the state where we ought to give a man some kind of a premium or reward, or give it to a corporation, every time he or it makes a kind of a gift to a charitable institution? I think we are going far away from the purposes of a revenue bill when we exempt institutions under such circumstances. [Applause and cries of "Vote!"]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. ROBBINS].

The question was taken.

The CHAIRMAN. The Chair is in doubt. Those in favor of the amendment will rise and stand until they are counted.

The committee divided; and there were—ayes 19, noes 44.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 238. That in the case of a domestic corporation the total income, war-profits and excess-profits taxes imposed for the taxable year by act of Congress shall be credited with the amount of any income, war-profits and excess-profits taxes paid during the taxable year to any foreign country, Porto Rico, or the Philippine Islands upon income received from sources therein.

Mr. KITCHIN. Mr. Chairman, I have a committee amendment that I wish to offer.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 42, line 17, strike out the word "received" and insert in lieu thereof the word "derived."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(b) Returns shall be made to the collector of the district in which is located the principal place of business or principal office or agency of the corporation, or, if it has no principal place of business or principal office or agency in the United States, then to the collector at Baltimore, Md.

Mr. MONDELL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wyoming moves to strike out the last word.

Mr. MONDELL. Mr. Chairman, I do that for the purpose of making an inquiry of the chairman of the committee in connection with these corporation returns. If I may call the attention of the chairman of the committee to page 38 of the current law, paragraph (b), section 10, he will notice that provision is made there for an additional tax of 10 per cent on undistributed earnings. Does the chairman follow me?

Mr. KITCHIN. I think the gentleman must have the wrong section.

Mr. MONDELL. I am reading from the current law.

Mr. KITCHIN. You mean what is known as the Jones amendment?

Mr. MONDELL. I am reading from the print of the act approved October 3, 1917.

Mr. KITCHIN. Yes; I recall it. It is known as the Jones amendment, relating to earnings that are carried in the surplus and not used in the business.

Mr. MONDELL. I really have in mind earnings that are used in the business. There is a 10 per cent tax on undistributed earnings, and there is this exemption:

The tax imposed by this subdivision shall not apply to that portion of the undistributed net income which is actually invested and employed in the business.

And so forth. It also exempts certain contributions. The part that I read is the part I desire to inquire about. Section 230 of this bill, on page 31, contains a provision in regard to the taxation of undistributed earnings.

But it does not contain the exemption that I have just referred to. In other words, under the new law a corporation must pay an additional tax on its undistributed earnings without being granted exemptions for—

such sums as were actually invested or employed in the business or retained for employment in the reasonable requirements of the business.

What was the view of the committee in making that rather important modification?

Mr. KITCHIN. I am very sorry the gentleman was out temporarily a few minutes ago.

Mr. MONDELL. I was unavoidably out for a few moments.

Mr. KITCHIN. The committee discussed that for half an hour—that very question.

Mr. MONDELL. On my return I inquired whether that provision had been discussed. I was told it had not been. My impression had been that this exemption was carried in a later part of the bill; but after further examining it, I found that it was not.

Mr. KITCHIN. The committee was under the belief that 18 per cent on the incomes of corporations that did not have to pay any surtaxes at all was a reasonable tax. For instance, in Great Britain it is 30 per cent on all of the net income of all corporations. We made this 18 per cent. The committee saw that it had not destroyed or crippled or seriously injured any corporations in Great Britain, and we put it at just about half the amount that they pay there.

Mr. MONDELL. I am not questioning the action of the committee in the amount of the tax.

Mr. KITCHIN. We thought that 18 per cent, in order to raise the amount of revenue necessary, was not a highly unreasonable rate.

Mr. MONDELL. I think that may be true.

Mr. KITCHIN. After we decided to put on the 18 per cent rate we felt that we should offer some little inducement or stimulation to corporations to distribute some of their earnings in dividends, and we gave them a rebate of 6 per cent for that.

Mr. MONDELL. Now, may I ask the chairman if the committee took into consideration this situation: We all realize that under present conditions of constantly advancing costs of labor and material, it costs a corporation, like an individual, an increasing amount each year to carry on its business, even though its business is not enlarged; so that as a matter of fact a very considerable amount of apparent profit of a given year must necessarily be added to the business in order to carry it on in the same volume and to the same extent to which it had previously been carried on.

Mr. KITCHIN. That is true.

Mr. MONDELL. And the law last year recognized that, and did not levy an extra tax on sums so used.

Mr. GARNER. This is not an extra tax.

Mr. MONDELL. Yes; it is an extra tax of 6 per cent on undistributed income.

Mr. LONGWORTH. The gentleman would not have said that if he had heard my eloquent speech.

Mr. MONDELL. Oh, yes; I would.

Mr. FORDNEY. The gentleman would say that if he spoke the truth.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. MONDELL. I ask unanimous consent for three minutes more.

The CHAIRMAN. The gentleman from Wyoming asks unanimous consent that his time be extended three minutes. Is there objection?

There was no objection.

Mr. MONDELL. I realize the persuasive eloquence of the gentleman from Ohio [Mr. LONGWORTH], but the language of the section is very clear and definite, and it is clearly an additional 6 per cent on undistributed incomes. I am not questioning that, but I am suggesting that the very wise provision of the present law which relieves from this additional taxation those earnings that it is necessary to carry into the business in order to keep it going should not have been omitted from the present law unless there is some very excellent reason for it.

Mr. LONGWORTH. Will the gentleman yield to me for a question?

Mr. MONDELL. I will.

Mr. LONGWORTH. May I ask the chairman of the committee [Mr. KITCHIN] whether or not the "wise provision" which the gentleman refers to in the present law—namely, the Jones amendment—is absolutely inoperative?

Mr. KITCHIN. There is no way for the Treasury Department to get the evidence whether a certain amount is reasonably required in the business or not.

Mr. MONDELL. Now, the gentleman is getting down to brass tacks; he is giving a reason or an alleged reason.

Mr. KITCHIN. And the provision is obsolete and inoperative.

Mr. MONDELL. The committee understood, from the testimony of the experts, as I now understand the chairman, that it was difficult to administer that provision, and that it was not of very great value. Is that true?

Mr. KITCHIN. Not of very great value; and the gentleman did not read all of the last provision. It adopted 10 per cent. The corporate income tax under existing law is 6 per cent. Further on in the section of the existing law to which the gentleman has called attention you will find:

If the Secretary of the Treasury shall find that an amount carried to surplus was not necessary, was not employed for business and not reasonably required for the conduct of the business, a tax of 15 per cent—

And so forth. Fifteen per cent and 6 per cent makes 21 per cent.

Mr. MONDELL. That was a penalty for retaining money with a view to escaping taxation. I am, however, still unconvinced that it was wise to strike out the provision of law to which I have referred.

Mr. KITCHIN. The committee thought this was a reasonable tax. We have discussed all this and disposed of it.

Mr. FORDNEY. Mr. Chairman and gentlemen, I had not intended to say anything in reference to this provision of the bill, but some of the gentlemen on the committee, in answering the question of the gentleman from Wyoming, do not put the question just as it is. This is one of the most unjust and dangerous provisions in the bill, and the most objectionable to me. I will tell you why. Every bank in this country must retain some of its undivided profits each year to take care of bad accounts, so that it may have something to charge off against bad debts without breaking into surplus or capital. Before the bank can put any of its earnings into surplus they must pay an extra 6 per cent on the money. The banks will not pay it. They will go without adding it to the surplus of the bank. It is one of the most unjust penalties on corporations imposed in this law, and I hope to see it go out. I am not going to offer any amendment, but I hope to see it go out in the Senate, and I have reasonable assurance that it will go out; and if it does I hope it will stay out.

Mr. MADDEN. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. MADDEN. It seems to me that the gentleman is justified in offering an amendment and not have it go to the Senate.

Mr. FORDNEY. Oh, I have fought it all along from the beginning of the preparation of the bill to the present time, and have been defeated in committee all the way along. I am a Roman, and I am going to do as the Romans do—fall in line.

Mr. GARNER. Will the gentleman yield?

Mr. FORDNEY. I have only 5 minutes.

Mr. GARNER. But the gentleman made a statement that ought not to go unchallenged; about 75 per cent of the bill has been put in there by the gentleman from Michigan.

Mr. ROBBINS. The gentleman said that 50 per cent was put in by the gentleman from Pennsylvania [Mr. MOORE]. What did other Members put in?

Mr. GARNER. The gentleman says he has been defeated all along the line, and yet 75 per cent of the bill was put in by him.

Mr. FORDNEY. I said that I had been defeated all along the line on this provision, not on all other provisions of the bill.

Mr. SHERLEY. I want to ask the gentleman from Michigan if his conception of a good soldier is to be half defeated,

and expect to have the defeat turned into victory somewhere else?

Mr. FORDNEY. I reserved the right in committee to fight this provision of the bill——

Mr. KITCHIN. What the gentleman from Michigan states is true; the gentleman from Michigan has been sincere in his opposition to this provision. We were in session three months and some over, and I know that six times a day he offered it and fought for it just as he is fighting now. [Laughter.]

Mr. FORDNEY. The gentlemen did not give quite fair answers to the gentleman from Wyoming on this matter. Let me state the facts. There is not a corporation in the United States but must have twice the amount of working capital to-day that it had in normal times before the war. Now, in order to carry a surplus for working capital you are putting an extra penalty of 6 per cent on that working capital. I called the attention of the gentleman from North Carolina the other day on the floor of the House to the disadvantage that the cotton mills of the country are going to have under this provision. Let me say there are 33,430,000 spindles in the cotton mills of the United States, and the original cost of constructing a cotton mill is based on $25 per spindle. The proprietors of the cotton mills inform me, and I put the information in the RECORD, that they must now carry as working capital $25 per spindle for raw material on hand, manufactured products, and accounts, and so forth. Therefore they must carry as much working capital as the original investment in their plants.

Therefore to carry working capital of $25 per spindle for the cotton mills of this country would require more than $800,000,000, and you are imposing upon them a penalty of 6 per cent, or about $51,000,000 a year, and why?

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. FORDNEY. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FORDNEY. For the purpose of forcing the earnings of this year out of the hands of the corporation into the hands of the individual, so that the Government can get at that money and tax in order to get a few measly dollars in the United States Treasury.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. That is an imposition, a penalty, a hardship, imposed upon every corporation in the country doing business. I yield to the gentleman.

Mr. MONDELL. Does the gentleman agree with the chairman of the committee and the Treasury experts that a provision such as he contends for is not workable as an administrative provision? That is the excuse given.

Mr. FORDNEY. It is workable. The Treasury officials did not say that existing law is unworkable, but it is an extra penalty on every corporation. I have given you the illustration in the case of the cotton mills of the country, because I thought it might have a soothing effect upon the bosom of my good friend from North Carolina [Mr. KITCHIN], inasmuch as that State has more cotton spindles than any other State in the Union, but he is cold and unresponsive to my suggestion, because he wants that money put into the hands of the individual in order to get a little more money in the Treasury. As he says, I have presented this matter six times a day; and if I thought I could have succeeded, I would have presented it seven times a day, and I am going to keep at it until I get that thing out of the law, because it is unbusinesslike and unreasonable.

The Clerk read as follows:

PAYMENT OF TAXES.

SEC. 250. That except as provided in sections 221 and 237 the tax shall be paid in installments, one-third of the amount of the tax shown in the return to be paid at the time fixed by law for filing the return, one-third on the fifteenth day of the second month thereafter, and the remaining one-third on the fifteenth day of the fourth month after the time fixed by law for filing the return; but where an extension of time for filing the return is granted the first installment shall be due upon the expiration of the period of such extension, and the second and third installments shall be due as above stated, except that in the case of any taxpayer who is abroad the commissioner may extend the time for payment of the second and third installments not more than four months after the expiration of the period of any extension of time for filing his return. If any installment is not paid when due, the whole amount of the tax unpaid shall become due and payable upon notice and demand by the collector.

Mr. ROBBINS. Mr. Chairman, I move to strike out the last word in order to ask a question of the chairman of the committee. Does the gentleman not think that this is going to lead to complications to require a third of the tax to be paid when the return is filed. How are you going to work that out except by guesswork? How would you ascertain the third?

Mr. KITCHIN. Practically, that is exactly the way the tax is assessed now. A corporation or an individual makes his return and figures out what taxes are to be paid and the tax is paid long before the return is looked over by the Treasury Department. I do not suppose 10 per cent of the returns are tabulated and gone over before the tax is assessed and paid. Under this provision you will compute your tax as you do now, and when you send in your returns you send in one-third of the tax shown to be due.

Mr. ROBBINS. It is an estimate made by the taxpayer. He makes the estimate and takes the risk.

Mr. KITCHIN. Yes; you pay one-third when you make your return.

Mr. ROBBINS. The point I want to know is whether you are simply guessing at the first payment and probably at all of the rest.

Mr. KITCHIN. The payment the gentleman made himself this year was probably assessed from his return before his return was checked up.

Mr. ROBBINS. I figured it up myself and made my own statement.

Mr. KITCHIN. The gentleman figured that up and paid that amount, and nine-tenths of the taxes were assessed and paid before the returns were tabulated and checked for errors.

The Clerk read as follows:

If any tax remains unpaid after the date when it is due and for 10 days after notice and demand by the collector, then, except in the case of estates of insane, deceased, or insolvent persons, there shall be added as part of the tax the sum of 5 per cent on the amount due but unpaid, plus interest at the rate of 1 per cent per month upon such amount from the time it became due.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word, as I want to ask the gentleman from North Carolina a question. Under the present law all payments are made on or before the last day of June, and under the proposed law we are requiring payments to be made one-third at the time of filing of the statement, one-third on the 15th of May, which is about two months after, and one-third on the 15th of July, which is two months still later. The purpose of fixing periodical payments, if I understood it, was to relieve the burden which the payment of the whole tax in one installment imposes upon the taxpayer, but this is a greater burden as reported by the committee than the payment of the whole tax in one installment would be if that installment were paid as now upon the last day of June. Instead of helping the matter the committee has hurt it, according to my viewpoint.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. MOORE of Pennsylvania. I want to say to the gentleman that question was raised in the committee. It was raised when the Secretary of the Treasury was on the stand and he stated very emphatically that any other plan than the one proposed in the bill, especially one contemplating quarterly payments, would be impracticable from the administrative point of view.

Mr. MADDEN. Of course, I realize that the disposition on the part of the executive branch of the Government is to gather in money before the 1st of July or as near the 1st of July as possible, but the understanding of the American people has been right along, after a determined effort was made to have payments made under existing law in installments, that when this bill was enacted into law that it would provide for installments that would mean something. Now, these installments do not mean anything to the American people at all except a system of embarrassment very much greater than the embarrassment which is imposed under the present law.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. MADDEN. I will.

Mr. GREEN of Iowa. I will say this plan proposed by the Secretary of the Treasury, as I understood at the time, was more for the purpose of relieving the banks from the strain of having all these payments made at one time than possibly to relieve the individual taxpayers, but at all events, as far as I am concerned—not speaking for the committee now—in approving it I was largely influenced by the fact it was an administrative matter that belonged particularly to the Treasury and the Secretary of the Treasury was very insistent upon it.

Mr. MADDEN. Of course the form of an administrative matter, I may say, depends entirely upon what authority we give to the administrative officer who administers the law. Now, from my conversations with the business people of the United States, I can not help reaching the conclusion this is going to be a great hardship upon them. A provision of this kind which requires one-third of the taxes to be remitted with the statement presupposes that all men who pay taxes have large bank bal-

ances, whereas the truth of the matter is that most of the men who pay large taxes have to borrow the money with which to pay them and are not prepared to send a check when they send the statement. My own thought is that we ought to be as liberal as we possibly can be without embarrassing the Treasury Department, but I apprehend that the American public in anticipation of the enactment of this law has reached the conclusion from statements made through the public press that some relief was going to be granted to them which this bill does not grant, and I hope that the Committee on Ways and Means will find itself not only willing but able to assist in an amendment to this section of the bill in such form as will grant that relief which the people of the country expect.

Mr. CANNON. Will the gentleman allow me?

Mr. MADDEN. Certainly.

Mr. CANNON. For State taxation the 1st of April prevails in Illinois?

Mr. MADDEN. No; the 1st of May is the last day, the last day of April.

Mr. CANNON. The 1st day of April down State.

Mr. MADDEN. In the country I think that is true; with us it is different.

Mr. CANNON. If a man has got the money to pay it he had better pay it when he makes his return, otherwise when the 1st of April comes, if he only makes a payment of one-third of it, why State taxation in our State is pretty heavy——

Mr. MADDEN. I know; 30 per cent of your income.

Mr. CANNON. About 7 per cent.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. Mr. Chairman, I ask just about two minutes more if I may have it; I do not want to impose myself on the time of the committee.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GILLETT. As I understand it, the response of the committee is that they have made this change in payment not at all to help the people, as the gentleman supposed and as I supposed they would have done, but simply to help the administration of the banks.

Mr. MADDEN. And the Treasury.

Mr. GILLETT. Yes.

Mr. MADDEN. It seems to me the people who pay the taxes ought to be taken into account. Consideration ought not to be given to the Secretary of the Treasury and the method of his administration of a certain function ought not to be given to the Secretary of the Treasury or the banks.

Now, for example, as my colleague [Mr. CANNON] says, this bill provides that on the 15th of March you will be required to pay one-third of your tax. On the 1st of April, outside of Chicago and Cook County, throughout the State of Illinois, all taxes are payable. Otherwise, there is 1 per cent penalty levied.

Mr. CANNON. All assessable for the coming year.

Mr. MADDEN. Yes. That means 30 per cent of your income. The average tax levy for a State, county, municipal, and school purposes in our State, takes away 30 per cent of a man's income. That is to be paid regardless of the national tax. When you come to the 15th of May under this bill you are called upon to pay one-third more of the tax. In our State we have special assessments levied for certain local matters, some of which are payable in June, and when we come to pay these in June, and then add the other tax on the 15th of July, you see you have got to wear a hole in the sidewalk between your office and the bank to see whether or not you can get the money with which to meet the obligation. Let us take the people into consideration. Let us take them into our confidence and give them to understand that we speak for them once in a while and that the administrative officers of the Government are not the only people connected with America. Do the thing the people of the United States will thank you for once in a while instead of condemning you for. This bill does not meet the honest, decent, or righteous expectations of the people who are going to pay these taxes with respect to the periods when the payments must be made.

Mr. ROBBINS. Mr. Chairman, I move to strike out the last two words to ask the gentleman a question.

In line 10, page 47, after the word "insane," why should not the word "minors" be included? That paragraph is a penal one. It imposes a penalty on those who are in legal duress. Why did you not include minors?

Mr. KITCHIN. I will say that the guardians make the returns for the minors. The minors will not be expected to do that. This has been the existing law all the time—in 1915, 1916, and 1917.

Mr. ROBBINS. Still, that does not answer the question.

Mr. KITCHIN. A minor can not give that in.

Mr. ROBBINS. Neither can an insane person or a deceased person. In the case of insane persons it is made by a committee, and in the case of deceased persons by the administrator.

Mr. KITCHIN. There is no penalty here.

Mr. ROBBINS. That is what I say. It excepts insane persons, because the committee must make the return, and it excepts deceased persons, because the administrators must make return, but it does not except minors, for whom the guardian must make the return.

Mr. KITCHIN. It should not. The guardian should be compelled to make return for his ward as much as a receiver should make return for an estate.

Mr. ROBBINS. If he does not do it, why should he not be on the same plane as the committee for the insane person is? They are both creatures of the court. If for some oversight the return is not made, why should not the guardians, who are sui juris and are not under duress, be made to make a return?

Mr. KITCHIN. It is just exactly like this now. It does not change the present law. A minor has never been penalized under that.

The Clerk read as follows:

TITLE III.—WAR-PROFITS AND EXCESS-PROFITS TAX.

PART I.—GENERAL DEFINITIONS.

SEC. 300. That when used in this title the terms "taxable year," "fiscal year," and "dividends" shall have the same meaning as provided for the purposes of income tax in section 200. The first taxable year for the purposes of this title shall be the same as the first taxable year for the purposes of the income tax under Title II.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

Mr. ROBBINS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. SMITH of Idaho. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Idaho makes the same request. Is there objection? [After a pause.] The Chair hears none.

Mr. HOLLINGSWORTH. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Ohio [Mr. HOLLINGSWORTH] asks unanimous consent to extend his remarks in the RECORD.

Mr. WALSH. What are these remarks about?

Mr. HOLLINGSWORTH. To express my personal appreciation of a Member of the last Congress, the late William Crittenden Mooney, a Representative from the fifteenth Ohio district.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HAWLEY. Mr. Chairman, I make a request to extend my remarks in the RECORD.

Mr. WALSH. What about?

Mr. HAWLEY. Remarks made on the floor.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from North Carolina moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. DRANE, for the day, on account of important business; and

To Mr. LA FOLLETTE, indefinitely, on account of the serious illness of his mother.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 8004. An act authorizing the resurvey or retracement of lands heretofore returned as surveyed public lands of the United States under certain conditions; and

H. R. 12098. An act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a minimum-wage board and define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Wednesday, September 18, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of War, transmitting draft of bill to provide for the prompt settlement of debts of deceased members of our expeditionary forces abroad (H. Doc. No. 1281); to the Committee on Military Affairs and ordered to be printed.

2. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Secretary of War submitting supplemental estimates of appropriation required by the War Department for the fiscal year ending June 30, 1919 (H. Doc. No. 1282); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BURNETT, from the Committee on Immigration and Naturalization, to which was referred the joint resolution (H. J. Res. 331) authorizing the readmission to the United States of certain aliens who have been conscripted or have volunteered for service with the military forces of the United States or cobelligerent forces, reported the same without amendment, accompanied by a report (No. 783), which said bill and report were referred to the House Calendar.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII,

Mr. GANDY introduced a bill (H. R. 12960) for the relief of Frank Walsh, Fred F. Fuller, and Otto F. Schroeder, which was referred to the Committee on the Public Lands.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BROWNING: Memorial of the Philadelphia and New Jersey Conference, Methodist Episcopal preachers' meeting, adopted on September 9, 1918, petitioning the Congress that plans be consummated whereby ministers of the gospel shall not be exempted from service under the selective-service law; to the Committee on Military Affairs.

By Mr. HOLLINGSWORTH: Memorial of T. C. Flick and 14 other druggists of East Liverpool, Ohio, and Chester and Newell, W. Va., protesting against any change in the Harrison narcotic law; also memorial of Flot & Schafer, of Steubenville, Ohio, protesting against taxation of high-grade shoes as luxuries; to the Committee on Ways and Means.

By Mr. LINTHICUM: Petition of James H. Preston, mayor of Baltimore, Md., against the proposed tax on State and municipal bonds; to the Committee on Ways and Means.

By Mr. PRATT: Resolution adopted at a public meeting held at Bradford, N. Y., relative to polygamy, signed by E. C. Van Keuren and W. M. De Witt; to the Committee on the Judiciary.

Also, petition, protesting against any additional tax upon nonbeverage alcohol used as raw material in the manufacture of commodities already subject to the sale tax, by the druggists and pharmacists of Hornell, N. Y., signed by A. S. Van Winkle, George Hollands & Sons, Hornell Drug Co., Horace G. Pierson, Young Pharmacy, E. D. S. Robison, H. D. Walters, and C. V. Hawley; to the Committee on Ways and Means.

By Mr. SNOOK: Petition of H. L. Good and others protesting against the increase of revenue taxes on automobiles; to the Committee on Ways and Means.

SENATE.

WEDNESDAY, *September 18, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, as Thou dost read the secrets of our hearts Thou dost know that we desire to hold our place with honor among the nations of the earth. We seek from Thee the virtues and the graces of statesmanship. We pray Thee to give to us an unyielding purpose with high ideals and divine aspirations that we may serve faithfully and well our fellow men and our God in the present crisis. Grant us that will to do God's will, that we may not compromise in the face of danger for any purpose or reason the great principles upon which we have founded a government of the people, for the people, by the people. Help us to this end this day in our work. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

ATLANTIC INTRACOASTAL CANALS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Commerce, transmitting, in response to a resolution of July 5, 1918, a report on the commercial, military, and other advantages of deep sea-level canals connecting Massachusetts Bay and Buzzards Bay, New York Bay and Delaware River, and Delaware River and Chesapeake Bay, with particular reference to their ownership and operation by the Government of the United States, which, with the accompanying papers, was ordered to lie on the table.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by J. C. South, its Chief Clerk, announced that the House disagrees to the amendment of the Senate to the bill (H. R. 11259) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of those ores, metals, and minerals which have formerly been largely imported or of which there is or may be an inadequate supply, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. FOSTER, Mr. TAYLOR of Corolado, and Mr. GARLAND managers at the conference on the part of the House.

SUSQUEHANNA RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (S. 4871) to authorize the Philadelphia, Harrisburg & Pittsburgh Railroad Co., its lessees, successors, and assigns, to construct a bridge across the Susquehanna River, from the city of Harrisburg, Dauphin County, Pa., to the borough of Lemoyne, Cumberland County, Pa., and I submit a report (No. 572) thereon. I ask for the immediate consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 4932) to amend an act entitled "An act to provide further for the national security and defense and, for the purpose of assisting in the prosecution of the war; to provide credits for industries and enterprises in the United States necessary or contributory to the prosecution of the war; and to supervise the issuance of securities, and for other purposes," approved April 5, 1918; to the Committee on Finance.

By Mr. STERLING:

A bill (S. 4933) granting a pension to Lucy A. Schriver (with accompanying papers); to the Committee on Pensions.

By Mr. CURTIS:

A bill (S. 4934) granting an increase of pension to Elizabeth Forrest (with accompanying papers);

A bill (S. 4935) granting an increase of pension to Susan Owens (with accompanying papers);

A bill (S. 4936) granting an increase of pension to Frank J. McLaughlin (with accompanying papers);

A bill (S. 4937) granting an increase of pension to Silas J. Warford (with accompanying papers);

A bill (S. 4938) granting an increase of pension to Robert S. Clark (with accompanying papers);

A bill (S. 4939) granting an increase of pension to Lizzie Noland (with accompanying papers);

A bill (S. 4940) granting a pension to Sureno Doll (with accompanying papers);

A bill (S. 4941) granting a pension to Julia McKim (with accompanying papers); and

A bill (S. 4942) granting an increase of pension to Henry W. Botsford (with accompanying papers); to the Committee on Pensions.

By Mr. OWEN:

A bill (S. 4943) granting a pension to Jesse W. Bowdle; to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 4944) to permit free entry into the United States of all material and articles imported for the use and by order of the War Department or the Navy Department during the existing war, and for other purposes; to the Committee on Finance.

A bill (S. 4945) to amend an act entitled "An act to give indemnity for damages caused by American forces abroad," approved April 18, 1918; and

A bill (S. 4946) to permit organizations, units, and detachments of the military forces to sell kitchen by-products, waste, and garbage from their messes, and to permit the Government to be the purchaser thereof; to the Committee on Military Affairs.

THE REVENUE.

Mr. RANSDELL submitted an amendment intended to be proposed by him to the bill (H. R. 12863) to provide revenue, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

Mr. OWEN submitted an amendment intended to be proposed by him to the bill (H. R. 12863) to provide revenue, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

INSURANCE OF COAL SUPPLY.

Mr. MYERS. Mr. President, I introduce a bill and ask that it be referred to the Committee on the Judiciary. After it has been read by its title, I ask the indulgence of the Senate for a few minutes in which to speak a few words in explanation of it.

The bill (S. 4931) to insure a supply of coal for munition works, and for other purposes, was read twice by its title and referred to the Committee on the Judiciary.

Mr. MYERS. Mr. President, I wish to bring briefly at this time to the attention of the Senate the importance of this measure. It is a bill which is designed to aid in preventing a shortage of the coal supply of the country during the coming winter, not only for domestic consumption but for munition plants and for other war industries and activities. It is a vitally important matter.

I have a short clipping from the Washington Post of the 15th instant relating to the subject, which I will read:

> A shortage of 17,000,000 net tons of industrial coal for the coal year to date is the situation that confronts the American people, it was learned last night, with no probable relief from any other source besides economy.
>
> The daily average required for the rest of the coal year, from now till March 31, 1919, to make up the deficit is 2,041,000 net tons. Some encouragement is seen by the Fuel Administration, however, in the speeding up by the miners that resulted in producing 11,249,000 net tons for the week ending September 7, including the lay off on Labor Day, averaging a daily production of 2,110,000 net tons, which is more than the future daily average required.
>
> The anthracite production for the week is estimated at 1,617,579 net tons, which is 3 per cent less than the corresponding week of last year.

Mr. KELLOGG. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Minnesota?

Mr. MYERS. I yield with pleasure.

Mr. KELLOGG. I understand the bill introduced by the Senator is one to prohibit the sale of intoxicating liquors in the vicinity of coal mines.

Mr. MYERS. It is a bill to prohibit the sale of intoxicating liquors within 5 miles of any coal mine for 60 days after the 1st day of October, 1918, which I think would be a great help.

Mr. KELLOGG. The President has the power to-day to prohibit the sale of intoxicating liquors within that radius of coal mines. I think the joint resolution passed by Congress a few weeks ago grants the President that power.

Mr. MYERS. It grants to the President the power, in his discretion, to make such orders. It says he may make such an order and may at any time establish zones of such size as he may deem advisable about coal mines, munition factories, shipbuilding plants, and other war plants, in which the sale of intoxicating liquor may be prohibited. This bill applies to coal mines only, and is intended to meet an emergency. It would absolutely prohibit by law the sale of liquor within 5 miles of any coal mine for a period of 60 days from the 1st of October, 1918. After that period of time, it would have no application. That is the difference.

I have a letter from Prof. Irving Fisher, of Yale University, on the subject. It is short and I will read it:

> YALE UNIVERSITY,
> *September 16, 1918.*
>
> Senator HENRY L. MYERS,
> *Washington, D. C.*
>
> MY DEAR SENATOR MYERS: I have just learned of your intention to introduce an emergency bill closing saloons around coal mines, and want to say that, in view of the serious situation ahead for New England in respect to coal, I believe this bill should be of special importance for this section of the country.
>
> If more people realized both the coal scarcity and the part which liquor plays in aggravating that scarcity, there would be almost universal support of such a bill from Connecticut and New England.
>
> Wishing you all success, I am
> Very sincerely yours, IRVING FISHER.

I will say in addition, Mr. President, that the country is to-day confronted with the prospect of an absolute shortage of coal during the coming winter for domestic consumption and for munition plants and other war activities and industries. This bill absolutely prohibits by law the sale of liquor within 5 miles of a coal mine for 60 days from the 1st of October, 1918, and I think, if enacted, would materially help in overcoming the threatened shortage of which I am informed there is ample documentary proof, which I would be glad at any time to submit to the Judiciary Committee or to the Senate.

Mr. JONES of Washington. I wish to ask the Senator if this proof has not been submitted to the Fuel Administration and to the President?

Mr. MYERS. I could not say. It may have been.

Mr. JONES of Washington. I think it ought to be. Of course, I am in hearty sympathy with the proposal of the Senator. I think Congress really ought by legislation to prohibit it, but we have not seen fit to do that. We have left it to the discretion of the President. I think the Senator would be serving a good purpose to bring this documentary proof to the attention of the President and the Fuel Administration and be sure that they have it, because action ought to be taken either by the legislative body or by the executive department.

Mr. MYERS. I have been furnished with this information by other parties and they have assured me that they are able to furnish documentary proof, and doubtless they have laid it, or will lay it, before the President and the Fuel Administration. The danger appears, from representations to me, to be imminent, and the President has so many things resting upon him and vested in his discretion that I think Congress ought to be willing in some instances to assume responsibility and act directly. I think this is one of them.

GERMAN SUBMARINE WARFARE.

The PRESIDING OFFICER (Mr. POMERENE in the chair). The morning business is closed.

Mr. THOMPSON. Mr. President, I gave notice yesterday that I would address the Senate briefly this morning on the German submarine warfare. I desire to give notice that on next Tuesday, September 24, following the morning hour, I will speak more at length on matters pertaining to my recent visit to the war zone if the parliamentary situation at that time will permit. I shall confine my remarks this morning principally to the submarine question.

A few days ago there appeared in the press the following statement of Admiral von Scheer, chief of the German Admiralty staff:

> You may say to the country with a good conscience that I do not doubt for a moment we shall bring England to her knees by submarine warfare. Only I do not bind myself to a definite date.

On my recent visit to the war zone I had occasion to give some study to submarine warfare, and I am glad to be able to state from knowledge I have received from those who are acquainted with the exact facts that there is nothing to alarm the country in this boast of the German admiral. This cry is simply like the proverbial drowning man reaching for a straw. It is the last effort to alarm the country over the submarine. One of the best items of information I am able to bring home to the people of this country is the fact that the intended object of the submarine warfare has proved a failure. I think I can also safely say that the submarine is no longer a serious menace to transportation across the seas. It is, of course, an annoyance and a great hindrance, and as long as there is a single submarine in the waters of the sea every effort must be made by the allied powers to destroy it, for it is an outlaw and must not exist. The truth is that Germany never had more than 320 submarines all told, including all construction before and since the war.

We have positive knowledge of the destruction of more than one-half of these submarines, and we also know that it is practically impossible for Germany to keep in operation more than 10 per cent of those remaining. It is therefore reduced to a negligible quantity so far as its ultimate effect upon the result of the war is concerned. The Senator from Illinois [Mr. LEWIS], after his recent unfortunate experience, may not agree with me in this; but I feel I owe it to the mothers and fathers of the country, whose boys are daily going upon the transports and crossing the seas, to tell them the exact facts. It will be observed that the transportation of troops and supplies goes on just as vigorously and almost as uninterruptedly as if the submarine did not exist. I saw a reliable statement in France to the effect that there is one ship of some character leaving the eastern shores of America for the war zone every six minutes, and it is only a few vessels which are ever torpedoed, estimated at about 1 per cent. This is less than the loss by storm and accident in the earlier days of transportation and is not much greater than such loss now. We must bear in mind that we read only of the ships which have been torpedoed and see but little account of the hundreds of ships which pass over the ocean safely and undisturbed. Three hundred thousand soldiers are conveyed across the Atlantic every 30 days, and an average of about 500,000 tons of freight carried to the French coast. There are warehouses in only one of the many ports of France with a capacity of over 2,000,000 tons.

It is to the Navy that this credit for the destruction of this outlaw seagoing craft is due. The Navy is and has been the backbone of this war, the same as it has been of almost every great war in history. Without the allied navy the submarine would have perhaps accomplished its nefarious purpose in starving the European allies and in preventing them from securing the necessary munitions of war to defend themselves. It has utterly failed in this respect. The allies are amply supplied with food, and there are provisions enough on hand now, if every ship should be sunk, to last the allies and armies for months. The destroyer is the ship which has brought Germany to her knees in submarine warfare and will keep her there. We have not enough destroyers, and it is for this reason we are obliged in this great transportation problem to run risks which would not be taken under ordinary conditions. If every ship was escorted by a sufficient number of destroyers I doubt if there would be a single ship of any consequence sunk, except by the merest accident. It will be observed, however, that there has not been a single American transport, loaded with soldiers conducted by American crews and convoyed by an American escort, which has been sunk since the commencement of the war. All successful attacks on American ships have been made on their return trips when the boats were empty and are usually escorted through necessity by a less number of destroyers. Due credit should be given to the American Navy for this wonderful record. Too much can not be said of the good work of the Navy—that branch of the service which says so little and does so much.

It is pleasing to know that even across the English Channel ships are now operating with about the same ease and security as before the war. It may be interesting to know just how carefully ships are guarded on their trips across the sea and the extra precautions which are taken against the submarines. There were 12 large transports in the convoy of ships with which I sailed to France, carrying about 40,000 American troops, which were escorted, in addition to the assistance of airplanes and dirigible balloons, commonly called "sausages" on account of their shape, which operate close to shore in the danger zone on each side, by a cruiser and destroyers until we got within the danger zone on the other side of the water, where we were met away out in the sea, in the darkness of night and in a dense fog, by many additional American destroyers, which were mighty welcome after the long voyage. The colored soldiers, who usually see the humorous side of things, dubbed them "the little Fords" as they came floating up, dancing, as they said, a "two-step" upon the waves. At night all portholes were closed, and no light of any kind was permitted to show on deck, not even a lighted cigar. Dim lights were permitted in the rooms, but all outside portholes, windows, and doors were kept securely closed, and no one was allowed to remain on deck. There were about 100 lookouts, with two men in each, on the ship on which I sailed, making at least 400 eyes from this one ship upon the water in all directions at all times. These men are all connected by telephone to the bridge deck, and the moment anything is sighted it is communicated to the officer on deck, who directs the gunners. Everything is reported, no matter how small, including birds, fish, porpoise, whale, bottles, boards, boxes, barrels, newspapers, weeds, or trash of any kind. An order is given to each lookout to remember that there is nothing too small or insignificant to report. I was struck with the instructions to the lifeboat crew, prepared by the commander, who, I am proud to say, is a Kansan, Lieut. Commander Charles Clifford Gill, who has written a very interesting and instructive book on the subject of "Naval power in the war," which is now used as a textbook in the Naval Academy at Annapolis. These instructions read as follows:

Frequent inspections of boats do not give good results unless these inspections are thorough, and every fault found, whatever may be its nature or however small or unimportant it may appear, is rectified at once.

Men should be instructed to perform all duties in connection with lowering and handling boats. This can only be accomplished by frequent drill and instruction by officers qualified to perform this duty. All hands must be taught to show initiative in performing their duties to passengers and in adopting prescribed procedure to meet unforeseen contingencies.

There are lifeboats and rafts for all passengers, each lifeboat being commanded by a competent crew of sailors and naval officers, and, in addition to the crew, each boat holds 36 passengers and is equipped for sailing, and carries a supply of provisions. Life preservers are provided for each passenger and all others on board, and what is termed "abandon ship drill" is had on each boat at least once every day and sometimes unexpectedly in the night. In the danger zones all passengers are ordered to put on their life belts and to keep them on. The colored troops also saw the funny side of this performance, and in their humorous way called the life preservers "droundin' jackets" and referred to the drill as the "droundin' drill." On our way over we had three engagements with supposed submarines. One of the objects turned out to be a floating target, but it was never determined what the other objects fired upon actually were, but it is not probable that they were submarines. There are over 3,000 reports of destruction of submarines, when there were only about 300 in existence. But the naval officers take no chances. They always shoot at everything in the water that looks suspicious or dangerous. Even the whales suffer by reason of their peculiar method of traveling in the water, their back fin when a distance away having the appearance of a periscope and leaving a ripple on the water in their path exactly like that made by a periscope. The submarine commanders are afraid of the armed ships, for they know that if ever their periscopes are seen by an American gunner it is "all off" with them. They are also deathly afraid of the American destroyers, who go right straight after them the moment they are sighted, and if the submarine submerges the destroyers drop the terrible depth bombs down upon them, which destroy everything within a radius of several hundred feet.

After witnessing the good effects of arming the ships, one wonders at the action of the Senate of the United States, as late as March, 1916, when it refused to give the President authority to arm these ships in self-defense. It would have been a good thing for the country if some of those who opposed armed neutrality should have been required to make a trip abroad just before that action was taken. It would certainly have given them the necessary light on the subject.

Arming the ships has changed the mode of submarine warfare by requiring the submarine to stay under water and to fire its torpedo from under the water. The submarine is now required to get the location, speed, and direction of a ship it attacks for a distance of from 8 to 10 miles, where its periscope can not be seen. It dare not come to the surface within sight of any armed ship. The submarine commander at that distance away estimates the proper time to launch a torpedo to reach the point the ship will pass, continuing in the same direction at the same rate of speed, and then submerges and proceeds under water without even daring to show its periscope, and when within launching distance of the ship's path, ordinarily about half a mile, fires the torpedo under water, which usually hits its mark unless the ship attacked has in the interim changed its speed or course. Hence the necessity for zigzagging and changing the speed, the common method now employed by all ships to avoid this distant hidden submarine which lies in wait for its prey. People often wonder why, with so many armed ships and destroyers around, a submarine, after a successful attack, is permitted to escape. The reason is that the submarine, sighting the ship miles away, where its periscope can not be seen, and then proceeding under water and staying under water when it discharges its torpedo, and then immediately going in the opposite direction under water, can seldom be discovered.

Of course, if a ship runs into one, or if a submarine puts up its periscope within a distance to be seen by the eye or a field glass, it is fired upon or rammed by the large ship itself or a

destroyer, and it is usually sunk. The *Olympic*, the ship on which I returned, recently rammed and destroyed a submarine and rescued most of its crew. Every possible precaution should be taken to prevent any further destruction of ships by the murderous submarine. German prisoners, officers in particular, placed in the empty ships on their return trips, and Germany so advised, might help materially to protect them in their passage. A few hundred more destroyers and submarine chasers, which are now in the process of construction, will do the business, and it will be Germany that is brought to her knees instead of England.

It was my good fortune to see the Grand Fleet, which is generally understood to be in the vicinity of the North Sea. This was formerly called the Royal Fleet, but since the entrance of the United States into the war and the joining of our Navy with this fleet the name has been changed to the Grand Fleet, and it is certainly worthy of its name, for it is conceded by all to be the greatest and most powerful fleet ever brought together under one command. Sailing in single file, without counting the numerous destroyers, submarines, submarine chasers, and other smaller craft, it is said to be about 80 miles in length and requires hours, going at ordinary speed, to pass in review. With such a fleet no one ever need worry about the German Navy coming out of its hiding place and doing any very great damage.

There is perfect harmony between the British and the American officers in this command. Admiral Beatty, of the British Navy, is, of course, supreme in command, but it frequently devolves upon our American Admiral Rodman to command, and whenever orders are given by either commander they are obeyed and respected as if of equal authority. Admiral Rodman is one of the resourceful and practical men of the Navy, so much admired by the people of this country. When I left him at the Grand Fleet on August 29 I asked if there was any message I could take for him to the Secretary of the Navy or if there was anything we could do for him in Congress, and he replied, "Not a thing. Tell the Secretary we have everything we need over here and that everything is running perfectly smooth, and for God's sake let us alone." With such a spirit we need have no fear that our Navy is not in safe hands, for like the command of Admiral Dewey, even with the cables cut, whenever a fight comes, which all of our men and officers are itching for, victory will sure be on our side.

VALUATION OF RAILROADS.

Mr. KING. Mr. President, I should like to have read and inserted in the RECORD the very brief editorial, which I send to the desk, relating to a matter as to which a bill was introduced some time ago. It seems to me that this is an opportune time for the Committee on Interstate Commerce to consider the matter referred to in this editorial.

The PRESIDING OFFICER. The Chair hears no objection to the request of the Senator from Utah, and the Secretary will read as requested.

The Secretary read as follows:

WASTE OF MEN AND MONEY.

Attention has been directed to the fact that Congress has not yet repealed the useless and costly law which keeps hundreds of expert men at work trying to make a valuation of the railroads. The work costs millions of dollars, it is worthless even before it is finished, and it will never be finished. At this time, when expert accountants and railroad operators are badly needed, it would seem that immediate suspension of the valuation act, if not its repeal, would be demanded by the Government itself.

No argument is needed to show that the valuation work is useless. The Government has taken over the railroads. A new system of evaluation has been worked out already. The sums of money originally spent upon the railroads or their actual physical valuation on the basis of what it would cost to reproduce them are matters of no consequence. In the first case time has changed conditions, and in the second case time will have changed conditions again before the Government and the railroads could agree upon any valuations based upon cost of reproduction. The cost of reproduction in 1914 and the cost of reproduction now, for example, are as different as day and night. What will be the cost of reproduction of the railroads in 1920 or whenever the war is over? No human being can guess.

Mr. KING. Mr. President, I should be very glad if the Committee on Interstate Commerce would take up the bill, which is pending in that committee, for the abolition of this useless body. I think the editorial which has just been read very strongly sets forth the reasons for some affirmative action.

BOND EXEMPTION.

Mr. SIMMONS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bill (H. R. 12923) to supplement the second liberty-bond act, as amended, and for other purposes.

The PRESIDING OFFICER (Mr. ASHURST in the chair). The Senator from North Carolina asks unanimous consent that the Senate proceed to the consideration of the bill named by him. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Finance with amendments.

Mr. CURTIS. Mr. President, unanimous consent having been given for the consideration of the bill, as asked for by the Senator from North Carolina [Mr. SIMMONS], I make the point that there is no quorum present.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Ashurst	Henderson	Nelson	Smith, Md.
Bankhead	Jones, N. Mex.	New	Smith, S. C.
Beckham	Jones, Wash.	Nugent	Sterling
Brandegee	Kellogg	Overman	Thomas
Culberson	Kendrick	Phelan	Thompson
Cummins	King	Poindexter	Townsend
Curtis	Kirby	Pomerene	Trammell
Dillingham	Knox	Reed	Underwood
Drew	Lodge	Robinson	Vardaman
Fall	McCumber	Shafroth	Walsh
France	McKellar	Sheppard	Warren
Gore	McNary	Shields	Wilfley
Guion	Martin, Ky.	Simmons	Williams
Hale	Martin, Va.	Smith, Ariz.	
Harding	Myers	Smith, Ga.	

Mr. KING. I wish to announce that the Senator from Rhode Island [Mr. GERRY] and the Senator from Oregon [Mr. CHAMBERLAIN] are detained on official business.

The PRESIDING OFFICER. Fifty-eight Senators having answered to their names, a quorum of the Senate is present. The Secretary will read the bill.

Mr. SIMMONS. I ask that the formal reading of the bill be dispensed with.

The PRESIDING OFFICER. The Senator from North Carolina asks that the formal reading of the bill be dispensed with. Is there objection? There being none, the bill will be read for amendment, the committee amendments to be disposed of first.

The Secretary proceeded to read the bill.

Mr. SIMMONS. Mr. President, I do not know whether I am expected to make a statement with respect to the purposes of this bill and the manner of accomplishing those purposes; but I am inclined to think that by making such a statement probably time will be conserved. In doing this I think it will be more helpful to an understanding of the bill to take it up section by section.

The first section of the bill is a general provision exempting from certain taxes the income upon not to exceed $30,000 of so-called fourth liberty bonds when owned by any person, partnership, association, or corporation. The present law exempts all of these bonds from normal income taxes. The present law exempts the first issue of liberty bonds not only from normal taxes, but from surtaxes, excess-profits taxes, and all other taxes except estate or inheritance taxes. The bonds of the second and the third and the fourth issues are subject, however, to surtaxes and excess-profits taxes as well as inheritance taxes.

The purpose of the first section is to exempt from taxation the income from as much as $80,000 of all of these bonds—not only those of the first liberty loan, converted, but those of the other three liberty loans. The second paragraph of this section somewhat enlarges the exemption allowed in the first paragraph to which I have just alluded. This paragraph provides that a taxpayer, whether an individual, corporation, or copartnership, who has subscribed to the bonds that are to be presently sold to any amount not exceeding $30,000, but who has in his ownership on the date of his tax return bonds of the first converted, second, or third liberty loans may be allowed, in addition to the exemption as to the $30,000 of the fourth loan, an exemption equal to one and one-half times the amount of bonds originally subscribed for and held by him of the fourth issue, provided that the amount does not exceed $45,000.

It will be manifest, Mr. President, that under these circumstances it is possible that one person or corporation or association may secure, through the operation of this act, exemption from taxation to the extent of $75,000. In addition to that, of course, he will have the exemption of $5,000 which is now allowed by law; so that $80,000 is the largest amount for which, under any circumstances, one person or association could claim exemption under paragraphs 1 and 2 of section 1 of this act.

It is important, I think, to impress upon the Senate that there should be no confusion with reference to the exemption. It is not an exemption of $30,000 or $80,000; it is merely an exemption of the interest or the income from that amount of bonds. If the holder of bonds of the first converted, second, or third issue does not subscribe to and become the owner of bonds of the fourth issue he would not be entitled to the benefit of any exemption with reference to these bonds. The third subdivision of section 1

provides that the holder of bonds of the first issue, who has not converted them into those of the second issue or the third, but who converts into the fourth, shall be entitled to the benefit of the exemption up to the interest upon $30,000 of such converted bonds.

That is all that the bill provides with reference to the bonds.

Section 2 of the bill provides for an increase in the amount of war-savings stamps that may be sold by the Secretary of the Treasury from $2,000,000 to $4,000,000. I think it is well known that these stamps have proved very popular, and their sale has been found an excellent means of inducing men of very small means to come to the relief of the Government in the matter of finance. That section also provides that the original provision with reference to war-savings stamps, which limited to a thousand dollars the amount of these stamps that might be held or owned by any one person, shall be amended so as to provide that the limit of a thousand dollars shall apply only to one series—these stamps being issued in series—thus making it possible for any citizen of the country to purchase as much as $1,000 of each series that may be issued. Section 2 also strikes out the provision of the second liberty-loan act the provision that no person shall be permitted to buy more than $100 worth of these stamps at any time. This allows the purchase of the whole $1,000 worth or any lesser amount at any one time.

The third section simply extends to war-profits taxes the provisions of section 8 of the second liberty-bond act. Senators will recall that the third liberty-loan act is an amendment of the second. The second liberty-loan act uses the term "excess-profits taxes." That covered the taxes that we had then levied. The revenue bill now pending in the House provides for a different method of taxation, known as war-profits taxes, and this section simply extends the exemption to war-profits taxes as well as excess-profits taxes.

The fourth section of the bill authorizes the Secretary of the Treasury during the war and for two years after its termination to acquire foreign currencies and credits, and to designate depositories in foreign countries of these credits and these currencies, so as to enable him to adjust, regulate, and stabilize matters of foreign exchange.

Under the present law, while the Secretary of the Treasury may sell bonds or certificates of indebtedness of the United States in foreign countries, he is not permitted to deposit the proceeds of those bonds in the banks of foreign countries. He has no authority to establish Government depositories in foreign countries. He has no authority, under the law, to transfer funds from the Treasury of the United States to a depository in a foreign country. These conditions have made it exceedingly difficult for the Treasury Department to do anything to stabilize the unsettled foreign exchange situation. It is felt by the Secretary that if he is permitted to acquire foreign currency and deposit it in foreign banks the difficulties which we are now having by reason of the uncertainty of exchange values will measurably disappear.

Mr. OWEN and Mr. KING addressed the Chair.

The PRESIDING OFFICER. Does the Senator from North Carolina yield; and if so, to whom?

Mr. SIMMONS. I yield first to the Senator from Oklahoma.

Mr. OWEN. I should like to say to the Senator I introduced an amendment to the revenue bill covering that exact point, because an examination of the matter makes it perfectly clear that the Secretary of the Treasury must have this authority if we are to be able to put the dollar at par in the neutral countries where we are making purchases.

Mr. SIMMONS. I think the Senator is entirely right about it. I think that is a very valuable provision of the bill. I yield to the Senator from Utah.

Mr. KING. Mr. President, I have received a number of communications recently from American business houses engaged in commercial enterprises in the Latin American Republics, principally Venezuela and British Colombia and Peru, and there has been some considerable complaint in regard to the exchange and the great loss which the Americans sustain by reason of the lack of stability of exchange. Does the Senator think that this measure will relieve in part some of the difficulties which are now being experienced by those engaged in commercial activities in South America?

Mr. SIMMONS. That is the opinion of the Treasury Department.

Mr. LODGE. That is the purpose.

Mr. SIMMONS. And your committee entirely concurs in that opinion.

Mr. KING. The point I had in mind was whether this measure, when enacted, will enable the Secretary of the Treasury to accomplish all that is desired in that respect.

Mr. SIMMONS. It seems to me to be about as far as we can go with reference to foreign currencies.

Mr. OWEN. I should like to observe that under the present circumstances, where the United States is furnishing the credit by which to stabilize foreign exchange in New York at 4.76⅞, the present rate, the effect is that the purchases made by Great Britain and by France become, in effect, liabilities of the United States in relation to international exchange. The consequence is that the United States is bearing that burden, and the only way in which it can be obviated is by placing the credit of the United States with nations which are now creditor nations of the United States through this process; and that will be covered by the proposal which is in the revenue bill.

Mr. SIMMONS. I might add that the present situation with reference to Spain is one that appeals for a remedy of some sort. We are buying very extensively from Spain to supply requirements of our Army and our Navy abroad, and it is very necessary that we should be able to settle those obligations in the currency of that country. That will be accomplished if the Secretary of the Treasury is permitted to buy the currency of that country and deposit it to the credit of the United States in the banks of Spain.

Mr. OWEN. The balance of trade in favor of the United States with Spain was $55,000,000, but the international balance in favor of Spain was $125,000,000. So when we had this credit of $55,000,000 absorbed through the stabilization it left Spain an international credit on a large scale. Those funds are pouring into the banks of Spain and they are in a peculiarly advantageous position to extend credit out of those funds pouring in in lieu of commodities. So since we can not adjust it by commodity shipments the only way is by credit arrangements, and the banks of Spain, with the support of the Spanish Government, will, I am informed, be willing to adjust this matter so that these credits may be extended against our purchases.

Mr. SIMMONS. The only other section in the bill——

Mr. REED. Before the Senator goes to that I should like to call his attention to paragraph 2 of section 1, if I do not disturb the course of his remarks.

Mr. SIMMONS. Not at all.

Mr. REED. As I understand paragraph 2 of section 1 it does not propose to exempt bonds from taxation in any amount unless the owner of the bonds shall subscribe to the new liberty loan.

Mr. SIMMONS. I explained that.

Mr. REED. And he escapes taxation in proportion to his ability to subscribe to the new liberty loan, with a limit that he can not get an exemption beyond $45,000. One of the objects, I suppose, of the committee is to bring the bonds back to par.

Mr. SIMMONS. That is an object.

Mr. REED. Is it the object of the committee to fix this thing so that only the men who are wealthy can get the advantage of having their bonds exempted? That was not any part of the purpose of the committee?

Mr. SIMMONS. No.

Mr. REED. Of course it was not. Now, let us take this sort of a case: A man who when the second liberty loan was offered, feeling and believing that his Government needed the money, put his entire fortune into liberty bonds. Although he might have invested his money at more lucrative rates, he came forward with all he had. Therefore he has not the money to put into the fourth liberty loan. Do you think that that man ought to be discriminated against in favor of some individual who subscribed stingily to the second liberty loan out of his great fortune and who is able now to gain an exemption upon the bonds which he heretofore took? I have asked the question.

Mr. SIMMONS. I think there were clearly two objects in view. The first object in view was to make these bonds of the fourth liberty loan as attractive to the purchasers as possible with a view to inducing the people to buy.

Mr. REED. Attractive to some parties? Attractive only to the wealthy, or attractive to everybody?

Mr. SIMMONS. Attractive to everybody. The purpose was to make them attractive. Now, two methods of making them attractive were devised and provided for in the bill: First, he is given an exemption from all Federal taxes except inheritance taxes on the interest upon an amount that he subscribes for, not exceeding $30,000, of the fourth loan. That obviously will furnish quite an inducement for the purchase of these bonds.

As an additional inducement to the purchase of these bonds it is provided that if the purchaser shall invest his money in these bonds to any extent not exceeding $30,000 and happens to be the owner of bonds of either of the other three issues he is given a like exemption to an amount not exceeding one and one-half times the amount actually subscribed for and owned in the

present loan. That furnishes a double inducement. The very poor man of whom the Senator has spoken already has an exemption——

Mr. TOWNSEND. I wish the Senator would speak a little louder. We are all interested in what he is saying, and we can not hear a word on this side.

Mr. SIMMONS. I say the small man to whom the Senator from Missouri has referred already has an exemption from all taxes except inheritance taxes on $5,000.

Mr. REED. Everybody has that, small and big.

Mr. SIMMONS. Everybody has it to the extent of $5,000. Now, the small man will be entitled to an additional exemption to the extent of his ability to further invest. But it is not only to the small man we desire to sell these bonds. We desire to sell them to everybody, the big man and the small man alike. But it has been thought not wise to extend the exemption to all the bonds, and arbitrarily the department has suggested $30,000 as the proper limit. The small man who has his exemption upon $5,000, if he is not able to buy more than $5,000, ought not to complain if the man a step above him who can buy $10,000 is given the same exemption.

Mr. REED. Oh, yes; he ought to complain.

Mr. SIMMONS. I do not see it in that light. He has not only got his $5,000, but if he is able to invest any more he gets the same exemption as the man of larger means up to $30,000.

Mr. REED. The difficulty of the situation is twofold, and it is perfectly plain. Take two bonds identical in amount, each for a thousand dollars, issued by the Government; one of them owned by A is taxed and one of them owned by B is not taxed, because B has enough money to buy an additional bond. A must pay his taxes upon his bond because he has not enough money to buy another bond. B escapes paying taxes upon his bond because he is able to buy another bond.

Mr. SIMMONS. The Senator now is speaking of bonds of the first, second, and third issues?

Mr. REED. Yes; I am taking an illustration. I will abandon the illustration that I used and take another. A and B bought the second liberty loan 4 per cent bonds. A had $40,000 in cash, and he put it all in bonds. All that he had in the world he put in the bonds, because he was patriotic and willing to contribute. B bought $20,000 of the bonds and held back $20,000. B can now come in and buy $20,000 of bonds and have an exemption on the $20,000 that he purchased, but A, having put in all his money in the first instance, can not get any exemption, because he has not any money with which to buy any more bonds. I say that it is not fair; it is not just. It is the old principle, "to him who hath shall be given," which has never been a good maxim in morals or in law. Now, that ought not to be.

Now, we do another thing by this bill, if we can proceed in this haphazard way, with the Senator's kindly permission. You will make it an advantage to A, whom I used in my illustration, to sell $10,000 of his bonds, because by selling $10,000 of his second issue of these bonds he can turn around and buy $10,000 of the fourth issue of bonds, and thus he can get an exemption upon his whole $20,000; and instead of your sustaining these bonds and keeping them up in the market you will make it advantageous to a man to put his bonds on the market.

Mr. SIMMONS. Why would not that apply to the man who is a small purchaser of bonds as well as the man who has a large number of bonds?

Mr. REED. I am speaking of the man who can not buy. If you would exempt $20,000 in everybody's hand it would afford a price for a large volume of these bonds. Then, providing that everybody should have an exemption on the new issue in proportion to what he could buy, with a limit that he could not have an exemption beyond $40,000, you would have created a condition of equality and you would have very much more sustained your bonds.

I will say to the Senator frankly I am not speaking for myself, and I, of course, care nothing from my own standpoint; but I just recall the fact that when the second bond issue came along—the first bond issue was small—I subscribed to it to a moderate amount. I subscribed, first and last, something over $30,000 of those bonds. Under the rules you are establishing here I could sell half of my bonds and take the discount and turn around and invest it in the new issue in order to obtain an exemption, and make money by the transaction. That forces these bonds on the market, which ought never to be done. No patriotic citizen ought to want to sell them, at a discount particularly.

He ought not to sell them at all unless he has to do so. But it accomplishes that, and then unless he does sell them it leaves him to pay taxes, while the banker who can take double the amount of bonds, who has the ability to do it, will escape taxation. I say the proposition strikes me as defective, to use a very mild term.

Mr. SIMMONS. Undoubtedly we can imagine a great many cases in which almost any exemption that we might make could be worked to the advantage of one man, and could not be worked to the advantage of another man. Of course it is inherent in this system of taxation, but a man who is not able to purchase any of the next issue of bonds should not get the benefit of the exemption as to prior issues.

The only remedy for that, Mr. President, as I see it, would be a flat exemption of a certain amount of the previous issues without reference to the purchases made of the second issue. For reasons which, I take it, were very carefully worked and thought out, it was deemed unwise to make a flat exemption of the other bonds, and the exemption which is offered here is for the purpose, as I understand, or it is chiefly for the purpose, of encouraging the purchase of the proposed issue.

Mr. REED. Is it not also to sustain and keep all bonds that the Government has issued at par?

Mr. SIMMONS. That, undoubtedly, is a secondary but important purpose.

Mr. REED. Now, the Senator says it has been deemed advisable. I do not suppose that he means that he deems it advisable from the expression he used, but that the Senator means that the Treasury Department drew this bill.

Mr. SIMMONS. There is no concealment of the fact that the Treasury Department drew the bill.

Mr. REED. I have no reflections to cast on the Treasury Department. I think that, speaking broadly, their financial conduct in affairs has been very wise, but this bill comes now to the great Finance Committee of the Senate, of which the Senator from North Carolina is the distinguished head, and I think when it comes from that committee the wisdom of all these things must pass in review before the committee and before this body. I have no hesitancy in saying this is a very foolish provision, I do not care who deems it advisable. I have seen officials down at the other end of the Capitol, and even in the Treasury Department, deem things very advisable that they had to change their own minds on. I should like to know the reason——

Mr. SIMMONS. Mr. President, if the Senator will pardon me, I might agree with him if the sole purpose of this measure was to stabilize the market price of the bonds, but that is not the sole purpose. If you are to make it an incentive to buy, it is necessary that a person should not be given this exemption on previous bonds unless he invests in the last-proposed issue of bonds.

Mr. REED. Well, of course, if a man accepts everything just because somebody told him to take it, there is not any use arguing that sort of a question.

Mr. SIMMONS. Well, now, the Senator will not put me in that light. I do not suppose the Senator means that I accept everything?

Mr. REED. I was not addressing myself to the Senator; I am addressing myself to this doctrine that is being advanced that it is simply to sell the new bonds. I would not say anything unpleasant to the Senator; he knows that.

Mr. SIMMONS. I realize that.

Mr. REED. You want to sell the new bonds, do you? Well, the Government has a contract that it has made with the people of the United States who buy these bonds. The first issue of these bonds that was made contained a guarantee to the American people who might buy them that they should carry with them every advantage of any other bond that was ever issued. The second issue contained the same provision, and the third issue contained a like provision. Upon the faith of that undertaking, men and women in the country invested their money in these bonds. So, if I bought a bond for even $100 of any one of those loans, I was guaranteed by the Government of the United States that that bond would have every advantage that every other issue of bonds might have, and would be interchangeable for any other issue of bonds; that if you issued bonds at a greater rate of interest or bonds containing any other greater advantages, the owner of that $100 bond was to have the privilege of availing himself of those new advantages. Now you come along and say he shall not have the same privilege as some people may have who purchase the bonds of the fourth loan; that the people who purchase the bonds of the fourth loan shall gain an exemption of the taxation upon the bonds that they bought of the second issue, whereas the bonds that the other individual bought shall be off in a different class and shall not have an exemption. I say that in a court of equity, if it were a matter that could be brought in a court of equity and were a transaction between private individuals, you would not be permitted to do that thing.

If you want to sustain the credit of these bonds, to keep them at par, and keep people buying them, it must be by letting all the world know that the United States keeps the letter of its contract and the spirit of its contract; that, as is so well said in a side remark by the Senator from Mississippi, it deals with absolute justice and impartiality with everybody and with every question.

Mr. SIMMONS. The Senator knows that the provisions of the first liberty-loan act only allowed the holder of the bond to convert into any subsequent issue made before the termination of the war bearing a higher rate of interest; as to bonds of the second issue, and of the first converted, they had the chance to convert into the third, but if that was not done, no subsequent conversion can be made. If any of the bonds of the first issue are hereafter converted into bonds of the fourth issue, the holding of such fourth issue bonds does not carry any additional exemption to bonds of the first converted, second, or third issue. The conversion can be made only when the subsequently issued bonds bear a higher rate of interest, not if they carry some privilege that does not appertain to the bonds held. If such subsequent bonds bear a higher rate of interest, it is optional with the holder whether he will convert or not.

Mr. TOWNSEND. May I ask the Senator from Missouri a question?

Mr. REED. Certainly.

Mr. TOWNSEND. Probably my question would be more properly directed to the chairman of the Committee on Finance, but it is suggested by what the Senator from Missouri has said. Do I understand that an owner of bonds issued under the first liberty loan can not now convert them into the fourth liberty loan in any amount?

Mr. SIMMONS. He can convert them into any bonds bearing a higher rate of interest hereafter issued or thereafter issued.

Mr. TOWNSEND. So that the owner of the first liberty bonds in whatever amount can convert them into the fourth liberty loan on the terms upon which the fourth liberty loan is issued?

Mr. SIMMONS. That is my understanding.

Mr. TOWNSEND. I did not quite understand whether the Senator from Missouri understood it in that way or not, and I wanted to get that clear.

Mr. REED. Mr. President, that presents a different question, and it gives a new light upon the very matter I am discussing. It comes to me with such suddenness that I am not certain that I analyze it correctly; but the bonds of the first liberty loan because they are nontaxable, although they only draw 3½ per cent, were selling a few days ago at 102½, while the bonds of the third liberty loan were selling at about 97¼, I think, and the bonds of the second liberty loan were as low as 95. Of course, I am stating it in the rough, and my figures may be subject to slight change.

The reason for this is found in the exemption from taxation of the first liberty loan bonds, and the reason for the difference in price between the second liberty loan bonds and the third liberty loan bonds is the difference in the rate of interest, although the second liberty loan bonds are convertible into third liberty loan bonds. I understand that a third liberty loan bond is not convertible into a fourth liberty loan bond, so that, if the suggestion of the Senator from Michigan [Mr. TOWNSEND] were to be carried out, it occurred to me we are now providing a new advantage to the 3½ per cent bonds; that is to say, the owner of 3½ per cent bonds, I suspect, although I do not assert it, for I am speaking now without time for reflection, could convert—and I will ask the chairman of the committee if the holder of first liberty loan bonds could not convert—his bonds into fourth liberty loan bonds and apply to them the proviso of paragraph 2.

Mr. SIMMONS. Undoubtedly; no.

Mr. REED. So that, if I understand the chairman, and if he understands me, if I hold $1,000 of first liberty loan bonds, I can transmute them into the fourth liberty loan bonds, drawing 4¼ per cent, and then I can have those 4¼ per cent bonds exempted from taxation under this bill.

Mr. SIMMONS. And under the law.

Mr. REED. No; not under the law as it stands now, because the law as it stands now gives the holder of the 3½ per cent bonds the privilege of transmuting his bonds into the new bonds, but it does not give him any exemption from taxation, because the new bond is not exempt from taxation except as it is exempted under this clause.

Mr. SIMMONS. I was going to explain to the Senator what I meant by that statement, namely, that under the law the first issue of liberty bonds can be converted into any subsequent issue bearing a higher rate of interest. Now, under the law he is exempt as to the interest on $5,000 of bonds, and under this bill it is provided that where that conversion takes place hereafter the holder shall be entitled to an exemption of $30,000, as provided in paragraph 3 of this section. He is not entitled to this privilege under paragraph 2, except as to conversions heretofore made.

Mr. REED. Then we get to this point: I bought, say, $30,000 of the first liberty-loan issue—and I use this merely as an illustration—which are exempt from taxation, and I have $15,000 to invest in the new bond issue. I take my $30,000 of the first bond issue and transmute those bonds into $30,000 of the fourth bond issue. I then take $15,000 of my money and buy that many more 4¼ per cent bonds. I now have $45,000 in 4¼ per cent bonds totally exempt from taxation. It seems to me, Mr. President, that that is putting an enormous premium on the first bonds, and it is a discrimination in favor of the holder of those bonds. He gets an advantage that nobody else gets, and he gets an advantage that is not written in his bond. He is entitled under his bonds to transmute the 3½ per cent bonds into 4¼ per cent fourth liberty-loan bonds, but he is not entitled, except under this bill, to a further exemption from taxation on his 4¼ per cent bonds nor to purchase $15,000 more of them and have them exempted from taxation.

Mr. SIMMONS. Mr. President, I think the Senator's criticism in one way is a just criticism. The object of that, as I understand, was to induce the holders of liberty bonds of the first issue to convert them into bonds of the fourth issue.

Mr. REED. For what reason?

Mr. SIMMONS. For this reason, Mr. President: The first liberty-loan bonds are exempted from taxation for all time to come. That exemption can never be taken away by the United States Government. The holders of the bonds which are to be sold, known as the fourth liberty-loan bonds, will only enjoy the privilege of exemption from excess profits and war profit taxes and surtaxes during the war and for two years after the war.

Mr. REED. Does not the Senator think we are paying a pretty high price to get rid of that little issue? I will inquire how much was the first issue of liberty bonds?

Mr. SIMMONS. The first issue was something like $2,000,000,000.

Mr. President, as a matter of fact, by reason of this exemption from taxation feature, the bonds bearing 3½ per cent are selling in the market to-day higher than those bearing 4¼ per cent. The purpose of the Government in changing its policy with reference to those bonds is that they shall not bear the tax-exemption privilege, but shall bear a higher rate of interest. It was thought that it was to the interest of the Government, first, to put all of these bonds upon a parity with reference to permanent liability to taxation. Part of them were permanently exempt, to wit, the first issue; the remainder of them it is proposed in a qualified and modified way temporarily to exempt. It is possible that the exemption will not extend more than two or three years. If we can induce the holders of the first liberty loan bonds to convert them into the last issue of liberty loan bonds, we will subject them to tax for all time to come. That is thought to be a desirable thing to do.

Mr. REED. Mr. President——

Mr. SIMMONS. If the Senator will pardon me, therefore, as I understand, the Treasury Department, with a view to inducing the holders of those bonds to make this conversion so as to limit the tax-free privilege, has thought it wise to give them the benefit of an exemption.

Mr. REED. Mr. President, let me suggest now that there are two thoughts which might come from the statement of the Senator. The first is that we can not blindly follow the Treasury Department in this bill or in any other bill, because it was the Treasury Department that came here and told us that we must pass a bill totally exempting the first issue of bonds from taxation, and already they tell us that that was so serious a mistake that they must pay a heavy premium to get those bonds back into the Treasury. If that is true, it is time that the Finance Committee of the Senate and the Senate itself should begin to consider these questions from a somewhat independent standpoint and not give too much weight to what the Treasury Department has recommended. It might be added that the Treasury Department came here and asked for a $2,000,000,000 loan, and evidently thought that was going to be quite sufficient to run for a considerable time, and they vastly underestimated the demand. All this I say without desiring in any way harshly to criticize the Treasury.

The second observation I want to make is that as an inducement to this surrender you are not only giving an increase of interest from 3½ per cent to 4¼ per cent, but you are extending the right of exemption itself beyond the original loan, and it is possible that it may go to the extent of $3,000,000,000 instead of $2,000,000,000. That is to say, the first loan was

$2,000,000,000, totally exempt. That $2,000,000,000 of 3½ per cent bonds can now be transmuted into $2,000,000,000 of 4¼ per cent bonds, and then the owner of these $2,000,000,000 of bonds has the privilege of buying and having exempt $1,000,000,000 more of the 4¼ per cent bonds. So that in order to get rid of a nontaxable issue of $2,000,000,000 at 3½ per cent we transmute them into nontaxable bonds of $2,000,000,000 plus a further billion dollars of nontaxable bonds, all bearing 4¼ per cent.

It is true, as stated by the Senator in charge of the bill, the distinguished chairman of the committee, that this taxation exemption is not as broad as that which obtains with reference to the first issue, but it applies to a billion dollars more bonds than the first issue; it involves an increase in the rate from 3½ to 4¼ per cent; and as these exempted bonds will be largely held by the wealthy classes, because they are about the only classes that will be able to take advantage of it, they will gain exemptions on their surtaxes. I have not the slightest question but that when the account comes to be taken and the whole matter is figured up you will find that you are paying an enormous premium on the first issue of bonds.

Mr. SIMMONS. The Senator recognizes the fact that under the law of their issue the owners of bonds of the first issue will always be entitled to have them converted into bonds of any subsequent issue bearing a higher rate of interest.

Mr. REED. Exactly.

Mr. SIMMONS. That can not be avoided.

Mr. REED. That can not be avoided; but you are giving them that advantage, and then giving them the right to buy and have exempted an additional one-third of the new issue.

Mr. SIMMONS. Oh, not of the whole amount. Besides, no additional right to purchase bonds of the fourth issue is carried by owning bonds of the first issue.

Mr. REED. Up to $45,000.

Mr. SIMMONS. The Senator is entirely wrong about that. If a man belonging to the very rich class that the Senator spoke of a little while ago owns these bonds in large volume, as the Senator says is the case, however large his holdings may be, if he holds a million or ten millions of them, he can only get this privilege for $30,000 of that total amount.

Mr. REED. I understand that, and he can acquire $45,000 exempt. Now, here is the way it works out——

Mr. SIMMONS. He can acquire $45,000 of the second and the third issues—that is, he can secure exemption for $45,000 of those issues only in case of a new subscription and purchase of $30,000 in the fourth issue, added to the $30,000 of the issue that the Senator is speaking about—the first issue—but if he owns $10,000,000 of bonds other than the first issue he can only get an exemption at a maximum of $80,000 of the $10,000,000, or if it is $20,000,000, or if it is $50,000,000, or if it is $60,000,000, he can not get an exemption for any larger amount.

Mr. REED. Exactly; I understand that. I frankly state that the $45,000 limitation is there. I also just as frankly state that it will not amount to a bawbee, and I will give my reason for the statement.

This is the way the thing works out: A concern has $250,000 of these first liberty bonds. It has a lot of clients, and through these clients it will make the subscription for these bonds; or a man has a family, and the bonds will be distributed around so that you need not trouble yourself; the exemption will be applied, and applied very broadly.

Let me tell you the reason why I make that statement. I remember, when Government bonds were exempted heretofore, that there were a lot of men in every community who managed to exempt a large amount of their property by having it in Government bonds; and if you had figured up the aggregate of those exemptions throughout the United States, they would have exceeded the Government bond issue by probably 10 or 15 to 1. Of course, it was a fraud worked, because the bonds were passed around from one man to another. The bank account of A was transmuted into bonds to-day, and he made his return, and the same bonds answered the same purpose for C, D, and E on other days. You are by this bill as it now stands giving the wealthy man who has $30,000 of the original bonds exempt from taxation the right to transmute them into $30,000 of 4¼ per cent bonds free from taxation and to buy and have free from taxation $15,000 more of those bonds, while the individual who can not do that will be obliged to hold his bonds without any exemption privilege. Now, it seems to me that that is utterly unjust and utterly indefensible. What I think would be the fair way to fix this matter would be to grant to every individual an exemption on a certain amount of bonds, and no more, and let that exemption apply to all of the issues of the bonds; and the minute you had a law by which any man owning Government bonds up to the amount, let me say, of $10,000, could claim an exemption from taxation, I have not the slightest doubt in the world but that the result would be that these bonds of ours would come to par, and probably stay at par, which is a thing that everyone of us most earnestly desires.

I go back, and I finish what I have to say—though it is in the nature of repetition—to this proposition: Take the man who invested all the money he could raise in the second liberty loan, and did so out of patriotic motives. That man must continue to pay taxes. The man who has money to invest in the fourth liberty loan can, by investing in that loan, escape taxes upon the bonds that he bought up to $45,000. I do not think that is wise. I do not think it is fair. I do not think it will strengthen this bond issue. It will offer an inducement to men to sell a part of the bonds that they now hold in order that they may buy bonds of the fourth liberty loan with the proceeds and thus escape taxation by having that much of the nontaxable bonds. I think you will find it disastrous.

Mr. KELLOGG. Mr. President——

Mr. SIMMONS. If the Senator please, I had not quite finished my statement.

Mr. KELLOGG. I wanted to call the attention of the chairman of the committee to a matter which seems to me pertinent to the discussion of the first and second sections of this bill, and that is that the present finance bill, now before the committee, contains provisions which would entirely nullify this exemption law. I have no doubt that the Finance Committee will remedy that or take it into consideration, but there are some other things in connection with that provision which I should like now to call to the attention of the committee.

Mr. SIMMONS. Will the Senator point out the sections of the pending bill to which he refers?

Mr. KELLOGG. Yes. In the present finance bill, section 214, under "Deductions allowed from the net income which is taxed," occurs the following:

All interest paid or accrued within the taxable year on indebtedness in excess of interest received free from taxation under this title.

And the same exemption or deduction is allowed, under section 234, as to corporations. Now, the result will be, if that becomes a law, that while under the bill which we propose to pass a holder of Government bonds would be entitled to an exemption of the interest on $75,000 of them if he complied with all the conditions, it would be offset against interest which he legitimately paid in his business, and it would not be allowed to him at all. In other words, you would completely nullify this law by the deductions provided for in the revenue bill.

Mr. SIMMONS. The Senator, of course, knows that this bill, although it is here while the revenue bill is still in the House, is a subsequent measure.

Mr. KELLOGG. I am coming to that.

Mr. SIMMONS. If there is the conflict which the Senator has pointed out—and I do not wish to express an opinion about that now, because my committee has very carefully refrained from expressing any opinions at all about this bill while it is pending in the House—but if there is anything in this bond bill, which I say was originated and passed before action by it on the revenue bill, which is still pending there, which is inconsistent with the revenue bill, I assume that the House, before the bill leaves that body, will make the necessary correction. If it does not, then of course the Finance Committee will have to take up and consider that matter.

Mr. KELLOGG. The House has not done it yet. I simply call that to the attention of the Finance Committee because I think the good faith of the Congress will be pledged to maintain this exemption; but I may call the attention of the committee to the fact that that would nullify other exemptions. It would practically tax every State bond, although the bonds had already been issued, and it would tax the income from the first liberty loan bonds. I think that should be borne in mind by the Finance Committee when it considers this question of taxation of income.

Mr. SIMMONS. Surely the Senator will understand that I fully appreciate his purpose about it, and the Finance Committee will be glad to have his views before it when it takes up these questions.

Mr. President, I do not wish to follow the argument of the Senator from Missouri [Mr. REED] further than to say that I recognize, as all of us do, the fact that the Treasury Department, and I might say the Congress, has changed its policy with reference to these bonds since the passage of the first act. The first act was passed only a few days after the declaration of war by this Government. At that time it had been the unbroken policy of this Government to exempt its bonds from taxation. At that time nobody even dreamed that the amount of bonds we would be compelled to issue as the result of this war would attain to any such magnitude as it has already attained

to and as it will likely attain to before we are through with this business. The change of policy on the part of the Treasury Department, I have no doubt, is the result of a suggestion which has been made throughout the country that before this war is over there will be an immense burden transmitted to future generations growing out of the interest charges upon these bonds. It has been found necessary since the first issue to increase those interest charges to the extent of nearly 1 per cent. The feeling has grown up in the country that under these circumstances, if there were no other reasons for it, the traditional policy of the Government with reference to the exemption of bonds from taxation should not any longer be adhered to.

Another reason, Mr. President, which has greatly contributed to this change of policy is the apprehension, owing to the fact that we are issuing these bonds in such enormous volume, that if they are absolutely tax free it might be an inducement to the holders of large capital in this country to invest the main part of their estate in these bonds and thereby remove the larger part of the holdings of the rich from the possibility of having to contribute anything in the future toward the liquidation of the mountain of debt which will confront the people of this country when the war closes.

I can well understand, Mr. President, that without making any serious mistake of judgment, when you take into consideration the different circumstances which have arisen since the first issue, the Treasury Department should have changed its mind and that the country should have changed its mind. No doubt when we passed that first act it was the feeling throughout the country that the bonds ought to be free of taxation, just as all other bonds had been, but the developments of the war have presented a new situation, and on account of the considerations to which I have called attention, I think there is now a general crystallization of opinion among the people of the country that it would be very unfortunate when the war closes if these bonds should be found in the hands of a few very wealthy people and corporations, and so held by them that they never could be reached by the tax gatherer, and this enormous amount of indebtedness, which may reach to thirty or forty or fifty billion dollars, representing a very considerable portion of the aggregate wealth of this country, might in that way entirely escape the burden of taxation, so far as the discharge of this indebtedness is concerned.

It is almost impossible to frame a general revenue or financial scheme of legislation which exempts from possible discriminations as between all classes under all conceivable conditions.

Mr. FALL. Will the Senator yield?

Mr. SIMMONS. I yield.

Mr. FALL. I notice that the committee in its report has stricken out of the bill——

Mr. SIMMONS. Will not the Senator let me just finish this point?

Mr. FALL. I was simply predicating a question upon the Senator's present statement.

Mr. SIMMONS. I thought the Senator was going to refer to some other point.

Mr. FALL. I notice that section 5 is stricken out of the bill. I have here the quotations of bonds. The first liberty bonds, 3½, quoted at $100——

Mr. SIMMONS. If the Senator will pardon me, I want to discuss that elimination a minute later.

Mr. FALL. Very well; if the Senator objects, I will not interrupt him.

Mr. SIMMONS. Of course if the Senator says it is pertinent to what I have been saying, I will yield.

Mr. FALL. The Senator was speaking of the conversion of bonds; that we could convert the first liberty 3½ per cent bonds and sell them at $100 and over; but your second, which you are exempting here, are at $95. That is the question in a few words.

Mr. SIMMONS. It is not a question whether a man will convert the bonds, it is a question whether he has a right to convert them. He already has the right to convert the first liberty-loan bonds, that are selling higher than the other issues, into any subsequent issue bearing a higher rate of interest.

Mr. FALL. The Senator does not catch the point I am making. You are proposing to increase the price of these bonds by exempting them from certain taxes. Is not that the purpose of your bill?

Mr. SIMMONS. Yes; that is one purpose.

Mr. FALL. That is it, exactly. Then you are still allowing the man holding first liberty 3½ per cent bonds to go on the market and sell them for $100.10 and buy the second or the third liberty-loan issues for $95 or $96, as the case may be, under the quotations, and then convert them into the new liberty-loan bonds, free of taxes at 100 cents on the dollar, making some $4 to $5 on each bond unless you retain in the bill the provision contained in section 5. That is the question.

Mr. SIMMONS. The Senator overlooks the fact, I think, that the exemption which accrues to the holder of the first liberty-loan issue bond is a permanent exemption, and that the second and third issues can not be converted into the fourth issue.

Mr. FALL. I understand that; the first liberty-loan bonds are exempted, and for that reason the price is $100; but the provision contained in the original bill was that the President might stop the sale of bonds on the market. If you do not stop the sale of bonds on the market, the holder will sell his first liberty bonds at $100. Then he buys bonds bearing 4¼ per cent interest, which you increase to $100, if your present bill avails anything.

Mr. SIMMONS. When he buys a bond bearing 4¼ per cent interest he surrenders the permanent tax exemption and he becomes subject to all the surtaxes and profits taxes we are now levying and will levy.

Mr. FALL. If that is the case and the first liberty bonds, subject to all the exemptions, are only worth $100, you certainly do not expect to bring the second or third or fourth issue up to $100 by the passage of this bill.

Mr. SIMMONS. Mr. President, no man can tell what is going to be the effect of this bill, but I think it will be the judgment of this country, as it is of the Secretary of the Treasury and of the Finance Committee, that there should be a temporary exemption of these bonds from the payment of taxes which were high when we first levied them, and which will be double in the present bill, practically, and which in future bills may be higher even than at present. It is not very much, but the exemption will continue during the period of excessive taxation, because while we can not hope that we will return to normal conditions in the matter of taxation, all of us believe, at least all of us hope, that at the end of two years after the war we will be able to greatly reduce taxes. So we believe that the exemption of these bonds from taxes during this period of high taxation will furnish quite an inducement for the purchase of those bonds and it undoubtedly will exercise a very potent influence in increasing their market value.

Whether it will bring them to par nobody knows, but this is not the only expedient that we have adopted to bring these bonds to par. Everybody knows that the Treasury Department has already measurably stabilized and increased the market value of the bonds by the use of funds for the purchase of these bonds furnished by the War Finance Corporation act. It is the purpose of the Treasury Department to use not one means but every well thought out and promising means that may occur to it as likely to affect the value of these bonds and maintain them at something like their par value.

Mr. President, that is one of the objects of this bill. The other object, as I explained in the beginning, is to help the Government in floating the enormous amount of bonds for which it is about to ask the American people to subscribe. Billions of dollars of bonds are to be thrown upon the market by the Government in a few days. That follows the sale by this Government already of about $10,000,000,000 of bonds. It is felt, and I think that everybody appreciates that the feeling is one justified by the conditions, that every possible inducement which the Government can offer should be offered to the American people to buy these bonds. It is felt that it would be unwise to raise the rate of interest, because once you fix the rate higher than it is fixed to-day you can not escape it. Bonds that have been issued in the past become convertible into that. Every bond that is issued in the future must bear that higher rate of interest.

The Treasury Department for those reasons has reached the conclusion that it would be unwise to attempt to further induce the public to invest in these bonds by increasing the interest charge, and it has had recourse to accomplishing the same purpose, possibly not so effectively, by reducing temporarily during the period of high taxation in this country the taxes which these purchasers of bonds would have to pay on the income derived from their bonds.

If we should adopt the suggestion of the Senator from Missouri [Mr. REED] and make a flat exemption of $30,000 of bonds of the fourth issue and also a flat exemption of a like amount of bonds of previous issues, there would be no incentive to purchase growing out of the exemption given as to past issues. That would simply be granting a privilege to them, but in the granting of the privilege you would not make the granting an incentive to purchase these fourth liberty bonds. That is the purpose here. Therefore, the bill provides that in order to get the benefit of the exemptions as to bonds already issued there must be a subscription and purchase of the new issue. Where there is a subscription and purchase of the new issue then the benefit of the exemption is extended, not to the amount of the

purchase but to an additional one and a half times the amount of the purchase, if the subscriber owns bonds of the first converted, second, or third issues to that extent.

But, Mr. President, I am not going to contend—it would be folly to contend—that you can devise a system of taxation in this country and permit an exemption from taxation which will be absolutely balanced and absolutely devoid of any discrimination between classes or between individual investors and individual taxpayers in the country.

Since we have had these revenue bills up here I think two-thirds of the time of the Finance Committee—the Senator from Mississippi [Mr. WILLIAMS] is a member of that committee and will, I think, bear me out—has been devoted to trying as best we could to adjust and remove these inequalities and these discriminations. But, Mr. President, we have been unable to do it, and you can not possibly frame any system of taxation along these lines, and of exemptions, such as we must have in connection with this matter of taxation and this matter of bond issue, that will not be subject to criticism from one standpoint or another with reference to discriminations and inequalities. The exemptions in this particular case, if there be slight discriminations, are not discriminations of a character, in my judgment, that will amount to any serious harm or operate to bring about any serious injustice.

Mr. President, there are two other sections of the bill to which I wish to call attention. The first section that I wish to call attention to, that I have not already spoken about, is section 5, as amended. It is section 6 in the bill as passed by the House, but section 5 in the bill as amended by the committee. Under the present law, the national-banking act, a bank is not permitted to loan to any one person more than 10 per cent of its capital and surplus.

That provision of law is amended in this act so as to allow the banks to loan upon notes secured by liberty bonds or certificates of indebtedness of the United States at their face value to an amount equal to an additional 10 per cent of their capital stock and surplus. That is to say, if a bank has exhausted its loaning power to any one person under the present law, it is permitted to loan an additional amount not in excess of 10 per cent of its capital and surplus, provided the note or obligation upon which loan is predicated is secured by bonds or certificates of indebtedness of the United States issued after April 24, 1917.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER (Mr. DILLINGHAM in the chair). Does the Senator from North Carolina yield to the Senator from Ohio?

Mr. SIMMONS. I yield.

Mr. POMERENE. Do I understand from the statement just made that this proviso in the section the Senator is now discussing, which reads as follows: "secured by not less than a like face amount of bonds of the United States," was intended to cover all three classes of paper?

Mr. SIMMONS. It says "purchase or discount of any note or notes" secured by such bonds "or certificates of indebtedness" or "discount of bills of exchange drawn in good faith against actually existing values," and also includes certificates of indebtedness and bonds of the United States issued since April 24, 1917.

Mr. POMERENE. Let me try to make myself a little clearer, if possible. You provide not in excess of 10 per cent for "the discount of bills of exchange drawn in good faith against actually existing values." Does it mean that when thus discounted they shall be secured by these bonds?

Mr. SIMMONS. No; I understand that bills of exchange drawn in good faith against actually existing values need not be secured by either the bonds or by certificates of indebtedness.

Mr. POMERENE. And also that the second class shall be so secured:

> The discount of commercial or business paper actually owned by the person, company, corporation, or firm negotiating the same.

Mr. SIMMONS. No; they are not required to be so secured.

Mr. POMERENE. I think they should be, but my objection is perhaps to the punctuation. It seems to me that as it reads now the phrase "secured by not less than a like face amount of bonds" applies only to third class of paper which can be discounted.

Mr. SIMMONS. I think the Senator is wrong about that. Let me read the whole sentence. It amends the present law, which is section 5200 of the Revised Statutes, so as to make it read:

> The total liabilities to any association, of any person, or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed 10 per cent of the amount of the capital stock of such association, actually paid in and unimpaired, and 10 per cent of its unimpaired surplus fund: *Provided, however,* That (1) the discount of bills of exchange drawn in good faith against actually existing values, (2) the discount of commercial or business paper actually owned by the person, company, corporation, or firm negotiating the same, and (3) the purchase or discount of any note or notes secured by not less than a like face amount of bonds of the United States issued since April 24, 1917.

Mr. POMERENE. I have no objection to it if it applies to all three classes, but it seems to me as it reads here that that security only applies to the third class, namely, the purchase or discount of any note or notes. I suggest putting a comma after "notes," in line 22, and it seems to me it would then bear the construction which the Senator places upon it. I ask that that amendment be made, then, if the Senator has no objection to it.

Mr. WARREN. I rose to ask another question. This seems to predicate loans upon the full face value of these bonds, whether they should be at par or below par. Of course, that really undermines the fundamental principle of banking, and especially of national banking under law and rules, because even in trust companies it is the practice and rule that in the ordinary securities that are on the market every day, and it is possible they may be as good as the Government securities, and certainly they are very good, it is considered well not to loan more than 80 or at the extreme 90 per cent of the real value.

Mr. SIMMONS. This says "not less than a like face amount of bonds." That would be a matter left with the bank.

Mr. WARREN. That leaves the bank where they can disregard all the rules and customs heretofore governing the loaning of money upon security. I do not think it is necessary to do that.

Mr. SIMMONS. I think the Senator is laboring under a misapprehension.

Mr. WARREN. Not at all.

Mr. SIMMONS. "The purchase or discount of any note or notes secured by not less than a like face amount of bonds?"

Mr. WARREN. Yes; that applies to money loaned on the certificates or bonds of the Government.

Mr. SIMMONS. That is, the amount of bonds deposited to secure the paper must be at least of equal value.

Mr. WARREN. Exactly.

Mr. SIMMONS. They must have at least the same face value.

Mr. WARREN. I do not misunderstand it at all, but the loaning of money on security is always supposed to have a margin between the amount of money loaned and the face or even current cash value of security against changes in the market.

Mr. SIMMONS. I do not understand it to mean that the bank would have to loan up to the face value of the hypothecated bonds.

Mr. WARREN. That is true; but it gives the bank privileges under this that never have been accorded it, which it has never been considered good policy to accord heretofore, by allowing it to loan upon only the face of Government bonds, which may be or may not be par, which may be 90 cents or 95 cents, as they are to-day. For instance, a man can go in with $20,000 of bonds, worth perhaps $19,000, or a little more, and if the bank were willing he could borrow $20,000, and the man might not be of any account himself and the bank would lose the difference, of course.

Mr. SIMMONS. That would only be a question as to the effect of the credit of the bank.

Mr. WARREN. Heretofore in all legislation that I am conversant with—and I think the Senator will find it to be true—there is always at least 10 per cent difference, generally more, between the face value of the security offered and the amount that is loaned. I call that to the attention of the chairman of the committee. I think it is rather an unsafe provision in the law.

Mr. ROBINSON. Mr. President, I wish to call——

The PRESIDING OFFICER. The Senator from Ohio [Mr. POMERENE] has proposed an amendment, and it will be stated.

Mr. ROBINSON. It is to that amendment that I wish to speak.

The PRESIDING OFFICER. That the parliamentary situation may be made clear the Chair will have the amendment reported.

The SECRETARY. On page 5, line 22, after the word "notes," it is proposed to insert a comma.

Mr. ROBINSON. Mr. President, the amendment proposed by the Senator from Ohio [Mr. POMERENE] is far more important and far-reaching than its suggestion would indicate. I think the construction of this language as made by the Senator from Ohio is correct; and it is to the point of the necessity for amending the language of the bill as it is written that I speak. The language which the Senator from Ohio seeks to change, assuming now, for the sake of the argument, that his——

Mr. SIMMONS. That involves the question of an amendment; and would not the Senator from Arkansas defer his statement until I finish? I am about to conclude.

Mr. ROBINSON. I will defer a further statement concerning this matter until the Senator from North Carolina shall have finished, and now content myself with the statement that the amendment proposed by the Senator from Ohio will defeat one of the primary purposes of the bill if it is agreed to. His amendment would make more rigid the limitation on the power of national banks to make loans in certain cases when sound policy justifies that the rule be relaxed in some particulars.

Mr. SIMMONS. Mr. President, I am very thankful to the Senator from Arkansas for giving his attention to this matter. While on my feet I could not, of course, examine it very carefully, and it appeared to me that the amendment proposed by the Senator from Ohio would simply clarify the provision and would have no other effect.

Mr. President, there is one other section of the bill of some importance which I ought to call the attention of the Senate to, and I shall do so in a very few words. Your committee has recommended the striking out of section 5 of the House bill. That section is practically, to all intents and purposes, a provision taken from the trading-with-the-enemy act; the language, except as I shall point out, is exactly the same as is found in that act. The only difference is a slight amendment conferring upon the President the power to "investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in * * * bonds or certificates of indebtedness of the United States," and the addition in another connection of the words "hoarding and melting."

That power is added to the other powers conferred in this particular section of the so-called trading-with-the-enemy act. Your committee fully appreciated the purposes of the Treasury Department in proposing to invest the President with this broad and sweeping power, and they recognized the fact that the President, of course, would never, under any circumstances at all thinkable, make any regulation or prohibition in this matter, except with the bona fide purpose of appreciating the value of these bonds or maintaining them at a proper standard of value, and that the country had nothing to fear from that source, either from the present occupant of the White House or his successors, for it is absolutely unthinkable that any President of the United States would exercise that power for the purpose of depressing an obligation of the United States or for the purpose of making it less valuable in the hands of any holder or for the purpose of embarrassing or annoying any holder of those securities. The committee had no apprehension on that score, but your committee did feel that to give this broad power to the President would probably have a very serious effect not only upon the value of the bonds already issued, but would have a depressing influence upon the flotation of future issues.

I do not wish to elaborate that, Mr. President, but simply to state to the Senate that for these reasons your committee felt constrained to recommend that that section be eliminated from the bill.

I will not detain the Senate any longer.

Mr. ROBINSON. Mr. President, recurring now to the topic which I was discussing a moment ago while the Senator from North Carolina [Mr. SIMMONS] had the floor, namely, the effect of section 5 of the bill, I repeat that, in my opinion, the construction of this language as made by the Senator from Ohio [Mr. POMERENE] is correct, and that it would be unfortunate and would defeat one of the fundamental purposes of the bill if his amendment should prevail.

The effect of the language as it is now written, in my opinion, would be to relieve three classes of transactions from the rule; that is, the rule limiting to 10 per cent of the capital stock and surplus the amounts which a bank may loan to any one person, association, or corporation. The first two classes are embraced in the present law.

However, I also point out the fact that there is a safeguard in a later portion of the section, which is designed to prevent any harm resulting from the provision, while securing the benefits which it is desired to provide. That language reads as follows:

> But the total liabilities to any association, of any person, or of any company, corporation, or firm, upon any note or notes purchased or discounted by such association and secured by such bonds or certificates of indebtedness, shall not exceed (except to the extent permitted by rules and regulations prescribed by the Comptroller of the Currency, with the approval of the Secretary of the Treasury) 10 per cent of such capital stock and surplus fund of such association.

If the comma is inserted after the word "notes," on line 22, page 5, of the bill, it will require that in all of these transactions the loan be secured by bonds or by certificates of Government indebtedness; if the comma is not inserted, the language would not warrant that requirement. It would simply provide that in three classes of cases the rule might be relaxed—

> (1) the discount of bills of exchange drawn in good faith against actually existing values, (2) the discount of commercial or business paper actually owned by the person, company, corporation, or firm, negotiating the same, and (3) the purchase or discount of any note or notes secured by not less than a like face amount of bonds of the United States issued since April 24, 1917, or certificates of indebtedness of the United States.

This legislation is the result of much consideration on the part of the Treasury Department. It should be amended so as to include warehouse receipts on staple products.

The Committee on Banking and Currency, through its chairman, some time ago reported a bill containing substantially, if not exactly, the language under consideration. In many localities, particularly where crops mature at definite seasons, and large quantities are to be handled at a given time, the existing provision of law is absolutely unworkable. It has been regarded as such for a long time. Take, for instance, the handling of the cotton crop. That crop requires an enormous amount of money during the months of September, October, and November, and perhaps some subsequent months. The same is true, though in a different degree, of the various grains, such as wheat and corn. In cotton transactions it is a practical impossibility to handle the crop without some relaxation of this rule.

From the very necessity of the case, this rule has not been strictly regarded in transactions of this character by the banks; and if they had regarded it strictly much greater difficulties than we have experienced would have been encountered in handling these various crops. The Clearing House Association of the city of Little Rock, or its representatives, took up the matter some time ago, and a bill was introduced in the Senate which was designed to accomplish this purpose, one of the principal differences between the bill that I introduced and the bill that was reported by the Committee on Banking and Currency being that the Federal Reserve Board in the former bill had the authority which is conferred in the pending measure on the Comptroller of the Currency, with the approval of the Secretary of the Treasury. This difference is one apparently not very material.

Mr. NORRIS. Mr. President——

Mr. ROBINSON. I yield to the Senator from Nebraska.

Mr. NORRIS. The Senator refers to the construction placed on this language. He means, I take it, the proposed section 5200?

Mr. ROBINSON. No. I mean section 5, which is an amendment of section 5200. The language to which I particularly refer is the proviso commencing on line 16. The Senator from Ohio made an inquiry some time ago, during the remarks of the Senator from North Carolina, as to whether or not bonds or certificates of indebtedness would be required as security in all three of these classes of transactions; and the opinion was expressed, I think, without sufficient consideration, that such would be the case. I do not think, however, that it is the case. I think it would be unfortunate, for instance, if the language of the bill be so changed as to require bonds or certificates of indebtedness in order to make advances on warehouse receipts in the handling of crops.

Mr. SIMMONS. Mr. President——

Mr. ROBINSON. I yield to the Senator from North Carolina.

Mr. SIMMONS. If the Senator will pardon me, I wish to state that at the time the Senator from Ohio called my attention to the matter I did give expression to the views as stated by the Senator from Arkansas. I did so, however, without reflection and without close examination; but I find, as a matter of fact, that the Senator from Arkansas is clearly right. The first two subdivisions, No. 1 and No. 2, are already in the present law, and the purpose is simply to add to them an additional security that may be negotiated.

Mr. NORRIS. I desire to ask the Senator if I am right, that the only change made in section 5200 is the addition of the third clause? Outside of that, is it a reenactment of section 5200?

Mr. ROBINSON. I do not think so. I will ask the Senator from North Carolina if it is a mere reenactment of existing law, with the exception of the third clause?

Mr. SIMMONS. I think so. The third section is merely added.

Mr. ROBINSON. Under existing law the rule is inflexible, as I understand—and if the Senator from Oklahoma [Mr. OWEN] were present, he would undoubtedly be familiar with that—but my understanding is that the rule is inflexible under existing law; that at this time there is no authority anywhere to permit a national bank to loan to any one individual, association, or corporation more than 10 per cent of its capital stock unimpaired

and its surplus. The law excepts certain transactions which are defined as not being loans. But the rule as to loans is quite rigid.

Mr. SIMMONS. I think the Senator from Arkansas is right about that.

Mr. ROBINSON. I think that is a correct statement of the law. The question was asked if this provision was a mere re-enactment of existing law, with the exception of the third clause, and the Senator from North Carolina answered that it was.

Mr. SIMMONS. The present law is as follows:

SEC. 5200. The total liabilities to any association, of any person, or of any company, corporation, or firm for money borrowed, including in the liabilities of a company or firm the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such associations, actually paid in and unimpaired and one-tenth part of its unimpaired surplus fund: *Provided, however.*

The proviso that follows is stricken out, but the language I have read is also that of the pending bill.

Mr. ROBINSON. The Senator is not reading the law; he is reading a bill that has been reported but not passed, and to which I have referred. I will read the law, if the Senator will allow me.

Mr. OWEN. Mr. President, if the Senator will pardon me for just a moment, since the text before the Senator from Arkansas was printed, the law has been amended so as to enable the discount of bills of exchange drawn in good faith against actually existing values, and so as to include the discount of commercial and business paper actually owned by the person, company, corporation, or firm negotiating the same. That was intended to cover cotton drafts and transactions of that kind.

Mr. ROBINSON. When was that passed?

Mr. OWEN. That was passed a year or two ago. I will get the exact date for the Senator. Now, the third provision which is added here is intended to allow the banks further opportunity of using Government bonds without having the loan on such bonds charged against an individual. That is all there is to section 5.

I think the objection which has been made to the broad character of the second provision, "the discount of commercial or business paper actually owned by the person, company, corporation, or firm negotiating the same," really ought to be modified so as to have it read "business paper of classes approved by the Federal Reserve Board," because there is no limitation upon that; and the fear which Senators naturally have that banks might be led into extending credits unsafely, I think has some foundation. I had intended to suggest an amendment to the second subdivision, so as to make it read:

The discount of commercial or business paper of classes approved by the Federal Reserve Board actually owned—

And so forth.

That would remove any danger, I think.

Mr. ROBINSON. That is the provision which I myself suggested and had incorporated in a bill that is pending before the Committee on Banking and Currency. The Senator is correct about that.

Mr. SIMMONS. I will state to the Senator that this language is incorporated in a bill that has already passed the Senate.

Mr. OWEN. In a bill which has passed the House.

Mr. SIMMONS. Then, it has also passed the House.

Mr. OWEN. It has been reported favorably by the Senate committee with certain amendments.

Mr. SIMMONS. But it has passed both bodies. It passed the House as a House bill and passed the Senate as a Senate bill.

Mr. OWEN. No; it has not yet passed the Senate; it has only been reported to the Senate.

Mr. SIMMONS. My understanding was that it had been passed by the Senate.

Mr. OWEN. No; it has not been passed by the Senate.

Mr. SIMMONS. But it has been reported by the committee?

Mr. OWEN. Yes.

Mr. ROBINSON. The language of the law, being section 5200 of the Revised Statutes, second edition, 1878, is this:

SEC. 5200. The total liabilities to any association, of any person, or of any company, corporation, or firm for money borrowed, including, in the liabilities of a company or firm, the liabilities of the several members thereof, shall at no time exceed one-tenth part of the amount of the capital stock of such association actually paid in. But the discount of bills of exchange drawn in good faith against actually existing values, and the discount of commercial or business paper actually owned by the person negotiating the same, shall not be considered as money borrowed.

That is the language to which I think the Senator from Oklahoma referred as being in a subsequent statute. That is the law on the subject now; but, notwithstanding that law, it has been construed to prevent national banks from loaning to one individual under any circumstances more than one-tenth of their unimpaired surplus and capital stock.

I am heartily in favor of the provisions of the bill as the committee has reported it, because if the amendment of the Senator from Ohio is agreed to it will reaffirm the interpretation of the existing statute and also compel the authorities to require Government bonds or certificates of indebtedness to secure all three classes of these transactions.

Mr. WARREN. Mr. President, will the Senator permit me to interrupt him?

Mr. ROBINSON. Yes, sir.

Mr. WARREN. Adding to the remarks I made a moment ago, upon reading the first, second, and third provisions again, I am perfectly satisfied that the Senator from Arkansas is right, although the language is ambiguous, and I think ought to be amended to make it plain. Evidently it is intended, under the first and second provisions, to follow the practice that has been followed heretofore. Perhaps there has been an inhibition on the banks to some extent, somewhat as the Senator says, but to my certain knowledge the practice of banks has been to buy bills of exchange and commercial paper without exacting additional collateral security. So I think the intention of this is, as the Senator has stated, only to require the security of bonds under the third subdivision. My previous remarks were mainly directed to the loaning of the full face value, regardless of what the market value might be. That involves a question which I think ought to be taken under consideration, and a decision reached whether that is good policy or not. It is somewhat new and perhaps dangerous.

Mr. ROBINSON. The sum and substance of the argument, as it appeals to me, is that in all probability the existing statute was intended to accomplish as to the first two transactions what this proposed statute seems to reenact, but it has been construed to prevent the loaning by any bank of more than one-tenth of its capital stock and unimpaired surplus to one person. That is the feature of the bill that I want some relief against. In the enormous transactions in the West and in the South for the handling of crops, and particularly with reference to the cotton crop, that feature of the law is unworkable. I wish to read just a part of a letter which I received from the vice president of the American National Bank at Little Rock, Ark. He says:

We would certainly appreciate your utmost efforts in having this paragraph attached to section 11 of the present Federal reserve act—

The paragraph to which he refers is the bill that I subsequently introduced and had referred to the Committee on Banking and Currency—

Unless some provision is made whereby national banks in cotton-growing States have the privilege of loaning more than the present 10 per cent of capital stock and surplus limit, it is certainly going to put all the southern cotton business in the hands of the State banks and cut off from the national banks a very profitable branch of their business.

During the fall of the year a large amount of our loans are made on cotton, and where the cotton accounts are handled correctly and sufficient margin is always secured to cover such loans I do not believe that there is a safer method of lending money than on loans secured by cotton which is stored in responsible warehouses, fully insured, etc.

I believe that the records will show that throughout the South there has been less money lost by banks on loans made on cotton than by loans made on any other class of security. Of course, I appreciate that in the case of a careless bank or banker there is an opportunity for unreliable cotton concerns to take advantage of the banks making loans, borrowing too much money on their cotton, and in consequence causing the bank to suffer loss should cotton prices suffer a severe fall, but I do not see any reason why well-managed banks should be made to suffer a loss of one of their best branches of business just because a very few banks do not conduct their business on business principles.

We are very anxious to get the above-outlined paragraph added to the new Federal reserve act.

Mr. President, that is a statement of conditions, under this limitation, as they relate to a very important industry, namely, the cotton industry. The same rules apply, in different degree, of course, in the handling of the wheat and the corn crops. This limitation of loans is, of course, intended to prevent unreliable persons who enjoy the confidence of bank officers from looting the banks, which sometimes occurred prior to the enactment of the statute. The provision is in the main a very wise and a very wholesome one. I would be the very last Senator to take any action which I thought would destroy its beneficial purposes and results; but, at the same time, while it has safeguarded banking interests and probably prevented the wrecking of some banks, it has imposed a condition of hardship upon some of the great industries of this country, from which, in my opinion, it is our duty to seek to relieve them in such manner as to retain reasonable safeguards. The language which the Senator from Oklahoma [Mr. OWEN] will suggest in all probability will relieve the situation and make the meaning clearer.

Mr. POMERENE. Mr. President——

Mr. ROBINSON. I yield to the Senator from Ohio.

Mr. POMERENE. I wish to ask the Senator what limitations are placed by the law of his State upon the amount of loans by State banks?

Mr. ROBINSON. There is no such limitation with which I am familiar in the matter of the amount of loans to any one person, except in the case of certain officers of banks and other specified persons. The law is undoubtedly designed to accomplish a very wholesome and necessary purpose, and it has worked well in many respects but oppressively in the matters which I have mentioned.

Mr. POMERENE. Mr. President, I merely wish briefly to state my position. I am very glad that the Senator from Arkansas [Mr. ROBINSON] has agreed with me on the construction that is to be placed on this language as it is in the bill and as it would be if the amendment which I have suggested were adopted. If there is no limitation placed upon the amount of loans that may be made to an individual by a State bank in any State, I very much regret to hear that that condition of things is permitted to continue. Under the present law the purpose was to limit the amount of loans to individuals to 10 per cent of the paid-in capital and surplus. Under the amendment proposed by the committee here, in addition to that 10 per cent, one man could borrow an additional 10 per cent "on the discount of bills of exchange drawn in good faith against actual existing values" or "the discount of commercial or business paper actually owned by the person, company, corporation, or firms negotiating the same," or, third, upon "the purchase or discount of any note or notes." In other words, if this bill goes through in its present form, one man can borrow 20 per cent of the capital and the surplus of a bank, and only in cases where the bank purchases or discounts any note or notes must there be additional security.

I recognize the fact that sometimes it works a hardship to have any limitation upon a bank, but my guess is that while some of the bankers in the South or elsewhere may not be permitted to do what they would like to do, and thereby some men may be embarrassed, if you are going to permit generally the borrowing of 20 per cent of the capital and surplus by one individual, a little bit later on, when there comes a readjustment of our affairs there will be a good many bank failures and cotton men or grain men will be less able to get their financial accommodations than they are now.

The conditions in the South and in the West are not different from the conditions in such States as Ohio and elsewhere. In one case they deal with the raisers and dealers in cotton; in another with the producers and dealers in wheat; in another with the producers and dealers in iron or steel, or many other commodities. The banking principle involved is one and the same. My judgment is against this extension without this increase of security. Every Senator must make up his own mind as to what should be done, but that is the way I shall vote upon it; and I think it would be an unwise thing to permit this extension without that additional security.

Mr. ROBINSON. Mr. President, as stated by the Senator from North Carolina, this bill merely carries forward into the pending measure the existing provisions of law as to the first two classes of transactions. The only change in the language of the existing law as proposed by the measure under consideration is as to the third class of transactions, in which case bonds or certificates of indebtedness are required. My remarks as to the necessity for relaxing this rule would apply to an amendment to be proposed, as I understand, by the Senator from Oklahoma [Mr. OWEN].

The existing law says:

> But the discount of bills of exchange drawn in good faith against actually existing value, and the discount of commercial or other business paper actually owned by the person negotiating the same, shall not be considered as money borrowed.

They construe that now to be a loan, whereas it is in reality a discount.

Mr. POMERENE. Let me see if I clearly understand the Senator. He has just quoted what has been the ruling of the Comptroller of the Currency.

Mr. ROBINSON. I really ought not to say what has been the ruling. I say that that section has been construed, notwithstanding its language, to prevent loans, for instance, on cotton, corn, and wheat when these commodities are drawn against. They have construed that to be a loan within the meaning of the statute, notwithstanding its language.

Mr. SIMMONS. Mr. President, I desire to say just one word about this matter.

There has been some confusion about the present law and the effect of this proposed amendment to the law. I was somewhat confused about it myself; but after a more careful and critical examination of the present law and this amendment, I am satisfied that the amendment proposed by the Senator from Ohio [Mr. POMERENE] ought not to be adopted, and that if adopted it would defeat the main purpose of the amendment.

As the Senator from Arkansas has said, by the amendment to section 5200 of the Revised Statutes heretofore made, the first two exceptions to the rule of allowing one person to borrow only 10 per cent of the capital of a bank had already been made. I do not know, of course, anything about the ruling of the Comptroller of the Currency and its effect upon the meaning of this act; but undoubtedly the amendment had been made, and undoubtedly the purpose of the lawmakers was to allow an additional amount, in excess of the 10 per cent originally prescribed by the statute, where the money was borrowed in the way of discount and a bill of exchange issued against actual values. That was regarded as a mere temporary transaction, the money being borrowed to-day and the obligation to be extinguished in a few days, or within a very short period of time. The same was true as to the second exception—the discount of commercial paper, of business paper. There the money was actually advanced upon the paper of a third person and simply the indorsement of the person who was discounting it, adding to it additional security; and in no sense ought that to be charged against the borrower for the purposes of the application of this limitation.

Mr. President, all that is accomplished by the amendment to this act proposed in the pending bill is to permit banks, in addition to the rights that they now have, to loan in excess of 10 per cent upon paper secured by Government bonds or certificates of indebtedness. That is not merely a question of the sufficiency of the security that may be offered. That is not merely a question of the amount of money that may be loaned to any one individual. It is a question that affects the power of the Government at this particular time to sell these liberty bonds.

Everybody knows that the business men of this country have borrowed from the banks practically up to the limitation in the law as it now exists, that many of them can not borrow another dollar; and yet, Mr. President, when they want to buy these liberty bonds it is absolutely necessary for them to go to the banks of the country. There is not a hamlet, there is not a village, there is not a city in this country, where the banks are not called upon to loan to the prospective purchasers of these bonds more money than they are authorized to loan under the present law in order to give them ability to make the purchase. The purpose of this amendment is to make it possible for the banks of this country to loan people of good credit, based upon the security of a United States bond, enough money to buy these bonds; and if there is a provision in this bill that accomplishes a good purpose in connection with the sale of these bonds—and this bill is drafted and presented for the purpose of aiding the Treasury in selling these bonds—it is this particular provision.

The VICE PRESIDENT. The question is on the first amendment of the committee, which will be stated.

The SECRETARY. On pages 4 and 5 the committee proposes to strike out all of section 5, as printed in the House bill, in the following words:

> SEC. 5. That clause (b) of section 5 of the trading-with-the-enemy act be, and hereby is, amended to read as follows:
> "(b) That the President may investigate, regulate, or prohibit, under such rules and regulations as he may prescribe, by means of licenses or otherwise, any transactions in foreign exchange or in bonds or certificates of indebtedness of the United States and the export, hoarding, melting, or earmarkings of gold or silver coin or bullion or currency, transfers of credit in any form (other than credits relating solely to transactions to be executed wholly within the United States), and transfers of evidences of indebtedness or of the ownership of property between the United States and any foreign country, whether enemy, ally of enemy, or otherwise, or between residents of one or more foreign countries, by any person within the United States; and he may require any such person engaged in any such transaction to furnish, under oath, complete information relative thereto, including the production of any books of account, contracts, letters or other papers, in connection therewith in the custody or control of such person, either before or after such transaction is completed."

The amendment was agreed to.

The SECRETARY. The next amendment is to renumber sections 6 and 7 to correspond with the change just made.

The amendment was agreed to.

The VICE PRESIDENT. The Senator from Ohio [Mr. POMERENE] offers an amendment, which will be stated.

The SECRETARY. On page 5, line 22, after the words "note or notes," it is proposed to insert a comma.

Mr. POMERENE That is the amendment that I offer.

Mr. SIMMONS. Does the Senator from Ohio insist upon that amendment?

Mr. POMERENE. Yes, Mr. President; I do.

Mr. SIMMONS. Mr. President, I hope that amendment will be voted down, because I think it will defeat in part the purpose of the bill.

Mr. ROBINSON. I join with the Senator from North Carolina in expressing the same hope.

Mr. POMERENE. Mr. President, I simply want to make this observation in passing:

A few years hence, when it comes to the readjustment of values, and these banks have loaned out 20 per cent of their paid-up capital and surplus to a number of their borrowers, and so forth, there will be a lot of bank failures; and I want to come to Senators and say, "I told you so."

Mr. ROBINSON. Mr. President, I will take the liberty of replying to that statement by saying that the only change in existing law that this bill as reported makes, as stated by the Senator from North Carolina, is to authorize a relaxation of this rule where the loan is made upon Government bonds or certificates of indebtedness; and when loans of that sort wreck banks in the United States, the United States will be out of business. The proposed amendment so as to include warehouse receipts based on staple products seems fully justified.

The VICE PRESIDENT. The question is on the amendment of the Senator from Ohio [Mr. POMERENE].

The amendment was rejected.

Mr. OWEN. Mr. President, I suggest an amendment for the special attention of the Senator from North Carolina. It is on line 19, page 5. I understand that the first committee amendment there has been disposed of.

The VICE PRESIDENT. All the committee amendments have been disposed of.

Mr. OWEN. On line 19, after the word "paper," I suggest the insertion of the words "of classes approved by the Federal Reserve Board," so that the sentence will read:

The discount of commercial or business paper of classes approved by the Federal Reserve Board actually owned by the person—

And so forth.

Mr. SIMMONS. I have no objection to that, Mr. President.

The VICE PRESIDENT. The Senator from Oklahoma proposes an amendment, which will be stated by the Secretary.

The SECRETARY. On page 5, line 19, after the words "business paper," it is proposed to insert "of classes approved by the Federal Reserve Board."

The amendment was agreed to.

Mr. OWEN. Now, Mr. President, on line 18, after the word "values," I suggest the insertion of the words "or loans made on warehouse receipts." That will cover the point which the Senator from Arkansas was concerned with, about cotton then in the warehouse and on which loans may be made on warehouse receipts.

Mr. ROBINSON. It would include any kind of agricultural commodities—staple products.

Mr. SIMMONS. I have no objection to that.

The VICE PRESIDENT. The Senator from Oklahoma proposes an amendment, which will be stated.

The SECRETARY. On page 5, line 18, after the word "values," it is proposed to insert the words "or loans made on warehouse receipts."

Mr. KELLOGG. Mr. President, may I inquire of the Senator from Oklahoma if he desires to open up to the banks the unlimited right to loan on any kind of warehouse receipts, without regard to the nature of the warehouse receipts, and not have it included within the 10 per cent?

Mr. OWEN. Oh, no; not at all. I will say to the Senator that the language "the discount of bills of exchange drawn in good faith against actually existing values," of course would be open to the same general objection that the Senator raises—that they might not be merchantable—but the banks do not deal in that kind of paper. Now, you take the wheat that would be sold in Liverpool, against which a bill of exchange is drawn, that same wheat would not be available if it were in storage in St. Paul. That was all that I wanted to cover.

Mr. KELLOGG. But the amendment would permit the bank to loan any amount beyond the 10 per cent.

Mr. OWEN. Existing law would do that, against existing values. The term "existing values" is broad enough to cover the Senator's objection.

Mr. KELLOGG. But the "existing values" only applies to bills of exchange.

Mr. OWEN. I know that.

Mr. KELLOGG. The words "existing values" would not apply to the warehouse receipts.

Mr. OWEN. It would if the product were stored anywhere.

Mr. KELLOGG. I am not so sure about that, the way the language would read.

Mr. OWEN. You can draw a bill of exchange against products in a warehouse anywhere.

Mr. KELLOGG. That is true.

Mr. OWEN. I only call the Senator's attention to the fact that the term "existing values" is very broad, and that these banks are under the regulations of the Comptroller of the Currency and the Federal Reserve Board. I have no objection to saying "on loans made on warehouse receipts of staple products."

Mr. ROBINSON. That is the proper language, I think—"staple agricultural products."

Mr. OWEN. "Staple products." It might be steel.

Mr. ROBINSON. That is all right.

Mr. OWEN. I offer that amendment, "of staple products," so as to read:

Or loans made on warehouse receipts of staple products.

That would cover the point that the Senator makes.

Mr. KELLOGG. Mr. President, I should like to hear the whole amendment stated as now proposed.

The VICE PRESIDENT. The amendment will be stated.

The SECRETARY. After the word "values," on line 18, page 5, it is proposed to insert the words:

Or loans made on warehouse receipts of staple products—

So that the paragraph will read:

That (1) the discount of bills of exchange drawn in good faith against actually existing values or loans made on warehouse receipts of staple products, (2) the discount of commercial or business paper of classes approved by the Federal Reserve Board actually owned by the person, company, corporation, or firm negotiating the same.

Mr. KELLOGG. The suggestion I had to make to the Senator from Oklahoma as to the first subdivision, as amended, was simply this, that a bank could discount bills of exchange drawn in good faith against actually existing values.

Mr. OWEN. Yes.

Mr. KELLOGG. And in addition to that it could loan on warehouse receipts of staple products, whether they were of the value pretended or not. The term "existing values" does not apply to the warehouse receipts as drawn. Now, of course, in the case of most warehouse receipts of staple products the banks would judge as to the value undoubtedly, and it may be perfectly safe, but a great many warehouse receipts are issued that are not good security.

Mr. OWEN. I will say to the Senator that one trouble with American banking is that it has not sufficiently recognized commodities as the basis of commercial value. In Europe they recognize that altogether, and a banker in Europe is acquainted with commercial values. They are expert in such values, and that is why in Europe the acceptances grew in such a large way to be the form in which the bankers' loans were really made.

Mr. ROBINSON. Mr. President, will the Senator yield to me now for a statement supplementing his own?

Mr. OWEN. Certainly.

Mr. ROBINSON. Under the language of the latter part of this section no loan could be made in excess of that now authorized by law, namely, 10 per cent of the capital stock and surplus, unimpaired, except to the extent permitted by rules and regulations prescribed by the Comptroller of the Currency, with the approval of the Secretary of the Treasury. That is thought to safeguard the matter amply. In addition to the wisdom which the banks themselves would exercise for their own protection, they must make these loans in excess of the one-tenth only under rules and regulations and to the extent permitted by these authorities.

Mr. KELLOGG. The last clause which was referred to by the Senator from Arkansas provides that—

The total liabilities to any association, of any person or of any company, corporation, or firm, upon any note or notes purchased or discounted by such association * * * shall not exceed—

Except in certain cases—

10 per cent of such capital stock and surplus.

Does that include loans made on warehouse receipts? It does not say so.

Mr. ROBINSON. It does not, but I have no objection to including them.

Mr. KELLOGG. Now, I just make this suggestion: Warehouse receipts on cotton, warehouse receipts on wheat, or perhaps iron or steel and some other products, if they are stored, are generally good; but there is a great fluctuation in the cotton market and in the other markets, and I suggest that we ought not to open the door to unlimited loans beyond the 10 per cent on warehouse receipts. It is a dangerous expedient.

Mr. ROBINSON. I will say to the Senator from Oklahoma and the Senator from Minnesota both that, so far as I am concerned, there is no objection to making that limitation in the last clause apply to all three classes.

Mr. OWEN. I should be perfectly willing to do that, because I agree with the Senator that we ought at all times to safeguard our banking system most carefully.

Mr. KELLOGG. I think that limitation should apply to the warehouse receipts; in fact, to all three of those exceptions.

Mr. OWEN. I think, then, the language could be modified——

Mr. ROBINSON. Yes; by another amendment striking out a portion of this language on page 6.

Mr. OWEN. That language on line 5, page 6, after the words "shall not exceed," could be amended by inserting "in the three classes above referred to."

Mr. ROBINSON. Yes; or the language could be made to read in this way:

But the total liabilities to any association of any person or of any company, corporation, or firm, shall not exceed—

And so forth, quoting the rest of the language and striking out all after the comma on line 2 down to and including the comma on line 4 after the word "indebtedness." That would simply bring all three of these classes or exceptions under the rule that is provided, namely, supervision by the Comptroller of the Currency and the Secretary of the Treasury.

Mr. SIMMONS. Mr. President, will the Senator please state that again?

Mr. ROBINSON. Yes. If the amendment of the Senator from Oklahoma [Mr. OWEN] is agreed to there would be no objection, so far as I can see, to the following amendment:

Strike out all language in the bill on page 6 commencing at the word "upon," in line 2, down to and including the word "indebtedness," in line 4, so that it will read:

But the total liabilities to any association, of any person, or of any company, corporation, or firm shall not exceed (except to the extent permitted by rules and regulations prescribed by the Comptroller of the Currency, with the approval of the Secretary of the Treasury) 10 per cent of such capital stock and surplus fund of such association.

The effect of that amendment would be to bring all three of the classes within the rule laid down in the parentheses, namely, that the rule limiting the loans to 10 per cent should not be relaxed except to the extent permitted by rules and regulations prescribed by the Comptroller of the Currency and the Secretary of the Treasury.

Mr. OWEN. I think that would cover it.

Mr. VARDAMAN. Mr. President, I should like to ask the Senator from Arkansas a question. The Senator is well aware of the system in vogue in the South with reference to moving the cotton crop. How would this amendment affect that? I know that frequently bills of exchange are drawn on shipments of cotton that probably exceed the capital stock of the bank itself.

Mr. ROBINSON. I discussed that matter at length awhile ago.

Mr. VARDAMAN. I heard the Senator.

Mr. ROBINSON. And that condition is the justification of the amendment offered by the Senator from Oklahoma [Mr. OWEN]. He has offered an amendment including in this excepted class loans upon warehouse receipts when secured by staple agricultural products. If that amendment goes in the bill I have no objection to authorizing the Comptroller of the Currency and the Secretary of the Treasury to prescribe rules and regulations fixing the extent to which such loans may be made, because these are national banks and they do that anyway.

Mr. VARDAMAN. I think it is prudent to do that; but it would be very unfortunate unless the latitude were given to the banks.

Mr. ROBINSON. The banks now feel that they are exercising these powers under doubtful authority.

Mr. VARDAMAN. I rather think so myself.

Mr. ROBINSON. And, in fact, many of them think they are violating the law as construed heretofore, and I think there would be no objection to adjusting the matter in that way.

Mr. OWEN. Mr. President, I think that instead of striking out the words "upon any note or notes purchased," and so forth, and leaving nothing in lieu of it, it should read "upon any such bills of exchange, loans, or notes," so as to cover it.

Mr. ROBINSON. "Or warehouse receipts."

Mr. OWEN. Yes.

Mr. ROBINSON. I have no objection to repeating it.

Mr. SIMMONS. I think that would be very much better. Will the Senator fix the amendment and offer it in that form?

Mr. OWEN. Will the Secretary take the amendment?

The VICE PRESIDENT. We can not do business in this way. We can not consider two amendments at once. The Secretary will state the amendment on page 5.

The SECRETARY. After the word "values," on page 5, line 18, it is proposed to insert "or loans made on warehouse receipts of staple products."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. OWEN. On page 6, I move to strike out the words "any note or notes purchased or discounted by such association and secured by such bonds or certificates of indebtedness," and insert "such discounts, loans, or notes."

Mr. ROBINSON. "Bills of exchange and warehouse receipts."

Mr. OWEN. It is a discount of bills of exchange. "Discounts" will cover that.

Mr. ROBINSON. All right.

Mr. OWEN. "Such discounts, loans, or notes"; that would cover it.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SIMMONS. I move that the Senate request a conference with the House on the bill and amendments, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. SIMMONS, Mr. WILLIAMS, Mr. SMITH of Georgia, Mr. PENROSE, and Mr. LODGE conferees on the part of the Senate.

AMENDMENT OF FEDERAL RESERVE ACT—CONFERENCE REPORT.

Mr. OWEN submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11283) to amend and reenact sections 4, 11, 16, 19, and 22 of the act approved December 23, 1913, and known as the Federal reserve act, and sections 5208 and 5209, Revised Statutes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, and 5.

That the Senate recede from its amendment to the title.

ROBERT L. OWEN,
ATLEE POMERENE,
Managers on the part of the Senate.

CARTER GLASS,
MICHAEL T. PHELAN,
E. A. HAYES,
Managers on the part of the House.

The report was agreed to.

EXECUTIVE SESSION.

Mr. POMERENE. Mr. President, if there is no further business to be transacted at this time, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 3 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Thursday, September 19, 1918, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 18, 1918.

ASSISTANT ATTORNEY GENERAL.

Claude R. Porter to be Assistant Attorney General.

MEMBER OF UNITED STATES TARIFF COMMISSION.

Edward P. Costigan to be a member of the United States Tariff Commission.

POSTMASTER.

MICHIGAN.

John E. Shekell, Jackson.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *September 18, 1918.*

The House met at 12 o'clock noon.

Rev. Edwin Cunningham, pastor of the Church of the Messiah, First Universalist, of Binghamton, N. Y., offered the following prayer:

Holy Lord, Father of all mercy, grant, we beseech Thee, upon the Members of this House Thy guidance as they labor here so arduously in these days of war. We pray Thee, O God, that the Speaker and every Member of this House may so act and so think, this and every day, that they shall discover Thee to be a fellow Speaker, a fellow Member, a fellow Friend, comforting, counseling, encouraging, and guiding them. Bless with Thy loving consideration the deliberations of this day, and in

return for their labors grant to them the love of their countrymen and that peace of heart which passeth all understanding that Thou alone canst give. In the spirit of Jesus, whom we love, we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

APPOINTMENTS UNDER THE JUDGE ADVOCATE.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to address the House for three minutes, to read two letters.

The SPEAKER. The gentleman from New York asks unanimous consent to address the House for three minutes. Is there objection?

Mr. WALSH. Reserving the right to object, what are the letters about?

Mr. SNYDER. A letter that I wrote to the Judge Advocate General with regard to a man, and the reply thereto.

The SPEAKER. Is there objection?

There was no objection.

Mr. SNYDER. These letters are as follows:

SEPTEMBER 9, 1918.

The JUDGE ADVOCATE GENERAL, U. S. A.,
War Department, Washington, D. C.

MY DEAR SIR: I am inclosing herewith application of Hon. F. W. Cristman, of Herkimer, N. Y., one of the best attorneys in my section of the State and a man of very high reputation, for a commission in your service.

Mr. Cristman submits to you his record, military and civilian, which, I believe, shows that he would be thoroughly qualified for a commission in your department, and I can vouch for him in every way. He can secure any number of indorsements if needed, and, if you desired it, he would gladly come to Washington for a personal interview. He is 49 years of age, in perfect health and physical condition, and fully able to devote his entire mental and physical ability to the service in some position where his talent might be taken advantage of.

I trust you may look upon the application with favor, and can assure you that Mr. Cristman will measure up to all requirements.

With thanks for your attention, I remain,

Very truly, yours, HOMER P. SNYDER.

To which I got the following reply:

WAR DEPARTMENT,
OFFICE OF THE JUDGE ADVOCATE GENERAL,
Washington, September 12, 1918.

Hon. HOMER P. SNYDER,
House of Representatives.

MY DEAR MR. SNYDER: This office is in receipt of your communication concerning Hon. F. W. Cristman, of Herkimer, N. Y., who seeks a commission in this department.

Replying thereto, permit me to say that the department, upon thorough consideration and in the light of its experience, has found it necessary in the interests of the military service to inaugurate a different method of selecting officers for this branch of the service. The department has undertaken, after a thorough investigation through its own representatives, who will get into personal and confidential touch with the best professional sources of information, to assemble thus upon its own initiative a list of those lawyers from the country at large and from those already in the Army who, as a result of such investigation, are deemed best qualified for the service, and from such list all appointments to this department will hereafter be made.

Obviously, under such a system of selection applications for appointment to this department must be without influence or effect. Accordingly I have the honor to advise you that hereafter they can not be entertained.

Very truly, yours, S. T. ANSELL,
Acting Judge Advocate General.

Now, I maintain that my letter carried no suggestion of influence whatever and that the letter that I received in return shows in one paragraph that appointments have been made under influence and that at the present time that situation has been discontinued. [Applause.]

REVENUE.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of House bill 12863.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 12863) to provide revenue, and for other purposes, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 301. That in lieu of the tax imposed by Title II of the revenue act of 1917, but in addition to the other taxes imposed by this act, there shall (except as otherwise provided in section 303) be levied, collected, and paid for each taxable year upon the net income of every corporation, a tax computed according to whichever of the two following methods yields the higher amount of tax in the case of such corporation: (a) The war-profits method specified in Part III of this title, or (b) the excess-profits method specified in Part IV of this title.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word for the purpose of asking a question. I notice two proposals here, one to collect under a war-profits scheme and one under an excess-profits scheme, the one to be selected which will yield the greatest amount of revenue. I want to inquire of the gentleman from North Carolina if the right to adopt these alternative methods of collection does not in a large sense discriminate against the man in business who was not very successful during the prewar period and discriminate in favor of the man who was exceedingly successful during the prewar period?

Mr. KITCHIN. The gentleman is right as far as the amount of the tax is concerned. The corporation that was not so successful before the war as it has been since the war will pay more tax than the corporation that was successful before the war and equally successful since the war, for the reason that the former would come under the war-profits scheme of computation and the latter would come under the excess-profits tax. But the reason for that is that the war-profits tax simply taxes the profits made over and above those made before the war. Therefore it is called a war-profits tax, and every dollar of that tax is bound to be paid out of the extra profit that the corporation has been making since the war, while the other corporation, that was making, say, 20 per cent before the war and is now making 20 per cent on the same capital, is making only its normal profit, and according to the face of the returns has not benefited by the war. Therefore its tax is somewhat lower, because it will fall under the excess-profits tax.

Mr. LONGWORTH. May I suggest to the gentleman, with the permission of the gentleman from Illinois, that if there is any discrimination it will not be in the case of any corporation earning less than 10 per cent.

Mr. KITCHIN. Yes.

Mr. LONGWORTH. That much is looked after.

Mr. KITCHIN. Yes. In other words, the war-profits tax allows the corporation that was making a lower rate of profit before the war at least 10 per cent on its total capital invested during the taxable year, while the other corporation taxed under the excess-profits tax method is allowed only an 8 per cent deduction. The reason for that is that the war-profits tax is 80 per cent over and above the 10 per cent, while the excess-profits tax is a graduated tax. In any event, in 19 cases out of 20 the corporation that falls under the excess-profits tax computation method pays a less tax than the corporation making the same profit and earnings that falls under the war-profits tax. But we guarantee them a profit of 10 per cent before levying the war-profits tax.

Mr. MADDEN. What I am afraid of is that this bill will compel the man who was the more successful to pay less and will penalize the man who was not so successful before the war.

Mr. KITCHIN. In a way there will be a difference, as the gentleman suggests, but this is the reason why the committee insisted, over the protest of the Treasury Department, on increasing the excess-profits rate: If we had not done so there would have been a discrimination against the concern that was unsuccessful before the war, which would have been twice as great as it is now.

Mr. MADDEN. It seems to me that the man who is best able to pay ought to pay.

Mr. KITCHIN. That has been my thought, too.

Mr. MADDEN. But this does not look as though it was going to carry out that principle.

Mr. KITCHIN. It is not based exactly on ability to pay, but upon ability to pay on the profits made during the war over and above those made before the war.

Mr. MADDEN. Of course, the committee have given a good deal more consideration to it than I have, and I accept the wisdom of their judgment; but, looking at it after a cursory study of the question, I could not help but conclude that the man best qualified to pay was being favored, while the man less qualified to pay was discriminated against.

Mr. STAFFORD. Mr. Chairman, I rise in opposition to the pro forma amendment. My purpose is to continue the thought advanced by the gentleman from Illinois [Mr. MADDEN]. I am acquainted with corporations organized in 1910 where their profits were very small during the organization period; they will be necessarily obliged to pay 80 per cent after being allowed 10 per cent on the invested capital. Now, I wish to inquire why the committee penalize in a way the corporation that was formed during the prewar period by compelling them to pay 80 per cent, and yet the corporation that was making a fair return during the prewar period gets the benefit and is only obliged to pay 70 per cent on a profit above 20 per cent of its capital? You give a preference in this bill in the excess-profits tax to the established corporation which was making a large profit during the prewar period, allowing it to take the benefit, whereas you penalize the newly organized corporation by allowing it only 10 per cent of its invested capital before

applying the 80 per cent tax. Why does the committee distinguish in these particulars?

And if the Chairman will permit me a further statement, the charts which were exhibited of the workings of the two taxes, prepared by the gentleman from Oregon [Mr. HAWLEY], show beyond doubt that the established corporation is going to get the benefit under the war-profits tax and the new corporation will be penalized in every instance where he would only be allowed 10 per cent on the invested capital and pay 80 per cent on the remainder.

Mr. KITCHIN. Mr. Chairman, the gentleman is right, to a certain extent. The corporation that was just being organized and getting on its feet and made a great deal less than 10 per cent on its capital invested will only be entitled to a 10 per cent exemption.

Mr. STAFFORD. Nine and a half or nine and three-quarters; he would only get 10 per cent.

Mr. KITCHIN. I would say that three-quarters of the industrial corporations did not make 10 per cent on the capital invested through the prewar period, and by giving them 10 per cent deduction it is a great help to those corporations, for the reason that if this bill provided a strictly distinctive war-profits tax on them and stopped there, the corporation that was making 4 per cent, or $4,000 on each $100,000, would only have that deduction, while we wanted to help that corporation and not let the 80 per cent tax fall so heavily on it. So we gave it a $10,000 deduction before the 80 per cent attaches.

I admit that the matter troubled the committee, and that it troubled me. We knew that the suggestions made by the gentleman from Illinois [Mr. MADDEN] and the gentleman from Wisconsin [Mr. STAFFORD] would be made. Many other nations have a similar war-profits tax. Under a strict war-profits tax taxpayers are only allowed to deduct the earnings they were making before the war from what they are making now, and then the war-profits tax is levied on the difference between the income of the taxable year and the prewar income. We do more; we allow a greater deduction and a greater assurance of return on the capital before the 80 per cent attaches than does any other country in the world.

The Secretary of the Treasury and the public demanded that we should not only levy the excess-profits taxes, but a war-profits tax, and in that way secure a large part of these taxes to help support the war from the profits made, as they claim, because of the war; or, as I put it, made during the war.

We are not doing a great injustice to them if we are permitting them to have not only the amount of the earnings made before the war but a deduction in all cases equal to 10 per cent of their invested capital. Under the war-profits tax, to which the gentleman's objections are made, we are sure that every dollar of the tax that will be collected under this tax will be out of profits made over and above the profits they were making before the war and over and above the 10 per cent deduction we give, so that every dollar will be war profits, while, on the other hand, excess-profits taxes will not be war-profit taxes, because they will be levied on the ability to pay. The corporation that was making $20,000 on each $100,000 before the war and now is making $20,000 on each $100,000 can not be said to be making money out of the war, or because of the war, because if we had had no war they would still be making the $20,000.

Now, we can not apply a war-profits tax to that concern, because it is not making a war profit. Such a concern will be taxed under the excess-profits tax, and we have greatly increased the excess-profits tax over the existing rate. The Secretary of the Treasury and a great many economists and business men of the country contended that we ought not to increase the excess-profits tax rate at all. If we had not done it, there would have been a greater discrimination. We have, however, greatly increased the excess-profits tax over the tax levied last year.

Mr. STAFFORD. But you are penalizing the new corporation that was not organized during the prewar period as compared with a corporation that was already established and earning a fair normal profit, based on the business of an established concern, by taxing the new concern 80 per cent, whereas you only tax the old concern less than 70 per cent, perhaps 50 per cent on an average, when they pay the highest rate.

Mr. KITCHIN. But the concern taxed under the war-profits tax is making more, and we allow them a deduction of more than they were making.

Mr. STAFFORD. It is making more because it was not established, and you are penalizing that concern, making no provision for that concern, but penalizing it as compared with an established concern. Take the Ford Motor Co. The Ford Motor Co. will pay under the excess-profits tax and they will get the benefit of all of the millions that they made during the prewar period, because it was established, while another truck company established not during the prewar period, or established then, which was making only perhaps 5 per cent on invested capital, will be obliged to pay 80 per cent. Why should not the Ford Co. pay 80 per cent? The mere fact that it has been established is no reason why they should be given preference as against a competitor which was established since the prewar period.

Mr. KITCHIN. The Ford Motor Co. is not making war profits and the other concern is, and in order to help the other concern, that was doing a very poor business before the war, we are giving him a deduction of 10 per cent.

Mr. STAFFORD. But it was just organized; it was not doing business before the war.

Mr. KITCHIN. In other words, the principle of this is that the Ford Co. is getting no profits out of the war and the other man is.

Mr. STAFFORD. Oh, the Ford Motor Co. is getting profits out of the war.

Mr. KITCHIN. It is making the same profits now that it was before; no more.

Mr. STAFFORD. They are using their plant, which was established in the prewar period, for war purposes; but a plant that was not established during the prewar period did not have an opportunity to make profits, and you are penalizing that corporation in competition with an established corporation.

Mr. KITCHIN. Does the gentleman say that the Ford Motor Co. is making more money during the war? If the Ford Motor Co. is making more money on capital invested now, during the war, than before the war, it will pay the 80 per cent, because it would be war profits.

Mr. STAFFORD. No; it would pay under the excess-profits tax.

Mr. KITCHIN. Oh, no.

Mr. STAFFORD. Because it would get the benefit of deductions under the excess-profits tax.

Mr. KITCHIN. I would say to the gentleman and to the House that the gentleman states the Ford Motor Co. are making substantially more profits now on capital invested than before the war, and if that be true the Ford Motor Co. will fall under the war-profits tax.

Mr. STAFFORD. Suppose it is just making as much as it did prior to the war?

Mr. KITCHIN. And if it is not making more profits out of the war on capital invested than before, then the Ford Motor Co. is not making war profits—profits out of the war. The country demands that we shall have a war-profits tax, a tax to get money out of the profits made since the war and because of the war, this is the only way that we can do it.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. It is making war profits, because it is utilizing the plant that was established during the prewar period—utilizing it then for profits other than those pertaining to war, and now utilizing it for war purposes exclusively. To that extent it has an advantage over the plant that was not established during the prewar period. You are penalizing the latter concern by levying an 80 per cent tax, while the Ford Co. escapes with an average of perhaps 50 per cent.

Mr. KITCHIN. The gentleman has very courteously asked me some questions, and I have answered them the best I could. Now let me ask the gentleman a question. Is the gentleman in favor of levying a war-profits tax to help win this war? Answer that yes or no.

Mr. STAFFORD. I am in favor of levying a war-profits tax, but I want that levied generally on all corporations, so that the corporation that was well established and a going concern during the prewar period will not be given a preference and an advantage over the corporation that was not established during the prewar period.

Mr. KITCHIN. The gentleman says, in direct answer, "yes," and in his explanation he says "no," that he is in favor of an excess-profits tax. If you have a war-profits tax, then you are bound to levy a tax upon the profits made during the war or out of the war over and above the profits made in the prewar period. The whole argument of the gentleman is that he is opposed to a war-profits tax, but wants an excess-profits tax to apply to all, whether they are making money out of the war or making no money out of the war.

Mr. STAFFORD. The gentleman by this bill is giving a preference under the excess-profits tax, only levying about 50 per cent, whereas upon a corporation that was not established during

the prewar period you are levying 80 per cent. I am in favor of equality to all, based on the profits that they are earning to-day. No one can deny that the Ford Co. is making millions of dollars out of the war, and they will not pay under the war-profits tax, but will pay under the reduced excess-profits tax.

Mr. KITCHIN. I do not believe I can make the gentleman understand me. If the Ford Co. is making millions on the war over and above what they were making on invested capital——

Mr. STAFFORD. Not over and above, but the equal of what he was making in the prewar period.

Mr. KITCHIN. Let me ask the gentleman one more question.

Mr. STERLING of Illinois. Mr. Chairman, will the gentleman from North Carolina permit me to ask him a question?

Mr. KITCHIN. Yes; if the gentleman from Wisconsin will yield.

Mr. STAFFORD. Yes.

Mr. STERLING of Illinois. Did not the committee have information that the Ford Co. was making less money now than it did before the war?

Mr. KITCHIN. On capital invested, yes; and therefore we raised the rate to practically double his tax of last year. Let me say to the gentleman that if we levied a strictly war-profits tax the Ford Co. would not pay a penny, the Eastman Kodak Co. would not pay a penny, the Liggett & Meyers Tobacco Co. would not pay a penny, and there are thousands of the richest corporations in the country that would not pay a penny under a war-profits tax. Therefore we had to levy an excess-profits tax to catch those gentlemen.

Mr. STAFFORD. Does the gentleman contend that the Ford Motor Co. will not make more than 10 per cent upon their invested capital?

Mr. KITCHIN. Oh, the Ford Motor Co. are making over 50 per cent, and were before the war.

Mr. STAFFORD. Everyone in Detroit knows that the Ford Co. is going to make more than 10 per cent upon their invested capital.

Mr. KITCHIN. Of course. They will make 40 or 50 per cent, but they made that before the war, and if we did not have this excess-profits tax they would not pay a penny; but let me ask the gentleman another question. He has answered both yes and no.

Mr. STAFFORD. No; the gentleman is putting words in my mouth; I answered yes.

Mr. KITCHIN. Is the gentleman in favor instead of having a graduated excess-profits tax rate from 35, 50, and 70, to make that 80 per cent?

Mr. STAFFORD. I favor making the highest rate the same in both instances. If you levy 80 per cent under the war-profits tax you should levy it under the excess-profits tax——

Mr. KITCHIN. A flat 80 per cent?

Mr. STAFFORD. No; graduated.

Mr. KITCHIN. The gentleman would have the same discrimination, then, exactly.

Mr. STAFFORD. Why do you make it 70 per cent on excess profits and 80 per cent on war profits? The gentleman has not yet explained that.

Mr. KITCHIN. I have explained that one is a war profits tax and the other is a tax on profits——

Mr. STAFFORD. It is a flat discrimination in favor of the established corporation that was making exorbitant profits during the prewar period.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAFFORD. I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 303. That in the case of a corporation the earnings of which are to be ascribed primarily to the activities of the principal owners or stockholders who are themselves regularly engaged in the active conduct of the affairs of the corporation, and in which capital (whether invested, borrowed, rented, or otherwise secured) is not directly or indirectly a material income-producing factor, there shall be levied, collected, and paid for each taxable year upon its net income (in lieu of the tax imposed by Title II of the revenue act of 1917 and in lieu of the tax imposed by section 301 of this act, but in addition to the other taxes imposed by this act) a tax of 20 per cent of the amount of its net income in excess of $3,000. A foreign corporation shall not be entitled to the specific exemption of $3,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. Will the chairman of the committee be kind enough to give an instance of the character of corporations that would be qualified as stated in section 303?

Mr. KITCHIN. An insurance agency that writes insurance on commissions and requires no capital; a corporation of architects, which require no capital; a lawyers' guaranty title company that looks up titles and requires no capital; any company where the earnings may be ascribed primarily to personal services and in which capital is not a material income-producing factor.

Mr. STAFFORD. Where the capital is nominal?

Mr. KITCHIN. Where it is not actually required—where the business does not require them to have capital.

Mr. STAFFORD. Mr. Chairman, I withdraw the pro forma amendment.

Mr. SCOTT of Michigan. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I rise for the purpose of asking the chairman of the committee with reference to the word "corporation," in line 6, whether it would include a partnership or a joint association?

Mr. KITCHIN. The excess-profits and war-profits tax does not apply to partnerships or individuals.

Mr. SCOTT of Michigan. My sole purpose was in making a beneficial correction of this section, and this thought presents itself: Here is a corporation, the membership of which are devoting their entire time to the activities of the corporation. Now, under the provisions of the bill as it now stands they are taxed, but if the same concern were operated not as a corporation, but as a partnership or a joint company, they would not be taxed.

Mr. KITCHIN. The stockholders who are carrying on a business as managers and giving their personal services are entitled to a reasonable compensation for their personal services, while in a corporation, a copartnership, they are not; so they even up from that angle.

Mr. SCOTT of Michigan. Is the proposition covered in any other section of title 3; or where is it covered?

Mr. KITCHIN. In the deductions provision, page 36, paragraph 1, a reasonable allowance for salaries is allowed corporations.

Mr. SCOTT of Michigan. I withdraw the pro forma amendment.

The Clerk read as follows:

In any case where the full amount of the credit is not allowed under the first bracket above provided, by reason of the fact that such credit is in excess of 15 per cent of the invested capital, the part not so allowed shall be deducted from the amount in the next succeeding bracket, and if not then fully allowed the remaining part shall be deducted from the amount in the last bracket.

Mr. BLACK. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee a question. In the event that a corporation gets its deduction of $3,000 and 8 per cent and the deduction runs it into the 70 per cent bracket, will they pay 70 per cent on the balance?

Mr. KITCHIN. On the balance, yes. In other words, the corporation must have the entire 8 per cent deduction upon the capital invested and the $3,000 before any of its income becomes subject to tax.

Under existing law it is found that some corporations of small capital would not be able to take their entire credit out under the first bracket. The bill provides that in such cases where the full amount of the credit can not be allowed in the first bracket by reason of the fact that such credit is in excess of 15 per cent of the invested capital the part not so allowed shall be deducted from the amount in the next succeeding bracket, and if not then fully allowed the remaining part shall be deducted in the last bracket.

Mr. BLACK. But then he could not drop back and take the 35 per cent rate; he starts at the 70 per cent rate.

Mr. KITCHIN. The gentleman is correct, if his deduction is in excess of 20 per cent of his invested capital.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move to strike out the last two words. Mr. Chairman, I wish to inquire what the word "bracket" means in this paragraph.

Mr. KITCHIN. Well, it means the different rates. Under the rules and regulations of the Treasury Department, as for instance line 4, "35 per cent of the amount of net income," and so forth, is a bracket. Then in line 8, "50 per cent of the amount of the net income in excess of the 15 per cent," and so forth, is a bracket. Those are known as brackets.

Mr. GRAHAM of Pennsylvania. Ought not the word "bracket" to be replaced by some other word?

Mr. KITCHIN. As I understand, all legislative language uses the word "brackets" to describe the different rates. We use the word "bracket" in speaking of the income surtax rates, and the Treasury Department has used the term in its ruling, which appears on page 58, from line 13 to line 19. This is the very language of the ruling and it is very proper.

Mr. GRAHAM of Pennsylvania. Well, passing that, as I read this section, there is no other allowance made over the $3,000 specific exemption similar to 10 per cent on invested capital allowed in computing war-tax profits?

Mr. KITCHIN. Both have $3,000 exemption. In this excess-profis tax method the bill provides an 8 per cent deduction on capital invested during the taxable year, plus $3.000.

Mr. GRAHAM of Pennsylvania. Will the gentleman permit another question? This bracket, "35 per cent of the amount of the net income in excess of the excess-profits credit (determined under section 316) and not in excess of 15 per cent of the invested capital for the taxable year," in the report which your committee made, you seem to indicate that the deductions allowed are taken first from the income, and the reading of this paragraph would indicate that the deductions are not allowed but held, as it were, in suspension until the ascertaining of what the per cent of net income is which is less than 15 per cent on the capital?

Mr. KITCHIN. It is 35 per cent of the amount of the net income in excess of the excess-profits credit, and now the excess-profits credit is 8 per cent of the capital invested plus $3,000. Take $100.000 invested capital. Eight per cent would be $8,000 plus $3,000, making $11,000. Fifteen per cent of the invested capital would be $15.000. Now, 35 per cent of the net income in excess of the credit and not in excess of 15 per cent on invested capital would be 35 per cent on the amount in excess of $11,000 and not in excess of $15,000, or 35 per cent of $4,000.

Mr. GRAHAM of Pennsylvania. My point of inquiry is directed to ascertaining whether or not you find the net profit first, then do you deduct the exemption from the net profit, and then apply your 35 per cent and your 50 per cent and 70 per cent?

Mr. KITCHIN. We do not carry it in each bracket; no.

Mr. GRAHAM of Pennsylvania. In the report which the committee makes they say that the entire credits are first deducted, and, therefore, reading the text of the bill, I could not see how there was to be a suspended credit that was to be applied in each bracket to cover any excess.

Mr. KITCHIN. The report might have misled you. It would not be a suspended credit. You get your credit by first setting that aside. Then the different brackets attach to the excess over the credit.

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

SEC. 316. That the excess-profits credit shall consist of a specific exemption of $3,000 plus an amount equal to 8 per cent of the invested capital for the taxable year.

Mr. CHANDLER of Oklahoma. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CHANDLER of Oklahoma: Page 58, line 22, after the word "year," insert the following: *"Provided*, That in the case of mines, oil and gas wells the excess-profit credit shall consist of a specific exemption of $3,000, plus an amount not less than 10 or more than 25 per cent of invested capital, such percentage credit to be determined in each case by the Commissioner of Internal Revenue under such rules and regulations as he may prescribe."

Mr. CHANDLER of Oklahoma. Mr. Chairman, this amendment means that such corporations as undertake mining and the production of oil and gas shall be permitted a greater exemption, to be determined in each case by the Commissioner of Internal Revenue. In other words, instead of holding them down to a set rule, it would give the Commissioner of Internal Revenue latitude, so that if a corporation enters into some very hazardous undertaking they would have a greater exemption than one that does not enter upon a hazardous venture. I think the amendment should be adopted, and that these corporations of that character should be protected.

Mr. KITCHIN. The gentleman will find that the subject of oil and gas wells and mines is in clause 9, page 38. I hope the gentleman's amendment will be defeated.

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Oklahoma [Mr. CHANDLER].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

A foreign corporation shall not be entitled to the specific exemption of $3.000.

Mr. DALLINGER. Mr. Chairman, I move to strike out the last word.

On yesterday I had occasion to offer an amendment to the bill, and the gentleman from Illinois [Mr. MADDEN] made an entirely unprovoked attack upon me, questioning my motives in offering the amendment, and I wish to make this statement in regard to it:

On page 10425 of the CONGRESSIONAL RECORD, after having alleged that this amendment was offered by me in a jocular frame of mind and was of a trifling nature, he went on to say that I was "trying to play peanut politics, thinking I could get some votes from the students at Harvard by the introduction of an amendment like this, and that this was no place or time for politics."

I want to say, Mr. Chairman, that there was no intention on my part to play politics, and I certainly would consider it almost a crime in this great crisis to try to play politics or to offer an amendment in the interest of any particular district or section of the people at the expense of any other district or section. Never since I have been a Member of this House have I been guilty of any such conduct.

In regard to the Harvard College part of it, the only reference that I made to Harvard College was to the fact that I had been familiar in my college days, when I was working my way through Harvard, with the Harvard Cooperative Society, and therefore, in reply to the question of the gentleman from Ohio [Mr. EMERSON], I stated what the membership requirement was in that society, namely, a small annual admission fee. Now, in regard to trying to get votes from Harvard students: In the first place, Harvard students do not have a vote in Cambridge unless their parents live there; in the second place, practically all the students that are of voting age are now away from Cambridge in the service of their country; and, in the third place, the Harvard Cooperative Society could not qualify for exemption under my amendment the way it is being conducted to-day, as it has capital stock and does make profit from those outside of its membership.

Mr. GREEN of Iowa. Will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Iowa?

Mr. DALLINGER. In just a minute.

Now, Mr. Chairman, there is one other thing which I want to call to the attention of the committee and the gentleman from Illinois [Mr. MADDEN], because it is something that the gentleman from Illinois did not know when he made his remarks yesterday. I appeared before the Committee on Ways and Means yesterday morning and saw the chairman, the gentleman from North Carolina [Mr. KITCHIN], and he suggested that if I were willing to limit my amendment to students at educational institutions the committee might consider it favorably, and my colleague from Massachusetts [Mr. TREADWAY] intimated the same thing in his speech yesterday. I told the chairman of the Committee on Ways and Means that I did not want to have the exemption limited to college students; that if it did not apply to all cooperative stores organized under the Rochdale system, whether by farmers, by laboring men, or by anybody else throughout the country, I did not want the amendment. And throughout my remarks upon this amendment I pointed out that all I desired was to have the law made clear that these cooperative-store societies, organized for mutual purposes and without profit, should be exempt from taxation precisely the same as cooperative banks and building and loan associations and as mutual fire insurance companies are exempted in a later provision of the bill.

Now, I understand that there has been a ruling of the Treasury Department that these cooperative stores are not subject to the tax upon the profits that are returned to the members, but there is nothing in the act specifically about it, and that ruling may be changed to-morrow. A new Commissioner of Internal Revenue may make a different ruling. That is the reason I offered the amendment in good faith, because if there are to be exemptions made I felt that the cooperative-store societies are upon exactly the same basis as these other associations which the committee has exempted.

Now, Mr. Chairman, I offered my amendment and the amendment was defeated in the committee, and that is the end of it. The Committee on Ways and Means treated me most courteously; they gave me a fair hearing, and they finally, after careful consideration, took the ground that they were not willing to favor any further exemptions in the bill.

Mr. Chairman, I am perfectly willing to abide by the result, but I do resent the statement that in this great crisis in our country's history I have been playing politics or trying to do anything in the interest of any corporation in my district or in the interest of any one class of people as distinguished from any other class in the community. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. MADDEN. Mr. Chairman, I rise in opposition to the amendment of the gentleman.

Mr. GREEN of Iowa. Mr. Chairman, I ask for recognition.

Mr. MADDEN. Mr. Chairman, inasmuch as this matter has all had reference to me, I think I ought to have a chance to make a reply to it.

Mr. GREEN of Iowa. Later it can be done.

The CHAIRMAN. The gentleman from Iowa asks for recognition as a member of the committee.

Mr. GREEN of Iowa. Mr. Chairman, the Committee on Ways and Means had no thought that the gentleman's amendment was presented for any political purpose. On the contrary, so far as I myself am concerned, and, I think, other members of the committee, we thought that the gentleman's amendment had considerable merit to it and gave very careful consideration. The difficulty we found with it was that it was hard to prepare a provision that would not reach further than the gentleman himself would desire in the way of exemption. That was all.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(b) For the purposes of this title, the par value of stock or shares shall, in the case of stock or shares having no par value, be deemed to be the fair market value as of the date or dates of issue of such stock or shares.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to pass this over, with the privilege to the committee to return to it later.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to pass over this passage for the present, with the right on the part of the committee to return to the same. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

If such predecessor trade or business was carried on by a partnership or individual the net income for the prewar period shall be ascertained and returned upon the same basis and in the same manner as provided for income-tax purposes in Title II, except that the credits provided in subdivisions (b) and (c) of section 216 shall be deducted.

Mr. KITCHIN. Mr. Chairman, I offer an amendment to make a typographical correction of the text.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from North Carolina.

The Clerk read as follows:

Page 66, line 13, strike out the words and letter "(b) and (c)" and insert "(a) and (b)."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 401. That (in lieu of the tax imposed by Title II of the revenue act of 1916, as amended, and in lieu of the tax imposed by Title IX of the revenue act of 1917) a tax equal to the sum of the following percentages of the value of the net estate (determined as provided in section 403) is hereby imposed upon the transfer of the net estate of every decedent dying after the passage of this act, whether a resident or nonresident of the United States:

3 per cent of the amount of the net estate not in excess of $50,000;

Mr. SMITH of Michigan. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Michigan moves to strike out the last word.

Mr. SMITH of Michigan. I would like to inquire of the chairman what is the meaning of the words "net estate";

Mr. KITCHIN. "Net estate" means what is left after deducting all liabilities and debts and cost of administration, plus $50,000 exemption. It is defined in section 403.

Mr. SMITH of Michigan. It is after the deductions on the settlement of the estate?

Mr. KITCHIN. Yes, sir.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

6 per cent of the amount by which the net estate exceeds $50,000 and does not exceed $150,000;
9 per cent of the amount by which the net estate exceeds $150,000 and does not exceed $250,000;
12 per cent of the amount by which the net estate exceeds $250,000 and does not exceed $450,000;
15 per cent of the amount by which the net estate exceeds $450,000 and does not exceed $1,000,000;
18 per cent of the amount by which the net estate exceeds $1,000,000 and does not exceed $2,000,000;
21 per cent of the amount by which the net estate exceeds $2,000,000 and does not exceed $3,000,000;
24 per cent of the amount by which the net estate exceeds $3,000,000 and does not exceed $4,000,000;
27 per cent of the amount by which the net estate exceeds $4,000,000 and does not exceed $5,000,000;
30 per cent of the amount by which the net estate exceeds $5,000,000 and does not exceed $8,000,000;
35 per cent of the amount by which the net estate exceeds $8,000,000 and does not exceed $10,000,000; and
40 per cent of the amount by which the net estate exceeds $10,000,000.

Mr. MERRITT. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MERRITT: Page 69, line 3, strike out the figure "3" and insert "one-half of one"; line 5, strike out the figure "6" and insert the word "one"; line 7, strike out the figure "9" and insert the words "one and one-half"; line 9, strike out the figures "12" and insert the word "two"; line 11, strike out the figures "15" and insert the words "two and one-half"; line 13, strike out the figures "18" and insert the word "three"; line 15, strike out the figures "21" and insert the words "three and one-half"; line 17, strike out the figures "24" and insert the word "four"; line 19, strike out the figures "27" and insert the words "four and one-half"; line 21, strike out the figures "30" and insert the word "five"; line 23, strike out the figures "35" and insert the word "seven"; line 25, strike out the figures "40" and insert the word "ten."

Mr. KITCHIN. Mr. Chairman, I make the point of order that we have passed these paragraphs and that the only paragraph to which an amendment is now in order is the one for the 40 per cent, in line 25.

Mr. MERRITT. I assumed that the whole section was a paragraph.

Mr. KITCHIN. We are reading the bill by paragraphs. However, I will reserve the point of order, so that the gentleman can go ahead.

The CHAIRMAN. The gentleman from North Carolina reserves the point of order.

Mr. MERRITT. Mr. Chairman, the committee will probably observe that my amendment is intended to continue the rates carried in the bill of 1917. I do that not because I think the estate tax ought to be in the bill at all, for I believe that the estate tax should legally and equitably be a State tax. Every decedent gets the right to will his property by the statute of a State. As I understand the lawyers, he does not have it under the common law, but as a matter of State statute. But as this estate tax has been carried in previous bills, it seems to me that the rate should be, in a proper sense, a tax and not a confiscation. In the rates in this bill the committee have passed the point of a tax and have got to the point of confiscation. When you get to the great estates and take 40 per cent as a United States tax, and take the great taxes which all the States now levy, you are fast getting to the point where you are going to say that no great accumulation of property can be made in this country. When you do that you are going beyond socialism and getting into anarchy and bolshevikism. If any man here thinks that any such policy as that is going to inure to the benefit of this country and is going to inspire the brains and energies of the people for the benefit not only of themselves but of the whole people, I think he is very much mistaken. It is by individual initiative which has produced the success of individuals and corporations that the great prosperity of this country has been built up, and I do not believe that by any such confiscatory action as is proposed in this bill you are going to help this country, either now or hereafter. I should like very much, therefore, to see these rates placed upon a tax basis instead of upon a basis of confiscation.

The CHAIRMAN. Does the gentleman from North Carolina insist on his point of order?

Mr. KITCHIN. I withdraw the point of order. Let us take a vote on it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut.

The question being taken, the amendment was rejected.

The Clerk read as follows:

Whoever fails to comply with any duty imposed upon him by section 404, or, having in his possession or control any record, file, or paper, containing or supposed to contain any information concerning the estate of the decedent, or, having in his possesion or control any property comprised in the gross estate of the decedent, fails to exhibit the same upon request to the commissioner or any collector or law officer of the United States, or his duly authorized deputy or agent, who desires to examine the same in the performance of his duties under this title, shall be liable to a penalty of not exceeding $500, to be recovered, with costs of suit, in a civil action in the name of the United States.

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to return later to the end of this title for the purpose of offering an amendment which I desire to submit to the committee tomorrow, in reference to the estates of soldiers killed in action.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that he may hereafter return to the paragraph just read for the purpose of offering an amendment.

Mr. TREADWAY. Not to the entire title, but to the end of the title.

Mr. KITCHIN. I understand the gentleman desires to add another section?

Mr. TREADWAY. To add another section.

Mr. KITCHIN. I have no objection to that consent.

The CHAIRMAN. The gentleman asks unanimous consent to return to the end of this title for the purpose of offering an amendment as another section.

Mr. DOOLITTLE. Reserving the right to object, I understand this right to return is limited to the gentleman's amendment?

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read as follows:

In lieu of the internal-revenue tax now imposed thereon by law there shall be levied and collected upon all perfumes hereafter imported into the United States containing distilled spirits a tax of $3.30 per wine gallon and a proportionate tax at a like rate on all fractional parts of such wine gallon. Such tax shall be collected by the colector of customs and deposited as internal-revenue collections, under such rules and regulations as the commissioner, with the approval of the Secretary, may prescribe.

Mr. WHEELER. Mr. Chairman and gentlemen of the House, I shall vote for the pending revenue measure.

While I do not believe that the bill in its present form represents the acme of legislative wisdom, and while it unquestionably contains many inequities and inequalities, yet I appreciate the fact that the committee has done the very best that could be done under the abnormal conditions in which our country finds itself to-day.

From my standpoint, this bill is essentially a war measure, and because of that fact I shall not hesitate to vote in favor of its passage.

When, on April 6, 1917, the Congress decided that a state of war existed between this country and the Imperial Government of Germany, there were those among us who thought that, while the causes were more than sufficient for us to take so important a stand, that we should first attain a greater degree of preparedness. Others among us thought that war should have been declared immediately after the sinking of the *Lusitania*, and that when we failed to take this stand at that time we should have then and there immediately begun to prepare, because in all probability further depredations would follow.

Before the declaration of war I, together with many other Members of this body, voted for an increase in our Army and Navy, knowing full well that war was bound to come to us and wanting and advocating a state of real preparedness.

In the light of more recent events the wisdom and foresight of those who voted for these measures must be recognized.

There are those who judge a man's courage by his eagerness to get into a fight, regardless of how he conducts himself after he gets in.

There are times when one's eagerness must give way to his judgment, and there are none among us but will agree that the necessity for a better state of preparedness existed at that time and that the fact that we did not at that time make preparations must now be admitted by all to have been a serious mistake.

The cost to us because of the failure to take cognizance of these self-evident conditions has been tremendous. It has taken more than a year to organize our war machinery and munition factories and to reorganize our private business enterprises on a war basis, which we have since found so necessary and the lack of which has been so serious.

War became a reality for us on April 6, 1917, and from that day debate on that issue was no longer in order. The great question then became how to prosecute the war to a successful conclusion, that the people of the earth might live in peace with each other, and the hand of the autocrat and militarist be forever made impotent.

The patriotic people of this country recognize and realize that legislation of this kind is necessary and inevitable, and are reconciled to it. They realize, as we must realize, that this is no time for compromise or indecision, and they look to us to pass legislation of this kind without delay.

This is not a partisan question, and politics should be adjourned.

We can debate the various features of this complicated measure until the next new moon and be no closer to satisfying ourselves as to all its provisions than we are at this moment.

Delay spells danger, and this bill must pass quickly and with no material modification.

The urgency of this measure is unquestioned, and to drag it on indefinitely with unlimited debate will avail us nothing and will get us nowhere. I repeat, this measure must pass, and pass speedily.

A million heroes on the bloody fields of France, and 14,000,000 draftees, together with millions of aching hearts, demand it.

The people of my great State, which gave us Lincoln and Grant, Douglas and Logan, and other great men without number, and which this year celebrates the one hundredth anniversary of its admission as the twenty-first sovereign State to this glorious Union, are in favor of any measure that will bring this terrible conflict to a speedy and successful conclusion, and that will furnish the necessary funds to properly care for the heroes at the front and those men, with the hearts of heroes, to be trained on this side.

Illinois realizes the necessity of this measure and, if left to a vote of its people, would be for it, just as I know that every State in this Union would be for it.

As a Representative of that great State it has been my privilege since our entry into this conflict to assist in doing everything humanly possible to bring this country to a State of military preparedness and to support every measure designed to compass the defeat of our enemies, and I shall continue to support every measure designed toward that end, knowing full well that in so doing I not only carry out the wishes of my constituency but my own. [Applause.]

The Clerk read as follows:

SEC. 604. That upon all distilled spirits produced in or imported into the United States upon which the tax now imposed by law has been paid, and which, on the day after the passage of this act, are held by any person and intended for sale or for use in the manufacture or production of any article intended for sale, there shall be levied, assessed, collected, and paid a floor tax of $2.20 (or, if intended for sale for beverage purposes or for use in the manufacture or production of any article used or intended for use as a beverage, a floor tax of $4.80) on each proof gallon, and a proportionate tax at a like rate on all fractional parts of such proof gallon.

Mr. WALDOW. Mr. Chairman, I move to strike out the last word, for the purpose of asking a question of the gentleman from North Carolina. I have some constituents back home who are very much interested in this provision. Some of them have purchased three or four barrels of alcohol and have used part of it during the past year. Is this tax going to apply on the remainder?

Mr. KITCHIN. Just the remainder?

Mr. WALDOW. That is all?

Mr. KITCHIN. That is all.

Mr. WALDOW. In other words, on the floor stock?

Mr. KITCHIN. Yes; just the difference between the taxes which have been paid and this tax.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

SEC. 621. That the commissioner, by regulations to be approved by the Secretary, may require the use at each fruit distillery of such spirit meters, and such locks and seals to be affixed to fermenters, tanks, or other vessels and to such pipe connections as may in his judgment be necessary or expedient, and is hereby authorized to assign to any such distillery and to each winery where wines are to be fortified such number of gaugers or storekeeper-gaugers in the capacity of gaugers as may be necessary for the proper supervision of the manufacture of brandy or the making or fortifying of wines subject to tax imposed by this section; and the compensation of such officers shall not exceed $5 per diem while so assigned, together with their actual and necessary traveling expenses, and also a reasonable allowance for their board bills, to be fixed by the commissioner, with the approval of the Secretary, but not to exceed $2.50 per diem for such board bills.

Mr. WALSH. Mr. Chairman, I move to strike out the last word, for the purpose of asking the gentleman from North Carolina if the section just read, section 621, is existing law.

Mr. KITCHIN. Yes; that is existing law.

Mr. WALSH. And are these men allowed a per diem of $5 per day and also their traveling expenses and then $2.50 a day for their board under existing law?

Mr. KITCHIN. They can receive for their services a compensation not to exceed $5 a day, and in addition they can receive not to exceed $2.50 per diem for their board.

Mr. WALSH. The storekeepers and gaugers employed by the department under this act are paid by the day and not carried upon the monthly roll?

Mr. KITCHIN. They are paid by the day; yes.

Mr. STAFFORD. Can the gentleman inform the committee what is the existing practice as to compensation of gaugers?

Mr. KITCHIN. I can not; I do not know the existing practice. Here is the only thing they have the right to allow—not exceeding $5 a day as compensation, together with traveling expenses, and not exceeding $2.50 for board bills.

Mr. STAFFORD. If my memory serves me right, the gaugers under existing practice receive a flat per diem allowance under which they must pay their own living expenses. If that is the fact you virtually increase their compensation by $2.50 per day, and that is an increase of salary.

Mr. KITCHIN. The gentleman is mistaken. I have the act of September 8, 1916, and the provisions in the bill are existing law.

Mr. STAFFORD. I know that as to some of these deputy collectors the policy of the Bureau of Internal Revenue is to fix a

flat per diem allowance, which is the compensation from which they must pay their own expenses.

Mr. KITCHIN. I do not know the practice, but this provision is existing law.

Mr. WALSH. Can the gentleman state whether or not the gaugers assigned to this particular work are treated on a different basis from those employed in other branches of work?

Mr. KITCHIN. I can not tell the gentleman.

Mr. WALSH. It seems from this section that they are making a special provision for these men assigned to distilleries where the wines are to be fortified, giving them special compensation.

Mr. KITCHIN. I am sure they have no more compensation than gaugers in other distilleries.

Mr. WALSH. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN (Mr. FOSTER). The Clerk calls the Chair's attention to a typographical error, line 9, page 110, where a letter "s" is missing from the word "less." Without objection, it will be corrected.

There was no objection.

The Clerk read as follows:

If manufactured or imported to retail at more than 8 cents each and not more than 15 cents each, $12 per thousand.

Mr. SEARS. Mr. Chairman, I move to strike out the last word. On page 117, line 6, we find, "If manufactured or imported to retail at more than 8 cents each and not more than 15 cents each, $12 per thousand." Why did not the committee make it $15 a thousand, the same as they did the 8-cent cigar $8 a thousand? Before the gentleman answers I want to state that I ask this because under the present system we all know the tax is less than 1 cent, and yet the price of a cigar has gone up from 1 to 3 cents because of the war tax. One gentleman stated that he was opposed to this because he felt that he was robbing the people; the price of cigars has gone up, and he had to pass it on, and if the tax was three-eighths of 1 per cent he was making five-eighths on each cigar, and that was supposed to be for war purposes, whereas it went into the pockets of the dealers. If some plan could be worked out so the tax could go into the war fund and not to the profit of the dealers, it would give better satisfaction. I was wondering why the committee did not follow the same system with reference to the 15-cent cigar that it did with the 8-cent cigar.

Mr. KITCHIN. We double the present tax upon all cigars selling for more than 8 cents each. The gentleman will notice that this bracket catches the 10-cent cigar, which will sell for 11 or 12 cents. So in the practical operation it will have the effect that the gentleman suggests.

Mr. SEARS. Suppose they do as they have in the past and for a 10-cent cigar charge 15 cents and make $3 a thousand or more than that?

Mr. KITCHIN. No, they will not; this is to take care of the 10-cent cigar that is going to sell for 12 cents. Besides, we have a provision here that will make it a crime for them to represent that the reason for charging a higher price is on account of the tax; they must correctly represent the increase due to the tax. The committee looked into all the conditions that exist, and it is the intention to double the present tax except on stogies and cigars selling for 8 cents and less.

Mr. STAFFORD. The stogies and cigars that Members of Congress can afford to smoke.

Mr. SEARS. During the consideration of the last bill it was stated that if we would give them time which they desired, especially on cigarettes, to reduce the size of the package and make it 8 instead of 10, the price would not have to be increased. As a matter of fact, the size of the container was reduced; the cigarettes were taken out so that eight remained—and perhaps it would be better if they were all taken out—but instead of selling for 5 cents, they charged 6. They reduced the size of the package one-fifth and raised the price of the package a little over one-fifth so that they got the consumer going and coming. I make this suggestion, hoping that we might stop such practice in the future.

Mr. KITCHIN. This will stop it as much as a tax can stop it. This will catch the 10-cent cigar with the 1 cent or 2 cents extra tax added. It will double the tax.

Mr. SEARS. The point is simply this: If you make this tax even cents instead of a fraction of a cent, then if the seller raises it over that you have him, but with a fraction of a cent, he can raise it a cent, and nobody can complain about it.

Mr. KITCHIN. The gentleman would put it at either $10 or $20?

Mr. SEARS. Either 10 or 15.

Mr. KITCHIN. Fifteen would be a fraction of a cent—a cent and a half.

Mr. SEARS. If the cigars sell for 15 cents each, make it $15 per thousand.

Mr. KITCHIN. The 15-cent cigar will go into the 16 or 17 cent class, and that will catch it in the next bracket of $16. I do not think there is enough in the gentleman's suggestion to justify changing this provision, and I do not think that the taxes on cigars ought to be increased.

Mr. SEARS. I am not complaining about the size of the tax. I am complaining because the people pay more than they should.

Mr. KITCHIN. We can not control the retailer. He may add 3 cents to the selling price of a cigar, or in case of a 5-cent cigar he may add 1 cent and sell it for 6 cents, or 2 cents and sell it for 7 cents, or 3 cents and sell it for 8 cents.

Mr. SEARS. As I understand it, if he sells it for more than 5 cents he pays $8 a thousand.

Mr. KITCHIN. And if he sells it for 8 he pays 8.

Mr. SEARS. On the 15-cent proposition he only pays $12 a thousand.

Mr. KITCHIN. Then you would want the other bracket to be made 20? That bracket says—

If manufactured or imported to retail at more than 15 cents each, and not more than 20 cents each, $16 per thousand.

Mr. SEARS. Let the entire tax go into it.

Mr. KITCHIN. The entire tax would not go into it.

Mr. SEARS. If I am charged three-eighths of a cent, and then I charge you 1 cent, I profit to the amount of the difference between three-eighths of a cent and 1 cent.

Mr. KITCHIN. The retailer is bound to charge what it costs plus the tax, because the tax is added into his purchases. Both the manufacturer and the retailer have to have some profit on their investment besides the tax. The only objection I have heard to this schedule is the size of the tax.

Mr. SEARS. The only objection I have heard is because they charge more than they have really paid as a tax.

Mr. KITCHIN. That is up to the retailer.

The Clerk read as follows:

SEC. 703. That there shall be levied, collected, and paid, in lieu of the taxes imposed by section 404 of the revenue act of 1917, upon cigarette paper made up into packages, books, sets, or tubes, made up in or imported into the United States and sold to any person (other than to a manufacturer of cigarettes for use by him in the manufacture of cigarettes) the following taxes, to be paid by the manufacturer or importer: On each package, book, or set, containing more than 25 but not more than 50 papers, 1 cent; containing more than 50 but not more than 100 papers, 2 cents; containing more than 100 papers, 2 cents for each 100 papers or fractional part thereof; and upon tubes, 4 cents for each 100 tubes or fractional part thereof.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the paragraph just read may be passed over, to be returned to later.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to pass over this paragraph, to be returned to later at the pleasure of the committee. Is there objection?

There was no objection.

The Clerk read as follows:

(b) No tax shall be levied under this title in respect to any admissions all the proceeds of which inure exclusively to the benefit of religious, educational, or charitable institutions, societies, or organizations, or admissions to agricultural fairs none of the profits of which are distributed to stockholders or members of the association conducting the same.

Mr. WALSH. Mr. Chairman, we have now reached the section with reference to admissions, and I have an amendment to offer, and I think the gentleman desires to pass over the paragraph.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to pass over this, with the privilege of returning to it. I think the gentleman from Massachusetts has an amendment which he desires to offer, and I desire to look it over.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to pass over the paragraph read, with the privilege of returning to it. Is there objection?

There was no objection.

The Clerk read as follows:

(5) Positive moving-picture films containing a picture ready for projection, 10 per cent.

Mr. WALSH. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman what is the definition of a "positive moving-picture film"?

Mr. KITCHIN. That is a film that our moving-picture theaters use.

Mr. WALSH. That is the one used to project the picture upon the screen?

Mr. KITCHIN. Yes.

Mr. WALSH. Why not tax the film where it is manufactured before the picture is taken?

Mr. KITCHIN. All that comes in that section. All of the tax put on prior to that would be merged right into that one.

The Clerk read as follows:

(6) Tennis rackets, golf clubs, baseball bats, lacrosse sticks, balls of all kinds, including baseballs, footballs, tennis, golf, lacrosse, billiard, and pool balls, fishing rods and reels, billiard and pool tables, chess and checker boards and pieces, dice, games and parts of games, except playing cards and children's toys and games, 10 per cent.

Mr. ROBBINS. Mr. Chairman, I want to ask the chairman of the committee a question with reference to this excise tax. I see that it is to be levied upon the manufacturer, producer, or importer. What about large dealers such as department stores, people who handle these goods at various times? Suppose a sewing machine is sold and taken back, or a set of furniture is sold and taken back, there is no tax assessed on that. It has to be upon the manufacturer, and after it is paid by the manufacturer there will be no tax upon it. Is that the purpose?

Mr. KITCHIN. The manufacturer or the importer or the producer would pay the tax in the first instance, and, of course, he would charge it up to the wholesaler and the wholesaler would charge it to the retailer.

Mr. ROBBINS. What I want to get clear in my mind is this: Take, for instance, a piano or a sewing machine, which may be sold by a department store on a lease.

Mr. KITCHIN. There will be no tax upon that. The manufacturer would pay it before the wholesaler got it.

Mr. ROBBINS. It has to be paid in the first instance, and then it is free from tax after it is out of his hands.

Mr. KITCHIN. Yes.

Mr. ROBBINS. Ever afterwards.

Mr. KITCHIN. Yes; exactly like the tobacco tax.

The Clerk read as follows:

(15) Tapestries and textiles for furniture coverings or hangings in the interior decoration of buildings, 10 per cent.

Mr. DYER. Mr. Chairman, I move to strike out the last word for the purpose of asking the gentleman from North Carolina a question. I call his attention to section 900 and to an item in section 908, with reference to toilet soaps. Toilet soaps are a great necessity, and in section 908 they are put in the same class with perfumes, essences, extracts, cosmetics, and so forth.

Mr. KITCHIN. I would say to the gentleman that when we reach that I shall ask to have it passed over. I think we can get together upon that soap proposition.

Mr. DYER. The reason I call attention to it at this time is that I was going to offer an amendment, which I think the chairman understands.

Mr. KITCHIN. When we reach section 908 I shall ask to have it passed over. Personally I think the gentleman is about right, and that soaps ought to be taken out of the class in which we have put them and put in the 10 per cent manufacturer's class.

Mr. DYER. So that the manufacturers themselves could pay the tax.

Mr. KITCHIN. I would rather bring that up first before the committee.

Mr. DYER. Then I ask unanimous consent that paragraph 900, to that extent, may be passed over, with the privilege of returning to it for the purpose of offering an amendment. I think that is agreeable to the gentleman.

Mr. KITCHIN. That is perfectly agreeable.

The CHAIRMAN. The gentleman asks unanimous consent——

Mr. WALSH. The gentleman can not reserve the right to return for a particular purpose.

Mr. KITCHIN. Just pass it over and return to it.

Mr. DYER. Mr. Chairman, I ask unanimous consent to pass this over.

The CHAIRMAN. The gentleman asks unanimous consent to pass this paragraph over, with the right, at the pleasure of the committee, to return to the same for the purpose of consideration and amendment. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

(11) Firearms, shells, and cartridges, except those sold for the use of the United States, any State, Territory, or possession of the United States, any political subdivision thereof, the District of Columbia, or any foreign country while engaged in the present war with the Imperial German Government, 25 per cent in the case of pistols and revolvers and 10 per cent in the case of all other firearms and shells and cartridges.

Mr. LONERGAN. Mr. Chairman, I ask unanimous consent that this paragraph just read be passed over because I would like to offer an amendment and I have the facts over on my desk in my office.

Mr. KITCHIN. That is agreeable; I understand that the gentleman has a bona fide amendment.

The CHAIRMAN. The gentleman asks unanimous consent for the paragraph just read to be returned to later for the purpose of amendment. Is there objection?

Mr. WALSH. Does the gentleman mean the paragraph relating to dirk knives, and so forth?

Mr. KITCHIN. To revolvers, paragraph 11.

The CHAIRMAN. The gentleman asks unanimous consent that paragraph 11 be passed over to be returned to for the purpose of offering ana mendment. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

(15) Tapestries and textiles for furniture coverings or hangings in the interior decoration of buildings, 10 per cent.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk to be read.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 128, line 24, after the word "centum" insert the words "and cotton used therein, $3 per bale."

Mr. CRISP. Mr. Chairman, I make the point of order on the amendment.

Mr. KITCHIN. Mr. Chairman, reserving the point of order, I ask unanimous consent, if it is agreeable to the gentleman from Pennsylvania, that we read this title through, and then come back to the proposition.

Mr. MOORE of Pennsylvania. I wish to say to the gentleman that a number of gentlemen from the cotton States have spoken to me about this amendment and others which I propose to introduce, and the impression has gone forth that this matter would come up to-morrow. Some gentlemen, I think, have gone out of the Chamber to attend to other business. I have no objection to permitting this to go over with other amendments I shall offer in reference to cotton.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to return to this title for the purpose of permitting the gentleman to offer an amendment relative to cotton.

Mr. MOORE of Pennsylvania. Until to-morrow?

Mr. KITCHIN. Yes; if the gentleman so desires.

Mr. GREEN of Iowa. Mr. Chairman, I have an amendment to offer imposing a tax——

Mr. CRISP. The point of order goes over also?

Mr. MOORE of Pennsylvania. Yes; under this new arrangement, and I will say to the gentleman from Georgia I am perfectly willing to accede to it. I do not want to take advantage of gentlemen who may not be here. In the interest of fair play I suggest——

Mr. CRISP. I am very sure of it.

Mr. MOORE of Pennsylvania. That the motion made by the gentleman from North Carolina be agreed to so that all can have notice.

Mr. KITCHIN. Withdraw your amendment now and offer it so the point of order will be offered——

Mr. MOORE of Pennsylvania. The gentleman refers to the cotton amendment?

Mr. KITCHIN. Withdraw that and then offer it when we return to this title.

Mr. GREEN of Iowa. I understand the gentleman's proposition will permit me to offer an amendment to-morrow for a new subdivision?

Mr. KITCHIN. Yes; let the proposition be included in the unanimous consent.

Mr. MOORE of Pennsylvania. Do I understand that the gentleman wants to pass the whole title at this time?

Mr. KITCHIN. No; let us read the balance of the title.

Mr. MOORE of Pennsylvania. When we reach liveries, hunting garments, bathing suits, and so forth, I shall want to offer amendments, if the first amendment passes.

Mr. KITCHIN. Certainly; under the agreement that would be permitted.

Mr. MOORE of Pennsylvania. I am ready to have that discussed at the convenience of those who desire to discuss it.

Mr. TREADWAY. Will these sections passed over be taken up in their regular order when we do return to them? I think the chairman's suggestion was rather different from the unanimous-consent requests that had been previously proffered in reference to other paragraphs. Is it the chairman's idea to return in sequence as they have been passed over?

Mr. KITCHIN. That, of course, would be the regular order; but these matters the gentleman from Pennsylvania and the gentleman from Iowa have raised are very important matters, and suppose we take them up the very first thing to-morrow morning.

Mr. GREEN of Iowa. That is satisfactory, as far as I am concerned.

Mr. MOORE of Pennsylvania. When we reach page 138 I desire to offer a cotton amendment providing for a flat tax per bale. I suppose some discussion will be had as to that. Shall we take up the whole thing to-morrow morning?

Mr. KITCHIN. Yes.

Mr. MOORE of Pennsylvania. Might we agree on some time for debate?

Mr. KITCHIN. We will agree on that to-morrow. We can almost finish this bill this afternoon, except two or three disputed points.

Mr. MOORE of Pennsylvania. I want to hasten the passage of the bill——

Mr. GREEN of Iowa. Take up the whole thing to-morrow morning.

Mr. MADDEN. I would like to ask, in the consideration of the amendments to be suggested by the gentleman from Iowa and the gentleman from Pennsylvania, with the point of order pending, whether the merits of the amendments will be discussed or discussion be had on the point of order?

Mr. CRISP. Mr. Chairman, as far as I am concerned, I would like to have the point of order decided first, because there is no use in discussing the merits of the proposition if the point of order is sustained. I have no objection whatever to the agreement for it to go over until to-morrow.

Mr. MADDEN. The only point I was making was whether discussion could not be had upon the merits of the proposition and let the point of order be decided after the discussion.

Mr. DYER. Mr. Chairman, it seems to me we would be wasting time if the point of order is sustained.

Mr. GARNER. If anybody wants to make a political speech, of course he can extend his remarks in the RECORD.

Mr. WALSH. No; he can not.

Mr. MOORE of Pennsylvania. It is an economical question; there is no politics in it.

Mr. CRISP. If it is agreeable to the committee, let the question go over and be determined to-morrow when we take up the proposition.

Mr. WALSH. Mr. Chairman, I demand the regular order.

The CHAIRMAN. Will some gentleman participating in this arrangement so make a motion?

Mr. KITCHIN. I ask unanimous consent that the gentleman from Pennsylvania [Mr. MOORE] and the gentleman from Iowa [Mr. GREEN] have the privilege of returning to this title or other sections of the bill for the purpose of offering their amendments. The amendment of the gentleman from Pennsylvania is in reference to cotton tax and the proposed amendment of the gentleman from Iowa is for putting a tax——

Mr. GREEN of Iowa. On the products of child labor.

Mr. KITCHIN. On the products of child labor.

Mr. SABATH. Mr. Chairman, I desire to offer a few amendments to that section myself.

Mr. MOORE of Pennsylvania. Let me make this announcement for the information of all gentlemen. The amendment that is to be offered first is to line 24, page 128, tapestries and textiles, and when we reach page 138 I shall offer an amendment making a flat cotton tax of $3 per bale.

Mr. GREEN of Iowa. If the gentleman from North Carolina will ask unanimous consent to have my amendment read at this time——

Mr. KITCHIN. Go ahead and put your amendment in the RECORD.

Mr. MOORE of Pennsylvania. It is a flat cotton tax of $3 per bale.

Mr. KITCHIN. The gentleman can put the amendment in the RECORD.

Mr. WALSH. Mr. Chairman, do I understand if anybody else has an amendment to this title he must offer it now?

Mr. GARNER. Certainly; he must offer it now.

Mr. KITCHIN. Those are the only amendments that I have heard of being proposed to this title.

Mr. LONGWORTH. I think each reservation, in regard to some particular title, should be made. The gentleman from Connecticut [Mr. LONERGAN], the gentleman from Iowa [Mr. GREEN], and the gentleman from Pennsylvania [Mr. MOORE] have the privilege, and they only.

Mr. WALSH. To pass the title and restrict the privilege of offering an amendment to two people is no way to do it.

Mr. KITCHIN. I suggest that when we get to the proper sections, and we read the sections, we can take it up with the other gentlemen. These questions are the two contested questions, and I think they can stand alone. So I ask unanimous consent——

Mr. HEFLIN. Mr. Chairman, reserving the right to object, the gentleman from Pennsylvania [Mr. MOORE] desires to tax cotton, a farm product. Since he invokes the taxing power against the products of the soil in one section of the country, some gentleman may desire to tax other products of the soil, some produced in the gentleman's own district. The value of the steel products of the gentleman's State alone are within $200,000,000 of the entire cotton crop of the South; and while I do not believe in a direct tax on any of these products, it is a fact that Congress, by laying a tax of $2 per ton on the steel products of Pennsylvania, could raise thirty-odd million dollars in revenue. The gentleman is inviting just such a tax.

Mr. MOORE of Pennsylvania. We do not attempt any gag law on this side of the House.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent that the gentleman from Iowa [Mr. GREEN] and the gentleman from Pennsylvania [Mr. MOORE] have the privilege of returning to this title at the proper place, or to other sections of the bill, to offer their respective amendments to-morrow morning.

Mr. SABATH. Reserving the right to object, I want to know whether I shall have an opportunity to offer an amendment pertaining to taxing steel products?

Mr. KITCHIN. When you get to that section you can make the request and pass it over for that. But this stands alone.

The CHAIRMAN. The gentleman from North Carolina [Mr. KITCHIN] asks unanimous consent that the committee to-morrow morning, when the reading of the bill is resumed, return to this title for the purpose of allowing the gentleman from Pennsylvania [Mr. MOORE] and the gentleman from Iowa [Mr. GREEN] to offer amendments to such appropriate sections of the title as they may determine.

Mr. TILSON. May I call the attention of the Chair to the fact that my colleague from Connecticut [Mr. LONERGAN] also asked that privilege?

Mr. MOORE of Pennsylvania. He got it.

Mr. WINGO. Mr. Chairman——

The CHAIRMAN. Does the amendment of the gentleman from Illinois [Mr. SABATH] relate to the same title?

Mr. SABATH. To the same section.

Mr. KITCHIN. And I assume that the gentleman from Illinois wants, when we get to page 129, it being the same section, to offer his amendment.

The CHAIRMAN. This title 9, to which your unanimous consent relates——

Mr. KITCHIN. The gentleman from Illinois [Mr. SABATH] asks to offer his amendment later on.

Mr. WINGO. Mr. Chairman, has the gentleman from Pennsylvania [Mr. MOORE] offered an amendment covering the question that he raises?

The CHAIRMAN. He indicated that he has an amendment.

Mr. WINGO. Has the point of order been determined on that?

Mr. KITCHIN. I understand, to be candid with the House, that the gentleman from Pennsylvania and the gentleman from Iowa are making this request not only in behalf of those who favor their amendments but in behalf of those who oppose them.

Mr. GREEN of Iowa. Oh, yes; to give them an opportunity.

Mr. KITCHIN. I would like to see it go. I do not think we have a sufficient number in the House to consider those questions now, but I think we will have more people here to-morrow morning.

Mr. WINGO. Mr. Chairman, I have no objection to agreeing to a time when a question of that kind can be fully considered; but I think it will be better in keeping with orderly procedure to let the amendments be offered and the point of order determined on them. I do not want anything that will hammer the cotton market down any further.

Mr. MOORE of Pennsylvania. I have offered an amendment to page 128, line 24, that provides that $3 a bale shall be levied upon cotton that enters into the manufacture of tapestries and textiles. When we reach page 138, I shall offer as a new section the following:

SEC. 911. That there should be levied, assessed, collected, and paid upon every bale of cotton, when sold for consumption or use, a tax of $3 a bale.

The first amendment I shall offer when we reach hunting garments, riding habits, bathing suits, and such things in which cotton enters. I make this announcement because a number of gentlemen from the cotton States have suggested that they would like to be here when these amendments come up. I do not want, in view of the rapid reading of the bill to-day, and some of them being absent on departmental business, to take them by surprise. The idea is to give them full notice that to-morrow morning these questions will be raised, so that they will be here to test them.

Mr. DYER. A point of order will be considered?

Mr. HEFLIN. Do I understand that amendments can be offered touching other products?

Mr. WINGO. If a man from any of the cotton States does not know that these amendments are coming up, he is asleep. Cotton has already gone down $4 per bale. I do not want anything hanging fire that the speculators can use between now and to-

morrow morning, and if the question is raised I want to have it settled promptly.

Mr. MOORE of Pennsylvania. It is up to the President of the United States, if the gentleman pleases.

Mr. WINGO. And I want the point of order settled.

Mr. GARNER. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The regular order is, Is there objection?

Mr. LONGWORTH. Mr. Chairman, what is the request?

The CHAIRMAN. The request is for unanimous consent that to-morrow morning, when the committee resumes its session, we shall return to Title IX of the bill in order to allow the gentleman from Iowa [Mr. GREEN] and the gentleman from Pennsylvania [Mr. MOORE] to offer amendments to the paragraphs under that title.

Mr. LONGWORTH. Reserving the right to object, Mr. Chairman——

Mr. DYER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DYER. This will give Members the right also to make points of order?

The CHAIRMAN. The amendments will be subject to points of order.

Mr. LONGWORTH. I do not object to returning to section 900, but I shall object to returning to Title IX until the reading has been completed. If the gentleman will make his request to return to section 900 I will offer no objection. But the gentleman's request, as put by the chairman, involves the whole of Title IX, which we have not yet completed. These amendments are to be offered to section 900. I shall not object, as I say, to returning to section 900 for the purpose, but I shall object to leaving Title IX entirely open.

The CHAIRMAN. The unanimous-consent request is not to leave Title IX entirely open. It is to be returned to simply to allow the two designated gentlemen to offer amendments. It does not include other amendments or other gentlemen.

Mr. WALSH. But can gentlemen offer other amendments to this title? There is a request that it be passed over until to-morrow morning.

The CHAIRMAN. The gentleman from Massachusetts misapprehends the request that the section be passed over. It is only to be passed over until to-morrow morning when we resume the session. Then we return to it.

Mr. KITCHIN. We can go ahead right along.

The CHAIRMAN. Is there objection to the unanimous-consent request?

Mr. KITCHIN. If any other gentleman wants to offer an amendment later he can offer to amend the section or pass that over.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will proceed to the reading of the section.

The Clerk read as follows:

(22) Liveries and livery boots and hats, 10 per cent.

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last word.

Mr. MOORE of Pennsylvania. This is one of the points: If the amendment I have already offered, and which will be in the RECORD in the morning, is adopted, I shall, when we reach "Liveries," which is item 22 here, offer the same amendment. I will do the same thing when we reach "Hunting garments, bathing suits," and so forth.

This is an announcement to gentlemen on the other side to be prepared to resist, if they care to, because if the amendment carries it would be logical to follow it up in the case of other items.

Mr. PLATT. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. PLATT. I want to know if the gentleman from Pennsylvania will be responsible for the further abbreviation of bathing suits? [Laughter.]

Mr. MOORE of Pennsylvania. The gentleman's inquiry has no reference to the raising of revenue. [Laughter.]

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

(26) Yachts and motor boats; and pleasure boats and canoes if sold for more than $15, 10 per cent.

Mr. SABATH. Mr. Chairman, I ask unanimous consent to offer an amendment to-morrow as a separate paragraph after paragraph 26.

Mr. DYER. Reserving the right to object, what is it about?

The CHAIRMAN. The gentleman from Illinois [Mr. SABATH] asks unanimous consent that to-morrow, after the disposition of the amendments offered by the gentleman from Iowa [Mr. GREEN] and the gentleman from Pennsylvania [Mr. MOORE], he shall have the right to offer an amendment to the designated paragraph in this title. Is there objection?

Mr. WALSH. I object.

Mr. ROBBINS. Mr. Chairman, may I inquire what it is?

Mr. WALSH. I shall object until we know what the amendment is going to be.

The CHAIRMAN. Is there objection?

Mr. WALSH. I object.

The CHAIRMAN. Objection is made.

Mr. FOSTER. Let the gentleman from Illinois offer his amendment.

Mr. SABATH. I can not offer it now. I have not got it prepared.

Mr. WALSH. Will the gentleman state what the nature of his amendment is going to be?

Mr. SABATH. My amendment is to put a certain tax on steel and steel products.

Mr. WALSH. I withdraw the objection.

The CHAIRMAN. Is there objection?

Mr. DYER. Reserving the right to object, will the gentleman be prepared to put it in the RECORD to-day, so that we can read it to-morrow?

Mr. SABATH. I shall endeavor to do so. I did not know we would reach so far to-day, and therefore I did not perfect the amendment.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 903. That there shall be levied, assessed, collected, and paid upon sculpture, paintings, and statuary, sold by any person other than the artist, a tax equivalent to 10 per cent of the price for which so sold.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. STAFFORD. Here we have an item where we are seeking to tax what is regarded by everybody as luxuries, and yet the tax is only 10 per cent, namely, the tax on sculpture, paintings, and statuary. I noticed, in going through the schedule of special taxes, the tax on automobiles and the like. The rates are rather low, if they are intended to raise any considerable amount of money—5 and 10 per cent. Here we are imposing the rate of only 10 per cent on such luxuries as fine arts.

Mr. KITCHIN. This is the first tax of the kind that has been suggested in a bill or act. The committee thought that if we put a tax of 10 per cent on other luxuries, or similar luxuries, we ought not to put a larger tax than 10 per cent on fine arts. If a piece of fine art sells for $100, we would get $10 as tax.

Mr. STAFFORD. What is the moving cause with the committee to make the tax so low on these luxuries? I thought the committee was driven to the wall to find ways of raising revenue; yet when I look at these luxuries I find only 5 and 10 per cent imposed—on automobiles, for instance.

Mr. KITCHIN. That 5 per cent rate is on trucks.

Mr. STAFFORD. Automobile trucks, automobile wagons, and tractors. Those are necessities, of course.

Mr. LONGWORTH. Almost exactly the same relative increases were made in the incomes from corporations.

Mr. STAFFORD. There may have been the same relative increases, but the question in my mind is why the committee went so low and did not go higher in their rates when they were driven to the wall to find subjects of taxation.

Mr. KITCHIN. With 10 per cent we get the required revenue, and the gentleman will see that with a tax of 20 or 30 per cent on articles of fine art the amount raised would be only a drop in the bucket from a revenue standpoint. If you put the whole list at 30 per cent I doubt if some so-called luxuries would produce any tax at all, because the tax would be so high that there would be no sale for the article.

Mr. WALSH. Will the gentleman yield to me?

Mr. KITCHIN. I do.

Mr. WALSH. I notice that on those luxuries called dirk knives, bowie knives, daggers, and brass knuckles the print of the bill puts the tax at 100 per cent. Is that an extra cipher, or is that the tax intended to be levied?

Mr. KITCHIN. Yes; the tax is intended to be 100 per cent on luxuries of that kind.

Mr. STAFFORD. Those secretive luxuries?

Mr. KITCHIN. Yes; and on pistols 25 per cent.

Mr. STAFFORD. I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 905. (a) That on and after November 1, 1918, there shall be levied, assessed, collected, and paid a tax equivalent to 20 per cent of so much of the amount paid for any of the following articles as is in excess of the price hereinafter specified as to each such article, when such article is sold for consumption or use——

Mr. PLATT. Mr. Chairman, in line 13, on page 131, I move to strike out "20" and insert "10."

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. PLATT: Page 131, line 13, strike out "20" and insert in lieu thereof "10."

Mr. PLATT. Mr. Chairman, I want to say that, if this amendment should by any possibility happen to carry, I should offer further amendments to reduce the limit of the price on each of the items (1), (2), (3), (4), and so on, to one-half the amounts now carried in the bill. I think it is absurd to have a tax of 20 per cent on the excess price of trunks costing more than $50. We might just as well have a tax of 10 per cent on trunks costing more than $25—on the excess paid above $25—and get some revenue. In the same way the limits on the other articles are excessively high, so that the revenue collected will amount to very little. It is perfectly evident that this whole section is not intended to collect revenue to any considerable extent. There is a tax of 20 per cent on the excess cost of hats of over $5. I should like to have the glorious privilege of being able to pay a little tax on hats, and yet, as I said the other day, I do not think I ever paid over $5 for a hat in my life, except once or twice, and any man who feels that he must avoid paying any tax can in every town buy a very good-looking and very serviceable hat for half that amount. Why not put the bracket down to $2.50, so I can have the privilege of paying a little tax when I buy a hat once or twice a year?

Mr. DYER. I judge it was the intention of the committee that there should be no tax on articles of necessity, like clothes and hats, except where people buy expensive articles. There are some people with whom the price cuts no figure, and they can afford to pay the tax.

Mr. PLATT. It is perfectly evident that the main purpose is not raising revenue. So far as suits of clothes are concerned, the purpose appears to be to drive all the custom tailors out of business.

Mr. MOORE of Pennsylvania. The gentleman does not understand that a hat costing less than $5 will be taxed?

Mr. PLATT. I do not; and I have rarely paid as much as $5 for a hat. I should like to have the privilege of paying a few cents tax once in a while. Why not put the limit down to $2.50? That will buy a good enough hat for anybody.

Mr. MOORE of Pennsylvania. That will not help the revenue any. The gentleman may buy a hat up to $4.99 without paying any tax. The tax does not go on until the limit of $5 is reached, and then it goes onto the amount that is in excess of $5.

Mr. PLATT. Certainly. I understand all that, and that will not raise any revenue. When the gentleman from Virginia [Mr. MONTAGUE] was arguing against taxing State bonds and municipal bonds the argument was raised in opposition to what he said that we must raise revenue for the boys in the trenches. Now, here is a tax that is not intended to raise revenue. Put the tax down lower and reduce the brackets, and then everybody will contribute a few cents.

Mr. GARNER. The gentleman from New York has reiterated the statement that we will get no revenue from this. The Treasury Department estimates that we will get $185,000,000 from this section. I consider that is some money when we have got to pay the expenses of the Government. The only trouble is that the gentleman's premises are wrong.

Mr. PLATT. That is based purely on the theory that the people will go on paying the higher prices when the tax is put on, and many of them certainly will not.

Mr. GARNER. I am more willing to take the estimate of the Treasury Department than I am the estimate of the gentleman from New York. These gentlemen who have made these estimates have not been very much out of line in all the estimates they have made, and they say this will raise $185,000,000.

Mr. PLATT. Will the gentleman state what the Treasury Department said could be raised by making the tax 10 per cent and reducing the bracket limits one-half?

Mr. GARNER. We never asked them for that. The gentleman has stated repeatedly that this is not for revenue purposes. It is for revenue purposes.

Mr. PLATT. You will find that the Treasury Department will tell you that you can raise three times as much revenue by fixing the limit and the per cent of the tax as I have stated.

Mr. GARNER. This levies a tax on the amount in excess of a certain price. Now, if you are going to reduce the limit of price and levy a tax of 10 per cent on the excess, I do not see how you are going to collect any more revenue.

Mr. PLATT. How many people pay more than $5 for a hat and how many people pay more than $2.50 for a hat? The gentleman must know that not more than one man in a thousand ever pays more than $5 for a hat, where a thousand men will pay as much as $3, which, at the rate of 10 per cent, as I have proposed, on the excess over $2.50 would collect 5 cents from each of them. On a $3.50 hat the purchaser would pay a dime of tax, and on a $4 hat 15 cents. Nobody would object, but a lot of revenue would be raised.

Mr. TREADWAY. Are not these articles enumerated in section 905 practically every one of them common necessities used by the people? The idea of this section was not to tax these articles in general use at a moderate cost. If anyone sees fit to pay an exorbitant price for a suit of clothes or a hat, let him pay the tax. I am afraid the gentleman from New York has not tried to buy a new fall hat if he thinks $5 is a limit of price. Let him go down on Pennsylvania Avenue and he will find to the contrary. Nevertheless it is a fact that we do not intend to tax the people on the ordinary use of articles purchased at moderate prices. The purpose is to reach the excess or high prices, and it is absolutely right in the taxation of luxuries, and the gentleman is wrong, as he frequently is.

The CHAIRMAN. The time of the gentleman from New York has expired. [Laughter.]

Mr. PLATT. Mr. Chairman, I ask for two minutes more. I want to say something in my own time. The distinguished gentleman from Massachusetts, who has just spoken, has argued directly opposite to that of his colleague from Texas [Mr. GARNER], who said a few minutes ago that this was to raise revenue. The gentleman from Massachusetts says the purpose of this is only to get a little revenue out of the people who pay extravagant prices.

Mr. TREADWAY. If the gentleman will yield, Did I use the word "only" or little revenue in any stage of my remarks? If so, I will erase the words, because I agree with my distinguished colleague from Texas that this will raise $185,000,000 of money, and one hundred and eighty-five millions is a lot of money.

Mr. PLATT. I am glad that the gentleman agrees with his colleague once in a while.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. PLATT].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

(17) Men's, women's, misses', and boys' boots, shoes, pumps, and slippers, on the amount in excess of $10 per pair.

Mr. MERRITT. Mr. Chairman, I offer the following amendment to section 17.

The Clerk read as follows:

Page 133, line 2, after the word "slippers" insert "not including shoes or appliances made for wounded, crippled, deformed feet or ankles."

Mr. GARNER. Mr. Chairman, I want to say to the gentleman that the chairman of the committee, the gentleman from North Carolina, has arranged to lay that matter before the committee to-morrow. Will the gentleman consent to its going over?

Mr. MERRITT. I will.

Mr. GARNER. Mr. Chairman, I ask unanimous consent that this amendment go over until to-morrow, with the privilege of returning to the section.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that this amendment be passed over until to-morrow, with the privilege of returning to the section. Is there objection?

There was no objection.

Mr. DYER. Mr. Chairman, I move to strike out the last word in order to ask the gentleman from Texas if the committee has considered, with reference to paragraph 17, the excluding of boots and shoes for officers in the military and naval forces of the United States?

Mr. GARNER. I have heard no suggestion of that kind.

Mr. DYER. I would like to offer an amendment to that effect.

Mr. GARNER. I will call it to the attention of the committee to-morrow morning when we meet.

Mr. DYER. Then, Mr. Chairman, I will ask unanimous consent that we may return to section 17 for the purpose of offer-

ing an amendment excluding boots and shoes for officers in the military and naval forces of the United States.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to return to-morrow, at the pleasure of the committee, to section 17 for the purpose of considering an amendment which he proposes to offer. Is there objection?

There was no objection.

The Clerk read as follows:

SEC. 907. That on and after November 1, 1918, in addition to the tax imposed by section 906, there shall be levied, assessed, collected, and paid, a tax equivalent to 10 per cent of the amount paid for any article commonly or commercially known as jewelry, composed in whole or in part of platinum, when sold for consumption or use.

Mr. TILSON. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

USE OF PLATINUM IN MAKING MUNITIONS OF WAR.

Mr. TILSON. In the course of a very interesting and instructive speech of the gentleman from Ohio [Mr. LONGWORTH] a few days ago while explaining the paragraph of the bill covering platinum, he referred to the use of platinum as a war metal. In response to a question from me he explained very briefly the uses of platinum in the war and asked me to corroborate what he said, which I now gladly do. In doing so I wish to go a little further than he did, for I have found by experience that the membership of this House are eager for information, even to details, in matters vitally connected with the war.

Platinum is a highly essential war metal. It can not be fully replaced by any other known substance.

In the ordinary buzzer, commonly used by the Signal Corps, about a half a dram of platinum—troy weight—is used in each instrument, while the buzzer telephone requires almost as much of the same material, it being in the form of wire.

Practically all telephone and telegraph instruments where low voltage, make-and-break circuits are used, require a special contact metal, and this usually contains about 7 per cent of platinum.

In connection with radio work, the tubes used in both the audion receivers and the transmitting sets require a small amount of platinum.

It is estimated that the Signal Corps alone will use within the next year approximately 500 ounces of platinum.

By far the greatest use of platinum, however, is in the manufacture of explosives, although it does not form a component part of the explosive substance.

In the production of T. N. T., trinitrotoluol; guncotton, nitrocellulose; dynamite, nitroglycerin; and in picric acid a considerable amount of nitric acid is used. In making nitric acid from the Chile nitrates sulphuric acid is used.

Sulphuric acid is made in two different ways: First, contact process; second, chamber process.

The chamber process requires large amounts of sheet lead, which in our present situation is out of the question. Besides, the acid produced by this process is too weak for the purposes for which it is needed, therefore we may eliminate this process.

The contact process requires the use of platinum. A plant producing 20 tons of sulphuric acid in a day will require from 350 to 400 ounces of platinum.

Platinum is also necessary in producing nitric acid directly from the air by the synthetic process. It is estimated that the need for platinum for our synthetic nitrate plants when they shall have been completed will be approximately 20,000 ounces.

It will thus be seen that platinum is a very important metal in the carrying on of the war. Some anxiety has been felt in connection with it. The paragraph in the bill, as explained so well by the gentleman from Ohio, if it produces very little revenue, as will probably be the case, will nevertheless serve the very important purpose of helping to locate the platinum supply of the country.

Much of the available platinum supply is in the hands of dealers and jewelers. Some of it serves as settings for much of the fascinating jewelry worn sometimes by the ladies. Some one said in debate the other day that the principal reason for the fashion of setting jewels in platinum is because platinum is extremely expensive and that if lead were more expensive it would soon be the fashion for the fair sex to have their jewels set in lead. I forget who the gentleman is who said it, but he must be a misanthrope or a bachelor. Like most things, there is a reason for this preference on the part of the ladies for platinum settings, and in this instance, as usual, their judgment is good.

The very qualities that make this metal so essential for certain fine instruments help make it desirable as a setting for jewels. It serves the purpose admirably, the ladies like it, and under normal conditions they are entitled to have it.

These are not normal times, however, as we are so frequently reminded, and no one is entitled to have anything that may be essential for waging war. The dealers and jewelers, as a rule, are just as zealous for the war as any other class of citizens. So far as the portion of the platinum supply in the keeping of the ladies is concerned, we need not be uneasy. It will be available if needed. From the earliest Biblical times it is a matter of record that the women have stripped themselves of their jewels in order to contribute them toward a cause near to their hearts.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. TILSON. I yield to the gentleman from Nebraska.

Mr. SLOAN. Has Connecticut adopted the woman suffrage amendment?

Mr. TILSON. There is such an amendment pending, I will say to my friend, for the consideration of our next State legislature.

In my judgment, if it should become necessary to have more platinum than is now available in order to make munitions for this war, it would require only a call to the patriotic men and women of this land. In case of such a call we should have a repetition of that early scene where "both men and women, as many as were willing hearted, brought bracelets and earrings and rings and tablets," an offering unto the Lord. In case there should prove to be any, especially among dealers, who are not "willing hearted" we have a former distinguished Member of this House acting as Alien Property Custodian, whose services might be utilized in proper cases. [Applause.]

The Clerk read as follows:

(1) Perfumes, essences, extracts, toilet waters, cosmetics, petroleum jellies, hair oils, pomades, hair dressings, hair restoratives, hair dyes, tooth and mouth washes, dentifrices, tooth pastes, aromatic cachous, toilet soaps and powders, or any similar substance, article, or preparation by whatsoever name known or distinguished, any of the above which are used or applied or intended to be used or applied for toilet purposes.

Mr. DYER. Mr. Chairman, I move to strike out the last word. This paragraph has reference to the same matter to which I called the attention of the committee a few moments ago on page 128 under section 900. If the committee will look at the language beginning in line 24——

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. DYER. Yes.

Mr. GARNER. May I say to the gentleman, to save time, that the committee intends to consider that matter in the morning?

Mr. DYER. I just want to take a minute to call attention to the fact that in this paragraph on page 136, line 2, appear the words "toilet soaps," being classed among the luxuries. Probably some members of the committee do not know the fact, but in fixing revenue upon things contained in this section the Treasury Department includes under the words "toilet soaps" every soap used for any purpose whatsoever, except soaps used exclusively for laundry purposes. Even if a laundry soap is used or advertised in any way, shape, or manner for toilet purposes, it is taxed under these words. So every soap you use in your household for toilet purposes, every soap used in the cleansing of grease, such as railroad men and Navy men use, is taxed under those words "toilet soaps." I just want to call the attention of the committee to that fact, and I ask unanimous consent that the paragraph be passed over under the same arrangement as the other matter, so that the committee may take it up in the morning.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the paragraph just read may be passed over, to be returned to at the pleasure of the committee, with the right on the part of the gentleman to offer an amendment thereto. Is there objection?

There was no objection.

The Clerk read as follows:

SEC. 910. That upon all articles (other than secondhand articles) enumerated in section 900 in respect to which the tax imposed by section 600 or 602 of the revenue act of 1917 was payable, and which on the day after the passage of this act are held and intended for sale by any person, there shall be levied, assessed, collected, and paid a floor tax equivalent to the difference between (a) the tax imposed by section 900 of this act upon the sale of such articles and (b) the corresponding tax imposed by section 600 of the revenue act of 1917.

Mr. ROBBINS. Mr. Chairman, I move to strike out the last word for the purpose of inquiring whether the committee took into account the enormous tax that this is going to put on dealers who carry a large stock of the goods such as enumerated in section 900. Is it the intention that a dealer who has a stock of goods, including articles enumerated in section 900, falling under the head of a department store, would have to pay this tax right away?

Mr. GARNER. No; the gentleman will note that they are allowed seven months in which to pay the floor tax.

Mr. ROBBINS. It is a tax upon the entire stock on the basis of the inventory at the date of the approval of this statute.

Mr. GARNER. On the basis of a floor tax, and they have seven months in which to pay the tax.

Mr. ROBBINS. Did the committee take into account that this will be a great burden on a store, such as the Horne store in Pittsburgh, and the Kaufman & Baer store, and Kaufman & Bros. store, and stores like these exist in many parts of the country?

Mr. GARNER. The committee took into account the burden that will be on the people who own these goods and also took into account that unless you levied this floor tax you would give people who have bought up stock a tremendous advantage over their competitors who have to buy under the new tax law, and so as to put all on an equality we were compelled to levy a floor tax or else lose the amount from those who had already stocked up their goods or would stock up after this bill, and that would be a tremendous advantage over their competitors.

Mr. ROBBINS. Of course you have investigated this subject, but I have heard a great many complaints about this provision, and I have had some letters from merchants who fear the burden of this tax. Did your committee make any investigation to find out the amount of the tax, say, on a store that carries half a million dollars in stock, what the probable burden is going to be on a store of that sort? We have in the city of Pittsburgh, and we have in Greensburg, my native city, such stores. We have the Troutman store, carrying a couple of hundred thousand dollars in stock. In Pittsburgh we have Kaufman & Baer and Joseph Horne & Co., carrying a million dollars' worth of stock each. What is going to be the burden on these department stores if you are going within seven months to compel them to pay the entire tax? Did your committee take into account this is going to be an enormous burden on those establishments?

Mr. GARNER. Yes; the committee, of course, looked at every phase of it. After taking the jewelry out of this classification and placing it in a separate section and advancing the tax upon it the consensus of the committee was that the business would be able to adjust itself to this particular tax without any very great hardship and that the hardship of those who now own the goods would be more than offset by the fact that if we failed to levy this floor tax there would be a discrimination and there would be a readjustment of business, and which might put some of the competitors out of business.

Mr. STERLING of Illinois. Will the gentleman yield for a question?

Mr. ROBBINS. I promised to yield to the gentleman from New York a moment ago. Then I will yield to the gentleman.

Mr. SNYDER. The gentleman realizes in a store like Horne & Co. they are supposed to turn in their inventory at least more than once per annum, and instantly this law goes into effect the 10 per cent they are paying will be added to the merchandise on hand which they sell thereafter, and within the seven months most of their stock would be turned over at an increase in price.

Mr. ROBBINS. I know that would afford some relief. I find some of them complain very bitterly about this proposed tax.

Mr. SNYDER. I think the gentleman will find that will very nearly afford full relief. I would like to say further I have many large establishments in my district, and I have not heard any complaints on this question.

Mr. PLATT. Will not this amount put a double tax on the consumer? The dealer pays this tax on his stock and now adds that, and then he adds another 10 per cent, and he charges that to the consumer.

Mr. ROBBINS. I do not understand that he pays a lump sum to the Government. He will do that in seven months and add it to the cost of the goods he is selling. I would not say it would be a double tax.

Mr. PLATT. That 10 per cent tax is going to be added by the wholesaler on all goods he buys after that and then another 10 per cent will be added to his price to the consumer.

Mr. ROBBINS. That would not be added to the price of the new goods?

Mr. PLATT. Certainly it will. The price to the consumer is generally determined by the cost of replenishing the stock of goods. I do not see how it can work out except as a double tax on the consumer.

Mr. ROBBINS. I am not defending this tax.

Mr. PLATT. It is not justifiable; it is an imposition on the consumer.

Mr. ROBBINS. I now yield to the gentleman from Illinois if he wishes to ask a question; if not, I withdraw the amendment, having obtained the information I sought.

The Clerk read as follows:

(1) Every domestic corporation shall pay annually a special excise tax with respect to carrying on or doing business, equivalent to $1 for each $1,000 of so much of the fair average value of its capital stock for the preceding year ending June 30 as is in excess of $5,000. In estimating the value of capital stock the surplus and undivided profits shall be included.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I move to strike out the last word. I would like to inquire of the committee what the existing tax is under section 407 of the revenue act of 1916.

Mr. GARNER. Fifty cents, with a limitation of $99,000. Now, we make it $1, and cut the limitation down to $5,000. That is the only change in the law.

Mr. KREIDER. What do you mean by limit?

Mr. GARNER. Exemption, deduction.

Mr. GRAHAM of Pennsylvania. This is changed from $99,000 to $5,000.

Mr. GARNER. And increased to $1 per thousand.

Mr. KREIDER. Will the gentleman yield? Heretofore this tax has been a tax on the capital stock valuation.

Mr. GARNER. It is changed.

Mr. SNYDER. Will the gentleman yield again? I simply want to ask whether the surplus is to be considered as part of the capital and taxed?

Mr. GARNER. It will.

The Clerk read as follows:

(1) Brokers shall pay $100. Every person whose business it is to negotiate purchases or sales of stocks, bonds, exchange, bullion, coined money, bank notes, promissory notes, other securities, produce or merchandise, for others, shall be regarded as a broker. If a broker is a member of a stock exchange, or if he is a member of any produce exchange, board of trade, or similar organization, where produce or merchandise is sold, he shall pay an additional amount as follows: If the average value, during the preceding year ending June 30, of a seat or membership in such exchange or organization was not more than $2,000, $50; if such value was more than $2,000 and not more than $5,000, $100; if such value was more than $5,000, $150.

Mr. WOOD of Indiana. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WOOD of Indiana: Page 139, line 18, after the word "others," insert "except traveling salesmen."

Mr. WOOD of Indiana. Mr. Chairman, unless this section is amended as to this language, every traveling salesman in the country will be subject to this payment of $100. The language as it now reads provides:

Every person whose business it is to negotiate purchases or sales of stocks, bonds, exchange, bullion, coined money, bank notes, promissory notes, other securities, produce or merchandise, for others.

Mr. SNYDER. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. SNYDER. Does the gentleman think that a traveling salesman really makes the sale for the owner or corporation for whom he is working, or is he not acting as agent?

Mr. WOOD of Indiana. He makes the sale.

Mr. SNYDER. Not as the owner. I do not think he would come in under that section.

Mr. WOOD of Indiana. A broker does not necessarily make a sale as an owner. The broker is an intermediary between the seller and purchaser.

Mr. GARNER. Will the gentleman yield?

Mr. WOOD of Indiana. Yes.

Mr. GARNER. Will not the gentleman ask unanimous consent that his amendment be pending, with the privilege of returning to it to-morrow, so that the committee can consider it in the morning? I will say to the gentleman that the committee did not intend to include traveling salesmen, and I do not believe the construction as placed by the Treasury Department would include them, but we will take it up in the morning, so that he can be assured of the facts when the committee meets to-morrow morning.

Mr. WOOD of Indiana. All right.

The CHAIRMAN. The gentleman asks unanimous consent that his amendment be pending, to be taken up hereafter at the pleasure of the committee. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

(12) Every person carrying on the business of operating for hire three or more passenger automobiles (other than sight-seeing automobiles having a seating capacity of more than seven) shall pay a tax equivalent to 5 per cent of the gross receipts during the preceding year ending June 30 from the operation of each such automobile.

Mr. STAFFORD. I move to strike out the last word. I would like to inquire of the gentleman having the bill in charge why we make a distinction in these two prior paragraphs in fixing the date June 30 for the determination of the tax rather than the calendar year?

Mr. GARNER. June 30 is the date for the payment of special taxes by the general statute.

Mr. STAFFORD. Well, under this paragraph is it the purpose to tax the owners of these sight-seeing automobiles and taxis on all their receipts prior to June 30, 1918, or June 30, 1919?

Mr. GARNER. June 30, 1918.

Mr. STAFFORD. The language is rather ambiguous. It does not set forth any year. It says during the preceding year ending June 30.

Mr. GARNER. It says the preceding year. The general tax requires all the taxes of the fiscal year to end June 30.

Mr. STAFFORD. I assume it would be June 30, 1919.

Mr. GARNER. If the gentleman will turn to page 139, he will see:

SEC. 1001. That on and after January 1, 1919, there should be levied, collected, and paid annually, in lieu of the taxes imposed by section 407 of the revenue act of 1916 the following special taxes—

And this is under those special taxes.

Mr. SNYDER. I want to ask the committee, in reference to this clause (12), if when they considered the 5 per cent tax on gross receipts of taxicab companies they considered the fact that, with most taxicab companies the rates they can charge are fixed by municipal ordinance and they have no possible way of raising their rates?

Mr. GARNER. The committee, in considering this particular tax, discussed it for some little time, and probably devoted more time to it than the item was worth, compared with other items, and that is one reason it is 5 per cent instead of 10 per cent. The committee first made it 10 per cent, but after more elaborate consideration of it, and considering some of the arguments such as made by the gentleman now, they decided to put it at 5 per cent. I think the gentleman from Massachusetts [Mr. TREADWAY] can give the gentleman more information about that than any other man in the House.

Mr. SNYDER. I happen to know of one case where this will probably mean that a very large taxicab company will have to go out of the business and the Government will have no tax at all from it.

Mr. GARNER. The gentleman understands that in levying these taxes the committee could not take into consideration the various laws of the States and municipalities in reference to the subject matter taxed by this bill.

Mr. SNYDER. I appreciate that quite fully, and I wanted to know if that phase of the matter had been considered?

Mr. GARNER. Yes.

Mr. MADDEN. Will the gentleman yield to me for a question there?

Mr. GARNER. I will.

Mr. MADDEN. Why did not the committee decide to levy the tax on net receipts, as in other cases, instead of gross receipts? Five per cent on gross receipts may be equivalent to 25 per cent on net receipts. For instance, a man might have large gross receipts and lose money.

Mr. GARNER. As I answered the gentleman a while ago, my recollection is that we went back to this subject two or three times, taking into consideration the suggestions made by the gentleman now. Now, as to the gross receipt feature, we finally decided that possibly 5 per cent was as high as we could go in this particular industry without very great injury.

Mr. MADDEN. There are a great many concerns with large gross receipts that lose money. And if this happens to apply to concerns of that sort, of course this would add to the loss and put them out of business possibly.

Mr. GARNER. Yes; I know.

Mr. MADDEN. It would put them out of business.

Mr. SNYDER. Mr Chairman, will the gentleman yield again?

Mr. GARNER. Yes.

Mr SNYDER. The point I intended to make was that with this 5 per cent on the gross receipts it was impossible for them to do business.

Mr. MADDEN. They may be able to get a municipal ordinance passed to enable them to raise the price.

Mr. SNYDER. There will not be any chance of that in many cases.

Mr. MADDEN. There may not be any chance, but still in great cities where taxicabs are needed the municipal government may see the necessity of giving them the right to charge more. Yet, if they do not get that right, many of them will have to go out of business. Of course, it is a precarious business anyway. The ownership and operation of taxicabs is a very precarious business. There is a great deal of wear and tear. They do not make much money at best. In many cases they do not stay in it longer than to use up the capital invested in it. It seems to me it is a great hardship on a very essential but precarious business. I have had word from two or three people who are engaged in this business at home, saying that they really would not be able to live if this tax were imposed.

Mr. GARNER. As I stated a while ago, after we went over this matter on two or three different occasions we finally decided that probably by leaving it at 5 per cent, instead of 10 per cent, as originally placed in the bill, the business throughout the country would be able to adapt itself to this tax and absorb it, and the different municipalities would be able to grant increased rates, if necessary, so as to absorb this particular tax.

Mr. MADDEN. Perhaps it might. Let me ask the gentleman this question: Most of the taxicabs in the big cities are operated on the basis of the percentage paid to the driver. They do not pay salaries. The cab driver purchases the gasoline, as I understand, and operates the machine, which is furnished to him by the company, and the tires are supplied and all the repair equipment. Would the gross receipts contemplated by this bill mean the amount of money turned in by the cab drivers to the company? Would the amount of money turned in by the cab drivers to the company be considered the gross receipts, or would the amount of money received by the drivers be considered the gross receipts?

Mr. GARNER. I imagine the gross receipts would be the gross receipts by the taxicab company during the 30 days.

Mr. MADDEN. After the driver had been paid?

Mr. GARNER. After the driver had been paid and other expenses paid.

Mr. ROBBINS. That would not be the gross receipts.

Mr. LONGWORTH. I think there is a good deal in what the gentleman from New York [Mr. SNYDER] says about the taxicabs being regulated as to their rates by municipal ordinance. I think provision should be made for such a case as that. I suggest that we pass this paragraph over for the time being.

Mr. GARNER. Yes. Mr. Chairman, I ask unanimous consent to pass over this section 12, to be taken up later at the pleasure of the committee.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that section 12 be passed over, to be taken up at the pleasure of the committee. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(13) Every person carrying on the business of a brewer, distiller, wholesale liquor dealer, retail liquor dealer, wholesale dealer in malt liquor, retail dealer in malt liquor, or manufacturer of stills, as defined in section 3244 as amended and section 3247 of the Revised Statutes, in any State, Territory, or District of the United States contrary to the laws of such State, Territory, or District, or in any place therein in which carrying on such business is prohibited by local or municipal law, shall pay, in addition to all other taxes, special or otherwise, imposed by existing law or by this act, $1,000.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. STAFFORD. Mr. Chairman, I wish to ascertain from the committee how much revenue is expected to be derived by virtue of this excise tax, this special tax, taxing dealers in liquors, alcoholic or maltous, $1,000. How much has it been estimated will be derived from that?

Mr. GARNER. We have no estimate.

Mr. STAFFORD. Does the gentleman assume that they will all be engaged in the illicit sale of liquor by reason of the national prohibition law and the proclamation of the President forbidding the manufacture of beer and near beer after December 1? What is the purpose of the committee in imposing this high license tax of $1,000?

Mr. GARNER. We thought this was one of the businesses that could stand this high tax. We therefore imposed it at $1,000. The authorities of Texas and other great States that have prohibition and enforce the law will approve it.

Mr. STAFFORD. Then it is the purpose of the National Government to recognize the evasion of the law in the sale of liquors in States which forbid it?

Mr. GARNER. Not any more than it is now. It only changes the tax levied on persons who get permits to sell liquor. It changes the tax from $1,000 to $1,025 in certain portions of the United States.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

(14) Proprietors of any trade, business, or profession, the gross receipts of which for the preceding year ending June 30 exceed $2,000 shall pay $10. If such gross receipts from sources other than sales directly to the consumer exceed $100,000, the proprietor shall pay $15 additional.

Mr. ROBBINS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last word.

Mr. ROBBINS. Mr. Chairman, here is evidently a tax on professions, the learned professions. Is that the committee's intention, to tax the ministry and the legal profession and the dental profession and the medical profession—doctors and authors and everything?

Mr. GARNER. I do not think a minister is a proprietor.

Mr. ROBBINS. It says "professions." That certainly covers the learned professions, as we know them, of the law and the ministry and medicine. Is it the purpose of the committee to impose such a tax?

Mr. GARNER. It is intended to cover the professions of law and medicine. I do not think a minister of the gospel would come under it, however.

Mr. ROBBINS. How are you going to make that kind of a construction? It will cover school-teaching and the professions of ministers and authors and painters. Is that the intention of the committee?

Mr. LONGWORTH. The gentleman would not take the words "proprietors of any trade or business" as a profession.

Mr. ROBBINS. It is covered by the term "profession."

Mr. LONGWORTH. He is not a proprietor.

Mr. TILSON. To whom would that apply?

Mr. GARNER. The difference is that the minister gets a salary, while these other people are called in. The minister and the school-teacher receive salaries, and those professions are different from a profession like that of law or medicine, where fees are charged for service.

Mr. ROBBINS. Is it the idea here to restrict this to those who are proprietors of a trade or business? Who would be the proprietor of a profession?

Mr. GARNER. He would have to be under this provision.

Mr. ROBBINS. The proprietor of a profession is not known.

Mr. LONGWORTH. It says the proprietors of any trade, business, or profession. It could not by any possibility be considered to apply to an individual physician or to the individuals of a firm of lawyers. It would apply to one of these dental firms, one of these advertising firms of doctors, or something of that sort, but it will not apply to ministers or to individuals. Why should the word "profession" be in this paragraph?

Mr. GARNER. Because we want lawyers to pay a tax. All those earning over $2,000 in these war times can afford to pay $10.

Mr. ROBBINS. Lawyers?

Mr. GARNER. Yes.

Mr. ROBBINS. Does it mean the individual?

Mr. TILSON. The gentleman from Ohio has just stated that it does not apply to individuals.

Mr. WALSH. Who is the proprietor of a firm of lawyers?

Mr. TREADWAY. If the gentleman will yield, it seems to me it is very clear. If two men are engaged in a business, occupation, or profession as an organization, as a copartnership of lawyers; for instance, if Smith & Jones hang out their shingle——

Mr. ROBBINS. Two lawyers or two doctors?

Mr. TREADWAY. Or an individual, as I understand it. If you, as an individual, hang out your sign as a lawyer, that would make you eligible to the payment of this tax. If you were employed by the firm of Smith & Jones, but still were practicing your profession as a lawyer, you would not be subject to this tax. It is to be applied to the people carrying on business for themselves, or who are the responsible parties carrying on a trade, business, or profession. If a lawyer is practicing law alone, and his name appears as such, that is equivalent to a firm agreement. He makes the agreement individually, just the same as two men combined would——

Mr. ROBBINS. You think an individual would not be liable for this tax?

Mr. TREADWAY. A single lawyer practicing as such would be subject to this tax. If I am running my own business, if I am conducting a country store and my name appears as the proprietor of that store, that is my business. If you and I are in partnership together, then it will be the firm that will pay that tax. It looks to me to be a very plain, simple proposition, and an excellent provision.

Mr. LONDON. Mr. Chairman, I offer the following amendment: After the word "trade," in line 6, page 14, insert the word "or"; and, after the word "business," insert the words "or persons engaged in the practice of a," so that it will read:

Proprietors of any trade or business, or persons engaged in the practice of a profession.

Mr. ROBBINS. That will make it very clear.

Mr. LONDON. I submit to the gentleman that the expression "proprietors of any trade, business, or profession" does not mean anything, so far as the word "profession" is concerned. There is no such thing as the proprietor of a profession. The word "profession" is a higher and better sounding name for the word "trade." It is usually applicable to more intellectual occupations. The amendment which I have offered will make the meaning clear. If a person practicing a profession has gross earning in excess of $2,000, I do not think $10 is an excessive license fee.

Mr. GARNER. Mr. Chairman, if the gentleman will permit me, I will ask unanimous consent that this amendment go over until to-morrow morning, so that the committee can consider it.

Mr. GRAHAM of Pennsylvania. Why not let it be settled now?

Mr. GARNER. The gentleman from Iowa [Mr. GREEN] desires to have the matter go over until to-morrow morning, and I make the request at his suggestion.

Mr. GREEN of Iowa. There is no doubt in the world that if the gentleman's amendment goes through in the form in which he offers it, it will impose a tax upon ministers of the gospel.

Mr. GARNER. The tax suggested under the amendment of the gentleman from New York would undoubtedly tax every clerk and every professional office in the United States, which I am satisfied he does not mean to do.

Mr. LONDON. If the gross receipts exceed $2,000.

Mr. TILSON. Mr. Chairman, it seems to me that if there is any paragraph that needs to be considered and rewritten, and for that purpose passed over, it is this paragraph. About five members of the Committee on Ways and Means have attempted to explain this, and there have been five different and absolutely contradictory explanations made by the five men.

Mr. GARNER. I ask unanimous consent that the paragraph be passed over until to-morrow for amendment.

Mr. LONDON. And that my amendment be considered as pending.

Mr. MOORE of Pennsylvania. Is the request for unanimous consent pending?

The CHAIRMAN. It has not been formally put yet. The gentleman from Texas is stating it.

Mr. MOORE of Pennsylvania. It has not been stated?

The CHAIRMAN. It has not been formally stated by the Chair.

Mr. MOORE of Pennsylvania. Then, is it in order to move to strike out the last word?

The CHAIRMAN. The debate is proceeding informally. The request of the gentleman from Texas [Mr. GARNER] is that the amendment offered by the gentleman from New York [Mr. LONDON] may go over until to-morrow and be pending then, to be taken up at the pleasure of the committee.

Mr. GARNER. No; I ask that the paragraph go over, which, of course, would carry the amendment of the gentleman from New York [Mr. LONDON].

The CHAIRMAN. The request is that the paragraph go over until to-morrow and that the amendment of the gentleman be considered as pending, to be taken up at the pleasure of the committee. Is there objection?

Mr. MOORE of Pennsylvania. Reserving the right to object, in view of the statement made by the gentleman from Connecticut [Mr. TILSON] that so many members of the Committee on Ways and Means have differed as to the meaning of this paragraph, I want to say that I have a very distinct recollection as to what was intended to be done by this paragraph. It was found that very many people were not paying income taxes. In fact, a large proportion of the people, many of them in business, were not paying income taxes, and it was intended that this $10 tax should be in the nature of a license to do business. It was intended to be a mercantile tax, as it were. You may call it a head tax or occupation tax, but it was to be $10 for all those doing business up to $2,000. It is a very simple proposition.

Mr. TILSON. Does that mean that if there was a firm of lawyers composed of five or six, making $99,000 joint income, the tax for the entire firm of lawyers would be $10?

Mr. MOORE of Pennsylvania. Yes.

Mr. TILSON. And one lawyer making more than $2,000 would pay $10?

Mr. MOORE of Pennsylvania. That is correct.

Mr. TILSON. Why should you not make it $10 for each lawyer, each professional man?

Mr. MOORE of Pennsylvania. It was intended to be a mercantile or business tax. As I have explained, there are many people in the United States in trade, in business, in professions, that do not pay a tax, and it was intended that they should be checked up for this license of $10. It was not called a license, because that term might not apply, but that is what it really is. It is a registering-up proposition.

Mr. WALSH. Does the gentleman oppose the proposition that this go over until to-morrow?

Mr. MOORE of Pennsylvania. I do not oppose its going over, but the gentleman from Connecticut left the impression that the Members of the Ways and Means Committee did not understand the paragraph.

Mr. WALSH. The gentleman, it seems, does not agree with the rest of the Members.

Mr. TREADWAY. I want to say that I agree with the gentleman from Pennsylvania that he has explained it correctly and as the rest of us understand it.

Mr. MOORE of Pennsylvania. Mr. Chairman, I object to its going over. We might as well vote on it now.

Mr. LONDON. Mr. Chairman, has my time expired?

The CHAIRMAN. It has.

Mr. LONDON. I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. LONDON. Mr. Chairman, I desire to ask if it is not the intention of the committee to tax every person engaged in the practice of a profession, such as dentists, physicians, lawyers, architects, and other members of the liberal professions? Was not that the intention of the committee?

Mr. MOORE of Pennsylvania. With respect to certain occupations the gentleman has mentioned, yes. If several lawyers grouped together and advertised, which is unprofessional, it was intended to reach them; if a number of dentists put out signs and advertised, it was intended that they should be caught.

Mr. LONDON. If that be the case the committee used no language that can in any way approach it.

Mr. MOORE of Pennsylvania. Of course, it is intended to include legitimate business, but the gentleman from New York referred to some professions that are not caught by the income tax, and it was intended that they should be registered for a $10 tax.

Mr. STERLING of Illinois. Mr. Chairman, I am in sympathy with the amendment of the gentleman from New York, and I think there is a disagreement between the members of the committee in regard to the meaning of the provision in the bill. But as the gentleman's amendment would include school-teachers and ministers, would it be his intention to cover them in this tax?

Mr. LONDON. I would perhaps make an exception in favor of ministers.

Mr. MOORE of Pennsylvania. Ministers making over $2,000 a year?

Mr. LONDON. I would make an exception in favor of ministers on the ground that they deal with matters not connected with this world. I do not know about teachers; I think a teacher who is receiving $2,000 or over regular pay can afford to pay a tax of $10. I assume that even lawyers are useful men, and when you are willing to tax lawyers why should not you tax teachers and physicians as useful men.

Mr. STERLING of Illinois. When the matter was before the committee the intention was, or my intention was, that every individual lawyer and every individual doctor should pay $10.

Mr. LONDON. Mr. Chairman, I ask unanimous consent to modify my amendment by adding after the word "professions," "except ministers."

Mr. HENRY T. RAINEY. Mr. Chairman, I am not satisfied with the language suggested by the gentleman from New York, and I think myself the committee had better consider this question again. I want to renew the request that the paragraph with the gentleman's amendment pending be passed over until to-morrow morning, to be taken up hereafter.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the paragraph with the amendment of the gentleman from New York go over to be taken up hereafter at the pleasure of the committee. Is there objection?

Mr. GRAHAM of Pennsylvania. Mr. Chairman, reserving the right to object, and I am not going to oppose the request of the gentleman from Illinois for the paragraph to go over until to-morrow morning, but as I may not be able to be present at the moment of discussion I want to make one or two suggestions to the committee. It seems to me, Mr. Chairman and gentlemen, that the language used here is broad enough to cover any proprietor of any trade, any proprietor of any business, and anyone who practices a profession. The practitioner of a profession is a proprietor of that profession. The language is unhappy and does not clearly express that but it does seem to cover it. I suggest to the committee that it would appear to cover corporations. On page 138, section 1000 (a) it provides that on and after July 1, 1918, in lieu of the tax imposed by the first subdivision, and so forth, every domestic corporation shall pay annually a special excise tax of $1 for each thousand. Under the language of this bill you propose an additional tax, because the corporation would be a proprietor in trade and business.

Then, again, when you examine the concluding sentence of the paragraph you will find—

If such gross receipts from sources other than sales directly to the consumer exceed $100,000, the proprietor shall pay $15 additional.

What was the intention of the committee when it says, "if such gross receipts from sources other than sales directly to the consumer exceed $100,000 the proprietor shall pay $15 additional"? How can a doctor or a lawyer have sales directly to the consumer exceeding $100,000? The language is not well chosen and its meaning is obscure.

I withdraw any purpose to object because I think the paragraph is one that ought to be carefully treated and reformed.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read as follows:

This subdivision shall not apply to agriculture, to any person subject to any special tax under this section or under sections 1002, 1005, 1007, or to proprietors paying special taxes upon the business of manufacturing, rectifying, or dealing in distilled spirits, malt liquors, stills, oleomargarine, adulterated, process, or renovated butter, filled cheese, or mixed flour.

Mr. TREADWAY. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

Mr. DYER. Mr. Chairman, I desire to submit a parliamentary inquiry. Is an amendment at this time in order to this paragraph, inasmuch as we have passed over subtitle (14)? I make the point of order that the part just read goes over with the first part.

Mr. WALSH. We could not very well put something over that had not been read.

Mr. DYER. This provides that this subdivision shall not apply to agriculture, and so forth. I take it that is a part of subdivision (14), and that both must be taken together. If lines 6 to 10 were stricken out, then the paragraph just read would have no meaning.

The CHAIRMAN. The Chair has looked at the amendment of the gentleman from Massachusetts, and that is offered as a new paragraph, which would be in order at this time, and at this point, whether the paragraph which the Clerk has just read goes over or not. The Chair thinks the amendment is in order, and the Clerk will report it.

The Clerk read as follows:

Page 144, after line 17, insert a new paragraph to read as follows:
"(15) Any person controlling and selling or leasing advertising space on any wall, building, or billboard, or in cars, trains, or other public places, or by means of electric signs, shall pay a tax of 10 per cent upon gross receipts of such business."

Mr. GARNER. Mr. Chairman, I desire to reserve the point of order upon that. It is new matter not contained in the bill and is subject to a point of order.

Mr. TREADWAY. Mr. Chairman, if I had had any idea that the point of order would be raised by a member of the committee against this item, I should have made a similar point against every item in this title, because they are all new matters, and one is just as subject to a point of order as another.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. GARNER. I am simply reserving the point of order, because the chairman of the committee is temporarily out of the Chamber.

Mr. TREADWAY. The chairman knew that I was to bring this up at this time.

Mr. GARNER. I merely reserved it for the reason that I wanted to protect his rights. If the gentleman from Massachusetts says that it is agreeable to the chairman, I shall withdraw the point of order.

Mr. TREADWAY. It is agreeable to the chairman, and he suggested that I offer it in this place.

Mr. GARNER. Very well, I withdraw the point of order.

Mr. MADDEN. Mr. Chairman, will the gentleman from Massachusetts yield?

Mr. TREADWAY. Yes.

Mr. MADDEN. Does not this bill provide that advertising on billboards and the like shall pay a tax under the postage provision of the bill?

Mr. TREADWAY. No; there is no postage provision in this bill.

Mr. MADDEN. That is not repealed, is it?

Mr. TREADWAY. There is no title of that kind in the bill. It is not in the present law.

Mr. MADDEN. I think it is in the present law.

Mr. TREADWAY. No; the gentleman is mistaken. It was taken out in conference or in the Senate.

Mr. GARNER. It was in the bill when it passed the House.

Mr. TREADWAY. It passed the House, and I think was taken out in the conference.

Mr. GARNER. My understanding is that it was in the bill as reported in 1917, but was stricken out in the House.

Mr. TREADWAY. So that there is no law covering any tax on billboard advertising.

Mr. HENRY T. RAINEY. Mr. Chairman, I am compelled to reserve the point of order.

The CHAIRMAN. The gentleman from Illinois reserves the point of order.

Mr. HENRY T. RAINEY. I suggest that the gentleman from Massachusetts permit the matter to go over until to-morrow, as there seems to be some misunderstanding about it.

Mr. TREADWAY. I am willing to have the matter go over, and I made that suggestion to the chairman of the committee, but as the matter has been up in the committee he thought it best to bring it up at this time. However, I ask unanimous consent that the matter go over until to-morrow.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that the consideration of this amendment go over until to-morrow. Is there objection?

Mr. MADDEN. Mr. Chairman, I shall reserve the right to object for the time being. I do not think we ought to pass any legislation that will compel advertisers on billboards to pay a tax. That is one feature of giving publicity to news. There is no provision in this bill to compel newspapers to pay a tax, and if that be true there ought not to be anything discriminatory legislatively against the people who distribute news by billboard.

Mr. CRISP. There is no tax on advertising in newspapers.

Mr. MADDEN. The tax is on carrying the commodity, but the United States Government does not carry this commodity, and hence it ought not to levy a tax.

Mr. FORDNEY. Will the gentleman yield?

Mr. MADDEN. I have not the floor.

Mr. TREADWAY. I will yield to my colleague.

Mr. FORDNEY. There is a heavier postage rate upon printed matter in newspapers and magazines than there is on reading matter that is not advertising.

Mr. MADDEN. I have no intention to object.

Mr. TREADWAY. Mr. Chairman, I renew the request that the amendment may go over and be pending to-morrow.

The CHAIRMAN. The request is still pending before the House. Is there objection?

Mr. MADDEN. I withdraw my objection to its going over.

Mr. HENRY T. RAINEY. Mr. Chairman, I reserve the point of order, and that reservation can go over with the other.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CHANDLER of Oklahoma. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I do this for the purpose of asking the chairman a few questions. I wish to have the attention of the chairman for a moment. This subdivision especially exempts section 1005 of this bill. Now, section 1005 provides for a tax equivalent to 1 per cent on mail-order houses in excess of $100,000. Now, according to that the mail-order house would not have to pay the $10, but the small merchant who only sold $60,000 worth a year would have to pay this $10. I would like to know why the discrimination in favor of the large mail-order house?

Mr. KITCHIN. Because they pay the 1 per cent special tax.

Mr. CHANDLER of Oklahoma. They do not pay on the $100,000; they pay on the sales over the $100,000.

Mr. KITCHIN. Yes, they pay 1 per cent on the amount of their sales over the $100,000.

Mr. CHANDLER of Oklahoma. But they do not pay on the $100,000. Here is a small merchant who only sells $60,000 a year and he pays $10 and the big mail-order house sells $100,000 before he pays anything.

Mr. KITCHIN. No, he pays 1 per cent on his sales over the $100,000.

Mr. CHANDLER of Oklahoma. I know, but up to $100,000 he does not pay anything at all. Why discriminate against the small merchant?

Mr. KITCHIN. He would be subject to the $10 occupation tax if he did not pay the tax under section 1005 on his sales over $100,000.

Mr. CHANDLER of Oklahoma. Who?

Mr. KITCHIN. The mail-order house.

Mr. CHANDLER of Oklahoma. If he did not sell over $100,000?

Mr. KITCHIN. He would be subject to the $10 occupation tax if he did not sell as much as $100,000.

Mr. CHANDLER of Oklahoma. Suppose he sells $200,000 and pays 1 per cent on the amount over $100,000, but he is permitted to sell $100,000 worth of merchandise in competition with the small merchant before he pays anything.

Mr. KITCHIN. He pays the $10 occupation tax.

Mr. CHANDLER of Oklahoma. Where does he pay it?

Mr. KITCHIN. Upon his special exemption. The man pays a tax under section 1001, paragraph 14, if he does not sell as much as $100,000, and in that case he is not taxed under 1005, but under the $10 occupation-tax provision. That is very clear.

Mr. CHANDLER of Oklahoma. Where is he taxed under this occupation tax? The point I am making is this: If he sells over $100,000, he pays a tax on the amount over $100,000, but he does not pay anything for the sales less than $100,000.

Mr. KITCHIN. Yes; in that case he would pay the $10 occupation tax.

Mr. CHANDLER of Oklahoma. How will he do it if you exempt him under section 1005?

Mr. KITCHIN. Unless his sales amount to over $100,000 he does not pay under that section, but he pays the $10 occupation tax.

Mr. CHANDLER of Oklahoma. Here is what I am trying to drive at you. You do not seem to catch my point. He must sell $100,000 worth before he begins to pay any taxes at all.

Mr. KITCHIN. Yes; before he pays a special tax under section 1005.

Mr. CHANDLER of Oklahoma. In other words, if he sells $100,000 worth, he is exempt; if he sells $200,000 worth, he pays on the last $100,000.

Mr. KITCHIN. Unless his sales exceed $100,000, he pays no tax under section 1005, but he does pay the $10 occupation tax.

Mr. CHANDLER of Oklahoma. What occupation tax?

Mr. GARNER. On page 144, clause (14).

Mr. CHANDLER of Oklahoma. It says here that that shall not apply to him—the mail-order man. The point I am trying to drive at you gentlemen is that the first $100,000 is not taxed at all under section 1005.

Mr. KITCHIN. I understand that.

Mr. CHANDLER of Oklahoma. Why should he not pay a tax if he is permitted to compete with the small merchant that sells $65,000 or $75,000 or $90,000 worth? Why not let the small merchant have the $100,000 before you tax him $10?

Mr. KITCHIN. I will make it plain to the gentleman if he will turn to page 144. That provision taxes every proprietor of every trade, business, or profession to the amount of $10, does it not?

Mr. CHANDLER of Oklahoma. Yes.

Mr. KITCHIN. And it says:

This subdivision shall not apply to agriculture, to any person subject to any special tax under this section or under sections 1002, 1005, and 1007.

Then it does not——

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. CHANDLER] has expired.

Mr. KITCHIN. Mr. Chairman, I move to strike out the last word, then.

Mr. DYER. Will the gentleman allow me to make a parliamentary inquiry?

Mr. KITCHIN. Yes, sir.

Mr. DYER. As I understand—and I will ask the Chair if I am correct or not—awhile ago we passed this paragraph over until to-morrow morning by unanimous consent for the purpose of offering amendments, at the request of the gentleman from Texas [Mr. GARNER]?

The CHAIRMAN. Paragraph 14?

Mr. DYER. Yes. We passed that over.

Mr. WALSH. You only passed over the part from lines 6 to 10, inclusive. The other had not been read at the time that was passed over.

Mr. DYER. The gentleman from Oklahoma [Mr. CHANDLER] is inquiring with reference to lines 6 to 10, as to concerns that sell over $100,000 worth.

The CHAIRMAN. The Chair will state the situation. After so much of the paragraph had been read as is found between lines 6 and 10, then the motion was made to pass over until to-morrow morning, and the motion was agreed to. And then the balance of the subtitle was read, namely, line 11 down to and including line 17, and when that reading was completed the gentleman from Oklahoma moved to strike out the last word, which would be the last word of the second paragraph, and in connection with that propounded a question to the gentleman from North Carolina [Mr. KITCHIN].

Mr. DYER. My inquiry was as to the part that was left open.

The CHAIRMAN. That may be; but that would not be according to the order.

Mr. KITCHIN. Section 1005 levies a special tax only upon the merchant whose sales amount to over $100,000. It does not apply to merchants whose sales are less than $100,000, does it?

Mr. CHANDLER of Oklahoma. No.

Mr. KITCHIN. The only man we tax under section 1005 is the one whose sales are over $100,000. The man that sells under $100,000 is not taxed at all under this provision. On page 144 the proprietors of any trade, and so forth, are taxed, but it says that this subdivision shall not apply to any person subject to any tax in section 1005. The $10 occupation tax does not apply to the man whose sales are over $100,000.

Mr. CHANDLER of Oklahoma. That is just the reason.

Mr. KITCHIN. Because section 1005 taxes him, but section 1005 does not tax the person who sells under $100,000. But paragraph 14 on page 144 does tax him.

Mr. CHANDLER of Oklahoma. I understand that very distinctly, but here is a man who sells half a million dollars' worth of merchandise, say, and on the first $100,000 he is exempt. He is not taxed under section 1005 at all.

Mr. KITCHIN. He is taxed just like everybody else is taxed under that section.

Mr. CHANDLER of Oklahoma. You exempt the mail-order house that has sold half a million dollars' worth of merchandise and pays this tax on the last $400,000, but the first $100,000 he does not pay anything on?

Mr. KITCHIN. We did not want to catch in this provision every little country merchant, everybody who sends out goods in the country on rural delivery, and therefore we exempted them from this 1 per cent tax.

Mr. CHANDLER of Oklahoma. That is all very well, but you are exempting this big man.

Mr. KITCHIN. I do not understand the gentleman. He is taxed exactly as is provided in the act.

Mr. CHANDLER of Oklahoma. He sells $100,000 under section 1005 before he pays any tax whatever.

Mr. KITCHIN. Before he pays any tax under section 1005. He pays his tax under paragraph 14, page 144, if he does not pay the tax under section 1005.

Mr. CHANDLER of Oklahoma. How does he pay it?

Mr. KITCHIN. Because the act says so. Read the language.

Mr. CHANDLER. Oh, no; it does not. He is exempt from the provision under that paragraph on page 144.

Mr. KITCHIN. A man taxed under section 1005 is exempt, but nobody else is.

Mr. CHANDLER of Oklahoma. Sears, Roebuck & Co. will be taxed under section 1005?

Mr. KITCHIN. Yes; and the man whose sales are less than $100,000 is taxed $10 under paragraph 14, page 144.

Mr. CHANDLER of Oklahoma. And you give Sears, Roebuck & Co. an exemption of that first $100,000.

Mr. MADDEN. But you charge him an additional tax.

Mr. KITCHIN. I can not make the gentleman from Oklahoma understand.

Mr. CHANDLER of Oklahoma. I can not make the gentleman from North Carolina understand.

Mr. KITCHIN. I will leave it to the gentleman from Pennsylvania [Mr. KREIDER] to explain it.

Mr. KREIDER. It is plain. Bear in mind the tax is $10 on every merchant, big or little, up to $100,000. Now, $15 is added, on page 144, when it goes over $100,000, but if a man is caught in the tax provided for in section 1005 he pays 1 per cent.

Mr. CHANDLER of Oklahoma. For the amount over $100,000.

Mr. KREIDER. And when the 1 per cent amounts to less than the $15 and the $10, then he falls under paragraph 14. Now, it is only a question as to which section he is taxed under. The larger amount of business he does the higher his tax.

Mr. CHANDLER of Oklahoma. That is all very plain, but you have got the first $100,000 that that man sells that he does not pay any tax at all on, because he is especially exempted here.

Mr. KITCHIN. I suggest to the gentleman from Oklahoma that he make his proposition clear to the House by offering an amendment.

Mr. CHANDLER of Oklahoma. I can do that by striking out 1005, on page 144. Let him pay the $10, and then when he gets up to $100,000 let him pay the additional 1 per cent.

Mr. KITCHIN. You would strike out the tax of catalogue houses?

Mr. CHANDLER of Oklahoma. No; I would eliminate their exemption.

Mr. MOORE of Pennsylvania. Mr. Chairman, I demand the regular order.

Mr. KITCHIN. If I have any time left, Mr. Chairman, I yield it to the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. I do not care to use any time.

The CHAIRMAN. The gentleman from North Carolina has now yielded the floor, and the Clerk will read.

The Clerk read as follows:

SEC. 1006. That 60 days after the passage of this act, and thereafter on July 1 in each year, and also at the time of the purchase of a new or used automobile or motorcycle by a user, if on any other date than July 1, there shall be levied, assessed, collected, and paid, upon the use of automobiles and motorcycles, a special excise tax at rates as follows: Motorcycles, $5; automobiles (other than electric) of 23 horsepower or less, $10; more than 23 horsepower and not more than 30 horsepower, $20; more than 30 horsepower and not more than 40 horsepower, $30; and more than 40 horsepower, $50; electric automobiles, $5 per horsepower and 50 cents for each 100 pounds of weight.

Mr. TREADWAY. Mr. Chairman, section 1006, having to do with the tax on automobiles, was one of the subjects of great discussion in the committee. I think if there was any one thing we changed more frequently than another it was this. It seems to be that the method finally adopted by the committee has but one reason in its favor, and that is the tax by States on automobiles is based on horsepower.

I maintained and I still feel that the proper way of taxing automobiles, so far as this revenue bill is concerned, should be based on the value of the car. There is no connection for the tax purposes of this bill between the proposed tax and what the horsepower of a car may be or may not be. In the case of a man buying an automobile five years ago and selling that car to-day, the horsepower is continued to the next owner, who, if he could afford it, would undoubtedly have bought a new car rather than a second-hand one or a third-hand one, valued not to exceed probably at this time 50 per cent of its original value. It should be a valuation tax, not a horsepower tax. The people most familiar with the automobile subject, namely, the highway commissioners of the various States, are, I am quite sure, opposed to this method of levying the tax.

I have here the following letter from the Highway Commission of Massachusetts opposing this tax scheme:

SEPTEMBER 7, 1918.

To the honorable COMMITTEE ON WAYS AND MEANS,
House of Representatives, Washington, D. C.

GENTLEMEN: The Massachusetts Highway Commission has charge of the registration of motor vehicles in the State of Massachusetts, and the registration and license fees are used for the maintenance of the State highways, these fees providing practically all of the money used for that purpose.

The registration fee is based on the horsepower of the vehicle, this being the fairest way of representing the damage done to the roads, thereby requiring the owners of the cars, to a certain extent, to pay for the damage actually done to the roads by such vehicles.

The commission has been informed that there is a bill before Congress providing for the taxation of automobiles on a horsepower basis. It appears to the commission that such a method of fixing this tax is unfair, as it would be no criterion of the value of the cars, and would result in fixing the same tax on an old car, which had depreciated, as upon a new car. Some cars, particularly the large and high-priced cars, have little or no value after two or three years, especially at the present time; for instance, the present selling price of a 4-year-old $4,000 car is about $200

Therefore the commission feels that it should protest against any tax on automobiles which does not take into account the value of the vehicle, and that before any schedule is adopted the matter of depreciation should be taken into account.

It respectfully suggests that the schedule of insurance or the "second-hand car lists," as issued by the National Association of Automobile Dealers, be used as a basis of taxation.

Respectfully,
F. I. BIELER,
Secretary.

There is nothing logical about this tax scheme except, as I have already said, that the people understand taxation by horsepower. In the next paragraph of this same section we describe the method of determining the horsepower. That is an entirely arbitrary rule of the Treasury Department, which might or might not be the same method used in the various States. Probably it is not. Consequently, it seems to me that we should frame this tax on the value rather than on the horsepower of automobiles.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. TREADWAY. I yield to the gentleman from Wisconsin.

Mr. COOPER of Wisconsin. The gentleman favors taxation on the value of automobiles. How would the gentleman have the value of an automobile determined, and by whom?

Mr. TREADWAY. The value was determined in the last revenue bill by allowing a depreciation of 10 per cent for each year, to be deducted from the original cost price, up to 50 per cent, which would seem to be a very fair and proper manner of establishing that depreciation value.

Mr. DYER. Will the gentleman yield?

Mr. TREADWAY. Certainly.

Mr. DYER. I notice that section 1006 imposes a tax of $5 per horsepower on electric automobiles. What would be the tax on an electric automobile that can not be operated, which has no horsepower because it will not run?

Mr. TREADWAY. I should say the way to find that out would be to buy new batteries.

Mr. DYER. Would it be fair to tax an automobile that was standing in a garage that could not be taken out and used?

Mr. GREEN of Iowa. If the gentleman will look at line 18, on page 148, he will see that the tax is upon the use of automobiles. If a man leaves it in the garage through the year, he does not get any use of it and it is not taxable.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. TREADWAY] has expired.

Mr. TREADWAY. I ask unanimous consent for one minute more.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that his time be extended one minute. Is there objection?

There was no objection.

Mr. TREADWAY. I wish to state that I am perfectly willing to abide by the decision of the majority of the committee, as we always do, of course; but I do think this method is entirely illogical and wrong and should be changed, and that the tax should be based on valuation rather than on the horsepower. But I do not offer any amendment.

Mr. KREIDER. Mr. Chairman, I simply want to ask the chairman of the committee [Mr. KITCHIN], or anyone who is familiar with the horsepower of electric automobiles, what is the average horsepower of an electric?

Mr. KITCHIN. The average is about four horsepower. That was discussed in our committee, and the gentleman from Michigan [Mr. FORDNEY], who happens to be out of the Hall at this moment, took it up the next day with two or three gentlemen who handle electric cars, and they told him the average was about four horsepower.

Mr. KREIDER. I thought they might be rated at 10 or 15 horsepower, which would run the tax up out of all proportion to that paid by gasoline automobiles.

Mr. KITCHIN. No; it was discussed between two members of the committee. One thought it was not to exceed four or five horsepower, and another thought it was just like any other motor car. They went down town the next day and found that the average was about four horsepower.

Mr. SNYDER. I should like to ask the chairman a question as to a man who has had an automobile for a year or two, who does not see fit to use it during the period of a year?

Mr. KITCHIN. He would put it up, and if he did not use it he would not be taxed on it.

Mr. WALSH. He would not?

Mr. KITCHIN. No; he could not be.

Mr. WALSH. Why not?

Mr. KITCHIN. The Supreme Court has held that a license tax on an article not used is a direct tax. This is a tax on the use, and not on the automobile itself.

Mr. SNYDER. Then, as I understand the chairman, if a man owns an automobile and does not use it, he does not have to pay the tax.

Mr. KITCHIN. No; the tax is not on the ownership; it is on the use of it.

Mr. CAMPBELL of Kansas. Mr. Chairman, as I understand, the question is whether this tax applies to unused cars. The members of the committee seem to differ as to that. The gentleman from Massachusetts [Mr. TREADWAY]——

Mr. TREADWAY. If the gentleman will permit, if he will read lines 18 and 19, it says, "There shall be levied, assessed, collected, and paid on the use of automobiles," and so forth. If the car is laid up and left in the garage, it would not be taxed.

Mr. CAMPBELL of Kansas. I am not sure that it does not apply to a car whether it is in use or not.

Mr. GREEN of Iowa. If the gentleman will permit, we have no right to impose a tax on the property of the automobile; it is a tax on the use. If it is used any time during the year it is subject to be taxed.

Mr. CAMPBELL of Kansas. Then, if, as the gentleman from Massachusetts says, you take the old electric out once a year, it would be subject to the tax?

Mr. KITCHIN. That is true. The ruling of the Treasury Department with reference to yachts is that, say, within 60 days a man must pay the tax, and if he declares that it is not his intention to use the yacht during the year they do not collect the tax; but if he does use it afterwards he must pay the tax.

Mr. SNYDER. But there is nothing here that says a man must declare his intention not to use it.

Mr. KITCHIN. No; that is in the case of yachts that I am speaking of.

Mr. TIMBERLAKE. Mr. Chairman, I move to strike out the last word to ask if this section may not be passed over. I am deeply impressed with the idea that the tax here provided on automobiles is not a proper way to tax automobiles, and I ask permission of the House that this go over until to-morrow.

Mr. FOSTER. I shall object to that.

Mr. KITCHIN. I will say that people are accustomed to this method of taxing automobiles; they understand it, and more than three-quarters of the States have the horsepower tax. It is easily administered and it is the better method of taxing cars. The principle upon which the States impose the automobile tax is that it is a road tax. Most of them tax them according to their horsepower. An automobile of 40 horsepower worth $200, a secondhand car, will tear up the road and injure the road just as much as a $2,000 new car. Since the United States Government has appropriated money for building public roads in the States we thought that we had better apply the same principle that the States apply. This tax is practically a road tax. We could apply it absolutely to a road fund, but we are going to appropriate more in the future than this will bring in.

Mr. TIMBERLAKE. Does the gentleman object to this going over until to-morrow?

Mr. KITCHIN. Yes; it would probably take up two hours to-morrow morning, when Members come in fresh and want to discuss it. If the gentleman wants to offer an amendment, let him offer it now.

Mr. MADDEN. I want to say that the simplest way in the world to tax automobiles is this method provided for in the bill. If you undertake to tax them upon their value, there will be a row about the value of every automobile. This is the scientific method.

Mr. MOORE of Pennsylvania. Will the gentleman from Colorado yield?

Mr. TIMBERLAKE. Yes.

Mr. MOORE of Pennsylvania. I want to say, as a matter of information, that the tax on the value of the cars was provided for in an amendment that was agreed to in the Senate when the last revenue bill was under consideration. It was a popular tax on that side of Congress. That matter was discussed in the committee, but the majority of the committee did not favor the Senate plan, knowing, I think, full well that the Senate probably would raise this very question.

Mr. KITCHIN. I will also say that the conferees upon the revenue bill of 1917 discussed the automobile license tax on the basis of value and struck it out.

Mr. SNYDER. Let me say that this is the method of collecting the tax in the State of New York, and I think it is the only proper way.

Mr. KITCHIN. This is practically a road tax.

Mr. SNYDER. It operates very successfully in the State of New York.

Mr. ELSTON. Mr. Chairman, I would like to ask the chairman of the committee one question. A good many of the Members have received wires from dealers in secondhand automobiles. Three or four lie on my desk at the present time. The complaint was that a $200 machine of 40 horsepower would pay the same tax as a $5,000 machine would pay for similar horsepower. The question I want to ask is, While a machine is in the hands of a secondhand dealer for repairs or equipment or for resale, is it subject to the tax?

Mr. KITCHIN. When a man buys it he will have to pay the license tax for the use of it. He is not subject to the sales tax.

Mr. ELSTON. That would fall on the owner as soon as he got it.

Mr. KITCHIN. Just as soon as he got the machine.

Mr. CANNON. Mr. Chairman, I have been in the Committee on Appropriations all day, but I understand the committee is now on the tax on automobiles. I have several friends who own automobiles, and I have one myself; but it is put in storage, and I do not expect to use it in the next year. I do not sup-

pose that I can sell it. I could not get a chauffeur. I lost mine in the draft.

Mr. KITCHIN. Oh, the gentleman is young enough to run the machine himself.

Mr. CANNON. I do not know how to run it myself, and there you are.

Mr. KITCHIN. The gentleman would not have to pay the tax if he did not use it. The tax is on the use of it.

Mr. ELSTON. How about selling a machine three or four times over in the same year? Would the new user each time have to pay the tax, so that there would be an accumulation of taxes in that way?

Mr. KITCHIN. Certainly; if he is going to use the automobile.

Mr. ELSTON. I am speaking of the same automobile changing hands four or five times in the same year. Would each new user have to pay the tax?

Mr. KITCHIN. Certainly; it would be just the same as different tenants occupying a store. There is a new licensee each time.

Mr. CANNON. Suppose I use a machine only 1 month in 12.

Mr. KITCHIN. The gentleman then would have to pay the tax.

Mr. CANNON. Then I shall make my friend poor by giving him mine. [Laughter.]

Mr. SNYDER. The gentleman will be very lucky if he can get him to accept it.

The Clerk read as follows:

SECTION 1. That on and after January 1, 1919, every person who imports, manufactures, produces, compounds, sells, deals in, dispenses, or gives away opium or coca leaves, or any compound, manufacture, salt, derivative or preparation thereof, shall register with the collector of internal revenue of the district his name or style, place of business and place or places where such business is to be carried on, and on or before the 1st day of July, annually thereafter, and pay special taxes as follows:

Importers, manufacturers, producers, or compounders, $24 per annum; wholesale dealers, $12 per annum; retail dealers, $6 per annum; physicians, dentists, veterinary surgeons, and other practitioners lawfully entitled to distribute, dispense, give away, or administer any of the aforesaid drugs to patients upon whom they are in attendance, shall pay $3 per annum.

Every person who imports, manufactures, compounds, or otherwise produces for sale or distribution any of the aforesaid drugs shall be deemed to be an importer, manufacturer, or producer.

Every person who sells or offers for sale any of said drugs in the original stamped packages, as hereinafter provided, shall be deemed a wholesale dealer.

Every person who sells or dispenses from original stamped packages as hereinafter provided, shall be deemed a retail dealer: *Provided*, That the office, or if none, the residence, of any person shall be considered for the purpose of this act his place of business; but no employee of any person who has registered and paid special tax as herein required, acting within the scope of his employment, shall be required to register and pay special tax provided by this section: *Provided further*, That officials of the United States, Territorial, District of Columbia, or insular possessions, State or municipal governments, who in the exercise of their official duties engage in any of the business herein described, shall not be required to register, nor pay special tax, nor stamp the aforesaid drugs as hereinafter prescribed, but their right to this exemption shall be evidenced in such manner as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may by regulations prescribe.

Mr. BORLAND. Mr. Chairman, I move to strike out the last word, as I desire to ask some questions about this feature of the bill, and I think the gentleman from Illinois [Mr. HENRY T. RAINEY] is particularly familiar with it, for I believe he has the credit of having rewritten this act and making it more effective. My understanding is that one of the chief difficulties in convicting these drug peddlers in the big cities is to prove that they are dealers in drugs. The fact that a man has in his possession an undue quantity of these drugs and is otherwise a vagrant or a man of no particular occupation, and probably certainly a drug peddler, is not sufficient to convict him under the decisions of the Supreme Court.

Mr. HENRY T. RAINEY. That is correct.

Mr. BORLAND. I notice this law is strengthened to this extent of providing that every person who sells or dispenses, and so forth, shall be considered a retail dealer. Is there any possibility of strengthening the law so as to provide that the possession of a certain quantity of drugs shall be evidence of a retail dealer or a purpose to sell the same?

Mr. HENRY T. RAINEY. That has been discussed, and that is one of the matters that has been under consideration. The reason for rewriting this section of the Harrison Act is the opinion in the Gin Fuey Moy case, with which the gentleman is probably familiar.

Mr. BORLAND. Yes.

Mr. HENRY T. RAINEY. In that case the United States Supreme Court holds that the Harrison Act, if it can be enforced at all, must be enforced as a revenue measure, and since that opinion was rendered the Federal courts throughout the country, one by one, have commenced to follow it. As a result it leaves practically no protection at all against the bootleggers. The quantity of drugs that may be found in possession of an illicit dealer has been considered, but it would be extremely difficult to determine whether he is a dealer or not under the law, on account of the fact that he carries a certain amount of drugs. They smuggle in opium and mix it with milk sugar and carry it around with them in the nighttime in small packages and sell it on the streets to addicts who tender the proper amount of money and are handed the little red or blue or green package, as the case may be.

The department has had the matter under careful consideration, as also has a committee appointed by the Secretary of the Treasury, to investigate the question of addicts and the prevalence of narcotic habits, and whether the number of addicts is increasing. That committee is composed, with one exception, of scientific men, and they have reached the conclusion that the best way to remedy this is to bring the law entirely under revenue provisions, and all over the country district attorneys have been consulted in the matter as well as the officials charged with the enforcement of the Harrison Act, and I presume I have in my possession four or five hundred letters from those various officials. The consensus of opinion is that the way to do it is the way in which we have attempted to do it here. Of course, the Harrison Act as it stands now is practically ineffective, or soon will be.

Mr. BORLAND. Mr. Chairman, this Harrison Drug Act, of course, is based only upon the idea of revenue. That is, it is a revenue measure, and the police power is only incidental to force the payment of the revenue. That is the legal status of the matter, and it can not be enforced as a police regulation directly against the dealing in these noxious drugs.

Mr. HENRY T. RAINEY. That is the matter for the States.

Mr. BORLAND. But, unfortunately, the interstate traffic in these drugs has become enormous, and the whole business is based upon interstate traffic, because the drugs are not a local product of many of our States. It is an evil that peculiarly affects the cities, not because people in cities are more addicted to the use of drugs than are other people, but because drug addicts always go to the cities.

They always go to the cities or the surrounding towns. One evil that presses upon the cities is the fact of the increased burden upon the cities of providing hospital facilities and cures and municipal farms and all that sort of thing for a very large section of the country which is tributary to that big commercial city. Now, it has been decided by the Supreme Court of the United States before a man can be subjected to a revenue tax and punished for not paying a dealer's tax he must be a dealer in an article, and the fact he has in his possession an unusual amount of opium or cocaine and that he is a man of no apparent occupation and an otherwise suspicious character is of no proving force at all. It does not prove that he is a dealer in an article, and therefore he can not be convicted by a Federal court. Now, there has been a very great effort by the social reformers to see whether this law could not be strengthened. My judgment—I talked the matter over with our United States district attorney and United States district judge—in my judgment it would have to be turned into a police regulation in order to enforce it fully; but this present act, I have no doubt, strengthens some features of that law——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BORLAND. I ask for five minutes more.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BORLAND. Eventually this Congress must do with the obnoxious drug habit what it is seeking to do with intoxicating liquors, to wit, put it under police regulation prohibition. The indulgence in the habit is growing and some people claim it is one of the by-products of prohibition. Whether or not it is we do not know, but unquestionably it is growing in this country. It is based entirely upon interstate traffic. There is no such thing as a local traffic in the sale of these noxious drugs. These men come across the State lines. The way in which it is done is this: Some big fellow who is occupied in the business gets a satchel full of the stuff from some wholesale druggist whose conscience allows him to do business that way and takes that satchel full of stuff in a city. There he meets at some low hotel his runners, men and women, and they are given packages.

The color of the packages, as the gentleman from Illinois said, might indicate the contents. Cocaine may be in green and opium in blue or some other form that is well known to the habitués of those places. These runners go out into the red-light district and other sections of the city and have a regular-fixed route. Say, at 10 o'clock at night, at a certain corner, the drug addicts know a man will be there and have a few of these packages in

his pocket. They go and hand him 50 cents or a dollar and he hands out a package. Or he goes to a house in the lower section of the city, and his coming is known like the coming of the milkman or the boy who delivers the paper. Now, that traffic is all interstate commerce; but apparently this question of levying a tax upon it by the Federal Government, which was designed to put it under regulation and control, at least by the Federal Government, those who are dealing in this article have not reached down far enough. It is going to be necessary for this Congress, I take it, to provide an interstate regulation and, above all, legislation based upon the power of Congress over interstate traffic entirely to control the traffic in these drugs, except in the hands of certain physicians and registered pharmacists, who are of professional standing under the law. They are the only people who ought to be allowed to handle these drugs. Any man who is not a registered pharmacist or registered physician according to the law of the State, who is found with those drugs in his possession, is prima facie guilty of one of the most damnable outrages against society that can be had. [Applause.] I undertake to say it will be necessary to go further. The Harrison law, supplemented by the Rainey Act, is going to develop, as I believe, where the real source of this evil is, and I hope if my opportunity does not serve, the opportunity of some other gentleman in this House will serve to put through an act to control the interstate traffic in drugs and keep it in the hands of licensed physicians and pharmacists. [Applause.]

Mr. HENRY T. RAINEY. Mr. Chairman, I have listened with great interest to the argument presented by the gentleman from Missouri [Mr. BORLAND], and I agree with him that the Harrison Act, even revamped as we are attempting now to do, will not sufficiently meet the situation presented in this country at the present time.

They are smuggling opium into the country in enormous quantities. I have evidence here on my desk which shows it is brought in by stokers on troopships. These men enlist as stokers, and they buy the opium abroad and bring it in without any trouble at all. Their baggage is not inspected after the first day. The ship lies at the wharf, and they may secrete a thousand dollars' worth of opium in their working clothes and carry it onto the wharf, and in that way it reaches the hands of the bootleggers. This is only one of many ways in which it reaches the country. Two dollars' worth of derivatives of opium mixed with milk sugar and distributed by bootleggers brings from the ultimate consumer $30 or $35 in money.

WAR ALWAYS INCREASES NUMBER OF ADDICTS.

As a result of war the number of addicts always increases. During our Civil War and before our Civil War we did not have many addicts in the United States. After that men who were wounded, families who had been deprived of some important member, quickly acquired the habit of taking narcotics. We are plunged now into the most horrible war in history, in which four or five millions of our young men will be engaged, and the number of addicts is increasing all the time. The Harrison Act has had the effect of restricting the importation of opium. Opium comes in in larger amounts and it is easier to detect it. You can smoke opium and live to a great age, but you can not use heroin and morphine and these other derivatives of opium and cocoa leaves and live very long, especially if the narcotic you use is heroin.

THE TREASURY COMMITTEE.

A committee appointed by the Secretary of the Treasury, consisting entirely of scientific men, except one—and the one man who is not a scientific man is the chairman of the committee, and he happens to be myself—has been engaged since last June studying this problem. About the only thing the Harrison Act does for us is to enable us to locate the known addicts—that is, those who have been treated by physicians and who have admitted to the physicians that they are addicts and whom physicians have admitted are addicts.

Physicians must, under the law, register their names. And we find as a result of computations and estimates as far as we have gone with the investigation that there are in all probability in the United States at the present day 1,500,000 drug addicts, every one of them needing treatment. There were 80,000 drug addicts in the first draft, and they are all being rejected now by the camp officers, and those who found their way to camp are being sent back as incompetents. We find that young men are acquiring this habit in order to escape the draft. I have a list here of 25 physicians who have been commissioned as captains and majors in the Army of the United States who are drug addicts and known drug addicts. I have the name of a physician, himself an addict, who started to his post in France carrying with him a large amount of narcotics to hand out to soldiers in France.

Sixty per cent of the addicts in the city of Baltimore are of draft age. There are 200,000 addicts in the city of New York. Now, the country is going dry at the present time. We have the names of 8,000 young men in New York City between the ages of 21 and 31 who are drug addicts. Alcoholism is a disease and must be treated. If you take away from an alcoholic the liquor he has been using, he may go to dope and become a dope fiend.

PROHIBITION AND USE OF NARCOTICS.

The opponents of prohibition are commencing to call attention to the increase in the number of drug addicts and are insisting that the increase is greater in dry sections of the country, and they are also vigorously insisting that the suspension for the period of the war of the manufacture and sale of all liquors containing alcohol will have the effect of driving people who have been accustomed to the use of liquors in quantities too large to drugs. If they are right about it, then the reason for strengthening the Harrison Act at the present time is most urgent.

THE REVENUE FEATURES OF THE NARCOTIC SECTIONS.

It is estimated that the amendments proposed in this bill to the Harrison Act will yield a revenue of $3,500,000 a year, a very considerable amount; and if there were no other reason for these amendments this reason would be ample. On the 5th day of June, 1916, at the October term of 1915, the Supreme Court of the United States rendered an opinion in the case of the United States against Jin Fuey Moy. This case came to the Supreme Court from the western district of Pennsylvania. In discussing the Harrison Act, the Supreme Court, referring to the opinion of the district court, said:

> It may be assumed that the statute has a moral end as well as revenue in view, but we are of the opinion that the district court in treating those ends as to be reached only through a revenue measure, and within the limits of a revenue measure, was right.

The only revenue feature contained in the Harrison Act was contained in section 1, where an annual tax of $1 per annum is imposed on all persons who produce, manufacture, import, and so forth, opium or coca leaves or their derivatives. Another decision to the same effect is that of the United States Circuit Court of Appeals for the Seventh Circuit in the case of Arthur L. Blunt, wherein the court followed the opinion in the Jin Fuey Moy case. In both of these decisions the court indicated that police powers could be exercised only in so far as necessary and incidental to the revenue provisions.

PROVISIONS CONTAINED IN PROPOSED AMENDMENTS.

Section 1 of the Harrison Act—the act of December 17, 1914—is rewritten. The special taxes are substantially increased so the physicians pay $3 per annum, importers and manufacturers $24 per annum, wholesalers $12 per annum, and retail dealers $6 per annum. Stamps are required upon all packages containing the drugs in question, and the amended section makes it unlawful for any person to purchase, sell, or distribute any of the drugs described in the act except in the original stamped package, or from the original stamped package, and severe penalties are provided for violation of the section. All the provisions of existing laws relating to destruction and cancellation of tax-paid stamps are carried into the act. At the present time a sale of narcotics by an unregistered person must be actually proven before conviction can be had, no matter how large a quantity of drugs is found on his person or under his control. Bootleggers get their supplies from unauthorized sources. It is difficult to detect them in the act of making a sale, and it is also difficult to get their customers to testify against them. Under this proposed amendment, if unstamped packages containing drugs are found in the possession of illegal traffickers, it will be possible to apply to them the penalties of the act.

SECTION 6 OF THE HARRISON ACT AMENDED.

Under this section, which has come to be known as the "joker" of the Harrison Act and which was put in at the earnest insistence of the drug lobby, it has been possible to sell alleged remedies which do not contain more than 2 grains of opium, or more than one-fourth grain of morphine, or more than one-eighth grain of heroin, or more than 1 grain of codine to each avoirdupois ounce, and these alleged remedies can be sold in any drug store or in any grocery store throughout the country, and they are sold in enormous quantities, and the sale of remedies of this character is increasing in dry territory. When war prohibition is enforced we can expect the sales of these so-called "cough remedies" and "cholera-morbus cures" to increase enormously.

I have here a small bottle which contains Bateman's Pectoral Drops. This alleged remedy is made in many places in the United States. Anyone can make it and anyone can sell it. This bottle contains 45 per cent in volume of pure alcohol and it also

contains 1.9 grains of opium. Here is another make of Bateman's Drops which contains 42 per cent of alcohol and 1.9 grains of opium. Here is another make of Bateman's Drops. This small bottle contains 48 per cent of alcohol and 2 grains of opium. This small bottle labeled "Paregoric" contains in each fluid ounce 1.83 grains of opium and contains 47 per cent of alcohol.

Here is a bottle of Godfrey's Cordial, which contains for each fluid ounce 5 per cent of alcohol in volume and 1.6 grains of opium. Each of these bottles contains one good drink of whisky, and in addition to that each bottle contains nearly 2 grains of opium. Some of these bottles contain quite 2 grains of opium.

Under the permission granted by Congress in the Harrison Act in the section I am discussing these combinations of whisky and opium can be sold by any person without any restraint whatever in any section of the United States, whether that section be dry or wet, and in the dry sections the sale of this stuff is steadily increasing.

SALE OF ALCOHOL AND OPIUM PROFITABLE TO DEALERS.

I have before me a letter written on the 25th day of October, 1916, by W. M. McCormick, president of McCormick & Co., of Baltimore, large manufacturing druggists, addressed to the Secretary of the Treasury, calling attention to the abuse of such goods as Bateman's Drops, Godfrey's Cordial, Turlington's Balsam, paregoric, and similar remedies, not only by druggists throughout the United States, but by grocers, and in this communication this Baltimore firm patriotically advises the discontinuance of the sale of these alleged remedies entirely, although Mr. McCormick says his firm would lose money. It is interesting to note that in 1915 this firm sold of Bateman's Drops, paregoric, and Godfrey's Cordial 2,585 gallons. In 1917, as the country about Baltimore went dry, sales of these alleged remedies by this Baltimore firm increased to 4,803 gallons, and from January 1, 1918, to August 20, 1918, this firm sold of these three remedies 1,714 gallons. The change of sentiment on the part of McCormick & Co. as their profits increased from the sale of these remedies is interesting. I have before me another letter written by this firm and addressed to me, dated August 22, 1918, in which, referring to my proposed amendments and to the elimination of section 6, they say:

We desire to register our vigorous protest against the enactment of this law. If such a bill as this is passed it will cut off from the use of the people throughout the country a very large proportion of remedies which are not harmful and which are absolutely necessary to their health and welfare. If passed, it will cut off diarrhea cures, cough mixtures, cramp mixtures, paregoric, and a host of other useful harmless remedies which can not bring about drug addiction. * * * A world of harm would be done to our people.

McCormick & Co. are wholesale dealers in drugs and are manufacturing chemists. There are many other firms equally important in the United States whose business has been largely increased under section 6 of the Harrison Act and whose profits when the country goes dry will be still further increased if this section remains in the bill. Not one of these firms are protesting against the increase in the drug taxes proposed in these amendments. They do not seem to care what the tax is. No objection has been made to the amendment of section 1. The protest is against the elimination of section 6. They are all willing that goods sold under section 6 be taxed, and they do not seem to care in what amount, if they are permitted to continue the manufacture and sale of these alcohol and opium combinations.

PROHIBITION FOR PERIOD OF WAR.

Within a few days this House will almost unanimously adopt prohibition for the period of the war. No man on this floor can vote to stop the manufacture and sale of whisky, to stop the manufacture and sale of beer which contains now a mere trace of alcohol, to stop the manufacture and sale of wine which contains less alcohol than any of these dope preparations, and at the same time permit the sale of these alcohol and opium combinations. Congress must stop the indiscriminate and unrestrained sale of these remedies before the manufacture and sale of alcoholic liquors stop in the United States. If we are to get along without being a nation of dope fiends, we must stop the unrestrained sale throughout the United States of the alleged remedies I am discussing, and the only way to stop it is to repeal the provisions of section 6, which make possible these sales. After the country goes dry, this great Government can not occupy the position of permitting the indiscriminate sale of alcohol in the United States provided it contains less than two grains of opium to the avoirdupois ounce.

The repeal of section 6 in this particular will not stop the sale of these remedies if they are of value. They can still be obtained for a proper purpose by applying to a reputable physician.

It is contended that the proviso in section 6 limits the sale of these alleged remedies and preparations to medicinal purposes, and that they must not be sold for the purpose of evading the intention and provisions of the act. Nothing can be more absurd than this contention. We might as well stop the manufacture of liquors with the proviso that they could still be sold as medicine by any person in the United States, provided the liquors are sold as medicines and not for the purpose of evading the provisions of any act we may pass. How effective would a provision of this kind be with reference to whisky? The contention is too absurd to be entitled to serious consideration.

THE DRUG LOBBY IN WASHINGTON.

There is in the city of Washington a drug lobby—most active and vigorous. It resumed its activities a few hours after I introduced a bill, which is a part of the bill we are considering. Back of it are the great drug interests of the country. The head of the drug lobby in Washington, who has already commenced the fight for the retention of section (6), on the 15th day of April, 1916, made a speech at a dinner given by the Chicago Retail Druggists' Association, in which he is reported in the News, the organ of the Chicago association, as having said:

There is no sentiment in Congress; it is a cold-blooded proposition with the Members. The only way to appeal to them is through votes or through influence of voters.

The article in the News proceeds as follows:

Most interesting was the way in which he described how the Harrison narcotic law first originated in the mind of Dr. Hamilton Wright, but greatly changed and modified by the N. A. R. D. before it was put into such shape that it could hope for passage.

Members of Congress who have heard from druggists throughout the land understand now that this leader of the drug lobby in Washington has commenced operating along the lines laid down in his Chicago speech.

SENATOR LANE'S ARGUMENT AGAINST SECTION 6.

When the Harrison Act was up in the Senate on the 5th day of August, 1914, Senator Lane, himself a physician, denounced most vigorously section 6 and referred to it as that section under which 10,000 babies a year, and more than that, would be slowly tortured to death. He called attention to the fact that under it any irresponsible, ignorant woman, no matter how well-meaning and kindly, could give opium to little children in so-called soothing sirup remedies, but the statement was made in the Senate that the act could not pass if section 6 was eliminated from the bill, and so section 6 went into the bill, and under it these sales, ever increasing in volume, have been possible.

POSITION TAKEN BY THE PUBLIC HEALTH SERVICE.

Immediately after I introduced the bill to amend the Harrison Narcotic Act I addressed a letter to Gen. Rupert Blue, Surgeon General of the United States Public Health Service, sending him my bill and asking for his opinion on the subject, particularly calling his attention to the proposed elimination of section 6. I received from him, under date of August 25, 1918, the following reply:

MY DEAR MR. RAINEY: I have carefully considered the bill, H. R. 12787, introduced by you to amend the Harrison Narcotic Act. I realize thoroughly the difficulties which attend the devising of an ideal measure of this kind. Nevertheless, I am of the opinion that the bill, as introduced by you, gives the Government much better supervision and control of the production and sale of narcotics in the United States than the present act.

I have long been convinced of the injury which has been caused by the unrestricted sale of compounds containing small quantities of narcotic drugs. I am, therefore, in favor of the proposed elimination of section 6 of the present act. I feel that the slight inconvenience caused by the repeal of this section will be very greatly outweighed by the benefits to national health which will be secured.

I am, very truly, yours,

RUPERT BLUE,
Surgeon General.

It appears from this letter that the Public Health Service of the United States is fully alive to the dangers of the permission to sell alcohol and opium contained in this section. The section, in fact, amounts to a Government license to any person in the United States to sell at any time a combination of alcohol and opium, provided there is in it no more than 2 grains of opium to the ounce.

Twice the Treasury Department has recommended the repeal of section 6, and these amendments meet with the approval of the officials of the Treasury Department. The proposed amendments were drafted substantially as they now are in the Internal-Revenue Department. I have made some changes in them which do not materially alter the sections as they were originally drafted, and the changes I have made meet with the approval of the department.

Sections 1010 and 1011 further amend the Harrison law by permitting all opium and coca leaves, their salts and derivatives, which have been seized by officers of the United States, and

which have been confiscated under the law, to be delivered for medical or scientific purposes to any department or agency of the Government under certain proper restrictions. The reason for these sections is found in the fact that there is at the present time in the possession of the Government over $100,000 worth of opium and its derivatives taken away from bootleggers by Government officials. Under existing laws there is no authority for the disposition of this large amount of narcotics, and these sections have been drawn in order to permit narcotics heretofore seized, or hereafter seized, to be used in such Government hospitals or in such other places as the proper Government officials may designate.

The Clerk read as follows:

Title XI—Stamp taxes.

Mr. WALSH. Mr. Chairman, is this the title of the bill in which there is but one change in the tax?

Mr. KITCHIN. One change in the stamp tax on playing cards, from 7 cents to 8 cents, and we added afterwards certificates of stock and certificates of profit.

Mr. WALSH. Does the gentleman think we ought to consider such an important change as that to-night?

Mr. KITCHIN. I think we will finish that in 15 minutes. As I said, there are but two changes. Let us run until 6 o'clock.

The Clerk read as follows:

6. Drafts or checks (payable otherwise than at sight or on demand) upon their acceptance or delivery within the United States, whichever is prior, promissory notes, except bank notes issued for circulation, and for each renewal of the same, for a sum not exceeding $100, 2 cents; and for each additional $100 or fractional part thereof, 2 cents.

Mr. WALSH. Mr. Chairman, I move to strike out, on lines 19 and 20 of page 167, the words "payable otherwise than at sight or on demand."

Mr. KITCHIN. I understand that is to put a stamp on checks?

Mr. WALSH. Yes.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 167, line 19, after the word "checks," strike out the words "payable otherwise than at sight or on demand."

Mr. WALSH. Mr. Chairman, it seems to me that when we are attempting to raise such a large sum of money, with the threatened loss of such a considerable amount, owing to the Executive order and the probable action of the legislative branch upon certain matters in the future, here is an excellent field for raising a vast amount of revenue.

The only objection that I have heard made to it is that certain of the small banks throughout the country contend they would lose some of their deposits, and that people would not be patriotic enough after the tax were put on bank checks to pay bills by check, but would draw out what their indebtedness might be for the month in one sum and pay it in cash or coin. It seems that in view of the experience we had during the Spanish-American War days in raising revenue from this source it would be well to return to it.

Now, if the small banks object to it and are going to lose the deposits which they claim they will lose, it seems to me we will make it up in the larger banks of the country. I doubt if there ever was a time in our history when so many transactions were going through the banks and clearing houses and so much business was being done in which checks were being used.

I assume that, because we have been content to stay here until this late hour without objection, the chairman will be willing to accept the amendment I have offered.

Mr. KITCHIN. Neither the chairman nor the committee could possibly accept that amendment.

Mr. WALSH. Will the gentleman state what he stated the other day?

Mr. KITCHIN. I do not want to put a tax on bank deposits. Will the gentleman withdraw that amendment out of the kindness of his heart?

Mr. WALSH. No; I can not withdraw it, and I do not know but that we ought to have a quorum here to decide the question.

Mr. KITCHIN. Let us just take a vote on it.

Mr. WALSH. You mean, put it to rest and then go on. [Laughter.]

Seriously speaking, has the gentleman any figures as to what the probable revenue would be from a tax of this sort?

Mr. KITCHIN. I think it is estimated at about $18,000,000.

Mr. WALSH. Eighteen million dollars?

Mr. KITCHIN. I think about $18,000,000 now that you would get from it. If you had a graduated tax, you could get almost anything you wanted—$60,000,000 or $100,000,000. But if you graduated it you would find the big banks would protest then.

Mr. WALSH. The amendment that I have offered makes it a graduated tax.

Mr. KITCHIN. If you had a graduated tax, I think you would find not only the little banks but the big banks would protest. The big banks would protest more than the little ones.

Mr. WALSH. The big banks?

Mr. KITCHIN. Yes.

Mr. WALSH. Of course that is their privilege. But we need the revenue. A lot of other people are going to protest against taxes in this bill, but you are going to impose them nevertheless, and the people have to pay them. Now, banks, both big and little, doing profitable business ought to contribute to the support of the war.

Mr. KITCHIN. The banks themselves will not pay it. The depositors will pay it. The banks will protest against it, because the deposits will be drawn out. I think when the banks are doing such great service in the war as they are doing now no obstacle should be put in the way of placing money in the banks.

Mr. WALSH. I question the brand of patriotism that will refuse to pay a legitimate tax which we have had heretofore in the history of this country and which resulted in raising a lot of revenue.

Mr. KITCHIN. And the first thing that Congress did after the Spanish-American War was to take it off, and Congress, or at least the House, three times in the last six years has voted almost unanimously against imposing a tax on bank checks.

Mr. LONGWORTH. If the gentleman will permit me, I think the gentleman from North Carolina misapprehended his question.

Mr. WALSH. I yield to the gentleman from Ohio.

Mr. LONGWORTH. I think the gentleman from North Carolina understood the gentleman from Massachusetts to ask what it was estimated the flat 2-cent rate would raise, not what a rate of 2 cents and 2 additional cents on each $100 would raise.

Mr. KITCHIN. That has not been estimated. I thought the gentleman referred to the flat 2-cent rate.

Mr. LONGWORTH. I think the tax at the graduated rate would be a very large amount.

Mr. GREEN of Iowa. The gentleman realizes that it would oblige everyone to carry a set of stamps along with his check book, because he could not tell how many stamps he would have to put on until the occasion rose to draw a check.

Mr. WALSH. Of course, that would be quite a hardship, to carry half a dozen stamps in your vest pocket. You might get lopsided transporting such a burden. It would not be any more of a hardship than to carry a few postage stamps in your vest pocket for the purpose of posting letters.

Mr. ROBBINS. This would be a tax of 20 cents on a $1,000 check.

Mr. WALSH. Yes.

Mr. ROBBINS. Does not that appeal to the gentleman as being an exorbitant tax, in view of the other high taxes and in view of the great service that the banks of the country are rendering free in the present war?

Mr. WALSH. No; I do not think it is. The banks are not paying it. Why do gentlemen drag in the banks and the question of the patriotic services that they are rendering? They are no more patriotic than is the gentleman from Pennsylvania, or any other Member of this House, or any other class of business. They are trying to do the best they can, and the banks are not going to pay this tax on checks. The only kick the banks are making, as I understand, comes from some of the smaller banks, which fear that they may lose some of their deposits. That was not the experience of the country when this tax was imposed in the Spanish War.

Mr. KITCHIN. That was a flat rate, then, of 2 cents a check.

Mr. WALSH. The experience then was that the deposits, as I am informed, did not fall off to any such alarming extent. Of course, if the gradation for each $100 is too severe, that can be modified to make it 1 cent for each $100 after the first $100; but I submit that here is a chance to raise at least $18,000,000, and with the gradation it will raise at least three times that amount.

Mr. KITCHIN. You really could raise a great deal of money by putting a tax of 2 cents on every transfer of a dollar bill, or 2 cents upon each $100 or fractional part thereof, or a tax of 1 cent on every transfer of half a dollar.

Mr. WALSH. I did not strike that out. The committee provided for that exception, and I am content.

Mr. KITCHIN. Let us have a vote.

Mr. NORTON. Mr. Chairman, it plainly appears there is no way of avoiding the offering of ridiculous and untimely amendments by prominent and distinguished Members of this House. As the gentleman from Massachusetts has said, a tax of the kind his amendment would create would raise a large amount of money. And so would a tax of 2 cents on every time one breathes raise a large amount. A tax of 2 cents on every slice of bread one eats would raise a large amount, and a tax of 2 cents every time a man changes a nickel, every time one spends a dime, would raise a large amount of money.

I do not believe, however, that we have reached such straits to find means to defray the expenses of this war that it is at all necessary to disrupt business in the way and to the extent that would be done by imposing a tax of this kind. I shall be surprised if there are many Members in the House outside of the gentleman from Massachusetts who will support the amendment he offers at this time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question being taken, the amendment was rejected.

The Clerk read as follows:

13. Playing cards: Upon every pack of playing cards containing not more than 54 cards, manufactured or imported, and sold, or removed for consumption or sale, a tax of 8 cents per pack.

Mr. CANNON. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman what the committee means by "playing cards."

Mr. KITCHIN. I will say that the gentleman from Ohio [Mr. LONGWORTH] was on the subcommittee that dealt with that particular part of the bill, and he can make a more intelligent reply than I can.

Mr. CANNON. Still, I would be glad to know. My recollection is that when a child they had a game they called authors, which was played with cards. Would this cover those cards?

Mr. GARNER. This is a 52 deck.

Mr. KITCHIN. Not to exceed 54. [Laughter.] I do not think the gentleman from Texas ought to try to impose upon the House or the gentleman from Illinois.

Mr. CANNON. I fancy from the prompt way in which the gentleman speaks that he is an expert. Fifty-two—does that mean one or two jokers?

Mr. GARNER. One.

Mr. CANNON. Is there more than one joker?

Mr. GARNER. That depends on how you play the deuces. [Laughter.]

Mr. LONGWORTH. I will say, after listening to what the gentleman from North Carolina has said, that if the poet laureate of Great Britain should ask me how to write poetry, or Paderewski how to play the piano, or the gentleman from New York [Mr. LONDON] should ask me to interpret the theory of Karl Marx, I should feel about as helpless as I do now in attempting to discuss playing cards in the presence of the gentleman from Illinois. [Laughter.]

Mr. CANNON. Mr. Chairman, if I have a little time left, I would like to ask unanimous consent that the gentleman from North Carolina, the gentleman from Massachusetts, and the gentleman from Nebraska be allowed to sing that good old song, "It sounds to me, it sounds to me." [Laughter.]

Mr. SLOAN. Will the gentleman yield? When this matter was explained by the senior members of the committee, the gentleman from Texas [Mr. GARNER] and the gentleman from Ohio [Mr. LONGWORTH], they passed it over to the younger members and explained that it had some reference to the Book of Kings.

Mr. CANNON. Mr. Chairman, I merely ask these questions for information. [Laughter.]

Mr. WALSH. Mr. Chairman, I should like to ask the gentleman from North Carolina how it is that they have only raised this tax 1 cent where some other taxes have been jumped from $25 to $1,000; the tobacco tax has been doubled.

Mr. KITCHIN. The card schedule was being considered by a subcommittee while I was on another committee considering the excess-profit tax. The gentleman from Ohio [Mr. LONGWORTH] was chairman of the committee and the gentleman from Texas [Mr. GARNER] was a member of the committee. I do not know whether the gentleman from Pennsylvania was a member or not.

Mr. MOORE of Pennsylvania. I was not on that subcommittee.

Mr. CANNON. Will the gentleman yield for a question?

Mr. KITCHIN. Yes.

Mr. CANNON. There used to be a man in Washington, I am not sure whether he is here now or not, who called himself the Christian statesman and lobbyist. Did he appear before the committee touching the card schedule?

Mr. WALSH. I have read the hearings, but I did not see anything of the kind.

Mr. CANNON. Then he was asleep at the switch. [Laughter.]

Mr. LONGWORTH. I have made a more or less careful study of the production of playing cards.

Mr. KITCHIN. I knew there was a difference between playing cards and production.

Mr. LONGWORTH. Yes; the gentleman from North Carolina knows how to play them, while I know only how they are produced. The reason the committee did not go further was that we have about reached the top of the revenue-producing power of playing cards. I am armed with figures, anticipating that the gentleman from Illinois [Mr. CANNON], or some other distinguished authority, would rise in his place when we reached this paragraph and make some inquiry or offer some suggestion, but it would delay the committee too long, I think, to go into details, except to say this, that having raised the tax on playing cards from 2 to 7 cents last year, we were much disappointed in the amount of revenue produced. It would seem that having raised the tax 350 per cent there would be something like a relative increase in the revenue derived, whereas, as a matter of fact, the increased revenue produced by the extra 5-cent tax amounted to less than one-third. It became evident from that that the production must have very greatly fallen off, and so we made some investigation, resulting as follows: In the year 1916 we derived a revenue of $819,654 from the tax on playing cards under a rate of 2 cents. In 1917, under a rate of 2 cents, we derived a revenue of $825,897. In 1918, under a tax of 7 cents, we derived $1,150,000.

I find that the production of playing cards in 1916 was 40,982,000 packs; in 1917, 41,040,000; and in 1918 it has fallen off to 28,360,000. I have the figures of the United States Playing Card Co., which produces in value more than two-thirds of all the playing cards in the country. I am perfectly frank to say that that is an industry in my district, though I hope that no one believes that influences my judgment. I have the figures of production month by month, and I shall read a few of them to show what the effect of this raising of the tax from 2 to 7 cents has been. The production on October 4, 1916, a year before this tax went into effect, was two million nineteen thousand and odd packs.

Mr. COOPER of Wisconsin. That is under the 2-cent tax?

Mr. LONGWORTH. That is under the 2-cent tax. A year later, October 4, 1917, under the 7-cent tax, it was 1,132,000 packs, a falling off of over 50 per cent. In November, 1916, under the 2-cent tax, the total production was 2,685,024 packs, and in November, 1917, it was 807,696 packs, and so on in about the same relative proportion. The total of last year's production was 21,745,296 packs and the total of this year's production 10,622,304 packs, or a falling off of 52 per cent. It is perfectly evident that we have arrived at the top revenue-producing point, and I really doubt whether this increase of 1 cent will raise any more revenue. It is entirely apparent then that a substantial increase in tax would simply fail in its object, and that the revenue would be less than it is now.

Mr. KITCHIN. Mr. Chairman, members of the committee have heard the expert on the production end of the committee, and I very much regret to say that I can not speak on behalf of the committee for its playing experts. They do not seem to be present here this afternoon during the discussion of this matter.

The Clerk read as follows:

TITLE XII—ADVISORY TAX BOARD.

Mr. STEENERSON. Mr. Chairman, I would like to discuss this matter for a minute or two in respect to the parcel post.

Mr. KITCHIN. I think we better rise at this point.

Mr. STEENERSON. Very well, I shall discuss that question in the morning. I move to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent, at the request of some of the gentlemen on the other side, to put into the RECORD without reading my amendment with reference to the taxation of the products of child labor.

The CHAIRMAN. Is there objection?

There was no objection.

The amendment is as follows:

Amendment by Mr. GREEN of Iowa: Page 129, after line 22, insert a new subdivision, as follows:

"(27) Articles or commodities, the product of any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment within the United States in which children under the age of 14 years have been employed or permitted to work, or children between the ages of 14 and 16 have been employed or permitted to work more than eight hours in any day, or more than six days in any week, or after the hour of 6 o'clock post meridian during any portion of the taxable year, 5 per cent."

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 12863 and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. LONDON for two days.

THE AMBASSADOR TO GREAT BRITAIN.

Mr. GILLETT. Mr. Chairman, I ask unanimous consent to address the House for five minutes.

The SPEAKER. Is there objection?

There was no objection.

Mr. GILLETT. Mr. Speaker, I notice by the evening paper that the Hon. John Davis has been appointed ambassador to Great Britain. He was formerly a member of this House, and those of us who had the pleasure of serving with him will recall him as a most capable, courteous, modest, and popular Member. I must admit that I have not esteemed highly many of the appointments made by this administration, and when this vacancy in England came about there occurred to my mind several great Republicans who I thought would fill it admirably, and I indulged a faint hope that one of them might be appointed as the first visible corroboration of the statement that "politics is adjourned." However, if that was not to be, I wish to say that I can think of no appointment that would have given more satisfaction to both sides of the House than this appointment of Mr. Davis. We all admire him and trust him as a man of sound judgment, of broad culture and learning, of high character, and of most charming personality, and I am sure that while he is at the Court of St. James that very lofty standard which has been fixed there by a long line of great Americans will not be lowered and that the exacting demands of this momentous crisis will be adequately met.

Mr. KITCHIN. Mr. Speaker, I believe every Member of the House who served with Mr. Davis can join heartily with the gentleman from Massachusetts in praise of his eminent ability, high character, and courteous deportment.

AMENDMENTS TO FEDERAL-RESERVE ACT.

Mr. GLASS. Mr. Speaker, I desire to present a conference report on the bill (H. R. 11283) and ask unanimous consent to waive the requirement of printing and ask for its immediate consideration.

The SPEAKER. The gentleman from Virginia presents a conference report and asks for its present consideration, the rule to the contrary notwithstanding. Is there objection?

Mr. GILLETT. Mr. Speaker, reserving the right to object, I should like to ask what the report is?

Mr. GLASS. Meanwhile I will say, Mr. Speaker, it is a bill making certain minor amendments to the Federal reserve act, unanimously reported to the House by the Banking and Currency Committee and unanimously adopted by the House and amended in numerous particulars by the Senate. The Senate has receded from every one of its amendments, and it is virtually the House bill, and the Senate has accepted the conference report.

Mr. GILLETT. I congratulate the gentleman and his fellow conferees.

The SPEAKER. Is there objection?

Mr. NORTON. Mr. Speaker, reserving the right to object, what is the particular haste why the House bill should not be printed in the RECORD, so that other Members might see what the report is?

Mr. GLASS. The report simply is that the Senate recedes from all of its amendments and accepts it.

Mr. STAFFORD. It virtually is the Senate adopting the House bill and the gentleman now asks unanimous consent to have the House bill adopted.

Mr. GLASS. That this House unanimously passed.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the report.

The conference report is as follows:

CONFERENCE REPORT (NO. 793).

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11283) to amend and reenact sections 4, 11, 16, 19, and 22 of the act approved December 23, 1913, and known as the Federal reserve act, and sections 5208 and 5209, Revised Statutes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 2, 3, 4, and 5, and agree to the same.

That the Senate recede from its amendment to the title.

CARTER GLASS,
MICHAEL F. PHELAN,
E. A. HAYES,
Managers on the part of the House.
ROBT. L. OWEN,
ATLEE POMERENE,
Managers on the part of the Senate.

The question was taken, and the conference report was agreed to.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 27 minutes p. m.) the House adjourned until to-morrow, Thursday, September 19, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. PADGETT, from the Committee on Naval Affairs, to which was referred the bill (H. R. 12945) providing for the purchase of uniforms, accouterments, and equipment by officers of the Navy, Marine Corps, and Coast Guard, and midshipmen at the Naval Academy from the Government at cost, reported the same without amendment, accompanied by a report (No. 787), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 12934) to extend certain provisions of the war-risk insurance act of September 2, 1914, as amended, to cadets at the United States Military Academy and midshipmen at the United States Naval Academy, reported the same without amendment, accompanied by a report (No. 786), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 12916) to provide for the temporary promotion of commissioned officers of the Marine Corps serving with the Army, reported the same without amendment, accompanied by a report (No. 788), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 12915) to provide additional pay for warrant officers on shore duty beyond the continental limits of the United States, reported the same with amendment, accompanied by a report (No. 789), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 12194) to provide for the award of medals of honor, distinguished-service medals, and Navy crosses, and for other purposes, reported the same without amendment, accompanied by a report (No. 790), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 10849) to establish certain new ratings in the United States Navy, reported the same with amendment, accompanied by a report (No. 791), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

He also, from the same committee, to which was referred the bill (H. R. 10747) providing for the better administration of justice in the Navy, reported the same without amendment, accompanied by a report (No. 792), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. HARRISON of Virginia, from the Committee on Military Affairs, to which was referred the bill (H. R. 12793) for the relief of Nathan Manzer, reported the same without amendment, accompanied by a report (No. 784), which said bill and report were referred to the Private Calendar.

He also, from the same committee, to which was referred the bill (H. R. 7859) to remove the charge of desertion from the

military record of Joseph P. Brady, reported the same with amendment, accompanied by a report (No. 785), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII,

Mr. GANDY introduced a bill (H. R. 12961) authorizing the Secretary of War to deliver to the city of Rapid City, S. Dak., one condemned bronze or brass cannon or fieldpiece and suitable outfit of cannon balls, which was referred to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY: A bill (H. R. 12962) granting an increase of pension to Hiram F. Stover; to the Committee on Invalid Pensions.

By Mr. WALSH: A bill (H. R. 12963) granting an increase of pension to Albert Damon; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 12964) granting a pension to Frank Chronabery; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. COOPER of Wisconsin: Resolutions adopted by the Racine (Wis.) Trades and Labor Council on September 2, 1918 (Labor Day), reassuring the brothers and comrades of its members who are now on the firing line in Europe; to the Committee on Military Affairs.

By Mr. ELSTON: Petition of residents of Alameda, Cal., on behalf of the Edmonds bill, House bill 5531; to the Committee on Military Affairs.

By Mr. FULLER of Illinois: Petition of Claucy's drug store (Inc.) of La Salle, Ill., protesting against the proposed tax on nonbeverage alcohol; to the Committee on Ways and Means.

Also, the petition of Curt Teich & Co., of Chicago, protesting against the 2-cent rate on post cards; to the Committee on Ways and Means.

Also, memorial of the National Fraternal Congress of America, favoring the speedy enactment of Senate bill 3475; to the Committee on the Judiciary.

By Mr. GALLIVAN: Petition of Blodgett Ordway & Webber, Farley Harvey & Co., John Ainsley & Co., Jacob Dreyfus & Son, Simons, Hatch & Whitten Co., Hawley Folsom Co., Walker Stetson Co., and Brown-Wales Co., urging the legal retention of part of the paper profits as a protection against the return to normal conditions; to the Committee on Ways and Means.

Also, petition of L. H. Daloz Co., relative to the proposed tax on gasoline; to the Committee on Ways and Means.

By Mr. HUTCHINSON: Petition of Mr. D. Hart Cunningham and citizens and relatives of men in the military service of the Nation from Hightstown, N. J., urging the speedy passage of House bill 5531, providing for a Pharmaceutical Corps for the United States Army; to the Committee on Military Affairs.

By Mr. OSBORNE: Petition of Arthur E. Maas and a number of other citizens of Los Angeles, Cal., in favor of the Edmonds bill (H. R. 5531) to provide a Pharmaceutical Corps for the United States Army; to the Committee on Military Affairs.

Also, petition of Albert Killian and a number of other citizens of San Pedro, and of E. A. Talbott and 204 other citizens of Los Angeles, Ca., in favor of the Edmonds bill to provide a Pharmaceutical Corps for the United States Army; to the Committee on Military Affairs.

By Mr. Raker: Petition of Langley & Michaels Co., wholesale druggists, San Francisco, Cal., protesting against proposed tax on nonbeverage alcohol; to the Committee on Ways and Means.

Also, the petition of Benjamin C. Marsh, Bliss Building, Washington, D. C., in re income tax; to the Committee on Ways and Means.

SENATE.

THURSDAY, *September 19, 1918.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we stand in Thy presence as we face every responsibility and duty of life. So fully are we in Thy hands that Thou dost order. We can not change the divine plan. We prepare, we execute, and, lo, Thy grace prevents us. We submit ourselves into Thy hands. Thy blessings are more than we can ask or think. We pray Thee to prepare us for the duties that are upon us, giving to us an ever-increasing vision of the possibilities that lie before us in answer to our consecration of our lives and the service and leadership of God. Grant us grace this day to do Thy will. For Christ's sake. Amen.

On request of Mr. SMOOT and by unanimous consent the reading of the Journal of yesterday's proceedings was dispensed with and the Journal was approved.

SUPPLY OF MINERAL OILS (S. DOC. NO. 280).

The VICE PRESIDENT. The Chair lays before the Senate a communication from the Director of the Bureau of Mines, which will lie on the table and be printed in the RECORD.

The communication is as follows:

DEPARTMENT OF THE INTERIOR,
BUREAU OF MINES,
Washington, September 17, 1918.

SIR: In connection with resolution passed by the Senate asking whether the enactment of S. 2812 would help the oil situation, the following is submitted:

Prior to September 27, 1909, public lands in the United States and the Territory of Alaska were subject to exploration, location, and purchase under the placer mining laws of the United States (sec. 2329–2331, R. S., acts of Feb. 11, 1897, 29 Stat., 526, and Feb. 12, 1903, 32 Stat., 825). Under these laws any citizen of the United States or person who had declared his intention to become such, could go upon the public lands and explore for oil, and upon discovery apply for and receive patent as prescribed in the mining laws. September 27, 1909, the President of the United States withdrew from exploration, location, and entry large areas of public lands known or believed to contain valuable deposits of petroleum for the primary purpose of withholding same until Congress could consider legislation designed to secure the exploration for and development of deposits of oil and gas under a leasing law. Similar withdrawals had been made from time to time until at the present there are withdrawn from all exploration, location, and entry 6,524,834 acres of land either known to contain oil and gas or believed to possess possibilities thereof. This acreage is not all public lands, as considerable areas within the exterior limits of withdrawals were patented under the various public-land laws prior to dates of withdrawal. There are also withdrawn 132,024 acres of land known to contain valuable deposits of oil shale. The withdrawals cover lands in the States of Arizona, California, Colorado, Louisiana, Montana, North Dakota, Utah, and Wyoming. In addition all lands containing deposits of oil in the Territory of Alaska are likewise withdrawn.

Most of the lands so withdrawn are free from claims and would, if S. 2812 or other legislation providing for their disposition were enacted into law, be subject to exploration and development in accordance with its provisions. A minor portion of the area, comprising valuable proven oil territory was, however, covered by locations made under the mining law prior to withdrawal and the claims so asserted have not been disposed of but are pending in the Land Department or in the courts. Most of these claims have upon them one or more producing oil wells, but increased production through the drilling of additional wells is practically halted by the withdrawal. The so-called relief provisions of S. 2812 are designed to adjust these controversies and secure the development of the lands.

In my opinion the enactment of a law providing for the development of the oil lands of the United States would (1) open to exploration and development the vast areas of public land in the United States and Alaska now absolutely withdrawn from exploration and development, thereby resulting in the discovery and development of new oil fields and deposits, thus adding to the oil and gas supply of the United States and Alaska; (2) permit of the leasing of lands now withdrawn and actually proven to contain valuable deposits of oil and gas by the existing wells upon the lands or upon adjoining tracts; these fields are principally located in California, Wyoming, Montana, and Louisiana; and (3) permit of the further development of existing claims within withdrawn areas which have upon them one or more producing oil wells. These areas are already equipped with pipe lines and facilities for developing and transporting oil, and many of the interested individuals and corporatons have equipment in the way of casing and other supplies which could be immediately utilized in the drilling of additional wells.

The most immediate results would be obtained from the lands mentioned in the above items 2 and 3, namely, proven lands which have not been developed by oil wells and lands within withdrawals but which have within their limits one or more producing oil wells at the present time.

During the past few years I have made a number of reports and suggestions to the Public Land Committees of Congress with respect to legislation of the character involved, and bills have passed one of the bodies of Congress, but none has received concurrent approval. I do not feel that I should at this time specifically indorse any particular measure, and consequently this report is designed to explain briefly why I believe the enactment of legislation for the development of the oil resources of the public domain would materially aid in obtaining an increased fuel supply in the immediate future. It must be obvious to anyone familiar with the situation that the existing withdrawals and controversies prevent the bringing of the oil from underground and into use, and the conditions described in the report of the United States Fuel Administrator in his report to the Senate dated September 10, 1918, document 277, and in my report responding to Senate resolution 301 which gave in some detail the present situation with special reference to gasoline, emphasize the importance and desirability of the enactment of legislation which will, while properly preserving the public interest, stimulate and encourage the production of oil from our public lands.

I am of the opinion, therefore, that viewed from any angle the passage of a leasing bill is desirable, and conditions possibly will arise that will make it distinctly a war measure.

Respectfully,

VAN. H. MANNING, *Director.*

The PRESIDENT UNITED STATES SENATE.

MEMORIALS.

Mr. NELSON presented telegrams in the nature of memorials from the city comptroller of Minneapolis, from the mayor of Minneapolis, and from Thomas Tomasek, of Albany, all in the State of Minnesota, remonstrating against the proposed taxes on

municipal bonds, which were referred to the Committee on Finance.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred, as follows:

By Mr. MYERS:

A bill (S. 4947) to provide for a survey and classification by the Secretary of the Interior of all unentered public lands of the United States and all unused cut-over, logged, and swamp lands and other unused lands of the United States, with a view to disposing thereof to honorably discharged soldiers and sailors and others, and for other purposes; to the Committee on Public Lands.

By Mr. WALSH:

A bill (S. 4948) granting an increase of pension to Ella E. Smith (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 4949) for the relief of J. C. Garrett; to the Committee on Military Affairs.

THE REVENUE.

Mr. GORE submitted an amendment intended to be proposed by him to the bill (H. R. 12863) to provide revenue, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

ACTIVITIES OF BREWERS' ASSOCIATION.

Mr. JONES of Washington. Mr. President, I submit a Senate resolution and ask for its immediate consideration.

The resolution (S. Res. 307) was read, as follows:

Whereas Hon. A. Mitchell Palmer, Custodian of Alien Property, on or about September 14, made the following statement:

"The facts will soon appear which will conclusively show that 12 or 15 German brewers of America, in association with the United Brewers' Association, furnished the money, amounting to several hundred thousand dollars, to buy a great newspaper in one of the chief cities of the Nation; and its publisher, without disclosing whose money had bought that organ of public opinion, in the very Capital of the Nation, in the shadow of the Capitol itself, has been fighting the battle of liquor traffic.

"When the traffic, doomed though it is, undertakes and seeks by these secret methods to control party nominations, party machinery, whole political parties, and thereby control the government of State and Nation, it is time the people know the truth.

"The organized liquor traffic of the country is a vicious interest because it has been unpatriotic, because it has been pro-German in its sympathies and its conduct. Around these great brewery organizations owned by rich men, almost all of them of German birth and sympathy, at least before we entered the war, has grown up the societies, all the organizations of this country intended to keep young German immigrants from becoming real American citizens.

"It is around the sangerfests and sangerbunds and organizations of that kind, generally financed by the rich brewers, that the young Germans who come to America are taught to remember first, the fatherland, and, second, America," and

Whereas it has been publicly and repeatedly charged against the United States Brewers' Association and allied brewing companies and interests that there is in the Department of Justice and in the office of a certain United States district attorney evidence showing—

That the said United States Brewers' Association, brewing companies, and allied interests have in recent years made contributions to political campaigns on a scale without precedent in the political history of the country and in violation of the laws of the land;

That, in order to control legislation in State and Nation, they have exacted pledges from candidates to office, including Congressmen and United States Senators, before election, such pledges being on file;

That, in order to influence public opinion to their ends, they have heavily subsidized the public press and stipulated when contracting for advertising space with the newspapers that a certain amount be editorial space, the literary material for the space being provided from the brewers' central office in New York;

That, in order to suppress expressions of opinion hostile to their trade and political interests, they have set in operation an extensive system of boycotting of American manufacturers, merchants, railroads, and other interests;

That, for the furthering of their political enterprises, they have erected a political organization to carry out their purposes;

That they were allied to powerful suborganizations, among them the German-American Alliance whose charter was revoked by the unanimous vote of Congress; the National Association of Commerce and Labor, and the manufacturers' and dealers' associations; and that they have their ramifications in other organizations apparently neutral in character;

That they have on file political surveys of States, counties, and districts tabulating the men and forces for and against them and that they have paid large sums of money to citizens of the United States to advocate their cause and interests, including some in the Government employ;

That they have defrauded the Federal Government by applying to their political corruption funds money which should have gone to the Federal Treasury in taxes;

That they are attempting to build up in the country through the control of such organizations as the United States Societies and by the manipulation of the foreign-language press a political influence which can be turned to one or the other party, thus controlling electoral results;

That they, or some of their organizations, have pleaded nolo contendere to charges filed against them and have paid fines aggregating large sums of money: Therefore be it

Resolved, That the Committee on the Judiciary of the Senate, or any subcommittee thereof, is hereby authorized and directed to call upon the Hon. A. Mitchell Palmer, Alien Property Custodian, and the Department of Justice and its United States district attorneys to produce the evidence and documents relating to the charges herein mentioned, and to subpœna any witnesses or documents relating thereto that it may find necessary, and to make a report of the result of such investigation and what is shown thereby to the Senate of the United States as promptly as possible.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. FLETCHER. I was engaged with another matter and I did not hear the whole of the resolution read. It seems to me that a resolution of such importance ought to go to a committee and let the committee consider it.

Mr. JONES of Washington. If the Senator will permit me, it recites various charges and facts that I think all Senators are acquainted with, and directs the Judiciary Committee or a subcommittee thereof to call upon Mr. Palmer and the Department of Justice for the facts and documents in their possession tending to sustain the charges. I take it that it will simply involve an investigation of documentary evidence, because I understand from information outside that whatever proof there is is of a documentary character. I have not even put in a provision which would involve any expense, because I understand Mr. Palmer can furnish the documents, and I think he can furnish them very promptly. These documents are available. So I do not think it will be a very complicated affair at all.

Mr. FLETCHER. The resolution does not provide for the appointment of a special committee?

Mr. JONES of Washington. No; the Judiciary Committee will make the investigation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

"TWO THOUSAND QUESTIONS AND ANSWERS."

Mr. LODGE. Mr. President, day before yesterday, in speaking about the book, Two Thousand Questions and Answers, I stated on the faith of Mr. Creel's letter that it had been withdrawn by the publishers, the Doran Co., as I understood that to be the case. This morning I have received from more than one person advertisements of the work which they received yesterday by mail. I only want to call attention to the fact that on the outside of the envelope which carries these advertisements in large black type are the words, "Did Germany warn passengers on the *Lusitania?*" which is answered in the book in the affirmative. There is an advertisement also lauding Mr. Creel's letter, which he has retracted and apologized for and withdrawn, and it is being circulated as an advertisement of the book. Something ought to be done to stop that book from general circulation.

WATER-POWER DEVELOPMENT.

Mr. FLETCHER. I ask the Chair to lay before the Senate the amendment of the House of Representatives to Senate bill 1419.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 1419) to amend an act entitled "An act to regulate the construction of dams across navigable waters," approved June 21, 1906, as amended by the act approved June 23, 1910, and to provide for the improvement and development of waterways for the uses of interstate and foreign commerce, which was to strike out all after the enacting clause and insert a substitute.

Mr. CUMMINS. Mr. President, I suggest the absence of a quorum. This matter ought to be considered with a quorum present.

The VICE PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Beckham	Hale	New	Smoot
Brandegee	Harding	Overman	Sterling
Calder	Jones, Wash.	Phelan	Thomas
Chamberlain	Kendrick	Poindexter	Trammell
Culberson	McKellar	Shafroth	Warren
Cummins	McNary	Sheppard	Wilfley
Curtis	Martin, Ky.	Shields	Williams
Fletcher	Martin, Va.	Smith, Ariz.	
Frelinghuysen	Myers	Smith, Md.	
Guion	Nelson	Smith, S. C.	

The VICE PRESIDENT. Thirty-seven Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of absentees.

The Secretary called the names of the absent Senators, and Mr. ASHURST, Mr. DILLINGHAM, Mr. KELLOGG, Mr. KING, Mr. KIRBY, Mr. REED, Mr. SMITH of Georgia, Mr. THOMPSON, Mr.

UNDERWOOD, Mr. VARDAMAN, and Mr. WALSH answered to their names when called.

Mr. KNOX, Mr. FRANCE, Mr. HENDERSON, Mr. POMERENE, Mr. DREW, Mr. PITTMAN, and Mr. FALL entered the Chamber and answered to their names.

The VICE PRESIDENT Fifty-five Senators have answered. There is a quorum present.

Mr. FLETCHER. I move that the Senate disagree to the amendment of the House and ask for a conference, and that the Vice President name the conferees on the part of the Senate.

Mr. CUMMINS. Mr. President, I hope the motion just made by the Senator from Florida will not prevail. The bill that has been sent to the Senate by the House is an entirely new bill. It has no resemblance to the bill which passed the Senate, except that it refers in part, and in part only, to the same subject.

This bill, which has been passed by the other House, includes not only provision for the construction of dams and other structures of that character in navigable streams, but it also includes the use of the public lands and waters—if there are any public waters—in the public domain; in other words, it embraces not only what is known here as the Shields bill—that is, the subject of the Shields bill—but it also embraces the subject of the Myers bill.

The conference committee would have no guide whatever in its action upon the matter. The Senate has never passed upon the most important, the most vital, propositions contained in the action of the other House. I am not willing that a bill of so great importance, involving the future development, in so far as water powers are concerned, in the United States for a period of 50 years or longer, shall be made in conference. I want, if it is possible to secure it, an opportunity upon the part of the Senate to deal with some of the questions that have been proposed in the bill passed by the other House. I intend to move the reference of the bill to a committee for consideration.

The bill for which this is a substitute came from the Committee on Commerce; but I can very well see that, by reason of the addition of the subject of public lands and the public domain, it ought to be considered here now by a special committee, composed of members of the Committee on Commerce and of the Committee on Public Lands. It was considered in the other House—and I think under the direct suggestion of the administration—by a special committee composed of members of the Committees on Interstate and Foreign Commerce, of Public Lands, of Agriculture, and, possibly, one other committee. That committee was made up with great care, and it proceeded to hold extensive hearings upon the subject, the result of which is an entirely new bill.

This bill is unlike the one we passed in the Senate in every substantial particular. It would be utterly impossible to define the controversy between the House of Representatives and the Senate if we sent this bill now to conference. It could not be done. All that could be done would be for the conference committee to take the House bill and agree to such parts of it as might commend themselves to its judgment.

I hope the Senate will not completely abdicate its functions and dismiss to a conference committee the consideration of one of the most important matters which ever came before the Senate. This is not a war measure; there is no necessity for instantaneous action; there is nothing contemplated under the bill for a period of three years or more. We have time now to consider it; more time than we shall ever have in the near future, and it is our duty to do it.

Mark you, this bill begins by the creation of a commission composed of the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture, with all of the paraphernalia—if I may use that term—that goes with a commission. The Senate bill proposed no such thing. This bill entirely eliminates the protection which the Senate cast around the little streams of the country; those streams which are not navigable other than theoretically; those streams which will require canalization or extensive improvement in order to even float a skiff. All these are brought within the jurisdiction of this commission in the bill which has passed the other House.

Moreover, the bill as it comes to us confers upon the commission, without a guide, without a rule, without a suggestion, without any requirement of uniformity, the unrestricted power to make such an annual charge for the alleged permit or privilege granted by the Government as may please the commission. It is a most extraordinary provision to be found in any bill. I do not know of any legislation ever adopted by Congress which gives such unbridled, unlimited, and unregulated power to an administrative body as is proposed in this bill.

Furthermore, there is a plain intimation that there are some streams, some waters, which ought not to be left to the jurisdiction of the commission. There is one exception in the proposed bill, which is generally supposed to refer to the Hetch-Hetchy development or improvement in California. I am of the opinion that all boundary waters, and especially the waters of the Niagara River or the waters which connect Lake Erie with Lake Ontario, should, in any event, be withdrawn from the jurisdiction of the commission. There is a situation which involves not only our relation to Canada but which involves other economic and industrial problems, with which Congress must deal directly and not through the unregulated and uncontrolled act of a commission.

I mention these things only to indicate how important it is that we take up this bill in some form or other and express our opinion about it; that is, the bill that has been passed by the other House. We have never given a moment's consideration to the most important things that are contained in the House bill. They have never been before the Senate, and if we send this bill to conference we will never have an opportunity to amend it in any respect. If there ever comes a report of agreement from the conference committee, then we will be compelled either to reject that report as a whole or adopt it as a whole. Is it possible that we have reached a point in our deliberations when we are willing to forego the opportunity and to abdicate the duty of expressing our views with regard to a subject so important and so far-reaching as the one involved in this bill? I think not. I do not see why it is proposed to deal with it in this summary way; I can see no justification for it.

So far as I am personally concerned, I have a view with regard to the jurisdiction and the interest of the United States in so-called navigable streams; others have views with regard to the interest of the United States in the waters which flow through our public lands. I will not speak of the latter, but of the former, so far as I am concerned, I want an opportunity for the Senate to review its position in that regard. I am one of those who believe that all that the United States can do or ought to do with regard to our navigable streams is to determine whether a proposed structure is an obstruction to navigation. I am willing that it shall determine that and abide by that determination for 50 years, if you please, so that capital may be attracted to the investment that may be proposed; but I am not willing by either my silence or my vote to have it understood that the United States has an interest in navigable streams which it may sell for profit. It has no such interest. We are limited to such regulations as we may think best in order to promote navigation, in order to stimulate commerce among the States.

If I had been in the least avaricious of power, I would have suggested that this bill ought to go also to the Interstate Commerce Committee, for it has more things in it which are covered by the jurisdiction of that committee than are covered by the jurisdiction of any other one committee; but I do not insist upon that. My friend from South Carolina [Mr. SMITH] is so modest in the assertion of his prerogatives that I think he is willing that it may go to the other committees, being sure that it will be dealt with there from an enlightened and comprehensive standpoint.

Mr. President, I move that this bill, the substitute proposed by the House, be referred to a special committee, to be composed of five members of the Committee on Commerce and five members of the Committee on Public Lands, these members to be selected by the chairmen of the respective committees.

Mr. FLETCHER. Mr. President, I make the point of order that a motion is pending and that the motion of the Senator from Iowa, therefore, is not in order.

The VICE PRESIDENT. The Chair might as well rule now as at any time.

Mr. CUMMINS. May I be heard on the point of order before it is ruled upon?

Mr. BORAH. Mr. President, may I make a parliamentary inquiry? Suppose this motion is in order, is it then a debatable motion?

The VICE PRESIDENT. The pending motion is debatable. The Chair has read what is said in Jefferson's Manual, although there is nothing of Jefferson left in this body; and the Chair does not have any doubt at all that the motion to refer to a committee of conference is first in order and is debatable. If it is overruled, a motion can be made to refer it to a special committee or to a standing committee, and if neither of these motions carries, the Chair has not any doubt of the right of the Senate to discuss the bill and amend it. That is the opinion of the Chair, and he has been considering the subject.

Mr. FLETCHER. I think that the opinion of the Chair is a correct opinion.

The VICE PRESIDENT. Of course, the order of procedure now, there being a pending motion to refer it to conference, requires that that motion must first be disposed of.

Mr. BORAH. As I understand, the motion is debatable?

The VICE PRESIDENT. Certainly.

Mr. BRANDEGEE. Mr. President, I rise to a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. BRANDEGEE. I wish to ask the Chair whether it would be in order to amend the motion to disagree to the House amendment and refer the bill to a conference committee by a motion that it be referred to a special committee instead of a conference committee?

The VICE PRESIDENT. The Chair thinks not. The Chair has just ruled on that point.

Mr. BRANDEGEE. I did not hear the Chair's ruling, I will say to the Chair.

The VICE PRESIDENT. The question of referring it to a conference committee is debatable. The Senate can get all the light and information that Senators choose to give it upon that question, and it can then either adopt or reject the motion. Then it is subject to a motion to refer to a standing committee or to a special committee, and the Senate can discuss those questions. If not referred, the Chair is then of the opinion that the bill is in the Senate and open to amendment. That is the opinion of the Chair, and it will stand unless appealed from.

Mr. BRANDEGEE. I wonder why, if the Chair has it in mind, a motion to refer a matter to a conference committee is not amendable.

The VICE PRESIDENT. The reason, in the mind of the Chair, is this, that always that motion is in order which is calculated to bring the Houses most speedily to an agreement. While problematical, it appears to the Chair that reference to a conference committee is a procedure that is calculated to bring the House and the Senate more speedily than in any other way to an agreement, and therefore such a motion is not amendable.

Mr. BRANDEGEE. I do not have a sufficiently strong opinion about it myself to say that I differ with the Chair; but it would seem to me that the question as to which committee would result in the greater probability of promoting legislation would depend upon the membership of the committee.

The VICE PRESIDENT. The Senate decides that question when it votes. There is a distinct rule upon the question, that a motion to refer to one committee is not amendable by a motion to refer to another.

Mr. BRANDEGEE. If the Chair will pardon me, I assume that this is not simply a matter of reference to a committee. The motion of the Senator from Florida [Mr. FLETCHER] was, as I understood it, that the Senate disagree to the House amendment and ask for a committee of conference.

The VICE PRESIDENT. And that the conferees be appointed by the Chair.

Mr. BRANDEGEE. And that the Chair appoint the conferees, which is not the ordinary motion to refer to a committee, but is a motion of disagreement coupled with a motion to request the House to appoint conferees to act with certain conferees to be appointed by the Senate and to report.

The VICE PRESIDENT. If the Senate does not want that done it can vote down the motion very readily.

Mr. BORAH obtained the floor.

Mr. FLETCHER. Mr. President——

Mr. BORAH. Does the Senator wish to address himself to this subject?

Mr. FLETCHER. Only very briefly. The Senator from Idaho, perhaps, wants to discuss the matter at some length. I was just going to state what is the proposition before us, and why I have made this motion, very briefly, so as to leave the matter open for discussion. I do not wish to enter into any long discussion.

Mr. BORAH. I do not wish to interfere with the program of the Senator from Florida, who has charge of this matter, as I understand; but I want an opportunity to address myself generally to the subject matter as soon as the Senator has made his point with reference to the mode of procedure.

Mr. FLETCHER. Certainly. I have submitted the point which the Chair has ruled upon, that this first motion is in order, that it is not amendable, and that if the Senate does not agree to the motion then other motions will be in order, and finally the bill may come to a position where it is amendable on the floor; but I believe that this motion is the quickest way to reach definite results regarding this legislation. It is in that spirit and in that faith that I make the motion, and it is upon the principle that the motion, as the Chair holds, is first in order, as being calculated to bring the two Houses together on an important piece of legislation.

Of course, it is true that this identical bill as it comes from the House has not been before the Senate. That is the case with almost every amendment made in either body. The bill is the Senate bill S. 1419, which was originally referred to the Commerce Committee, was reported out by that committee, and passed by the Senate. It goes to the House, and there all after the enacting clause is stricken out, and a new bill is passed by the House as an amendment to the Senate bill. This new bill includes in substance very largely the Senate bill as it originally passed, S. 1419, with some modifications, and also the substance, with some modifications, of a bill which was reported by the Public Lands Committee of the Senate, known as the Myers bill, but which never passed the Senate. It was debated here for several days, as Senators will recall, but it did not finally pass. The substitute now before the Senate includes both what was known as the Shields bill, S. 1419, and the Myers bill, which, as I say, was reported by the Public Lands Committee and debated for some time in the Senate, but was never either passed or defeated. A vote never was reached on it.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Colorado?

Mr. FLETCHER. I do.

Mr. THOMAS. I merely wish to say that the statement now made by the Senator constitutes, in my judgment, one of the strong arguments against sending this bill to conference. The House has seen fit to strike out the Senate bill entirely and to substitute for it its own bill with regard to navigable waters and the so-called Myers bill with regard to unnavigable waters on the public domain, which the Senate never passed, and which it ought to consider, and consider very fully, before permitting a measure so framed to go to conference.

Mr. FLETCHER. I was trying to state the case as fairly as I can, Mr. President, and I was saying that whereas the Myers bill did not actually pass the Senate, as I recall, it was debated for some days in the Senate and very thoroughly considered; so that it is not a new proposition here at all.

There are very few points of difference between the Senate and the House, as I understand, in respect to this great piece of legislation. It is a most important measure. It affects to a vast degree—beyond our calculation now, it seems to me—great industrial interests and great natural resources of the country. It makes available for the public benefit and the public good these great resources which have been lying idle and unused for centuries past, and it is, of course, important that as soon as possible we should accomplish definite and certains means of promoting this development and bringing into use and service and benefit these great resources.

I hope that we can conclude this great subject and conclude it speedily, but I doubt exceedingly if reference to a special committee will get us very far. Differences will arise in the committee. Conclusions will be finally reached by the committee which will have to be thrashed out in the Senate. Final results may be reached here which never can be concurred in by the other body, and the consequence is that delay, procrastination, hindrances, obstructions, and what not will be interposed, until we may find ourselves hopelessly involved in confusion and doubt and uncertainty, with nothing done. I do not think this matter ought to proceed in that direction and along that course.

Mr. SMITH of South Carolina. Mr. President——

Mr. FLETCHER. I think it is important that we should accomplish results. I am perfectly willing that the conferees originally named on the Shields bill, coming from the Commerce Committee, shall be supplemented by, say, two members of the Public Lands Committee so that the conferees on the part of the Senate may be five in number—three from the Commerce Committee and two from the Public Lands Committee. With those five members on the part of the Senate, and with a like number on the part of the House, I am quite sure this bill can be put into sound and safe condition, and legislation which will be agreeable to both bodies will result from the conference. I believe that beyond any question within a reasonable time the conference committee can get together on the provisions of a bill which will meet with the approval of the Members of the Senate and the Members of the House.

Mr. SMITH of South Carolina. Mr. President——

Mr. FLETCHER. I yield.

Mr. SMITH of South Carolina. The new rule that we have adopted, that no new matter may be incorporated in a conference report, precludes the possibility of any legislation being brought in here that is entirely new to that which was contained in the Senate bill and in what the House has substituted. Now, I want to ask the Senator this question: Is the objection to the bill going to conference based upon the fact that entirely new matter is desired rather than a contention for what the Senate has already passed being maintained as against what the House has passed?

Mr. FLETCHER. Of course, the argument, as presented by the Senator from Iowa, is that we have a perfectly new bill here, and that that bill has not been thoroughly considered by the Senate, and therefore he thinks it should go to a special committee, to be reported on by the special committee, and debated in the Senate. In answer to the Senator from South Carolina, I will say that the rule to which he refers, recently adopted by the Senate, really does not interfere with this matter in either way. It does not prevent a full and free conference on the whole bill. It does not interfere with changing any portion of this bill by the conferees, because all of the bill now will be in conference, not merely portions of it, that were passed in the Senate and accepted in the House; not merely those portions wherein the House disagrees with the Senate on the Senate bill; but the whole thing is in conference, because they come here with a measure which strikes out all after the enacting clause of the Senate bill and inserts entirely new matter.

Mr. SMITH of South Carolina. But that leaves the Senate bill still in conference.

Mr. FLETCHER. It leaves the whole thing in conference.

Mr. CUMMINS. Mr. President——

Mr. SMITH of South Carolina. We all understand that that leaves the Senate bill as passed by the Senate still in conference, because this substitute bill of the House is in the form of an amendment, necessarily, for it contains the title of the Senate bill. Now, that being true, in conference you can adopt any matter that was contained in either bill or you can adopt the entire matter contained in either, but you can not bring in any new matter.

I have not kept up with the bill sufficiently to be informed as to this matter: Do those who object to the bill going to conference object on the ground that there ought to be absolutely new matter included that has not been included either in the House originally or in the Senate originally?

Mr. CUMMINS. Mr. President, as one who objects to the bill going to conference, I think there not only will be, but there necessarily will be new matter. This bill really is in about the same position as though, when we had passed the Shields bill and sent it over to the House, the House had stricken out everything after the enacting clause and substituted for the bill the recent draft law. What would be in conference then? What would be in controversy in the conference? How would the two Houses get together?

Mr. SMITH of South Carolina. Why, the original Senate bill and the House bill—the two would be in conference. The House struck out all after the enacting clause and substituted its bill for the one that we passed. Therefore, when you go to conference both bills will be in conference. Of course, they will be in conference.

Mr. SHIELDS. Mr. President, I call the attention of the Senator from South Carolina to the fact that the illustration given by the Senator from Iowa is wholly inapt. The House bill and the Senate bill relate to the same subject matter—the development of water power in the streams of the United States—and both of them attempt to cover the entire subject, though they take contrary views about it, which the conference is intended to compromise and reconcile. Everything in relation to the development of water power, however, is involved in one or the other bill and will, therefore, be involved in the conference.

Mr. SMITH of South Carolina. Precisely.

Mr. BORAH. Mr. President, may I ask the Senator a question? I should like to ask the Senator from Florida, and also the Senator from South Carolina, if this bill should go to conference, and the committee should come to the conclusion that instead of a leasing bill we should have a system of public ownership and control, could you insert that in lieu of what you have?

Mr. SMITH of South Carolina. You can vote it down.

Mr. BORAH. I am not talking about voting it down. I do not want it voted down. I want it voted up. Could you insert it in the bill under the rule which prohibits the insertion of new matter by the conferees?

Mr. SMITH of South Carolina. Not unless it was included in the House substitute. If it is in the House substitute, you can report it.

Mr. BORAH. It is not in the House substitute.

Mr. SMITH of South Carolina. Very well; then it can not get in the bill, unless you draft a new bill. My point is this: Here is a subject matter that has been passed upon by the two Houses. Now, you have not lost control of the Senate bill. You now have jurisdiction over both the Senate bill and the House bill in conference. Unless you want a new bill, which you can introduce, the subject matter that has been passed upon by both Houses is still in conference.

Mr. BORAH. Another question: If we keep the bill here in the Senate, and we conclude to construct a bill upon the basis of public ownership, we can amend it so as to do that here in the Senate, can we not?

Mr. SMITH of South Carolina. You can not in conference.

Mr. BORAH. But we can if we keep it here in the Senate, can we not?

Mr. SMITH of South Carolina. Oh, you can if you take it from the conferees; yes.

Mr. THOMAS. It is not in conference.

Mr. CUMMINS. It is not in conference.

Mr. SMITH of South Carolina. I say if you keep it in conference. That is the very point I am making. If you want to put in absolutely new matter in reference to both the House bill and the Senate bill, you have got to make some other disposition than to send it to conference. If you send it to conference, the conferees can only consider the subject matter contained in the original Senate bill and in the substitute of the House.

Mr. FLETCHER. The fact that the House substitutes the whole matter leaves that whole matter open to change by the conferees.

Mr. BANKHEAD. Mr. President, I should like to ask the Senator from Florida a question.

Mr. FLETCHER. I yield.

Mr. BANKHEAD. Suppose the Senate amends the proposition now before the Senate, which is the House substitute. Suppose the Senate should write into that substitute of the House an amendment that a majority of the Senate favor; then, of course, the bill can not go to conference.

Mr. FLETCHER. No.

Mr. BANKHEAD. It must go back to the House; and if it goes back to the House, and the House should concur in the amendment written in by the Senate, would not that pass the bill absolutely and take it out of the hands of both Houses?

Mr. FLETCHER. I think it would. I think we can do those three things.

Mr. BANKHEAD. It seems to me that the most dangerous thing you can do is to amend the bill and send it back to the House, because that passes it, if they concur in the amendment, and leaves in the bill all the objectionable matter that the House has included, if there is objectionable matter. The Senate would have no opportunity at all, in conference or otherwise, to consider it, and compromise our differences.

Mr. CUMMINS. Mr. President, may I answer for a moment the Senator from Alabama? There is no danger in that——

Mr. BANKHEAD. I think there is.

Mr. CUMMINS. Because when the bill is open to amendment here, and is amended, it may be assumed and will have to be assumed that it passes from here back to the House in the form in which the Senate desires it; and if the House accepts the amendments which we attach to it, of course it becomes a law, and it ought to become a law, because we will have passed on every phase of the measure; and it will go from here to the House just as the Senate wants it to be.

Mr. SHIELDS. Mr. President, I desire to ask the Senator from Iowa if, to carry out his view of the matter, the Senate would not now have to amend the substitute bill in every particular in which it disagrees with it, and thus, under the facts of this case, write a new bill such as the Senate has already passed, and send it back to the House, which would seem to be an absurd thing?

Mr. CUMMINS. So far as I am concerned, there are a good many things in the House bill that are better than some of the things in the Senate bill.

Mr. SHIELDS. If the Senator will allow me to interrupt him, while that may be true the Senate did not agree with him when it passed the bill in that form.

Mr. CUMMINS. All I ask is that the bill be put where we can deal with it and it can go back to the House, whether it goes to conference or not, and where it can be put by the Senate in the form in which we believe such legislation ought to be.

Mr. FLETCHER. Mr. President, referring to these inquiries, I will state generally that there are three things to be done in cases of this kind. The Senate passes a bill and it goes to the House, is acted upon, and messaged back here. The Senate can agree to the amendment of the House, in which case the bill passes both bodies and becomes a law. It can agree to the amendment of the House with an amendment, in which case it goes back to the other House, and if that House accepts that amendment the bill passes and becomes a law; it never goes into conference at all. On the other hand, the Senate can disagree to the House amendment and ask for a conference, and that is what we are doing now. Of course it is

possible, if that motion is voted down, then to have the bill referred to a special committee, if the Senate so desires, and let it start anew, practically, the consideration of the bill through this special committee and then report to the Senate. If the motion is voted down, amendments can be offered on the floor; and if the amendments are agreed to in this body then the House amendment is accepted with certain amendments, which go back to that body and if they are agreed to by the House, the bill becomes a law.

I am aware that the Senator from Idaho [Mr. BORAH] desires to enter upon a discussion of the measure in some detail. My view is that we will make quicker progress and better progress by having this bill go to conference now, and I am perfectly willing, as I said, although that might be a little irregular, to have members of the Committee on Public Lands added to members of the Committee on Commerce, where the bill originated, as managers on the part of the Senate, making five in all. When that is done the conferees will meet. Their report does not finally settle the matter. When the report comes back from the conference the bill is then open for full discussion as to whether the report of the conference shall be agreed to or not. If the report of the conferees is objectionable to the Senate, they can discuss that matter and vote down the report, if they so desire. If, on the other hand, the conferees report a measure which is satisfactory to the Senate, then the Senate so declares, and that ends it so far as this legislation is concerned and so far as this body is concerned. I think it is the speediest way, and I think it will work out to the satisfaction of the Senate if a conference is held as provided for in my motion. I am afraid, on the other hand, if it goes to a special committee there will be long delays, that there will be difficulties and embarrassments generally, which will perhaps ultimately endanger the passage of such a measure as the public interest requires.

Mr. BORAH. Mr. President, this bill occupies a peculiar position from a parliamentary standpoint. No one except a very expert parliamentarian can define its position, and certainly no one except an expert parliamentarian can tell what the program will be with reference to disposing of it. So I am going to avail myself of this opportunity, for fear I shall have no other, of making some general observations upon the bill, in the hope that, whether we dispose of it here or whether we dispose of it in conference, certain provisions of the bill may be so changed or modified as to accelerate the policy of the public ownership of water power. I do not hope at this time to see a bill in all respects in conformity with that principle, but I am so certain that we must come to that policy that I am very anxious to see this bill so formed that no particular embarrassment will be thrown about its progress.

There is no domestic problem in which the country, and the great West particularly, is more interested than that of power development. It lies at the base of our future growth and permanent prosperity. It is not a problem of mere temporary moment or reaching over a few years, but it is one extending itself into the remotest future and is associated with our permanent happiness and prosperity. It is important, therefore, whatever we do, whether we get immediate results or delayed results, that we adopt a correct, a wise, and permanent policy. We are all anxious to see development, but we must not sacrifice entirely to the present. We should not adopt a method which will hasten development regardless of whether it is the best method or not. I want as speedy development as can be had with a due regard to the permanent interests of the communities and of the people generally. I hope, therefore, we will not permit ourselves to be controlled exclusively by the proposition of hasty action or hasty development, although that is an important factor.

Water power is monopolistic in its nature, and therefore lends itself to artificial monopoly. In determining upon a system or a policy of development this fact should not be forgotten. Even if there were no water-power monopoly at the present time there would inevitably come to be one from the very nature of the subject matter with which we deal. It is not necessary, therefore, for us to be diverted or unduly affected by the presence or absence of a power trust or a power monopoly at this time. It is sufficient that we know that in the very nature of things we are to have either a monopoly owned and controlled by the Government or public authority or owned and controlled by private interests tempered by supposed regulation. Some effective and drastic policy, therefore, of either public ownership or public control is undoubtedly elemental in the framing of any plan or scheme to deal with this subject matter. I am for public ownership and control. I have come to this conclusion after years of study rather slowly. But to my mind there is no alternative if we are going to dedicate this great natural beneficence to the people as a whole.

In 1912 the Commissioner of Corporations made a most thorough and illuminating report on water-power development in the United States. On page 204 of that report I find the following statement:

> The prime element of monopoly in a commercial power system lies in the distributing lines. Before a commercial power concern, whether using water or fuel, can operate on any extensive scale it must have access to the great body of power users. Such access can be had only through a distributing system requiring a large investment and involving the use of streets in cities and towns—and, in the case of a water-power concern, a right of way and additional investment for its transmission lines. The conditions under which the local distribution of power is effected are such that, as a matter of practical experience, effective competition is seldom encountered. It does not matter so much whether a franchise to construct a power-distributing system legally excludes competition or not. Experience has shown that in analogous cases, such as the duplicating of gas plants, etc., competition ordinarily is short lived, regardless of legal conditions. The maintenance of two or more power-distributing systems in the same community generally involves a waste of capital, commonly results in the absorption of the weaker concern by the stronger, and in actual practice the control of such distribution in a given locality is almost invariably found in the hands of a single concern. This is true without regard to the source of the power. A system for distributing power from a fuel power plant is not different in this respect from that for a water-power plant. An individual consumer of power rarely has access to the service of more than one power concern.
>
> In the case of water power, these monopolistic tendencies are increased because of factors peculiar to that industry.

On page 206 there is a further paragraph that it is worth while to know:

> The important fact for this report is that such a concentrated control of the power source and distributing system is peculiarly likely to take place in connection with water power. The factors of "coupling up," of unification of storage, of natural advantage of water-power sites, as already stated, all work strongly toward concentration in the water-power industry. Furthermore, commercial water-power development requires a relatively large investment of capital in dam, power house, and transmission lines.
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> * * * * * * *
>
> The water-power industry by its very nature tends peculiarly toward concentration, unified operation, and monopolistic control of the resource itself. Nor is this all. Such concentration tends to draw toward water-power interests the control of great distributing systems. This makes it by so much the more unlikely, as above pointed out, that there will be permanent competition from fuel power in the commercial power business in an area with strong water power. The water power in that area may not be able by itself to supply the entire demand for power, but the water-power interests, through the peculiar concentration forces in water power, are more likely to control the distributing systems there. Furthermore, the fact that in water power the additional cost of auxiliary steam development is relatively low in comparison with the initial investment often enables the water-power owner to add fuel-power plants under conditions that would not be profitable for a purely fuel-power concern. Thus the logical process is for the water-power interests to add also under their own control auxiliary fuel power to supply the gap in the demand and thus gradually build up a complete monopoly in power in a given area, so far as commercial power is concerned. Such, indeed, are the existing facts in a number of communities and areas.
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> * * * * * * *
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> In so far as monopolistic power is created by these broad forces and in so far as the benefits of a public resource become by this concentration process, or, indeed, by any other method, the private property of a few, some effective policy of public control is imperatively necessary for the protection of consumers and the preservation of the rights of the public in that resource.

So we are dealing with a subject matter which is in some respects peculiar and sui generis, and it is important that we bear in mind this fact while determining upon a permanent policy with reference to the use of water power.

In 1913 I ventured to say on this floor, speaking with reference to our natural resources, such as coal mines and power sites:

> I am in favor of absolute public ownership. The leasing system is a delusion, so far as our natural resources are concerned.

The more I have studied the question and the further I have carried the investigation the more firmly I am convinced that the leasing system will bring no proper service of these utilities, and that we should adopt, without further experimenting, public ownership, development, and control of our water power. I am not going to indulge in a general discussion of public ownership at this time. I only desire to discuss the particular subject before us. Whatever may be said as to public ownership generally or as regards other matters or subjects, so far as water power is concerned I believe the Government should retain its present water power and, through municipalities, the States, and the political divisions of the States and the Government, develop and control them. And I repeat again that in discussing this subject I approach it without being consciously affected by the presence or absence of a power trust at this time. I believe the policy is the correct policy, and I accept it solely for the reason that it seems to me to be meritorious in all particulars. The sole question at issue is, What is the best policy under which to develop our water power, which nature has dedicated unmistakably to the service of the whole people?

It would seem, as a matter of theory at least—and whether it is practicable or not we will hereafter consider—that that which is peculiarly and fundamentally for the common use,

which not only by nature itself but by the laws of use seems singularly dedicated to the common service, ought to be discharged, so far as possible, of the burden of private gain. That which seems set apart for the common use and to which every member of the community is to be admitted in the way of enjoyment ought not to be so operated as to be of special benefit to anyone. This water power is interwoven with and inseparably a part of the common service and welfare of the community. A power site, for instance, situated on the Snake River, in my State, would supply heat and light to every home and power for the industries in that great valley for 250 miles. No one should have in that a special and particular interest if the community can, as a practical fact, develop it and operate it so as to relieve it of that charge. Whatever profits there are should go to the people in better and cheaper service. The leasing system in no sense relieves the business of private gain. Neither will it lower private profits nor change the individuals to whom the profits are paid. Theoretically public ownership will give lower rates, better service, a greater diffusion of wealth, and more prosperous communities. The question is, Will it work out in practice?

One of the most pronounced objections to public ownership is that it would lead to bad politics, that it would make the stakes in the way of patronage that much higher for the game of politics. Especially is it insisted this is true with reference to municipal public ownership. If it were true it would be a strong argument against it. But of the two, which produces the better and more wholesome politics—public ownership, where the common good is the object to be attained, or private ownership, where private gain is the dominating element? In comparing the histories of cities of public and private ownership the balance is greatly in favor of public ownership. Public ownership has been established very generally throughout the cities of Europe. It has long been conceded that the administration of city affairs in Europe is far more excellent than that of cities in the United States. One of the reasons assigned for this is that the franchise hunters and public-utilities people are out of politics. There is no more discreditable history in American politics anywhere than that which has been associated with public-utilities politics in a number of the great cities of the United States. I do not desire to mention individual cities nor at this time go into details, but I think everyone will recall without any difficulty many of the innumerable instances of complete moral breakdown in our cities, among the great contributing causes of which was the presence of public utilities in politics. A most distinguished American citizen, now prominent in American affairs and with much experience behind him, has said:

> All sincere and fair observers put their fingers upon the public-utilities corporations in the city as at least the greatest contributing cause of the corruption of the American city. * * * Practically every State legislature in this country and practically every city council in this country was either corrupt or under grave suspicion.

Indeed, it is notorious that in several instances the cities have been driven from private ownership to public ownership in order to get rid of the disgraceful politics of their cities, which it is claimed they succeeded in doing.

Mr. KELLOGG. Mr. President——

Mr. BORAH. Just a moment. There is no one utility which has such a splendid record behind it as that of the public ownership, management, and control of water power. I yield to the Senator from Minnesota.

Mr. KELLOGG. Does the Senator from Idaho include in his advocacy of public ownership those things in which all people are interested, the Government ownership of all mines and minerals of all kinds?

Mr. BORAH. I do not now go further into that than as to coal. I include coal under this same rule which I am now discussing.

Mr. KELLOGG. Is there any difference in principle between coal and oil mines?

Mr. BORAH. Of course it is difficult to draw the line of demarcation in theory with reference to these matters, but there is to my mind a line in the practical working of the proposition. So far as I am concerned, I think that coal and water power are distinctly in a class by themselves. But we may find it advisable to include oil. We are now, however, dealing with power. I do not wish to be diverted from the real subject before us. "Sufficient unto the day is the evil thereof."

I was about to say, when interrupted, the public record behind this discussion or in support of this proposition in reference to public ownership of power is one of the most interesting that can be found with reference to the public ownership of any utility. There have been very few instances in which it has been unsatisfactory. There have been a multitude of instances, especially within the last 10 years, during which time the policy has become more prevalent, in which it has been eminently successful, not only successful in giving a better service but successful in giving a much cheaper service, and successful in eliminating the public-utilities question from the politics of municipalities. I have a letter here——

Mr. POMERENE. Before the Senator goes to that, I take it, when he speaks of public ownership of water power, he means owned by the State or municipality and not by the Federal Government.

Mr. BORAH. There are instances where water power supplies the electric power for two States—for instance, in my State, where it is utilized from the same source in Montana, Idaho, and Washington. I should think the National Government would have to have at least some control of it.

Mr. POMERENE. I wanted to make it clear. I do not understand that the Federal Government controls any of these water powers now.

Mr. BORAH. I know of instances in which water power has been developed by the Federal Government which would illustrate the value of public ownership. I am speaking now with reference to that which has been developed by the State or some division of the State or a municipality.

The city of Seattle for a number of years was supplied by privately owned and controlled water power. It for numerous reasons proceeded to acquire control by the city of its power. The city engineer, who is also a member of the American Society of Civil Engineers, wrote me under date of January 10, 1918. He says:

> As illustrating some of the statements made herein, I insert at this point a statement as to the financial condition of the municipal light and power plant of the city of Seattle:
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> | | |
> |---|---|
> | Valuation | $8,156,319 |
> | Total bonds sold | 4,444,000 |
> | Expended on plant out of earnings | 3,712,319 |
> | Bonds redeemed out of earnings | 263,000 |
> | Total payments out of net earnings | 3,975,319 |
> | Gross income, 1917, approximately | 1,350,000 |
>
> When this plant was first projected the rate for lighting residences in this city was 20 cents per kilowatt hour. The present rate charged by the city plant is 5½ cents per kilowatt hour for the first 45 hours, with a lesser rate for succeeding periods. Power rates have been reduced to a maximum of 2½ cents per kilowatt hour and to a minimum on off peak loads of one-half cent per kilowatt hour. These rates might be still further reduced, if the city was not dividing the business with a private company, because of the larger volume of business which could be handled from substantially the same distributing system.
>
> Summing up, the advantages of the public-owned plant over the privately owned plants are as follows:
>
> (*a*) Lower cost to consumer.
> (*b*) Better service to consumer.
> (*c*) More amenable to public control.

Mr. POMERENE. Mr. President——

Mr. BORAH. I yield to the Senator from Ohio.

Mr. POMERENE. I did not notice. Does the letter from which the Senator has read give the date of the rate made by a privately owned company?

Mr. BORAH. No; it does not give the date.

Mr. POMERENE. In other words, the difference in time when these two rates were prevailing?

Mr. BORAH. It simply states that there were certain charges under private ownership and certain reduced charges under public ownership, but it does not give the specific date.

Mr. FLETCHER. What distinction, if any, does the Senator make between a navigable waterway and a nonnavigable waterway?

Mr. BORAH. I think this is a nonnavigable waterway.

Mr. FLETCHER. Does the Senator make any distinction in his contention for public ownership between the development of water power upon navigable waterways and nonnavigable waterways? For instance, navigable waterways are under the jurisdiction of the Federal Government; the nonnavigable waterways upon public land and the navigable waterways on public land are both under the jurisdiction of the Federal Government. The nonnavigable waterways in the public lands, I take it, are under the control of the States. Now, does the Senator from Idaho make a distinction in his position with reference to the character of the waterways from which the development is to take place?

Mr. BORAH. I do not make any distinction with reference to the question of public ownership, whether it is on a navigable stream or on a nonnavigable stream, and I do not see how that would have any bearing upon the question of public ownership. Of course, there is certain distinction when it comes to the question of who has control of navigable and nonnavigable waters; but, so far as the question which I am now discussing is concerned, I do not see how it would make any difference as to whether the power was developed from a navigable stream or

from a nonnavigable stream, except the controversy which arises as to the sovereignty which should have charge of it.

Mr. FLETCHER. That is precisely it. In one case the State has control of the situation, I take it, and in the other case our jurisdiction is limited to navigable streams.

Mr. BORAH. I would have no doubt that by the cooperation of the State and the National Government the matter could be controlled in the interest of public ownership without any embarrassment whatever.

Mr. WALSH. Mr. President——

The PRESIDING OFFICER (Mr. KING in the chair). Does the Senator from Idaho yield to the Senator from Montana?

Mr. BORAH. I yield.

Mr. WALSH. Before the Senator proceeds, will he inform us whether the city of Seattle plant furnishes power only for municipal purposes or is it sold for industrial purposes or is it all consumed in the city?

Mr. BORAH. The letter which I have does not state that specifically, but I think one comes to the conclusion from reading the letter that that plant supplies light to industries as well as lighting the homes of the people.

Mr. WALSH. Oh, yes; it supplies light beyond doubt, but that was not the question. I understand the city of Seattle owns the lighting system as well as the power plant; but what I want to know is whether or not it sells power for industrial purposes?

Mr. BORAH. This letter does not state.

Mr. WALSH. That is, the city only uses its own power, for what might be spoken of as municipal purposes?

Mr. BORAH. I could not state to the Senator whether it sells power to industrial concerns or not, for the only information I have in regard to it is what I have here in the letter. The report on the Municipal Electric Light and Power Plants in the United States and Canada, by Carl D. Thompson, which is published by the Public Ownership League of America, on page 130, speaking with reference to Fort Wayne, Ind., says:

> Here it must be noted that all the consumers of light and power in Fort Wayne, whether patrons of the city light or the private-owned company, have secured a reduction on rates amounting to 30 per cent since the installation of the city plant. This condition enables the consumer to light his home or place of business more elaborately and encourages the users of electricity to introduce all kinds of appliances and in this way make home life one of greater comfort and convenience. And besides a low electric light and power rate is a great advertising medium for any city, as it encourages the advent of new factories and other institutions where operating cost is an important factor.
>
> Our present utility law compels us to set aside 7½ per cent for depreciation.
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> * * * * * * *
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> In a letter to the taxpayers and citizens of Fort Wayne Mayor William J. Hosey thus summarizes the advantages of the municipal light plant:
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> To summarize the whole proposition it may be briefly stated thus:
>
> 1. The Municipal Light and Power Works has saved the people of the city in public and private electric service bills a sum of money amounting to three-quarters of a million dollars, $750,000.
>
> 2. This sum of money saved equals the total cost of the plant to date.
>
> 3. This sum of money is more than double all tax funds used in constructing the plant, viz, $336,039.73
>
> 4. It has collected in seven years at cut rates $1,016,932.16 in operating revenue and has earned a net profit of $426,909.48, after paying all operating, upkeep, and renewal expense.
>
> 5. The net earnings of the plant in seven years exceeds the total tax moneys collected over a period of 14 years and used in partially constructing the plant.
>
> 6. The last taxes levied and appropriated was in 1912. Since that date the expense of extending and enlarging the plant has been met out of operating receipts only.
>
> 7. In 1915–16 out of gross receipts of $259,901.66 there was net profit derived of $107,014.27 after paying all operating expense, and after setting aside $29,658.99 for depreciation account.

On page 77 of this same report is a list of cities which were under private ownership and which went to public ownership, and a comparison of the rates under the two systems. In Cleveland, Ohio, under private ownership the rate was 12.5 cents per kilowatt hour, and under public ownership 3 cents; Winnipeg, Canada, under private ownership 20 cents, under public ownership 3 cents; London, Canada, under private ownership 9 cents, under public ownership 3 cents; Toronto, Canada, under private ownership 8 cents, under public ownership 3.9 cents; Lansing, Mich., under private ownership 12 cents, under public ownership 4 cents; Pasadena, Cal., under private ownership 15 cents, under public ownership 5 cents; Calgary, Canada, under private ownership 14 cents, under public ownership 5 cents; Jamestown, N. Y., under private ownership 10 cents, under public ownership 5 cents; Lincoln, Nebr., under private ownership 12 cents, under public ownership 5 cents; Seattle I have given; Anderson, Ind., under private ownership 10 cents, under public ownership 6 cents; Holyoke, Mass., under private ownership 18 cents, under public ownership 6 cents; Springfield, Ill., under private ownership 11 cents, under public ownership 6 cents; Palo Alto, Cal., under private ownership 20 cents, under public ownership 7 cents; Richmond, Ind., under private ownership 15 cents, under public ownership 7 cents; Joplin, Mo., under private ownership 15 cents, under public ownership 8 cents; Eugene, Oreg., under private ownership 15 cents, under public ownership 9 cents.

On page 108 of this same report is a table giving the savings resulting from public ownership in 45 cities in the United States and Canada for one year, to wit, 1915, and the total of these savings is $2,736,754.95.

On page 42 of this same report it is said:

> It is obvious from a study of the details of the rates and otherwise that wherever a municipal plant offers a low rate a competing private plant must cut down to meet the competition. It is the public plants that force down the rates, and wherever the private plants have been compelled to reduce their rates to meet the competition of public plants the resulting saving is due to municipal ownership.

Again, on page 60, the report says:

> The final results of all these studies which cover some 1,644 plants show that the average maximum rate for private plants is 11.4 cents per kilowatt hour and for the municipal plants 8.73 cents.

Mr. President, the most ambitious and extended effort in public ownership of water power has been in Canada in the Province of Ontario. In the hearings in support of this particular bill Sir Adam Beck appeared before the committee and gave a detailed statement of the plan, which is exceedingly illuminating. I am going to take the time of the Senate to read a few paragraphs from his statement, hoping that those who are interested in the subject will go to the hearings, part 3, before the committee of the other House, and study the testimony fully. His testimony consists of some 150 or 200 pages, covering every detail of the subject. In Canada they had precisely the same experience which we are having here. They were just about to initiate the leasing system as a national system; they did have the leasing system to a considerable extent, and particularly in the Province of Ontario. It was against the leasing system that they inaugurated the public-ownership system. It came in direct competition with it, and the facts and figures are here to demonstrate not only a better service to the public, but great deal cheaper rates to the public. I have not found anywhere a more instructive discussion of the subject from a practical standpoint than is found in these hearings, wherein Beck gives the history of public ownership in Canada.

On page 704 he says:

> The municipalities became more zealous when the report was brought down, but after a considerable amount of discussion on the report by various public bodies we found that the great difficulty that we were up against was the financing of the scheme.

That is, the financing of the public-owenship scheme—

> At that time we did not feel that we had quite as much sympathy on the part of the Government, another lease having been granted to the Electric Development Co. for 125,000 horsepower—a rebuff rather than an encouragement on the part of the Government. But there was an election—that is, a very short term of the Government in existence, about two years—and there was an electfon, and the leader of the opposition, Mr. Whitney, gave a pledge that if he and his party came into power the water powers and natural resources of the country would be developed for the good of the common people of the country.

Further on he says:

> The legislation has been satisfactory to the municipalities, and at the present time we have contracts with 225 municipalities. Of these, thirty-odd are townships. A large number are villages and towns. The remainder are the larger cities or industrial centers. We operate altogether 12 systems at the present time. These are centralized in such a way, or constructed in such a way, that they will become interconnecting eventually within one great trunk system covering the whole of the Province other than the extreme northern part of the Province, and we have only two systems in that district.
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> * * * * * * *
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> We are proud of our system, proud of the character of the men we have had in our service. It is a great credit to them that up to the present time we have never underestimated the estimates we have prepared for municipalities in various ways, not only in connection with hydroelectric power transmission and distribution, but in waterworks, gas plants, and sewerage disposal plants—the work of the organization, of the commission, has been so extended that it covers practically all public utilities.

Mr. President, after this brief description of the first effort, we come to learn what they have accomplished:

> The commission up to date has invested $53,000,000 in transmission, distributing, and generating systems, and the municipalities have invested $17,000,000, or a total of over $70,000,000. We anticipate by 1921 we will have invested over $100,000,000 (the municipalities and the commission) in hydroelectric power systems in the Province of Ontario. We are distributing 310,000 horsepower. In 1921 we will have available 750,000 horsepower for the use of the people in the Province of Ontario.
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> * * * * * * *
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> The average price of power or cost of power delivered to 225 municipalities in the Province of Ontario is under $18 a horsepower. We have made reductions annually. We were obliged to make reductions because the excess surplus earnings of the municipalities were such that if we had continued the rates that were originally established, based on one-half the cost that they were buying or securing power for previous to our coming into the field, we would have had such a large surplus that the whole debt of the municipality would have been wiped out in 10 or 15 years.

Mr. SHIELDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Tennessee?

Mr. BORAH. I yield.

Mr. SHIELDS. I do not know whether or not the Senator has stated the facts concerning the matter about which I am going to inquire, if so, I did not catch his statement. Does the report from which the Senator is reading state the investment in the Ontario Power Co. and what it makes per annum?

Mr. BORAH. Yes; it states it if I can turn to it.

Mr. SHIELDS. Well, I do not wish to put the Senator to that trouble.

Mr. BORAH. I will see that it is inserted in the RECORD, if I can turn to it; but this is a long hearing and I may not be able to find it at once.

Mr. SHIELDS. I have never read that report and never investigated that phase of the governmental ownership question, but I have understood that the annual profits which the Province of Ontario makes on the investment do not amount to what the taxes would amount to on the investment if it were in the hands of a private owner. Has the Senator noticed whether or not that is a fact?

Mr. BORAH. I have never heard that question presented; but I will be glad to see whether or not the report covers that.

Mr. SHIELDS. As I remember, the Province of Ontario owns the Ontario Power Co., and not the Dominion Government of Canada.

Mr. BORAH. I understand it is a matter controlled by the Province.

Mr. NELSON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. BORAH. I yield.

Mr. NELSON. The Senator has read that report and is familiar with the question. May I ask him whether the Dominion Government has assumed or attempted to assume any jurisdiction over the water power of Ontario or obtained any revenue from it in any shape or manner?

Mr. BORAH. I do not think it has; but I might be in error as to that. My information is that the Dominion Government does not assume to collect any revenue; in other words, the principle that is found in this bill is not found in the practice of the Dominion Government.

Mr. NELSON. If I may ask a further question, does the provincial government—that is, the Ontario government—collect any revenue for the utilization of these water powers?

Mr. BORAH. I can not answer that question definitely. I am satisfied that the Dominion Government does not do so, and I am also of the opinion that the provincial government does not.

Reading further, Sir Adam Beck says:

The average domestic and commercial rate in the 225 municipalities is 2½ cents per kilowatt hour; $18 per horsepower is the average price that we charge the municipalities for electricity delivered, stepped down, ready for distribution.

* * * * * * *

The saving to the users of electricity—that is, the rates in existence in 1912 and the rates in existence in 1916—for household purposes alone was $2,380,000 per annum. That is the saving to the householders in the various municipalities. The total accumulated surplus to the credit of the municipalities and the commission in 1917 is over $6,000,000. The surplus is all reinvested in the plants—none of the money can be taken out of the various systems. Take the city of London last year, after paying interest and sinking fund and maintaining the plant, keeping it all in first-class operating condition, up to original standard, had a surplus on an investment of $750,000 of $76,000 applicable to depreciation or renewal account. The plant value, because of the reserves being reinvested in extensions and improvements in the plant, is $1,200,000.

So you see they have the earning power of a million and a quarter—they have practically half a million dollars invested in the plant on which they do not pay any interest charges, only maintenance, operation, and depreciation charges. The sinking fund pays the bonds that are issued in 30 years, so that the plant in 30 years will be free of debt in the city of London.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. BORAH. Yes, sir.

Mr. NELSON. That statement would indicate that they do not have to pay royalties to the provincial government.

Mr. BORAH. I thought of that when I was reading it. That item is not included, so that I naturally think they do not pay it.

A corporation or company would naturally have issued three-quarters of a million of common stock, and that common stock, if the surplus had been used to pay dividends, would have paid 10 per cent on the common stock, on an equal amount of stock as the bonded debt amounted to. Money so invested in the plants amounts to $2,000,000. The sinking fund and depreciation reserve amounts to $4,500,000 in six years. Some of the municipalities, of course, have only been in operation a year or two. The net surplus is $1,500,000. That is after writing off 5 per cent for depreciation. The commission's reserve and surplus is $1,600,000. The total reserve surplus of the municipalities and the commission is $7,670,000 on a total investment of some $70,000,000.

* * * * * * *

We are able to sell power to the citizens of Windsor, which is only 25,000 population, immediately opposite Detroit, where they have over half a million population, at 40 per cent lower rates than they are receiving in the city of Detroit. And we are meeting all our obligations. In Toronto we are selling power at one-half the rates you have in the city of Buffalo, 20 miles from the Falls. Toronto is 84 miles from the Falls.

Mr. President, this commission takes its power from practically the same place that the people on this side of the Niagara River take power; and upon the Canadian side, under public ownership, they supply the power for $9 per horsepower, while upon the American side, under private ownership, it is supplied for $18 per horsepower. That comparison is found through this gentleman's testimony, where the facts and the figures are given, and there does not seem to be any room for controversy as to the contention which Sir Adam Beck makes.

They have undertaken this public-ownership proposition on a very large scale. They are supplying power to 225 cities and municipalities. They are supplying it against the lease system, and they have in some instances driven them out of business or compelled the leaseholders to lower their rates to the point which had been established by public ownership.

Sir Adam Beck gives instances where they have lowered their rates to the point established by public ownership, which was about half what it was under private ownership, and are still doing business successfully under the leasing system.

Mr. POINDEXTER. Mr. President——

Mr. BORAH. I yield to the Senator from Washington.

Mr. POINDEXTER. The public-ownership system is not exclusive, as I understand, in Canada. They have private development and public development.

Mr. BORAH. They have private development and public development; but this report of Sir Adam Beck shows that where the public ownership is in operation they are very rapidly taking control of the private ownership and supplanting the lease system.

Mr. POINDEXTER. But they are doing it very largely by reason of the economical competition between the public and the private systems, rather than by any arbitrary law?

Mr. BORAH. Exactly. They have a right, under the law, to have either the leasing system or public ownership.

Mr. POINDEXTER. I do not desire to interrupt the Senator or to embarrass him in any way, but I should like to call attention, because it is pertinent to the main point he is now making, to the provisions of the House bill.

Mr. BORAH. I shall be very glad to have the Senator do so.

Mr. POINDEXTER. Section 7 provides:

That in issuing preliminary permits or licenses hereunder the commission shall give preference to applications therefor by States and municipalities, provided the plans for the same are deemed by the commission adapted to conserve and utilize in the public interest the navigation and water resources of the region; and as between other applicants, the commission may give preference to the applicant the plans of which it finds and determines are best adapted to develop, conserve, and utilize in the public interest the navigation and water resources of the region.

That whenever in the judgment of the commission the development of any project should be undertaken by the United States itself, the commission shall not approve any application for such project by any citizen, association, corporation, State, or municipality, but shall cause to be made such examinations, surveys, reports, plans, and estimates of cost of the project as it may deem necessary, and shall submit its findings to Congress with such recommendations as it may deem appropriate concerning the construction of such project by the United States.

Mr. President, when the Shields bill was on its passage in the Senate, I offered an amendment authorizing the reservation of such power sites as might be deemed necessary for irrigation projects and for other public works, and that was voted down in the Senate. However, the principle contained in that amendment which the Senate rejected is provided for in the section of the House bill that I have just read, and I think in that respect the House bill is superior to the Senate bill, so that the question will come on this motion to refer the bill to a conference, so far as I am concerned, as to what will be the best means of preserving such features as that of the House bill. I assume that the House conferees will stand for their bill, and if the Senate conferees succeed in getting a different bill reported out of conference, then it will be within the jurisdiction of the Senate to reject the conference report.

Mr. SHIELDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Tennessee?

Mr. SHIELDS. Will the Senator allow me to call attention to one matter very briefly?

Mr. BORAH. Yes; I yield, but I prefer not to get into a discussion of the parliamentary situation in the midst of my remarks.

Mr. SHIELDS. I understand that the question to which the Senator from Washington addressed himself is really a little foreign to what the Senator from Idaho is discussing, and I do not want to continue that divergence; but, referring to the Shields bill, it does provide for the development of water power by municipalities, and gives them preference over other companies. It also provides, in certain instances, for Federal development, or, in other words, development by the Federal Government when made for a governmental purpose. This bill of the House gives the United States the right, under this commission, to go into the business of developing water power for commercial purposes without limit.

Mr. BORAH. Mr. President, I indorse the suggestion of the Senator from Washington in reference to that particular clause in the bill. That is to say, it is a step in the right direction. If they would put in the word "shall," instead of "may," I should like it better. I do not want quite so much discretion; but that is a matter of detail to consider later.

Mr. President, I give a few more paragraphs from this illuminating report.

In the hearing Mr. FERRIS said:

How do the rates in Washington compare?

Sir ADAM BECK. Our rates are about a third of what they are in Washington $49 and $18—$49 per horsepower in Washington as against $18 per horsepower in Ontario.

Mr. FERRIS. How do the rates compare on lights?

Sir ADAM BECK. One-half the rates generated from Niagara Falls.

The CHAIRMAN. And that same power was manufactured in Ontario and exported to America and distributed from the American Power Co.?

Sir ADAM BECK. To Rochester. I don't know how far Rochester is from the Falls, but I should say 40 or 50 miles. London is 125 miles from the Falls.

I read that for the comparison between the Washington rates and the rates in Canada.

Mr. SHIELDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho further yield to the Senator from Tennessee?

Mr. BORAH. I do.

Mr. SHIELDS. I should like to know from the Senator whether Sir Adam Beck, in that report, calls attention to the fact that the Ontario company is supplying a great many American industries on our side of the river with power?

Mr. BORAH. I think he does.

Mr. SHIELDS. That is a fact. The Government withdrew it, though, on account of the necessity of using it during the war.

Mr. BORAH. Yes.

Mr. SHIELDS. Does he also call attention to the fact that on account of our drastic laws here upon the subject of water-power development, millions of dollars of American capital has gone over there and made investments and located its plants in Ontario?

Mr. BORAH. Precisely; and that is one reason why I was so interested in this subject. I am coming to that in just a few moments. Where you have cheap power there is no invitation to which industry will respond so quickly; and the very fact that Ontario has developed a system of power there under which it is furnished for about one-half what it is being sold for on the American side is an inducement to American industries to leave their sites in America, go into Canada, and build their industries there.

Mr. SHIELDS. There is now in Canada one plant of $10,000,000 which left Alabama and went into Ontario on account of the restrictive law of the United States.

Mr. BORAH. That must inevitably be true. A business institution which has to pay for its heat and its light and its power upon the American side twice what it has to pay upon the Canadian side will naturally go to the other side, because the fuel proposition and the heat and power proposition are tremendous items in the question of production.

Sir Adam Beck gives instances of that which I have not marked to read, but perhaps I will insert them in the RECORD.

Mr. HAMILTON. Will you describe the hydroelectric conditions, say, in Quebec, in contradistinction to the condition in Ontario?

Sir ADAM BECK. Well, take the cities of Ottawa and Hull, that are adjacent to each other on the boundary of the two Provinces. Before hydro came there the citizens of Ottawa were paying for power generated within the city limits on the Ottawa River 15 cents a kilowatt. We bought power from the Ottawa & Hull Power Co.—20,000 horsepower delivered in the city of Ottawa. Ottawa bought out a distributing system—there were two, and the larger had bankrupted the smaller—the city bought it, and the rates were reduced from 15 cents a kilowatt to 2 cents by the City of Ottawa Hydro-Electric Commission, and the company was obliged to reduce its rates accordingly.

Mr. HAMILTON. They have no such governmental arrangement in Quebec as you have in Ontario?

Sir ADAM BECK. Only private corporations are operating in Quebec, and their prices are very much higher than the prices in the Province of Ontario.

Mr. HAMILTON. One reason why you are able to accomplish these remarkable results in Ontario is because of your nearness to Niagara, is it not?

Sir ADAM BECK. No; our customers, the municipalities, are very far distant from Niagara.

Mr. HAMILTON. I say, you in Ontario.

Sir ADAM BECK. As I said, Niagara power only was available when we began, and we were fearful that it only would be available in this district [indicating on map]. We now are 250 miles from Niagara Falls, selling power in the city of Windsor in competition with the Edison Co., and we have cut the rates in two.

Mr. HAMILTON. That is 250 miles from Niagara Falls.

Sir ADAM BECK. Yes.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. BORAH. I do.

Mr. POMERENE. Sir Adam Beck uses the expression, "We have cut the rates." Who does he mean?

Mr. BORAH. He is the head of the Public Ownership Commission. [Reading:]

The CHAIRMAN. Then I want to know what is the difference in the cost of the use of electric power generated at Niagara Falls and sold on the American side, compared with that generated at Niagara Falls and sold on the Ontario side.

Sir ADAM BECK. Well, all the information we can get is that the wholesale price of power on the American side of the river is $18 and the wholesale price on the Canadian side of the river is $9. That is the 100,000 horsepower we bought from the Ontario Power Co.

The CHAIRMAN. The power generated at Niagara Falls on the American does not cost any more to generate than it does on the Canadian side?

Sir ADAM BECK. I think not.

The CHAIRMAN. On your side, your commission is an association of municipalities, cities, towns, and townships?

Sir ADAM BECK. Yes.

The CHAIRMAN. And the object and purpose of it is to generate electric power and supply it to consumers at the cost of production and delivery.

Sir ADAM BECK. At cost at the point of development plus the cost of delivering it.

I shall not detain the Senate by reading further. I have desired only to direct your attention to this experiment—an experiment which has been so successful as to cause large industries to expatriate themselves in order to get cheaper power.

Now, Mr. President, I have shown at some length—and I might have gone farther with other examples—the difference in the service and in the charge under public ownership and under private ownership. I have said that in theory public ownership is undoubtedly the better policy. I believe it has also proved to be so in a marked degree in practice.

Mr. POMERENE. Mr. President, before the Senator goes into that, I am sorry to interrupt, but I am really interested in this matter.

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. BORAH. Certainly; I am very glad to be interrupted by the able Senator.

Mr. POMERENE. A moment ago the Senator called attention to the difference in the price of electric power and light in Canada and in this country. He has also spoken of a commission which seemed to regulate the price. Was this light and power furnished by publicly owned power plants or by privately owned power plants under the regulation of the commission?

Mr. BORAH. No; it is called a commission; but it is the governmental agency or authority created by law whose business it is to own and control and operate and sell this power. They call it the Hydro-Electric Commission. That is the name by which it is created.

Mr. President, we are now about to pass a bill based upon the leasing system. If we are correct in these figures which have been presented as to the difference in charge to the consumer under public ownership and under private ownership, we can see at once the extra charge or tax which we are about to put on the communities under this bill. We can see at a glance the tremendous charge which we are laying upon the public, which, if these figures be correct, could be saved to the public under public ownership. We are about to build a system based upon a lease which may extend for 50 years. Let some one who is interested in figures and calculations take the amount of power which will probably be developed in this country, if it is developed at all, under the leasing system, for the next 25 or 30 years, and compute the income or the profit which will be derived by the private owners, when you compare what they will receive with what would be paid under public ownership. It is stupendous, and if it can be saved are we not prepared to do so?

Mr. President, in the State which I have the honor in part to represent we have a very large amount of undeveloped power. Idaho has some 5,067,000 horsepower. We have enough power in that State to light and heat every home and to operate the industries which will be found in that State for the next 100 years. If under private ownership or the leasing system

you are going to charge twice what the power and light can be supplied for under public ownership, then it becomes a stupendous question to those new and undeveloped States. If, under public ownership, we can demonstrate—as they have demonstrated in Canada—that you can supply the power for one-half what it can be supplied for under the leasing system or the private system, it is an invitation to people to come into those States and develop the industries of the States and to develop their natural resources and build up our Commonwealths.

Our new States, far from the centers of population and of manufacture, have unlimited water power. Idaho, as I have stated, has 5,067,000 horsepower; Montana, 4,031,000; Oregon, 6,613,000; Washington, 8,447,000. What a world of wealth and what immeasurable possibilities are foreshadowed in these figures. It is the richest heritage that nature's God ever dedicated to a people. It will continue to serve those States and communities so long as the snows fall in the mountains and the waters flow to the sea. I feel, therefore, I can render no greater service to the people of my State or to that great northwestern empire, rich, marvelously rich in natural resources, than to help to keep this heritage wholly and exclusively for the people as a whole. I can do no greater service, it seems to me, than to help to free it from speculation and from private manipulation and gain. If we under public ownership can sell power for half what it costs under private ownership nothing is more calculated to bring people to settle our lands, to build homes and schools and manufactories, enrich our communities, and enlarge our pay rolls. We are naturally anxious to build up our new States. To do so we must use our natural resources in a way which will best enable us to compete with those more favorably situated with reference to large centers of population and industry. Cheap power will do much in this line. It will help to do for us what it has helped to do for Canada; that is, it will bring investment and business and enterprise. I repeat, there is no domestic question of such vital and lasting concern to us.

As this is principally undeveloped power with which we are dealing, because it is the undeveloped power in our States that is the big item, it is important at this particular time to determine whether we are going to the policy of public ownership or whether we are going to confine ourselves to development under the private system.

Mr. THOMAS. Mr. President——

Mr. BORAH. I yield to the Senator.

Mr. THOMAS. I assume the Senator is familiar, in a general way, with the bill now under discussion?

Mr. BORAH. Yes; in a general way.

Mr. THOMAS. I should like to inquire of the Senator whether he thinks it is so drawn as to justify the belief that it will create, or tend to create, much competition with going concerns engaged in the manufacture, generation, and sale of electric current?

Mr. BORAH. That is a very important feature of this bill. In my humble opinion, the bill will not bring into existence independent power companies.

Mr. THOMAS. I agree with the Senator.

Mr. SHIELDS. Is it not a fact that the House bill as drawn discriminates against companies hereafter to be developed in favor of those by which development has already been made?

Mr. BORAH. I am not prepared to state whether it does or not. But this is true: Under this leasing system the people who now own the developed power of the country will secure the leases. There will be no independent operators who come into the field against the five great groups which now practically control the water power of the United States. It does not make any difference to me whether there is a discrimination or not; that discrimination already exists in the economic and financial position which will surround the development of this power. Will any independent go into the field to compete under a lease with the tremendous organizations which already have the basis of their financial and their economic strength in their present ownership? So this bill, in the first place, will not eliminate private gain. That will still have to be there. The bill, in addition to that, provides for a Federal tax, which the consumer will ultimately have to pay.

Mr. THOMAS. The House bill?

Mr. BORAH. Yes.

Mr. POMERENE. Does it not also provide that the rates may be regulated either by the State or through a commission?

Mr. BORAH Precisely; but the Senator, I am sure, will agree with me that in regulating rates and in fixing rates one of the items which will be included to be charged to the consumer is the price which the company has to pay to the Federal Government. In other words, the ultimate consumer will pay whatever tax we lay on. It will finally be passed over to the man who uses the light or uses it for fuel.

So, Mr. President, under the leasing system we do not eliminate private gain. We add an additional tax that is an additional burden upon the consumer, and in addition to that we do not change the parties who will supply the power from those who are now supplying the power, to wit, the great corporations which are now in control of the water power of the United States.

Mr. SHIELDS. Mr. President——

Mr. BORAH. Just a moment. If you will look at the record of leases now, you will find, in my opinion, that the Government is dealing with the five great groups. There is no one else for the Government to deal with and never will be. There will be no independent companies. I yield to the Senator from Tennessee.

Mr. SHIELDS. I desire to get the Senator's position in regard to governmental ownership, as to the source of it. Is he advocating the control or ownership of all water power developed by the Federal Government or by the States in which the waters are to be found through their several agencies?

Mr. BORAH. By the States in which the waters are to be found, except in an instance where, as I said a moment ago, by reason of the fact that they are serving across State lines it might be necessary for the National Government to take control.

Mr. SHIELDS. Where the interstate clause intervenes.

Mr. BORAH. Yes; but as to intrastate business by all means by the development of local organizations, municipalities, and State subdivisions.

Mr. SHIELDS. The Senator and I do not disagree about that; if it is Government ownership there is no question about it; but does the Senator mean to use the term "lease" as applicable to the navigable rivers in States where there are no public lands, or does he mean to use that term in regard to the leasing of public lands for sites and transmission lines? I apprehend that the Government under the view the Senator entertains and that I entertain about the ownership of the waters of navigable streams outside of the public-land States has nothing to lease.

Mr. BORAH. The Senator agrees with my view upon that proposition.

Mr. SHIELDS. That is what I thought, and that the Senator did not intend to use the word "lease" as applying to nonnavigable streams.

Mr. BORAH. The Senator, however, is aware of the fact that there are those who contend that the Government has something to lease, and they seem to have had considerable to do about this bill.

Mr. SHIELDS. In the House, but not in the Senate, as shown by the votes that have been taken here on the subject.

Mr. BORAH. We do not disagree as to the legal proposition; we do not think they have anything to lease; but in its practical working I fear they will have something to lease.

Mr. SHIELDS. I will say to the Senator there could not be a broader assumption of Federal ownership and Federal control than is contained in the House bill.

Mr. BORAH. Does not the Senator from Tennessee think that many of these difficulties would be obviated if we would shape this bill a little more directly on the question of public ownership?

Mr. SHIELDS. That the States will assume these burdens or this municipal power to develop the water power within their boundaries for the benefit of the public is a question for the several States, and we can not here in Congress authorize it because we have not the authority, in my opinion.

Mr. BORAH. No; but we can frame a bill which will make it possible for the States to do precisely this thing which I am discussing, and I think we ought to do that.

Mr. SHIELDS. I think we ought to do that.

Mr. BORAH. I am pleased to have the Senator say that.

Mr. SHIELDS. The Senator and I do not differ about that, because I believe in the States having the property and political control of the waters of the streams within the States. The Federal Government has no control over them except under the commerce clause of the Constitution.

Mr. BORAH. There is another thing, Mr. President, that those of us who have had experience can not forget nor lightly pass by. Under a leasing system the ultimate authority with which we have to deal is in Washington, from three to four thousand miles distant. Everybody must trek his way to Washington to get leases or secure modification or to obtain final determination of all important matters. That of itself produces an intolerable situation. It is not only a great and ever-enlarging inconvenience, but it is a still greater financial burden. I recall one matter

alone relating to the adjustment of a single contract touching our irrigation matters which brought two separate committees with their attorneys to Washington three separate times at almost ruinous expense. Government with reference to local or domestic affairs situated three to four thousand miles from the people governed is oppression of the most unendurable kind. Under your leasing system you have all the vices and none of the virtues of public ownership. You still have the question of private gain. You have the Federal tax, you have the expense of administering it at so great a distance, all of which is finally lodged upon the people and they must pay for all these things—the business man, the farmer, the laborer, manufacturer—in increased charges. Under such a system this great natural wealth would become a source of discouragement to the people generally and a source of wealth to the few.

Mr. President, it has not been my purpose and I do not intend at this time to enter upon a discussion of the details of the bill or to suggest amendments which I think ought to be offered. I conclude by saying that I hope when the bill comes out of conference or when it finally receives the signature of the President it will be so framed as to offer every encouragement and inducement to the policy of public ownership. I do not hope, as I said in the beginning, to see a bill framed at this time wholly in conformity with that principle. But let me indulge in a little prophecy to my Democratic friends. Before two years the policy of this administration will be in favor of the public ownership and development of water power. I say that for the reason that the economic and financial condition will inevitably lead to that conclusion. This water power must be developed. It is a supreme necessity. It is a saving of coal; it never wears out; it is as good a thousand years from now as it is now, and in my humble judgment, when this leasing system begins to operate and it is determined beyond all question that the independents can not get into the field, that it is simply doing business with those who are now in control, this administration will go unhesitatingly to the development of it through those instrumentalities by means of which independents can be put into the field, and those independents will be municipalities and subdivisions of the State and the National Government.

Mr. POMERENE. Mr. President——

Mr. BORAH. I yield to the Senator.

Mr. POMERENE. The Senator, of course, expresses his preference for State ownership or municipal ownership, as I understand it. There has been a good deal of question as to whether or not in the water-power sites privately owned the terms would be sufficiently encouraging to get the necessary private capital. That is one question that has been raised. Assume for the sake of the argument that the Federal Government was to transfer its title to the water-power sites to the State or the municipality. Is it the Senator's opinion that the local authority would immediately take up these powers and finance them and develop them?

Mr. BORAH. I think so.

Mr. POMERENE. Immediately?

Mr. BORAH. When you say immediately——

Mr. POMERENE. In the near future, I mean.

Mr. BORAH. I think the development at this time, by reason of war conditions, will be slow, and that is one reason which is going to put the Government into the business.

Mr. WALSH. Mr. President——

Mr. BORAH. I yield to the Senator.

Mr. WALSH. There is a very famous water power in the Senator's State, the Cabinet Gorge water power. What municipality of the State would be likely to make the necessary investment for the development of that water power?

Mr. BORAH. What power did the Senator mention?

Mr. WALSH. The Cabinet Gorge. I suppose it represents an investment of $10,000,000.

Mr. BORAH. May I ask the Senator what independent corporation would develop that power? Does the Senator think that, in competition with the five corporations which now practically control the water power of the United States, anybody is going in there as an independent proposition and in competition with them, they having their power plants all around it, to develop that water power under the leasing system?

Mr. WALSH. I asked the Senator the question simply because there is no doubt in the world about the advisability of having these water powers owned and controlled, developed, and operated by the municipalities or by the States, if that is a practical proposition. I will say to the Senator with reference to Cabinet Gorge that a permit was issued by the Department of the Interior to some gentlemen for the development of the Cabinet Gorge power, but under the restrictions of the existing law they were unable to finance it. They feel entirely satisfied that they will be able to finance and develop the power under some appropriate legislation. So, I answer the Senator, Cabinet Gorge would be speedily developed by private enterprise with proper legislation.

Mr. BORAH. Does the Senator know who the parties were financially backing the proposed development for which the permit was issued?

Mr. WALSH. Yes.

Mr. BORAH. With what one of these other companies were they associated?

Mr. WALSH. I do not know. I am not debating that question at all nor am I concerned in it now. I fully agree with the Senator from Idaho that if we can get the development through municipal initiative it would be a most excellent thing, but the Senator from Idaho knows that the great industrial plants in his State are now being supplied by the power generated in my State, carried across the line, while they have limitless undeveloped power in the State of Idaho. I said "limitless." My recollection is that it is about 1,000,000 horsepower. Cabinet Gorge I speak of is only one site. There may be, but I can not think of any municipality in the State of Idaho that will go into the development of the Cabinet Gorge water-power site as a business enterprise.

Mr. BORAH. It is not going into it as a business enterprise. It is going into it for the public service.

Mr. WALSH. Oh, certainly; it is to develop power and sell it or deliver it upon some terms to industrial enterprises such as are in the Senator's State. The great mines in the Coeur d'Alene region are operated to-day by power developed in Montana simply because there has been no opportunity to develop the power sites in the Senator's own State. If the city of Coeur d'Alene or the city of Waha would only say, "We would like to have the Cabinet Gorge power site to develop and supply our municipal wants and also to supply the mines in the Coeur d'Alene region," I would say that would be delightful. But I inquire of the Senator whether he looks forward within the next 10 years, we will say, to the city of Waha entering into the enterprise and expending $10,000,000 for the development of the Cabinet Gorge power site for the purpose of utilizing it for the operation of the mines in his State, or must we look to private capital for the development of the enterprise?

Mr. BORAH. The Senator has selected one particular power proposition around which he organizes his agument. I do not know how much it would take to develop that particular power, but I will say to the Senator that this same proposition which he is now presenting was presented as an argument against the great enterprise in the Province of Ontario, in Canada. It was insisted that they could not finance these publicly developed powers, that the leasing system was the only method by which they could secure money to develop the power. It developed that they could finance it, and they did finance it, and they have taken over a number of leases which were owned by private parties by reason of the fact that they were enabled to reduce the charge to the citizens.

The Province of Ontario has financed to the sum not of ten million but seventy million, and will soon have invested $100,000,000. If we prepare and arrange to adopt the policy of public ownership the finances will be forthcoming.

Of course, looking into the future we may speculate that they will or they will not; but I would prefer to go a little slowly, Mr. President, and have the power developed to the advantage of the entire community rather than to have it developed by private enterprise and lay the burden upon the community of paying twice the amount under private enterprise that they would pay under public ownership.

Mr. WALSH. Mr. President——

Mr. BORAH. Just a moment. If we take the capacity of power of Cabinet Gorge and develop it to its full extent and then place the price which will be charged by private ownership alongside of the price which will be charged by public ownership, if these facts and figures are to be carried on as they have been in the past in other places, you will see at once what an advantage it is for the public to take hold of it; and it being a great advantage, and interesting the whole community and every citizen being interested in it, why will they not take it over? I yield to the Senator from Montana.

Mr. WALSH. There is no doubt in the world about the advisability of a municipality owning its own power supply, but when it comes to developing a power such as is capable of furnishing power away beyond its own needs which it is to sell for industrial purposes it presents quite a different proposition.

Mr. BORAH. That is precisely what they are doing in Canada.

Mr. WALSH. It is precisely what they are doing in the city of Los Angeles and it is working out quite satisfactorily there. The city of Los Angeles 15 years ago, before this matter became

agitated, got a special grant from Congress, and under that they have developed great power sites and they are supplying power not only for municipal purposes but they are selling power for industrial purposes. They are selling power, for instance, to the great shipyards operating in San Pedro. It works out very well there. There are many places in which it will work out well. The bill before us authorizes the municipalities to acquire rights under the bill and it also gives them a preference above anybody else.

Mr. BORAH. That is, it gives them a preference provided somebody determines that they shall have it.

Mr. WALSH. By no means.

Mr. BORAH. It does not make it imperative. It leaves it to the discretion of the officials. To that I object.

Mr. WALSH. If a private party and a municipality both are asking for a permit, the permit must be given to the municipality under the provisions of the bill.

Mr. BORAH. Is that mandatory?

Mr. WALSH. It is mandatory, as I understand from a reading of the bill. But if it is not I will agree with the Senator that it shall be made so.

Mr. BORAH. That is precisely what I want. I expect nothing more at this time. I do not expect at this time to have a bill which will contain nothing but provisions with reference to public ownership, but I do want a bill when the public ownership question is presented which shall compel those executing the measure to give them the preference, and that is all I hope for. When the people of a community decide they want public ownership I want that to be final.

Mr. WALSH. The Senator and I are at one on that point.

Mr. SHIELDS. Both these bills do give the municipality the preference. I have forgotten the exact language of the Senate bill, but the House bill leaves it in the discretion of this commission——

Mr. BORAH. That is what I understood.

Mr. SHIELDS. To say whether or not it is best for the development of all the water-power resources of that region.

Mr. BORAH. You see that is the absurdity of the proposition, leaving it to the discretion of a commission after the community has decided.

Mr. SHIELDS. So it is not mandatory in that respect.

Mr. BORAH. A community, city, municipality, or subdivision of the State through the judgment of the entire community determines that it wants public ownership, and then under this measure we override that by leaving it to the discretion of some one who may not be in favor of that proposition at all. It was that objection which I had in mind when I answered the Senator from Montana. I do not expect, of course, as I said, anything more when the question shall be presented than that it shall be determined on the judgment of those who are to develop the power and not upon the commission which is executing the measure.

Mr. POMERENE. May I ask the Senator a legal question? In the Senator's own State and other States especially interested in the subject of water power the States have conferred upon municipalities the power to develop the power?

Mr. BORAH. That is now being arranged for. In other words, the first move has been made.

Mr. THOMAS. Mr. President, I am chiefly concerned at this stage of the bill with the parliamentary situation. I have not achieved a very creditable record in this body as regards even my adherence to or respect for the rules of the Senate. I have discovered that one can get along about as well who knows nothing about them as those who are expert in their definition and construction, and inasmuch as I never perform what seems to be an unnecessary task I have not given much of my time to the consideration of the Senate rules.

There are, however, some general principles governing the procedure of parliamentary bodies found in all works upon the subject. We operate under Jefferson's Manual, and, if I correctly apprehend its recitals concerning the right to amend the House amendment, this bill is subject to such procedure. If, however, it is to be sent to a committee of conference, amendments can not be offered or considered, and some amendments should be made to the bill, or attempted to be made to it, if we are to embody in its provisions certain features that have been contended for upon this floor and which now must be considered in connection with the measure.

The bill comes here practically as a substitute for the Senate bill or the Shields bill, as it is commonly called. It goes much further than the Shields bill and covers a situation which that bill purposely avoided. It is all comprehensive in that it includes both navigable and nonnavigable streams of the country, if there be such a thing as a nonnavigable stream at this time.

The chairman of the Committee on Commerce this morning referred to the pendency here some time ago of the Myers bill, which was confined in its operation and by its terms to the waters of the public domain. Those of us representing that great region of the United States were for the most part dissatisfied with its terms and registered our opposition to it. I was one of the Senators occupying that attitude of opposition. The bill did not pass, and I think I am entirely within bounds when I say it never would pass in its then-existing form. The reasons for that statement are perhaps at present unimportant. The fact is, however, that the House by adopting a substitute for the Shields bill has put up to this body the question whether we will accept the terms of the Myers bill by the House action or whether we will consider its merits and then determine as all bills are determined.

I for one, Mr. President, am not willing that a power bill so comprehensive as to affect the people and the domain of my State and those of the surrounding States shall be enacted into law in that manner. I am not prepared to accept any measure for the disposition of the power sites and the power possibilities of the great Rocky Mountain region until all features of the measure are thoroughly discussed and their consequences realized.

Mr. President, I share very largely the view of the Senator from Idaho [Mr. BORAH], doubtless for other reasons in some degree, but because I am unable to escape the conviction that, legislate as we will, electric-power generation and distribution are a natural monopoly.

Hence we may provide terms of the most stringent character both as to the disposition and as to the leasing of these properties, sufficiently explicit to satisfy their framers, with the belief that monopoly has been safeguarded, when, in actual practice, the natural laws of commerce and of industry assert themselves and monopoly will result.

Some time ago, Mr. President, this body published, at an expense of over $90,000, a report from the Department of Commerce showing the existence of a monopoly in electric power. I then regarded it—and have not changed my opinion—as a sheer waste of money, for the report established nothing new and only elaborated the well-known facts. The monopoly existed; everybody that knew anything about this subject at all was aware of the fact. I venture the assertion that not a single Member of this body has read that report since its publication, and I know that I am safe in saying that nobody outside of the Chamber ever read it, while most of the country has forgotten it entirely.

It is very laudable to legislate against the creation or existence of monopoly. Monopolistic dangers are well known and they find advocacy nowhere, but they exist and they will continue to exist, and doubtless to increase in their magnitude and possibly in their oppressive features so long as economic conditions in their evolution shall continue without direct governmental interference, and the only governmental interference which will be effective is that which substitutes the Government itself for the private control of the thing which is monopolized.

I confess, Mr. President, that such has not always been my opinion. At one time I entertained the notion that monopolies were the result of intrigue and oppression, that they were based upon artificial conditions almost entirely, and that a good, healthy, public sentiment, crystallized in appropriate legislation, would put an end to them. We have tried the experiments and thus far our efforts have been ineffectual. We have destroyed one or two of them, of which the Standard Oil Co. is perhaps the most conspicuous instance, and yet, in effect, the thing which we destroyed needed not even a resurrection in order to reappear in more vigorous form than ever. The shot fired by Congress and afterwards by the Supreme Court simply glanced from the sides of that ironclad monopoly, staggered it for a short time; it then gathered itself together, renewed its strength by coming in touch with the earth, and has been since more powerful than it ever was.

I said, Mr. President, that I was not at this time disposed to discuss the merits of the bill. Perhaps it would be well, therefore, to make no further reference to it or to its contents in even a general way. The parliamentary situation is practically this: The bill was sent to this body from the other House a few days ago, and day before yesterday, in the morning, I offered an amendment, which was printed and ordered to lie upon the table. The chairman of the Commerce Committee [Mr. FLETCHER] made a motion this morning, which is now pending, to refuse concurrence in the House amendment and to send the bill to a conference committee. I do not think a bill of this character should go to a conference committee unless the Senate is prepared to fully concur in the House amendments. If that be true, then it should follow that no bill in that condition should go to a committee of conference upon the view that the com-

mittee representing the Senate will insist upon the incorporation of its views in the bill which is the subject of conference.

In the first place, the members of the committee, however well disposed, may not be entirely familiar with all of the objections to the measure as it comes from the other House, or, if familiar with them, may go upon the theory that the view is not a majority one, and therefore should be made subordinate to the importance of coming to some agreement. It is bad practice, and particularly in a bill like this. I am thoroughly of the opinion expressed by the senior Senator from Iowa [Mr. CUMMINS] that this bill should receive consideration by a special committee, to whom it should be referred, and who will, of course, if appointed, consider the bill and report it back to the Senate.

The reasons which compel my assent to the Senator's suggestion are very few. First, the House bill is the product of a special committee. The Committee on the Public Lands and the Committee on Commerce of the other House during the years that the subject has been an active one in congressional proceedings have doubtless encountered the same objections, the same obstacles, and the same difficulties in their attempt to prepare a report upon the bill or to agree upon the Shields bill that we have encountered in our discussion and consideration of it here. Hence it must have become evident that the only way in which a bill that would command the assent of a majority of the House could be secured was through the appointment and agency of a special committee. That committee was appointed, and it took up the subject. It was composed of able and experienced legislators having general familiarity with the subject and who were very anxious to secure a measure which would command the assent of the Senate.

I do not, Mr. President, desire in the slightest degree to violate the rule which forbids too active and direct comment upon the proceedings of the other House, but I think I may refer to the fact, since it has appeared in the public prints, that a very serious difference arose between certain members of the committee of the House and three Cabinet officers—the Secretary of Commerce, the Secretary of Agriculture, and the Secretary of the Interior—regarding the terms under which the Government would be authorized to recapture the leased premises if, in its discretion, at the end of any given leasing period it desired to do so. The New York newspapers announced at the time that a proposed amendment agreed upon and offered by these distinguished representatives of the executive department contained a hidden danger which, if enacted into legislation, would result in serious injury to the Government, the discovery of this condition having been made by a member of the committee. There was a vigorous contest in the other House over that provision, and it was adopted by a considerable majority after very bitter and sometimes acrimonious opposition. If there be such a situation, if there be a possibility of danger to the Government—a probability of danger to the Government—resulting from the active operation of this amendment, then it is more emphatically our duty to consider it from every viewpoint, and, if necessary, to hear these gentlemen regarding it.

Of course, that can be done by the committee of conference. It should be done by a committee making a report back to the Senate, because in that way only can full discussion be secured and a satisfactory conclusion reached.

Another reason, Mr. President, which I have already referred to, concerns the character of the House bill. That bill embodies the whole subject of improved water power in the United States—navigable streams and unnavigable streams, streams the borders of which are in private ownership, and streams entirely or in part in the public domain—and which, therefore, are embraced in lands belonging to the Government. Obviously the question of water power in connection with navigable streams legitimately belongs either to the Committee on Commerce or to the Committee on Interstate Commerce, or both. Quite as naturally that part of the subject relating to the public domain belongs to the Senate Committee on Public Lands, whose members have the right, and whose duty it is, to consider that subject and to report their views upon it to the Senate.

If this bill goes to the Committee on Commerce or to the Committee on Interstate Commerce, jurisdiction over matters involving the public lands must be entertained by them. If, on the other hand, it goes to the Committee on Public Lands, jurisdiction of the question of water power on navigable streams must necessarily be assumed by them. The composite character of the bill, therefore, requires its treatment just as it was treated in the House, its reference, Mr. President, to a committee specially appointed for its consideration, whose constituents shall be elected from the membership of these three committees. If then we fail to secure a unanimity of agreement, we shall at least have the consolation of knowing that we have done the best that we could under the circumstances.

But, Mr. President, there is another reason, I think, for this course. The Senator from Iowa has announced that he desires to submit some amendments to the bill. I have already submitted one, and that amendment, in my judgment, concerns a subject as vitally important to the needs and the welfare of the United States to-day as does the subject of water power and water-power control. I refer to the needed development of those portions of the public lands that are supposed to contain petroleum, whose development has been consistently and constantly restricted and interfered with ever since the 26th day of September, 1909, in consequence of which, and solely in consequence of which, we are face to face with a serious famine in petroleum and its derivatives.

The policy of the Government of the United States from the hour that the Constitution was ratified has been the development of the public domain by individual initiative, and that policy has been the basis of the tremendous development and growth of the Nation.

The hope of ultimate reward has been the stimulant which has ever driven the pioneer westward and justified his risking his life to the dangers of the wilderness and of the desert. Every gold mine in the United States west of the Mississippi River, every silver mine, every lead mine, every copper mine, every zinc mine, every deposit of cinnibar, and all of the oil found upon the public domain have been discovered through and because of the incentive given by an encouraging Government to its citizens. Interference with that policy of development, injurious in many directions, has been especially so with regard to the discovery and the securing of oil needed in the industries of the country, the demand for which, constantly expanding even in times of peace, has occasionally threatened the supply.

We are dependent, Mr. President, for oil supplies for the needs of our Army and those of our allies upon the oil wells of Mexico, and Mexico has never exhibited a more unfriendly attitude toward the United States than she has during the past six months. Her rulers have placed every possible obstacle short of hostile act in the way of obtaining and enjoying this oil supply, have imposed financial burdens in the way of taxation and export dues that are almost prohibitive, and have frequently interfered with the execution of contracts then in existence, thus imperiling not only our present peaceful relations with that Republic, but seriously embarrassing our military operations at the front. Our dependence upon Mexico for the difference between what our oil wells supply and what we need can be laid directly at the door of national administrations, Republican and Democratic. As long as we can secure oil from Tampico and the adjoining fields, as long as the wells there hold out, the shortage will not perhaps be fatally serious. How long that will be none of us can tell, since the political problems constantly presenting themselves between Mexico and the United States may become more formidable than any question of physical exhaustion.

A Member of this body a few days ago requested some information regarding the Nation's supply of gasoline, and the answer returned by the Fuel Commissioner was startling in that it disclosed a situation full of danger, and requiring in all probability the application of the most drastic remedies if we are to continue to serve our soldiers across the sea with what they must have in their daily campaigns and in the work of securing victory for our arms. A request, virtually amounting to an order, to suspend the use of gasoline upon Sundays was at once made, and it has been very satisfactorily heeded by the great majority of the people affected or sought to be affected by it. That is genuine patriotism; but, Mr. President, the saving in that one instance and in that one direction, while considerable considered by itself, is relatively small, and the demand is constantly increasing.

This body sought to meet that difficulty last winter. The Committee on Mines reported a bill, far too drastic in my judgment, far too illiberal toward the prospector and the owner of existing locations, but which was thought to be the best bill that could possibly be secured at the time. I do not remember when it passed the Senate, except, if my memory serves me correctly, it was some time late in January or early in February. It went to the House, where copious hearings were had upon the measure. The House amended the bill very materially, passed it, and sent it back to the Senate. That, I think, was in May. Since then it has been in conference, the members of the conference committee having been unable to agree. Notwithstanding the fact that it concerns one of the most vital and necessary subjects at this time that can be well imagined, far more vital than water power at this time, far

more essential to the needs of the Government, no satisfactory conclusion has been reached. I do not criticize a single member of that committee; I have no doubt each was acting according to his convictions of public duty; but that, Mr. President, does not rob the situation of its very serious aspect.

I have offered an amendment to this bill consisting of the bill which was passed by the Senate, either in January or in February, and which forms the basis of the conference committee to which I have referred, because I believe, Mr. President, that the only way in which this Congress can secure action upon this all-important measure is to attach it to a measure like this, and insist that both shall go together or neither shall go at all.

Mr. President, I may be mistaken in my conceptions of duty regarding the situation. I have not the slightest desire to lay a single obstacle in the way of the power bill, if it is as vital to the interests of the country as its exponents declare, and I think they should not lay a solitary obstacle in the way of this amendment, and for the same reasons. If the bill can be reported out of the committee, we can consider it; but until that bill is reported out of the committee everything is held in suspension, and in the meantime the Government, acting ostensibly through the Secretary of the Interior, has issued an order impounding the proceeds derived from the sale of oil produced from locations made in conformity with the laws of the United States, developed by citizens of the United States, and belonging to them as fully and completely, subject only to the fact that the title remains in the Government, as any other property to which they lay claim.

Mr. President, it is a serious thing, in my judgment, for a great Government like this, by its legislation, to encourage its citizens to proceed to the development of its hidden resources, and then seek to rob those citizens of the fruits of their labor, their industry, their expense, and their risks by legislation which deprives them of those fruits.

It is worse than bad faith. It is dishonesty, although perhaps not so intended. Men are being bankrupted by these delays, by our failure to act, and by an administrative policy born on the 26th day of September, 1909. But for the Executive order of that date and those which have succeeded it, I am here to affirm that the people of the United States would to-day have all the oil and all the gas that is needed for the prosecution of this war and for domestic consumption.

I believe in conservation. Of its virtues I make no complaint. But, Mr. President, I never have been able to see the real principle of conservation in a long scheme and system of absolutely repressive legislation. We have three naval reserves upon the public domain, one of which contains vast quantities of oil, because within its boundaries are embraced a number of wells sunk by citizens of the United States on perfectly valid locations, and of which they have since been deprived. Another of these reserves is known to contain quantities of oil, and the third is so located as to justify the probability of similar wealth in petroleum. Those are being held by the Navy Department, so I am told, to subserve the needs of this country, should any great crisis overtake it. Posterity is to enjoy its benefits, if the exigencies of posterity should at any time be so serious as to demand it. We can not touch it now, because the present crisis seemingly is not a tremendous one, or not sufficiently so to justify the development of these stores of oil.

Mr. SMITH of Arizona. Are they going to let the next generation use it?

Mr. THOMAS. Neither the next nor perhaps the next.

Mr. President, no man has a higher opinion than I of the Secretary of the Navy. I have known him for years. We served on the national committee together for 12 or 16 years. He is a patriot; he is a statesman; and time has vindicated in a most magnificent way his administration of the Navy Department, and that, too, before his term of office has expired. Hence, my reference to these matters is wholly impersonal. I am told upon good authority that certain oil men of California have offered the Navy Department their services and their time and their money in the development of these naval reserves, agreeing in advance to accept any terms that the Navy Department will submit, their purpose being to serve their country at this time, with the cost to themselves an entirely secondary consideration, and their offer has been rejected. This amendment does not touch the naval reserves. They are expressly excluded from its operations. Hence my reference to that situation is merely because it is a cognate part of the general subject.

Mr. President, I believe that if the Secretary of the Interior could have his way, if he were the Secretary of the Interior in fact as well as in name, this bill would have passed long ago. If the Secretary of the Interior would assert his jurisdiction and insist upon operating his own department, I do not believe it would be necessary for me to take up the time of the Senate this afternoon in discussing this parliamentary situation.

But there seems to be a singular condition of public affairs with reference to this subject of oil. There are a number of gentlemen in high position, two of whom at least can be charged with being Secretary of the Interior with more truth than if the charge were made against the man who bears that title. I refer to the honorable the Attorney General and the honorable the Secretary of the Navy. The chairman of the Mines and Mining Committee, having charge of the oil bill, day before yesterday made the astounding statement to the Senate, and supported it with letters from the Secretary of the Interior, the Secretary of the Navy, and the Attorney General, that they have been beseeched by the committee—I hope I do not use too strong an expression—to hold a conference and agree upon some oil measure that they will permit the Congress of the United States to enact into law. One is willing; two do not seem to be especially concerned about the matter; but that is the situation. A bill of tremendous and vital importance, involving a material absolutely indispensable to the great pending national emergency, and demanded by our domestic as well as our foreign necessities, can not be passed by the legislative branch of the Government of the United States because, forsooth, three members of the Cabinet are unable to agree upon its terms and permit the bill to pass!

Mr. President, in that connection I think I may be pardoned for referring the Senate to what I think is one of the most remarkable incidents that has ever occurred in the legislative history of Congress. I mean a deliberate and willful attack upon one department by a representative of another; and it occurred in the consideration of this bill.

During the hearings before the House committee the Department of Justice was represented by the Assistant Attorney General, Mr. Francis J. Kearful, the assistant having charge of the Land Division of the Department of Justice. On the 28th day of February, 1918, he was examined, and among other things I find this in the testimony:

Mr. KEARFUL. It says—

Referring to the bill—

in a certain event—

"The Secretary of the Interior may, within his discretion, lease on such reasonable terms and conditions as he may prescribe."

Mr. LENROOT. Now, under that language, Mr. Kearful—and I am frank to say that in view of the way things have developed generally I think it should be broadened—but you have no idea that the Secretary of the Interior, even if that was enacted into law, in the exercise of his discretion would grant leases where actual fraud was proven, have you?

Mr. KEARFUL. Yes; I think he would.

Mr. LENROOT. You think he would?

Mr. KEARFUL. Yes. Not where actual fraud was proven, but where charges of fraud had been made and without investigation.

Which is the same thing.

Mr. LENROOT. Well, do you think that in the face of the present proceedings, for instance the Honolulu case, where you say now the matter has been reopened before the register upon specific charges of fraud, that he would grant a lease in the face of those charges?

Mr. KEARFUL. I have no doubt he would.

Mr. LENROOT. Well, I am surprised to hear that. I would not think so, but I am sure I can speak for the committee that this committee has never had any intention of granting relief to any fraudulent claimant; and I am sure the committee at all times has been willing to guard against that to the fullest possible degree.

The CHAIRMAN. Now to me that is a very amazing statement. I think that ought to be elaborated, Mr. Kearful. What grounds have you for such a statement as that? It is the most amazing statement ever made before this committee since I have sat here.

Mr. LA FOLLETTE. Mr. Chairman, right in that connection I would like to call Mr. Kearful's attention to the fact that the oil men themselves realize that that would hardly be a fair proposition, and have put in their amendments a proviso that reads:

"*And provided further*, That no person who has been guilty of fraud in the location of such oil or gas bearing lands shall be entitled to the benefits of this section, nor shall his assignee or successor in interest or lessee be entitled thereto unless he affirmatively choose that prior to the passage of this act he acquired or leased such lands in good faith for a valuable consideration, and without actual knowledge of such fraud."

They themselves do not ask anything in case of proof of fraud, and where knowledge exists.

Mr. KEARFUL. Now, what is the question?

Mr. LA FOLLETTE. I was just simply calling attention to the fact that the oil men themselves did not ask for that which you thought the Secretary would grant.

Mr. E. C. FINNEY (of the Interior Department). I would just like to state, Mr. Chairman, that I emphatically deny that the present Secretary of the Interior or any other Secretary of the Interior would issue a lease or patent to anyone who has been proven to be guilty of fraud. It is true the department might differ from others as to whether fraud has been committed or not. When as the result of a hearing fraud has been proven, I do not think that the Secretary of the Interior would grant any lease or patent.

The CHAIRMAN. I think Mr. Kearful should be given an opportunity to elaborate on that.

Mr. KEARFUL. It was not my statement that I believed the Secretary of the Interior would grant relief in case fraud has been proven or established, either through the Interior Department or before a court; but it was that he would grant leases where charges of fraud had been made and without an investigation, or without a hearing.

Mr. LENROOT. That was your statement?

Mr. KEARFUL. Yes, sir.

Mr. LENROOT. You stated that in the present case, in the face of charges which you have made against the Honolulu company, if the House provision became a law, in your opinion Secretary Lane, without any further investigation of those charges, and coming to any determination in them, would issue these leases. Is that your opinion?

Mr. KEARFUL. That is my opinion.

The CHAIRMAN. What do you base such an opinion as that on?

Mr. KEARFUL. I base that upon the action taken by the Secretary of the Interior in the operating agreements which he has made under the act of August 25, 1914. In those cases charges of fraud and violations of the withdrawal order were made by special agents after investigations by the Land Office, and hearings were ordered to determine the truth of the charges made by the special agents. Under authority given to the Secretary to make an arrangement for continued operation and to conserve the property pending the determination of the title between the Government and the applicant, contracts were made by which the operator retained seven-eighths of all the oil and gas produced, and it was agreed that one-eighth should be accepted by the United States in full compensation for trespass upon these lands, in the event that the patents should finally be denied. Under those operative agreements, as shown in the memorandum, there was a total production to November 30, 1917, of $6,849,807. And of this amount, there was impounded in escrow for the protection of the Government in case it should finally be decided that the land belonged to the Government, $876,674. Which corresponds to one-eighth of the product with interest.

In round numbers, taking a given system of operations producing $8,000,000 gross, under the receivership, to which it was intended the operating agreements should conform, there would be impounded substantially $7,000,000, or seven-eighths for the protection of the Government in case the court should finally decide the Government was entitled to the land; whereas under these operating agreements there would be impounded in round numbers about $1,000,000, or one-eighth of the entire production.

He then mentions eight cases in Wyoming where the amount deposited was less than the total, as a matter of course.

That system of operating agreements entered into under the act of 1914—

Which was an act of Congress—

in cases of fraud charged by the special agents after investigation, and cases of hearings ordered to determine those charges of fraud, justifies my statement for the belief that under the provision of the House bill the same thing would be done.

And I may digress by saying that the average special agent out upon the public domain is like the ordinary city detective—he is there for the purpose of making charges. His job depends upon it. He must show by his acts that he is earning his salary; and the Savior of mankind, as the locator of an oil claim in Wyoming, would find Himself confronted with charges of fraud emanating from some of these so-called special agents.

Mr. LENROOT. Now, let me see, Mr. Kearful. You make no distinction between a temporary permit where charges of fraud may be pending and a permanent lease where charges of fraud may be pending?

Mr. KEARFUL. I make no substantial distinction because, while these permits were intended to be temporary, they have in effect become permanent because of failure to act upon the application for patent.

Mr. LENROOT. Yes; and will you say to the committee who is the most responsible for that failure, the Department of the Interior or the Department of Justice? Is it not your own department?

Mr. KEARFUL. It certainly is not.

Mr. LENROOT. Has not your department repeatedly requested the Department of the Interior not to act upon certain applications for patent?

Mr. KEARFUL. On the contrary, that department has repeatedly and continuously urged the Department of the Interior to act upon these applications for patent.

Mr. LENROOT. Now, let's see. That is not true of the Honolulu case, is it?

Mr. KEARFUL. That was a particular situation in which the commissioner, having come to a decision upon what appeared to the Department of Justice to be an incomplete and insufficient record——

Mr. LENROOT (interposing). And an erroneous view of the law?

Mr. KEARFUL. And an erroneous view of the law; the position of the Department of Justice was that a hearing should be had to determine the facts, not that there should be any delay in the case.

Mr. LENROOT. Didn't the department repeatedly request the setting aside of a clear listing decision in order that they might litigate the matter in the courts?

Mr. KEARFUL. Not precisely. It was the intention to apply to the courts for a decision on the matter, but it was also the position of the Department of Justice that a hearing should be had in the Land Office.

Another member of the committee later takes up the examination. I do not want to omit anything.

Mr. TAYLOR. Supposing within 30 days after they make the survey and put up the stakes and make the record in the office of the county clerk and recorder, marking their ground and making the record of it, in compliance with the placer law, supposing that within 30 days or within one year—the principle would be the same—supposing that within 30 days they go, those eight men, and secure some man with a million dollars, and he agrees to go and sink one well 3,000 feet, if necessary, on each one of those dozen 160-acre claims, and he enters into an agreement that if he find oil he will sink on all of the rest of them. Does that agreement invalidate those claims?

Now, listen to this lawyer:

Mr. KEARFUL. I think it is a plain violation of law. I have no hesitancy in saying so.

That is to say, if the Senator from Utah [Mr. SMOOT], having no money, goes upon the public domain and in full compliance with the law makes a location of oil claims, he must work them himself, although it will cost $10,000 and he has not any money. If he applies to the Senator from Iowa [Mr. CUMMINS]—who, for the purposes of my illustration, is a capitalist——

Mr. CUMMINS. Only.

Mr. THOMAS. And agrees with him that upon furnishing a certain amount of money he shall have an interest in the claim, provided the money is expended in development, that is a plain violation of law. Now, I do not hesitate to say that a man who will express such a conclusion may be a good citizen, but his first name should be "necessity." [Laughter.]

Mr. TAYLOR. You think that the original men, the locators themselves, who locate as I have stated, and the man who leases from them with the money and the ability and the intention to sink a well and who starts in and does it diligently—you think they are all of them frauds?

Mr. KEARFUL. Well, I don't like to use as strong language as that.

Mr. TAYLOR. You think they have no legal rights?

Mr. KEARFUL. It has been the practice, the habit to do it that way, and good men have done it. It is like the coal locations that were made and passed without investigation for a time, and finally it was forced upon the people of the West that that business was done rather too loosely.

Mr. MAYS. Did you ever know of any legitimate development?

Mr. TAYLOR. Just a moment—then, Mr. Kearful, if I understand you, your idea of the laws just resolves itself right back to the very first question I asked when the cross-examination began, namely, that nobody, unless he is sufficiently rich to go ahead individually and locate and drill until he finds oil himself—that nobody else can be protected under your theory of the law?

Mr. KEARFUL. I am unable to understand, Mr. TAYLOR, how a person can demonstrate his good faith in doing discovery work looking to the discovery of oil, where the drilling of a well is necessary, unless he has the means to prosecute the discovery work by the drilling of a well.

Mr. SMITH of Arizona. So that the rich men would have to do all the prospecting.

Mr. THOMAS. Absolutely.

Mr. TAYLOR. Therefore, no poor man or any man of ordinary means in the entire United States has got any business or right to ever go and locate an oil claim.

Mr. KEARFUL. I am very frank to say I believe that under the present petroleum placer law it is not a poor man's game.

Mr. President, the serious aspect of these statements lies in the official character of the men who make them. As the representative of the Department of Justice, Mr. Kearful virtually declares that the Secretary of the Interior is a dishonest man, and that, in the event of the enactment of the Senate oil bill, he will so administer it as to commit a fraud and an injustice upon the rights of the people of the United States. I have waited long and patiently for some development of this testimony, either through its repudiation by the Attorney General, or some exhibition of resentment by the Secretary of the Interior, and I have seen neither. The Secretary of the Interior I regard as a personal friend; and I feel humiliated that he has not long ago brought public attention to that statement, and insisted upon its retraction. I do not know, of course, but that there may be good reasons for his silence; but it is an astonishing fact that one department, in a hearing before Congress, should so represent the moral and mental make-up of the head of another great department. Nothing can be more extraordinary, except the fact that he against whom the charge was made has so long, as far as I know, borne this reproach in silence.

Mr. President, the Honolulu case was one which, to my certain knowledge, occupied the attention of the Secretary of the Interior and the Commissioner of the General Land Office for months of time. They examined it from every standpoint, exhaustively, thoroughly, completely, and finally passed it for patent. The whole question was within the jurisdiction of the Secretary of the Interior, and in adjudging it he passed that judgment which, under the Constitution of the United States and the laws made in pursuance thereof, was virtually final. It was not until then that the Attorney General's department interfered. It may have had a perfect right to do so. I am neither competent nor authorized to judge of that fact. I am told that the differences between the two heads of the departments were submitted to the distinguished gentleman who yesterday was named for the ambassadorship to the Court of St. James, with the agreement that his decision as a disinterested party should be final, and that his decision favored the Secretary of the Interior, albeit it never has proven to be final. This, too, may be rumor; but, if so, it is well authenticated rumor.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. K'82fl in the chair). Does the Senator from Colorado yield to the Senator from Utah?

Mr. THOMAS. I do.

Mr. KING. I am not sure that I properly interpreted the last few statements made by the Senator. The Senator does not intend to concede, does he, by anything which he stated that it is not the exclusive province of the Interior Department to pass upon the applications for patent, and, after the department has made the necessary investigations and passed upon the application and clear listed it, that the applicant is not entitled to a patent?

Mr. THOMAS. That *was* the law.

Mr. KING. Does the Senator think that the Department of Justice or any other department of the Government, after the Interior Department has performed its duties as they have been prescribed by law, and along the line which I have just indicated, has the right to intervene and prevent the issuance of a patent?

Mr. THOMAS. That *is* the fact.

Mr. KING. Does the Senator think that the Department of Justice, in so doing, is following the law or is guilty of a gross usurpation?

Mr. THOMAS. Mr. President, I do not think it is necessary for the purposes of my discussion to answer that question categorically. I have a high opinion of the integrity, the good faith, and the patriotism of the Attorney General of the United States and of those associated with him in the President's Cabinet. My own judgment is that no one has any more right to intrude into and exercise the prerogatives of the Secretary of the Interior than has that official the right to intrude into and exercise the prerogatives of any other department.

Mr. KING. Does not the Senator think that if the Department of Justice had adhered to the rulings and procedure theretofore observed and permitted these men who had valid oil locations to proceed and get title and develop their lands there would have been sufficient oil now to meet the demands of the country?

Mr. THOMAS. I have said so. I do not think there is a particle of doubt upon that subject.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the senior Senator from Utah?

Mr. THOMAS. I yield.

Mr. SMOOT. May I also add in that connection that there would have been ample legislation passed to take care of the development of all of the resources of this country if that conflict had not arisen?

Mr. THOMAS. Oh, I think it is unquestionable, Mr. President. Deplorable as that controversy is, its most deplorable feature has developed in the present deadlock, from which I am trying to obtain relief by the amendment which I have offered to the pending bill.

It is a deplorable situation, and what makes it the more so is that each element in the situation is convinced that that is the right one and the others are all wrong. Hence, unless we can cut the Gordian knot in some way we may be face to face with a famine in oil, with the gates of Mexico also closed against us.

The distinguished Senator from Nevada having charge of the bill said the other day that if this bill were not enacted in some form the control by the Government of all the oil-producing wells in the United States was inevitable. He may be right about it, but I think, Mr. President, that that would be a most unfortunate and undesirable situation. I believe in the Government control during this war of all lines of transportation and communication. I do not believe that it should assume control of any strictly private pursuit, however necessary its production may be to the war, if it can possibly be avoided, first, because it is contrary to Anglo-Saxon notions and the rights of private people; second, because it will not be administered so well or so efficiently; and, lastly, because the production would decrease instead of increasing, to which may be added another fact—that the revenues of the Government, so sorely needed, must be paid from the earnings of companies like these, and as rapidly as they are taken into public ownership and control just so rapidly must our sources of taxation and revenue be decreased.

Mr. President, these are some of my reasons for offering this amendment and for supporting as heartily as I can the proposal of the Senator from Iowa. I had intended to call attention to a recital from Jefferson's Manual and one opinion or precedent in support of my right to move this amendment, but inasmuch as the Vice President this morning said that that right undoubtedly exists, it is not necessary for me to burden the RECORD with any further remarks upon the subject.

Mr. PITTMAN. Mr. President, I understand that the Senator from Colorado has offered the general leasing bill, passed by the Senate, as an amendment to the water-power bill which came over from the House. I was unfortunately not present during the presentation of the matter by the Senator from Colorado, and I am not therefore advised as to the arguments he may have adduced in support of the amendment on its presentation.

Mr. THOMAS. I have not discussed it. I have discussed the parliamentary situation.

Mr. PITTMAN. I am in hopes, however, that the Senator from Colorado will not offer the amendment.

Mr. THOMAS. It has been offered.

Mr. PITTMAN. I hope the Senator from Colorado will withdraw the amendment, because I am absolutely convinced that it will not accomplish anything toward obtaining the legislation he desires, but, on the contrary, will obstruct and delay the consideration of the water-power bill, which is almost of as much importance to the country, if not of as much importance, as the general leasing bill.

Mr. THOMAS. If the Senator will permit me——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Colorado?

Mr. PITTMAN. I do.

Mr. THOMAS. The bill has been delayed in conference ever since last May, if my memory serves me aright. It is now the 19th day of September. This amendment may not clear the situation or prove to be a remedy, but it is the best I can do.

Mr. SHIELDS. I did not understand the Senator from Colorado fully. May I ask him a question in regard to his amendment?

Mr. THOMAS. With the permission of the Senator from Nevada.

Mr. PITTMAN. Certainly.

Mr. SHIELDS. Did I understand the Senator to state that a deadlock in the committee of conference existed on this oil-leasing bill since last May?

Mr. THOMAS. Yes.

Mr. SHIELDS. And that it seemed impossible of compromise or adjustment?

Mr. THOMAS. Yes.

Mr. SHIELDS. Then what possible hope would you have that the compromise would be settled by putting it on the water-power bill and carrying the deadlock to two bills instead of one?

Mr. THOMAS. I am informed that the interest which created that deadlock is the interest behind this bill.

Mr. SHIELDS. Behind the House bill?

Mr. THOMAS. Yes. If that be so, then surely their desire for one ought to influence them somewhat in yielding to our desire for the other. I do not want to interrupt the course of legislation, but I see no other way of getting action at this time in the matter upon that equally important bill.

Mr. SHIELDS. I hope there is no interest affecting the Senate or the Congress that will cut out the water-power bill.

Mr. THOMAS. I use the term "interest," of course, not in an invidious sense. I mean the opinion which is behind the conclusion that this water-power bill is of prime, pressing importance. I would not want to be understood for the world as meaning that any interest other than the interest I mention has any part in either of these two measures.

Mr. SHIELDS. I have not read the hearings carefully to demonstrate or prove it, but there were interests appearing before the Public Lands Committee of the House, as shown in the hearings on the House bill, that condemned the bill the Senate had already passed and approved the House bill. Those there appearing were representatives of the so-called water-power trust, and they were very much in favor of the House bill, and said that under it there would be development, that capital would be invested, and that under the Senate bill no capital whatever would be invested. I do not know whether that is the same interest that is opposing or favoring the oil bill or not.

Mr. PITTMAN. Mr. President, I think it is a very appropriate time to settle the question with regard to the delay of the conference on the leasing bill. As one member of the conference committee, I feel rather embarrassed by the delay that has occurred and by the constant and necessary reference to it. I ask that this letter from the Attorney General be read at this time. I have just received it.

The PRESIDING OFFICER. Without objection, the letter will be read.

The Secretary read as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., September 18, 1918.

Hon. KEY PITTMAN,
Chairman of the Conference Committee on Senate Bill 2812.

DEAR SENATOR: I acknowledge receipt of yours of the 9th, which reached the Department of Justice on the 11th.

By direction of the conference committee on Senate bill 2812, you asked me to confer with the Secretaries of the Navy and Interior with a view of fixing a convenient date upon which we might jointly meet with the committee. For several days after the receipt of your letter matters of very great importance demanded my attention; immediately following this, the Secretary of the Navy, with whom it seemed proper for me to confer, was absent from Washington. For these reasons I have been prevented from sending you as prompt a reply as I otherwise would. I will ask the committee to excuse the delay and accept my apology for it.

You say that in some matters it is now contended by members of the conference that the positions taken by some of the representatives of the Navy Department, Interior Department, and Department of Justice have been repudiated by their chiefs and that these disputed facts can only be settled satisfactorily by the chiefs themselves. The head of each of the three departments must, of course, speak for himself with reference to the position taken by representatives of his department.

At different times representatives of the Department of Justice, at the request of congressional committees, have appeared before these bodies and testified as to the oil situation and legislation pending in regard thereto. I have not repudiated any position taken by any subordinate of mine, and therefore do not know of anything which requires explanation. If any member of the conference committee will call my attention to what he believes to be such a repudiation on my part, I will gladly give a prompt and specific explanation.

You also say that there "seems to be a difference of opinion among various conferees as to the attitude of the Secretary of the Interior, the Secretary of the Navy, and the Attorney General with regard to certain provisions of the Senate bill." On January 25 last, in reply to a letter from Hon. SCOTT FERRIS, chairman of the House Committee on the Public Lands, I wrote him a letter in which there were set out the concurrent views of the Secretary of the Navy, the Secretary of the Interior, and of myself in regard to the relief features of Senate bill 2812. A copy of this letter appears on pages 33 to 36 of the printed report of the hearings before the House committee, which you doubtless have before you.

I have no knowledge of any withdrawal from or qualification of such concurrent views by any of the concurring parties.

The bill in question deals with many matters with which I am not familiar and in regard to which I have never expressed an opinion or felt justified in doing so. As to the relief features of the proposed legislation, I felt justified, under all the circumstances, in conferring with the two Secretaries mentioned and reporting the result of the conference. Having done this, I have no disposition to express my individual opinion in regard to any proposed departure from those views. No matter what new solution should be presented at a meeting with your committee, I would not feel authorized to accept or reject it.

In case the two Secretaries think it advisable, I of course have no objection to conferring with them further, discussing any basis of settlement presented, and reporting to your committee the result of our conference.

I am therefore disposed to believe that nothing useful would be accomplished by my presence at the proposed joint conference with your committee. However, if, after considering this letter, the committee still desires me to appear before it, I shall be pleased to do so.

Very respectfully, yours,

T. W. GREGORY,
Attorney General.

Mr. PITTMAN. Mr. President, the Attorney General in that letter states that the House bill was prepared particularly with regard to remedial legislation after a conference between his department, the Department of the Interior, and the Navy Department, and that the provisions of the House bill were agreed to. He now says that the action there taken was not in conflict with the position taken by any of the departments prior to that time.

When the Senate committee was preparing this bill, December 18, 1916, for the very purpose of finally determining the attitude of these departments a joint committee was created composed of three members of the Senate Committee on Public Lands, three members of the House Committee on the Public Lands, the Department of the Interior, the Department of the Navy, and the Department of Justice. On December 18 that committee met, and there were present at that time the following gentlemen. This is taken from the hearings:

The Public Lands Committee of the Senate, represented by Senators PITTMAN, PHELAN, and CLARK; the Public Lands Committee of the House of Representatives, represented by Representative FERRIS, TAYLOR, and LENROOT; the Department of the Interior, represented by Messrs. Clay Tallman, Commissioner United States Land Office, Edward C. Finney, counsel for the Department of the Interior, and W. A. Williams, of the Bureau of Mines; the Navy Department, represented by Mr. Franklin D. Roosevelt, Assistant Secretary of the Navy, and Commander James O. Richardson, Bureau of Steam Engineering; and the Department of Justice, represented by S. W. Williams and Francis J. Kearful.

They were all there. The subject was discussed for a week. I was acting as chairman of that conference, and at the end of that time, for the purpose of bringing the matter to a head, I suggested a provision as a foundation for remedial legislation for the consideration of the conference which I will later read. Senator Clark, of Wyoming, then said:

Senator CLARK. That is allowing the veto power before you pass legislation. Everybody knows that if the bill is presented to the President and he says, "No; I am not satisfied," the conference report will never be adopted.

Mr. Finney, representing the Department of the Interior, said:

This controversy is all about the remedial bill as applicable to naval reserves. Are you interested in the remedial bill as it might operate outside naval reserves?

Assistant Secretary Roosevelt said:

Not a bit.

Consequently in drawing this bill we left the naval reserves out. That would have eliminated the Navy from this controversy. Mr. Roosevelt said if we left the naval reserves out of our bill the Navy was not interested in it.

Now, just a little further. Mr. Finney said:

The so-called controversy relates to sections 9 and 10.

Senator CLARK. If 9 and 10 were eliminated——

Mr. KEARFUL. Then the departments would have nothing to say.

Consequently in drafting the Senate bill we eliminated the naval reserves from any effect whatever.

Senator CLARK. If 9 and 10 were eliminated, certain gentlemen in the Senate would have something to say.

The CHAIRMAN. I will make a proposal right now:

That the provisions of the bill be modified, providing for a preferential lease, within and without the naval reserves, to claimants of mining claims who have initiated the right to such claim prior to September 27, 1909, either through themselves or their predecessors in interest, where there is no charge of fraud in the initiation or maintenance of such rights, through dummy entry or otherwise; provided that the Department of the Interior shall first find that the said claimants and their predecessors in interest have in good faith prosecuted the development of such claims since their initiation to discovery of oil.

That is the only proposition I desire to make.

Assistant Secretary ROOSEVELT. I think I may say right off that the Navy Department will approve if you insert the word "diligently" before the word "prosecuted."

Now, mind you, he is sitting there representing the Navy Department; he approved of the proposition with amendments he suggested, which is practically in the language of the bill we passed, except that we eliminated the Navy. He said we could even include the Navy if we put the word "diligently" before the word "prosecuted."

I continue reading from the hearings:

The CHAIRMAN. I want to leave that question of good faith to the Department of the Interior. Somebody has got to determine the question; otherwise we will be right back in the courts with a hundred different kinds of suits and never get anywhere.

Commissioner TALLMAN. That just applies to naval reserves.

The CHAIRMAN. I am dealing with the naval reserves. The Navy does not care how we pass this bill outside of that.

Therefore we eliminated the naval reserves.

Commissioner TALLMAN. The naval reserves, Mr. Chairman, are a very small part of the whole proposition, and there are probably more people looking for relief outside of naval reserves than there are in them. So far as the claimants are concerned, I am strongly impressed with the belief that they should all be treated alike.

The CHAIRMAN. Then put in within or "without naval reserves."

Commissioner TALLMAN. This thing has been hanging fire a long time. There are a great many cases. If we can not find a method of adjustment, it means a long period of litigation, loss, and expense to both the Government and the applicants and claimants of these lands. It seems to me that the time has not arrived yet for this committee to give up in despair of reaching some common ground. There has not yet been put before this conference any concrete proposition to agree to or disagree to. I can not say right now that I disagree with anything that Secretary Roosevelt has said or contended for, because it has not been sufficiently definite or concrete to say whether I did agree, or whether our department agrees or disagrees. It seems to me these preliminary discussions are necessary as a basis of taking up a definite proposition. When Senator SMITH sent the notice to the Department of the Interior it included two propositions to form a basis of relief. And that is what the Navy Department is chiefly interested in. We are interested not alone from the standpoint of the naval reserve but a great deal more outside of it, a very important field in Wyoming and other places. Now, ought not we to stay with this matter a little longer? We have been with it two or three years, and it seems to me we would be justified if we spent a few days longer, perhaps, trying to reach a common ground here, or at least in subjecting to a pretty thorough scrutiny these various propositions presented for relief. We have not taken up one yet as a basis of discussion or expression of opinion, and ought not we to do that first? Ought not we to take up these propositions as Senator SMITH submitted and to see what is in them?

Senator CLARK. You say Senator SMITH?

Commissioner TALLMAN. Senator MARCUS SMITH, of the Senate committee, who first took this thing up.

Mr. FINNEY. Has not Senator PITTMAN reduced the matter to a concrete basis?

The CHAIRMAN. I have made the most liberal proposition that could be made. I have eliminated the fraud class.

Representative FERRIS. Mr. Chairman, let me submit something. I suggest, and move if necessary, that the view of the conference be that the three departments consider the advisability and acceptability of the chairman's proposal; and if they do not agree with it that they come back with a counterproposal, so that we can agree to have something on which to pass. If they accept your proposal, the conference will have made progress; if they will not accept your proposal, let us have their counterproposal.

The CHAIRMAN. The conference will now stand adjourned until Friday, at 10 o'clock, and the departments will then endeavor to have a concrete proposition for acceptance.

Now, mind you, the departments did meet and considered the proposition made by the committee through its chairman, and what did they agree on, and what did they do?

Here is a letter from the Secretary of the Navy, addressed to me as chairman, and see what the Secretary of the Navy says to the proposal made by the committee:

NAVY DEPARTMENT,
Washington, December 23, 1916.

MY DEAR SENATOR: Representatives of the Navy Department in conjunction with those of the Interior Department and the Department of Justice, after conference among themselves, have presented to me a proposed amendment to the bill known as H. R. 406, which was presented to them by your committee with the request that it be agreed to, and if not, that a counterproposal be submitted. Your proposal reads as follows:

Then there is a copy of the proposal I read a while ago.

The letter continues:

"That the provisions of the bill be modified, providing for a preferential lease within and without the naval reserves, to claimants of mining claims who had initiated their right to such claims prior to September 27, 1909, either through themselves or their predecessors in interest, where there is no charge of fraud in the initiation or maintenance of such rights through dummy entry or otherwise, provided that the Department of the Interior shall first find that the said claimants and their predecessors in interest have in good faith prosecuted the development of such claims since their initiation to discovery of oil."

The word "initiated" in the proposed amendment is understood to mean something less than claims initiated by work leading to discovery, and the phrase "in good faith prosecuted the development of such claims since their initiation" is understood to mean something less than the diligent prosecution of work leading to discovery, as the law requires. Otherwise the proposal would be to give only preferential leases to those who are now entitled to patents. The proposed amendment is understood as intended to give preferential leases on any part of the area withdrawn by the Executive order of September 27, 1909 (including naval petroleum reserves numbered 1, 2, and 3), to claimants not chargeable with fraud but who, under existing law, can not sustain their claims.

Now, here is the part I am coming to, and I want particular attention given to it, because the Attorney General in his letter has denied that it has ever come to his knowledge that there has been any different position taken by any of the departments since they appeared before the committee of the Senate. He states that the House bill incorporates the views of those three departments and that it constitutes no change of position. I want you to see whether it constitutes a change of position of the Department of the Interior or not. I am still reading from the letter of the Secretary of the Interior:

In the conference which was held to consider this proposal, the Commissioner of the General Land Office presented for consideration as a counter proposal the following.

What does the Commissioner of the Land Office submit? Listen to the reading of it. He submits the identical thing the Senate now has in its bill. That is what he submitted. The Senate committee adopted the counter proposition of the Department of the Interior submitted to its committee. We passed the bill on the strength that it was approved by the Department of the Interior, and yet we are now informed by the Attorney General that the Department of the Interior concurred in the framing and adopting of the provision in the House bill which is in direct contradiction to this. Let me read the provision. The Secretary of the Navy quotes in his letter the proposition submitted by the Department of the Interior, which reads as follows:

"That upon relinquishment to the United States within 90 days after final denial or withdrawal of application for patent, of any claim asserted under the mining laws to any unpatented oil or gas lands included in an order of withdrawal or naval petroleum reserve No. 2, in the State of California, the claimant shall be entitled to a lease for each asserted mineral location of 160 acres or less, upon which such claim is based and upon which said claimant, his predecessor in interest, or those claiming through or under him have, prior to the date of this act, drilled one or more producing oil or gas wells, such lease to be upon a royalty of one-eighth of the production of oil or gas produced and saved therefrom after first deducting from the gross production such oil or gas as may be used in the development or operating of said lands, and otherwise on the same terms and conditions as other oil and gas leases granted under the provisions of this act: *Provided*, That within 90 days from the date of this act or of final denial or withdrawal of application for patent, the applicant for a lease shall pay the United States for one-eighth of the oil or gas produced from the lands included in said claim subsequent to ———, at the current field price at time of production, which shall be in full satisfaction for all oil or gas extracted from said land prior to said lease: *Provided further*, That all royalties received under the provisions of this section from said naval petroleum reserve No. 2, whether in oil or money, shall be delivered or credited to the United States Navy: *And provided further*, That none of the provisions of this section or of this act shall be applicable to or effect lands or minerals included within the limits of naval petroleum reserve No. 1, in the State of California, or naval petroleum reserve No. 3, in the State of Wyoming."

That is the language of the provision as drawn by the Department of the Interior and submitted to the Secretary of the Navy and the Department of Justice. It is in practically the identical language include in the Senate bill of to-day. It fixes the royalty the same. The only difference is that the Senate bill now provides that they must pay back the royalty from the beginning of the claim, whereas the plan submitted by the Department of the Interior provided that they should pay royalties from the time of the decision of the Supreme Court declaring that their withdrawal was legal. That is the end of the quotation from the Secretary's letter. Now, going on with the Secretary's letter:

This suggested counter proposal, if enacted into law, would give preferential leases, at a fixed royalty, from and after some date to be determined, to all claimants (whether chargeable with fraud or not, and without any rights under existing law) who have a producing oil well on any claim of not more than 160 acres within any withdrawn area, excepting naval petroleum reserves Nos. 1 and 3, the royalties from naval petroleum reserves No. 2 to go to the Navy.

It is unnecessary to discuss the relative merits of these proposals, since I am unable to assent to either as a whole or in principle. My reasons for this attitude, already well known to your committee through former hearings before the Public Land Committees, may be restated as follows:

Reserve No. 2 contains in round numbers some 30,000 acres, of which 3,500 acres are embraced in unassailable patents; 15,500 acres have been patented to the Southern Pacific Railroad Co. and are now involved in suits seeking the cancellation of the patents on the ground of fraud; 2,080 acres are embraced in the claims of the Honolulu Consolidated Oil Co.; some 5,000 acres are embraced in unpatented mineral claims against which charges have been preferred. In addition to the above there are about 3,500 acres presumably not valuable for oil.

I am advised by the Attorney General that there is much reason to expect a favorable outcome of the pending litigation involving the lands patented to the railroad company (and it is also highly probable that the charges of fraud and illegality which have been preferred against those claiming the unpatented lands will be sustained in most instances). Accepting, as I must, this view of the legal department, I feel that the Government's interests, which in this instance means particularly the interests of the Navy, are too substantial to be sacrificed.

My opinion has always been and still is that whatever equities or rights these claimants have should be determined through court proceedings which have been, or will be, instituted, and that it would be highly inadvisable to put an end to all such court proceedings and determine these rights and equities on ex parte evidence.

The constantly increasing need of the American Navy for petroleum induced the withdrawal order of September 27, 1909, and the subsequent creation within the withdrawn areas of the naval petroleum reserves. The lands embraced in reserve No. 2 constitute the only well-proven and highly productive oil-bearing area now reserved for the use of the Navy. At the time of the first withdrawal, September 27, 1909, the unpatented tracts in this area were covered with alleged claims, very few of which were initiated and prosecuted in good faith; that is, by the initiation of work leading to discovery and diligent prosecution of such work thereafter. I am advised that many of the claimants have no rights enforceable in any court of law or equity and that they maintained possession in most cases by force or intimidation. The prospective prize was so rich that their successors by purchase or lease invested large sums of money in the development of these alleged claims in defiance of the law. These men are now asking the Congress to give them, at the cost of naval efficiency (which means at the cost of the national security), that to which they have no legal or equitable claim, and it is my understanding that this proposed remedial legislation is calculated to accomplish that result. I consider it to be the duty of the Navy Department to make every effort to fully protect whatever rights the Navy secured through the action of the President in setting aside these reserves for the exclusive use of the Navy, and as the head of the Navy Department I wish to make known my unalterable opposition to any measure that could have the effect of depriving the Navy of the reserves so created.

Very respectfully,

JOSEPHUS DANIELS.

Now, then, the Senate committee went further. It took heed of the objection of the Secretary of the Navy, and it placed in its bill that the remedial legislation should not apply to anyone who had been guilty of fraud or who had knowledge of the commission of fraud. It went further. It met the objection of the Secretary of the Navy. It went still further. It eliminated from the operation of the bill all naval reserves.

Mr. THOMAS. The Senator may remember that the Senator from Virginia [Mr. SWANSON] during the discussion of the bill upon this floor, representing the Committee on Naval Affairs, expressed his consent, perhaps not in direct terms, but he voiced no objection to the bill, inasmuch as it had excluded the naval reserves from its operation.

Mr. PITTMAN. Mr. President, I say that the conferees had reason to believe that there was a contradiction between the attitude taken by the departments when the Senate committee was considering the matter and their attitude before the House committee when the House committee was considering it. The conferees on behalf of the House have indicated very clearly that nothing will be agreed to by the House that is not approved in toto by these departments, and that if we agree to anything else it will be a useless act and a waste of time. I am inclined to believe they are right. The letters that have been received from two of these departments plainly say that they are not going to recede from the House bill at all.

What is the difference between the House bill and the Senate bill in this provision? As drawn by the Department of the Interior and included in the Senate bill there was a fixed royalty of one-eighth; in the House bill there is a royalty to be fixed at any sum whatever, not less than one-eighth. In the Senate bill it is provided that before a lease may be granted to these people they must pay to the Government one-eighth in value of all the oil heretofore taken from the ground; in the House bill before a man may obtain a lease he must pay to the Government any sum that may be determined on over and above one-eighth. In the Senate bill, where no fraud appears, he is given a lease on the mining claim that was the foundation of his work and upon which he had discovered the oil and made a producing well; in the House bill he is given only a lease on the well, and nothing else. Those are the differences and conditions.

In the Senate bill the value of the leased ground is determined by competitive bidding, with the right reserved to the Secretary of the Interior to refuse any and all bids; in the House bill it is provided that the Secretary of the Interior may lease on any terms and conditions that he sees fit at not less than one-eighth.

In one bill there is something definite and practicable; in the other it is indefinite and impracticable. One of them places reasonable limitations around the discretion of the department, while the other allows the department to run rampant. One of them protects against the misfortunes that have taken place under the leasing system in Alaska, while the other is simply renewing the same condition of affairs. Yet we have been in session, off and on, as the Senator from Colorado [Mr. THOMAS] has said, for months.

However, let me say this: It has not been as much of a deadlock, so far as the conferees are concerned, as the Senator from

Colorado might think or as the Senate might believe. The action of the members of the conference committee on behalf of the House, as demonstrated before the Public Lands Committee at the time these hearings took place, shows that they favor the Senate bill over the House bill. I am not referring to anything they have said or any action which they took in the conference, but their action, their votes, their statements, as demonstrated in the hearings before the Public Lands Committee in the House, show that four of the five conferees of the House are in practical accord with the Senate side. Why, then, do they not vote with us? We have not asked them to vote with us. Why? Because the Members of the House are just as sincerely trying to pass the bill as we are, and they, in my opinion, do sincerely believe that the House will kill any bill if reported to that body which is in opposition to the single wish of the Department of Justice or of the Navy Department.

Then, you would say to us, "Let us quit"—that has been suggested by one of the Senators here—"let us quit; let us throw it back here; let us report a disagreement." We would be tempted to take such action in ordinary times and under ordinary conditions, but the country must have oil. It has got to have an increased production of oil, and there are only two ways to obtain that increased production of oil. One of them is to provide the machinery whereby oil operators may produce it, or the Government must attempt itself to produce it. That is final.

As I said before, I think it is deplorable to force the Government into a position where it has got to develop these oil lands. It can not get the experienced help to do it. Men who speculate in oil lands are of the nature of gamblers. They have sunk a hundred holes looking for oil where they have found one good one. They are not men who are working for wages. They are men who have visions; they are men who like to develop things; they are men who like to find something. If they were not, they would lend their money to some one else to take their chances on. There are thousands and thousands of educated mining engineers who are expending the money of these men. Those oil men will go to Mexico, to South America, to Siberia, to China, or anywhere else where they can have an occupation, where they can go on with the business of a lifetime. With them will go the thousands of young mining engineers who cooperate with them in that industry.

Oh, yes; the Government will increase its production of oil. Of course, they have got the pipes; they can hire drillers; but it is going to be at a tremendous expense. It is going to be at a tremendous loss, and the industry is going steadily to weaken and to go down. It is not going to be of economic advantage to this country. You are going to drive the men who put up the money for that kind of work from the country, and the men who know how to do it, and you are going to take any kind of labor if you attempt to do it.

That is not all; that is not half of it; it is not a hundredth part of it. It means that the same doctrine, the same policy that reaches out and authorizes that, is going to be extended to other industries. Why not? If you are going to take over the oil industry of this country because it is an exhaustible resource, why not take over the copper industry? You should take it over under exactly the same theory. You should take over the coal industry of the country; you should take over the iron industry of the country, the lead industry, the copper industry, the zinc industry, and the gold and silver industry. Why not? They are all exhaustible products; they all belong to the people of this country; they are all essential to the welfare and happiness of the people of the country.

The same doctrine, the same theory, the same arguments lead you inevitably to that conclusion; and yet, if we do not furnish the machinery for individuals to develop these great fields, then the Government, in the very necessity of the case, has got to establish that policy; there is no other way out of it.

Why, you say, pass this bill with regard to property that is not in litigation and leave the litigated property out of the bill? Do you not know that the Department of Justice has laid a blanket protest over every great known oil field on the public land in this country? Do you not understand that the decreased production has been caused by the stopping of development of the so-called naval reserve No. 2 in California and in the Wyoming field? Do you not know that all of the great oil experts of the country, in testifying before the Public Lands Committee of the Senate, have said that there is but one place that the Government can go to-day to increase its oil supply, and that is in and around naval reserve No. 2 and in Wyoming? We can not leave that out of the bill; it has got to be in the bill. You have either got to pass some bill that will provide for individual initiative or the Government, of necessity, will provide the means.

I think that there are those who believe that it is for the best interest of the country that the Government should do it. Having that belief, they are not helping to pass this bill, and, in my humble opinion, they would be happy to see the bill fail. Every action indicates that. That does not apply to the Secretary of the Interior, either; I do not include him in that remark. If the Secretary of the Interior had been allowed to perform the services that are allotted to him and required of him under his jurisdiction, you would never have been in this position to-day; but when other departments invade the jurisdiction of the Department of the Interior, when they invade the jurisdiction of the Navy Department, when they, in fact, invade the jurisdiction of every other department of the Government, what can you expect? And yet you ask us why we have been meeting and why all this delay. It has been because we have hoped that those who have the power to prevent legislation would listen to the arguments of those who understand the situation; would banish from their minds their narrow prejudices and would be willing to permit the Senate and the House of Representatives to utilize some judgment in this matter. That they would not attempt to usurp the functions of Congress, and instead of obstructing would say, "Why, yes; we are not particular about details; we are not particular as to whether it is a fixed eighth or a minimum eighth; we are not particular as to whether it is 160 acres or one well with a 600-foot area around it; we are only particular to protect the Government against fraud; we are only interested in seeing that there is oil production and that the production goes out to the people of this country at a reasonable rate."

Mr. NORRIS. Mr. President, may I interrupt the Senator from Nevada?

Mr. PITTMAN. Certainly.

Mr. NORRIS. I have listened to the Senator with a great deal of interest, and I want to see if I am reaching the right conclusion. In this attempted conference between the conferees of the House of Representatives and the Senate and the representatives of the three executive departments, that never took place as I understand——

Mr. PITTMAN. The letter that has just been read, of the Attorney General, demonstrates that it never will take place, in my opinion.

Mr. NORRIS. Well, am I right in the conclusion that the only one of the three departments named that is willing that the conference shall take place is the Interior Department?

Mr. PITTMAN. The letter that I have received from Secretary Lane is the only one that affirmatively states that his department would be pleased to meet with us if the others would cooperate.

Mr. NORRIS. Am I right in reaching the conclusion, further, that the reason we can not get an agreement between the conferees is because of the attitude of the Department of Justice and the Navy Department? I rather gathered that from what the Senator from Nevada has stated, and I want to know whether or not that conclusion is right?

Mr. PITTMAN. I will say that, as one of the managers of the conference on the part of the Senate, I am satisfied from what has been said and what has taken place that but for the attitude of the Attorney General and the Secretary of the Navy in opposing any modification of the House bill, four of the five members of the conferees on the part of the House would agree to reasonable modifications of the House bill. Those reasonable modifications would, in my opinion, satisfy the managers on the part of the Senate, and an agreement would be immediately reached; but, apparently, the conferees on the part of the House being unwilling to make any modification or change in the House bill without the approval of these departments we invited the heads of the departments in question to come before us and tell us whether or not the position they had taken before the Senate committee was their present position or the position they had taken before the House committee. I have read to you the position taken before the Senate committee, and the bill itself shows what their position was before the House committee. It is an absolute contradiction, and yet the Attorney General declines to come before the committee because he does not know of any contradiction or any change in attitude.

Now we are back where we were before. The question is, Shall we insist upon the provisions of the Senate bill or shall we accept what we can get? Up to this time there was always a hope that there would be a reasonable modification of the House bill and an agreement approaching the terms of the Senate bill. That is the reason we kept the conference committee alive. There were gaps of a week or 10 days between meetings while conferences with the departments were going on by individual members of the conference committee. It was our duty to wait so long as they wanted light and so long as there was a hope

that they could get these departments to unbend a little; and we did wait. Senators know the result. It was not the fault of the conferees that there was delay; it was the desire of the conferees to get some bill to prevent Government ownership, and I for one am going to make an effort to get some bill out right away, because I am positive in my own mind that, if we do not do so, this disastrous experiment with regard to Government mining is going to start, and start soon.

The reason I oppose the placing of the amendment of the Senator from Colorado [Mr. THOMAS] on this bill is simply this, that if we can not put the Senate bill or some part of it through in the present conference by reason of the attitude of the House, we can not do so as an amendment to the water-power bill. As soon as we assemble the conferees—and it may be a week or 10 days before we can do so, because some of them have gone on liberty loan campaigns—we will act, we will vote; and I believe we will try to bring in a bill. If we do not bring in a bill, it will be needless to worry about the amendment offered by the Senator from Colorado ever becoming a law, because by the time it gets to conference or by the time it reaches the House there will be no public lands and there will be no oil wells in this country on the public lands not now patented that will not be in the possession of and be operated by the Government, and therefore they will not be subject to the operation of the amendment of the Senator from Colorado.

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. PITTMAN. I yield the floor.

Mr. SMOOT. Mr. President, I have no desire to discuss this question further, but I wish to add one thing to what the Senator from Nevada [Mr. PITTMAN] has said in relation to the position of the conferees on the part of the Senate.

After meeting with the conferees of the House time and again and discussing the minor questions involved in the two bills, there is no doubt that the conferees on the part of the Senate yielded, taking the wording of the House bill; but when it came to the vital questions involved, those questions which have been referred to by the Senator from Nevada, the conferees on the part of the Senate have been met with the statement, "It is useless to go back to the House unless the House provision, word for word, is accepted and the principle of the House bill is agreed to." We have asked them to present the matter to the House and let the House vote upon it, after a statement from the conferees on the part of the House setting forth the situation and advising the House as to what is necessary in order to get legislation which they claim they are anxious to secure, and in order that we may have an agreement on a conference report. If the House votes it down, we have told the conferees on the part of that body that we will hold another conference to see if we can get any nearer together; but, as the Senator from Nevada has said, there is one member of the conference committee who does not propose to take the matter back to the House unless he can have a written letter signed by the Secretary of the Interior Department and by the Secretary of the Navy.

Mr. CUMMINS. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Iowa?

Mr. SMOOT. I yield to the Senator.

Mr. CUMMINS. May I ask a question of the Senator from Utah?

Mr. SMOOT. Certainly.

Mr. CUMMINS. This is all very deplorable, I think. As I understand, the bill can not be passed without the consent of these Cabinet officers?

Mr. SMOOT. That is what we are told; that it can not be passed in the House unless they consent to it.

Mr. CUMMINS. And there is a disagreement between these Cabinet officers with regard to the provisions of the bill?

Mr. SMOOT. With regard to the fundamental principles of the bill.

Mr. CUMMINS. There must be a higher power to which an appeal can be made that would settle the differences between these subordinate officers. Has the conference committee attempted that appeal?

Mr. SMOOT. I will say to the Senator that the conference committee has attempted, so far as the members of the conference committee on the part of the Senate are concerned, to meet the wishes of the House conferees. We agreed to invite the heads of these three departments to come before us and discuss the question to see if we could not get an agreement so that the Member to whom I have referred could go back with the letter which he has said he must have in order to secure favorable action by the House. The Senator has just listened to the letter from one of the heads of the departments in answer to that invitation.

Mr. CUMMINS. That is not the point. I do not believe these officers ought to have anything to do with legislation.

Mr. SMOOT. I do not, either.

Mr. CUMMINS. Nor do I believe that any executive officer should have anything to do with legislation in any way, other than furnishing information; but they have. Now, here are three representatives of one man in different departments. Why not appeal to the one man who can settle these differences between his subordinates?

Mr. SMOOT. Mr. President, we have not got that far yet.

Mr. FALL. Mr. President, will the Senator from Utah allow me to get my breath a moment?

Mr. SMOOT. I yield to the Senator.

Mr. FALL. Do I understand the Senator from Iowa to suggest now that the Congress should appeal to the President of the United States to know of him whether we may legislate or not?

Mr. CUMMINS. The Senator from New Mexico knows my general view upon that subject very well. I just stated that I did not think executive officers ought to have anything to do with our legislation; but they are having something to do with it; and, instead of fooling along with differences of opinion among the subordinates, if we are to be governed by Executive order, why not go to the common source, to the one man who can settle the differences of opinion?

Mr. FALL. I think the Senator's position is perfectly logical. If we are going to be governed by Executive orders in our legislation, we certainly should go to headquarters.

Mr. SMOOT. Mr. President, the Senator from Nevada called the attention of Senators to the testimony of the Assistant Secretary of the Navy, Mr. Roosevelt. I thought I had amongst my papers the Senate hearings before the Public Lands Committee, at which the Secretary of the Navy himself appeared, and upon this very question testified that, if the naval reserves were excluded from the bill, he had no objection whatever to the passage of the legislation. The only reason why the Attorney General was brought into the question at all was because of the naval reserves, and the locations that had been made within the boundaries of those reserves; but so anxious were the members of the Public Lands Committee to secure legislation along this line that they were willing that the naval reserves should be excluded.

Mr. THOMAS. And they were excluded?

Mr. SMOOT. And they were excluded, as the Senator from Colorado suggests.

Mr. PITTMAN. Mr. President——

Mr. SMOOT. Just a moment. I want the Senate to understand that it is not due to any lack on the part of the Senate that the reserves in California are not operated to-day. The Senate will remember that in the closing days of one of the sessions of Congress there was put upon an appropriation bill a provision for the relief of the oil producers in California and Wyoming. That was at least four years ago. That provision went to conference, but the House would not agree to it. A disagreement was reported to the House by the conferees; that action was sustained by the House; and the item went out. Why? Because there was an objection on the part of the Secretary of the Navy to it.

Now, I yield to the Senator from Nevada.

Mr. PITTMAN. Mr. President, I merely wish to call attention to the fact that the Senate conferees are still willing to leave the naval lands out of any consideration in this bill, and would like to do so.

Mr. SMOOT. We made the proposition not only once but we made it many times to the conferees of the House and told them that they could write the provision in any way they desired, and we called attention to the fact that when the Secretary of the Navy sent to this body a prepared bill dealing with the naval reserves and asked the chairman of the Committee on Naval Affairs of the Senate to introduce it in the Senate, and he in turn claimed that that bill ought to be referred to the Naval Affairs Committee, a vote was taken upon it by the Senate, and it was referred to the Naval Committee instead of to the Public Lands Committee, which had had the subject under consideration for 10 years.

Mr. PITTMAN. Let me call the Senator's attention to something else that bears on this point.

Mr. SMOOT. I yield to the Senator.

Mr. PITTMAN. It bears on the question of depreciation of the oil production. On August 25, 1914, a bill which, of course, had passed both bodies of Congress, was approved by the President, providing for the operation of oil lands in litigation pending the determination of the application for patent; in other words, about that time the Government had filed in effect a blanket protest against every such application for patent on the

public domain. The question was either to operate those lands pending the determination of the question by a receiver of a court or to operate them through some contract with the Depart of the Interior. The act empowered the Secretary of the Interior with regard to oil lands which were in dispute, where the title was being investigated or patent was held up, to enter into such contracts as he saw fit with the claimant of the land with regard to the production of oil pending the determination of title.

It also provided for the same action within naval reserves. What was the result? The Secretary of the Navy objected to any contracts being entered into in respect to lands in a naval reserve, and consequently the Secretary of the Interior did not enter into them; but outside of the naval reserves, on the public lands, he entered into contracts with these claimants to sink new wells on the disputed area, treating the land just as though the Government owned it and requiring the claimants to pay the Government a royalty on the oil that came out of the ground.

A number of contracts were entered into in California and Wyoming on this disputed land. The production was increased thereby. New wells were sunk. It was necessary to sink additional wells. The Secretary of the Interior approved the sinking of such wells on this disputed area, but it was held up. How held up? By the Department of Justice. The recommendation by the Secretary of the Interior that these men be permitted to sink additional oil wells on this disputed territory under the conditions and restrictions that he should impose was objected to by the Department of Justice; and the Department of Justice has now gone even so far as to force the Secretary of the Interior to require these men, who were operating under the act of 1904, to discontinue operation of existing wells unless they impound 100 per cent of the oil taken out of the ground. I am informed that 24 out of 28 of these contractees who have received such ultimatum have abandoned their contracts.

That is the situation.

Mr. SMOOT. Not only that, Mr. President, but the other four of them are producing oil here, and every gallon of it is being impounded. All that the Senator from Nevada has just said is absolutely true.

Senators, this is the situation as it exists to-day.

I want the Senate to understand that the Senate conferees are perfectly willing to agree to a conference that will allow the largest production of oil in this country. That is what we want; and, as the Senator from Nevada well says, the provisions of the House bill, as far as the Government is concerned, will yield less dollars than will the Senate bill.

Mr. THOMAS. Mr. President, the discussion which has illuminated the situation since I yielded the floor I think fully justifies my action in offering this bill as an amendment to the water-power bill. I knew, of course, that the representatives of this body on the conference committee had at all times sought to secure an agreement upon a bill which would command the votes of the majority of this body; and I have no doubt they will continue to do so, doubtless without success.

The situation is one, I will not say which is unique, but which is new to my experience. A conference committee upon a bill involving a vastly important subject is awaiting, or some of its members are awaiting, the O. K. of certain department heads before they will agree upon a conference report, and upon the theory, doubtless, that without such approval no agreement which may be reached will become ultimately effective. In other words, the Congress of the United States can not legislate regarding this important subject unless the Department of Justice, the Department of the Interior, and the Department of the Navy approve—not one, not two, but all of them.

If it be true that the oil-leasing bill will not become a law except under those conditions, and if it be also true that those conditions are impossible of realization, then it follows that the Senate members of the conference committee must yield to the House and report this bill, a measure which I do not believe a majority will approve, or legislation must be sought in some other direction. I know of but one other direction, and that is to seek to take advantage of the desire of each of these departments for another bill, and give them both bills in one document. If their objection to the leasing bill is so insurmountable as that, the bill thus amended will fail; so be it. I do not desire to take part in any proceeding which seems to me to involve a surrender of our legislative action, not to the Executive, who has the power of veto, but to two departments concerning a matter over which they have no jurisdiction whatever.

It is a humiliating fact that the Secretary of the Interior, so far as we can judge from this condition, does not control the department over which he has been appointed to preside, but the subject matter of his jurisdiction is within the control and subject to the absolute domination of the Secretary of the Navy and the Attorney General of the United States. That he submits to such a situation is to my mind amazing; yet it is a fact that ever since the Secretary of the Interior passed the Honolulu cases for patent he has been without absolute authority in his own department.

Under those circumstances I am not disposed to vote for a bill that is otherwise absolutely unobjectionable, neither am I disposed to concede for one moment that water power is of any more importance in this great national emergency than our supply of oil; and if both fail then the responsibility is not upon the legislative department of this country but upon others.

I think, therefore, that instead of presenting arguments for the withdrawal of this proposed amendment the splendid discussion of the subject by the Senator from Nevada [Mr. PITTMAN] only confirms my opinion of the wisdom of offering it.

Mr. MYERS. Mr. President, I have not had the privilege of hearing all of the debate on the pending motion of the Senator from Florida [Mr. FLETCHER]. I have not been able to be present during all of the debate. For a while I was compelled to be absent from the Chamber on important official business. I have, however, heard a part of it; and as I happen to have the honor of being chairman of the Senate Committee on Public Lands, I feel that I should say enough on the pending motion to explain my vote on it.

I have conferred to a considerable extent with those in this body who want the water-power bill as it came from the House to go to conference, who want the Senate to disagree to the House amendment and send the bill at once to conference; and I have conferred, on the other hand, with those who oppose that course and want it to go to a committee, special or regular; and I have given some thought to both proposed courses. There is some reason and argument in support of each course. However, I believe the better plan is to adopt the motion of the Senator from Florida, to disagree to the amendment and send the bill to conference.

There has been some reference during the debate to a water-power bill considered at another session of Congress which, in general reference thereto, bore my name. It bore my name because I had the honor of reporting it from the Senate Committee on Public Lands. It was in fact a substitute for a House bill which came to this body and to the Senate Committee on Public Lands, and the substitute was framed largely on a bill which I had introduced, using it as a basis. In that way, by popular reference, generally the bill bore my name. The fate of the so-called Myers water-power bill in this body is one of the things that lead me to believe that it is better not to send the pending bill to a committee, regular or special, but for the Senate to disagree to the House amendment and send the bill to conference at once.

Session after session, for years, through succeeding sessions of Congress and through succeeding Congresses—several Congresses, now—the Senate Committee on Public Lands has struggled and striven to get through this body a bill which embodied the ideas of a majority of the members of that committee and has never succeeded. It always led to interminable debate. Those who supported the bill were never able to get it to a vote; and if it had not been supplanted by other business, I think the debate might have been going on still. Effort after effort was made without success to obtain a vote on the bill. So I feel that there is very little room for hope to get through the Senate a bill which embodies the ideas of a majority of the Senate Committee on Public Lands in regard to water-power development.

When we have struggled unsuccessfully for years to pass such a bill, what encouragement is there to refer the pending bill to a committee and there to try to revamp it and reframe it and then to get it through this body?

I believe that if the pending bill were referred to a committee, either regular or special, that would be the end of it for this session of Congress, and probably for the life of this Congress. I would not expect any bill to be enacted during the life of this Congress. I would expect the 4th of March to arrive and pass by without any legislation on the subject, and then a bill would have to be reintroduced and started again in another Congress.

I am fairly well satisfied with the principal provisions of the pending bill. I think, in the main, it is a fair and workable bill. I would far rather have it than no legislation at all on the subject. I do not agree with all of its provisions. In the main, I think it a meritorious measure. I have no objection to the commission feature of it. I do not see any objection to vesting the necessary power in a commission of three rather than in one official. So far as I am concerned, I would be just

as well satisfied with a commission of three as to have all power vested in one man. I have no particular choice in that respect.

Mr. KING. Mr. President, will the Senator yield?

Mr. MYERS. With pleasure.

Mr. KING. As I understand the present bill, the one reported from the House, it practically turns over to the Federal Government the control, and with that really the ownership, of the waters and the use of the waters within a State—waters which are navigable as well as waters which are not navigable. Now, if my premise is correct, do I understand the Senator to admit that he is willing for the States to give away their property—property which they hold in trust for the people—turn it over to the Federal Government and permit a commission of three to control forever, or at least for a period of 50 years, the rights and property of the States which they hold in trust for the people?

Mr. MYERS. I think three officials would be as efficient and satisfactory as one.

Mr. KING. Oh, I agree with the Senator as to that. Does the Senator admit that the Senate bill deprives the States of their ownership in and control over the waters within the States which are not navigable?

Mr. MYERS. No; I do not. Section 27 of the pending bill says:

That nothing herein contained shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective States relating to the control, appropriation, use, or distribution of water used in irrigation or for municipal or other uses, or any vested right acquired therein.

This bill, as I understand, does not rob the States of their interest in or rights to the waters flowing through the several States, either navigable or nonnavigable streams. It merely attempts to regulate the use of that water in the production of electrical power. As far is the nonnavigable streams on public lands are concerned, I believe it is the intention of the bill, as it was of bills that emanated in times past from the Public Lands Committee of the Senate, merely to control, regulate, and dispose of the use of the public lands through which the water flows. It is not intended to interfere with the ownership and control by the State of those waters. No; I do not believe in doing what the Senator states in his question. I do not think this bill does it.

Mr. KING. As I understand the Senator, if he will still pardon me, under his interpretation of the bill it gives the Federal Government the right to control the use of the waters within the State, whether the waters be navigable or nonnavigable.

Mr. MYERS. For the purpose of the production of electrical power.

Mr. KING. Then, to that extent, they control the property which belongs to the State, which it holds in trust for the people. I am speaking of the water rights.

Mr. MYERS. As far as nonnavigable streams running through public lands are concerned, under the provisions of this bill I believe that a person who desired to obtain a lease of the land adjoining the stream from the Federal Government would have to comply with the provisions of the laws of his State for the appropriation and use of the water. I think section 27 makes it plain. It is similar to provisions that were at different times in the past contained in various bills reported out of the Senate Committee on Public Lands. The State controls the use of the water, the Federal Government controls the use of the public land through which the water flows. The consent of each must be obtained; the consent of the State to the use of the water, the consent of the Federal Government to the use of the land.

As I was saying, I do not agree with all of the provisions of this bill. I very heartily agree with the Senator from Iowa [Mr. CUMMINS] that the provisions of this bill should not apply to small streams which are not navigable in fact and are not navigated, which are only theoretically navigable. I do not think it ought to apply to them, and I am very heartily in favor of a change in the bill so as to eliminate from its provisions control or authority over those streams. I believe, however, that that could be effected in conference, and I believe everything desirable that could be attained by referring this bill to a committee and then reporting it back to the Senate can be attained by sending it to conference right now. I believe the latter course would be the surest, shortest, and most practicable way of getting legislation on the subject. That is what I want. I want results—results of the right kind. I have had enough of interminable discussion on the subject. I now want legislation.

I believe that the feature of the bill to which the Senator from Iowa refers, and other features which might be improved upon, may be either eliminated or improved upon in conference, and that in that way there is some show of getting some legislation at this session of Congress for the development of water power both on navigable streams and on nonnavigable streams flowing through the public domain. Otherwise, I do not believe there is a particle of chance of doing so. I believe it is that or nothing during the life of this Congress.

For those reasons I shall vote for the motion of the Senator from Florida.

Mr. FALL. Mr. President, I shall vote for the motion to refer this bill in the hope that something will be done by the conference committee. I very sincerely hope that something may be done with reference to the oil situation and the coal situation. I see no opportunity to do anything with it unless it is by attaching some measure which has been approved by the Senate to some measure which the administration wants and is determined to have. Then, possibly, a trade may be made. The present situation is deplorable.

I had hoped that the Senator from Nevada [Mr. PITTMAN] would remain within the Chamber long enough to give me a little information upon the proposition which he has advanced now for the second time before this body, and that is, in the event that legislation on the subject is not enacted at this session of Congress, that inevitably the Government of the United States will take over and operate the mines which are referred to in the pending legislation. I wanted to ask him, as he spoke with such positiveness, as to what information, if any, he had upon the subject leading him to make the statement.

Mr. PITTMAN entered the Chamber.

Mr. FALL. I see that the Senator is now in the Chamber, and I will propound my question directly to him. If the Senator from Nevada will allow me to ask him a question, I shall be glad to have such information as he can furnish in answer to it.

For the second time, I think, this afternoon the Senator has stated it as his conviction that, in the event some legislation is not immediately enacted opening up the mines—that is, the coal, phosphate, and oil deposits—the Government itself will take over the public lands upon which such deposits are situated, and will proceed to operate them directly. I should like to ask the Senator if he has any direct information upon which he bases that statement, leading him to believe that such a course will be pursued; and if so, how it is proposed to carry it out?

Mr. PITTMAN. I have direct information that convinces me that that policy will be attempted. I have obtained that information from what I consider quite authoritative sources. Such sources of information, of course, are open to the Senator.

Mr. FALL. Certainly. I do not ask the Senator to disclose the source of his information nor to answer any question, of course, that might be enbarrassing to him, but I am very much interested in this proposition.

Has the Senator information as to under what law or upon what theory it is proposed to carry out these operations?

Mr. PITTMAN. No; I did not inquire into that phase of the matter.

Mr. FALL. Mr. President, the only expression of the legislative will upon the subject is contained in public act No. 41 of the Sixty-fifth Congress, "An act to provide further for the national security and defense," and so forth; and, I must say, it would be an exercise of such—I will not say authority, because it would not be authority—an exercise of such arbitrary power that I can not conceive that the Congress of the United States would appropriate the moneys necessary for it, nor can I for one moment conceive the idea that the President of the United States would allow any of the moneys already appropriated or provided to be misapplied for any such purpose.

Mr. PITTMAN. Mr. President, will the Senator, just for information, read the particular paragraph he has in mind?

Mr. FALL. I will. I have it in my hand:

SEC. 12. That whenever the President shall find it necessary to secure an adequate supply of necessaries for the support of the Army or the maintenance of the Navy, or for any other public use connected with the common defense, he is authorized to requisition and take over, for use or operation by the Government, any factory, packing house, oil pipe line, mine, or other plant, or any part thereof, in or through which any necessaries are or may be manufactured, produced, prepared, or mined, and to operate the same. Whenever the President shall determine that the further use or operation by the Government of any such factory, mine, or plant, or part thereof, is not essential for the national security or defense, the same shall be restored to the person entitled to the possession thereof. The United States shall make just compensation, to be determined by the President, for the taking over, use, occupation, and operation by the Government of any such factory, mine, or plant, or part thereof.

I shall not continue to read; but the meaning is so absolutely plain that no legislative or judicial construction can be necessary, and certainly no administrative construction of the terms of this act would justify the misappropriation of funds for the purpose of carrying out the peculiar ideas of some departmental chief or clerk with reference to Government operation of oil

upon the public domain of the United States. I could not for a moment indulge in the presumption that the President of the United States would allow any such misappropriation of the funds with which he has been entrusted for the purpose of carrying out the provisions of this or of any other law; and I was wondering if the Senator knew of any other law which was considered to be in any manner whatsoever authority, under any strained construction of which the administrative department could proceed to take charge of the public domain and work it?

Mr. PITTMAN. Mr. President, I do not understand the Senator's argument against the power of the President to operate under that act.

Mr. FALL. The argument is simply the usual argument with reference to the construction of statutes of this kind—that eminent-domain statutes or confiscatory statutes must be most strictly construed, and the authority goes only to the exact object specifically stated in the legislation itself; and that where the object of the legislature is so apparent as it was here—we provided for it here again a day or two ago in a bill covering the same subject—if a man owning a mine containing valuable minerals necessary for governmental purposes, or a man owning a reduction plant or a concentration plant or other plant necessary for the production of such minerals from the ore of such mine, refuses to work it, the President then can compensate the party owning either the plant or the mine, or both, take them over, and have them worked, by lease or otherwise.

Mr. PITTMAN. Suppose this situation develops: Ninety-odd per cent or more of the producing oil wells on the public domain are on land either in litigation or dispute. That is the land that would be involved under this act if any were involved. Now, that is in litigation. The title is not in the individual, the title is still in the Government, the individual asserting his right to title but the Government denying that right. If it becomes essential to increase development on that area, and the Government has no law under which it will permit the individual to increase it, would it not then be brought within the purview of the act?

Mr. FALL. I do not think so at all, Mr. President, unless the court would say the very fact that the Government undertook to operate the property under the provisions of this act would be a legal construction of their decision as to the title to the property. The very fact that they are undertaking to take possession of it would be an admission that the property belonged to the private individual, and the litigation would immediately be settled in that way and the property worked under the requisition provision.

Mr. PITTMAN. Ninety per cent of the oil-bearing land on the public domain is now claimed by the Government adversely to the mining claim.

Mr. FALL. A requisition under this act would be an admission of title, because only thus could the Government take charge of it and operate it.

Mr. PITTMAN. It is not operated at the present time for the reasons heretofore stated. If it is not operated soon through some legislative machinery, it must be operated through some other, and I assume from what I have heard that it will be operated under the provisions of that act. The Senator now says that that would be an admission of title to the claimants.

Mr. FALL. Undoubtedly.

Mr. PITTMAN. I think they would simply hold that they would take it over at the present time and operate it and permit the claimant to establish in any suit against the Government any equity or title he might have.

Mr. FALL. We differ in that very materially, and that is what I wanted to draw out from the Senator. If it is the purpose of the Government, I would unhesitatingly advise all claimants to submit, because their title will be settled immediately, and the Government will become responsible to them for every gallon of oil and for damage done.

Mr. FLETCHER. No Senator seems to desire to discuss the matter further now. I believe we shall not be able to get a vote upon the motion this afternoon. There is some executive business to be attended to, and after that I believe the purpose is to adjourn until Saturday at 12 o'clock. I should like to make a parliamentary inquiry of the Chair. What step is necessary to keep this matter the unfinished business, if any?

The VICE PRESIDENT. This is the unfinished business before the Senate.

Mr. FLETCHER. It is not necessary to lay it aside for the purpose of an executive session or adjournment?

The VICE PRESIDENT. No; it will go on.

EXECUTIVE SESSION.

Mr. FLETCHER. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

RECIPROCAL MILITARY SERVICE WITH GREECE AND FRANCE.

During executive session the following treaties were ratified, and on motion of Mr. POMERENE the injunction of secrecy was removed therefrom:

RECIPROCAL MILITARY SERVICE WITH GREECE.

To the Senate:

I transmit herewith, to receive the advice and consent of the Senate to its ratification, a convention between the United States and Greece, signed at Washington on August 30, 1918, in respect to reciprocal military service of citizens of the United States in Greece and citizens of Greece in the United States.

WOODROW WILSON.

THE WHITE HOUSE,
Washington, September 6, 1918.

—

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate, if his judgment approve thereof, to receive the advice and consent of that body to its ratification, a convention between the United States and Greece, signed at Washington on August 30, 1918, stipulating for the reciprocal military service of citizens of the United States in Greece and citizens of Greece in the United States.

This convention was negotiated in conjunction with the War Department and has its approval.

Respectfully submitted.

(Signed) ROBERT LANSING.

Inclosure: As above stated.

DEPARTMENT OF STATE,
Washington, August 31, 1918.

—

The President of the United States of America and His Majesty the King of the Hellenes, being convinced that for the better prosecution of the present war it is desirable that citizens of the United States in Greece and citizens of Greece in the United States shall either return to their own country to perform military service in its army or shall serve in the army of the country in which they remain, have resolved to enter into a convention to that end, and have accordingly appointed as their plenipotentiaries,

The President of the United States, Robert Lansing, Secretary of State of the United States; and

His Majesty the King of the Hellenes, Mr. Georges Roussos, Envoy Extraordinary and Minister Plenipotentiary of Greece to the United States,

Who, after having communicated to each other their respective full powers, found to be in proper form, have agreed upon and concluded the following articles:

ARTICLE I.

All male citizens of the United States in Greece and all male citizens of Greece in the United States shall, unless before the time limited by this convention they enlist or enroll in the forces of their own country or return to the United States or Greece, respectively, for the purpose of military service, be subject to military service and entitled to exemption or discharge therefrom under the laws and regulations from time to time in force of the country in which they are: *Provided*, That in respect to citizens of the United States in Greece the ages for military service shall be the ages specified in the laws of the United States prescribing compulsory military service, and in respect to citizens of Greece in the United States the ages for military service shall be for the time being 20 to 24 years, both inclusive.

ARTICLE II.

Citizens of the United States and citizens of Greece within the age limits aforesaid who desire to enter the military service of their own country must enlist or enroll or must leave Greece or the United States, as the case may be, for the purpose of military service in their own country before the expiration of 60 days after the date of the exchange of ratifications of this convention, if liable to military service in the country in which they are at the said date; or if not so liable, then before the expiration of 30 days after the time when liability shall accrue; or as to those holding certificates of exemption under Article III of this convention, before the expiration of 30 days after the date on which any such certificate becomes inoperative unless sooner renewed; or as to those who apply for certificates of exemption under Article III and whose exemptions are refused, then before the expiration of 30 days after the date of such refusal, unless the application be sooner granted.

ARTICLE III.

The Government of the United States and the Government of Greece may through their respective diplomatic representatives issue certificates of exemption from military service to citizens of the United States in Greece and citizens of Greece in the United States, respectively, upon application or otherwise, within 60 days from the date of the exchange of ratifications of this convention, or within 30 days from the date when such citizens become liable to military service in accordance with Article I, provided that the applications be made or the certificates be granted prior to their entry into the military service of either country.

Such certificates may be special or general, temporary or conditional, and may be modified, renewed, or revoked in the discretion of the Government granting them. Persons holding such certificates shall, so long as the certificates are in force, not be liable to military service in the country in which they are.

ARTICLE IV.

The Government of the United States and the Government of Greece will, respectively, so far as possible, facilitate the return of citizens of Greece and citizens of the United States who may desire to return to their own country for military service, but shall not be responsible for providing transport or the cost of transport for such persons.

ARTICLE V.

No citizen of either country who, under the provisions of this convention, enters the military service of the other shall, by reason of such service, be considered after this convention shall have expired or after his discharge to have lost his nationality or to be under any allegiance to His Majesty the King of the Hellenes or to the United States, as the case may be.

ARTICLE VI.

The present convention shall be ratified by the President of the United States of America by and with the advice and consent of the Senate of the United States and by His Majesty the King of the Hellenes, and the ratification shall be exchanged at Washington or at Athens as soon as possible. It shall come into operation on the date on which the ratifications are exchanged and shall remain in force until the expiration of 60 days after either of the contracting parties shall have given notice of termination to the other, whereupon any citizen of either country incorporated into the military service of the other under this convention shall be as soon as possible discharged therefrom.

In witness whereof the respective plenipotentiaries have signed the present convention and have affixed thereto their seals.

Done in duplicate at Washington the 30th day of August in the year of our Lord one thousand nine hundred and eighteen.

ROBERT LANSING.
ROUSSOS.

RECIPROCAL MILITARY SERVICE WITH FRANCE.

To the Senate:

I transmit, with a view to receive the advice and consent of the Senate to its ratification, a convention between the United States and France, signed at Washington on September 3, 1918, in respect to military service of citizens of the United States in France and citizens of France in the United States.

WOODROW WILSON.

THE WHITE HOUSE,
Washington, September 6, 1918.

DEPARTMENT OF STATE,
Washington, September 4, 1918.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate, if his judgment approve thereof, to receive the advice and consent of the Senate to its ratification, a convention between the United States and France, signed at Washington on September 3, 1918, providing for reciprocal military service of citizens of the United States in France and citizens of France in the United States.

This convention was negotiated in conjunction with the War Department and has that department's approval.

Respectfully submitted.

ROBERT LANSING.

The President of the United States of America and the President of the French Republic, being convinced that for the better prosecution of the present war it is desirable that American citizens in France and citizens of France in the United States shall either return to their own country to perform military service in its army or shall serve in the army of the country in which they remain, have resolved to enter into a convention to that end and have accordingly appointed as their plenipotentiaries the President of the United States of America, Robert Lansing, Secretary of State of the United States; and the President of the French Republic, J. J. Jusserand, ambassador extraordinary and plenipotentiary to the United States, who, after having communicated to each other their respective full powers found to be in proper form, have agreed upon and concluded the following articles:

ARTICLE I.

All male citizens of the United States in France and all male citizens of France in the United States shall, unless before the time limited by this convention they enlist or enroll in the forces of their own country or return to the United States or France, respectively, for the purpose of military service, be subject to military service and entitled to exemption or discharge therefrom under the laws and regulations from time to time in force, of the country in which they are: *Provided*, That in respect to citizens of the United States in France the ages for military service shall be the ages specified in the laws of the United States prescribing compulsory military service, and in respect to citizens of France in the United States the ages for military service shall be for the time being 20 to 44 years, both inclusive.

ARTICLE II.

Citizens of the United States and citizens of France within the age limits aforesaid who desire to enter the military service of their own country must enlist or enroll or must leave France or the United States, as the case may be, for the purpose of military service in their own country before the expiration of 60 days after the date of the exchange of ratifications of this convention, if liable to military service in the country in which they are at said date; or if not so liable, then before the expiration of 30 days after the time when liability shall accrue; or as to those holding certificates of exemption under Article III of this convention, before the expiration of 30 days after the date on which any such certificate becomes inoperative unless sooner renewed; or as to those who apply for certificates of exemption under Article III, and whose applications are refused, then before the expiration of 30 days after the date of such refusal, unless the application be sooner granted.

ARTICLE III.

The Government of the United States and the Government of the French Republic may, through their respective diplomatic representatives, issues certificates of exemption from military service to citizens of the United States in France and citizens of France in the United States, respectively, upon application or otherwise, within 60 days from the date of the exchange of ratifications of this convention or within 30 days from the date when such citizens become liable to military service in accordance with Article I: *Provided*, That the applications be made or the certificates be granted prior to their entry into the military service of either country. Such certificates may be special or general, temporary or conditional, and may be modified, renewed, or revoked in the discretion of the Government granting them. Persons holding such certificates shall, so long as the certificates are in force, not be liable to military service in the country in which they are.

ARTICLE IV.

The Government of the United States and the Government of the French Republic will, respectively, so far as possible, facilitate the return of citizens of France and of the United States who may desire to return to their own country for military service, but shall not be responsible for providing transport or the cost of transport for such persons.

ARTICLE V.

No citizen of either country who under the provisions of this convention enters the military service of the other shall, by reason of such service, be considered, after this convention shall have expired or after his discharge, to have lost his nationality or to be under any allegiance to the United States or to France, as the case may be.

ARTICLE VI.

The present convention shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate of the United States, and by the President of the French Republic, and the ratifications shall be exchanged at Washington or at Paris as soon as possible. It shall come into operation on the date on which the ratifications are exchanged and shall remain in force until the expiration of 60 days after

either of the contracting parties shall have given notice of termination to the other. Whereupon any citizen of either country incorporated into the military service of the other under this convention shall be as soon as possible discharged therefrom.

It witness whereof, the respective plenipotentiaries have signed the present convention and have affixed thereto their seals.

Done in duplicate at Washington, the 3d day of September, in the year of our Lord one thousand nine hundred and eighteen.

ROBERT LANSING.
JUSSERAND.

ADJOURNMENT TO SATURDAY.

Mr. FLETCHER. I move that the Senate adjourn until Saturday at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate adjourned until Saturday, September 21, 1918, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate September 19, 1918.

FEDERAL RESERVE BOARD.

Albert Strauss, of New York, N. Y., to be a member of the Federal Reserve Board for a term of 10 years, in place of Paul M. Warburg, whose term of office has expired.

UNITED STATES ATTORNEY.

Hugh R. Robertson, of San Antonio, Tex., to be United States attorney, western district of Texas, vice J. L. Camp, deceased. (Mr. Robertson is now serving under appointment by the court.)

UNITED STATES MARSHAL.

Mark Storen, of Indianapolis, Ind., to be United States marshal, district of Indiana. A reappointment, his term having expired.

CONFIRMATIONS.

Executive nominations confirmed by the Senate September 19, 1918.

POSTMASTERS.

MISSISSIPPI.

Amos K. Porter, Boyle.
James L. Latham, Eupora.
Alexander S. Bell, Grenada.
Lillian McCleary, Hollandale.
James L. Donald, Tutwiler.
Mary E. Cain, Vaiden.
Henry H. Mackey, Vicksburg.
John L. Kirby, Water Valley.
Lizzie D. Oltenburg, Winona.

NEW HAMPSHIRE.

George B. Cavis, Bristol.
William P. Nolin, Claremont.
John W. Drew, Colebrook.
George E. Farrand, Concord.
Russel B. Henchman, East Jaffrey.
Louis P. Ladd, Epping.
Endrick S. Avery, Franklin.
George E. Noyes, Gorham.
William Hayes, Groveton.
Arthur J. Holden, Keene.
Napoleon J. Dyer, Laconia.
Harry W. Bailey, Lancaster.
Alonzo L. Chamberlain, Lebanon.
Albert J. Richardson, Littleton.
John R. Willis, Manchester.
Charles A. Morse, New Market.
Eugene M. Ware, Peterboro.
Hume B. Heath, Plymouth.
Stephen E. Bates, Suncook.
Harris A. Morse, Tilton.
Russell G. Graves, Walpole.
John L. Fulton, West Lebanon.
Benjamin C. Garland, Whitefield.
James R. Kill Kelley, Wilton.
Herbert A. Taylor, Winchester.
James F. Leonard, Woodsville.

NEW YORK.

Daniel Grant, Alton.
Charles H. Tighe, Avon.
Frank D. Ball, Caledonia.
Thomas Conners, Camillus.
Claud M. Armitage, Candor.
James L. Seely, jr., Canisteo.
Michael J. Flaherty, Corfu.
John W. Lynahan, Corning.
James M. Dwyer, Geneseo.
Edward A. Clark, Greene.
Andrew J. McMahon, Groton.
Samuel N. Wheeler, Hancock.
William J. Hyland, Hoosick Falls.
Mark J. Lockington, Lima.
Clinton P. Geer, McGraw.
Charles L. Doolittle, Montour Falls.
Arthur H. Graham, Newark Valley.
Robert F. Talbot, New Berlin.
Michael J. Murray, Owego.
William E. Miller, Rose Hill.
George D. Cunningham, Schaghticoke.
Leo B. Bennett, Schenevus.
Myron L. Fisher, Spencer.
Charles E. Thompson, Trumansburg.
David E. Vrett, Whitehall.

OHIO.

A. Ross Read, Akron.
Franzo D. Miller, Alliance.
Charles R. Musson, Arcanum.
David Snyder, Archbold.
Frank N. Henry, Atwater.
Henry W. W. Spargur, Bainbridge.
Charles J. Betz, Baltimore.
James M. McNamara, Barberton.
S. Carlotta Zahm, Bascom.
John T. Flynn, Bellaire.
Harold A. Carson, Bergholz.
Marion A. Baldwin, Blanchester.
Harry J. Spitler, Brookville.
John M. Francis, Cadiz.
Richard M. Allison, Cambridge.
William D. Caldwell, Canton.
Harvey N. Steger, Cardington.
William Zahn, Carey.
Joseph V. Lawler, Carrollton.
William A. Turnbull, Cedarville.
William J. Murphy, Cleveland.
Crayton V. Calvin, Columbiana.
Robert J. Baxter, Conneaut.
Charles B. Maier, Covington.
Clarnce B. Crumb, Cuyahoga Falls.
John N. Petersen, Delta.
Mathew H. Darby, Deshler.
George G. Wilkinson, East Palestine.
William H. Chilcote, Edgerton.
Frank J. Sonderman, Fort Recovery.
George L. Higby, Garrettsville.
Wilbur M. Carpenter, Geneva.
Thomas B. Richey, Georgetown.
Wililam Buck, Germantown.
John L. Strange, Greenfield.
Adam H. Meeker, Greenville.
Owen E. Reed, Hiram.
Charles L. Ritz, Holgate.
Thomas Kyer, Jackson.
Harry C. Lieurance, Jamestown.
Jacob M. Ridenour, Junction City.
Carl W. Smith, Kenton.
Charles B. Dechant, Lebanon.
Frank H. Davet, Madison.
Royal M. Wheeler, Mantua.
Jacob D. Yocum, Mechanicsburg.
Thomas H. Code, Mentor.
William M. Poling, Murray.
Morton A. Houghton, Oberlin.
David H. Heiby, Ohio City.
George F. Zeller, Ottawa.
Stephen D. Carroll, Painesville.
Peter D. Amstutz, Pandora.
Richard D. Brown, Pataskala.
William R. Foster, Perry.
Philip Wetzel, Perrysburg.
Ward G. Haviland, Pioneer.
L. Vallee Harold, Portsmouth.
Stephen D. McDowell, Prairie Depot.
George C. Wolfe, Racine.
Joseph L. Riesser, Ripley.
Charles L. Hunter, St. Marys.

Joseph H. Biddle, St. Paris.
Elsie M. Smith, Sharonville.
William F. Gordon, Somerset.
Charles P. Dunn, Springfield.
William F. J. Dehn, Struthers.
Wyatt S. Ehrmin, Stryker.
Alfred N. Warren, Sylvania.
Raymond J. Neel, Thornville.
Cyrenius C. Hughs, Utica.
Charles A. Trinter, Vermilion.
James L. Murray, Wakeman.
Charles P. Gabelman, Waverly.
Elijah T. Dando, Wellston.
Frank Bookman, Westerville.
Orrin E. Jones, West Salem.
Thurman Spriggs, Woodsfield.

PENNSYLVANIA.

Albert L. Reinhold, Ardmore.
Joseph F. Dolan, jr., Bala.
John J. McAllister, Bryn Mawr.
Charles J. Hansell, Cynwyd.
Thomas G. Vincent, Danville.
John L. Dimmig, East Greenville.
Effie R. Anschuty, Fort Washington.
Henry J. Morris, Hatboro.
Bernard J. Rountree, Haverford.
John F. Kurty, Lewisburg.
Harrison J. Kromer, Merion Station.
Martha E. Doebler, Mifflinburg.
John A. Coonahan, Ogontz.
William M. O. Edwards, Pencoyd.
James C. McDowell, Rosemont.
Charles A. De Huff, Royersford.
Annie H. Washburn, Wyncote.

SOUTH CAROLINA.

Peter T. Sapoch, Blacksburg.
Harriett H. Gooding, Brunson.
J. Elizabeth Meehan, Chesterfield.
Richard W. Scott, Jonesville.
Ella Z. McCravey, Liberty.
Henry L. Diefenbach, Moultrieville.
Horace M. Watkins, Ridge Spring.
Smith L. Johnston, St. George.
George B. McMaster, Winnsboro.

VERMONT.

Cornelius Buckley, Barton.
Emory S. Harris, Bennington.
Andrew H. Peters, Bradford.
William H. Boardman, Charlotte.
Frank L. Start, Jeffersonville.
Robert H. Royce, Johnson.
John J. Rock, Ludlow.
Carl A. Mattison, Manchester Center.
Herbert S. King, Manchester Depot.
Burton E. Bailey, Montpelier.
James McGovern, North Bennington.
George F. Hubbell, Northfield.
Patrick Mahoney, Poultney.
Sanford E. Emery, Proctorsville.
Frank A. Burditt, Putney.
L. Halsea Crosier, Readsboro.
Patrick H. Harty, Saxtons River.
Clarence W. Locke, Springfield.
William J. O'Neill, Waterbury.
Maurice J. Walshe, White River Junction.
Henry D. Allen, Wilmington.

HOUSE OF REPRESENTATIVES.

THURSDAY, *September 19, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Almighty Father, continue, we beseech Thee, Thy favors unto the entente powers. Make them firm to resist and strong to press forward to a wise and permanent peace, that the horrors of war may pass from the face of the earth and good prevail everywhere.

We thank Thee that the people of America are ready and willing to uphold our President in his answer to those who are asking for a peace parley which would only prolong the agony. We pray for peace, but let it be a peace which will hallow Thy name. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11283) to amend and reenact sections 4, 11, 16, 19, and 22 of the act approved December 23, 1913, and known as the Federal reserve act, and sections 5208 and 5209, Revised Statutes.

The message also announced that the Senate had passed, with amendments, the bill (H. R. 12923) to supplement the second liberty-bond act as amended, and for other purposes, had requested a conference with the House on the bill and amendments, and had appointed Mr. SIMMONS, Mr. WILLIAMS, Mr. SMITH of Georgia, Mr. PENROSE, and Mr. LODGE as the conferees on the part of the Senate.

The message also announced that the Senate had passed the bill (S. 4871) to authorize the Philadelphia, Harrisburg & Pittsburgh Railroad Co., its lessees, successors, and assigns, to construct a bridge across the Susquehanna River, from the city of Harrisburg, Dauphin County, Pa., to the borough of Lemoyne, Cumberland County, Pa., and in which the concurrence of the House of Representatives was requested.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4871. An act to authorize the Philadelphia, Harrisburg & Pittsburgh Railroad Co., its lessees, successors, and assigns, to construct a bridge across the Susquehanna River from the city of Harrisburg, Dauphin County, Pa., to the borough of Lemoyne, Cumberland County, Pa.; to the Committee on Interstate and Foreign Commerce.

CORRECTION—AMENDMENT TO FEDERAL RESERVE ACT (H. R. 11283).

Mr. WALSH. Mr. Speaker, I desire to direct the attention of the Chair and also the attention of the House to the conference report which was agreed upon last evening and also to the report which has just been announced as agreed to by the Senate. The Senate in the report says that "the Senate recede from its disagreement to its amendments numbered 1, 2, 3, 4, and 5 and agree to the same." Now, of course, those last four or five words, "and agree to the same" are surplusage and ought not to be in the report, and also as to the Senate's action the same language is used; and, furthermore, that "the Senate recede from its amendment to the title, and the House agree to the same."

That is incorrect and ought not to be incorporated in the report. For the purposes of the RECORD I think this statement ought to be made in order that in the future these reports may be prepared with a little more care.

The SPEAKER. These were Senate amendments, were they?

Mr. WALSH. Senate amendments and the Senate receded from them.

The SPEAKER. The Senate receded, and then it was decided that the Senate agreed, to what?

Mr. WALSH. They could not agree to amendments that they receded from.

Mr. STAFFORD. While it may be surplusage, that language does not conflict with the action of the Senate in receding from their amendments. It is not in opposition to the action of the conferees.

The SPEAKER. The Chair asks the gentleman from Wisconsin [Mr. STAFFORD], if they leave it in there, would it not be surplusage? It says that the Senate recedes from the amendments and agrees to the same.

Mr. STAFFORD. We have before us a question of construction. What is the construction of those two phrases? One is very clear—that they recede from the Senate amendments. Now, can that language be in any way interpreted so as to make it harmonious with that action? I say it can be.

The SPEAKER. The Chair is not going to argue it with the gentleman.

Mr. STAFFORD. While it is not in good form, it does not in any way nullify the report.

The SPEAKER. When the gentleman from Virginia [Mr. GLASS] gets here, I hope the gentleman from Massachusetts [Mr. WALSH] will call his attention to it.

Mr. WALSH. I will. I am glad to have the gentleman from Wisconsin [Mr. STAFFORD] agree that it is not good form.

Mr. STAFFORD. I thank the gentleman for that compliment.

Mr. GLASS. Mr. Speaker, I ask to have the corrections made as indicated by the gentleman from Massachusetts [Mr. WALSH].

The SPEAKER. The gentleman asks to vacate the proceedings by which that conference report was agreed to. Is there objection? [After a pause.] The Chair hears none.

Mr. FOSTER. Mr. Speaker, how are you going to amend a conference report?

The SPEAKER. That is so, too.

Mr. FOSTER. I think it would be a hard matter to do that now and strike something out of it.

Mr. STAFFORD. I object to the motion to vacate the proceedings at this time.

The SPEAKER. The gentleman from Wisconsin [Mr. STAFFORD] objects to the motion to vacate the proceedings.

Mr. GLASS. The phrase called attention to by the gentleman from Massachusetts [Mr. WALSH] is undoubtedly surplusage, but I do not know that it does any harm if permitted to remain.

Mr. GARNER. Leave it like it is, and have the bill enrolled and sent to the President, and let him sign it.

Mr. FOSTER. It does not invalidate the conference report or the bill, does it, Mr. Speaker?

Mr. GLASS. I do not know that I would be authorized to make a change without taking it back to the conferees.

The SPEAKER. That is what the Chair thinks.

Mr. STAFFORD. Is not the engrossed copy of the bill as it originally passed the House without the Senate amendments?

Mr. WALSH. Yes.

Mr. STAFFORD. Yes. The engrossed bill, of course, went over to the Senate.

Mr. FOSTER. This has nothing to do with anything that goes in the bill, as I understand it, except that the Senate receded from its amendments.

The SPEAKER. I know; but it says the Senate recedes from the amendments, and then it says it agrees to them.

Mr. FOSTER. Receded and agreed to the same, but that does not affect the bill at all, Mr. Speaker.

The SPEAKER. Well, I do not know——

Mr. GARNER. The information ought to be from the enrolling clerk. If the bill contains the language of the original bill the matter goes on and becomes a law as intended by the conferees.

Mr. FOSTER. You can not go back of the returns in reference to a little surplusage in the language.

Mr. STAFFORD. Further, Mr. Speaker, we have the statement of the gentleman from Virginia [Mr. GLASS], the chairman of the committee, in presenting this conference report last night, that the Senate conferees had receded from the Senate amendments and that the bill as agreed to was the House bill in toto. The enrolling clerks certainly have that information.

The SPEAKER. It seems to the Chair that it is not a parliamentary question exactly, but if the enrolling clerk enrolled the bill as it passed the House originally and the Speaker signs it, and the Vice President and the President sign it, that is the end of it. That would be my offhand opinion about it. The gentleman from North Carolina is recognized.

THE REVENUE BILL.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the revenue bill. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 12863) to provide revenue, and for other purposes, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, the revenue bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. STEENERSON. Mr. Chairman, I was recognized last night, and——

Mr. MOORE of Pennsylvania. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Pennsylvania. An agreement was entered into yesterday afternoon to begin the discussion this morning of the so-called cotton amendment. Is that in order now?

The CHAIRMAN. As the Chair recalls, the agreement provided that these amendments should be taken up immediately on the resumption by the committee of its session this morning. If the Chair's recollection is correct as to the agreement, that would make the cotton amendments come on before anything else.

Mr. DYER. When the committee rose last evening the gentleman from Minnesota [Mr. STEENERSON] rose and moved to strike out the last word. He was recognized, and at the suggestion of the gentleman from North Carolina [Mr. KITCHIN] the committee rose, with the understanding, as the RECORD shows, that the gentleman from Minnesota should have opportunity this morning to discuss the section which had just been read.

The CHAIRMAN. That is perfectly true. The Chair recalls that. The gentleman has stated it exactly as it occurred. But prior to that time there had been an agreement with respect to the cotton amendments, that they should be taken up this morning immediately on the resumption by the committee of its session. If that agreement is followed, the gentleman from Minnesota would follow that, but the prior agreement would make that subject first to the discussion of the cotton amendment.

Mr. KITCHIN. Mr. Chairman, I suggest to the gentleman from Minnesota that he make his argument when we get to reading the bill. It would be in order then.

Mr. STEENERSON. That was the reading of the parcel-post provision.

Mr. KITCHIN. I ask unanimous consent to be allowed to offer a lot of committee amendments to the section that we passed over, and then after that the amendment of the gentleman from Pennsylvania [Mr. MOORE] will be discussed, and then we will go back to that proposition that we left off with yesterday.

Mr. STEENERSON. I desire to discuss the parcel-post tax.

Mr. LONGWORTH. I suggest that it first be disposed of and then we may proceed.

The CHAIRMAN. The gentleman from Minnesota does not lose his rights, but the Chair thinks that the gentleman from Pennsylvania [Mr. MOORE] is entitled to offer his amendment by virtue of the agreement made yesterday.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for 10 minutes. Is there objection?

Mr. CRISP. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CRISP. What is pending before the committee?

The CHAIRMAN. The amendment to be offered by the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. I suggest that the amendment be read.

Mr. CRISP. I want to reserve a point of order against the amendment. I made it yesterday, and I desire to renew it now.

The CHAIRMAN. The amendment will come up subject to the reservation of a point of order.

Mr. KITCHIN. I suggest that we take up now some amendments that the committee want to offer, and then after that the gentleman from Pennsylvania can proceed.

Mr. MOORE of Pennsylvania. I have no objection to that.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to take up, in connection with the bill, certain amendments, after which the amendment of the gentleman from Pennsylvania [Mr. MOORE] will be considered. Is there objection?

There was no objection.

Mr. KITCHIN. And I want to return to the oil and gas provisions. I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from North Carolina.

Mr. HARDY. Can the gentleman state whether or not the Moore amendment is offered?

The Clerk read as follows:

Amendment offered by Mr. KITCHIN: Page 115, line 23, after the word "That," insert the following: "on and after November 1, 1918."

Mr. KITCHIN. The committee failed to note the date on which this would take effect.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the amendment will be reported again.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. KITCHIN: Page 115, line 23, after the word "That," insert the following: "on and after November 1, 1918."

Mr. STAFFORD. Mr. Chairman, may I inquire as to how much revenue is expected to be derived from the respective paragraphs of which this amendment is a part? Yesterday in the consideration of this bill I was absent from the Chamber at luncheon when these paragraphs were read. I wish to obtain the information that I now seek to obtain from the chairman of the committee.

Mr. KITCHIN. It is estimated that the tax on soft drinks, ice cream, and so forth, sold at soda fountains and similar places, will yield $27,000,000 during a 12-month period.

Mr. STAFFORD. That is on the soft-drink item, exclusive of near beer?

Mr. KITCHIN. Yes; that is exclusive of cereal beverages.

Mr. STAFFORD. Does the gentleman know whether it is contemplated by the Food Administration or the Fuel Administration or the Railroad Administration to curtail the output of soft drinks, independent of near beer?

Mr. KITCHIN. I do not know. They propose to curtail the use of sugar, and that would curtail the use of it in soft drinks.

Mr. STAFFORD. As I understand the President's proclamation just promulgated, it extends to near beer as well as beer and lager beer.

Mr. KITCHIN. That is my understanding.

Mr. STAFFORD. How much was it estimated by the committee could be raised on the manufacture of near beer, beer, lager beer, and other maltous beverages?

Mr. KITCHIN. On cereal beverages $24,000,000 and from fermented liquors such as beer $240,000,000 for a 12-month period.

Mr. STAFFORD. Then the $24,000,000 refers to near-beer products?

Mr. KITCHIN. Yes.

Mr. STAFFORD. Has any estimate been made as to the revenue that will be derived from Coca Cola and such compounds containing no alcoholic content?

Mr. KITCHIN. It is estimated that the revenue for a 12-month period from all soft drinks sold by the manufacturer, producer, or importer, in bottles or other closed containers, will amount to $10,000,000.

Mr. STAFFORD. I thought the gentleman said $37,000,000 from soft drinks?

Mr. KITCHIN. Thirty-seven million dollars from soft drinks mixed and sold at the soda fountains and ice-cream parlors.

Mr. STAFFORD. What is the tax on bitters which contain a considerable alcoholic content?

Mr. KITCHIN. It depends on how large a per cent of alcohol is in them. The alcohol in bitters or in any other kind of medicine pays at the rate of $4.40 a gallon.

Mr. STAFFORD. I noticed in the drug schedule that the word "bitters" was included, to pay a special tax which had no relation to beverages.

Mr. KITCHIN. Bitters would also pay the alcohol tax of $4.40 a gallon.

Mr. STAFFORD. No action has been taken by the committee to make up this large deficiency in revenue that will be caused by reason of the President's order forbidding the further manufacture of near beer and beer?

Mr. KITCHIN. No action has been taken.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KITCHIN. I offer another amendment.

The CHAIRMAN. The gentleman from North Carolina offers another amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 116, line 5, after the word "sold," insert the following: "on or after such date"; and in line 9, after "vendor," insert the following: "at the time of the sale."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KITCHIN. I offer another amendment.

The CHAIRMAN. The gentleman from North Carolina offers another amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 116, lines 14 and 15, strike out the word "hereafter"; in line 16, after the word "and," insert the word "hereafter" and after the word "sold" insert the words "by the manufacturer or importer."

Mr. KITCHIN. So that it will read as follows:

That upon cigars and cigarettes manufactured in or imported into the United States and hereafter sold by the manufacturer or importer.

They had the word "hereafter" in the wrong place, so that it read "hereafter manufactured" instead of "hereafter sold." That corrects it.

Mr. HAWLEY. I think there are certain other words that should be put in the proper place—"at the time of the sale."

Mr. KITCHIN. Those words were put in in line 9—

Such tax shall be paid by the purchaser to the vendor at the time of the sale.

The CHAIRMAN. The question is on the amendment which has been reported by the Clerk.

The amendment was agreed to.

Mr. KITCHIN. Another amendment, Mr. Chairman.

The CHAIRMAN. The gentleman from North Carolina offers another amendment, which the Clerk will report.

Mr. KITCHIN. That is to the same effect, to put the word "hereafter" in the right place.

The Clerk read as follows:

Committee amendment: Page 118, line 23, strike out the word "hereafter"; in line 25, before the word "sold," insert the word "hereafter"; and after the word "sold" and before the comma insert the words "by the manufacturer or importer."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KITCHIN. There is another amendment to the same effect.

The CHAIRMAN. The gentleman from North Carolina offers another amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 121, line 14, after the word "and" insert the word "hereafter," and after the word "sold" insert the words "by the manufacturer or importer."

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KITCHIN. The committee offer another amendment.

The CHAIRMAN. The gentleman from North Carolina offers another amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 121, line 21, strike out "2 cents" and insert "1 cent"; strike out "100" and insert "50."

Mr. KITCHIN. That is 1 cent for every 50 cigarette papers or fraction thereof instead of 2 cents for every 100.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KITCHIN. I offer another amendment.

The CHAIRMAN. The gentleman from North Carolina offers another amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 121, line 22, strike out "4" and insert "2"; lines 22 and 23, strike out "100" and insert "50."

Mr. KITCHIN. Instead of 4 cents for each 100 or fraction thereof, 2 cents for each 50 or fraction thereof.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KITCHIN. I offer another amendment. These are sporting goods that were left out of the sporting goods schedule that ought to be included.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 127, line 21, strike out "golf clubs, baseball bats" and insert in lieu thereof "nets, racket covers and presses, skates, snowshoes, skis, toboggans, canoe paddles and cushions, polo mallets, baseball bats, gloves, masks, protectors, shoes and uniforms, football helmets, harness and goals, basket-ball goals and uniforms, golf bags and clubs."

That puts baseball bats and golf clubs back into the bill in the proper place.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I offer another amendment, to add other sporting goods.

The Clerk read as follows:

Committee amendment: Page 128, line 2, after the word "games," and the comma insert "and all other articles commonly and commercially known as sporting goods," and add a comma.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. WALSH. Mr. Chairman, I would like to ask the gentleman from North Carolina in reference to an amendment on page 124, subparagraph "b."

Mr. KITCHIN. Yes; that is the gentleman's amendment. The committee has considered it and will adopt it as its amendment, and I therefore offer it as a committee amendment.

The Clerk read as follows:

Committee amendment: Page 124, line 20, after the word "organization," insert "or exclusively to the benefit of persons in the military or naval forces of the United States," and add a comma.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KITCHIN. I offer another amendment.

The Clerk read as follows:

Committee amendment: Page 129, strike out lines 7 and 8. In line 9, strike out "21" and insert "19." Line 11, strike out "22" and insert "20." Line 12, strike out "23" and insert "21." Line 14, strike out "24" and insert "22." Line 15, strike out "25" and insert "23." Line 21, strike out "26" and insert "24."

Mr. KITCHIN. That amendment is to strike out the tax on duplicating and adding machines, and the changes of figures are to properly number the paragraphs.

Mr. STAFFORD. Will the gentleman inform the committee the reason that prompted the committee in relieving from the 10 per cent tax duplicating and adding machines? I see you still tax cash registers.

Mr. KITCHIN. Adding machines and duplicating machines are more in the nature of necessities than cash registers. Also the different bureaus of the Government are purchasing probably two-thirds of the entire production of these machines.

Mr. STAFFORD. That is no argument, even though the Government would pay the additional tax, it would get it back immediately.

Mr. KITCHIN. But the gentleman asked me the reason why we did it and not for the arguments. The reason is because these machines are more of a necessity in the business world, and now they are a necessity for the administration of the Government business and are largely so used, and the work accomplished by these machines is different from that of cash registers. For instance, an adding machine will take the place of 25 men and women. The cash register does not take the place of anybody. It simply serves to keep a record of sales and a check on the clerks.

Mr. STAFFORD. Mr. Chairman, I wish to be recognized in opposition to the amendment. Mr. Chairman, I can not agree with the chairman of the committee in his differentiation that the cash register is not a labor-saving device and should bear a tax while the adding machines and duplicating machines should not. I might favor a tax on cash registers in the view that the cash register is virtually controlled by a monopoly. But so are the adding machines controlled by a monopoly. The price is fixed, and they are both of the same character, labor-saving devices. The cash register is an adding machine, it registers the sales and relieves the proprietor of clerical work. I can not understand why the committee should relieve adding machines and duplicating machines, except that they wish to give one manufacturer a benefit over another. This is an opportunity where we can raise revenue. I will ask the chairman how much was estimated could be raised by a tax on duplicating and adding machines.

Mr. KITCHIN. I have not the figures just now.

Mr. STAFFORD. We all know that adding machines are expensive. The lowest price of the Burroughs machine is $275, and they run up to $500 or $600. I am informed that there is a harmonious agreement as to price between the respective manufacturers of adding machines.

Mr. KITCHIN. Since the gentleman asked the question the Clerk has given me the expert's estimate of the amount of revenue that is estimated to be received from the tax on duplicating machines, adding machines, and cash registers, and it is as follows: On duplicating machines, $500,000; adding machines, $500,000; and cash registers, $2,000,000.

Mr. STAFFORD. This tax would be paid because every person who needs a duplicating or an adding machine would pay the higher price. Any person who needs a cash register will pay a high tax. It is a means of raising a million dollars of revenue. The President's order forbidding the manufacture of near beer deprives the Treasury of $24,000,000 which could have been obtained by permitting 25,000,000 bushels of barley to be used, two-thirds of which would have been returned to the farmer in the form of feed. The Treasury having lost this $24,000,000 in revenue, you should not diminish the objects of taxation, but rather retain and increase them. The manufacturers will be relieved, by lifting this tax, from paying a part of this burden. It would have to be assumed, in a measure, by the manufacturer, and could not be passed on entirely to the purchaser by reason of the present high price and the diminishing and limited number of purchasers.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. KITCHIN) there were—ayes 125, noes 7.

So the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I offer another committee amendment, which I send to the desk.

The Clerk read as follows:

Page 129, line 20, strike out the word "and"; line 22, strike out the period and insert a semicolon and the word "and"; after line 22, insert a paragraph, as follows:

"(26) Toilet soaps and powders, 10 per cent," and a period.

Mr. KITCHIN. Mr. Chairman, that should read "toilet soaps and soap powders," and I ask unanimous consent that the amendment be so modified.

The CHAIRMAN. Without objection, the amendment will be modified as indicated.

There was no objection.

Mr. DYER. Mr. Chairman, does not the gentleman think that is a rather high tax on toilet soaps?

Mr. KITCHIN. No; and I think it is better to put it on the manufacturer. It is pretty high in the bill for ordinary soaps. There was no way for the department to distinguish between toilet soaps and the ordinary soaps that everybody uses in the household.

Mr. DYER. The tax is now 2 per cent, and this increases it to 10 per cent.

Mr. KITCHIN. Yes. We have increased it just as we have the others, but we have taken toilet soaps and soap powders out of a still higher rate in the bill.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. STAFFORD. Mr. Chairman, ought not that amendment to be further modified by striking out "(26)" and inserting in lieu thereof "(25)"?

Mr. KITCHIN. Mr. Chairman, the gentleman is correct about that, and I ask that the Clerk be permitted to so further modify the amendment.

The CHAIRMAN. Without objection, the Clerk will further modify the amendment as indicated.

There was no objection.

Mr. KITCHIN severally offered the following amendments, which were severally reported and severally agreed to:

Page 131, line 15, after the word "sold," insert the words "on or after such date."

Page 133, line 2, after the word "slippers" and the comma, insert the following: "not including shoes or appliances made to order for any person having a crippled or deformed foot or ankle."

Page 133, line 21, strike out "(22) or (23)" and insert "(20) or (21)."

Page 133, line 23, after the word "vendor," insert "at the time of the sale."

Page 135, line 9, after the word "sold," insert "on or after such date"; line 10, after the word "vendor," insert the words "at the time of the sale."

Mr. ANTHONY. Mr. Chairman, I would like to ask the gentleman from North Carolina a question. Will he be good enough to explain why the words "at the time of the sale" are inserted?

Mr. KITCHIN. Suppose something is sold on credit. It might not be paid for for 10 or 12 months, but the tax ought to be assessed at the time the sale is made.

Mr. KITCHIN severally offered the following amendments, which were severally reported and severally agreed to:

Page 135, line 23, after the word "sold" insert "on or after such date."

Page 136, line 2, strike out the words "toilet soaps and powders" and insert in lieu thereof the words "toilet powders (other than soap powders)."

Page 137, line 6, after the word "purchaser," and before the comma, insert "at the time of the sale."

Page 143, strike out lines 6 to 11, inclusive, and in lines 12 strike out "(13)" and insert "(12)."

Page 144, strike out lines 6 to 10, inclusive, and insert in lieu thereof the following:

"(13) Persons engaged in any trade, business, or profession, whose gross receipts therefrom for the preceding year ending June 30 exceed $2,500 shall pay $10. If such person is a wholesaler he shall pay $5 additional."

Page 144, line 13, strike out the word "sections" and insert "section 1000," and before the figures "1007" insert the word "or," and strike out the word "proprietors" and insert the word "persons."

Mr. KITCHIN. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 144, line 17, after the words "mixed flour" insert the following: "*Provided*, That sections 35 to 49, inclusive, of the act of June 13, 1898, entitled 'An act to provide ways and means to meet war expenditures, and for other purposes,' as amended by the act of March 2, 1901, and as further amended by the act of April 12, 1902, be, and the same are hereby, suspended for and during the period of the existing state of war between the United States and Germany, and until the fact and date of determination of said war shall have been ascertained and proclaimed by the President of the United States."

Mr. MOORE of Pennsylvania. Mr. Chairman, I make the point of order against that amendment. It is not germane to the bill and tends to reduce the revenue rather than to increase the revenue. I make the point of order.

Mr. HENRY T. RAINEY. Will the gentleman reserve the point of order?

Mr. MOORE of Pennsylvania. Yes; I reserve it.

Mr. HENRY T. RAINEY. Suppose we pass this over until the other matter is disposed of.

Mr. MOORE of Pennsylvania. I shall make the point of order whenever the matter is reintroduced.

Mr. KITCHIN. The gentleman from Illinois asked to pass it over until a later time.

Mr. MOORE of Pennsylvania. I prefer the gentleman should go on and make his statement now.

Mr. HENRY T. RAINEY. Well, the gentleman reserves the point of order.

Mr. MOORE of Pennsylvania. I do so that the gentleman can make his statement.

Mr. SNYDER. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

The amendment was again reported.

Mr. HENRY T. RAINEY. Mr. Chairman, the object of this committee amendment is to repeal for the period of this war the laws which are known as the "mixed-flour" laws. In 1898 Congress passed the Spanish-American War tax. It has been amended once or twice, first in 1901 and again in 1902. This is the last vestige remaining of the Spanish-American War tax. The remainder of the Spanish-American War tax act was repealed in 1902. The mixed-flour act of 1898 provides for a tax upon every barrel of mixed flour of 4 cents and provides also for an occupation tax of $12 per year to be paid by any person engaging in the business of grinding or mixing or packing mixed flour. This law has been in force until the present time. Last month, at the request of the President of the United States, Mr. Hoover, our Food Administrator, participated in Paris in conferences between the food administrators of all the allied nations and as a result of that conference it was determined by the food administrators of the allied nations to establish a standard flour for the nations engaged in the war with Germany to consist of 80 per cent of pure wheat flour and 20 per cent of substitutes in order that during the continuance of this war the nations of the world and the armies engaged in this awful war might have bread. The allied nations propose to enforce that agreement. In the opinion of Mr. Hoover and his assistants, before the international agreement which provides a method by which the nations of the world shall eat at the same table, before that can be carried out in this country, it is necessary to repeal the mixed-flour act of 1898 with its burdensome requirements, with its occupation tax, with its moonshine-whisky requirements, which requires that stamps shall be affixed to packages so that the stamps can be broken when packages are opened. In 1898 we had 116 mixers paying a revenue to the Government of $3,000 per year, much less than the amount of money required to enforce the law. At the present time there are more mixers, I am not advised this morning as to the number, but at the present time a larger revenue is derived from that source than has ever been derived before, but not enough, as I understand it, to pay the expenses of enforcing the law. The Internal Revenue Department have advised three times in the past the repeal of this law. The Internal Revenue Department, in a statement I have here, say that this law contributes nothing toward the purity of flour nor has it contributed toward the purity of flour, that the pure-food laws of 1906 accomplish that result in the matter of flour as they do in the matter of all other foodstuffs, and so in the interest of this international purpose, in order to enable these millers, and most of them as I understand it now want to engage in the mixing of flour——

The CHAIRMAN. The time of the gentleman has expired.

Mr. HENRY T. RAINEY. I ask for five minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. NORTON. Will the gentleman yield?

Mr. HENRY T. RAINEY. In just a moment. In order to enable them to mix flour without these taxes this legislation is asked. Now they will be asked to do it anyway. If the Food Administrator has the power he will compel them to do it and the question presented here is whether we want to add to the cost of bread or not, add to the difficulties of flour mixing in this country or not by maintaining in force during the period of this war the stamp laws of 1898, and I have here a letter from Mr. Hoover on the subject, which I send to the Clerk and ask to be read.

The CHAIRMAN. The Clerk will read the letter.

The Clerk read as follows:

UNITED STATES FOOD ADMINISTRATION,
Washington, 13 September, 1918.

Hon. HENRY T. RAINEY,
Ways and Means Committee,
House of Representativse, Washington, D. C.

DEAR MR. RAINEY: I inclose herewith an amendment that I would like to suggest to the revenue act providing for the suspension of the mixed-flour laws during the period of the war. You will recollect that this is a tax measure, and, while it yields practically no result from taxation, from a revenue point of view, it is seriously cumbering the international food program in this emergency, in that, at the recent conference of the food administrators of all the allied countries, in which the food resources of all countries were carefully considered, it was decided that it would be necessary to mix 20 per cent of other cereal flours with the wheat flour during the coming year, and probably for the duration of the war, if we are to provide an ample bread supply and enable ourselves to carry over any resources as against the possible deficiencies in next year's harvest. I entered these conferences with the instructions of the President that it was the duty of all those fighting against Germany to eat at a common table, and it appears to us that it is only a portion of our national duty that our peoples should undertake the same loaf as that provided in the allied countries. Furthermore, our people are anxious to participate with the allies in such sacrifices as are necessary to win the war. You will recognize that a wheat bread made with a mixture of some 20 per cent of other cereals is a wholly nutritious and palatable loaf. In allied countries they compel the mixture of cereals in the flour, and, whereas our transportation conditions do not make it desirable for us to compel this issue, we could provide to a large portion of our population a mixed flour of this character. Under the existing law it is practically impossible to secure such a mixture, as the detailed requirements under the act are such that no miller can in principle comply with the tax requirements without such expense as to make the operation prohibitive.

At the present moment we are compelled to rely upon the voluntary action of the individual consumer to mix these flours for bread making. Not only does it impose difficulties in household management but, while the great majority will follow to the best of their ability, many will not comply, and, in any event, it imposes an unnecessary difficulty on the householder. As to the actual character of the mixture of different flours, this can be provided by regulations under the food act so that anything in the nature of adulteration can be prevented.

I am extremely anxious that the committee should entertain this matter favorably, as it not only will result in great practical conservation but also will enable us to carry out in practical good faith the obligations that we have entered upon. This is entirely for the period of the war and simply as a necessary war measure, and it seems to me, therefore, that all of the technical disputes over this question can be suspended in the face of national necessity.

Yours, faithfully, HERBERT HOOVER.

Mr. NORTON. Will the gentleman yield?

Mr. HENRY T. RAINEY. Yes; I yield.

Mr. NORTON. Is it not a fact that the existing law does not prohibit the mixing of flour, but that it merely requires when flour is mixed or adulterated that it be branded and that stamps be placed upon the barrel or the sack giving the proportion of flour and the proportion of adulteration or mixture?

Mr. HENRY T. RAINEY. No; the gentleman has not stated the law correctly. Anybody can mix flour and put it on the market and sell it. Anybody can mix flour in their homes, but——

Mr. NORTON. Mix it in a mill——

Mr. HENRY T. RAINEY. But when a miller or mixer or packer mixes flour for commercial purposes he must pay an occupation tax of $12 a year before he can do it.

Mr. NORTON. And 4 cents a barrel?

Mr. HENRY T. RAINEY. And in addition to that he must pay a tax of 4 cents a barrel, and a stamp must be affixed to the package containing it, and then the mixed-flour law carries into the proposition all the provisions which seek to prevent the manufacture of moonshine whisky, in the matter of destruction of containers, and the keeping of books, and all that sort of thing; and as a result millers of the country and mixers and packers declined before the war to engage in this expensive and annoying method of doing business.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HENRY T. RAINEY. I ask for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. NORTON. And is it not a fact that the investigations which were held before the committee a few years ago on this question showed that the gist of the objection of the millers and corn producers to this law was the fact that the law required they should state on the package what the adulterants or mixtures were?

Mr. HENRY T. RAINEY. No; not at all. The law requires that you shall state on the package or rather brand on the package the words "mixed flour," and that is all, and they must state under the words "mixed flour," "wheat flour and corn flour," or whatever other ground cereal was mixed with wheat flour.

Mr. NORTON. And you propose by your amendment to repeal that law, do you not?

Mr. HENRY T. RAINEY. Yes; that is the amendment that is suggested by the Food Administrator, in order to carry out the policy that has been agreed upon by all the nations engaged in this war with Germany in order to produce a standard loaf. The objection to the repeal of this law heretofore has always been from the northwestern millers, who reach down through the States even into the corn country, and who are opposed to it because there is no corn up there, and that is the fight that is at the bottom of all of it.

Mr. MILLER of Minnesota. Will the gentleman yield for an inquiry? In the first place, Minnesota is the third or fourth in the production of corn. But my inquiry is this: If the gentleman's amendment prevails, will it not enable millers anywhere, Northwest or any other section, to mix wheat flour with cornmeal flour, buckwheat flour, or any other kind of flour they want to mix with it, and sell it to the public, and the public will not know how much wheat flour or buckwheat flour or other flour is in it, but think they are buying wheat flour?

Mr. HENRY T. RAINEY. Nothing of the kind. Mr. Hoover's statement this morning——

Mr. MILLER of Minnesota. Mr. Hoover's statement has no weight with me. I have listened to it carefully, and I am of the opinion that he is treating of a subject of which he knows practically nothing.

Mr. HENRY T. RAINEY. I will state for Mr. Hoover that as soon as he was appointed Food Administrator I consulted with him about this very question, and he told me as food administrator in Belgium the first thing he did was to require the mixing of flour in the proportions of 80 per cent wheat and 20 per cent corn flour, or some other substance. He knows more about the subject than any other man in this world.

Mr. MILLER of Minnesota. Has the gentleman ever seen any of that bread that they are eating in Belgium?

Mr. HENRY T. RAINEY. You are eating it every day. Every loaf of bread you buy in this town at a bakery is made in that way.

Mr. MILLER of Minnesota. I beg the gentleman's pardon. I have been in Belgium and eaten it, and most of it is not fit for a dog to eat. That bread is black, unwholesome, and a thousand more things might be said of it.

Mr. HENRY T. RAINEY. The gentleman really does not know what he is talking about.

Mr. MILLER of Minnesota. I may not.

Mr. HENRY T. RAINEY. You can not buy a loaf of Corby's bread or any other bread in this town that does not contain 20 per cent of other products than wheat.

Mr. MILLER of Minnesota. I am speaking of the English bread and the French bread. I am not speaking of Corby's bread. I am comparing the two.

Mr. HENRY T. RAINEY. There is no baker in this country to-day who manufactures and puts on the market a loaf of bread that does not contain 20 per cent of substitutes.

Mr. MILLER of Minnesota. I did not deny that.

Mr. HENRY T. RAINEY. You deny that it is palatable bread. But you eat it every day.

Mr. MILLER of Minnesota. I beg the gentleman's pardon. The difference between the Belgian bread and the mixture we are eating in this country is as wide as the difference between the poles.

Mr. HENRY T. RAINEY. I understand that over there they are using more substitutes than they are here.

Mr. GOOD. Will the gentleman yield?

Mr. HENRY T. RAINEY. I will yield to the gentleman from Iowa.

Mr. GOOD. I was just going to say that I saw a demonstration with regard to bread that was made with a mixture of corn and wheat flour. I could not detect any difference between the pure wheat-bread flour and the flour that was made with an admixture of corn flour. By a great many it is claimed to be a superior bread when a small amount of corn flour is placed in it. And when it is sold the admixture is stamped right on the package under the pure-food laws. If there is any mixture, that fact is known to everybody who buys the flour, because it necessarily must be stamped on the sack itself. The only thing, as I understand the gentleman's amendment, is that it repeals that provision of law which requires the manufacturer who does comply with the food laws to mix a little corn flour with the wheat flour, and thereby conserves the wheat, but he would be relieved from paying the tax of 4 cents a barrel on the flour?

Mr. HENRY T. RAINEY. Yes. And in addition——

Mr. GOOD. It is a foolish proposition, and the tax law ought to be repealed.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. HENRY T. RAINEY. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HENRY T. RAINEY. In addition to that, at the present moment throughout the United States bakeries and housewives are being advised as a matter of patriotic duty to mix flour with 20 per cent of substitutes and 80 per cent of wheat flour. And those that are patriotic, those who believe in winning this war, who believe that the conservation of food is necessary in order to do it, especially the conservation of bread, are agreeing to the spirit of those suggestions on the part of the Food Administrator, and are doing it, and the Food Administrator simply wants now to make it easier for millers and for mixers to be patriotic and to comply with his suggestions, and avoid the payment of these taxes that do not yield any revenue. And those of you who eat your lunch to-day in the restaurant under this room will eat white bread, and it will be white bread composed of 80 per cent of flour and 20 per cent of substitutes.

Mr. GREENE of Vermont. Will the gentleman yield for a question?

Mr. HENRY T. RAINEY. And if this restaurant is not patriotic the country ought to know it.

Yes; I yield to the gentleman from Vermont.

Mr. GREENE of Vermont. Under the operation of the gentleman's amendment will the public be advised as to the character of flour it is buying?

Mr. HENRY T. RAINEY. Yes.

Mr. GREENE of Vermont. Will the package be branded?

Mr. FOSTER. They are advised now.

Mr. HENRY T. RAINEY. They are advised now, and under this amendment they will be advised.

Mr. GREENE of Vermont. Will it be such an advice as the official stamping or branding of the package to indicate the character of the contents?

Mr. HENRY T. RAINEY. It will be better advice than they are getting now.

Mr. GREENE of Vermont. I want to know specifically if we are going to buy a thing in the market as it really is or leave it to the discretion of the miller to tell somebody what he says it is.

Mr. HENRY T. RAINEY. The statement of Mr. Hoover's representative to the committee this morning was that the marking and branding will be carried right on to the packages that reach the ultimate consumer, and that the ultimate consumer will know exactly what he is buying and exactly how much wheat flour there is in it, and exactly the percentage of other substances and what they are. He has the authority to do that under the power we have already given to him. He is going to do it anyway, gentlemen, whether you repeal this tax or not. Those regulations will be enforced in this country, and we will win this war in spite of the millers of Minnesota.

Mr. FORDNEY. Mr. Chairman, are we discussing the point of order? I object to a discussion of the merits of the amendment now, except on the point of order. It is the point of order that is before the House.

Mr. HENRY T. RAINEY. No point of order has been made yet.

The CHAIRMAN. The point of order has not yet been made.

Mr. FORDNEY. I want to discuss it if it is made.

The CHAIRMAN. The point of order has not been made.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. MOORE of Pennsylvania rose.

Mr. HENRY T. RAINEY. I have not yielded the floor. I yield to the gentleman from Texas.

Mr. HARDY. Is it not a fact that under the law requiring the mixing of flour this tax is now already placed on the wheat producer of the country as well as on the consumer?

Mr. HENRY T. RAINEY. Yes. It is absolutely a burden on the wheat producers, the consumer, and upon everybody, and an obstruction in the way of winning the war.

Mr. SLAYDEN. Mr. Chairman, will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. SLAYDEN. Then, the consuming public will not be deceived under your amendment as to the adulteration? Do I understand you to say that the consuming public will not be deceived by this adulteration which you propose to authorize to be put on them, but that they will be advised in a way that they can not help seeing it as to the percentage of the component parts in the package?

Mr. HENRY T. RAINEY. Certainly. That is the intention of the Food Administration.

Mr. SLAYDEN. What I wanted to learn definitely and clearly—because I understood the gentleman in reply to a question, to say something that I hoped was not the case and hoped would not prevail—I understood the gentleman to say that his amendment would repeal that part of the existing law which compels the publication of the adulteration in percentage and in nature, too. Some gentleman asked that question.

Mr. HENRY T. RAINEY. No. The Food Administrator, under the powers which we have given him, has the right to add

all these requirements, and he has the right to require this marking much more elaborately than the pure-food law now provides for, and his representative assures me that it will be done.

Mr. SLAYDEN. It is proposed to adulterate all flour at the mills?

Mr. HENRY T. RAINEY. No; it is not proposed to do that. It is proposed to induce millers to mix flours—patriotic millers—if it can be done, and it is proposed, in order to give them an inducement for mixing it, to remove these burdensome requirements.

Mr. SLAYDEN. Then, do you not believe that the family that uses a correct percentage of corn meal, aside from any percentage of it in this mixed stuff, will not be deceived in the matter?

Mr. HENRY T. RAINEY. There will be nothing in the regulations or in the repeal of this law that would prevent the use of corn meal.

Mr. SLAYDEN. They mix corn meal with the wheat flour now.

Mr. HENRY T. RAINEY. No. It can not be done. Corn meal and corn flour are different propositions. Until this war started we had no corn flour. We had corn meal. We now have both wheat flour and corn flour. In making corn flour the corn kernel with the outer skin removed is removed, and what remains is ground into corn flour, and that is what is mixed with wheat flour.

Mr. GARNER. Mr. Chairman, I do not like to disturb this academic pure-food conversation that is going on, but it seems to me it is useless to discuss the merits of this matter until we determine whether or not it is going to be considered and whether the rules of the committee permit it to be considered. I suggest that the point of order be discussed and that the Chair decide that point of order.

Mr. HENRY T. RAINEY. No point of order has been made.

The CHAIRMAN. No point of order has yet been made.

Mr. MOORE of Pennsylvania. Then I make the point of order.

The CHAIRMAN. The gentleman from Pennsylvania makes a point of order.

Mr. MOORE of Pennsylvania. My point of order, in the first place, is that this is not germane to the bill. In the second place, I make the point of order that no reservation was made to permit the introduction of this amendment at a particular place, and the gentleman has lost his day in court. I am willing to leave this question to be decided on its merits, but I make that point of order on it.

The CHAIRMAN. Has that section of the bill been passed?

Mr. MOORE of Pennsylvania. Yes.

The CHAIRMAN. No reservation was made to return to it?

Mr. MOORE of Pennsylvania. No.

The CHAIRMAN. Then that disposes of it.

Mr. HENRY T. RAINEY. I thought we were to return for the consideration of all the committee amendments. I think that anybody who will make that kind of a point of order would give me ground for objecting to any return to any place in the bill.

The CHAIRMAN. The gentleman from Illinois can object to returning to anything for which specific provision has not been made, and the Chair will at once sustain it. The reason why the Chair asked whether there was a special reservation to return to this matter was that if there was no reservation to return to it, how can we get back to it when we have passed it?

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. MOORE of Pennsylvania. I have no objection to meeting the gentleman on the merits of this question. But it is an old story, that was thrashed out in the Committee on Ways and Means years ago. It involves the health of the people of the United States as well as of the people abroad. It involves the question of mixing flour with barytes, of mixing ground marble and all sorts of deleterious substances with flour, to grind out the lives of the poor children in the land who are compelled to eat this stuff.

Mr. HENRY T. RAINEY. There never was a more absurd, nonsensical statement made on this floor.

The CHAIRMAN. This matter can be very simply disposed of when we get at the facts. The Chair asked if there was any agreement in committee to return to this section for the purpose of amendment. It was stated from the floor that there was not. Of course, if that is true, that disposes of it at once.

Mr. MOORE of Pennsylvania. I make that point—there was no agreement.

The CHAIRMAN. The point has been made, and the Chair sustained it. The Clerk at the desk, however, says that a memorandum shows that there was an agreement to return to this section for amendment. If that is the fact, of course we are here properly.

Mr. MOORE of Pennsylvania. I am willing to leave it to the gentleman from Illinois to say whether or not he made a reservation at the time this paragraph was read to introduce this or any other amendment.

Mr. HENRY T. RAINEY. I did not make any reservation, but if anybody else did I want to take advantage of it.

The CHAIRMAN. If it was made by anybody else, it was in respect to that particular amendment.

Mr. HENRY T. RAINEY. I will state to the gentleman that I did not make the reservation, because the gentleman knows that for days we have been waiting for Mr. Hoover's representative to come before the committee to take this matter up; and the gentleman knew that we proposed to offer this amendment on the floor of the House, and it is bad faith on the gentleman's part to make that point of order at this time.

The CHAIRMAN. The gentleman from Illinois states that he did not reserve the right to return to this paragraph for the purpose of offering an amendment, and on that statement the Chair sustains the point of order.

Mr. MOORE of Pennsylvania. I ask unanimous consent to state, in answer to the gentleman from Illinois [Mr. RAINEY], that, while I knew he intended to bring this matter up, I advised him that I would oppose it when he did bring it up. I was unfortunate in not being at the committee meeting this morning, but I am pleased to say I was on the floor when he brought it up and was able to make the point of order.

Mr. HENRY T. RAINEY. I want to give notice that as soon as we resume the reading of the bill I will reintroduce this amendment.

Mr. MOORE of Pennsylvania. And I give notice that I shall make the point of order.

Mr. HENRY T. RAINEY. I have no doubt of that.

Mr. WOOD of Indiana. Mr. Chairman, on yesterday I offered an amendment on page 139, with the understanding that we would recur to it this morning.

The CHAIRMAN. The first thing this morning is the amendment of the gentleman from Pennsylvania [Mr. MOORE].

Mr. WOOD of Indiana. Very well.

The CHAIRMAN. Under the agreement of yesterday, which was modified this morning by the unanimous consent granted on the request of the gentleman from North Carolina [Mr. KITCHIN], and the matters covered by the unanimous consent having been disposed of, the first thing now in order is the amendment of the gentleman from Pennsylvania.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask that that amendment be read.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Pennsylvania.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Pennsylvania: Page 128, line 24, after the word "centum" insert the words "and cotton used therein, $3 per bale."

Mr. MOORE of Pennsylvania. Mr. Chairman, I understand the gentleman from Georgia [Mr. CRISP] reserved a point of order against the amendment.

Mr. CRISP. I reserved a point of order.

The CHAIRMAN. The point of order is reserved.

Mr. MOORE of Pennsylvania. Mr. Chairman, at the outset I wish to congratulate my Democratic brethren upon the full attendance on their side of the House this morning. If it had been any other than a cotton proposition, perhaps we would not have been so favored, but I wish my Democratic brethren to understand that there is nothing personal in the amendment that I have offered or in those that I expect to offer if this one carries. In fact, as showing the spirit of cordiality that prevails, I want to read at this time a message that was just handed to me by one of the pages, which I assume came in good faith from the outside.

HON. J. HAMPTON MOORE,
House of Representatives.

DEAR SIR: Can you be prevailed upon to deliver the principal address at the annual banquet of the New Orleans Cotton Exchange on the evening of October 1?

Respectfully, J. W. JOHNSON.

[Laughter.]

I do not know whether that invitation was indited by my good friend, Mr. GARNER, of Texas, or by my other good friend, Mr. BURNETT, of Alabama, or by my equally good friend, Judge CRISP, of Georgia; but I wish to say to them, as a committee appointed to tender this invitation, that I thoroughly appreciate the spirit in which it came, accept it in the same spirit, and will attend the banquet if I find my engagements will permit me to do so. [Laughter.] And should I attend this banquet, it will give me

great pleasure to say what I intend to say now as briefly as possible, which is that we are under the necessity, as the representatives of the people, of raising the enormous sum of $8,000,000,000 by taxation, and that we were charged by the President, who addressed us from this rostrum, and subsequently by his Secretary of the Treasury, to get this money for the purposes of the war. The President indicated that taxes must be levied in substantially the proportion of one-third of the total amount, and that they should be equitably and generally distributed; and he also said that he believed that if they were equitably distributed the people would pay them cheerfully.

I approach the subject, then, in the same spirit in which the President approached it, with a view of getting this $8,000,000,000 by equitable taxation.

Some gentlemen have thought that there is something sectional in a discussion of the cotton question. I wish every Representative from a Southern State with whom I have had the pleasure of being acquainted for many years to understand that I have no prejudice in this matter; that I have no desire to point out cotton and make it conspicuous as a nontax payer. I glory in cotton, as does every other true American. I am glad it is an American monopoly. I regret when the cotton crop tends toward failure, and I glory when the cotton crop rises and is profitable. [Applause.]

Mr. GARNER. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GARNER. The gentleman is aware of the fact, however, that out of the 48 States there are only 11 States that produce cotton to any great extent.

Mr. MOORE of Pennsylvania. Substantially so.

Mr. GARNER. Therefore, when you do levy a tax on cotton, you levy a tax that is not distributed throughout the entire country.

Mr. MOORE of Pennsylvania. Yes; that may be true.

Mr. GARNER. Then, the gentleman ought not to say that he is trying to avoid sectionalism, because the very nature of the tax makes it sectional.

Mr. MOORE of Pennsylvania. I accept the gentleman's statement.

Mr. CAMPBELL of Kansas. The same thing is true of wheat and of mineral products.

Mr. MOORE of Pennsylvania. Will the gentleman let me make my speech? I have only five minutes. I accept the gentleman's statement in good faith, and answer him in this way: That if he claims that because I am asking cotton to pay a share of the war expenses I am sectional, then I might ask him, with equal propriety, why 70 per cent of all the money raised by taxation is raised in 10 States of the Union, and substantially half of it in only 3 States? [Applause.]

Mr. RAGSDALE. Will the gentleman permit a question there?

Mr. MOORE of Pennsylvania. Yes.

Mr. RAGSDALE. The articles are sent back to those States and it is levied on things in every State only because of the wealth that is congregated there.

Mr. MOORE of Pennsylvania. We use cotton in every State, and the farther it gets from the cotton field the more we pay for it, so that the gentleman's argument is answered in the distribution of cotton. The man does an injustice to the representative of any State who, because he is faced with raising $8,000,000,000, an unheard of amount, suggests that the tax that is to be raised shall be equitably distributed. I have shown recently that a very few people of this country were bearing the great burden of taxation, and that millions and millions of people of the country were paying no income tax at all.

Mr. HARDY. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. HARDY. Will the gentleman admit that it would be just as just to tax corn as to tax cotton?

Mr. MOORE of Pennsylvania. Yes; I admit that; if we need it for winning the war.

Mr. HARDY. Then, why did not the gentleman include corn in his amendment?

Mr. MOORE of Pennsylvania. I preferred to let the gentleman from Texas do that after we have thrashed out the matter of cotton.

Mr. HARDY. Did not the gentleman offer his amendment as to cotton merely because cotton is confined to a small section and corn to a large section?

Mr. MOORE of Pennsylvania. I suggest that it is more because the gentlemen from southern States expected the gentleman from Pennsylvania to offer a cotton amendment.

Mr. HARDY. Why did the gentleman offer an amendment to tax cotton that comes from only one section and not include corn that comes from all sections?

Mr. MOORE of Pennsylvania. I have answered that. If the gentleman will point to anything that stands in the same relation as cotton, I will stand with the gentleman.

Mr. HARDY. I have suggested corn.

Mr. MOORE of Pennsylvania. If corn is profiteering, if coal or any other raw material is profiteering, I assume they should pay taxes; also cotton, if it is profiteering.

Now, I have not the time in 10 minutes to go into this fully. What I want is to get a vote on this important question. If gentlemen want to, let them vote it down. I have raised it because I thought it a matter of duty. I have told gentlemen that the bulk of taxes are paid by very few people in a very few States. A great number of States pay relatively small taxes. The great mass of the people pay relatively small taxes. My State happens to be one that is heavily taxed. The gentleman from Alabama suggested that we ought to tax steel. If they are going to make that proposition, well and good.

Mr. HEFLIN. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. HEFLIN. I did not make the suggestion to tax steel. I said the gentleman invited such tax. I do not think we ought to tax such products.

Mr. MOORE of Pennsylvania. The gentleman has changed his notes a little bit on that. He did not say that on the floor, but he wrote it into his speech.

Mr. HEFLIN. That is my position on it.

Mr. MOORE of Pennsylvania. I want to follow the gentleman up on that, because the gentleman speaks eloquently for cotton. I would like to see the gentleman propose a tax on iron ore; that is the beginning of steel. The gentleman wrote that into his speech. He was not satisfied with his speech as made orally, but wrote the suggestion into his speech, as I observed on reading it this morning.

Mr. HEFLIN. Why does not the gentleman offer the tax on steel himself?

Mr. MOORE of Pennsylvania. Because I am accepting the gentleman's challenge and calling his bluff.

Mr. HEFLIN. The cotton is in my section and the steel in yours.

Mr. MOORE of Pennsylvania. If the gentleman will follow out his suggestion to tax iron ore, I may stand with the gentleman, although that will tax Alabama's other industries besides cotton. Will the gentleman make good?

Mr. HEFLIN. I am opposed to a tax of that sort.

Mr. MOORE of Pennsylvania. I can see the hematite ore mine owners—the owners of the Black Warrior region—I can see those gentlemen down there paying a compliment to the gentleman from Alabama when he offers an amendment to tax iron ore, and I challenge the gentleman from Alabama to do it.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. Now, that challenge stands in the record. I have said in other addresses that wherever iron and steel are manufactured or sold there the taxes are heaviest. There is where you get the money to run the Government. You do not get it from the raw materials, because there has been a dread of touching the raw materials and imposing consumption taxes, even in times of war.

Mr. BLANTON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. BLANTON. That is because of the fact that the income from all of the public utilities in my district go to the places where they are owned.

Mr. MOORE of Pennsylvania. They come to the East for capital.

Mr. BLANTON. Our waterworks and electric lights are all owned by people in the North, and the income goes to the people of the North to be taxed.

Mr. MOORE of Pennsylvania. Sometimes taxes are levied heavily on northern capital by the Southern States to which it goes. The gentleman knows very well that when capital from the North goes into the State of Texas the legislature has a grip on that situation.

Mr. BLANTON. But it makes the people bear the burden whenever the burden is levied.

Mr. MOORE of Pennsylvania. But the statistics show that the great burden of the levy is not in the State of Texas, whether northern capital goes into that State or not; it remains in the State of New York. Gentlemen complain about pro-

posals to tax cotton upon the ground that it is unpatriotic to do so. Why? Cotton has been profitable. Grant that the Texas cotton crops have met with misfortune this year. Grant that an extraordinary drought has prevailed in that country, which I sincerely and deeply regret. Grant that some of the other States perhaps have not been doing so well this year as they had expected, although reports differ. Cotton fluctuates in price. It seems to be the victim of speculators. Cotton for some reason or other, because it is not taxed, or because a price is not fixed, seems to be exceptionally timid in the market—I mean from the financial point of view—and I sympathize with it. But I question sometimes whether it would not stabilize cotton if a tax were put upon it so that it could be located, so that a little bit of responsibility could be fixed upon it.

Mr. RAGSDALE. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. I have not very much time.

Mr. RAGSDALE. I am going to ask but one question. The gentleman made the statement that cotton is profitable. Will the gentleman tell me to what extent it has been profitable since the outbreak of the war?

Mr. MOORE of Pennsylvania. I will answer the gentleman's question by asking him a question. The gentleman is a banker and I will ask him to state whether he does not have more money in his bank at Charlotte, S. C., to-day, than he had before the European war.

Mr. RAGSDALE. The gentleman is almost as mixed in his facts as he is in his geography. In the first place, Charlotte is not in the State of South Carolina, and in the next place, I do not own a bank there.

Mr. MOORE of Pennsylvania. I said the gentleman is a banker. And I will amend Charlotte by inserting Florence. And, withdrawing the personal application of it, I will put my question this way: Is it not true that the banks in the gentleman's State have more money on deposit now than ever before?

Mr. RAGSDALE. And I will state to the gentleman that the sale of cotton has not begun in South Carolina, and the reason we have more money is because of the tobacco crops and the price of tobacco. Tobacco is higher now than it has been since the Civil War. For the past four or five years in many instances we have not got back even the cost of planting the cotton. I have been a personal sufferer myself in the planting of cotton, and I have not been able to get transportation in the past year to ship cotton away, and in some of the grades I can not get a bid anywhere in the United States from any manufacturer or cotton dealer on any of the low grades.

Mr. MOORE of Pennsylvania. I sympathize with the gentleman in his cotton troubles, and again ask him whether the banks in his State do not have more money on deposit now than before the war?

Mr. RAGSDALE. And I say that that is to be attributed not to the sale of cotton but because of the sale of tobacco.

Mr. MOORE of Pennsylvania. I am not attacking cotton. Let me ask the gentleman if liberty bonds have not been selling freely in his State?

Mr. RAGSDALE. Yes; they have; and the people of South Carolina have also made a good record upon the field of battle and everywhere else that calls for patriotism.

Mr. MOORE of Pennsylvania. That is just what I expected of South Carolina, and what I would expect of every loyal State of the Union, and there are no disloyal States.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MOORE of Pennsylvania. Mr. Chairman, I must ask that my time be extended for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. And I venture to say when it comes to service on the field of battle that no one State is going to chide another State.

They are all doing splendidly, and the cotton States are doing their share.

I am glad to have the gentleman's admission that the banks of South Carolina, in common with the other banks of the 13 States referred to by the gentleman from Texas [Mr. GARNER], are doing better this year than they did before the war. That is good, and I am glad to have it so, and the question arises whether the people, being more prosperous than they were before the war, should not be able to pay a little bit of the burden of taxation that is put on other commodities than cotton. Gentlemen seem to think that cotton is sacro sanct. I am willing to put a halo around it, I want to glorfy it, but cotton has not always been free from taxation. Cotton was once taxed, much more heavily taxed, than is proposed in this amendment. Away back in the beginning of this Government, when cotton was coming on to amount to something in the world of production, our forefathers provided a tariff tax on cotton in order to protect a growing industry, an infant industry, and they kept that duty on at 3 cents a pound to prevent any foreign cotton from coming into the United States all the way from 1789 to 1866. The producers got the benefit of a 3-cents-per-pound tax upon cotton during all of those years and built up a wonderful industry. We may call it an American monopoly, and we may all be proud of it. It went on the free list only in 1883; it has been on the free list since under both Republican and Democratic administrations, but it was directly taxed during the Civil War. It was taxed in the hands of the producer then at the rate of 3 cents a pound, which is much higher than is now proposed, when we are now faced with the greatest war in history.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. The gentleman will have to get me more time.

Mr. HOWARD. I just want to say that while it was taxed, the constitutionality of that tax was passed upon by the Supreme Court of the United States, and it was affirmed only by operation of law, because the bench was evenly divided upon the question; it stood 4 to 4.

Mr. MOORE of Pennsylvania. If the Supreme Court divided upon it, then it seems to have been a question, like the tax on bonds, that might properly be raised to-day, when we need the money for the war.

Mr. CLARK of Florida. Will the gentleman yield just a moment?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Florida.

Mr. CLARK of Florida. Does not the gentleman know that in the income-tax cases the Supreme Court flatly decided that any direct tax had to be levied by the rule of apportionment according to the population?

Mr. MOORE of Pennsylvania. I shall not dispute a Supreme Court decision with the gentleman, who is a good lawyer. I would want to ask the gentleman whether he thinks—because that is the question after all—whether he thinks and intends to vote, while we tax other commodities throughout the United States for the purpose of the war, that cotton shall, in this crisis, continue to be free?

Mr. GOODWIN of Arkansas. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield to the gentleman from Arkansas.

Mr. GOODWIN of Arkansas. Does the pending bill propose to tax any great staple other than cotton, such as steel, iron ore, coal, corn, wheat——

Mr. MOORE of Pennsylvania. That question was raised by the gentleman from Alabama [Mr. HEFLIN] and eloquently defended by him while the gentleman was in the rear of the hall.

Mr. GOODWIN of Arkansas. Does the pending bill propose to tax any other staple at all?

Mr. MOORE of Pennsylvania. Oh, yes.

Mr. GOODWIN of Arkansas. Any great staple?

Mr. MOORE of Pennsylvania. Well, it taxes quite a number of articles, some of which were enumerated this morning. If the gentleman will take up the bill he will find there are many articles separately taxed.

Mr. STEVENSON. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will yield to the gentleman from South Carolina.

Mr. STEVENSON. I understood the gentleman to say that he proposes not to tax the producer but, I suppose, the consumer. Is that his construction of what this tax amounts to?

Mr. MOORE of Pennsylvania. In time of war when we need $8,000,000,000 I would go after the money wherever it was and get it—equitably, of course. That is the attitude of the President of the United States, crudely stated.

Mr. STEVENSON. Does the gentleman concede his tax is to be one on the consumer?

Mr. MOORE of Pennsylvania. The point I make is that we should not raise all this war revenue exclusively from one source, that we should be generous to the rest of the people of the United States and invite them to come in and pay a little.

Mr. STEVENSON. There is another statement I understood the gentleman to make, and that was that we had a monopoly in this country for the last——

The CHAIRMAN. The time of the gentleman has expired.

Mr. EAGLE. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may proceed for 10 minutes. I want to find out what he is driving at.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the gentleman from Pennsylvania may proceed for 10 minutes. Is there objection?

Mr. KITCHIN. Mr. Chairman, I understand the gentleman from Pennsylvania has another amendment that directly taxes cotton by the bale.

Mr. MOORE of Pennsylvania. Yes; I have such an amendment.

Mr. KITCHIN. Why can not we have an agreement that the committee shall consider both of those and debate them at the same time without going through the same debate again, as it looks like we would do?

Mr. MOORE of Pennsylvania. The gentleman from Georgia [Mr. CRISP] made a point of order against this amendment and I am proceeding under that reservation of that point. I am willing to quit in five minutes.

Mr. KITCHIN. I understand that.

Mr. MOORE of Pennsylvania. I will quit in five minutes if gentlemen would not interrupt me, because I think it is fair——

Mr. KITCHIN. Can not we limit debate on this question now to 15 minutes?

Mr. MOORE of Pennsylvania. So far as I am concerned, yes.

Mr. CRISP. Mr. Chairman, if I may have the gentleman's attention for a moment, while I am very much opposed to this amendment and think it not right to be enacted, still I never shall argue to the House or to the Chair a point of order that I myself do not believe is good. I never shall attempt to mislead the House, and I do not believe the point of order is good against the pending amendment, and therefore I am going to withdraw the reservation. I do think the point of order is good against the main proposition, and shall urge it, but as against this I do not think so, and I never shall try to get the House to agree to something I do not believe is right. Therefore, I withdraw my point of order on this amendment. [Applause.]

The CHAIRMAN (Mr. WINGO). The gentleman from North Carolina [Mr. KITCHIN] has made a unanimous-consent request that debate on this amendment shall end in how much time?

Mr. KITCHIN. I should say in 12 minutes.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent that debate upon the pending amendment and all amendments thereto close in 12 minutes.

Mr. GREEN of Iowa. Mr. Chairman, a parliamentary inquery.

The CHAIRMAN. The gentleman will state it.

Mr. GREEN of Iowa. That applies simply to this original amendment of the gentleman from Pennsylvania, not to his other amendments?

The CHAIRMAN. The amendment to the pending paragraph and all amendments to the pending amendment. That does not apply to the original proposition, which the Chair understands the gentleman intends to offer later on. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Pennsylvania. And now may I have the attention of the gentleman from Georgia [Mr. CRISP]?

The CHAIRMAN. One moment. How is this 12 minutes to be controlled?

Mr. KITCHIN. Five minutes to the gentleman from Illinois [Mr. HENRY T. RAINEY] and five to the gentleman from Pennsylvania [Mr. MOORE].

Mr. CHAIRMAN. In the absence of objection—and it will be considered as ordered—5 of the minutes out of the 12 shall go to the gentleman from Pennsylvania, and 5 to the gentleman from Illinois [Mr. HENRY T. RAINEY].

Mr. MOORE of Pennsylvania. Mr. Chairman, I ask the attention of the gentleman from Georgia [Mr. CRISP]. The gentleman has made a strong and fair statement. Like him, I want to facilitate business, and because of his statement make this announcement. I shall not offer any other amendment until we come to the flat-tax amendment. I think it would be in order to offer it after this, and if beaten I shall not prolong this discussion by offering it on other paragraphs.

Mr. BANKHEAD. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I do.

Mr. BANKHEAD. Has the gentleman any reliable information as to the number of bales of cotton consumed annually in the manufacture of tapestry in the United States to which the gentleman's amendment applies?

Mr. MOORE of Pennsylvania. I have not.

Mr. BANKHEAD. The gentleman can not estimate how much revenue his amendment would raise if adopted?

Mr. MOORE of Pennsylvania. No; I will be frank with the gentleman and say I offered the amendment at this point only because cotton enters into tapestry. That is where an amendment is in order under the rules.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I will.

Mr. BYRNES of South Carolina. Is there any more justification for taxing cotton than for taxing corn, wheat, or any other commodity?

Mr. MOORE of Pensylvania. I have answered that, if the gentleman pleases. I said if there was profiteering in cotton or corn or wheat or any other commodity it should be taxed, or if a crisis arose where we had to have the money it would not be inequitable to tax such products along with other commodities offered for sale.

Mr. OSBORNE. Will the gentleman yield?

Mr. MOORE of Pennsylvania. I yield for a question.

Mr. OSBORNE. The question I would propound to the distinguished gentleman from Pennsylvania [Mr. MOORE] is one that I put because I want the information. Do not the growers of cotton, as well as those of corn and wheat and other agricultural products, now pay their taxes in the form of income tax that we are imposing by this law?

Mr. MOORE of Pennsylvania. Of course, they do, when found. If the gentleman had listened to my speech the other day he would have learned that while there are 6,000,000 farmers in the United States, including cotton growers, only 14,000 of them pa'd any income tax.

Mr. CRISP. Will the gentleman yield right there?

Mr. MOORE of Pennsylvania. Mr. Chairman, how much time have I?

The CHAIRMAN. Two minutes.

Mr. MOORE of Pennsylvania. Then I will have to decline to yield. I can not yield to gentlemen any further.

I have received complaints from gentlemen in the cotton-manufacturing business about the price of yarn. They say there is profiteering in yarn. I will read one paragraph from a letter which is before me, which tends to illustrate why gentlemen complain:

> In other words, the advance in the allowance for spinning, overhead, and profit is 385 per cent, which in a measure explains the phenomenal profits which were returned last year by all the southern cotton mills, for during the past four years I am authoritatively advised that the wages of the southern cotton-mill operatives have been advanced but 50 per cent.

This phase of the cotton question was brought to the attention of the Federal Trade Commission by my colleague, the gentleman from New York [Mr. GOULD]. I have not time to read the whole of the letter which the commission wrote to him in regard to this profiteering situation in cotton, a situation which the President may have had in mind when he wrote his famous letter to Mr. Harris during his senatorial campaign in Georgia a few weeks ago. But here is a part of what the Federal Trade Commission says:

> The commission has not undertaken a general investigation of the cotton-goods industry, and in view of the enormous amount of work involved in the requests above noted it could not with its limited personnel undertake such an investigation without crippling and unduly delaying the urgent work that has a direct bearing upon matters intimately touching the conduct of the war. The commission has adopted the policy of making its service to the various war agencies paramount, and it is believed you will appreciate the wisdom of this policy.
>
> It is believed that the work of the commission for the War Industries Board and the War and the Navy Departments in connection with the cotton textile industry will result in more satisfactory conditions. The matters as to combinations among yarn spinners and others are under separate investigation by the commission, and if the evils complained of are not measurably remedied by the results of the investigation now being made, such remedy as is within the powers of the commission will be applied.

Apparently the Federal Trade Commission has time to investigate the Beef Trust, but it has no time to investigate the Cotton Trust. That is a matter worth considering. It may have some bearing on what gentlemen have said on the floor of the House in reference to speculation in cotton. It is known that we are paying the highest price for cotton commodities. If the cotton grower is not getting his share, we may find it if we put a check on the bale and know where the money is going.

I want to quote briefly from the report of the Director of the Census in regard to the cotton crop of 1917:

> The crop of 1917, according to the returns of the ginners, amounted to 11,248,242 running bales, counting round as half bales, equivalent to 11,302,375 bales of 500 pounds gross weight. With one exception, it was the smallest crop produced since 1909; that of 1915 amounting to only 11,068,173 bales. Compared with the crop of 1916, there was a falling off in Alabama, Arkansas, Florida, Missouri, North Carolina, Tennessee, Texas, and Virginia; and an increase in Arizona, California, Georgia, Louisiana, Mississippi, Oklahoma, and South Carolina. The most notable increase was in Louisiana, where the production was 629,719 bales, the largest for any year since 1907.

There were more than 11,000,000 bales in 1917 that did not pay one cent of tax toward this great world war. The tax of $3, as proposed by my amendment, would bring $33,000,000 of revenue, and would help to solve the problems of the President of the United States and the Secretary of the Treasury at this time. It would help to win the war. [Applause.]

The CHAIRMAN (Mr. SAUNDERS of Virginia). The time of the gentleman has expired.

Mr. HENRY T. RAINEY. Mr. Chairman, it takes a gigantic intellect to develop an economic proposition like this. Who ever heard of taxing agricultural crops? But it is entirely in harmony with the position just taken by the gentleman from Pennsylvania [Mr. MOORE] when by the interposition of a point

of order—in bad faith, as I claim, under the circumstances—he has attempted to provide more expensive bread for the people of his district.

It will not be long before we commence recessing, and the gentleman from Pennsylvania will be making speeches in his district telling what a glorious, magnificent supporter of the war policies of this administration he has been; and yet, by refusing an opportunity to this House to vote on the merits of this administration war proposition, by resorting to a technical point of order, he obeys the orders of the profiteering millers of his district and provides, as far as he can, more expensive bread for the people who live in his district.

Why, the gentleman from Pennsylvania takes orders. He does not represent the consumers of his district. He represents that district in Pennsylvania where they succeed by processes of political assassinations. Whenever you hear of a political murder and try to find out where it was and where it occurred, you will find it within the boundaries of the district of the gentleman from Pennsylvania. He represents, in part, a State here which has produced more profiteers during this war, to the acre, than all the other States in this Union combined. [Applause on the Democratic side.] And yet he talks about a trust in cotton and about cotton profiteers. Who has got a trust in cotton? If the prices of cotton were abnormally boosted prior to this war, they were boosted by the gamblers of Philadelphia who gambled in cotton, the men he represents here, and by the gamblers of other great cities of this Union. It comes with bad grace from a man who represents any section of Pennsylvania to complain about profiteering. The gentleman represents a State in which it was developed not long ago by an investigation that they paid $75,000 for a bootblack stand in the basement of their capitol; and that was only in harmony with the other corrupt developments of that investigation. [Laughter.]

Why does not the gentleman propose a tax on wool? I will tell you. In the State of Pennsylvania the farms stand up on end. They can not raise anything there except something that can climb, and sheep and goats can climb; and in Pennsylvania they raise sheep and goats. They produce mohair and they produce wool.

Mr. BUTLER. Will the gentleman yield?

Mr. HENRY T. RAINEY. And therefore the gentleman does not propose to——

Mr. BUTLER. Will the gentleman yield?

Mr. HENRY T. RAINEY. I can not yield.

Mr. MOORE of Pennsylvania. Will the gentleman yield?

Mr. HENRY T. RAINEY. I can not yield.

The gentleman does not propose to tax that sort of a material for the making of clothing. Why does he not tax anthracite coal? They produce it in Pennsylvania, and they produce it nowhere else. They consume it out in my State. Why does he not propose a tax on anthracite coal? Because it was produced in the State where they produce also coal profiteers, and he represents them, together with the other profiteers of the State of Pennsylvania. [Laughter.] He talks also about his State paying more than its share of the taxes that are imposed in this bill. I would like to know what taxes they pay in Pennsylvania which they do not pass on to consumers. [Laughter.] I am sick and tired of that kind of argument. I represent one of the three or four States which pay a tremendous amount of taxes, but I have never yet descended to the grade of peanut politics that the gentleman so frequently descends to as to say that my State was paying more than its share of taxes.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HENRY T. RAINEY. I ask to proceed for two minutes more.

Mr. HEFLIN. Did he consume seven minutes?

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MOORE of Pennsylvania. I ask that the gentleman may have one minute more in which to answer a question.

Mr. HENRY T. RAINEY. I can not yield to the gentleman. In the State of Pennsylvania——

Mr. MOORE of Pennsylvania. I want to ask the gentleman a pertinent question.

The CHAIRMAN. The gentleman declines to yield.

Mr. HENRY T. RAINEY. I do not yield at all. In the State of Pennsylvania they produce enough steel products, if they were taxed just $2 a ton, not $3, to yield $31,000,000, as much money as the gentleman says they are going to get from the cotton planters of the South. [Applause.] Why does he not propose that kind of a tax? It is because the steel magnates are profiteers. The farmers of the South, on their poor little farms, threatened as they are with the boll weevil and with drought, are not profiteers, and can not be profiteers, and therefore they do not measure up to the exempt standards of the gentleman from Pennsylvania. Why does he not propose to tax the corn produced in my State and the wheat produced in my State and throughout this Union? That would be in harmony with the gentleman's proposition to increase the price of bread.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HENRY T. RAINEY. No; I can not yield. He does not attempt to do that, and he does not dream of doing that. That would not be in the interest of the profiteers of Pennsylvania. [Laughter.] I am wondering if the people who live in his district wear any clothes. [Laughter.] If they do, and I think they do, corrupt and objectionable as his surroundings are, he is endeavoring to increase the cost of everybody's shirt in his district, if they wear shirts, and he is endeavoring to increase the cost of the cotton dresses that they wear in his district, just as he tried awhile ago to increase the cost of their bread. [Laughter and cries of "Vote!"]

The CHAIRMAN. The time of the gentleman has again expired. The question is on agreeing to the amendment.

The question was taken; and the Chairman announced that the noes seemed to have it.

Mr. MOORE of Pennsylvania. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Pennsylvania asks for a division.

The committee divided; and there were—ayes 28, noes 100.

So the amendment was rejected.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

Mr. GREEN of Iowa. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. GREEN of Iowa. I think that under the agreement and under the rules of the House my amendment comes in at this time, at this point of the bill, which is ahead of the amendment offered by the gentleman from Pennsylvania.

The CHAIRMAN. Is this a cotton amendment?

Mr. MOORE of Pennsylvania. This is a cotton amendment. It is offered under the agreement of yesterday.

The CHAIRMAN. The Chair understands that amendments relating to cotton were to be taken up at the beginning of the session this morning.

Mr. GREEN of Iowa. Mr. Chairman, according to the way it was stated by the Chairman, my amendment, taxing the products of child labor, stood first. I think if the Chair will refer to the RECORD he will find that the agreement yesterday applied not only to the amendments of the gentleman from Pennsylvania in regard to cotton, but to the amendment concerning child labor.

The CHAIRMAN. Yes; but the agreement requires that the amendments of the gentleman from Pennsylvania would come first in time inasmuch as they relate to cotton.

Mr. GREEN of Iowa. I think if the Chair will consult the RECORD he will find he is in error about it.

The CHAIRMAN. If the gentleman will call the attention of the Chair to something in the RECORD that will support him in his statement, the Chair will rule. The Chair thinks that the cotton amendment, according to the agreement, was to be taken up first. If the gentleman will cite the RECORD to the contrary, the Chair will correct the ruling.

Mr. CRISP. I made a point of order against it. I think it would be best to have the point of order decided first.

Mr. MOORE of Pennsylvania. I ask the gentleman to reserve it for three minutes.

Mr. CRISP. I will reserve it for three minutes.

Mr. SLOAN. I understand the point of order was reserved, but when the time was allotted on the other amendment it was distinctly stated that there would be other amendments. I desire to submit some remarks on this general proposition myself, and I wanted to discuss it at this time.

Mr. CRISP. I did not so understand it. I think the revenue bill should be disposed of, and if the point of order is good it is useless to consume the time of the House in discussion of the matter. If the point of order is not good, then we can have just as liberal a discussion as the committee sees fit to have.

Mr. MOORE of Pennsylvania. The gentleman withholds the point of order for three minutes?

Mr. CRISP. Yes; I withhold it for three minutes. Then I desire to be heard on the point of order.

Mr. MOORE of Pennsylvania. Mr. Chairman, I said about as much as I care to say regarding cotton, in the discussion of the preceding amendment. But as to the flamboyant statement made by the gentleman from Illinois [Mr. HENRY T. RAINEY],

my colleague on this committee, in regard to some ancient history of Pennsylvania, which he seems to have read since my point of order was made against his "mixed-flour" amendment this morning, I want to say that while I did not particularly enjoy all the "bouquets" the gentleman threw my way, as to my Commonwealth, my community, or myself, and promptly resent them, I admit that when the gentleman gets angry he runs amuck. He makes observations that are not fortified by facts, and wanders into strange pastures where his eloquence overcomes his good judgment and his love of the truth. [Laughter.]

The gentleman has made a reputation as a "trust buster," as a man who is beating down the "octopus of capital" in order that the "poor unfortunate farmers" of his district may be saved; but the gentleman has not told the House why his "mixed-flour" proposition, coming in now under cover of war and a letter from Mr. Hoover, was opposed by gentlemen on this side.

For one reason it was because the gentleman from Illinois has fathered a bill which he now brings in as an amendment to open up the way for the adulteration of food by unscrupulous millers, a bill that was the creation of the Corn Products Co., a subsidiary to the Standard Oil, for whom the gentleman speaks in this instance. If the gentleman seeks to enter into personalities, I challenge him to explain the peculiar position in which he finds himself as an advocate of a Standard Oil measure to so mix wheat flour that the children of this country will be served adulterated and deleterious food. The gentleman from Illinois has an opportunity, if he desires, to explain that situation. All the virtue is not with the gentleman from Illinois who made that unfortunate and unprovoked attack upon the gentleman from Pennsylvania.

Mr. HENRY T. RAINEY. Mr. Chairman, I ask for one minute.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. HENRY T. RAINEY. Mr. Chairman, I want to state to the gentleman from Pennsylvania, as moderately as I can and without offending him in the least, that there is not a scintilla of truth in the statement that he has made. The mixed-flour bill I introduced years ago was introduced at the request of the health-flour makers of the United States. I subsequently amended it. I drew the bill myself. I never heard of the Corn Products Co. in connection with this case until the hearings commenced.

Mr. MOORE of Pennsylvania. There are 600 pages of the hearings relating to it.

Mr. HENRY T. RAINEY. I amended the bill at the request of the white-corn millers of the United States, and I presented the amended bill at their request.

Mr. MOORE of Pennsylvania. The Corn Products Co. was in favor of it.

Mr. HENRY T. RAINEY. It makes no difference who favored it. It was in the interest of cheaper bread and wholesome bread, the kind of bread that we are forced to take now, the kind of bread that the gentleman from Pennsylvania is eating now. The statement that I introduced the bill at the request of any trust or prosecuted it at the request of the Corn Products Co. or the Standard Oil Co. is absolutely and unqualifiedly false.

Mr. MOORE of Pennsylvania. There are 600 pages of it in the hearings, which any gentleman can read.

Mr. CRISP. Mr. Chairman, I make the point of order against the amendment and desire to be heard on it. The gentleman from Pennsylvania proposes to insert another paragraph in the bill, levying a tax of $3 a bale on raw cotton. I make the point of order against the amendment that it is not in order on the ground that it violates section 3 of Rule XXI, which reads as follows:

> No amendment shall be in order to any bill affecting revenue which is not germane to the subject matter in the bill; nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed.

Now, Mr. Chairman, it has always been my wish and desire in this House to acquiesce in the wishes and desires of my colleague, and it is not pleasant to me to insist on making this point of order in lieu of reserving it. But I am so profoundly convinced that the point of order is good, and the fact that the Senate is waiting for this revenue bill and the country is waiting for the money, that it seems to me it would be a useless consumption of time to discuss the merits of the proposition if the point of order is good.

If the point of order is not good, I think the proposition is one of vital importance, and there should be ample debate; but in the discussion of this point of order I shall not touch on what I might call the demerits of the proposition, for, of course, I am against it on principle, but shall confine myself strictly to an argument against the amendment being in order under the rules.

What is the meaning of the rule I have just quoted? It was intended and the purpose of the rule was to change general parliamentary law, to fix a different rule for the consideration of revenue bills from other bills. That rule says that an amendment is not in order unless it is germane not to the subject of the bill but to the subject matter in the bill; and it does not stop there. It goes further and says even then it is not in order unless it relates directly to some item in the bill.

There is no item in the bill providing for a tax on raw cotton. There is nothing in the bill the substance of which is the taxing of raw cotton.

Mr. Chairman, this is not a new proposition. The Chair does not have to go into any new field in deciding this point of order, for the occupants of the chair have decided it in this House. The first ruling made on this clause in Rule XXI was when the Democrats came into power, and was made by the gentleman from Missouri [Mr. ALEXANDER]. Whether that rule is a good rule, or whether it is a bad rule, the Chair is not concerned in passing on the point of order. If it is not a good rule the House, if the majority sees fit, can amend or repeal it; but as long as the rule is in the rule book the Chair and the House are controlled absolutely by it.

When we were considering a revenue bill in the Sixty-second Congress the gentleman from Illinois [Mr. MANN]—and I voice the sentiment of all the House when I express the regret that he is not here, and the hope that he will soon be returned to us [applause]—offered innumerable amendments when the House was considering the free list by adding new sections providing that other articles should go on the free list. They were all ruled out of order under the rule that I have just quoted.

But, Mr. Chairman, I am happy to be able to say to the chairman and the committee that this precise amendment has been ruled on. In the last Congress when the last revenue bill was up for consideration my amiable but partisan friend from Pennsylvania, Mr. MOORE, offered an amendment providing a tax should be levied on raw cotton of $2.50 a bale. To that amendment I made a point of order that it was not in order. After argument, participated in by the gentleman from Illinois, the gentleman from Wisconsin, now Senator from Wisconsin, Mr. LENROOT, Mr. GARRETT of Tennessee, Mr. KITCHIN of North Carolina, and others, the gentleman from Illinois [Mr. FOSTER] being in the chair sustained my point of order and held that the amendment was not in order. His decision will be found in the RECORD, volume 55, No. 3, Sixty-fifth Congress, first session, on page 2664, in the proceedings of May 21, 1917.

From that decision the gentleman from Illinois [Mr. MANN] entered an appeal and the appeal was debated, and the vote was taken by the committee itself as to whether the decision of the Chair should be sustained, the Chair having held out of order an amendment exactly like this, offered to a revenue bill, and the committee by a vote of 136 to 117 sustained the Chair and decided that the amendment was not in order.

Now, Mr. Chairman, that decision is binding on the Chair. Away back in 1842 the Chairman of the Committee of the Whole, George W. Hopkins, of Virginia, in the course of a ruling made this statement:

> A chairman does not sit here to expound rules according to his own arbitrary views, but a just deference for the opinion of his fellows should constrain him to give to precedent its proper influence, and until the House shall reverse him, to give it all the consideration which is due a case heretofore settled by a solemn decisions of the House.

I count myself happy, Mr. Chairman, in making this point of order to be able to call your attention to an amendment identical with this, offered to a revenue bill, held out of order by the Chair, and then on an appeal to the committee itself held to be out of order.

I might talk longer, but I could add nothing to what I have already said, and I submit that under the rules of the House this amendment is clearly obnoxious to the point of order and should be thrown out. [Applause.]

Mr. MOORE of Pennsylvania. Mr. Chairman, of course I am familiar with the ruling referred to by the gentleman from Georgia [Mr. CRISP] with reference to the previous cotton amendment, and am also familiar with Rule XXI, under which Judge ALEXANDER made his famous decision in the tariff case. But I point to the fact that this is a bill "to provide revenue, and for other purposes." There is nothing offensive to the bill or the title in the amendment that has been submitted. It is a plain proposition to raise revenue in accordance with the title and provisions of the bill, and it simply adds another source of revenue to those already enumerated. It is a revenue bill, the title of which is "To provide revenue, and for other purposes."

The Government is in need of the money. If the amendment should pass it would provide an additional revenue for war purposes of $33,000,000. It seems to me that it is not only appropriate, but germane. I say I am aware of the decisions that have been rendered, but I still contend that the amendment is in line with the purposes of the bill; that it is proper to offer such an amendment; that it comes within the purview of the bill; and that the purpose of it is to raise money, and the effect of it would be to raise revenue in accordance with the provisions of the bill and the title.

The CHAIRMAN. The ruling in this case depends upon the construction of subsection 3, of Rule XXI, and its application to the amendment offered by the gentleman from Pennsylvania [Mr. MOORE]. This subsection is to the following effect:

That no amendment shall be in order to a bill affecting revenue which is not germane to the subject matter in the bill; nor shall any amendment be in order to an item in the bill unless the amendment is directly related to such item.

The gentleman from Pennsylvania [Mr. MOORE] in arguing this matter suggests, if the Chair understands his argument correctly, that his amendment is in order because this is a bill to raise revenue, and his amendment proposes to raise revenue. The question of whether the amendment of the gentleman from Pennsylvania is in order must be determined by reference to the positive rules of the House relating to amendments to a revenue bill. Manifestly the intent or purpose of a bill is a very different thing from the subject matter in the bill. The intent of this bill is to raise revenue. There is nothing in the subsection of the rule which the Chair has cited which refers in any wise to the intent, or purpose of a bill. The subject matter in a bill is the aggregate of the different items which under the rates proposed and the legislation provided, will raise the revenue required and thereby make effectual the intent of the bill. If the gentleman's amendment is considered to be in order on the ground suggested, namely that this is a revenue bill, then there is no amendment proposing to raise revenue that would not be in order. This bill provides a tax on livery boots. Leather enters into the making of livery boots. Is it conceivable that because an item in the bill taxes boots made of leather, an amendment would be in order establishing a tariff duty on the importation of hides, of which leather is made? Another item provides for a tax on candy. Sugar is a large element in candy. Would it be argued that if this was the only reference to sugar in the bill it would be in order to impose an excise tax on sugar? Another item in the bill taxes adding machines. Iron enters into the manufacture of adding machines. Because the bill taxes a manufactured product that contains iron as a component material, would an amendment be in order taxing pig iron, or iron ore in its natural state? Yet the argument would be the same for all of these amendments, as for the amendment of the gentleman from Pennsylvania, since they all propose to raise revenue.

The Chair is not concerned with the merits of any of these propositions, and accepts in this connection the suggestion made by the gentleman from Georgia [Mr. CRISP] that the question under consideration is merely one of order. A rule may be wise, or it may be unwise. A rule may limit the powers of the House, or of the committee, but if it plainly states its purpose, if its meaning is clear, then the fact that it limits the power of the House, or of the committee to deal with some particular subject matter is no concern of the Chair, which is interested only in arriving at the true meaning of the rule. Many rules are avowedly for the very purpose of limiting the House in dealing with the subject matters under consideration, in order that the House may legislate sanely and conservatively. Such a rule, and one with which we have frequent experience, is the one prohibiting legislation on an appropriation bill. That rule limits immensely the powers of the Committee of the Whole, and of the House; yet it is accepted as a just and wise rule, although in many instances the House is confronted with situations in which, but for the express limitation of this rule, it would add wholesome legislation to an appropriation bill.

There have been many decisions on this point, so that it is not necessary for the Chair to elaborate this ruling to any great extent. The decision cited by the gentleman from Georgia is precisely in point and covers the case under consideration like a blanket. There is no difference whatever between the facts in the case cited, and the facts of the case under present consideration. The decision of the chairman in that case sustained the point of order, and that decision on appeal was sustained by a vote of the committee. Another ruling in point, was by Mr. Speaker CLARK on a motion to recommit a tariff bill with instructions to report the same with an amendment providing for a tariff commission. The motion was elaborately argued, and the Speaker made a most elaborate ruling, pointing out that the subject matter of the bill was an aggregate of items subjected to tariff taxation, while the amendment proposed to create a commission to collect information in relation to tariffs. The amendment proposed to deal with the tariff in an entirely different manner from that contained in the bill, and it was held to be nongermane and out of order. The ruling of the Speaker was sustained on appeal. In this connection the Chair will also cite the elaborate ruling of Chairman ALEXANDER found in the Manual under the heading of "Important Rulings." The rulings on the point raised by the gentleman from Georgia, as stated a moment ago, are very numerous. This is not a question of first impression. Hence it is hardly necessary for the Chair to elaborate any further the reasons why he holds in conformity with the precedents that this particular amendment is not germane to the subject matter in the bill, nor does it directly relate to any item in the bill.

The Chair, however, does not suppose that the amendment is offered upon the theory that it directly relates to an item in the bill, since no citation has been made of such item. It is not germane to the subject matter in the bill, since there is nothing in the bill resembling the subject matter of this particular amendment. The Chair, therefore, sustains the point of order.

Mr. GREEN of Iowa. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The CHAIRMAN. Before the amendment of the gentleman from Iowa is reported, the Chair would like to make a statement in this connection. The gentleman from Iowa asked recognition a few moments ago upon the ground that the amendment which he proposed to offer should come up preferentially to the amendment offered by the gentleman from Pennsylvania [Mr. MOORE]. The Chair stated that according to his recollection the agreement of yesterday was that the first thing in order this morning would be the amendment of the gentleman from Pennsylvania, and upon that view he directed that the amendment of the gentleman from Pennsylvania be first reported. The gentleman from Iowa has cited the RECORD, and the Chair finds upon examination that the motion of the gentleman from North Carolina [Mr. KITCHIN] related to both the gentleman from Iowa and the gentleman from Pennsylvania, and further that the amendment of the gentleman from Iowa is directed to a portion of the bill which precedes that portion of the same at which the gentleman from Pennsylvania proposes to offer his amendment. If these facts had been heretofore called to the attention of the Chair, he would have extended the first recognition to the gentleman from Iowa. The Clerk will now report the amendment of the gentleman from Iowa.

The Clerk read as follows:

Amendment by Mr. GREEN of Iowa: Page 129, after line 22, insert a new subdivision, as follows:

"(27) Articles or commodities, the product of any mine, quarry, mill, cannery, workshop, factory, or manufacturing establishment within the United States in which children under the age of 14 years have been employed or permitted to work, or children between the ages of 14 and 16 have been employed or permitted to work more than eight hours in any day, or more than six days in any week, or after the hour of 6 o'clock post meridian during any portion of the taxable year, 5 per cent."

Mr. KITCHIN. Mr. Chairman, on that I make the point of order.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman reserve the point of order?

Mr. KITCHIN. I will reserve the point of order for five minutes.

Mr. GREEN of Iowa. Mr. Chairman and gentlemen of the committee, I am somewhat surprised to see so many of my friends upon the other side rising to make a point of order upon this amendment, especially as I know——

Mr. MADDEN. Did the gentleman say that he was surprised? I should think that he would say that he was not surprised.

Mr. GREEN of Iowa. Perhaps I ought not to have been, but I was somewhat surprised that so many gentlemen upon the other side rose to points of order upon this amendment, knowing as I do that they are gentlemen of kindly and generous nature, and not really disposed to work any hardship upon anyone—gentlemen who profess to want to do social justice. Yet that is all this amendment proposes. The committee will observe that this amendment puts a tax of 5 per cent upon the products of child labor below the standard age. I am frank to say to the House that it is not intended particularly as a revenue measure, and probably would not produce any revenue whatever. It would make child labor unprofitable and remove the temptation to use it. The object of this measure is to protect childhood and enable children to grow into men of proper stature, both physically and mentally. Time was when there was nothing so cheap as health and manhood in this world. That time, however, passed years ago, and yet there seem to be some regions

where that old idea is still maintained, and if goods can be made more cheaply with child labor, no matter what may be the effect upon the child, the manufacturers will make use of child labor. I suppose that as long as such employment is permitted there will be some so eager for gain as to take advantage of it. I do not believe there is a man in the House who wants to stand here and maintain that children below the age of 14 years ought to be employed in any factory. There is no question whatever but that the use of children of such tender age along with machinery, the constant following of its motion, taking them out of school and limiting their education, makes the child really a part of the machine, so that it stunts his whole development and prevents him from becoming a man of full strength physically and his mind from developing to what it might have if he had the proper opportunities for education and improvement. This idea is one that is scarcely the subject of controversy or discussion among those who have studied social subjects. The injuries which are received by children in the grinding toil of factories are so numerous as to hardly need stating.

Mr. Chairman, why should there be any opposition to this measure for the welfare of children? Why should any Member want to give some manufacturer the privilege to wring from their young bodies profits which in these times of war are already swollen to an unreasonable degree? The greater portion of the States of this Union refuse to permit it, but as long as the laws are not uniform, as long as child labor is permitted in some of the States, a kind of premium is held out to manufacturers in those States to employ children in their factories. By so doing they are able, at the expense of the welfare of the children, to make a greater profit than concerns operating in States where it is forbidden. Thus the greed of unscrupulous parties is fostered, and a hold has been obtained upon some States that it is difficult to break loose.

Mr. Chairman, the employment of children of tender age in factories deprives childhood of those happy hours which ought to be the birthright of every American boy and girl; it takes away their strength and ruins their health through confinement; it suppresses their thoughts and deadens their minds; it brings them into manhood without knowledge and without education; and it makes them unable to properly care for themselves or properly perform the duties of citizenship.

I do not think gentlemen ought to make points of order against so meritorious a proposition as this, a proposition which they would scarcely venture to attack upon the floor, but which they desire to reach by this more subtle method. Gentlemen might just as well understand, however, that this proposition is one which will not down. They may postpone it for a week or a month, or perhaps a year, but it is coming. It is certain to come in the form of Federal regulation, and I shall be surprised if in this very bill before it returns to this House a provision of this kind is not inserted. Gentlemen may fight against it, but the whole march of the ages and the progress of the human mind will sustain it. I repeat that I expect before this bill comes back here that it will be a part of it and gentlemen will have to vote for it.

Mr. KITCHIN. Mr. Chairman, I make the point of order, and I think the gentleman agrees with me that it is subject to a point of order.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. GREEN of Iowa. I would like to be heard very briefly. I do not think that the ruling which has just been made with reference to the amendment offered by the gentleman from Pennsylvania [Mr. MOORE] is controlling upon this amendment which I have offered. The Chair will observe that this is an amendment not to a particular item or a particular paragraph, but is an amendment to section 9, which imposes a tax to be paid by manufacturers upon certain products. Different items are therein specified. It is true that this adds one other item. It extends the list, but it simply adds one of a class without extending the class. It is unquestionably germane to this particular title, and I do not think it comes within the inhibition of Rule XXI, which was cited by the gentleman from Georgia [Mr. CRISP]. The question is, What manufactured goods shall be the subject of tax? The amendment relates back to the very opening of this title specifying the taxation of certain goods and adds one more. At the time of the reciprocity bill, when the gentleman from Kentucky [Mr. SHERLEY] was in the chair, there was added to the bill in the same way, in relation to items which were included in the free list, a number of different articles. The Chair overruled the point of order against their inclusion. I think that the ruling of the Chair which the Chair heretofore made is not decisive upon the particular amendment which I have offered and that the point of order ought to be overruled.

The CHAIRMAN. The Chair recalls the ruling made by the gentleman from Kentucky [Mr. SHERLEY] and cited by the gentleman from Iowa [Mr. GREEN]. However the decisions which the Chair cited this morning in connection with the ruling then announced, were made subsequent to the ruling of the gentleman from Kentucky [Mr. SHERLEY], and if that ruling and the rulings cited by the Chair are supposed to be in conflict, the latter will be regarded as overruling the lone contrary decision. The Chair has examined the amendment, and comparing it with the bill does not find in the body of the bill any paragraph in which the subject matter is proposed to be dealt with in a manner in anywise resembling the manner in which this amendment proposes to deal with and dispose of the subject matters to which it relates.

This being so, the Chair does not see how under the rulings that have been made this amendment can be regarded as germane to the subject matter in the bill. If it is considered to be germane to any item in the bill the Chair has not been cited to that item.

Mr. GREEN of Iowa. If the Chair will pardon me just a moment, the preceding paragraph referred to a large number of manufactured articles. Now, I do not see how the Chair can determine whether or not those articles have been manufactured by child labor.

The CHAIRMAN. The Chair does not undertake so to determine. The bill puts a tax on those articles but the amendment specifically proposes to deal with the same in a very different way from that proposed by the bill. If the Chair is correct in his former ruling, he does not see how this amendment can be in order. The Chair sustains the point of order.

Mr. CLARK of Florida. Mr. Chairman, I move to strike out the last word, and I do it for the purpose of submitting a little piece of poetry which I think ought to go in the RECORD:

THE FIRING SQUAD.

I wonder how long we'll continue to be
A health resort for spies
And other industrious gentlemen
That the papers criticize!
The place for an agent of Kaiser Bill
Is 6 feet under the sod—
I want to hear some corporal yell,
"Fall in, the firing squad!"

Do we get cold feet at the thought of blood,
Have we lost our old-time grit?
If we haven't the guts to kill a man
We'd better lie down and quit.
Do you think you can tame these animals
By the method of "spare the rod"?
Forget it! Come on with the corporal
In command of a firing squad!

If we riddled a few incendiaries
The industry would decline;
If we plugged a couple of profiteers
The rest would stand in line!
And a lot of these devilish anarchists
Would get in and carry the hod
If a few of their leaders went over the range
To the tune of a firing squad.

"Arrested," "Interned," or "Out on bail"—
It's ever the same old song;
And we lay the paper aside to remark,
"How long, O Lord, how long!"
We've seen enough deviltment this past year
To arouse the wrath of God!
Then what is it that we are waiting for?
Come on with the firing squad!

[Applause.]

Mr. WOOD of Indiana. Mr. Chairman, I call up the amendment passed yesterday, page 139, which I offered.

Mr. MOORE of Pennsylvania. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Pennsylvania. Was it not understood yesterday that as soon as these amendments were out of the way the gentleman from Minnesota [Mr. STEENERSON] was to have five minutes?

The CHAIRMAN. The gentleman from Minnesota is provided for. If his amendment comes in ahead of the gentleman from Indiana, the Chair will recognize him now.

Mr. STEENERSON. No; it is where we left off on page 169.

The CHAIRMAN. The Chair will see that the rights of the gentleman from Minnesota are fully protected.

Mr. MOORE of Pennsylvania. If this is one of the amendments reserved yesterday, I suppose it would come in ahead of the gentleman from Minnesota.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 139, line 18, after the word "covers," insert the words "except traveling salesmen."

Mr. WOOD of Indiana. Mr. Chairman, on yesterday at the request of a member of the committee this matter went over

until to-day. I offered this amendment for the reason that unless this section is amended every traveling salesman, no matter what he is selling, will be subject to this tax of $100.

Mr. LONGWORTH. If the gentleman will yield, I will say to the gentleman that the committee has information that this section has been examined by the proper officials and it will not do what the gentleman says. It will be specific and will not be construed to include traveling salesmen.

Mr. WOOD of Indiana. The gentleman may have the assurance of those in authority that it will not be so construed, but how can they help it? If this language means anything, it means what it says. The gentlemen will have no voice in construing it if it is incorporated as an integral part of this law. If it is not the intention of this committee, or if it is not the intention of this measure that traveling salesmen should be taxed, certainly there should be no objection to this amendment being adopted.

Mr. LOBECK. I would say to the gentleman that in line 18 it says, "Other securities, produce, or merchandise," he is considered to be a broker.

Mr. WOOD of Indiana. Absolutely.

Mr. LONGWORTH. The gentleman, of course, realizes if what he says is true and traveling salesmen are included in this specifically this would leave in all other salesmen than a traveling salesman, and any salesman under its construction would be taxed.

Mr. WOOD of Indiana. But the term "traveling salesman" has a definite meaning and has been recognized in law as a man who is a selling agent from a wholesale or a jobbing house to a retail merchant, so that there can be no question about that and there should be no quibble about it. If this language is not sufficient, and if any one else has anything better to offer, let him do so, but this certainly should not pass as it now reads. Under the peculiar language of this section that anyone who sells produce or merchandise is a broker, there can be no question but what he will be subject to this tax. The country is full of them, thousands and thousands of them. I do not think it was intended that they should be taxed, but if this law means what it says everyone will be taxed, every one of these men who are now engaged in selling from the wholesaler to the retailer or jobber to the retailer. It strikes me there should be no objection to our making certain what the committee intends that this class of salesmen should not be taxed.

Mr. HENRY T. RAINEY. Mr. Chairman, the only change made from existing law is including in line 18 the words "produce or merchandise."

Mr. WOOD of Indiana. That is what hurts.

Mr. HENRY T. RAINEY. In other words, the effect of that is to impose a tax of $100 upon a broker in produce or merchandise. Now, a traveling salesman is not a broker in produce or merchandise. He is an agent for a principal, placing goods with retailers on behalf of a principal, who is a wholesaler or jobber.

Mr. WOOD of Indiana. Will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. WOOD of Indiana. Take and read the second line of the clause in question, "Every person whose business it is to negotiate purchases or sales," and so forth. Is not the business of a traveling salesman to negotiate the purchase between the wholesaler and the retailer?

Mr. HENRY T. RAINEY. The department has passed upon that language, and they held that a traveling salesman for a stock and bond house was not subject to the tax. That is the holding of the department, and is proper. Now, the effect of the gentleman's amendment will be, if it goes in excepting traveling salesmen after the words "or others," to tax, if that is the only exception to be made, anybody who travels for the purpose of negotiating a sale of stocks, for the purpose of engaging in the sale of bonds, for the purpose of negotiating anything in reference to exchange, bullion, or coin, money or bank notes, or promissory notes. It might tax an agent for a bank who attempted to negotiate a promissory note.

Mr. LONGWORTH. And by its terms it also taxes every salesman who does not travel.

Mr. HENRY T. RAINEY. Yes; every salesman who does not travel.

Mr. WOOD of Indiana. In order to meet the objections of the gentleman, I will ask unanimous consent to modify the amendment by adding the words—

engaged in the sale of produce and merchandise.

Mr. HENRY T. RAINEY. That does not change the sense in the least.

The CHAIRMAN. The gentleman from Indiana [Mr. WOOD] asks unanimous consent to modify his amendment.

Mr. HENRY T. RAINEY. There can not be any question that a traveling salesman who sells merchandise would be excepted if you put that in, but a traveling salesman who sells other things would have to pay these taxes; and, not only that, if he did not travel and sold from a store or a bond house, or anything of that kind, he would have to pay. The effect of your amendment might be to tax every clerk in any of these places of business who sold anything, if he did not travel.

Mr. MASON. I would like to ask a question. Suppose he sells on a commission, as many of them do, and represents different employers. He may be traveling for a grocery house and would take on what is known as a side line.

Mr. HENRY T. RAINEY. If he does not travel and this amendment goes on, he would have to pay a tax.

Mr. MASON. If he sells on commission, he would have to pay the tax?

Mr. HENRY T. RAINEY. This clause is intended to reach the proprietors, anyway. It would not reach the traveling man.

Mr. WOOD of Indiana. If this amendment obtains, every man who is a salesman, except a broker, would be relieved from this tax.

Mr. HENRY T. RAINEY. We carefully considered this language in the committee this morning, and also took it up with the department and got the rulings on it.

Mr. PARKER of New Jersey. You say that the distinction lies in the fact that the traveling salesman is employed by some one. Suppose that you added after the word "merchandise" the words "not including employees."

Mr. HENRY T. RAINEY. It is accomplished anyway by the language here now. They are not going to be taxed and are not taxed. If you put it in, everybody who travels for anything else will be taxed, and people who remain stationary in places of business will be taxed also.

Mr. WOOD of Indiana. If this law is enforced as it is written—of course there may be a different construction put upon it by the Internal Revenue Department—but if this law is enforced as the language is written into it, there can be no question but that every traveling salesman who is engaged in selling, from one to another, any of these commodities will be taxed.

Mr. HENRY T. RAINEY. This language has been under consideration in the Treasury Department from 1898 to the present time, and there have been three rulings up there under three different laws, and under every one of those rulings traveling salesmen can not be taxed. So what the gentleman is trying to do is already accomplished, and what he will do if this amendment is adopted will be the very thing he does not want to do.

Mr. WOOD of Indiana. If what the gentleman says is accomplished, it will be accomplished outside of the law and not inside.

Mr. Chairman, I ask unanimous consent to withdraw my motion to modify, and stand upon the original amendment.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to withdraw his motion to modify, and stand upon the original amendment. Is there objection? [After a pause.] The Chair hears none.

Mr. HENRY T. RAINEY. Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Indiana [Mr. WOOD].

The question was taken, and the amendment was rejected.

Mr. TREADWAY. Mr. Chairman, I believe yesterday there were two matters passed over at my request, one having to do with the return to the estate tax item—Title IV, page 68. I desired to offer an amendment exempting the estate of soldiers killed in the service or who died as the result of wounds received in the service. This matter was considered this morning in the committee, and the committee saw fit not to adopt the suggestion, and therefore I do not care to press the point under the request I made yesterday.

I also had another request, on page 144, adding a new paragraph there, which would be for the purpose of taxing advertising in public places, either by billboards, electric signs, or otherwise. Some objection has been raised to that amendment, which was read yesterday, in that it was in competition with newspaper advertising, which is not taxed. Personally I feel that newspaper advertising is taxed in the increase of postage rates under the zone system, but that is neither here nor there. There is no direct rivalry, it seems to me, between the two kinds of advertising; that is, newspaper advertising and the so-called billboard advertising. I have spoken in reference to billboard advertising under general debate. I do not care at this time to take up the time of the committee to press the matter, in view of the attitude of the Ways and Means Committee on the subject, and therefore I will waive my rights under the reservations of yesterday.

Mr. WOOD of Indiana. Mr. Chairman, I raise a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WOOD of Indiana. The point of order is that it is proposed new legislation and is not germane to any item.

The CHAIRMAN. The gentleman from Massachusetts has waived his rights.

Mr. TREADWAY. I did not see any necessity of raising the point of order when I have waived my rights under the reservation.

Mr. SABATH. Mr. Chairman, like the gentleman from Massachusetts [Mr. TREADWAY], I secured unanimous consent to introduce to-day a new paragraph to section 900, namely, an amendment placing a tax on extraordinary steel products. But in view of the broad ruling on the part of the Chairman, I realize that my amendment would not be in order, or would be ruled out of order, and therefore I do not desire to take up the time of the House and will not avail myself of my right.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Pennsylvania?

Mr. SABATH. Yes.

Mr. MOORE of Pennsylvania. I wanted to ask the gentleman from Illinois if he had discovered, since he proposed his amendment yesterday, that there are some very large steel furnaces and foundries and factories in the State of Illinois?

Mr. SABATH. That would not affect me at all, because I have no more love for a profiteer if he is in Illinois than for one that might be in Pennsylvania or any other State.

Mr. MOORE of Pennsylvania. I understand.

Mr. SABATH. But I do not introduce the amendment, believing it to be out of order, and I do not wish to take up the time of the House.

Mr. MOORE of Pennsylvania. The gentleman will admit that there are some very large industries in the State of Illinois that pay taxes very heavily?

Mr. SABATH. Yes; they pay them, and they pay them as readily as they do in Pennsylvania.

Mr. MOORE of Pennsylvania. I was not raising that issue. I wanted to compliment the gentleman on the industries of his own State.

Mr. SABATH. I thank the gentleman. We are always ready to pay our share and a little more, and we do not make a point on that. But that does not stop me in any way from offering my amendment. I do not press it for the reason I stated—that it would not be in order.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. DYER. Mr. Chairman, I ask leave to offer my amendment under the agreement of yesterday.

The CHAIRMAN. The gentleman from Missouri offers an amendment under the agreement made yesterday. The Clerk will report the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Amendment offered by Mr. DYER: Page 133, line 2, after the word "slippers," insert the following: "not including boots, leggings, and shoes of officers in the military or naval forces of the United States."

Mr. DYER. Mr. Chairman, I would like to call the attention of the committee to this: In this same section, paragraph 11, the committee has recognized this principle by providing, so far as shoes and overcoats are concerned, page 132, line 10, the following:

Men's and boys' suits or overcoats, not including uniforms of officers in the military or naval forces of the United States.

Now, on page 133, paragraph 17, there is no provision exempting from taxation the boots and shoes of officers in the military or naval forces of the United States.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Missouri yield to the gentleman from Iowa?

Mr. DYER. Yes.

Mr. GREEN of Iowa. I think there is a distinction, in that the officers can get the articles to which the gentleman's attention is directed now from the quartermaster.

Mr. DYER. I thank the gentleman for the suggestion, but I am told that there is not yet opportunity for officers so to obtain these shoes, and if they can obtain them otherwise and desire to do so they should be permitted to do so, the same as clothing and overcoats. Now, they obtain overcoats——

Mr. GREEN of Iowa. I do not understand that the Quartermaster Department carries the kind of clothing that officers usually wear. That was the reason why the committee made the other exception.

Mr. DYER. I think the committee probably did not have its attention called to that provision. Otherwise I think the committee would have made the same suggestion.

I want to call the attention of the committee to the cost of these articles now upon the market. The boots of officers of the Army now cost an average of $30 a pair. Leggings cost $15 a pair, and shoes average $12 a pair. Each of these articles would be taxed if the provision I have offered is not included. I would like to ask the gentleman from Tennessee [Mr. HULL] if the committee will not accept that provision?

There seems to be no objection to it. It is the same provision, I will say to the gentleman, applying to boots and shoes as that which the committee has already put in the bill with reference to suits or overcoats. I will say to the gentleman that the provision is, in effect, that this tax shall not include boots and shoes sold to officers in the naval or military forces of the United States. It is a principle that is already recognized in the bill on the preceding page as to uniforms and suits of clothing. I think the omission of it here was a mistake on the part of the committee. Probably the committee did not have its attention called to the matter, or probably the committee might have thought those articles did not cost more than $10. But I have ascertained the prices of those articles, and, as I stated before, boots such as are worn by officers of the Army now cost on an average $30 a pair and leggings an average of $15 and shoes an average of $12. I think the committee ought not to contest that amendment.

Mr. HULL of Tennessee. Does the gentleman insist that officers' shoes are different from some other varieties of shoes that civilians are accustomed to purchase?

Mr. DYER. They have to be of a high order and high quality because of the use they make of them.

Mr. HULL of Tennessee. The committee considered the shoe phase of this matter somewhat extensively, and the committee were utterly unable to lay down a rule which would distinguish shoes which officers of the Army would purchase and shoes which Members of Congress and citizens generally purchase.

Mr. DYER. The gentleman does not get my point. On page 132, the preceding page, in paragraph 11, the provision reads as follows:

Men's and boys' suits and overcoats, not including uniforms of officers in the military or naval forces of the United States.

Mr. HULL of Tennessee. They can usually be distinguishable from civilian clothing, and it was not a matter of difficulty to define them.

Mr. DYER. I understand; but officers under the present law and regulations, men who are in the military or naval service, are compelled to appear at all times in their uniforms, and if they go into a store to purchase a pair of shoes or a pair of boots they will be easily distinguishable as men who are entitled to that privilege.

Mr. HULL of Tennessee. The committee was of the opinion that that would open the door to many irregularities in making these purchases. If a civilian wanted a pair of shoes of high value he could get some friend of his who had on the uniform to go in and purchase them for him.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. DYER. Yes.

Mr. SNYDER. Does not the gentleman think you could improve the amendment by limiting it to boots and leggings, cutting out the term "shoes"?

Mr. DYER. I would be willing to modify it, but I would not want to insist upon any amendment which the committee does not approve, and where the committee has carefully considered the matter, although I think this is a very deserving one. But I have so great a respect for this Committee on Ways and Means and the work they have done upon this bill, that I would not insist upon an amendment which they did not approve after careful consideration. I think this is a very just one. I thought it had not been called to the attention of the committee.

I will ask the gentleman from Tennessee if he would be willing to accept the amendment suggested by the gentleman from New York [Mr. SNYDER] to limit the amendment to Army boots and leggings, which none would want but an Army officer? They now cost $30 a pair for the boots and $15 a pair for the leggings. It is a very expensive matter for the officers.

Mr. HULL of Tennessee. I will say to the gentleman that the committee has gone some distance in its effort to give some special relief to the soldiers in the Army and sailors in the Navy with respect to their uniforms and in respect to the salaries they get from the Government, but the committee did not think it was wise to go into every detail.

Mr. DYER. Of course, the committee were not called upon to investigate the subject, but does the gentleman know that the average cost of the equipment of a second lieutenant or other officer is approximately $500? Everything that he buys has advanced from 100 to 150 per cent in the last 10 years, and a lot of deserving young men who are competent to be officers and who could be promoted from the ranks and otherwise become officers decline to be promoted for that reason. I know of cases where men have declined commissions because they could not afford to buy the equipment, which has advanced in price.

Mr. HULL of Tennessee. For the very reason the gentleman states this bill exempts from taxation the officer's salary and it exempts his uniform. Those are the two principal items, and the committee thought they had done very well.

Mr. DYER. I will say to the gentleman from Tennessee that it is practically impossible now for first and second lieutenants and captains to get along on the salaries that they receive.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment.

The question being taken; on a division (demanded by Mr. DYER) there were—ayes 13, noes 37.

Accordingly the amendment of Mr. DYER was rejected.

Mr. LONERGAN. Mr. Chairman, yesterday I obtained unanimous consent to offer an amendment with respect to paragraph 11, on page 128. I now withdraw that request and ask unanimous consent to extend my remarks on this paragraph of the bill.

The CHAIRMAN. The gentleman from Connecticut asks unanimous consent to extend his remarks in the RECORD with reference to the paragarph referred to. Is there objection?

There was no objection.

The CHAIRMAN. As the Chair understands, this completes all of the unanimous-consent agreements except the one relating to the gentleman from Minnesota [Mr. STEENERSON], who is recognized for a motion to strike out the last word of the paragraph, which the Clerk had read when the committee rose on yesterday.

Mr. STEENERSON. Mr. Chairman, the paragraph to which I refer, and which I propose later to move to strike out, is as follows:

14. Parcel-post packages: Upon every parcel or package transported from one point in the United States to another by parcel post on which the postage amounts to 25 cents or more, a tax of 1 cent for each 25 cents or fractional part thereof charged for such transportation, to be paid by the consignor.

The same provision is found on page 80 with regard to express packages, with this difference, that express packages pay a tax of 1 cent for every 20 cents or fraction thereof, so that the sender of a package by express, whether he pays 20 cents or less, pays the tax, whereas by parcel post the 1 cent applies only where the postage is 25 cents or more. I think this matter was not appreciated by the Committee on Ways and Means when they acted on it. The fact is that at the last count in 1917 there were 1,041,000,000 parcels transported by parcel post. The average postage charge was 6 cents, and the average weight was 1 pound and 14 ounces, or less than 2 pounds; so that under the best calculation that one can make this tax reaches only about 10 per cent of the parcels. The Treasury Department have no figures as to how much revenue this will yield, but upon inquiry I learn that it is perhaps between $500,000 to $1,000,000. Now, if the same tax had been imposed that is imposed upon express packages, the Government would have collected $10,041,000; so that by this proposition you lose practically $10,000,000 of revenue.

It is true that the parcel post was established largely in the interest of the farmer, and when the limit was 11 pounds the claim was made that in the interest of the farmer it should be increased to 20 pounds; and when it was 20 pounds, for the same reason it was increased to 50 pounds, and later to 70 pounds. Now, I find that all the parcels that are shipped from the country and paid for by the farmer, or at least a majority of them, pay 25 cents or more, so that he is taxed, but the parcels that come from the city to the farmer are nearly all small parcels comparatively, and very few of them pay any tax, because, as I have stated, out of the 1,000,000,000 packages the average weight is less than 2 pounds.

You can send 2 pounds to the antipodes, to the Philippines, for 24 cents, and therefore a parcel of that weight escapes the tax. The only people who pay this tax are the farmers who send 10, 20, or 21 pounds. I was consulting with the department this morning as to the motor-truck business, and they tell me that the packages are usually three or four times as large as the ordinary parcel-post packages and that a very large part of them pay 25 cents postage for their transportation. That amount is paid by the sender in addition to the tax. Now, I would like to have somebody tell me why the farmer should be taxed when he sends his eggs or butter by parcel post and why the man who sends the smaller package, but probably of greater value, should escape. The proposition is unfair. If you applied the same reasoning as is applied to the express companies, those companies are just as much under Government control as the railroads are, and if it is right to tax the man who sends by express it is equally right to tax the man who sends a small package by parcel post. This is not a tax on the express company or on the post office. It is a tax on the sender of the package, and if you tax the sender of an express package 1 cent if he sends 5 or 6 or 7 pounds, is there any reason why it is more meritorious to send by one means of conveyance than another? This bill is framed upon the theory that the tax should be fair and just, without any discrimination. Here is a discrimination against the farmer, who sends large packages upon which the postage is 25 cents or more, and in favor of the merchants in the cities, who send small packages, as I have stated. If you want revenue without injuring anybody, without imposing undue burdens, it seems to me you ought to place the same tax upon packages sent by parcel post as is already placed upon packages sent by express. That will be perfectly fair. We have raised the postage upon the letter of the common people from 2 cents to 3 cents for 1 ounce, and if a man has a parcel that weighs enough to go by parcel post he can well afford to pay a small tax on that. Upon inquiry I learn that the value of the small parcels is usually greater than that of the large ones. The man who sends farm produce in a large package weighing 20, 21, 25, or 50 pounds does not get a very high price for it; but the jeweler who sends silverware or the hardware man who sends cutlery or safety razors costing $5 or $6 or $7 escapes any tax on the lighter package which he sends.

Now, the effect of having a similar rule for transportation by express for the parcel post would be that you would collect extra revenue without burdening anybody or making an unfair discrimination. If you are unwilling to do that, it is my purpose to move to strike out the whole parcel-post section, because I do not think you should impose a burden on 25-cent postage packages and all the rest go free. There should be no discrimination of that kind. I move to strike out the section.

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was rejected.

Mr. STEENERSON. Now I move to amend by striking out the words "on which the postage amounts to 25 cents or more." That will make the tax applicable to all parcels, regardless of the amount of postage.

The CHAIRMAN. The Clerk informs the Chair that we have not reached that part of the bill.

Mr. STAFFORD. Oh, yes, Mr. Chairman; we have read to page 170, Title XII.

The CHAIRMAN. The section to which the gentleman refers has been read and the gentleman's motion is in order.

Mr. STEENERSON. I move to strike out, on page 170, the words "on which the postage amounts to 25 cents or more."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 170, line 1, after the word "post," strike out the words "on which the postage amounts to 25 cents or more."

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONGWORTH. Has not the succeeding paragraph been read?

The CHAIRMAN. It has.

Mr. STAFFORD. Mr. Chairman, as I remember the parliamentary situation, the gentleman from Minnesota last evening, as soon as the paragraph was read, moved to strike out the last word. It is true that the Clerk was reading rapidly and read some further lines.

Mr. LONGWORTH. The gentleman reserved the right to strike out the last word; now he is offering a new amendment.

Mr. STEENERSON. The Clerk read line 4, and two lines more when I was on my feet.

Mr. LONGWORTH. The gentleman reserved the right to strike out the last word and not to offer an amendment to the paragraph which has been read. As I understand it, he simply desired to make some remarks on the motion to strike out the last word, and now he offers an amendment.

Mr. HULL of Tennessee. The record shows that the Clerk read line 8 of the bill, and a while ago I made a point of order against the amendment on the ground that this paragraph had been passed.

The CHAIRMAN. The gentleman from Minnesota had some agreement in respect to it.

Mr. STEENERSON. Yes, Mr. Chairman; the gentleman from North Carolina, chairman of the Ways and Means Committee, said that we might take it up to-day.

Mr. LONGWORTH. But the gentleman's request was on a motion to strike out the last word.

Mr. STEENERSON. I did say that I would move to strike out the last word, and I did it right there.

Mr. LONGWORTH. And the gentleman has addressed himself to that motion, but now he offers another amendment.

Mr. STAFFORD. The gentleman from North Carolina is now in the Hall. As I recollect, the gentleman from North Carolina gave assurance to the gentleman from Minnesota last night that he would not lose any rights on a motion to strike out the last word by the committee rising.

Mr. KITCHIN. That is true; his motion was in order.

Mr. DYER. But he now offers another amendment.

Mr. STEENERSON. I move to strike out these words.

Mr. KITCHIN. The understanding was that the gentleman had an amendment—I do not remember whether he offered it then or not—but that he should not be prejudiced by any action of the House and that his amendment should be in order to-day.

Mr. LONGWORTH. These are the facts. Not only had lines 5 to 7, inclusive, been read, but the Clerk had also read down to the first line of the advisory tax board.

Mr. STEENERSON. I said I would like to discuss this matter in relation to the parcel post, and I was on the floor all the time.

Mr. MADDEN. Before we reached that stage of the bill the gentleman from Minnesota rose in his place and said that he wanted to offer an amendment to this section of the bill when it was reached.

Mr. KITCHIN. That was my understanding. I came down the aisle, and I told the gentleman to withhold that, and that we would give him an opportunity to offer his amendment to-day.

Mr. STEENERSON. I have offered the amendment, I will say to the gentleman.

Mr. LONGWORTH. I do not desire to do anything except to carry out the agreement that the chairman of the committee may have had with the gentleman from Minnesota. The RECORD does not state that there was any understanding of that kind.

The CHAIRMAN. While the RECORD does not cover all that may have been said between the gentleman from Minnesota and the gentleman from North Carolina, the Chair understands the gentleman from North Carolina to say that he did have the understanding with the gentleman from Minnesota.

Mr. STAFFORD. Will the gentleman yield?

Mr. STEENERSON. Yes.

Mr. STAFFORD. I understand the gentleman wishes to tax all parcel-post packages, regardless of the postage that they will bear.

Mr. KITCHIN. I understand that the gentleman's amendment was to strike out that section, and that was the amendment that I assured him he could offer—the amendment which he then had in his hand.

Mr. STEENERSON. That is the same amendment that I am now talking about.

The CHAIRMAN. That amendment has been submitted, voted on, and rejected.

Mr. STEENERSON. Oh, no; that has not been voted on.

Mr. KITCHIN. That is the only amendment that we had an agreement upon.

Mr. STEENERSON. Here is the amendment that I had in my hand at the time yesterday. It is the same one that I am now offering, to strike out those words, so as to make it a tax of 1 cent on each 25 cents.

The CHAIRMAN. It is easy enough to settle the matter if we can only get at the facts. The Chair understands that the gentleman made a motion to strike out the section.

Mr. STEENERSON. That was after I got through with striking out the last word.

The CHAIRMAN. Then that motion has been submitted.

Mr. STEENERSON. Yes.

The CHAIRMAN. Is that the motion to which the gentleman from North Carolina was referring?

Mr. STEENERSON. No; the amendment which I had in my hands yesterday, on which I asked recognition, is the amendment now being offered.

Mr. KITCHIN. I understood the gentleman to say it was the motion to strike out.

The CHAIRMAN. The simplest way out of this is for the gentleman to offer his amendment.

Mr. STEENERSON. Did the gentleman from Wisconsin [Mr. STAFFORD] get through?

Mr. STAFFORD. I just inquired what is the purpose of it.

Mr. STEENERSON. One cent for each 25 cents, to be paid by the sender. If he pays 50 cents, his tax is 2 cents. The law in regard to parcels sent by express is 1 cent for 20 cents and 2 cents for 40 cents and so on, or a fraction thereof, so that it puts it pretty nearly on a parity.

Mr. STAFFORD. If that is the purpose of the gentleman, what will be gained by striking out the words he now proposes to strike out?

Mr. STEENERSON. Because now as the law is and as the bill is, if you pay less than 25 cents postage, you pay no tax, but on parcels that pay 25 cents or 26 cents or 27 cents or over, there is a tax, while every parcel that pays 24 cents or 23 cents or less goes free, if sent by parcel post.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. STAFFORD. Mr. Chairman, I ask unanimous consent that his time be extended for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STAFFORD. Does the amendment of the gentleman accomplish the purpose that he seeks? Packages containing less postage than 25 cents will not be taxed as the paragraph now reads.

Mr. STEENERSON. It is a tax for each 25 cents or fractional part thereof. The package would have to bear at least 25 cents postage before it would pay any additional tax at all. As the paragraph now stands it goes free, if the postage is less than 25 cents. It is a stamp tax. The other is simply a tax collected by the company, a facility tax, the same as the tax on freight. But that makes no difference, both are paid by the shipper, and as both means of transportation are equally lawful there should be no discrimination. By the present proposition you not only discriminate between two similar services, but you tax the farm-produce business—"the farm-to-the-table movement"—and you let the profitable business that moves from city to country go almost entirely free.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Minnesota.

The question was taken and the amendment was rejected.

Mr. TREADWAY. Mr. Chairman, yesterday paragraph (b) at the top of page 61 was passed over by unanimous consent in order that the matter might be considered by the committee. The committee considered the suggestion this morning, and now it is perfectly agreeable to the committee that the reservation be withdrawn and that the paragraph be read and completed.

The CHAIRMAN. The Clerk will read.

Mr. STAFFORD. Will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. STAFFORD. Mr. Chairman, will the gentleman from North Carolina advise the committee how many paragraphs have been passed over that have not been acted upon?

Mr. KITCHIN. There is the soldier-exemption proposition, paragraph 8, page 12; section 202, the inventory paragraph, which I think we might as well pass over now; section 214, paragraph 10, the depletion provision, relating to oil and gas wells, and so forth; and section 234, paragraph 9, which involves the same depletion allowances. I think they are the only provisions remaining that have been passed over for action later. I want to say to the committee——

Mr. ROBBINS. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. ROBBINS. What was done with the paragraph relating to the learned professions?

Mr. KITCHIN. We passed that this morning. We struck it out and inserted exactly the language of the act during the Civil War—

> Persons engaged in any trade, business, or profession, whose gross receipts therefrom for the preceding year ending June 30 exceeds $2,500 shall pay $10. If such person is a wholesaler he shall pay $5 additional.

Mr. ROBBINS. You eliminated the individual, such as a minister.

Mr. KITCHIN. No; if a minister makes over $2,500, he must pay $10.

Mr. ROBBINS. That applies to all school-teachers and all professional men.

Mr. KITCHIN. Anyone engaged in a trade, business, or profession.

Mr. CAMPBELL of Kansas. Mr. Chairman, may I inquire when the gentleman intends to return to the paragraphs passed over?

Mr. KITCHIN. I just started to say that if we could finish reading the bill this afternoon—and we have only about 20 pages left—I should like to have the committee consider the

oil and gas depletion provision to-morrow morning. We might dispose of the others this afternoon, and that would leave only one matter open to-morrow.

Mr. GOOD. When will the gentleman return to page 12?

Mr. KITCHIN. When we finish the bill.

Mr. GOOD. This afternoon or to-morrow morning?

Mr. KITCHIN. If we do not have time to return to it this afternoon, we will hold it open for to-morrow.

Mr. ROBBINS. Mr. Chairman, may I ask the gentleman a question about oil and gas? That is a vital matter to my constituents. Has that amendment yet been submitted.

Mr. KITCHIN. No; we have not finished it. We have finished the amendment to take care of potash and other mineral deposits, and are now considering the proposition of depletion in respect to the flow of oil and gas.

Mr. ROBBINS. I wanted to inquire whether you had submitted the form which you proposed as a change to the statute.

Mr. KITCHIN. Not now. We are going to consider the question whether we will offer an amendment or not.

Mr. PLATT. Has section 326 been reserved for amendment.

Mr. KITCHIN. No; that has already been agreed to.

Mr. PLATT. There is one amendment there with regard to the definition of capital, which changes the present law and it is contrary to what is stated in the report of the committee.

Mr. KITCHIN. I do not know; we have agreed to that section and there was no request made to pass it.

Mr. PLATT. I would like to ask unanimous consent to return, to offer one amendment there.

Mr. KITCHIN. We would object to that. I think there is not anything in the bill that took more of our time and thought than the invested-capital proposition. I do not think there is any question that could be raised that we did not discuss in the committee. I would rather not. That would reopen the whole question of the excess-profits tax.

Mr. PLATT. The report says you have not changed the present law. You have. You have taken out the valuation, January 1, 1914, which is in the present law.

Mr. KITCHIN. We struck out——

Mr. PLATT. Yes; and I would like to return to that, so as to offer an amendment.

Mr. KITCHIN. We should object, I regret to say to the gentleman from New York, because that opens up the whole question of excess-profits tax.

Mr. PLATT. It simply restores what is in the present law.

Mr. KITCHIN. The report might have said that; if so, the report was misleading in that respect.

Mr. PLATT. I had understood this was one of the sections reserved.

Mr. KITCHIN. No; and I would ask the Clerk to read.

Mr. PLATT. It will not take five minutes to offer the amendment.

The Clerk read as follows:

SEC. 1200. That there is hereby created a board to be known as the "Advisory Tax Board," hereinafter call the board, and to be composed of five members to be appointed by the President of the United States, by and with the advice and consent of the Senate. The board shall remain in existence during the continuance of the present war with the Imperial German Government and for a period of 12 months after the termination of such war as declared by proclamation of the President.

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the paragraph.

Mr. BORLAND. Mr. Chairman, I desire to offer an amendment.

Mr. STAFFORD. I wish to inquire of the chairman of the committee the purpose of placing the salaries of the members of this advisory board at $9,000?

Mr. KITCHIN. Why we did that?

Mr. STAFFORD. I have read the report and the reason why it was placed at that figure, and yet we have boards which I assume are performing as valuable work as this advisory tax board will perform who are receiving $7,500.

Mr. KITCHIN. Members of some boards receive $7,500, some $12,000, and others different salaries. Take, for instance, the Federal Trade Commission. Members of that commission get $10,000. I do not think the Federal Trade Commission, as far as responsibility and the importance of the questions to come before it——

Mr. STAFFORD. And the work they are performing.

Mr. KITCHIN. Yes; and the work they are performing anything compare with the work these gentlemen have to perform; and I think this board will be as important and have more duties and larger responsibilities than any other similar commission or board.

Mr. STAFFORD. Is it the purpose that this board should supplement the activities of the commissioner and the assistant commissioners, or is it to be independent of their jurisdiction?

Mr. KITCHIN. Of course, it is under the Commissioner of Internal Revenue. All questions arising with respect to the interpretation or administration of the law may be submitted to this board by the commissioner and shall be submitted upon the request of any taxpayer, so practically it will review all cases where a controversy arises.

Mr. STAFFORD. Then they are only advisory, subject to review by the Commissioner of Internal Revenue and the Secretary of the Treasury?

Mr. KITCHIN. Yes; by the Commissioner of Internal Revenue——

Mr. STAFFORD. And by the Secretary of the Treasury?

Mr. KITCHIN. Of course, they could go to the courts if they wanted to go further, but I take it the findings of this board will be the findings of the commissioner, because he can not possibly have time to look into these cases personally.

Mr. STAFFORD. Mr. Chairman, I withdraw the reservation of the point of order.

Mr. KITCHIN. I will say there is not a man on the committee who thought the salary was too high, but a great many thought it ought to be larger.

Mr. STAFFORD. I notice the committee has adopted the policy in this bill of increasing the salaries of collectors and of assistant commissioners and the like——

Mr. KITCHIN. Really, the facts justified the increase of the salary, and this committee has not hesitated to recommend the increases as the gentleman would if he had been on the committee.

Mr. STAFFORD. The gentleman will realize that this will be taken as an earnest by public officials generally to ask for increases.

Mr. KITCHIN. Not in cases of this kind.

Mr. STAFFORD. Not as far as the advisory tax board is concerned.

Mr. KITCHIN. There is no other officer of the Government whose duties and responsibilities have increased anything to be compared with the Commissioner of Internal Revenue and his officers.

Mr. STAFFORD. Not even the Assistant Secretaries of War, whose salaries remain the same?

Mr. KITCHIN. I do not think they have had their duties or responsibilities increased anything like these officers.

Mr. STAFFORD. Who are charged with the full responsibility of winning the war?

Mr. BORLAND. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 170, line 13, strike out all after the word "Senate," strike out all the rest of line 13 and lines 14, 15, 16, and 17, and insert in lieu thereof the following: "The members of the board first appointed shall be appointed for terms of one, two, three, four, and five years, respectively, and thereafter the term of each member shall be five years."

Mr. STAFFORD. Mr. Chairman, I reserve a point of order on the amendment.

Mr. MADDEN. Mr. Chairman, I make the point of order on the amendment offered by the gentleman from Missouri.

The CHAIRMAN. The gentleman from Illinois makes the point of order.

Mr. BORLAND. What is the point of order?

Mr. MADDEN. My point of order is that the provision of the bill following the word "Senate," which the gentleman seems to wish to strike out, makes the board temporary, and the gentleman is seeking to make a permanent board out of what is proposed to be a temporary one.

Mr. BORLAND. Mr. Chairman, the gentleman's point of order is not well taken. The board, according to the present scheme of the law there, is appointed at the pleasure of the President. The following paragraph says that any member may be subject to removal by the President. The gentleman's point of order is not well taken. My opinion is that the whole section creating an advisory tax board may be subject to a point of order. But if so a germane amendment to a section which otherwise would be subject to a point of order would thus not be subject to a point of order. I submit to the Chair that defining the terms of these officers who are now appointed by will is a germane amendment, and is perfectly germane to the purposes of the section, and not subject to the point of order.

The CHAIRMAN. The effect of the amendment seems to be to enlarge the term of office of the appointees under this section, but it does not occur to the Chair there is any reason why it is not in order for this to be done by an amendment which is germane. This commission and their terms are established by the bill. The amendment proposes to change the terms.

Mr. MADDEN. Mr. Chairman, I make a point of order against the paragraph.

Mr. BORLAND. Mr. Chairman, I submit the point of order comes too late, because I was recognized to perfect the paragraph by offering an amendment, which I did offer.

The CHAIRMAN. The gentleman can not direct a point of order against the entire paragraph after an amendment has been offered.

Mr. WALSH. Debate had not begun. The fact that an amendment was offered does not debar making a point of order against the entire paragraph. The rules say "after debate has begun."

The CHAIRMAN. That means that after the paragraph has been read and opportunity given to make or reserve a point of order. This opportunity must be afforded, and if not availed of, then it is too late thereafter to raise the question of order. In this case the opportunity was given because the point of order to the paragraph could have been made before the gentleman from Missouri offered his amendment.

Mr. WALSH. Debate could not begin when the point of order was made against the amendment that was offered.

The CHAIRMAN. To the paragraph?

Mr. WALSH. Yes.

The CHAIRMAN. The paragraph was read. It was then before the House and open first for a point of order, and then for amendment. Anyone making, or reserving a point of order would have been entitled to prior recognition to the gentleman from Missouri. No one made a point of order to the paragraph. Hence the gentleman from Missouri asking recognition to offer an amendment, was in order. He was recognized, and submitted an amendment to the paragraph to which an amendment was directed.

Mr. MADDEN. I maintain the point of order will lie until debate has begun on the paragraph. No debate having been had on the paragraph, the gentleman from Missouri [Mr. BORLAND] having offered an amendment to which a point of order was made, notwithstanding that point of order was overruled, the paragraph is still pending without debate, and the question is whether it is subject to a point of order or not on its merits. That is the only question that is pending now.

The CHAIRMAN. The Chair does not understand that this has been the practice of the House at all.

Mr. MADDEN. The Chair is supreme here, unless overruled.

The CHAIRMAN. The Chair has no pride of opinion about this matter whatever. If the practice of the House has been to the contrary of his ruling the Chair will be glad to be advised of it.

Mr. MADDEN. I think there is no doubt about what the practice of the House has been.

The CHAIRMAN. The Chair will be glad to be cited to any rule, or precedent contrary to his ruling. With the consent of the committee the Chair will state precisely what has taken place. The paragraph was read, and was then open to a point of order, or reservation of a point of order. No one rose to make, or reserve a point of order. Thereupon an amendment was offered to the paragraph. A point of order was made to this amendment, and overruled. A point of order was then sought to be made to the paragraph proposed to be amended, and the Chair ruled that this motion was too late. That is the understanding of the Chair of what has taken place in this connection.

Mr. MADDEN. Will the Chair allow me to ask him a question?

The CHAIRMAN. Certainly.

Mr. MADDEN. Does the Chair maintain, because an amendment was offered to which a point of order was made, it leaves the paragraph in any other situation than it would have been if no amendment had been offered?

The CHAIRMAN. The Chair maintains that after a paragraph has been read in due course, and opportunity thereby given, to make, or reserve a point of order, and neither is made, it is too late to make a point of order to the paragraph after an amendment has been submitted. There are many Members of the House now present, who are experienced parliamentarians and the Chair will be glad to hear from them in this connection, if they are of opinion that the ruling just made, is erroneous, and that under the state of facts cited, a point of order could be made to the paragraph proposed to be amended.

Mr. GARRETT of Tennessee. I think if my friend from Illinois will think of it for a moment, there is nothing wrong with the Chair's reasoning on this proposition. A point of order was made to an amendment to the paragraph. Business had intervened. The gentleman from Massachusetts [Mr. WALSH] shakes his head. He wishes to limit it to a technical proposition as to debate. But the gentleman must realize that where business had not intervened, the point of order was made before any amendment had been made to it.

Mr. MADDEN. The rule does not make any such construction as that at all. It simply says that the point of order must be made before debate is begun. Now, no debate has been had. That is what the rule says—not before an amendment has been offered but before debate has begun.

Mr. GARRETT of Tennessee. Why, Mr. Chairman, if that should be the rule of the House or the practice of the House, then it would result in always doing just exactly what has occurred at this time.

The gentleman from Illinois is not opposed to the original proposition, I assume; at least he did not interpose the point of order to it. He waits. Now a proposition is passed to which he is opposed and to which I am opposed and to which a majority of this House, I apprehend, will be opposed. But the gentleman can not then, in order to defeat that, interpose a point of order against the proposition that had already been read and passed. The reasoning of it is perfectly clear. The orderly procedure of the House, in my humble judgment, would depend upon sustaining the Chair in the ruling that he has just made.

The CHAIRMAN. The Chair will read one precedent, out of a number that might be cited.

On December 16, 1898, the House was in Committee of the Whole House on the state of the Union considering the bill (H. R. 11191) to extend the laws relating to customs and internal revenue over the Hawaiian Islands.

Mr. William H. Moody, of Massachusetts, offered an amendment providing for the extension also of the laws of the United States relating to the appointment of officers in the Customs and Internal-Revenue Services.

Mr. Leonidas F. Livingston, of Georgia, asked if it was proposed to extend the civil-service laws to Hawaii.

Mr. Moody replied to this question, whereupon Mr. JOSEPH G. CANNON, of Illinois, suggested a point of order.

Mr. Moody raised the question of order that the point of order came too late. The point of order against the point of order, was sustained, on the ground that it came too late.

On the next page of Hinds' Precedents is a ruling to the effect that when a paragraph is read, then is the time to offer a point of order. That is what the Chair has always understood to be the practice. The Chairman in the above connection ruled as follows:

Without deciding the question as to whether, under the special rule under which we are proceeding, objection would have been in order if it had been made in time, the Chair is of the opinion that the point of order not having been made, it is now too late to make it, just the same as in case of the rule forbidding legislation on an appropriation bill. If the point is not made when such an amendment is offered, or until after debate, it comes too late. The Chair therefore holds that the point of order is not well taken.

In this case no point of order was made to the paragraph, or sought to be made, before the amendment was offered. After the amendment was offered, and held to be in order, it was too late to make a point of order to the paragraph. This ruling in the judgment of the Chair conforms to the precedents, and practice of the House.

Mr. BORLAND. Mr. Chairman, this paragraph creates an advisory tax board to continue during the period of the war with the Imperial German Government and for a period of 12 months after the termination of such war. The purpose of my amendment is to provide for a permanent tax board without any other change in its character. I think that the committee has been wise in providing this tax board, in view of the complications of this law and the fact that it must be drawn in general terms, covering a multitude of businesses of every variety and kind. All sorts of complications, all sorts of peculiar characters of business, must be brought under this in order that everybody shall be treated equally, and nobody shall be allowed to escape from this common burden. It is absolutely essential that some tribunal be created where these conflicting claims and peculiar conditions can be presented.

Now it is true that in many cases in the bill the Commissioner of Internal Revenue is given power to adjust certain equities or to adapt the law to certain peculiar conditions by regulation or by special provision. But that does not contemplate essentially any hearing to the taxpayer or business man. The difference between that and this advisory tax board is that this contemplates very clearly that the taxpayer or business man is going to have some kind of a hearing, some kind of an opportunity to present before a board of experts the peculiar conditions of his business. I agree with that very heartily.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. Yes.

Mr. MADDEN. Did the gentleman say "a board of experts"?

Mr. BORLAND. I think so. I hope so.

Mr. MADDEN. If they are appointed in this case as they have been appointed in other cases, they will not know anything about the matters for which they are appointed.

Mr. BORLAND. Oh. I know that several members of the gentleman's party are now members of some of these boards. I think most of them are good men. I think the committee is wise in putting this provision in, but I do not think any argument could be advanced for putting it in which could not be advanced for a permanent board of that kind. It is just as cogent.

It is going to be a long time, as the gentleman from North Carolina [Mr. KITCHIN] suggested the other day, before we get rid of this new flock of Federal taxes. We have no idea how many years in the future it is going to be before we get rid of these taxes. We do not know how many years the income tax is going to remain or the war tax or the excess-profits tax.

They may remain with us for many years, because the bonded indebtedness and the interest indebtedness may run along for many years after this war, and the taxes must be sufficient to meet that. So that we are not going to get rid of this enlarged tax scheme 12 months after the declaration of peace with the Imperial German Government. If that is true, and if it is necessary to have a tax board during the time of war it is also necessary to continue that tax board afterwards for the performance of the same functions, and if it should appear that 12 months after the declaration of peace the tax board is no longer needed the Congress will have power to abolish it.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Missouri yield to the gentleman from Texas?

Mr. BORLAND. Yes.

Mr. GARNER. Likewise the Congress will have the power to continue this board after the war.

Mr. BORLAND. Yes; but I want to call the gentleman's attention to this fact, that we are asking the gentlemen who are worth the $9,000 or more to take a position on these boards—when and how? For a fixed term? No. We are asking them to do it practically at the pleasure of the administration. We are asking men who ought to be big enough to exercise these functions and who ought to be business experts, to take a shifting, temporary position. That is the difficulty. It is not the question that Congress can continue this board, because I am as certain as that I stand here that Congress will continue it. That is not the question. The question is the type of men who are going to take the positions at the most critical time in the board's history.

Mr. SLOAN. Mr. Chairman, will the gentleman yield?

Mr. BORLAND. Yes.

Mr. SLOAN. Does not the gentleman think these prospective gentlemen who will constitute this board will be asking for these positions rather than that the administration is going out after them to find them?

Mr. BORLAND. Well, I have never seen any position on earth that men do not ask for, but I think that the men who are going to take these positions may, perchance, be selected without their solicitation. I think that has been done in repeated cases recently. I recall a case here a few hours ago when one of our former colleagues was probably very much surprised by being called to assume a very high post. It is not strange that the office will seek the man in some cases. At any rate, even if a man is disposed to ask for the office, or if he is asked to take the office, one of the things that will occur to him is, How long will I have to give up my business in order to do this? Is this a fixed term? Am I to serve five years, and know that I am to serve five years, or am I to serve for five months, or for a year?

Now, a man of business ability and high connections can not make such a change on a moment's notice. So, in my judgment, it will strengthen this law to have it made a permanent board.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. BORLAND].

The amendment was rejected.

The Clerk read as follows:

Vacancies in the membership of the board shall be filled in the same manner as an original appointment. Any member shall be subject to removal by the President. The President shall designate the chairman of the board. Each member shall receive an annual salary of $9,000, payable monthly, together with actual necessary expenses when absent from the District of Columbia on official business.

Mr. ESCH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ESCH: Page 170, line 24, after the word "business," insert:

"*Provided*, That the clerks and other employees of such board as may be required shall be appointed from lists of eligibles to be supplied by the Civil Service Commission and in accordance with the civil-service law."

Mr. ESCH. Mr. Chairman, this is like the provision contained in several other pieces of war legislation. It is like the provision contained in the Federal railroad-control act, the food-control act, and others.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question being taken, on a division (demanded by Mr. GARNER) there were—ayes 33, noes 32.

Mr. HEFLIN. Mr. Chairman, the gentleman from Michigan [Mr. BEAKES] desires to be counted in the negative. He was not counted.

Mr. GOOD. I make the point of order that the result has been announced.

Mr. KITCHIN. Has the Chair announced the vote?

The CHAIRMAN. The Chair has announced the vote.

Mr. KITCHIN. I demand tellers.

Mr. STAFFORD. I make the point of order that there is no quorum present.

Mr. KITCHIN. I move that the committee do now rise.

The CHAIRMAN. The gentleman from North Carolina moves that the committee do now rise.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. KITCHIN. Division, Mr. Chairman.

The committee proceeded to divide.

Mr. NOLAN. Mr. Chairman, a parliamentary inquiry. What is the vote being taken upon?

The CHAIRMAN. This is a division on the motion that the committee do now rise.

Mr. KITCHIN. Tellers, Mr. Chairman.

Mr. HEFLIN. Mr. Chairman, the gentleman from North Carolina has demanded tellers.

The CHAIRMAN. He demanded tellers after a division had been demanded, and the Chair was counting.

Mr. KITCHIN. I demanded tellers on the announcement of the Chair that the noes seemed to have it. Now, I demand tellers.

Mr. TREADWAY. Mr. Chairman, did not the gentleman from North Carolina move that the committee do now rise?

The CHAIRMAN. He did.

Mr. KITCHIN. I made that motion for the purpose of getting tellers.

Mr. WALSH. The gentleman is asking for tellers, and the Chair ought to see if that demand is sustained.

The CHAIRMAN. The gentleman asks that the vote on his motion that the committee rise be taken by tellers.

Tellers were ordered; and the Chairman appointed Mr. ESCH and Mr. GARNER.

The committee again divided.

Mr. PARKER of New Jersey. Mr. Chairman, on what is the vote by tellers being taken?

The CHAIRMAN. This is on the motion of the gentleman from North Carolina that the committee do now rise.

The tellers reported—ayes 5, noes 57.

The CHAIRMAN. The committee declines to rise.

Mr. KITCHIN. A point of no quorum was made. There are about 30 or 40 gentlemen on the other side who did not vote, who ought to be counted.

The CHAIRMAN. The gentleman from Wisconsin [Mr. STAFFORD] has made the point that there is no quorum present. The Chair will count. [After counting.] Eighty-three Members, not a quorum. The Clerk will call the roll.

The Clerk proceeded to call the roll, when the following Members failed to answer to their names:

Almon	Dillon	Helvering	McFadden
Aswell	Drukker	Hensley	McKinley
Barkley	Dupré	Hicks	McLemore
Bland, Va.	Estopinal	Hood	Mann
Brand	Fairchild, G. W.	Howard	Mays
Britten	Farr	Husted	Mondell
Brodbeck	Ferris	Ireland	Mott
Burnett	Fisher	Johnson, S. Dak.	Mudd
Campbell, Pa.	Flood	Johnson, Wash.	Nelson
Caraway	Flynn	Jones	Oliver, Ala.
Carlin	Foss	Kahn	Oliver, N. Y.
Carter, Mass.	Francis	Kelley, Mich.	Olney
Cary	Gallivan	Kennedy, R. I.	O'Shaunessy
Church	Gandy	Kettner	Parker, N. Y.
Connally, Tex.	Garland	Kiess, Pa.	Peters
Cooper, Ohio	Goodall	King	Porter
Copley	Gould	Knutson	Pou
Crago	Graham, Ill.	La Follette	Powers
Cramton	Graham, Pa.	LaGuardia	Price
Dale, N. Y.	Gray, N. J.	Lea, Cal.	Purnell
Dale, Vt.	Gregg	Linthicum	Randall
Decker	Griest	London	Rankin
Delaney	Hamill	Lundeen	Riordan
Dent	Hamilton, N. Y.	McArthur	Roberts
Denton	Harrison, Va.	McClintic	Rowland
Dewalt	Haugen	McCormick	Russell
Dies	Heintz	McCulloch	Sanders, N. Y.

Sanford	Steele	Tinkham	Welty
Schall	Sterling, Pa.	Van Dyke	Wilson, Ill.
Scott, Pa.	Stiness	Venable	Wilson, Tex.
Scully	Sullivan	Vinson	Wise
Sells	Switzer	Voigt	Woodyard
Shackleford	Tague	Walker	Wright
Sherley	Talbott	Ward	
Slemp	Templeton	Watkins	
Snell	Thompson	Welling	

The committee rose; and the Speaker having resumed the chair, the Chairman of the committee, Mr. SAUNDERS of Virginia, reported that the Committee of the Whole House on the state of the Union having under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, had found itself without a quorum; that he had caused the roll to be called, whereupon 296 Members answered to their names, and he presented a list of the absentees.

The committee resumed its session.

The CHAIRMAN. The question recurs on the amendment of the gentleman from Wisconsin [Mr. ESCH].

Mr. GILLETT. Mr. Chairman, I ask that the amendment be again reported.

There was no objection, and the Clerk read as follows:

Page 170, line 24, after the word "business," insert:

"*Provided*, That the clerks and other employees of said board as may be required shall be appointed from lists of eligibles to be supplied by the Civil Service Commission in accordance with the civil-service law."

The CHAIRMAN. The question is on the amendment.

The question was taken, and on a division (demanded by Mr. ESCH), there were 107 ayes and 115 noes.

Mr. FULLER of Illinois demanded tellers.

Tellers were ordered; and the Chair appointed as tellers the gentleman from Wisconsin [Mr. ESCH] and the gentleman from Texas [Mr. GARNER].

The committee again divided; and the tellers reported that there were 122 ayes and 129 noes.

So the amendment was rejected.

The CHAIRMAN. The Chair will ask the indulgence of the committee. A few moments ago the Chair had to rule on a question of order of interest to every Member of the House, and with respect to which he had no opportunity to look up the precedents and cite same in connection with his ruling. The Chair since that time has found the following precedent which is precisely in point. The situation presented when the Chair made its ruling, was as follows:

The first paragraph in the section relating to the advisory tax board had been read without any objection, or point of order, or reservation of a point of order. An amendment was then offered to which a point of order was made. The point of order was overruled, and the gentleman from Illinois undertook to make a point of order to the original paragraph to which the amendment of the gentleman from Missouri had been offered. The Chair held that under the rules this motion came too late, briefly giving the reasons sustaining the ruling. The Chair now desires to put into the RECORD the following decision which is precisely in point:

On April 16, 1904, the general deficiency appropriation bill was under consideration in Committee of the Whole House on the state of the Union, when a paragraph of the bill was read providing for compensation to the clerk of the Committee on Industrial Arts and Expositions.

Mr. George W. Smith, of Illinois, proposed an amendment, which was ruled out on a point of order.

Thereupon Mr. Smith raised a question of order against the paragraph in the bill.

Mr. James A. Hemenway made the point of order that the question was raised too late.

The Chairman held that a point of order against a proposition must be made before an amendment is offered to it. (Hinds, vol. —, p. 6911.)

In the case cited the amendment was rejected on a point of order. In the case before the House the point of order to the amendment was overruled, and the amendment thereby held to be in order.

The committee will note that while the case cited is not so strong a case on the facts as the case upon which the Chair had occasion to rule, it fully sustains the ruling of the Chair to the effect that after an amendment is offered to a paragraph it is then too late to make a point of order to the paragraph to which that amendment relates.

The Clerk read as follows:

SEC. 1201. That the Secretary or the Commissioner may, and on the request of any taxpayer directly interested shall, submit to the board any question relating to the interpretation or administration of the internal-revenue laws, and the board shall report its findings and recommendations to the Secretary or the Commissioner, as the case may be.

Mr. KREIDER. Mr. Chairman, I offer an amendment that I send to the Clerk's desk.

The Clerk read as follows:

Page 171, line 4, after the word "be," strike out the period and insert in lieu thereof the following: "and to the taxpayer directly interested provided that no tax will be levied or collected or paid until after the board shall have returned its findings and recommendations.

Mr. KREIDER. Mr. Chairman, I offer this amendment in justice to the small taxpayer. The law provides that each individual corporation shall at a certain time render a report of its income upon which it is taxed, which amount must be paid at a certain stated time. This bill creates a tax board for the purpose of adjusting any differences that may arise between the ruling of the commissioner and the opinion of the taxpayer. In other words, it provides a place where all disputes may be referred for adjudication. It seems to me that it is unfair to the taxpayer that he should be required to pay any amount which may be in dispute prior to the finding of that board. It is only just that the matter should be held in abeyance until the board has had time to render its ruling or decision.

As a concrete example, the cases I wish to touch are something like this, and I say this with all kindness in regard to the administration of previous laws. The internal-revenue collector has had an insufficient amount of money and has not been able to pay sufficient salaries to get the kind of men he should have sent out to examine the books of corporations.

I will state a concrete example. An adjuster or examiner was sent to a certain corporation to examine the books during the years 1911, 1912, 1913, and 1914. When he examined the books he made the claim that the concern had deducted more than the commissioner was willing to allow for depreciation in real estate. He explained that his instructions were that on real estate not over 2 per cent per annum should be deducted and that on machinery and equipment 10 per cent might be deducted. Under the laws of Pennsylvania, under the heading "Real estate," are included power plants, elevators, heating systems, blower systems, and everything that is not removable. This firm had kept its accounts in accordance with the term "real estate" as construed under the laws of Pennsylvania. Consequently a charging off of 2 per cent per annum was not sufficient to replace the machinery and power plant as it would wear out, all of which was admitted by the individual who was sent to the firm. But he said that his orders were positive and that he must see the books, that he must have book evidence. The firm had an abstract made of every bill that was paid, showing the amount of money invested in the boiler and the engine and the power plant and the heating plant, the elevators, and so forth; and if the rule as set down by the internal-revenue collector was applied upon those figures the firm had not exceeded in their deduction the amount allowed by the internal-revenue collector. Nevertheless the report was sent in and the firm received a bill for $400 for back taxes.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. KREIDER. Mr. Chairman, I ask unanimous consent to proceed for three minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. KREIDER. At the present time we are by this bill establishing a board for the purpose of settling such disputes, and it seems to me it is reasonable that the matter should be held in abeyance until the board has had an opportunity to make a ruling upon the matter.

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. KREIDER. Yes.

Mr. FORDNEY. The great trouble there would be that every man paying taxes who wished to delay the payment of his tax would present a claim to that board and thus hold back a great deal of money that ought to be paid into the Treasury.

Mr. KREIDER. But this does not interfere with the making of the report or of the paying of the taxes. The firm or individual is compelled under the provisions of the law to make a report and pay the taxes without regard to this paragraph or title. This title only provides a court of equity, you might say, where disputed matters will be referred, and my amendment simply provides that we shall wait until that board renders its decisions before the interested taxpayer shall be compelled to pay this money over. It is the same now as if in the law when one individual sues another for $1,000 the law provided that immediately upon suit being brought the defendant must pay $1,000. The reasonable proposition would be to wait and find out whether he actually owed the $1,000 before he is compelled to pay it. That is all I intend to provide for in this amendment. Let us wait until we find that the taxpayer owes the money and then make him pay with interest.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. KREIDER. Yes.

Mr. SNYDER. Of course, what the gentleman is referring to is the matter of back taxes.

Mr. KREIDER. Yes. The law provides that the individual or corporation must make return and must pay the taxes. It is

only the amount which may arise in dispute, and which shall be held until such time as the board may find it possible to render a decision. I have spoken with the chairman of the committee several times, and he said that he would give the matter consideration, but he has been so extremely busy that I do not know whether he has reached the conclusion of the matter or not.

Mr. FORDNEY. I wish to say to the gentleman that I did not understand that he had in mind only that portion in dispute after the taxpayer had paid according to his own report.

Mr. KREIDER. Yes. This does not affect any part of the bill except this one particular portion of the bill which provides for this board.

Mr. SNYDER. Mr. Chairman, I move to strike out the last word. I believe that the amendment offered by my colleague from Pennsylvania [Mr. KREIDER] is a very important amendment, and that the committee ought to give careful consideration to it. In years gone by and right now these inspectors are going around after taxes have been paid, making searches of the books of corporations and also of individuals. We must assume that the average statement made by every individual or corporation is supposed to be a fair and honest statement of the condition of the books. An inspector comes in perhaps three years or four years afterwards and finds what he claims is a glaring error, on which he makes a report, and the tax is then assessed upon that basis, and you simply have no redress; there is no place to go to appeal the matter, and, if I understand what this new board is formed for, it will provide a place where a matter of that kind might be taken up and considered.

I think that the business men, the lawyers on this committee, and the committee itself ought to take cognizance of this amendment. I think it is an important thing. It costs nobody anything and gives the party who pays the tax and who believes he has a right to be heard an opportunity to be heard.

Mr. KITCHIN. Mr. Chairman, if this amendment were adopted, it would be contrary to the whole practice and all regulations and laws that we have ever had relative to the collection of taxes. The amendment of the gentleman proposes that the taxpayer who disputes a proposition with a collector and who says, "I ought not to pay but so much taxes," which the collector says he must pay, may demand that the advisory board should hear and determine his case and make a report, and that the taxes in dispute shall not be collected until the advisory board makes its findings and report. There are three million and a few thousand individual tax returns. There are, I believe, now over 250,000, or about that many, corporations, and this is an opportunity for every taxpayer who has a dispute with the department as to the amount of taxes to demand that the matter must be reviewed by this board. Why, it would be 10 years before the board could make the findings in 10 per cent of the cases. Every case would be sent to this board, and in addition to this, the board has other duties, other matters connected with it that takes up its time. We provide in this bill that a man shall pay his taxes. If the tax collected is too much, it is refunded to him without any red tape at all. If it is not enough, he simply pays what has not been paid and no penalty at all.

Mr. SNYDER. Mr. Chairman, I do not think the gentleman's amendment contemplates any such proposition as that. It simply contemplates that in case the inspector comes along two or three years or perhaps one year after the tax has been collected and paid and he finds what he claims is an error in the book, that too little has been paid, then there is a case for a reasonable dispute and the thing ought to go somewhere for adjustment.

Mr. KITCHIN. The amendment does not say that.

Mr. KREIDER. If the gentleman will just pardon me for a moment——

Mr. SNYDER. Of course, if the amendment does not bear that out, I do not understand what I am talking about.

Mr. KREIDER. If the gentleman will yield for one word, I would like to say that the provision requiring the rendering of a statement showing the income and payment thereon has nothing whatever to do either with this section, paragraph, or my amendment. That is the law and is separate and apart from this title. This title only provides for matters in dispute. If the representative of the revenue collector comes and has convinced the corporation that they were wrong there is nothing more to it, the tax is assessable, collected, and paid; but if in the case as I have stated the representative is without authority and simply comes there with an open and shut proposition and encounters a proposition which was not contemplated, he has no authority to settle that at all.

Mr. KITCHIN. As I understand, the gentleman's amendment is to section 1201.

Mr. FORDNEY. Will the gentleman permit?

Mr. KREIDER. Yes.

Mr. FORDNEY. In such a case as has been stated by the gentleman from Pennsylvania, where the inspector comes along two or more years after the tax return has been made and the tax is paid, and finds that in his opinion a mistake has been made and not enough tax paid, there is an opportunity immediately for the taxpayer to appeal to this board before he pays his tax under existing law, is there not, I ask the chairman?

Mr. KITCHIN. I think the taxpayer in such a case will have a reasonable opportunity to be heard.

Mr. FORDNEY. Can not he do that now?

Mr. KITCHIN. Yes; certainly.

Mr. KREIDER. In actual practice the revenue collector sends a notice demanding payment with a penalty of 50 per cent unless it is paid in 10 days.

Mr. KITCHIN. We provide for that.

Mr. SMITH of Michigan. Let me say a word. When there is a tax-deposit item between the collector and the person——

Mr. KITCHIN. Or between the department and the collector.

Mr. SMITH of Michigan. Now, there are two ways open for the taxpayer. One is that he can pay the tax and ask for a refund; the other is, that he can file a claim for abatement and in that way hold his money until the case is heard by the board, and if there is merit in his claim he is not charged any license or any fee or any penalty.

Mr. SNYDER. I would like to ask the gentleman if he ever tried to do that?

Mr. KITCHIN. Let me read this. There is no difference in the construction——

Mr. SNYDER. When I made my statement, I will admit, I did not understand the gentleman's amendment.

Mr. KITCHIN. I understand.

We create an advisory board. Section 1201 defines its duties, namely:

That the Secretary or the commissioner may, and on the request of any taxpayer directly interested shall, submit to the board any question relating to the interpretation or administration of the internal-revenue laws, and the board shall report its findings and recommendations to the Secretary or the commissioner, as the case may be.

That is all the power that you give. Now, let us see the gentleman's amendment:

And to the taxpayer directly interested: *Provided*, That no tax shall be levied, collected, or paid until after the board shall have reported its findings and recommendations.

Now, in any question of dispute that arises between the taxpayer and the Government the commissioner shall at the request of the taxpayer submit it to this board, so that out of the 3,000,000 of individual taxpayers and 250,000 corporate taxpayers every one of those taxpayers can say to the commissioner, "My tax is wrong, and I request you to send it to the board." The board would have to find the facts and report them before the Government could collect any taxes. Gentlemen, the war would be over before 10 per cent of these questions could be decided by the board.

Mr. KREIDER. The gentleman is putting a wrong construction on it.

Mr. KITCHIN. No; that is the language.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania [Mr. KREIDER].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 1203. That the board shall have the power to summon witnesses, take testimony, administer oaths, and to require any person to produce books, papers, documents, or other data relating to any matter under investigation by the board. Any member of the board may sign subpœnas and members and employees of the Bureau of Internal Revenue designated to assist the board, when authorized by the board, may administer oaths, examine witnesses, take testimony, and receive evidence.

Mr. MOORE of Pennsylvania. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Pennsylvania: Page 171, line 20, after the word "evidence," insert the following new title:

"TITLE XIII.

"JOINT COMMITTEE ON WAR EXPENDITURES.

"SEC. 1204. That to cooperate with the President in promoting efficiency and preventing waste and extravagance in the conduct of the war with the Imperial Government of Germany a joint committee shall be appointed, composed of six Members of the Senate, including three Democrats and three Republicans, and seven Members of the House of Representatives, including three Republicans and four Democrats, to

be known as the joint committee on war expenditures. The membership of such committee for the Senate shall be designated by the President of the Senate and for the House of Representatives by the Speaker thereof. Such committee shall sit during the sessions or the recesses of Congress, shall confer and advise with the President of the United States and the heads of the various executive departments on any or all matters relating to war expenditures, and shall make report to Congress from time to time, in its own discretion or when requested to do so by either branch of Congress. Such committee shall have power to act by subcommittee or otherwise and to send for persons and papers, administer oaths, to summon and compel the attendance of witnesses, and to employ such clerical expert and stenographic assistance as shall be necessary, and to pay the necessary expense of such committee there is hereby appropriated out of any money in the Treasury not otherwise appropriated the sum of $100,000, to be paid out upon the audit and order of the chairman or acting chairman of said committee."

Mr. KITCHIN. Mr. Chairman, I make a point of order on that. If the gentleman desires me to reserve it, I will reserve it for five minutes.

Mr. MOORE of Pennsylvania. I wish the gentleman would reserve it. I want to be heard on the point of order also.

Mr. KITCHIN. Yes.

Mr. MOORE of Pennsylvania. Mr. Chairman, this is substantially the same amendment that was offered to the third liberty-loan bill. It contemplates, as indicated, the appointment of a joint committee on expenditures to cooperate with the President and the executive departments with a view to facilitating the war and checking extravagance and waste.

A great deal has been said—and it is fortunate for our country, perhaps, that so little has been said—but a great deal has been said in this House and in some of the newspapers of the country, with respect to the manner in which the money that has been appropriated for war purposes is dispensed. The demand for appropriations is constantly increasing. We have the word of the gentleman from Kentucky [Mr. SHERLEY], the chairman of the Committee on Appropriations, that it may be necessary to raise $2,000,000,000 in excess of the $8,000,000,000 contemplated by this bill, and, if public announcements are to be believed it may be necessary to raise a total of upward of $7,000,000,000 in addition to this $8,000,000,000.

Now, if this $8,000,000,000 is going to be a heavy tax, and it undoubtedly will be a tax that will pinch the people of the United States, it seems judicious, at least, on the part of Congress to do what it can to cooperate with the President to prevent what he certainly would want to avoid, to wit, extravagance and waste in the expenditure of these public moneys. The Federal Trade Commission has recently submitted a report or reports indicating that there has been profiteering, and we have much higher authority for that. The Secretary of the Treasury has made that statement broadly and squarely to the Committee on Ways and Means and in various communications to the chairman of that committee. The President of the United States, the very highest authority of all, stated to this House that there was profiteering, that it was known, and that there was ample evidence of it.

Now, why Congress should hesitate to offer its service to the President to checkmate profiteering and to prevent possible waste and extravagance I do not know. Certainly it is no mark of disrespect to the President to make the tender, and that is what this amendment contemplates.

It is true that when this amendment was offered before the President caused to be made public an announcement that he disapproved of a committee on war control. I do not know whether he fully understood that what was contemplated here was only a committee on war expenditures. He did object to a committee on war control and cited, if I recall correctly, the instance of the appointment of a committee during the Civil War, which committee was said to have embarrassed the immortal Lincoln, although that has been denied and there is evidence to show that that committee served a useful purpose.

That committee, however, went into the matter of impeachment of officers and attempted to change those who had control of the war; it actually went into the field in many instances and interfered with matters that were pending and subject to Executive direction. It did not confine itself to matters of expenditure, as is here proposed. Therefore, it may have tended to embarrass the war procedure, although this is not admitted.

If it is true that we have wasted vast sums of money, on aviation, for instance, and $640,000,000 has been mentioned; that certainly was the amount we appropriated, and very little resulted from it, if the evidence of the Senate investigating committee is to be accepted; if it is true that we have lost or wasted or that there has strayed or been stolen any part of that $640,000,000, a most tremendous sum, equal to the ordinary expenses of this Government in peace times, we ought to have some cooperative check on the part of Congress that raised it to the use of other appropriations of the kind.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. GARNER. Is the point of order reserved?

Mr. KITCHIN. Yes; I made the point of order and reserved it.

Mr. MOORE of Pennsylvania. Mr. Chairman, I thank the gentlemen for having listened to me thus far. There is a lot I would like to say on the merits, but I shall have to ask now to be heard on the point of order.

The CHAIRMAN. Does the Chair understand that the point of order is made?

Mr. KITCHIN. Yes.

Mr. MOORE of Pennsylvania. I assume that the ground of the point of order is that it is not germane?

Mr. GARNER. Yes.

Mr. MOORE of Pennsylvania. Mr. Chairman, on February 27, 1915, there was up for discussion in the House an amendment on all fours with this—an amendment to the District of Columbia appropriation bill. It provided for the appointment of a joint select committee to consist of Senators and Representatives to be appointed by the Presiding Officer of the Senate and the Speaker of the House, and the language of that amendment has been followed in substance, and very largely in words, in the amendment that I have sent to the Clerk's desk.

The gentleman from Alabama [Mr. UNDERWOOD] moved the adoption of that amendment, and the gentleman from Georgia [Mr. CRISP], who is a recognized parliamentarian in the House, opposed it upon the ground that it was not germane. He made strong argument against the amendment on that ground. It was debated at some length. The gentleman from Illinois [Mr. MANN] and others participated, and when the debate was concluded the Speaker, Mr. Speaker CLARK, said:

The question of whether it is new legislation would have applied originally, but it does not apply in this situation, and the Holman rule has nothing to do with the amendment. In the opinion of the Chair, the motion of the gentleman from Alabama [Mr. UNDERWOOD] contains a proposition which is germane, and therefore the point of order raised by the gentleman from Kentucky [Mr. JOHNSON] is overrured.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. MOORE of Pennsylvania. Yes.

Mr. GARNER. That was on an appropriation bill, was it not?

Mr. MOORE of Pennsylvania. That was the District of Columbia appropriation bill; yes.

Mr. GARNER. And this is a revenue bill.

Mr. MOORE of Pennsylvania. Yes; this is a revenue bill.

When the loan bill was before the House, September 6, 1917, last year, little more than a year ago——

The CHAIRMAN. What bill was that?

Mr. MOORE of Pennsylvania. One of the liberty-loan bills, a revenue bill, coming from the Committee on Ways and Means. At that time I offered the identical amendment which is now at the Clerk's desk, and the gentleman from North Carolina [Mr. KITCHIN] made the point of order that it was not germane. The Speaker pro tempore was the gentleman from New York [Mr. Fitzgerald], an acknowledged parliamentarian, and to him the gentleman from Pennsylvania said:

I do not desire to argue the point of order further than to say that this amendment conforms in form and substance to an amendment offered by the gentleman from Alabama [Mr. UNDERWOOD] to the District of Columbia appropriation bill when the half-and-half question was before the House, and that the Speaker of the House, the gentleman from Missouri [Mr. CLARK], held that amendment to be germane.

Whereupon the Speaker pro tempore, Mr. Fitzgerald, said:

So that there may be no misunderstanding in the future as to the ruling of the Chair, the Chair desires to state that the gentleman from Pennsylvania is strictly accurate in his assertion that in form the amendment corresponds to the amendment offered by the gentleman from Alabama [Mr. UNDERWOOD] to the District appropriation bill some years ago. The amendment proposed by the gentleman from Alabama, however, was an amendment to a Senate amendment which was pending to a bill which originated in the House, and the same rule is not applicable in determining the question of germaneness under such circumstances as is applicable under existing circumstances.

Now up to the point of discovering that the bill before the House was a Senate bill, and that the amendment was to that, Speaker pro tempore Fitzgerald entirely agreed with the gentleman from Pennsylvania as to the appropriateness of the ruling of Mr. Speaker CLARK declaring the District of Columbia amendment germane. The only point of difference was and the only reason apparently justifying the ruling of the Speaker pro tempore, Mr. Fitzgerald, at that time was that—

The amendment proposed by the gentleman from Alabama, however, was an amendment to a Senate amendment which was pending to a bill which originated in the House, and the same rule is not applicable in determining a question of germaneness under such circumstances as is applicable under existing circumstances.

That was the reason for ruling against the amendment at that time, that it was an amendment to a Senate amendment; but

that does not apply in the present instance, and I feel that we can fall back upon the ruling that Mr. Speaker CLARK made in the matter of the District of Columbia bill and can apply it to the revenue bill, since that is a House bill and acceptable under the conditions laid down by the Speaker pro tempore. My point is, Mr. Chairman, that it is germane, it being an amendment not to a Senate amendment but to a revenue bill in the House.

The CHAIRMAN. In the case cited by the gentleman did not Chairman Fitzgerald state that only the fact that it was an amendment to the Senate amendment rendered it germane?

Mr. MOORE of Pennsylvania. The ruling of Mr. Fitzgerald was, in effect, that he did not sustain the ruling of Mr. Speaker CLARK, concerning which he said the recollection of the gentleman from Pennsylvania was entirely accurate, because the amendment of the gentleman from Pennsylvania was an amendment to a Senate amendment, which is not now the case.

The CHAIRMAN. The Chair does not quite follow the gentleman just there. The Chair has the impression from what the gentleman has read that it was the opinion of Mr. Chairman Fitzgerald that the reason upon which the ruling of Mr. Speaker CLARK was based was that it was germane to a Senate amendment, and had it not been germane to a Senate amendment, had it been offered as an original proposition in the House, then the opinion of Mr. Fitzgerald was that it would not have been in order under the rules of the House. That is the impression that the Chair has.

Mr. MOORE of Pennsylvania. I can only repeat that in opening his ruling Mr. Fitzgerald said:

So that there may be no misunderstanding in the future as to the ruling of the Chair, the Chair desires to state that the gentleman from Pennsylvania is strictly accurate in his assertion that in form the amendment corresponds to the amendment offered by the gentleman from Alabama [Mr. UNDERWOOD] to the District appropriation bill some years ago. The amendment proposed by the gentleman from Alabama, however, was an amendment to a Senate amendment which was pending to a bill which was originated in the House, and the same rule is not applicable in determining the question of germaneness under such circumstances as is applicable under existing circumstances.

The CHAIRMAN. In the case from which the gentleman has read, the case in which he offered the amendment to the liberty bond bill, the point of order was sustained by the Speaker pro tempore?

Mr. MOORE of Pennsylvania. The point of order was sustained by Mr. Fitzgerald, Speaker pro tempore.

The CHAIRMAN (Mr. GARRETT of Tennessee). The Chair is prepared to rule. The Chair does not think it is necessary to go into any elaborate statement. Even if it were not for the provision contained in clause 3 of Rule XXI, the Chair does not think that the amendment would be in order.

The present occupant of the chair had the honor of presiding as Chairman of the Committee of the Whole when the amendment was proposed to create a tariff commission as a part of a revenue bill. The point of order was made, and the Chair held generally that the meaning of the expression "germaneness" under the facts that were then presented was that the fundamental purpose of the amendment must be germane to the fundamental purpose of the bill.

Subsequently, when the matter reached the House the Speaker of the House, in a more elaborate and better reasoned ruling than the one delivered by the Chairman of the Committee of the Whole, sustained that ruling and held that that amendment was out of order because it was not germane. Under that general principle the Chair would certainly be of the opinion that this would not be in order. But if there should be any possible question about that, then the provision of clause 3, Rule XXI, which has been several times quoted to-day, providing that "no amendment shall be in order to any bill affecting the revenue which is not germane to the subject matter in the bill; nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed," would certainly apply in this case. The matter contained in the amendment offered by the gentleman from Pennsylvania has no relation whatever to the raising of revenue in any form. Both under the general rule and under the special provision of clause 3, Rule XXI, the Chair is of the opinion that it is not germane, but is clearly out of order, and the Chair sustains the point of order.

The Clerk read as follows:

(c) There is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1919, the sum of $7,500,000 for the expenses of assessing and collecting the internal-revenue taxes as provided in this act, including the employment of necessary officers, attorneys, experts, agents, inspectors, deputy collectors, clerks, janitors, and messengers, in the District of Columbia and the several collection districts, to be appointed as provided by law, telegraph and telephone service, rental and repair of quarters, postage, and the purchase of such supplies, equipment, mechanical devices, printing, stationery, law books and books of reference, and such other articles as may be necessary for use in the District of Columbia and the several collection districts: *Provided*, That not more than $2,750,000 of the total amount appropriated by this section may be expended in the Bureau of Internal Revenue, in the District of Columbia.

Mr. STAFFORD. Mr. Chairman, I offer an amendment to line 23, page 172, striking out the clause "as provided by law" and inserting the following:

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 172, line 23, after the word "appointed," strike out the words "as provided by law" and insert "From lists of eligibles to be supplied by the Civil Service Commission and in accordance with the civil-service law."

Mr. GARNER. That is exactly what the law now provides for. The statute now provides that they shall be selected under the civil-service laws.

Mr. STAFFORD. The gentleman from Texas is mistaken. I am glad to know that the gentleman from Texas will support the amendment I have offered, because he admits that he intends to have the income-tax inspectors, deputy collectors, revenue agents, and the like, for which an appropriation is carried amounting to $7,500,000, under the civil-service law.

This matter received the consideration of the subcommittee on the legislative, executive, and judicial appropriation bill at the present session. Under that bill for the current year we grant to the Commissioner of Internal Revenue the huge amount of $15,000,000 for the employment of deputy collectors, income-tax inspectors, revenue agents for the enforcement of these revenue-collecting laws. It was called to our attention at that hearing that there has been grave abuse by the present collectors of internal revenue in evading the civil-service requirements of the law. I measure my words carefully when I make that charge. Under the existing law the collectors of the respective districts, some 64 in number, are privileged to appoint deputy collectors without any requirements of the civil-service regulations. Then what takes place? Although the existing law requires the income-tax inspectors to be appointed by the civil-service law, the present commissioner authorizes the collectors in their respective districts to appoint deputy collectors without any requirement of civil-service regulations, and then immediately, or in a short time thereafter, permits them to be transferred upon examination into this classification of income-tax inspectors.

Gentlemen, it has been said that politics is adjourned, and I do not care how much of a partisan you may be, I believe you men on this side believe in the necessity at the present time of having these men who are going to be required to see that the full amount of these income taxes and war-profit taxes, and excess-profits taxes is collected in the country should be men of such character that will bring the full amount to the National Treasury.

The most efficient way that can be done is to have efficient men to do it. We know there is a shortage of labor throughout the country. We know that men who are capable to perform this work will not receive the appointment unless they have the privilege and opportunity of making application in a formal way to the Civil Service Commission and their merit determined by the Civil Service Commission. The commissioners testified that they have an ample number on the eligible list of income-tax inspectors to fill these places.

I am not saying that the men now employed in the service, for which $7,500,000 is at the disposal of the revenue collectors for appointment of spoilsmen to fill positions, shall be required to take civil-service examinations. I say that the $7,500,000 you are now providing shall be expended only by the employment of efficient men and efficient accountants, who will perform the work in a creditable manner and see that 100 per cent of the amount individuals and corporations are required to pay will be paid, and then there will be no question whatever that the law will be properly administered.

I do not wish to criticize the present Commissioner of Internal Revenue, except as to the manner in which the field agents have been employed. He is a capable man; he is working reforms in the service; but I appeal to you, as a business proposition, that the need at this time is for expert men, men qualified as accountants, to go over these complicated books of account, and the only way I know that they will be qualified is by having them subjected to a civil-service examination. I hope that the gentleman from Texas will have the support of the gentlemen on his side and vote for this amendment.

Mr. KITCHIN. What do the words in line 23, "as provided by law," mean if they do not mean to take them from the civil service?

Mr. STAFFORD. If the gentleman will look over the hearings upon the legislative, executive, and judicial appropriation

bill, he will find that under the so-called Overman amendment, carried in one of the appropriation acts of two or three years back, deputy collectors who were not required to give bond to the collector were privileged to be appointed without regard to civil-service examination by the collector. That is in the hearings, and I can cite the gentleman to the page in the hearings on the bill last year where that is admitted by Mr. Roper himself.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. KITCHIN. Mr. Chairman, the gentleman referred to deputies being taken out from under the civil service by a certain bill. Deputies are taken from out of the civil service; there is no objection to that. The gentleman says that he has no objection to the deputies being taken out from under the civil service.

Mr. STAFFORD. I want the deputies brought into the civil service, because at present the law is evaded. Income-tax collectors, as shown by the hearings before our committee, are required to be appointed by the Civil Service Commission. How is it evaded? The commissioner authorizes the collector to appoint so many deputy collectors in the field service, and they in turn are appointed to the position of income-tax inspectors.

Mr. KITCHIN. I understood the gentleman to refer to these five deputy commissioners.

Mr. STAFFORD. Oh, no. I am not seeking to apply it to them. I think the commissioner ought to have leeway to select whom he thinks fit, and in justice to the commissioner I wish to say that he has appointed to these higher responsible positions persons irrespective of politics.

Mr. KITCHIN. I want to say to the committee that I do not think the members of the Committee on Ways and Means oppose the gentleman's amendment, because it adds absolutely nothing to the bill. The bill provides that they shall be appointed as now provided by law. The law provides that they shall be appointed exactly as in the language offered by the gentleman from Wisconsin. It is just surplusage. It does not amount to anything, but if it will please the gentleman or satisfy anyone in the House, we can accept it.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. Yes.

Mr. GREEN of Iowa. I am sure that the members of the committee, at least upon this side, understood all of the time that this provision would work as the gentleman from Wisconsin desires.

Mr. KITCHIN. Certainly.

Mr. GREEN of Iowa. So that I think really in justice to the committee, if the gentleman from North Carolina does not object, the words ought to be substituted so that there will be no question about it.

Mr. KITCHIN. Very well. We do not object. I just want to occupy two minutes or more to say something about this civil-service requirement. I want to ask every member of the committee, Democrats and Republicans, to jog his memory and see if I do not correctly state the proposition that I am undertaking to state. We had a vote awhile ago and some little appearance of a filibuster with respect to some civil-service amendment offered by the gentleman from Wisconsin [Mr. STAFFORD], and it appeared that the Democrats were very much opposed and that our committee, especially, was very much opposed to putting these different employees, who were under discussion, under the civil service. I know that I have tried my best, and I think we have all succeeded in keeping out of this bill anything like partisan politics. We did in the committee. A question did come up under this title as to whether certain employees or officers or appointments should be taken out of the civil service and left to Mr. Roper or to the Treasury Department.

This very proposition right here, whether they shall be appointed as provided by law, came up. When that proposition came up it was discussed upon both sides of the table. One prominent member of the minority took the position that to get competent men to handle this enormous amount of work, to perform these onerous duties, with the civil-service lists exhausted and the commission now being compelled to make temporary appointments because they can not get them from the lists, and the fact that more than 3,000 new appointments must be made, it would be found impossible to get the proper men if we sought to get them under the civil service. More than one member of the minority took that position. Some of the Democrats took that position, and some of the Democrats took the other position, and I made this statement: "We have not yet had any partisan politics or any vote on party lines since the war was declared, and if you members of the minority, and you are the only ones going to decide that, think that we can get better service and that we can administer this law better by taking these officers and employees out from under the civil service and letting them be appointed by the Treasury Department, that goes in the bill, but if it is your decision that better men can be gotten and that they ought to be appointed from the civil-service lists, then that goes in the bill," and after some short consideration the minority members said that they thought the words "as provided by law" should go in the bill. No Democrat had one word to say. It was written in the bill. I think in justice to the committee on both sides I should make this statement, as it appeared some time this afternoon that our committee was trying to leave open a door in this bill to have partisan appointments. The language was put there by the minority members—that is, they decided it should go, requiring these officers and employees to be appointed under the civil-service law. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, the gentleman from North Carolina has stated with substantial correctness what occurred in the committee. He was perfectly fair in this matter, as he always is, but it appears there is a slight misunderstanding in reference to this paragraph which I understand the gentleman has no objection to having corrected. I want to emphasize what the gentleman has said, that there has been no partisan discussion in the committee itself. In the committee room these matters were entirely banished—completely kept out. If there has been any appearance of it here to-day, it is not an echo of anything that occurred in the committee room, where those things were very scrupulously on both sides avoided in all of the discussions.

Mr. STERLING of Illinois. Will the gentleman yield for a question?

Mr. GREEN of Iowa. I will; yes.

Mr. STERLING of Illinois. Does not the gentleman think the language of the bill means that they must be appointed under the civil-service rules?

Mr. GREEN of Iowa. That is what I understood at the time it was before the committee.

Mr. STERLING of Illinois. I do not think it can mean anything else at all.

Mr. GREEN of Iowa. The gentleman from Wisconsin, who has made a careful study of these matters and has had up this matter before, says that under the law as it now stands there may be certain appointments——

Mr. STAFFORD. May I interrupt and read——

Mr. KITCHIN. One moment. We have been discussing it and had up the matter with Mr. Roper, and Mr. Roper says that there is no other construction to be put except that they must be appointed from the civil service. We do not object to the amendment. We will accept it in order to make it certain.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 1303. (a) That there is hereby created a legislative drafting service under the direction of two draftsmen, one of whom shall be appointed by the President of the Senate, and one by the Speaker of the House of Representatives, without reference to political affiliations and solely on the ground of fitness to perform the duties of the office. Each draftsman shall receive a salary of $5,000 a year, payable monthly. The draftsmen shall, subject to the approval of the President of the Senate and the Speaker of the House of Representatives, employ and fix the compensation of such assistant draftsmen, clerks, and other employees, and purchase such furniture, office equipment, books, stationery, and other supplies, as may be necessary for the proper performance of the duties of the service and as may be appropriated for by Congress.

Mr. WALSH. Mr. Chairman, I make the point of order against this paragraph.

Mr. SHERLEY. Mr. Chairman, I hope the gentleman will reserve the point of order for a few moments.

Mr. WALSH. I will reserve the point of order.

Mr. SHERLEY. Mr. Chairman, I was very glad to find in the bill the proposal that has just been read. In 1907, now a good many years ago, I offered a resolution in the following language:

The Speaker shall appoint a person learned in the law as clerk for the revision of bills, whose compensation shall be at the rate of $5,000 per annum, and who shall be removable for cause.

The duties of said clerk shall be to examine all bills and resolutions pending before standing or select committees, in Committee of the Whole House, or before the House, and after such examination to suggest to the committee or the Members of the House in charge of the proposed legislation such verbal or technical alteration as may secure a more definite and perfect expression of the purposes proposed, and a better arrangement and classification thereof. Said clerk shall also wait upon the House Members of conference committees and make similar suggestions upon matters of legislation pending before them, and shall be entitled to the privilege of the floor of the House.

Now, the proposal was based upon the existing rule of the House touching parliamentary law, and I was proposing to do for the substantive law of the Congress what is now done in the way of parliamentary law, and I suggested the appointment of a single clerk with the idea that as his usefulness grew upon the House he would be authorized subsequently to gather about him a corps of assistants. When I was a very new Member in this House I was appointed on the Committee on the Revision of the Laws, and afterwards was a member of the joint committee of the House and Senate to codify the penal code and the judicial title. No man who had not done similar work could have any appreciation of the duplication of law that is upon the statute books, of the confusion of expression, of the looseness of terms, and of the resulting litigation that costs the citizens of this country many millions of dollars.

We are one of the few legislative bodies in the world that has not created some machinery for the perfecting of the style of legislation. The average Member of Congress has not always time to draft bills in such form as to clearly express meaning, and particularly is that true when amendments are offered in a hurry on the floor or are agreed to in conference when there is a rush for time. And yet a man possessing no more or not so much ability through practice will acquire a facility of expression and the use of uniform terms that will greatly aid in the direction of clarity and brevity. I know of no reform that will produce greater results than the one contemplated in the legislation proposed by the Committee on Ways and Means. And while I am not vain enough to believe that they were aware of the fact that some 11 years ago I pressed this matter and have, year after year, introduced a resolution, and on one or two occasions have gone before the Committee on Rules in regard to it, still I rejoice they share with me this view. Ordinarily I do not like legislation that is not directly germane put upon a bill of this magnitude. But it is highly important that we clarify and simplify our legislation. If I mistake not, the courts of this land are going to be busy for many years to come in construing the statutes that we now are passing.

I have never favored having any body created outside of Congress that would undertake to deal with the substance of what Congress enacts. I think some of the States have gone to the extreme in getting their advice as to what they should enact into law from persons other than the members of their legislative bodies. But the language proposed in the paragraph that has just been read does not look to that sort of help. It looks to the creation of a corps of assistants who will simply help in the style and will not undertake to determine the substantive matters involved in legislation. Unless we take some such step as this——

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

Mr. SHERLEY. Mr. Chairman, I ask unanimous consent for one minute more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SHERLEY. Unless we adopt some such action as this we will drift along—because what is everybody's business is nobody's business—with the old, loose method, the slipshod method that has been pursued in the past. And I am quite sure that if we do adopt this provision, in the course of three or four years there will not be a man in either the House or the Senate that will want to see it done away with. Every man in this House to-day, as in the past, avails himself of the parliamentary knowledge obtainable from the parliamentary clerk at the Speaker's desk, and the House is greatly helped by the performance of these functions by a man trained in that special line. What is true there, and now recognized as essential, is infinitely more necessary and true in regard to substantive law. And I trust the gentleman from Massachusetts [Mr. WALSH] will feel free to withdraw the point of order.

Mr. GREEN of Iowa. Mr. Chairman, I heartily agree with what the gentleman from Kentucky has said.

Gentlemen of the House will remember that there was some complaint with reference to the language used in the last revenue bill. I think those who have followed this bill closely have found it to be, whether they approve of the purposes of the provisions or not, a model of clearness and brevity. It is certainly superior to anything that the committee knows of in stating the excess-profit tax clearly and briefly, and in other respects I think the bill is drawn as clearly as it could possibly be expected. This is largely due to the fact that we had assistance of the character for which provision is to be made under the paragraph now before the committee. And now let me say at this time that I do not believe any Member of the House who has not participated in the drawing of a bill of this character has any idea of the difficulties which the committee meets in having the provisions of the bill expressed clearly and concisely. The minds of the committee are necessarily occupied with the policy of the provisions which are put in the bill; and in a case like this, where we have a bill imposing taxes to the amount of $8,000,000,000, we are sailing continually on uncharted and unknown seas, where no taxing power in this country ever ventured before, and the policy of these matters which we are incorporating into this bill naturally caused every member of the committee the greatest trouble and the greatest difficulty. A Member does not have the time which he would wish and the time that is really necessary to give to the form and expression of the bills in order to make them what they ought to be. If gentlemen knew, as some gentlemen doubtless do, having had experience with bills of similar character, the difficulty in getting the expressions perfectly clear and accurate and at the same time being sure that the policy which was desired by the committee is expressed, I am sure no objection would be made to this provision. I believe that there is no more important provision in the whole bill than the one which we now have before us.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. ELSTON. Is it contemplated that their services would be subject to the request of any committee only? I see they would not be subject to the request of any single member. I think services of that kind would be very useful to a Member who had the subject matter or the purpose of proposed legislation in mind, but he would have some difficulty in drafting a measure. What does the gentleman think of that?

Mr. GREEN of Iowa. That matter was given careful consideration by the committee, and the committee thought it best not to put in an express provision that the draftsmen must give their services to every Member, for fear that in the preparation of some 30,000 bills that come before the House, if provision were made that the draftsmen must give their services to every Member, they would be overwhelmed with requests of that kind, so that they could do nothing for the committees.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GREENE of Vermont. The general idea of this amendment has been in force in my own State of Vermont for years, and I think there the practice works out successfully. As I recall it now, when a member has prepared a bill it goes automatically to the committee on revision before it is finally introduced. There it is subjected to such changes in verbiage or diction as may be necessary to make it conform to the general statutory language that has been accepted and approved in times past and still made to conform to the ideas that the framer of the bill has in mind. Thereby the object suggested by the gentleman from California is practically accomplished also, because in that way the work of each member passes through the hands of that committee on revision, and in consequence changes that are needed are made.

The CHAIRMAN. The time of the gentleman from Iowa has expired. The gentleman from Massachusetts [Mr. WALSH] makes the point of order on the ground that this particular paragraph does not relate to the revenue or bonded debt and is, therefore, in excess of the jurisdiction of the committee.

Mr. WALSH. That it is not within the jurisdiction of the committee.

The CHAIRMAN. I say, in excess of the jurisdiction of the committee, and therefore beyond their authority. The Chair thinks the point of order is well taken, and sustains it.

Mr. KITCHIN. Mr. Chairman, no point of order was reserved on this bill. Take the case of an appropriation bill. You can not have new legislation on an appropriation bill when a point of order is reserved at the time the report is presented. If that is not done you can not do it when you consider the bill.

Mr. WALSH. If the gentleman will examine the precedents he will find that one does not have to reserve a point of order on a revenue bill, and the only place where points of order must be reserved is on an appropriation bill.

Mr. GARNER. That is not the rule.

Mr. WALSH. That is the rule, and the precedents bear it out.

Mr. KITCHIN. As I understand it, Mr. Chairman, if we have a bill, although it may not be a revenue bill at all, but if we have jurisdiction of a bill and we consider the bill and report it, points of order can not be made against it, because all other committees that might have had jurisdiction have waived it in not demanding the transfer of jurisdiction.

Mr. WALSH. If the gentleman will permit, this bill was not referred to the Committee on Ways and Means. It was brought in here under the privilege and dropped in the basket.

Mr. KITCHIN. The RECORD shows that it was referred.

Mr. WALSH. I beg the gentleman's pardon. The RECORD does not show that it was ever referred. The RECORD shows that the gentleman presented it, and that it was presented to the Committee of the Whole.

The CHAIRMAN. This is a very important matter, and the Chair will make the following explanatory statement. Should a bill be erroneously referred, the rules provide the procedure by which that bill, as a whole, may be returned to the proper committee. If advantage is not taken in time of the rule, and the committee improperly in possession of the bill proceeds to consider it, and report the same to the House, it will then be too late to raise a point of order against the bill as a whole.

On such a case the committee entitled to jurisdiction is considered to have slept upon its rights. But when a bill is properly sent to a committee having jurisdiction over the subject matter, and it improperly includes in the bill reported to the House, matter not within its jurisdiction, then upon the consideration of the bill, the extraneous matter improperly included, can be objected to by a point of order. This is the first opportunity presented to object to the offending matter. Hence no one has slept on his rights and no one is estopped to make objection. There must be an opportunity afforded at some time to object to matter included in a bill in excess of the jurisdiction of a committee, and the first time that this opportunity is afforded, is when the bill is under consideration, and the objectionable matter is reached.

Mr. KITCHIN. I supposed that this referred to an amendment reported by the committee.

Mr. WALSH. Mr. Chairman, may I direct the attention of the gentleman from North Carolina to section 6926 of Volume V of Hinds' Precedents, where Speaker CANNON, of Illinois, on May 14, 1906, made the ruling that points of order are reserved at the time of reference to Committee of the Whole only on appropriation bills?

Mr. Joseph W. Babcock, of Wisconsin, moved that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of bills on the Union Calendar.

Mr. Sydney E. Mudd, of Maryland, interposed to reserve points of order against the bills.

Speaker CANNON held that as they were not appropriation bills such reservation was not called for.

Mr. KITCHIN. I want a little information, too, because this will be a precedent, and we want to get the matter straight. Suppose the Ways and Means Committee a week or two weeks before we reported this bill had introduced this identical bill with this provision in it, and then had reported it, and no points of order at all were reserved. Is it the understanding of the Chair that any matter in the bill of which the Ways and Means Committee originally had no jurisdiction would then be subject to points of order?

The CHAIRMAN. The Chair in response to that question will read the following extract from the rules:

POWERS AND DUTIES OF COMMITTEES.

All proposed legislation shall be referred to the committees named in the preceding rule, as follows, viz: Subjects relating—

1. To the election of Members—to the respective Committees on Elections.

2. To the revenue and the bonded debt of the United States—to the Committee on Ways and Means—

And so on.

The latter provision fixes the jurisdiction of the Ways and Means Committee, and delimits the matter appropriate for its consideration. Suppose the Committee on Ways and Means should report a bill dealing with the bonded debt, and as one paragraph of same should include matter properly belonging to the Elections Committee, or to the Committee on Foreign Affairs, or to the Committee on Appropriations, or to any other committee, how would this illegal assumption of jurisdiction be reached, save by a point of order directed to the offending matter?

Mr. KITCHIN. That is true, if it sought to amend a bill so as to include matters of which it had no jurisdiction, because the amendment would not be germane to the bill. But I am speaking now of this case: Suppose we had introduced this bill two weeks ago, and the committee had reported it, and it came before the House with that identical proposition in it for the Drafting Service, not as an amendment, but as a part of the bill. Suppose we had reported the bill with that provision in it. Would it then be subject to a point of order?

The CHAIRMAN. The Chair does not think it is a question of amendment at all. It is a question of there being in the bill reported by the committee matter as to which the committee had no jurisdiction at all. The Chair thinks the point of order is well taken and that the reasons for the ruling are sound.

Mr. KITCHIN. I would like to ask what committee would have jurisdiction of this?

Mr. WALSH. The Committee on Rules.

Mr. KITCHIN. The Committee on Rules has no jurisdiction. The Committee on the Library has assumed jurisdiction and has had hearings on the bill.

Mr. WALSH. I contend that this could only be provided by statute, and not by amendment to the rules of the House.

Mr. KITCHIN. The Rules Committee could report a resolution to change the rules.

Mr. GARNER. The Rules Committee can come in and make any report that they want to. They have absolute power to report anything pertaining to the procedure of the House.

Mr. PARKER of New Jersey. Mr. Chairman, I simply want to say that if a bill is introduced that does not belong to any committee, it is a common practice to appoint a special committee; but this bill never was introduced at all until the committee reported it, as I understand.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(b) The drafting service shall aid in drafting public bills and resolutions or amendments thereto on the request of any committee of either House of Congress, but the Joint Committee on the Library may determine the preference, if any, to be given to such requests. The draftsmen shall, from time to time, prescribe rules and regulations for the conduct of the work of the service, subject to the approval of the Joint Committee on the Library.

Mr. WALSH. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman from Massachusetts makes a point of order to the paragraph just read. The point of order is sustained.

The Clerk read as follows:

(c) For the remainder of the current fiscal year there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $25,000, or so much thereof as may be necessary, for the purpose of defraying the expenses of the establishment and maintenance of the service, including the payment of salaries herein authorized.

Mr. WALSH. Mr. Chairman, I make a point of order against that paragraph.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

SEC. 1310. That in case of any overpayment or overcollection of any tax imposed by section 628 or 630 or by Title V, Title VIII, or Title IX, the person making such overpayment or overcollection may take credit therefor against taxes due upon any monthly return, and shall make refund of any excessive amount collected by him upon proper application by the person entitled thereto.

Mr. ROBBINS. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman a question about section 1308, where it provides for a fine. Ought there not to be a provision for a conviction by the court? I am speaking of section 1308—which I know we have passed—but there must be a conviction in court to precede any such action as provided for in that section.

Mr. KITCHIN. Of course, there must be a conviction, but that is covered by the general criminal statutes.

Mr. ROBBINS. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 1315. (a) That section 3220 of the Revised Statutes is hereby amended to read as follows:

"SEC. 3220. The Commissioner of Internal Revenue, subject to regulations prescribed by the Secretary of the Treasury, is authorized to remit, refund, and pay back all taxes erroneously or illegally assessed or collected, all penalties collected without authority, and all taxes that appear to be unjustly assessed or excessive in amount, or in any manner wrongfully collected; also to repay to any collector or deputy collector the full amount of such sums of money as may be recovered against him in any court, for any internal revenue taxes collected by him, with the cost and expenses of suit; also all damages and costs recovered against any assessor, assistant assessor, collector, deputy collector, agent, or inspector, in any suit brought against him by reason of anything done in the due performance of his official duty."

Mr. STAFFORD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 181, line 3, at the end of the section insert: "and shall make report to Congress at the beginning of each regular session of Congress of all transactions under this section."

Mr. KITCHIN. Mr. Chairman, I do not see any real objection to that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 1318. That whoever in connection with the sale or lease, or offer for sale or lease, of any article, or for the purpose of making such sale or lease, makes any statement, written or oral, (1) intended or calculated to lead any person to believe that any part of the price at which

such article is sold or leased, or offered for sale or lease, consists of a tax imposed under the authority of the United States, or (2) ascribing a particular part of such price to a tax imposed under the authority of the United States, knowing that such statement is false or that the tax is not so great as the portion of such price ascribed to such tax, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the committee if he does not consider that there should be an alternative penalty for the violation of this provision. It seems to me that the fine of $1,000 might not be severe enough. I wondered if it might not be amended to make it similar to the penalty imposed in section 3167, by a fine not exceeding $1,000 or by imprisonment for not more than one year or both.

Mr. KITCHIN. I see no objection to it.

Mr. WALSH. Mr. Chairman, I move to amend by striking out the period and adding the words "or by imprisonment not exceeding one year or both."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 188, line 2, after "$1,000" strike out the period and insert the following: "or by imprisonment not exceeding one year or both."

The CHAIRMAN. The question is on the amendment.

The question was taken and the amendment was agreed to.

Mr. SEARS. Mr. Chairman, on page 187, line 22, after the comma, I move to strike out the words "knowing that such statement is false or that the tax is not so great as the portion of such price ascribed to such tax." The language of the section is:

Ascribing a particular part of such price to a tax imposed under the authority of the United States, knowing that such statement is false or that the tax is not so great as the portion of such price ascribed to such tax, shall be guilty—

And so forth.

In other words, the Government will have to prove that the party making the statement knew that he was making a false statement.

Mr. KITCHIN. I think the Government ought to.

Mr. SEARS. It would be, it seems to me, prima facie evidence when one made a statement that he knew what the tax was that he was making a false statement. If I state that I am raising the price of an article $2 because the war tax is $2, I shall be guilty of a misdemeanor if that tax is not as represented. Therefore why should we put the word "knowing" such statement was false.

Mr. KITCHIN. Well, a lot of clerks or selling agents do not always know the tax on the articles that they sell.

Mr. SEARS. I appreciate that; but under the last bill several merchants told me they had to charge a higher price because of the war tax. Moving pictures raised the price from 10 cents to 15 cents, as they said, on account of the tax, when the tax was not 5 cents.

Mr. KITCHIN. And they knew it was not 5 cents; but I do not think a party ought to be put in jail, as, for instance, the clerks, when they are selling an article upon which they do not know what the tax is.

Mr. SEARS. I take the position that the fellow ought to know what the tax is before he makes the statement; but, Mr. Chairman, I withdraw the amendment.

The Clerk read as follows:

SEC. 1319. That wherever by the laws of the United States or regulations made pursuant thereto any person is required to furnish surety or sureties on any bond, such person may, in lieu of surety or sureties, and under regulations prescribed by the Secretary, deposit with the United States an amount of bonds of the United States issued after April 24, 1917, equal to the amount of such bond, together with an agreement authorizing the United States to sell such bonds in case of any default in payment of the bond. As soon as the bond becomes void and of no effect, such bonds shall be returned to the depositor.

Mr. HOLLINGSWORTH. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. HOLLINGSWORTH: Page 188, line 13, after the word "depositor," insert the following: "And such bonds may be deposited and accepted as security for the issue of national bank currency the same as the bonds of the United States of a prior date.

Mr. KITCHIN. Mr. Chairman, on that I reserve the point of order.

Mr. GARNER. Mr. Chairman, is it the proposition of the gentleman to issue currency upon the bonds?

Mr. KITCHIN. As I gather it, the purpose is to deposit the liberty bonds instead of security bonds and have currency issued upon them.

Mr. GARNER. If the gentleman's amendment should be adopted, it would simply destroy the value of about $700,000,000 worth of 2 per cent bonds.

Mr. HOLLINGSWORTH. Perhaps the gentleman better hear my statement first. The object of this amendment and its effect, if adopted, will be to stimulate and encourage the approaching and much-advertised drive for the sale of liberty bonds and give to them an increased market value without in any manner injuring the revenues of the Government or interfering with the fixed property rights of any citizen. They are to bear 4¼ per cent interest, and with this amendment no outstanding Government bond will surpass them in earning capacity. Of course, the handicap of liability to certain taxation imposed by this act will remain, but this only affects their market value and desirability as an investment and is greatly beneficial to the Government as a source of revenue.

The value of this amendment is easily calculated from the current commercial values of the different issues of Government bonds as shown by stock-exchange quotations.

The following clipping from a city daily of this morning shows their relative values:

GOVERNMENT BONDS.

U. S. 2s, registered (bid)	98
U. S. 2s, coupon (bid)	98
U. S. liberty 3½s	100.18
U. S. liberty first 4s	96.64
U. S. liberty second 4s	95.94
U. S. liberty first 4¼s	96.68
U. S. liberty second 4¼s	95.94
U. S. liberty third 4¼s	96
U. S. 4s, registered (bid)	106½
U. S. 4s, coupon (bid)	106½

It will be noted that the nontaxable bonds are quoted much higher than those subject to taxation, much higher than those exempted from such burden. The nontaxable 2s are quoted at 98, the 3½s at 100.18, and the 4s at 106.50, an average of from 5 to 10 points higher than the taxable list. By what strange manipulation or basis of calculation can these nontaxable 2s be made to sell at 98 when taxable 4¼s only bring 96 in the same market? The natural and ready answer is the liability of one for taxation and not of the other. But this does not suffice as an explanation. The difference is too great to be accounted for in this way. This is apparent on the face of the quotations.

What, then, is the cause? The security back of each is the same—the entire resources of the Government and the patriotic impulses of an honest and just citizenship.

How can this inequality be remedied? My answer is by the adoption of the amendment I have proposed.

Either by the law itself or by some ruling of the Comptroller of the Currency only the 2s and the earlier 4s are accepted as basic security for national-bank currency. All other Government issues are discredited. Even the nontaxable 3½s are refused as such security by the Government itself.

Any group of citizens desiring to engage in national banking must, before they can obtain circulating currency from the Government, go into the open market and purchase these favored 2s or 4s, paying exorbitant premiums therefor, to deposit with the Government as security. Liberty bonds will not do; like certain registrants under the selective-draft law, they are put in a deferred classification, although worth two points more in the open market than the 2s, and yet the cry of pro-Germanism and unpatriotic citizenship has already been mildly hinted at against any who may hesitate to buy liberty bonds at the coming drive.

Why is this? Who gets the benefit of this enforced discrimination in favor of these favored bonds? Not a penny of advantage goes to the Government, or there might be some excuse for it. Does it go to the people generally? No. Existing national banks and nontaxpaying bondholders of long standing are the only possible beneficiaries of this covert assault on our liberty bonds. They, of course, are loth to have their strangle hold of monopoly loosened.

I favor the removal of every restriction, except that of taxation, on the sale of liberty bonds. Tax them, yes; tax them heavily if need be, but give them a clear credit bill of health and the people will do the balance without much special urging when the next liberty-loan drive starts.

My amendment seeks only this.

I think liberty bonds, especially when presented to the Government for any proper purpose or for security, should not be discriminated against. They are backed not only by the entire resources of the Government, but by the united, patriotic impulses of a great liberty-loving people. [Applause.]

Mr. KITCHIN. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The Chair hardly thinks the amendment is in order.

Mr. HOLLINGSWORTH. Mr. Chairman, I desire to say a word or two upon that.

Mr. VARE. Mr. Chairman, may we have the amendment again reported?

The CHAIRMAN. Without objection, the Clerk will again report the amendment.

There was no objection, and the Clerk again reported the amendment.

Mr. HOLLINGSWORTH. Mr. Chairman, this section was read through just as in another holding to-day, and no point of order was made against it or reserved. Then came my amendment. Then came points of order. I appeal to the Chairman who rendered the other decision to render a similar one here.

The CHAIRMAN. The Chair does not hold that the gentleman is not in order in offering his amendment. He is in order in offering the amendment, and the Chair recognized him for that purpose; but the point of order is made that this amendment is not in order under subsection 3 of Rule XXI. The contents of the bill are entirely different from what is proposed to be done by the gentleman's amendment.

Mr. HOLLINGSWORTH. This particular section provides that certain bonds issued after a certain date shall be accepted by the Government for a certain purpose. I submit that we are dealing with bonds and how they may be used.

The CHAIRMAN. The amendment of the gentleman is perfectly clear, and the Chair does not undertake to say that it may not be wholesome legislation, but it is not in order upon this bill, and the Chair sustains the point of order.

Mr. KITCHIN. Mr. Chairman, I have a committee amendment which I desire to offer at this time, which I send to the desk and ask to have read.

The Clerk read as follows:

Page 188, line 11, after the period, insert: "In the discretion of the official having authority to approve the bond such bonds may be deposited with a Subtreasury, Government depository, Federal reserve bank, or member bank, which shall issue its receipt therefor, describing the bonds deposited."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I ask unanimous consent to return to page 173, section 1303-A, and I ask unanimous consent further that the point of order made by the gentleman from Massachusetts [Mr. WALSH] and the ruling of the Chair thereon be vacated, so that the section shall stand.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to return to page 173, section 1303. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from North Carolina now asks unanimous consent that the proceedings in relation to the same, the point of order to the section, and the ruling of the Chair may be vacated. Is there objection?

Mr. WALSH. Mr. Chairman, reserving the right to object, I understand that the chairman had one or two amendments to offer to subsection (b).

Mr. KITCHIN. I am making that request with the understanding that these amendments will be offered.

Mr. WALSH. As committee amendments?

Mr. KITCHIN. Yes.

Mr. WALSH. Still further reserving the right to object, because the demand for the regular order was made, I had no opportunity to express my reasons for opposing the provisions of these three sections. I shall not object to the request of the gentleman, as I understand he had some committee amendments to offer which will meet the objections I had to the provisions as printed.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina that the action heretofore taken in respect to this section shall be vacated? [After a pause.] The Chair hears none.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 174, line 7, after the word "requests," insert "of the committees of either House, respectively."

Mr. WALSH. Mr. Chairman, there is an amendment before that.

Mr. KITCHIN. I have them all right here.

The question was taken, and the amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, I offer the following several amendments.

The CHAIRMAN. The gentleman from North Carolina offers the following amendments, which will be reported seriatim by the Clerk.

The Clerk read as follows:

Page 174, lines 5 and 6, after the word "but," in line 5, strike out the words "the Joint Committee on the Library" and insert in lieu thereof the following: "the Library Committee of the Senate and the Library Committee of the House of Representatives, respectively."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Page 174, line 9, after the word "service," insert "for the committees of each House."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Page 174, line 10, strike out line 10 and insert in lieu thereof the following: "the Library Committee of each House, respectively."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Page 174, at the end of line 10, insert the following: "One-half of all appropriations for the service shall be disbursed by the Secretary of the Senate and one-half by the Clerk of the House of Representatives."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 1402. That the revenue act of 1916 is hereby amended by adding at the end thereof a section to read as follows:

Mr. MOORE of Pennsylvania. Mr. Chairman, I move to strike out the last word. It may be crudely done, but at this point and because the bill is so nearly finished, as a member of the Ways and Means Committee minority who has been in attendance for more than three months in association with the gentleman from North Carolina and the other members of the Committee on Ways and Means, I think it proper to say that never within my recollection as a Member of this House for the past 12 and more years has such expedition been made in the House upon a great bill as has been made upon this. The record, for which credit must be given chiefly to the gentleman from North Carolina, is exceptional. Personally I wish to pay tribute to his very great courtesy to me as a member of this committee during these long and trying months, even when at times I disagreed with him. I would feel myself doing an injustice to the personal sentiment I entertain for him and for his colleagues upon the committee if I did not now, as one member of the minority, make this public acknowledgment of his earnestness, his assiduity, and his patriotic desire to render a great public service. [Applause.]

Mr. KITCHIN. I thank the gentleman from Pennsylvania.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

The Clerk resumed and concluded the reading of the bill.

Mr. KITCHIN. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 12863, the revenue bill, and had come to no conclusion thereon.

FOURTH LIBERTY BOND ISSUE.

Mr. KITCHIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12923) to supplement the second liberty-bond act, for the purpose of disagreeing with Senate amendments and agreeing to the conference.

The SPEAKER. The gentleman from North Carolina asks unanimous consent to take from the Speaker's table the bill H. R. 12923, to disagree to the Senate amendments, and agree to the conference.

Mr. GILLETT. What is the bill?

Mr. KITCHIN. The bond bill we had up and passed the other day.

The SPEAKER. Is there objection? The Clerk will report the bill by title.

The Clerk read as follows:

H. R. 12923. An act to supplement the second-liberty bond act as amended, and for other purposes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Chair appoints the following conferees:

The Clerk read as follows:

Messrs. KITCHIN, HENRY T. RAINEY, DIXON, FORDNEY, and MOORE of Pennsylvania.

STIMULATION OF AGRICULTURE (H. R. NO. 796).

Mr. CANDLER of Mississippi. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. CANDLER of Mississippi. By the authority of the Committee on Agriculture and at the direction of the committee I

report back to the House the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agricultural products" for printing under the rules.

Mr. STAFFORD. Mr. Speaker, I wish to reserve all points of order on the bill.

LEAVE TO ADDRESS THE HOUSE.

Mr. GILLETT. Mr. Speaker, I rise to ask unanimous consent that on Saturday next, after the reading of the Journal and disposition of business on the Speaker's table, that I may be permitted to address the House for 30 minutes.

The SPEAKER. The gentleman from Massachusetts [Mr. GILLETT] asks unanimous consent that on Saturday, after the reading of the Journal and disposition of business on the Speaker's table, he may be allowed to address the House for 30 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that, after the gentleman from Massachusetts [Mr. GILLETT] finishes his speech on Saturday, I may be permitted to address the House for 45 minutes.

The SPEAKER. The gentleman from Mississippi asks unanimous consent that on Saturday, at the conclusion of the remarks of the gentleman from Massachusetts, he be permitted to address the House for 45 minutes. Is there objection?

Mr. DYER. Reserving the right to object, which I do not intend to do, I would like to inquire of the gentleman from Mississippi, who has just reported this agricultural-extension bill, when it is the intention of the Committee on Agriculture to call it up for consideration in the House?

Mr. CANDLER of Mississippi. It is the purpose of the committee, probably, to call it up at the conclusion of this bill, but that has not been fully determined. We want to accommodate both sides of the House.

Mr. DYER. You will not have it up on Saturday?

Mr. CANDLER of Mississippi. I do not think so, unless it will be satisfactory to both sides. We want, of course, to dispose of the bill as soon as we can.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. COLLIER]? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. KITCHIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Friday, September 20, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. CANDLER of Mississippi, from the Committee on Agriculture, to which was referred the bill (H. R. 11945) to enable the Secretary of Agriculture to carry out, during the fiscal year ending June 30, 1919, the purposes of the act entitled "An act to provide further for the national security and defense by stimulating agriculture and facilitating the distribution of agriculture products," reported the same with Senate amendments, accompanied by a report (No. 796), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SHALLENBERGER, from the Committee on Military Affairs, to which was referred the bill (H. R. 12872) making certain officers of the Army eligible for appointment as chief of staff corps and departments, reported the same without amendment, accompanied by a report (No. 794), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SIMS, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 12776) to provide further for the national security and defense and for the more effective prosecution of the war by furnishing means for the better utilization of the existing sources of electrical and mechanical power, and for the development of new sources of such power, and for other purposes, reported the same with amendment, accompanied by a report (No. 795), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. TAYLOR of Colorado: A concurrent resolution (H. Con. Res. 52) extending the thanks of Congress to the American Army, Navy, and marines and the women in the medical and other auxiliary work for their heroic services in the present war; to the Committee on Military Affairs.

By Mr. EMERSON: A joint resolution (H. J. Res. 327) to extend thanks of Congress to Gen. Pershing and our soldiers; to the Committee on Military Affairs.

By Mr. BURNETT: A resolution (H. Res. 431) providing for the consideration of H. J. Res. 331; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER: A bill (H. R. 12965) granting a pension to John A. Neff; to the Committee on Invalid Pensions.

By Mr. ASHBROOK: A bill (H. R. 12966) granting an increase of pension to Aquilla Williams; to the Committee on Invalid Pensions.

By Mr. AUSTIN: A bill (H. R. 12967) granting a pension to Jane Roberts; to the Committee on Invalid Pensions.

By Mr. BRUMBAUGH: A bill (H. R. 12968) granting an increase of pension to Nettie Avery; to the Committee on Invalid Pensions.

By Mr. CARTER of Massachusetts: A bill (H. R. 12969) granting a pension to Adoniram J. Edwards; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12970) granting a pension to Thomas Casey; to the Committee on Invalid Pensions.

By Mr. GALLAGHER: A bill (H. R. 12971) granting an increase of pension to Annie M. Wood; to the Committee on Invalid Pensions.

By Mr. IRELAND: A bill (H. R. 12972) granting a pension to Maria L. Gill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12973) granting an increase of pension to Mary L. Taylor; to the Committee on Invalid Pensions.

By Mr. SANFORD: A bill (H. R. 12974) granting an increase of pension to George A. Hitchcock; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 12975) granting an increase of pension to Ann E. McGrew; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ESCH: Resolution of the Anchorage Chamber of Commerce, Anchorage, Alaska, urging prompt assistance by the Government in the Alaskan coal fields; to the Committee on the Territories.

By Mr. FULLER of Illinois: Petition of Charles L. Craig, comptroller of the city of New York, opposing taxation of income from municipal securities; to the Committee on Ways and Means.

Also, petition of citizens of Peru, Ill., favoring the Edmonds bill (H. R. 5531) to provide a Pharmaceutical Corps in the Army; to the Committee on Military Affairs.

By Mr. LINTHICUM: Petition of Charles L. Craig, comptroller of the city of New York, opposing the proposed tax on municipal securities; to the Committee on Ways and Means.

By Mr. RAKER: Petition of H. W. Law, of San Francisco, Cal., against the tax on nonbeverage alcohol; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

FRIDAY, *September 20, 1918.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We would worship Thee, our Father in heaven, by fulfilling every duty Thou hast laid upon us with grace and fortitude.

We thank Thee for the fine sense of patriotism displayed by the Members of the Congress of the United States from the beginning of hostilities in their earnest desire to furnish ways and means to prosecute the war which has been thrust upon us by a cruel people; for the manifestation of that patriotism in the individual sacrifices of a number of its Members who have

gone from their positions as statesmen to give themselves to their country as warriors to face the hardships and dangers incident to the life of a soldier.

We thank Thee for the Member who will leave us to-day for the duties devolving upon the soldier. His has been a strenuous life, strong in his convictions, firm in his duty, a conspicuous worker on the floor of this House. We part with him reluctantly, but bid him Godspeed in his patriotic service.

Comfort his wife and children and spare him to them and us. In Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

DESIGNATION OF SPEAKER PRO TEMPORE TO-MORROW.

The SPEAKER. The Chair designates the gentleman from Georgia [Mr. CRISP] to preside to-morrow.

QUESTION OF PERSONAL PRIVILEGE.

Mr. COOPER of Wisconsin rose.

The SPEAKER. For what purpose does the gentleman from Wisconsin rise?

Mr. COOPER of Wisconsin. I rise to a question of personal privilege.

The SPEAKER. We will dispose of certain little matters first.

Mr. FORDNEY rose.

LEAVE TO PRINT.

The SPEAKER. For what purpose does the gentleman from Michigan rise?

Mr. FORDNEY. I want to ask general leave to print. I want to ask for general leave to print speeches on the revenue bill for five days.

The SPEAKER. The gentleman from Michigan asks unanimous consent that everybody shall have permission to print speeches in the RECORD for five legislative days after the conclusion of the revenue bill.

Mr. GILLETT. To be confined to the bill, of course?

The SPEAKER. Yes; to be confined to the bill. Is there objection?

There was no objection.

READMISSION OF ENLISTED ALIENS.

Mr. BURNETT. Mr. Speaker, I ask unanimous consent to print in the RECORD House joint resolution 331 and the report on the same. It is a resolution for the readmission of aliens who have enlisted in the armies of our cobelligerents. We passed a resolution some time ago permitting resident aliens who enlist in our armies to be readmitted, and the President, the State Department, and the Department of Labor are very anxious that the scope of the resolution be enlarged so as to permit the readmission of those who have enlisted in the armies of our cobelligerents if they go over there and are crippled or fall into bad health. Under the general immigration law they can not be readmitted here.

The SPEAKER. What is the number of the resolution?

Mr. PURNETT. It is House joint resolution 331. I desire to have it printed in the RECORD for the information of Members.

The SPEAKER. The gentleman from Alabama asks unanimous consent to print in the RECORD House joint resolution 331.

Mr. GILLETT. I can not see any advantage in printing this resolution in the RECORD. I object to it.

Mr. BURNETT. It is desired by the State Department that its passage be expedited. I do this preliminary to asking that it may be considered by unanimous consent next Monday. I am not asking for its passage now. I have asked for a rule to expedite its passage.

Mr. GILLETT. I understood under the program that there would not be a quorum here next Monday.

Mr. BURNETT. I do not want to interfere with any arrangements that have been made, but it is very important that this resolution be passed speedily because of the treaties that have just been consummated. Some little irritation has resulted from the desire on the part of enlisted aliens of cobelligerent countries to return to the armies of those countries, and in case they desire to return here we should readmit them if they become invalided or disabled while serving in the Army.

Mr. GILLETT. I am in sympathy with the purpose of the resolution, but I will object for the present.

Mr. BURNETT. I am not asking that the House act on it now. I make this request in order that Members may inform themselves, so that we can expedite it later.

Mr. GILLETT. The Members can get the report on the resolution at any time. I object for the present.

The SPEAKER. The gentleman from Massachusetts objects.

LEAVE TO ADDRESS THE HOUSE.

Mr. TILLMAN rose.

The SPEAKER. For what purpose does the gentleman from Arkansas rise?

Mr. TILLMAN. I rise to ask unanimous consent that at the conclusion of the remarks to-morrow afternoon to be made by the gentleman from Massachusetts [Mr. GILLETT] and by the gentleman from Mississippi [Mr. COLLIER], I may have 45 minutes in which to address the House on the subject of the conditions as I saw them recently on the Piave and French fronts.

The SPEAKER. The gentleman from Arkansas asks unanimous consent that to-morrow, after the conclusion of the remarks of the gentleman from Mississippi [Mr. COLLIER], he may have 45 minutes in which to address the House touching his observations and experiences while in Europe recently. Is there objection?

Mr. SIMS. Reserving the right to object, I want to say to the gentleman that I wish to submit a unanimous-consent request for the emergency power bill to be taken up and considered by the House following the consideration of the Agricultural appropriation bill, and it is an extremely important bill and a very urgent war measure.

The SPEAKER. Is there objection?

Mr. DYER. I object.

Mr. STAFFORD. Reserving the right to object——

The SPEAKER. The gentleman from Missouri objects.

Mr. STAFFORD. Will the gentleman withhold his objection until we can understand what the program of procedure is?

The SPEAKER. The program of procedure is that the gentleman from Massachusetts [Mr. GILLETT] to-morrow has 30 minutes and the gentleman from Mississippi [Mr. COLLIER] 45 minutes, and the gentleman from Arkansas is asking 45 minutes more, and the gentleman from Missouri [Mr. DYER] objects.

Mr. TILLMAN. He did not object to my request.

The SPEAKER. The gentleman from Missouri objects.

Mr. KITCHIN. He objected to the request of the gentleman from Tennessee [Mr. SIMS].

The SPEAKER. The gentleman from Tennessee was not asking for anything.

Mr. DYER. I withdraw my objection, Mr. Speaker.

Mr. STAFFORD. Reserving the right to object, Mr. Speaker, I wish to inquire of the gentleman from North Carolina, in view of the many requests for leave to speak to-morrow, whether it is the program to take up any further business after to-day's business?

Mr. KITCHIN. I will say to the gentleman and to the House that what I have in mind is that very shortly we will finish the consideration of the revenue bill. There are only two amendments to be considered.

Mr. GILLETT. There is only one speech of 15 minutes to-day.

Mr. KITCHIN. The gentleman from Washington [Mr. JOHNSON], I understand. Then, after that, we are to take up the Agricultural appropriation bill and also the agricultural extension bill, which includes the question of prohibition.

Mr. EMERSON. That is to-day?

Mr. KITCHIN. That is to-day. Probably more Members will be here to-day than at any other time, because most of them have come in to vote on the revenue bill. Then we hope that certainly next week we can finish all the other legislation that is necessary or urgent, and after that enter into some kind of a gentleman's agreement similar to that which we had last month for three-day adjournments, with no business to be transacted, until the Senate votes on the revenue bill or is ready to vote upon it.

Mr. SIMS. But, Mr. Speaker, has the gentleman considered this emergency power bill in any shape whatever?

Mr. KITCHIN. If the gentleman from Tennessee will permit me, I said the urgent legislation. We hope to finish all urgent legislation.

Mr. SIMS. But the gentleman did not mention this in connection with his hope.

Mr. KITCHIN. I did not mention any particular bill.

Mr. SIMS. The gentleman mentioned the Agricultural bill.

Mr. KITCHIN. That is to-day.

Mr. SIMS. Now, I am asking unanimous consent that this emergency power bill be taken up following the Agricultural bill.

Mr. KITCHIN. I have no objection; not a bit. I will be candid with the gentleman. If that is an administration war measure, and the administration thinks it is urgent and important, I have no doubt that the House will pass that promptly next week.

Mr. SIMS. The administration has been urging it for six weeks; that is, to get it reported as soon as possible. And I will say that there is no use of building ships or of appropriating money for the manufacture of ammunition if we can not get the power to manufacture the ships, the ammunition, and other things to be carried over in the ships.

Mr. KITCHIN. I am glad that the committee after six weeks' time are ready to report it.

Mr. SIMS. It has been reported and is now on the calendar, and I want to ask permission to take it up following the Agricultural bills.

Mr. KITCHIN. The gentleman from Tennessee and I do not differ at all. As I said, if it is an administration measure—and the gentleman says it is—and it is——

Mr. SIMS. I do, most emphatically. The gentleman need not put in any "if."

Mr. KITCHIN. I agree with the gentleman that it is an administration war measure.

Mr. SIMS. And with a unanimous report in its favor.

Mr. KITCHIN. The gentleman's bill is certainly included in what I have said, because it is an urgent war measure.

Mr. WALSH. I will ask the gentleman what committee reported that bill?

Mr. KITCHIN. The Committee on Interstate and Foreign Commerce.

Mr. GARNER. When we get through with the legislation, I think every one here is interested in the possibility of the membership going home. If we could to-day pass the Agricultural appropriation bill, which I understand only involves the question of eliminating the wheat proposition, which the President vetoed on that account——

Mr. KITCHIN. That is correct.

Mr. GARNER. And if we could send the supplemental Agricultural bill to conference, then outside of the emergency legislation, such as we have heard spoken of a moment ago, Members might be able to go home to-morrow; and after the really important matters that may be disposed of to-day are out of the way Members might get away for an indefinite leave, of their own accord.

Mr. SIMS. I will protest against any understanding of that kind until the emergency power bill is acted on by the House.

Mr. KITCHIN. If the House will just be in order, I will come to an understanding with the gentleman from Tennessee. He must understand that I do not exclude his bill at all. I think his bill is important and will have to be passed. I am simply saying that my hope is that we will pass the two bills which I have mentioned to-day, the Agricultural appropriation bill and the Agricultural extension bill, and then next week——

Mr. GARNER. Take up all these other things.

Mr. KITCHIN. We will take up these important urgent war measures—and the gentleman's measure is one of them. In fact, that is the only one I now know of, and certain other legislation that is important which is on the unanimous-consent calendar. I think we ought to have a day to consider such bills, and possibly a day for private bills, if we can get the time.

Mr. LONGWORTH. Does the gentleman expect that the military appropriation bill will be before the House also?

Mr. KITCHIN. The gentleman means the deficiency bill?

Mr. LONGWORTH. Yes.

Mr. KITCHIN. I understand from the gentleman from Kentucky [Mr. SHEELEY], chairman of the Committee on Appropriations, and the gentleman from Massachusetts [Mr. GILLETT], ranking minority member of that committee, that in all probability it will be 10 days or two weeks before that will be ready to be reported.

Mr. GILLETT. At least two weeks.

Mr. KITCHIN. And I see no necessity for the Members, unless they want to stay for other purposes, to stay here for that purpose, because we all know that if the War Department declares that it is absolutely necessary, important and urgent that we have $5,000,000,000 or $6,000,000,000 or $7,000,000,000, and the Appropriations Committee after full hearing and investigation agree with the War Department and report the bill, we know that no Member of the House is going to oppose it, and I see no reason why the Members should stay here for that bill.

Mr. FORDNEY. Will the gentleman yield?

Mr. KITCHIN. I yield to the gentleman from Michigan.

Mr. FORDNEY. Mr. Speaker, I believe that the Finance Committee of the Senate will consume more than two months' time before reporting the revenue bill back to the Senate, and I ask the chairman of the Ways and Means Committee, the Democratic leader, is there no hope of Congress adjourning when these most important bills which the gentleman has just mentioned are out of the way, and come back here about the 1st of December and pass the new revenue bill in the Senate?

Mr. KITCHIN. If it is clear that the Senate will consume at least two months—and I agree with the gentleman from Michigan that it looks as though it will consume two months—I see no reason why we could not adjourn and come back here about the 1st of December.

Mr. GARNER. It all takes the consent of the Senate.

Mr. KITCHIN. Of course.

Mr. GILLETT. Will the gentleman yield?

Mr. KITCHIN. I will.

Mr. GILLETT. In mapping out the program which the gentleman from Tennessee thinks is so important, is it not wise to take into view the possibility of these bills going through the Senate? We know that the Senate is not going to take these bills up in the remaining days of this session.

Mr. SIMS. Mr. Speaker, the Secretary of War, the Secretary of the Navy, the chairman of the Shipping Board, the chairman of the War Industries Board—every member of the administration except the President himself—has urged the immediate consideration of this bill, because it contemplates the increase of the existing power plants, some of which can be done in three months, some in six months, some requiring longer time, and they must begin the work immediately, and gentlemen know as well as I do that the Senate will take up and consider this measure with due haste.

Mr. WALSH. Mr. Speaker, I ask for the regular order.

The SPEAKER. The regular order is the request of the gentleman from Arkansas [Mr. TILLMAN].

Mr. STAFFORD. Mr. Speaker, for the time being, until we can find out just what this program is to be, I will object.

LEAVE OF ABSENCE.

Mr. BELL, by unanimous consent, was given leave of absence for 10 days, on account of important business.

QUESTION OF PERSONAL PRIVILEGE.

Mr. COOPER of Wisconsin. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman from Wisconsin will state his question of personal privilege.

Mr. COOPER of Wisconsin. Mr. Speaker, during the recent primary campaign in the first district of Wisconsin my opponent and his managers circulated a pamphlet or circular, containing charges relating to my votes since this country entered the war, which compel me, in justice to myself, to arise to a question of personal privilege.

I first invite attention to the fact that in a speech here I said:

> If war does come we will all be united in support of the Government. I shall do all that I can to help achieve a victory for our country.

Referring to that pledge of mine this pamphlet proceeds as follows:

> It is of interest at this time to note how well Mr. COOPER has fulfilled his pledge to "do all that I can to help achieve a victory for my country."
>
> It is a remarkable fact that, although the United States has been at war and is now infected with spies, propagandists, and criminal agents of destruction, Mr. COOPER repeatedly voted against measures to curb their activities and prevent their interference with the effective prosecution of the war.
>
> THE ESPIONAGE BILL.
>
> On May 4, 1917, Mr. COOPER voted for a motion to strike out the section in the espionage bill (H. R. 291) giving the President power, during any national emergency resulting from war, to prevent the publication of any information relating to the national defense which in his judgment might be useful to the enemy (p. 1857, CONG. RECORD).
>
> On the same day he voted against an amendment to the espionage bill giving the President power to forbid and punish for the publication of information about national defense that may be of aid to the enemy (p. 1860, CONG. RECORD).
>
> On the same day he voted against the espionage bill, as amended, which conferred powers on the Secretary of the Treasury to regulate the movements of vessels in the territorial waters of the United States; if necessary, to take possession of the vessel and remove persons not specially authorized by him to stay on board. It made it unlawful for any person to cause or permit the vessel to be used as a place of resort for persons conspiring against the United States. It provided for both fines and imprisonment for persons who attempt to endanger the safety of vessels, cargo, or passengers within the jurisdiction of the United States. It provided penalties of fine and imprisonment for persons who attempt to destroy by fire or explosives articles intended for exportation. It provided for regulations for the enforcement of neutrality when the United States is a neutral Nation. It gave the President the right to declare an embargo on provisions. It declared unmailable every publication of every kind containing any matter advocating or urging treason, insurrection, or forcible resistance to the laws of the United States (p. 1882, CONG. RECORD).
>
> On May 31 Mr. COOPER voted to recommit the espionage act, which was passed on May 4, to the conference committee with instructions to strike out the section providing for censorship of American newspapers during the war (pp. 3343–3344, CONG. RECORD).

Mr. Speaker, I have read sufficient to show that this pamphlet charges me with having violated that pledge by voting—"repeatedly" voting—in the interest of German spies.

It will be seen that the general charge is that I voted to protect German spies and propagandists infesting this country, and that this general charge is followed by a list of my votes in detail to prove that the general charge is true.

A few days ago I received a letter from one of the most prominent men in my district, one who has held positions of honor, a man of most exemplary character, in which he says:

I regret very much the outcome of the primary in your case. I believe it is a matter of large public concern that such political methods as were used in this district were allowed to succeed. There will be a lasting rebuke for such un-American, unprincipled political methods. We had great odds to overcome. A large amount of money was poured into this county. Each voter was solicited, and letters of influential citizens vouching for your disloyalty were circulated. * * *

* * * * * * *

We were handicapped in not being able to get more in this county to take hold of the campaign. They were frightened off by the disloyalty accusations and falsehoods.

It is not necessary for me to disclaim having a monopoly of the office of Representative in Congress from the splendid first district of Wisconsin. I have often publicly said that any voter in the district has, of course, an absolute right to aspire to the position. Nor have I ever objected to honest criticism of my acts as a public man. And here there comes to mind a saying of a great man, which years ago I memorized and never have forgotten. In speaking of one who enters upon a political career he said:

"Whoever enters upon such a career must be prepared to be often misunderstood and still more often misrepresented. He is sure to arouse enmities—and those not alone from opponents—and he will from time to time have to face unpopularity if he obeys his conscience."

I am not troubled by the ordinary fault-finding of political enemies. I have often profited by criticism. I welcome it when it is candid and fair. It is human to err, and I am quite human.

I know, too, that in this great world crisis, all matters of a merely personal nature seem very trivial. And it is therefore with unfeigned reluctance, Mr. Speaker and gentlemen, that I ask you to listen to me at an hour like this when your thoughts, your hopes, your prayers are all across the sea with the boys carrying the flag which has never known and shall never know defeat. [Applause.] But this that I bring before you now is not criticism. This charges me with the crime of disloyalty, a charge which, if it could be established as true while I am living, would bring ruin upon me, and when I have passed away would forever blacken my memory. I do not ask sympathy. I shall make no apology. I shall offer no excuses. I shall make only a plain statement of the facts, for on such an issue nothing counts excepting only accuracy of information and truthfulness of statement.

The United States entered the war in April, 1917. April, May, June, July, September, and October came and went and we adjourned. *During all those months Congress passed, and the President signed, bill after bill to carry on the war, and I voted for all of them, as every Member of the House knows.* But this deceptive pamphlet went to people not familiar with the facts, and poisoned the minds of many honest voters. Honest people could not believe that men seeking to win a political office would descend to such methods and attempt to ruin a man by fastening upon him the charge of disloyalty through such deliberate misrepresentation of his record. So they believed it. I had man after man say to me, "Mr. COOPER, we were opposed to war; did not want to go into the war. You remember our legislature petitioned you to vote against it. You promised us in the campaign of 1916 to vote against it. But what hurt us was that you kept voting against bills to carry on the war after we had entered it—at least, we supposed so after reading that circular." Then I showed them the RECORD, and they were astonished. I have letters in my possession from men who had read that circular and attended the meeting which selected my opponent, expressing regret that they had not sooner made an investigation and learned the facts, acknowledging that they had been deceived, and promising, at the last moment, to do what they could for me at the primary; but this was too late.

Let us now return to October, 1917, six months after we entered the war. October came and we adjourned.

I could not go home then, for I had just been appointed a member of the committee to go to East St. Louis to investigate and report upon the riots in that city. A word about that appointment. I came into the Chamber just as the Clerk read my name, and turning to the gentleman from Iowa, Judge TOWNER, I said, "Judge, what is that?" He replied, "You are appointed on the committee to investigate the riots in East St. Louis." The Speaker will remember that when he left the chair, I went to the corridor, met him, and said, "I do not want to serve on that committee; its task will be disagreeable; and as I have not been able to be home with my constituents for some time, I would like to be relieved." The answer of the Speaker was, "Many Members have asked to be appointed on that committee, but I made my own selections, and it is not a pleasant task"—I am going to repeat exactly what he said, because I want the House to know the facts—"It is not a pleasant task, and it will not be one for any of you; but I think I have selected men who will get the facts and will tell the facts after they get them, and I insist that you go," and I went. Of course, I could not go home.

The SPEAKER. The Chair will state that the gentleman details that conversation precisely as it happened. [Applause.]

Mr. COOPER of Wisconsin. I am greatly pleased to have the Speaker corroborate my assertion. I have not exchanged a syllable with him upon this subject, nor had he the slightest intimation that I was to rise to a question of personal privilege; nor have I said a word to him about our conversation which I have just detailed.

We voted and voted on war measures through the spring and summer of 1917. You, all of you, know how I voted.

After the adjournment in October I went with the committee to East St. Louis. When our work ended I went home, arriving there on the 20th of November. I had only 10 days at home, and then was obliged to come here to attend the regular December session. December 4th came. As the House will remember, a great crowd was about the Capitol; its corridors were thronged; this Chamber was crowded; the Senate was here, and the Vice President beside the Speaker; foreign diplomats were in their gallery or on the floor; in the executive gallery were the ladies of the White House. The honorable Speaker appointed five or six Members of the House to go with five or six Members of the Senate, appointed by the Vice President, as will be remembered, to escort the President to this floor.

The Speaker knowing my votes on war measures and every Member on the floor knowing my votes on war measures and the President knowing my votes on war measures, and he knows them all, I was appointed one of that committee to escort him before that great assemblage.

I voted during another month on war measures, and on January 8, 1918, again there came a great throng around the Capitol, again the corridors and galleries were crowded, diplomats and members of the Supreme Court in the Chamber, the Members of the Senate here, the Vice President beside the Speaker. The Speaker appointed Members of the House and the Vice President appointed Members of the Senate, seven from each body, among these being the same gentleman from Wisconsin, to escort our great President onto this floor to deliver a war message. I mention this now because the facts as to my votes and these proceedings are all set forth in the CONGRESSIONAL RECORD and raise a very strong presumption that I would not have been appointed to escort in the President to deliver a war message if I had been voting to protect spies. *The fact is, as all the House knows, that I voted for every war measure which Woodrow Wilson signed as President of the United States to prosecute the war, and the men who drew up that pamphlet and the men who circulated it knew that I had so voted.*

"LOYALTY."

Seeking an answer to the question, "What is loyalty?" the National League for National Unity took a referendum of the 500 signers of its appeal to voters. As a result it gave out the following as the "practically unanimous" view of those men and women who represent the various elements of our national life—labor, agriculture, manufacturing, commerce, finance, the church, the bar, and so forth:

That candidate, in or out of office, or that citizen can be regarded as loyal who since the declaration of war has by work or act unreservedly supported and will support the Government in the vigorous prosecution of the war to a complete and decisive victory and who has not attempted to destroy allied unity and effort by attacks upon nations fighting with us against a common enemy.

THE PAMPHLET—CIRCULAR.

The pamphlet is cunningly drawn. I want you to understand this masterpiece of mendacity. Voters told me that they read the general accusation in the pamphlet, and then read the pretended record of votes as being specifications to prove the truth of the general statement that I had voted to protect spies and propagandists. The language in substance is—

It is of interest to see now he has kept his promise. It is interesting to know that Mr. COOPER of Wisconsin voted to protect the spies and propagandists.

Next after that statement the pamphlet pretends to cite my votes so that an honest reader would think that the citation of votes proved the general statement that I had broken my pledge by voting to protect enemy spies.

ESPIONAGE BILL.

Let us now examine the first specification:

On May 4, 1917, Mr. COOPER of Wisconsin voted to strike out the section in the espionage bill giving the President power during any national emergency resulting from war to prevent the publication of any information relating to the national defense, which, in his judgment, might be useful to the enemy.

The espionage bill contained 33 and a fraction pages and related to 10 important and very different subjects, included in 10 separate chapters. It provided punishment for many different offenses. I was in favor of all of the bill excepting only one provision. So was a large majority of the House, as was shown by the final vote. What, then, does this particular reference to my vote mean? What did I vote for? I voted for the motion of the distinguished gentleman from Pennsylvania [Mr. GRAHAM] to strike out the proposition to gag the newspapers of the country. That is all—a proposition to gag the press. The gentleman from Pennsylvania spoke and voted for war, but he was opposed to the press gag. Thomas Jefferson said that as between a country with no government but with a free press and another country with a government but without a free press he would choose the country with no government but with a free press.

Mr. SHERWOOD. Will the gentleman yield?

Mr. COOPER of Wisconsin. I will.

Mr. SHERWOOD. I would like to ask the gentleman if this infamous work was the product of men in his own district or some league outside?

Mr. COOPER of Wisconsin. I will refer later to that. Mr. Justice Cooley said that unless we retain intact and sacred the provision of the Constitution which guarantees a free press to the people, this Republic can not endure. What was the vote on that motion, and who voted? The vote was 221 ayes to strike out, and only 167 noes. *I voted with the large majority of the House, but the deceptive pamphlet makes no mention of that fact.* Who voted as I did? Judge CLASSON, of my own State, who has no opposition for renomination. Who else? Mr. DOREMUS, now a Member from Michigan, and then chairman of the Democratic national congressional committee; Mr. ELLSWORTH, renominated without opposition; Mr. ESCH, renominated without opposition; Mr. FERRIS, now chairman of the Democratic congressional committee; Mr. FESS, now chairman of the Republican congressional committee. Who else? I can not take time to tell them all. Mr. HAMILTON of Michigan; and the gentleman from California, the great champion of war measures, Mr. KAHN. Who else? LAGUARDIA, the brilliant young Italian who, as we read, has been making speeches in Rome and Florence [applause], and between speeches mounting his aeroplane to go over and bomb the Austrians. Who else? The distinguished gentleman from Ohio, Mr. LONGWORTH; the gentleman from Kentucky, a close friend of the President, Mr. SHERLEY, chairman of the great Committee on Appropriations; and the gentleman from Massachusetts, Mr. WALSH. I think that I will say that again—the gentleman from Massachusetts, Mr. WALSH. [Laughter and applause.] I recall a scene just at the end of that vote when I heard a voice up in the Chair say, "Mr. Clerk, call my name." The Clerk called "Mr. Speaker." [Applause.] And the answer was, "Aye." Here it is. Here is the Speaker's vote with that of the "disloyal" gentleman from Wisconsin [Mr. COOPER]. *But the voters who read the pamphlet knew nothing about all this. It carefully concealed the truth from them.*

What is the next charge? That provision to gag the press being stricken out, a gentleman [Mr. GARD] offered an amendment, another press gag, to which the pamphlet refers in the second specification. I voted "no"; but it was adopted by 191 to 185, a majority of only 6. Now, who voted as I did against inserting this so-called Gard amendment? Well, the RECORD shows that among them were Mr. ANDERSON, of Minnesota, renominated; Mr. CHANDLER of New York, renominated; Mr. CLASSON; Mr. DOWELL, renominated; Mr. ELLSWORTH, renominated; Mr. ESCH, of my State, renominated without opposition; Mr. FERRIS, chairman of the Democratic Congressional Committee; Mr. KAHN, the great champion of all war measures; LAGUARDIA, now in khaki uniform doing his duty at the front; Mr. LENROOT, who when he was a candidate last spring for the Senatorship, the peddlers of this pamphlet escorted to platforms and introduced as 100 per cent loyal. Who else? Mr. MANN, floor leader; Mr. MADDEN, MCKINLEY, TILSON, TEMPLETON, TINKHAM, the first American in civil life who fired a cannon at the enemy. [Applause.] VAN DYKE, nominated by an overwhelming majority a few days ago and recently elected to be the head, or very near to the head, of the Spanish War Veterans of the Republic, and many more; in all, 185 as earnest patriots as have ever been here, Republicans and Democrats. *The pamphlet, however, makes no mention of all this, but again purposely conceals important facts.*

The pamphlet next charges that I voted against the espionage bill as amended. I did, and so did more than a hundred other Members, Republicans and Democrats, but that was on the first passage of the bill and *not on its final passage as the authors of the pamphlet well knew.* I voted against it on its first passage because it then contained a provision to gag the newspapers of the country. I thought then, and I think now, that the people of the United States have a right, for example, to know whether $640,000,000 of money appropriated from their pockets by our votes and the votes of the Senate to build aeroplanes was honestly and efficiently expended or whether it was not so expended.

It does not make our people any the less patriotic to have them know the facts. The people of the United States are determined to win this war, and they will see that it is won; and knowledge of the facts makes them all the more determined not only to win the war, but all the more determined also to send to the penitentiary men, if there be such, who rob the United States Treasury. [Applause.] But on May 4, the first time the bill came up for passage, it passed the House and went to the Senate. *This was not a "final" passage. Every Member of the House knew that we would have another opportunity to vote on the bill when it came back from the Senate. The Senate made many changes in the bill and then returned it to the House.* Then five Members of the House and five Senators were appointed a conference committee to adjust the differences between the Senate and the House. This committee took several days to consider the bill, agreed upon changes, and reported them to the House. As to what then occurred the pamphlet says:

On May 31 Mr. COOPER voted to recommit the espionage act, which was passed on May 4, to the conference committee with instructions to strike out the section providing for censorship of American newspapers during the war. (Pp. 3343, 3344, CONGRESSIONAL RECORD.)

Note that word "act." The dishonest authors of this pamphlet knew the difference between an act and a bill. An act is a bill after a bill has passed both House and Senate, been signed by the President, and become a law. An act is a law. And yet they speak of the "act" which was "passed on May 4," in order to convey the impression that I was trying to help repeal the law itself.

I talked with many men who did not know that the bill went from the House to the Senate, but who thought that I had voted against the bill on its *final passage.* But it did go to the Senate and was materially amended, as everyone on this floor knows. Very many voters do not understand how laws are made here. They do not know that a bill which includes many new and most important subjects, which contains 32 and more pages, and which goes from this House to the Senate, is certain to be materially changed in the Senate and come back here and go to conference.

I did vote to recommit it; that is, to send it back to the conference. I did vote for this motion of the distinguished gentleman from Pennsylvania [Mr. GRAHAM] to recommit it with instructions to strike out the press gag. And who else voted then to strike out the press gag? Well, there were some very distinguished gentlemen who thought as I did on the subject at that time, among them Mr. CLASSON, Mr. ESCH, both of my State, Mr. GARD, of Ohio, the very gentleman who offered the Gard amendment, against which 185 of us had voted, voted this time just as I did, to strike out his own amendment as it came from the conference. He made a speech, saying, among other things, that he could not support the amendment in the form in which it was then presented. And he voted as I did—here is his name—to strike it out. Who else? Mr. GREEN of Iowa, Mr. GREENE of Vermont, Mr. HAMILTON of Michigan, Mr. HAWLEY, Mr. HERSEY, Mr. HICKS, Mr. JOHNSON of South Dakota, now baring his breast "over there" to help save the men who wrote that pamphlet. [Applause.] LAGUARDIA—was he loyal or disloyal? Mr. LENROOT, 100 per cent loyal by the certificate of these very men who defame me. And there was STEENERSON, TOWNER, VAN DYKE; in all, 184; and a nay vote of only 144. *In other words, I voted with the majority of the House to recommit the bill, with instructions to report it back without the press gag. In due time it was reported without the gag and promptly passed the House. I voted for it. This was its "final" passage in the House.* It also passed the Senate and went to the President. He signed it, and *it became a law exactly as I voted for it.* It remained a law in this form until May of this year, when it was amended. I voted for the law which amended it. *But this dishonest pamphlet deliberately misrepresents the facts in order to injure me. The whole reference in it to the espionage bill is, in effect, a mere cunning, malicious lie.*

The pamphlet tells only half or quarter truths about the espionage bill. You remember the story of the man who while

reading a book exclaimed, "The Bible says there is no God!" The listener asked, "What's that?" The man repeated, "The Bible says there is no God." Then the listener said, "Let me take that," and taking it he read, "The fool in his heart hath said 'there is no God.'" [Laughter.] It is easy to tell a falsehood by telling only half a truth. Witnesses in court take an oath to tell the "whole truth." The oath required of witnesses is, "You do solemnly swear that the evidence you shall give in the cause now here pending, wherein John Smith is plaintiff, and John Brown is defendant, shall be the truth, *the whole truth*, and nothing but the truth, so help you God." Unless the words "the whole truth" were there courts would reek with perjury. But this pamphlet tells half truths about my votes on war measures in order to convict me of disloyalty.

INJURY TO WAR MATERIALS, ETC., CONSPIRACY.

This pamphlet continues:

On March 6, 1918, Mr. COOPER voted against an amendment to the bill to prevent injury to war materials, which would include in the penalties of the bill those who conspire to prevent the erection or production of war premises, war materials, or war utilities.

I ask gentlemen to give the most careful attention to the artful methods which my opponent and his managers used to mislead voters. It may be of use to you this year in your campaigns. Now, what are the facts touching this charge? A bill was introduced in the House to punish whoever should wreck factories making war materials or in any way injure war materials or maliciously prevent their production. The bill came from the office of the Attorney General. We had nearly finished considering it, I remember well, when a Member of the House arose and offered the amendment which, as this pamphlet says, I voted against. It proposed to punish whoever should "conspire" to do anything which would stop the production of such materials, and so forth.

The bill itself did not contain that language. Every Member of the House, including myself, was in favor of the bill as it was presented. There would, I think, have been no vote against it. However, when this amendment containing the word "conspire" was offered, I listened. I listened, because sometimes, Mr. Speaker and gentlemen, as you well know, the word "conspire" may be a dangerous word in a statute. If you leave it all to a judge upon the bench to determine whether certain acts constitute a "conspiracy," very much depends upon the temperament of the judge. Usually judges are fair-minded and humane; but this is not always true. One judge may say that certain conduct constituted a conspiracy which another would hold was not at all a conspiracy within the fair construction of the law.

And, therefore, when that amendment was presented, I listened. Why? Because only a few months before I had come from East St. Louis, where I had heard men testify that they worked in a factory at grinding cotton seed in an atmosphere thick with dust, the first shift from 6 o'clock in the morning until 6 o'clock at night, and the second shift from 6 o'clock at night until 6 o'clock in the morning, 12 hours every day, without either holidays or Sundays. It was not union labor at all. It was unorganized labor. And when they complained they were told to get out.

Witnesses stated that from 8,000 to 10,000—and it was not contradicted—negroes were brought up from the South to take the places of workers who did not like that sort of treatment, and that poor white men were brought for the same purpose from Chicago and other cities, men who, in order to keep body and soul together, would go to work anywhere. And, therefore, when a Member presented this amendment to punish people who should stop work or "conspire" to do anything which might stop the production of war material, I listened carefully. I wanted to know just the meaning of that word "conspire." I recall well when another Member arose and said:

You are going to hold—

I read from the RECORD—

You are going to hold over the head of men and women engaged in production—that is, on private contracts for the Government of the United States—the threat of punishment by penal statute, providing they get together for the purpose of improving their condition.

SEVERAL MEMBERS. Oh, no!

Mr. NOLAN. Oh, yes. It is a conspiracy if they get together for the purpose of improving their conditions—

And so forth.

I listened, having in mind the fate of those people in East St. Louis, and I voted against that amendment. But it was adopted and went into the bill.

Then what happened? *This pamphlet stops right there* and leaves me voting as if I were opposed to punishing anarchists and bomb throwers or malicious conspirators who should get together and agree to injure plants making war materials. *Thus again this pamphlet tells only a half truth, although its authors had the* CONGRESSIONAL RECORD *in their hands when they wrote the pamphlet and knew that the* RECORD *contained all of the truth. Do not forget that. Do not forget that these men had the truth, the whole truth, before them when they wrote these falsehoods about me.* And yet the pamphlet wholly fails to tell what next took place. The RECORD shows that a gentleman from New York immediately offered another amendment, construing the one just adopted and providing that nothing in the bill should be so construed as to make it unlawful for employees to agree together to stop work for the honest purpose of bettering their conditions of employment, and so forth. That was the substance of it. In other words, that the law should be so construed as not to punish people like those in East St. Louis, who, being shamefully abused, might say among themselves, a dozen, or 15, or 20, or more, "We can not endure this treatment. These men are making money. They can and ought to give us better conditions to work in."

I did not want that to be treated as a conspiracy. And yet should they stop work it would stop production. I voted for that amendment construing the first one because it would, if adopted, leave the law still to punish the bad man, the anarchist, and all *wicked conspirators, but not to punish innocent working men or women* who, because of the infamously awful conditions under which they were compelled to work, should stop for a time, and thereby briefly prevent the manufacture of some war material. I voted for that second amendment, and 271 other Members of the House voted for it; but the Member who had offered the first amendment voted against the second. The vote was 272 for and only 38 against it, and I voted with the majority.

And yet that circular leaves all this out and makes me in favor of men who conspire to bomb plants and kill our friends and neighbors—honest working men and women—doing what they can to help save the country.

And remember that that circular was drawn up by men who had before them the RECORD *of March 6, 1918, showing, on page 3126, that I voted for the amended bill on its final passage. But the pamphlet makes no reference to this fact, so important if they wished to do me justice.* The bill came up for final passage on the next morning. I read from the RECORD of that day:

Mr. COOPER of Wisconsin. Mr Speaker, on that I demand the yeas and nays. There were some of us who voted against the Cannon amendment who wish now to vote for the bill.

And I voted for it, as the RECORD *shows. But all this is omitted from the pamphlet.* Three hundred and twenty-one—all who were here—voted for the bill.

Mr. Speaker and gentlemen, politics in the United States of America ought to be one of the noblest of professions. If good men do not enter it, bad men will. Somebody must. Politics in its highest sense is the science of Government. It is that part of ethics which has to do with the happiness and the safety and the prosperity of the people. But politics like this circular is a thing of degradation and infamy. [Applause.]

MILITARY SERVICE.

Another charge in the circular is:

On April 12, 1910, Mr. COOPER of Wisconsin voted against an amendment to Senate joint resolution 123 (liability to military service of certain registered persons), which provided that quotas for the different States and Territories and for the District of Columbia should be determined in proportion to the total number of persons registered and liable for military service therein, including resident aliens who have waived all claims for exemption. (CONGRESSIONAL RECORD, p. 5438.)

That vote was not in 1910.

Now, gentlemen, on April 12, 1918, I did vote against the amendment which they cite, 243 Members of the House, an overwhelming majority, voted against it and only 118 voted for it. (See CONGRESSIONAL RECORD, Apr. 12, 1918, p. 5058.) And *the men who drew that charge against me had that* RECORD *in their hands, and by it they are convicted of deliberate, malignant, suppression of the truth.* Here is what a very large majority of the House voted against:

Quotas for the several States, Territories, and the District of Columbia, or subdivisions thereof, called under the provisions of the act of Congress approved May 18, 1917, entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," shall hereafter be determined in proportion to the total number of persons registered and liable for military service therein, including resident aliens who have waived all claims for exemption.

I voted "no," as did 242 others. I can stop to read the names of only a few. CLASSON and ANDERSON, ANTHONY, ASHBROOK, BARKLEY, POWERS, BROWNE, of my State, who, I rejoice to say, has been renominated; CRAGO, DALLINGER, DENISON, DEMPSEY, DOREMUS, FERRIS, GARD, GARRETT of Tennessee, a distinguished Democrat and an efficient Member of this House [applause]; GLASS, the gentleman who is entitled in large measure to the credit of putting through the great Federal reserve act [ap-

plause]; HULL of Tennessee, a recognized expert on income taxation; and that great champion of war measures, KAHN, of California [applause]; KNUTSON, renominated by several thousand; LANGLEY, LENROOT, SHERLEY, RAINEY, TINKHAM, Dr. TEMPLE, of Pennsylvania, one of the most accomplished gentlemen and devoted patriots that has ever graced the House of Representatives [applause]; STEENERSON, TIMBERLAKE, TREADWAY, WASON, and other very deserving gentlemen whom I have not time to mention. The vote was 243 against the amendment, and I was one of that majority. I think I ought also to mention that the "white list" of the National Security League includes the name of the honorable gentleman from Massachusetts, Mr. ROGERS, and that on this amendment he voted just as I did, yet he is 100 per cent loyal. [Laughter.]

The pamphlet again tells only a half truth, for what was voted on was only half of the amendment.

The SPEAKER. The time of the gentleman has expired.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin be permitted to conclude his remarks.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the gentleman from Wisconsin be permitted to conclude his remarks. Is there objection?

There was no objection.

Mr. COOPER of Wisconsin. I am very much obliged to the distinguished gentleman from Illinois [Mr. MADDEN] and to the House for its courtesy.

You know, but, of course, people in the country generally do not know that when an amendment capable of being divided is submitted to the House any gentleman can ask that it be voted on section by section, part by part. This amendment was so divided and so voted on, the first part being rejected, as I have just reminded you.

Then came up the second part of the amendment, but this circular makes no mention of it at all. Here is the second part. I read from the CONGRESSIONAL RECORD, page 5059:

> And credit shall be given on its quota to every State, Territory, District, or subdivision thereof for the number of men who have entered the military service of the United States from any State, Territory, District, or subdivision thereof since May 1, 1917, including members of the National Guard who were in the Federal service on that date.

Simply proposing to credit your district, my district, or any subdivision of any State, with those who had volunteered or were in the National Guard on that date. The President was informed of that proposition and had written a letter indorsing it. The amendment passed the House by a vote of 292 in favor to only 65 against. I voted with the majority, but the pamphlet makes no mention of that. Then the bill went to the Senate where it was changed by striking out the provision I just mentioned and returned to the House. Then the President wrote another letter saying that upon reconsideration he felt that it would be best under all the circumstances to accept the amendment sent over by the Senate, that good argument could be made upon either side; but that, all in all, he thought it would be better to accept it. *Thereupon we did accept it, and I voted for the bill. But this pamphlet omits all mention of that.*

Mr. FREAR. Will my colleague yield at this point?

Mr. COOPER of Wisconsin. Yes.

Mr. FREAR. In the Wisconsin statute there is a provision that anyone issuing a circular must affix his name to it. Whose name appears at the head of that circular?

Mr. COOPER of Wisconsin. It is signed by the Randall campaign committee. I believe Armstrong was its chairman at that time; yes; the name of William H. Armstrong appears on the pamphlet as that of the chairman.

Mr. FREAR. I will say that nearly every member of the Wisconsin delegation had similar circulars put out against them, that were equally lying and dishonest in character.

SHIP-PURCHASE BILL.

Mr. COOPER of Wisconsin. Here follows the next specification in this attempt to prove the general charge of disloyalty:

> It is also an interesting fact in connection with Mr. COOPER'S war record that on February 15, 1915, he voted against the ship-purchase bill. This bill provided for a shipping commission with power to purchase ships and operate them for the Government. Had this bill been passed at this time the Nation would have had a much larger merchant marine at the beginning of the war and would not now be so greatly distressed for means to transport troops, munitions, and supplies overseas. It would also have saved the American people many millions of dollars. (P. 4394, CONGRESSIONAL RECORD.)

As I read that, how many of you gentlemen noticed that date, the year? This reminds me of an incident which shows how little attention readers usually pay to dates. A man met me on Monument Square, in my city, and, after shaking hands, said, "Hal, how did it happen that after we got into this war you voted against the ship-purchase bill? That vote hurt me." "Well," I said, "I should think it would hurt you to be so careless about dates which seriously affect the reputation of a man you have long called your friend. Have you been reading that circular?" He said, "Yes." Then I asked, "When was that bill voted on?" and he replied, "Some time after we entered the war, was it not?" He then took the circular from his pocket and read aloud, "February 15, 1915." I remarked that that was two years and two months before we entered the war. He raised his hand above his head, and said, "Well I'll be ——." I shall not repeat verbatim what he said, for I see by your smiles you already know that he used a large D.

Mr. STAFFORD. Will the gentleman yield?

Mr. COOPER of Wisconsin. I will.

Mr. STAFFORD. I wish to call attention of the House and the country to the similarity of the charges that were made against my colleague and against myself, and against my colleague from the fourth district [Mr. CARY]. In the list of these charges against me and my colleague I find listed the very same charge, "Voted, February 16, 1915, against ship-purchase bill (p. 4394); bill was passed." Not only is that true in this particular, but it is true as to many of the other charges that the gentleman has referred to, showing a deliberate purpose on the part of some to misrepresent the position of men in Congress who were performing their full duty. [Applause.]

Mr. COOPER of Wisconsin. I thank the gentleman.

When that friend of mine expressed his disgust at having been so deceived through his own carelessness I said to him, "Why, the man who wrote that list of votes knew that you would be very careless about dates, that you would read the general charge, and then, noticing that the first date or two was after we entered the war, you would pay no further attention to the dates." He at once replied, "That is exactly what happened in my case; it misled me entirely." It misled thousands.

Mr. FOCHT. Will the gentleman allow me to ask him a question?

Mr. COOPER of Wisconsin. Yes.

Mr. FOCHT. This is a fair and candid question: Does the gentleman believe that the Security League put these distortions out against him?

Mr. COOPER of Wisconsin. In the absence of definite information as to that league being connected with this circular, I do not wish now to make an accusation.

Mr. FOCHT. I asked the question for the reason that the rest of the Members of the House seem convinced that the gentleman has made a splendid case and clearly demonstrated that his record has been flagrantly misrepresented, and in the presence of the fact that the Security League has sent out questionnaires to Members of Congress wanting to know how they stood, how they stand now, and how they are going to stand for the rest of their lives, I believe it timely and just to know whether this league, as has been implied, is putting out these infamous character-assassin circulars against Members of Congress.

Mr. FREAR. Will the gentleman allow me?

Mr. COOPER of Wisconsin. Yes.

Mr. FREAR. I want to say that in my own case a two-column article in a newspaper headed by the National Security League came out with practically the same charges filed against me.

Mr. COOPER of Wisconsin. As I have said, that ship-purchase bill came up here two years before we entered the war. It was not a war measure. We were then at peace, a neutral. My vote on it was not a vote on a war measure.

It was a bill to authorize the President to take a great many millions of dollars out of the Treasury of the United States to buy merchant ships. It was said that the only ships the President could buy would be those owned by the shipping trust, or the ships belonging to Germany and other countries, and which were interned in the harbors of New York, Baltimore, and other cities. The shipping trust could have held up the Government for their own prices, and the interned ships would have cost us a great sum of money.

The bill proposed that the United States, long before we entered the war, while we were neutral, should take two or three hundred millions of dollars from the Treasury and hand it over to Germany for ships which she could not use. To give Germany two or three hundred millions in gold would have been to put into her hands a very powerful weapon, and Members thoroughly acquainted with international law declared that England, Italy, France, Russia, and Japan would say that for us, a neutral nation, to do such a thing as that would be an unfriendly, an unneutral act; that we ought not to do it, and virtually every Republican and also many Democrats voted against the bill, the Democratic list including the very distinguished and highly successful Democratic leader, the gentleman

from North Carolina [Mr. KITCHIN]. [Applause.] And the bill was defeated by 215 to 115. *And yet this dishonest circular failed entirely to mention the fact that I voted with the majority. It suppressed the truth and purposely left voters to infer that I was opposed to anything that would help to carry on the war.*

The circular says that had that bill passed it would have saved the Government many millions of money, and yet after we entered the war we promptly seized all these interned ships and got them without paying a penny. [Applause.]

Some of these ships are the largest, finest in the world. We have been carrying over our boys in those ships. We are going to keep using them to carry the boys in khaki across the sea until we have such forces "over there" as will win a peace that shall forever end the power of autocracy in the world. [Applause.]

FORTIFICATION BILL.

February 26, 1915, Mr. COOPER of Wisconsin did not vote on the motion to recommit the fortification bill with instructions that the committee report an appropriation of a million dollars for the purchase and manufacture of seacoast cannon instead of $200,000. (CONGRESSIONAL RECORD, p. 6941.)

Why, that was *February, 1915, two years before we entered the war.* And yet they cite it to prove that I did not vote for measures to carry on the war.

Reader after reader who had not noticed that date said, when I called it to his attention, "Why, I thought that, of course, it was since we entered the war." Now, Mr. Speaker, too many people are mere headline readers. Too many people forget that, when they have in their charge the reputation of a fellow man, they should exercise the utmost care in weighing the evidence offered in a political campaign to convict him of an infamous crime. But they passed it off like that. Being honest themselves, they did not appreciate how they were being deceived.

What are the facts about this? Two years and two months before the war I did not vote on that bill. Why does the pamphlet mention that fact? Only to convey the impression that I was absent from the House a good deal; remiss in my duty. And yet a gentleman whose duty it is here to look up the records and keep track of them has written me a letter in which he certifies that before the House recessed last July there had been in this Congress 298 roll calls and that I had answered on 285. *This, he wrote, was, in his opinion, the best record for attendance, or, if not the best, he was sure that no other Member had a better one.* Many of the roll calls to which I did not respond were not when votes were taken, but simply when some one had raised a point of no quorum.

The men responsible for this pamphlet knew why I did not vote on that motion. The CONGRESSIONAL RECORD, which they had in their hands when they drew that deceptive, malignant charge against me, disclosed to them the fact that I was paired that day with Mr. Brown, of West Virginia, then upon a sick bed in this city, a bed from which he never rose save as his spirit took its flight to the blessed realm where the soul wears its mantle of glory. If I were dying, unable to come upon this floor to represent my constituency, the pair clerk of the Republicans would go to the Democrats and say, "Mr. COOPER can never come here again, and we want some man to pair on these votes;" and any Democrat would consent to pair. *But, having that* RECORD *in their hands, these men deliberately suppressed the fact that I was paired with Mr. Brown, and suppressed it in order to help them in their effort to convict me of an infamous crime.* I pity the man who, in order to secure office, tempted by so trivial a thing as that, would attempt forever to ruin another's reputation.

For another specification the circular says that I voted for the McLemore resolution on "May 7, 1916." It should be March 7, 1916. Recently, in Wisconsin, I had men say to me, "How did you come to vote for the McLemore resolution after we entered this war?" The average reader of this circular, paying no attention to dates, taking for granted that this general charge includes the various specifications, would not know that *that resolution came up here on March 7, 1916, more than a year—13 months—before we entered the war.* Many prominent Members, Democrats and Republicans, including LENROOT, "100 per cent loyal"—145 in all—voted for it. *The whole campaign of 1916 was fought out after the vote on that resolution,* and I was elected by a plurality of 12,000. *Not a word was said about that resolution during that campaign in my district. And yet this summer, more than two years afterwards, it was dragged out to do service in this conspiracy of defamation.*

EMBARGO.

Another charge is one sent broadcast also by the National Security League, that I offered an amendment here to prohibit to American ships their legal right to carry arms or ammunition in their cargoes.

I never advocated an embargo, and the man who drew that circular knew it, and the man who wrote that article for the Security League knew it. What are the facts? We had presented in the House after the war began in 1914 a number of resolutions to prohibit the sending of anything, and especially arms and ammunition, from this country to the belligerents. I said repeatedly that we could not do that. When the colonies in South America a hundred years ago were struggling to free themselves from Spanish medieval tyranny they bought their ammunition here and in France and in other neutral countries. When Cuba, in 1898, struck for liberty, she came here to buy her arms and ammunition. Poor countries have not facilities for making those things, and they can not hope to win their freedom except by going to other countries having factories which make arms and ammunition.

No such resolution was ever reported from the Committee on Foreign Affairs. *The facts about my motion or amendment are being persistently misrepresented. Members of the House should know that this year powerful interests are at work determined to defeat, wherever they can defeat, men whom they know from actual experience they can never hope to own.* [Applause.] You may profit from my experience. I want you to know the facts on this question of embargo and my attitude toward it. When the armed neutrality bill came up here I made a motion to recommit with instructions. Many of you voted for the proposition which I introduced. From the very beginning of that war I insisted that private contractors, private individuals, and corporations in this country had a right to make ammunition or anything they wished and to send it across the water at their own risk and sell it to the belligerents. But that was not the question involved in the armed neutrality bill. Here is what I said, and I now read from the RECORD report of my speech of the 1st of March, 1917:

The issue must be kept clearly in mind. The people have been misled. This is not a question of what private individuals or corporations in dealing with belligerents may do. It is a question of what under the Constitution a President can make the Government itself do. We all, of course, admit that private individuals or corporations may without violating either international law or any law of the United States sell and deliver arms and ammunition to a country at war or to any of its citizens. But it is a far different thing which this bill proposes. For it would authorize the President to make the Government itself a party to the traffic in arms and ammunition with belligerents, although when a Government becomes a party to such traffic it thereby commits a deliberate act of war. The bill is an attempt, in effect, to yield to the President a part of the constitutional power of Congress to declare war. There would be the gravest danger in giving any President more power to bring on war than already is lodged in his office. Already he has the power in his discretion to sever diplomatic relations with any country—an act often only the short prelude to war. And if in addition to this he is to have, or as he insists already has, the further constitutional power to make the Government itself help to carry arms and ammunition to a belligerent, then, of course, at any time the whole question of whether this Republic shall enter into a war raging in Europe, or Asia, in this hemisphere, or on the other side of the world, is left to one man.

That clearly states my position. This country was then still at peace, a neutral nation. We who voted for the motion were in favor at that time of having the President arm and convoy merchant ships carrying food and clothing and other noncontraband, but we were opposed to authorizing the President to arm and convoy ships loaded with arms and ammunition consigned to a belligerent, because for the President to do that while this Nation was at peace would be for him to put the Government itself into the traffic in arms and ammunition with belligerents; in other words, to commit an act of war while the Nation was at peace.

That came to a vote. Who voted in favor of my motion? One hundred and twenty-five Members, Democrats and Republicans. Here are the names of some of the gentlemen: Mr. ESCH, renominated; Mr. FULLER, renominated; Mr. GOOD, renominated; Mr. HAWLEY, renominated; Mr. HULL of Iowa, renominated; Mr. JOHNSON of Kentucky, renominated; Mr. JOHNSON of South Dakota, now in France; Mr. JOHNSON of Washington, renominated; Mr. KENT, whom the President has since given a position of honor on the Tariff Board, where he is in frequent consultation with the President; Mr. LENROOT, 100 per cent loyal; Mr. MOORE of Pennsylvania, renominated; Mr. QUIN, renominated; Mr. RAKER, renominated; Mr. RAMSEYER, renominated; Mr. RAYBURN, Mr. STEPHENS of Mississippi, Mr. TAYLOR of Colorado, Mr. TIMBERLAKE, Mr. TOWNER, Mr. VAN DYKE, Mr. WEBB, chairman of the Committee on the Judiciary, the law committee, all renominated.

One Democratic Member who voted with me on that occasion, who had voted for the war and for all measures to carry it on, as loyal a man as there is on the floor, came to me in the lobby and said, "COOPER, your statement upon that proposition is absolutely unanswerable, and under my oath I could not do otherwise than vote with you."

I was right then and I do not apologize for it now. [Applause.]

Mr. Speaker and gentlemen, it is not my loyalty that troubles these men—not my loyalty at all. They merely use the word "loyalty" to conceal their real motives. This conspiracy originated with a man whom I did not recommend for a post-office appointment. I have learned—but I learned too late—that while the snow was still flying last spring conspirators went out secretly to voters, showed them this alleged record of my votes, and then said: "John," or whatever his name happened to be, "this is a serious thing. We hate to part company with COOPER, but he has been disloyal; he has not stood by the country since we entered the war. Do not say anything about this. By and by we may have a conference and have to nominate somebody." And, as I say, I have received letters from men expressing regret that they had permitted themselves to be deceived.

PROFITEERS.

It is not my loyalty that troubles these gentlemen, not at all. But all the malcontents, whatever their grievances, are shouting "loyalty" to conceal their real motives. Some of the conspirators know that a year ago, in a speech here, I said that the men who were making millions of dollars out of war contracts ought to pay larger taxes, that our Government should do as England had done and take 80 per cent of war profits. We are informed that during the three years next preceding the war one of these war profiteers made an average annual profit of three and a half million dollars, and that last year they made $87,500,000. It is not right while our boys at the front are fighting, dying to save the Republic that men should sit back here in safety and make yearly profits of $87,500,000. [Applause.] I voted to protect honest workmen and honest workwomen from abuse by private contractors. I am opposed, after hearing in East St. Louis the testimony of poor creatures working 12 hours a day in the dust, without holidays or Sundays; I am opposed, and so long as I am honored with a seat on the floor shall always be opposed to establishing in the land of Lincoln a system of industrial slavery. [Applause.] They said that after all the outrages on Belgium and Serbia, after all the other outrages in Europe, I voted against war. True, I did; but it is also true that after Belgium and after Serbia and after all the other outrages in Europe the President kept us out of war and was reelected in 1916 because, after all of those outrages, he kept us out of war. The present very distinguished Democratic floor leader [Mr. KITCHIN] made a powerful speech against war and voted against it. Shortly before the July recess I said to him: "Have you opposition for renomination, Mr. KITCHIN?"

He said, "No; and it is a remarkable fact, COOPER, that for the first time since the Civil War, more than 50 years ago, the Republicans in my district have not nominated anybody. I have all of them, Republicans and Democrats." [Applause.] "Well," I said, "they have honored a splendid man, but are you not doing pretty well for a disloyal man?" [Laughter.] Putting his hand on my shoulder, he said, "COOPER, are they calling you disloyal?" "Yes," I replied. "Why," said he, "you voted just as I did." I said, "I know that." "Well," he inquired, "how do they get that way up there?" [Laughter.]

There were others who voted as we did and are now condemned by the Security League. JOHNSON of South Dakota, young, handsome, in his early thirties, voted against war and then bade good-bye to us and to his charming wife and lovely little children, donned the khaki and is now in France at the front helping to save the Republic and to protect the members of the Security League. Is he loyal? Who else? One who in 1861 put on the old Union blue, was in 43 battles, five times promoted for conspicuous gallantry in battle, came out of that war wearing the stripes of a general, every step of his promotion won by bravery in the face of death, Gen. ISAAC SHERWOOD. [Applause.] Is Gen. SHERWOOD disloyal? He risked his life on many a blood-soaked field to help save the Nation and save it for the men who are defaming him. But for ISAAC SHERWOOD and his heroic comrades, living and dead, there would to-day be no Republic of the United States of America for those men to live in.

I need not cite to you the joint resolution of my State legislature, nor the countless petitions and resolutions, the flood of letters from fathers and mothers and wives, my own repeated promises in the then recent campaign of 1916. All this is past and gone. But the circular denounces me because it declares I must have known what it says "all the world knew that Russia was a hollow shell." But the world did not know that "Russia was a hollow shell." This House did not. We knew nothing of the kind. You know now that Russia was a shell, but you did not know it then. And this can easily be proven.

You recall that after we entered the war the President appointed a commission to visit Russia and report upon conditions there. At the head of the commission the President put Hon. Elihu Root, of New York. The commission went to Russia, stayed there several weeks, investigated thoroughly, and came back. On August 5, 1917, immediately after the commission returned, the New York Times contained a report of an interview with Mr. Root, its eminent chairman, on what he saw in Russia. Here is an excerpt from that interview—four months after we entered the war. Mr. Root said:

> I can not refrain from saying that we bring back from Russia the greatest sympathy and the greatest admiration for that young democracy. We bring back an abiding faith that this great free, self-governing, democratic government shall be maintained intact. We bring back the kindliest feeling and the greatest respect for the Russians, for their high degree of self-control and their ability for concerted action.

On August 9, 1917, the New York Times reported an interview with Maj. Stanley Washburne, who was very familiar with conditions in Russia and had been with the Root Commission. Maj. Washburne said:

> People in this country say Russia is through, that her troops are retreating, and that she can not be counted upon to do her bit. I deny such a statement most emphatically.

Of course I do not cite these statements of Chairman Root and Maj. Washburne to justify my vote. Not at all. But only to show how willing the authors of this circular were to ignore and misstate the facts in order to do me an injustice.

But now, knowing the facts, we all rejoice that our country entered the war. We know now, after the breaking to pieces of Russia, what our presence in the battle line means to the world.

I am an American. My ancestors on my father's side came to this country from England in 1647, and on my mother's side somewhat later from England and Ireland and the heathery hills of old Scotland. One of my ancestors was with Arnold in the awful winter of the siege of Quebec and died from cold and exposure and was buried beneath the snows of Canada. The blood in my veins is the blood of an American revolutionist who died for our liberties. [Applause.]

I know what my country means to struggling humanity. I know, as every man knows who has read history, that the destruction of this Republic, even its defeat by an autocracy, would set back the cause of civil liberty, the cause of government by consent of the governed, the cause of government of the people, by the people, for the people, for a thousand years.

This I have known since when a boy my father taught me a great truth from the first inaugural of George Washington:

> The preservation of the sacred fire of liberty, the destiny of the republican form of government, may justly be said to be deeply, perhaps finally, staked upon the result of the experiment committed to the hands of the American people.

When I repeated this to him my father bade me never to forget it, and I never have. It is inconceivable that a man of my lineage, my antecedents, my training, would ever be guilty of a thought disloyal to the Republic of the United States of America. [Applause.]

But the authors of this circular knew that in these times of great excitement it is often, too often, only necessary to point the accusing finger at a man or a woman and thousands are willing, without waiting for evidence, to say, "Guilty, guilty."

This war must go, will go, to a victory, a triumphant victory, that shall forever end war on this earth. Nothing else ought to be, nothing else shall be. My votes have been steadily cast for that. And now, as we look across the sea and hear the roar of the big guns and see the flashes light up the sky, our thoughts, our prayers are all with the boys battling—dying—for liberty. The death lists tell us that heroes from Wisconsin are there. And as I look and see the long line go gleaming on into the red-blazing whirlwind with Wisconsin at the front, there springs unbidden from my lips—

"Here's to the Blue of the wind-swept North
As they meet on the fields of France,
May the spirit of Grant be with them all
As the sons of the North advance.

Here's to the Gray of the sun-kissed South,
As they meet on the fields of France,
May the spirit of Lee be with them all
As the sons of the South advance.

And here's to the Blue and the Gray as one,
As they meet on the fields of France;
May the spirit of God be with them all
As the sons of the flag advance."

[Prolonged applause.]

ADDRESS OF HON. ALBERT JOHNSON.

The SPEAKER. The gentleman from Washington [Mr. JOHNSON], under the special order of the House, is recognized for 15 minutes.

Mr. JOHNSON of Washington. Mr. Speaker and gentlemen, I ask to have read at the Clerk's desk the following extract from War Department orders.

The SPEAKER. The Clerk will read, without objection.

There was no objection.

The Clerk read as follows:

SPECIAL ORDERS, No. 205. WAR DEPARTMENT, *Washington, August 31, 1918.*

Paragraph 41. The appointment of Hon. ALBERT JOHNSON as captain, Chemical Warfare Service, United States Army for the present emergency, with rank from August 31, 1918, is announced. He will proceed 10 days after date to Camp A. A. Humphreys, Va., and report in person to the commanding officer for duty as student in the engineer officers' training camp.

[Applause.]

By order of the Secretary of War:

PEYTON C. MARCH, *General, Chief of Staff.*

Official:
P. C. HARRIS, *Acting The Adjutant General.*

Modification of orders:
September 11, 1918: Capt. ALBERT JOHNSON is authorized to accept September 20 and then comply with original orders.

P. C. HARRIS, *Acting The Adjutant General.*

Mr. JOHNSON of Washington. Mr. Speaker and gentlemen, I desire to thank the Members of the House and the leaders on both sides for giving me 15 minutes this day, interrupting as I do the preparation and closing vote in connection with the great revenue bill.

Mr. Speaker, the most impressive moment in my life was when, almost six years ago, I stood before the Speaker, and, as a Member of the House of Representatives, took an oath to support the Constitution of the United States and to defend this Nation against all enemies, foreign and domestic. That oath is always in the heart of every true citizen of our Republic. [Applause.] But the expression of it verbally at the moment of coming into the high honor and privilege of a seat in the House of Representatives can never be forgotten.

The most solemn moment in my life was when my vote was cast for a declaration of war against the German Government. I had long been ready for that vote. The great State of Washington had, months before, by resolution of its legislature, pledged the wealth, the men, and the resources of that State in case of war. [Applause.] In my campaign in 1916 for election to the Sixty-fifth Congress I told my constituents that war was inevitable. I asked them not to return me to Congress if they expected a vote from me that would not sustain the United States in the full maintenance at all times of its dignity and its rights. I was sent to this Congress with a majority of nearly 18,000 votes. I have been renominated by my party as a candidate for election to the Sixty-sixth Congress, and in addition to the support of the Republican Party I am pleased to say that many of the most prominent Democratic leaders in the congressional district which I have the honor to represent have voluntarily published statements to the effect that they will support me on election day.

The great State of Washington was in the forefront in the patriotic declaration of its legislature in January, 1917. It is in the forefront now. It leads in shipbuilding. It leads in production of spruce for airplanes. It is near the top in wheat growing and in all other lines of activity on account of the war.

And I would like in that connection, my friends, to say that Seattle, the neighbor of Tacoma, needing housing facilities badly, for the city has grown to be a city of nearly 400,000 people, has not waited for the Government to build the houses. The business men of Seattle have subscribed $10,000,000, and there will be ready by Christmas time in that city for the workingmen new houses which, if placed together one next to the other, without allowing for alleys or streets or parking space, enough to reach 28 miles. [Applause.] And Tacoma, Aberdeen, Hoquiam, and Spokane are not behind. Our State is not asking the Federal Government to do everything. We will do what we can out there. [Applause.]

That State's draft regulations have been taken as models for other States. Washington men have filled all quotas [applause] and have volunteered in numbers far above the average. Further, the State of Washington has within its borders on the outskirts of the city of Tacoma and under the shade of the majestic mountain of that name Camp Lewis, a beautiful, healthful, inspiring cantonment. Soldiers train there for war at the Nation's beauty spot, in the Nation's playground; and the site for that cantonment, 80,000 acres, was given to the Government by the people of Tacoma and Pierce County at a cost to them of $2,000,000. [Applause.]

My colleagues, I believe that the people of the State of Washington fully realized the meaning of the President when he said, "Politics is adjourned." They understood that during the war all patriotic political parties must write their platforms with one plank paramount, and that plank, "Win the war." When the war is won platform making will be resumed, and the principal planks will deal with methods of raising revenue to pay the war debt. I believe that an important plank in the Republican Party platform will declare against the various "isms" which have come forward now either under war necessity or under skillful fostering of promoters and propagandists. A gentleman high in public office—in fact, the assistant to a Cabinet Secretary—speaking recently in the Pacific Northwest, said:

Let it soak into your minds that internationalism is the idea that America now stands for.

I can not agree with him. Americanism is what America stands for. [Applause.] He said further:

It may be that before this thing is ended nationalism against internationalism will be the biggest issue—

And so forth.

If that be true, I can predict the attitude of the Republican Party. We want no Bolshevism and do not propose to reach it by any steps toward "internationalism," which has been the cry of the red-flaggers, the anarchists, and the firebrands for years. At last we are stamping out the revolutionary I. W. W. I am thankful that, many years ago, I was in at the beginning of the exposure of that treasonable organization, and that I have had some part in the preparation of laws that are breaking it up.

We will be watchful now when we see mice of a gentler breed gnawing at the very foundations of our Republic. When we were at peace most of us paid little heed. But they shall not nibble and gnaw while we are at war. [Applause.] They might as well find it out now as later. Let us be careful when we send out mediators and conciliators from Washington, the seat of the Government, that we do not send out biased and prejudiced agitators. Leaders of political parties with treasonable platforms can not keep out of jail now, and the victorious returning soldiers will take care of the situation a little later by methods provided under the laws of this free Government. Returning soldiers will realize as never before that our Government "of the people, by the people, for the people," along the lines laid down in the Constitution by the fathers, has never been improved upon by any Government in any part of the world, Utopians and internationalists to the contrary notwithstanding. [Applause.]

And now, my dear friends, comes another great and proud moment in my life. To-morrow I shall take the oath of allegiance as an officer in the Army of the United States as a captain in the Chemical Warfare Service. This is the gas and flame service of our Army, made necessary by the violation on the part of our enemy of the conventions of warfare. While behind the lines in France and Belgium last winter and in the hospitals of England I saw the fearful results of the use of deadly poisonous gas and burning flame. I recoiled with horror. My blood boiled. Every fighting instinct was aroused. In the war speeches I have made this past year here, there, and everywhere I have never failed to describe in detail these attacks with gas and the aeroplane raids upon defenseless women and children in cities beyond the war zone. I have spoken of the fortitude and grandeur of the British people in their desire not to retaliate in kind. But now the time has come when the United States and the noble nations with which we are allied must use all of the force at our command. Therefore since I had long ago determined to see service in the Army I am glad I have been placed in the chemical service. [Applause.] I go to take my place as one of our millions of fighting men, as one unit in this mighty Nation's man power.

I have not tendered to the governor of Washington my resignation for the remaining few months of this Congress. Concerning that step I shall be guided by the wishes of the constituents of the third congressional district of Washington. Should I not resign the distinguished Senators and all of my colleagues from the State of Washington have assured me that they will attend to my legislative work. I have arranged a pair with a Democratic Member from the State of Texas [Mr. CONNALLY], who is entering the Army, which pair will stand if an extra session is called. [Applause.]

My colleagues, I can not go away from the House, even temporarily, without expressing my sincere appreciation of the good feeling with which you have accepted my efforts here. I have

not knowingly hurt by word or action any Member. I admire the Speaker [applause], not only for his fairness—especially to the new Members—but for his determination that Congress, as Congress, shall not be unnecessarily and untruthfully belittled or lampooned. [Applause.] Every man here knows that the problems of this Congress and of the last Congress were difficult in the extreme. Platforms of no party pointed the way. The public some day will realize the work of the Sixty-fifth Congress, just as we Members personally know what it has been. No words can be found by one Member with which to thank the other Members for their work almost day and night in many of the important committees which have produced the legislation necessary to the conduct of the war and to the directing of the patriotic efforts of all the citizens of the Nation toward unity of purpose. E pluribus unum is our national motto now as never before, my friends. [Applause.]

I believe, with the Speaker, that the House of Representatives will in free vote act with dignity and for the best. There is wisdom in numbers after all.

Mr. Speaker and gentlemen, this very day a thrilling cry is beginning to ring throughout the length and breadth of the Nation—

WIN THE WAR NEXT YEAR!

Additional millions are being called to the colors. We have asked for great numbers between the ages of 18 and 45. They are responding as one man. Perhaps some stepped aside when we asked for the last Army from the men of 21 to 31. Some thought, perhaps, that an army of 1,500,000 could be easily raised without them. Not so to-day. The clamor is to get in—not to get out. The President has asked for the aid of the older men. My colleagues, I can not resist that call. Of the family to which I belong every male member fought for the United States in the War of the Revolution. And of that family every male member fought against the dissolution of the Union. My father was a law partner of William H. Herndon, who was Abraham Lincoln's law partner. I am 49 years of age. Nature endowed me with a strong physical frame. I knew that I could pass all medical tests. How could I resist making an application? [Applause.] I go now to see if I can qualify as a captain, and I hope to lead a company of fighting men in a form of warfare that the enemy by his practices has forced upon us. I think I can qualify. [Applause.]

Win the war next year! It can be done. The signs are propitious. Our soldiers in France have made an inspiring start. By the time we have our new legions equipped and trained and in line over there it will be January, 1919. Then the cry will be, "Win the war this year!"

My colleague, the gentleman from Nebraska [Mr. REAVIS], just back from the battle fields, tells you in an inspiring oration that it can be done. Our gallant Gen. Pershing tells the people of the Nation that if we send the soldiers it can be done. The Nation believes it can be done, and all of our people will suffer great privation willingly, make great sacrifices gladly, and submit to any tax to make the supreme effort to win the war within 12 months from this hour.

Let no American cease to remember the part our allies—all of them, great and small—are playing; the suffering they have endured and are enduring. France mourns the loss of more than 2,000,000 soldiers dead and wounded. Italy's loss has been heavy. Great Britain lost its original army almost to a man, and is losing in dead and injured many thousands per month. British casualties in four years have been 2,500,000. The smaller nations—Serbia, Montenegro, and Roumania—have paid a terrible price. Russia lost in killed alone more than 2,000,000 men before she dropped out through revolution brought about by intrigue and bribery. All allied nations have bled before the brutal war lord of Berlin, who soon must pay. [Applause.]

To win in a year will require supreme effort on the part of every man, woman, and child. All must fight. Those in the ranks of the Army and on the ships of the Navy put on uniforms to distinguish them from the enemy. But every person is a fighter now. The widow whose mite buys a thrift stamp is a fighter. The man who tends a furnace or turns a railroad switch is a fighter. Nonessentials must go. Luxuries must go. Privations must be endured. What is self-denial now to the descendants of those who crossed the seas to settle the Colonies; who conquered the wildernesses of Kentucky, Missouri, Indiana, and Illinois; who homesteaded the prairie States and fought the Indians; who tunneled and mined the Rocky Mountains; who struggled for gold in California; who made the march to the trackless Northwest "where rolls the Oregon," and who endured the privations of the stampedes to Alaska? Or what are privations to those among us who themselves, or their ancestors, helpless, penniless, and without opportunity for education, fled from oppression to the beacon light of the Goddess of Liberty in America. [Applause.] Oh, citizens, that light shines now with a new brilliancy that reaches to the corners of the world, and it shall endure for all time. [Applause.]

Mr. Speaker, I hope that when the Sixty-sixth Congress is called in regular session December 1, 1919—14 months from to-day—I shall appear, stand where I stood almost six years ago, and again take the oath of allegiance as a Member of Congress. I feel, Mr. Speaker, that your own brave son, Lieut. Col. Bennett Clark, will return [applause], and the proud people of your State of Missouri, in grateful remembrance of your distinguished services to the Nation, and in appreciation of his services, will send him, if he wishes to represent the Bowling Green district, whenever you conclude that long years as a faithful public servant entitle you to a rest, in the shades of evening, under your own vine and fig tree, near the banks of the Mississippi, in the State you love so well. [Applause.]

Returning with Bennett Clark will be all the boys whom the mothers of the Nation have given—all the boys who have not fallen for the flag and for the principles of liberty. And the quicker we, with our allies, can end the war, the greater the number of soldier boys who will return. Victorious they will return.

I fully believe, and I devoutly pray, that by that time the bells in every hamlet of this Nation will ring with victory. And then, Mr. Speaker, our actions will be guided by the words of the inspired Lincoln—

With malice toward none, with charity for all, with firmness in the right, as God gives us to see the right—

and guided by these words we will proceed to rebuild our Nation along lines of permanent peace; our allies will do the same; and all will combine to make secure and safe the various republics that will spring from the ashes of the monarchies of Austria, Germany, and unfortunate Russia. Complete victory; permanent peace! Then must follow an era of good will that shall run as long as history is written. [Applause.]

ARMS, AMMUNITION, AIRPLANES, AND GAS MASKS (H. DOC. NO. 1286).

Mr. TILSON. Mr. Speaker, I ask unanimous consent to have printed as a House document a series of speeches containing information on the subject of arms, ammunition, airplanes, and gas masks, which I have brought before the House on a number of different occasions. I wish to bring together this material in the form of a public document, because I have a great many requests for the several speeches, especially from men in the camps and cantonments, where they are very much interested in the subject of ordnance, airplanes, and gas masks.

I have submitted the matter to the gentleman from Indiana [Mr. BARNHART] and to the gentleman from Pennsylvania [Mr. KIESS], of the Committee on Printing, and I have the approval of both.

Mr. FOSTER. Is this a compilation of the gentleman's speeches on this subject?

Mr. TILSON. It is. I desire to have the information and material that I have brought together published compactly as a House document.

The SPEAKER. The gentleman from Connecticut asks unanimous consent to print as a House document the various pieces of information that he has collected on the subject of ordnance, gas masks, and so forth. Is there objection?

There was no objection.

THE REVENUE BILL.

Mr. KITCHIN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the revenue bill.

The SPEAKER. The gentleman from North Carolina moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the revenue bill. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 12863) to provide revenue, and for other purposes, with Mr. SAUNDERS of Virginia in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 12863, the revenue bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 12863) to provide revenue, and for other purposes.

Mr. KITCHIN. Mr. Chairman, I offer the following amendment pertaining to the oil and gas provisions.

The CHAIRMAN. The gentleman from North Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 16, line 1, after the word "wells" and the comma, insert the following: "timber, and other natural deposits," and a comma.

Mr. HAWLEY. Mr. Chairman, the word "timber" does not come in in the proper place there. Timber is not a natural deposit. It ought to be "other natural deposits, and timber." The way it is stated there it looks as though timber was a natural deposit.

Mr. KITCHIN. I accept the gentleman's amendment.

The CHAIRMAN. The gentleman from North Carolina asks leave to modify his amendment. Is there objection?

There was no objection.

Mr. FORDNEY. Mr. Chairman, I ask the gentleman from North Carolina if there ought not to be the same amendment on page 38?

Mr. KITCHIN. I have an amendment to cover that.

Mr. FORDNEY. The same amendment there?

Mr. KITCHIN. Yes.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Modified committee amendment: Page 16, line 1, after the word "wells" and the comma insert the following: "other natural deposits, and timber," and a comma.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. KITCHIN. I offer the following amendment.

The CHAIRMAN. The gentleman from North Carolina offers another amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment: Page 38, line 25, after the word "wells" and the comma, insert the following: "other natural deposits, and timber," and a comma.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina.

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, there is another amendment that we were considering to add to this section, but we have decided that its proper place is on page 59, to section 320. This amendment will be offered by the gentleman from Ohio [Mr. WHITE]. I ask unanimous consent to return to section 320, on page 59, for that purpose.

The CHAIRMAN. The gentleman asks unanimous consent to return to the page indicated, for the purpose of offering an amendment. Is there objection?

Mr. STAFFORD. Let the amendment be reported first, Mr. Chairman.

Mr. WHITE of Ohio. I offer the amendment, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WHITE of Ohio: Page 59, line 23, after the word "act" and before the period insert a comma and the following: "except that there shall be deducted [in lieu of the deduction provided in clause (a) of paragraph (9) of subdivision (a) of section 234] a reasonable allowance for depletion [including in the case of producers or prospectors a reasonable allowance for hazard not to exceed 10 per centum of the value in the ground of the oil withdrawn during the taxable year] such deduction to be made under rules and regulations to be prescribed by the commissioner with the approval of the Secretary."

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina to return to this section for the purpose of offering this amendment?

There was no objection.

Mr. WHITE of Ohio. Mr. Chairman, as most of my colleagues, I think, realize, I am engaged in the production of crude oil and natural gas, although I have not taken much part in the production of the latter product in the debates of this House. [Laughter.]

The problem of arriving at a satisfactory solution of the amount due the oil producer to offset the exhaustion of his capital which is involved in the production and sale of oil from a given property has been one of the most difficult problems with which the committee has had to deal. The committee has been charged by the House with the very great responsibility of raising $8,000,000,000 through taxation, in order to successfully prosecute the war, and there is manifestly great danger in making an exception to any one industry, of inviting attempts on the part of the Members to ask for like exceptions for other kinds of business. The extra hazard involved in prospecting, or, as the oil men term it, "wildcatting," is the basis of the argument I used to the committee to accept this amendment, and is the justification I wish to advance to the membership of this House to secure their approval of the amendment.

In dealing with this question it should constantly be borne in mind that the industry is a "highly essential" business during the present war period. The present revenue law in its treatment of the subject provides, broadly speaking, that all income from the sale of oil and gas, after deducting the capital actually invested in the particular producing property, is profit. No account whatever is taken of the tremendous sums of money expended prior to the taxable year in fruitless endeavor to locate and produce oil, which, in a way, has been a process of elimination by which the present producing properties have been discovered.

The actual capital that goes into the drilling of a well is small compared to the results obtained, if perchance the well proves to be a good producer. It needs no argument to convince the most superficial mind that there is no relation between the hazard of the oil and gas business and that of any other nonmining industry. Popular opinion is that the oil and gas business is tremendously profitable, but popular opinion does not take into consideration the "dry holes," which far outnumber the productive wells. Again, popular opinion does not know that the average of all the producing wells in the United States is less than three barrels per day per well, nor does it know that the average production of all the wells in the country's richest producing oil field, namely, Oklahoma and Kansas, is less than eight barrels per day per well. Yet the fact remains that even individuals or corporations may come into possession of a tremendously profitable property with a comparatively small capital investment in that particular property, but, again, to arrive at this conclusion no account is taken of the losses sustained by the lucky individual prior to making this "strike," and under the existing laws the scriptural injunction, "For whosoever hath, to him shall be given, and he shall have more abundance; but whosoever hath not, from him shall be taken even that which he hath," seems to have been taken literally and applied to the oil and gas producers. Popular opinion has so long associated the Standard Oil Co. with the oil industry that to a certain extent the profits of the industry seem to have been measured by the size and proportions of the oil company referred to. Very few people know that the Standard Oil Co. is only in a very limited degree a producer of oil.

At the end of the first 10 years of my business experience in trying the wildcat game, with all the ups and downs involved in it, I read the early history of the growth of the Standard Oil Co. with a keener appreciation of the financial foresight and business acumen of Mr. Rockefeller and his associates.

The first well to produce oil was drilled near Titusville, Pa., in 1859, and it took but few years for Mr. Rockefeller and Mr. Archibald and the men associated with them to realize that a more profitable part of the business lay in the transportation and refining of the product of the wells than in the highly hazardous business of searching or drilling for oil.

In other words, the Standard purchased the oil from the successful wildcatter and avoided the risk involved in prospecting, and how well they succeeded all the world knows.

By reason of the increased demand made by war conditions upon essential industries fuel demands have tremendously increased. The demand made upon oil as a fuel is such that there is now a shortage of 30,000,000 barrels over production and oil in storage is being exhausted at the rate of 70,000 barrels per day, as shown in August reports. One very important element in the increased demand made upon the oil industry is by the Government; that is, our fleet of destroyers, constantly increasing, requires a high-grade fuel oil, as do the ships of the Emergency Fleet Corporation. One has only to consider the size and number of ships proposed to be built by the Government to appreciate the enormously increased demands which this new shipping is making upon fuel. In addition to this our merchant fleet demands fuel oil in daily increased quantity, largely due to the great difficulty in obtaining "stokers" to fire the boilers with coal. In addition, it is of the highest importance that our fleet of destroyers, our emergency fleet, and general shipping should have as nearly as may be a smokeless fuel, and to the extent that fuel oil meets this requirement over coal the demands for it are increased. These demands are a recently added burden to the industry.

Can oil be obtained? Can the oil requirements of the country be met? These vital questions can be answered only by first propounding another question—that is, Can something be done to stop the stampede of the wildcatter? Can some consideration be shown him because of the tremendously increased cost of his hazard so that he may be induced to continue his search?

Can prospectors (wildcatters) be induced to go out in increasing numbers and discover oil fields at present unknown?

Who is this wildcatter and what does he do? He is a natural-born gambler. He is a man who could not be hired to own a bank, a farm, or a department store, with an assured income. He is the offspring of the "Forty-niners" who fought their way through the Indians to the California gold coast. He is a brother of the men who follow the call of the "red god." You will not find him where oil is being produced, for these acreages and leases cost money, but you will find him miles in "advance" of any production, gambling his little all to find oil where the "wiseacres" have said oil does not exist. You will find him enduring privation and hardship that one out of thousands may—and they do—find oil. This is the oil finder. It is of him the "operators" buy their fields, and on his work they buy surrounding territory. If it is learned that a man or small company is wildcatting, the operators immediately secure at little cost leases on surrounding territory. If the wildcatter makes a strike, the operators then put in money for development, but only then.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CHANDLER of Oklahoma. Mr. Chairman, I ask unanimous consent that the gentleman have five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WHITE of Ohio. I do not present this picture of the wildcatter to you as an appeal to your sympathy, but that you may better understand the practical problem presented to the committee, and my reason, as a member of the committee, for presenting the amendment now under consideration.

While I admit great personal interest in these men because of my close association with them in the oil business, as a legislator I am, and you as Members of Congress should be, intensely interested in not enacting any legislation that will discourage him or put a stop to his activity. The production of oil has been decided to be a highly essential industry toward the successful prosecution of the war. During the consideration in the committee of the revenue act of 1917 I stated that I feared the rates of taxation imposed on the oil industry would result in a falling off of the production of crude oil, and my prophecy has proven accurate, and in the face of the lessened activity of the wildcatter and the resulting decline in production, the committee has authorized me to offer this amendment. Under the provisions of this bill a corporation—and a large percentage of small corporations are in the business of prospecting for oil—will be required to pay in the form of taxation approximately 60 per cent of their income, if their operations prove successful, but of course will have no compensation for their losses resulting from dry holes, and these failures amount to a percentage of about 49 out of every 50 attempts to find oil.

I know the oil men are as patriotic and loyal to the country in this time of peril to human liberty and free institutions as the men in any other business, but they can not be criticized for discontinuing operations involved in the discovery of new fields if they find their companies are heading toward certain bankruptcy, except as to 1 company in 50.

My amendment provides that in the development work in producing oil the company making the return at the end of the taxable year may, for the purpose of figuring its tax returns under the excess-profit method or prewar method, deduct an allowance for depletion, in addition to the other provisions of the bill, in an amount not to exceed 10 per cent of the amount of the oil drawn during the taxable year.

May I at this point read a letter bearing on the amendment written by Mr. Requa, Federal Fuel Administrator?

UNITED STATES FUEL ADMINISTRATION,
Washington, D. C., September 19, 1918.

Hon. GEORGE WHITE,
House of Representatives, Washington, D. C.

MY DEAR MR. WHITE: My attention has been called to an effort to procure an amendment to the revenue bill (H. R. 12863) for an allowance based on the quantity of oil and gas withdrawn or produced during the taxable year, to provide for the replacement of such withdrawals or production. A depreciation or replenishment account of some such character is undoubtedly justified and sound practice. Unlike agriculture the miner is constantly exhausting his capital, and some recognition must be given to the necessity for setting aside a fund for replacement purposes.

I desire to say that I heartily approve such a provision and regard it as highly necessary.

Very truly, yours,
M. L. REQUA,
General Director Oil Division.

As Mr. Requa suggests, this 10 per cent is in the nature of a replenishment account to enable the producer to acquire a fund to warrant his taking the risk in wildcatting for new production. I am forced to frankly admit that the percentage is not in my judgment high enough, and may I further state that the oil business ought to be given an extra allowance of 20 per cent, and I hope another body will in its consideration of the bill increase the per cent recommended by the committee.

The acceptance of my amendment will at least put the House on record as recognizing that some special consideration in the way of taxation must be shown the producing business if we hope to maintain any adequate supply of new production. There is power under war conditions in Congress and in the hands of the President to take over a coal mine in case the company refuses to operate or the miners refuse to work, and the Government could undoubtedly produce the coal, but there is no power in either Congress or the President to force an individual or an oil company to wildcat for oil or gas. The Government could take over the oil business, but certainly, if they should attempt to do developing work, we would have to very materially increase the amount of liberty bond sales and the amount carried in this revenue bill. In other words, it is not a practical proposition to even consider.

There is still another phase of present oil production (not related to the wildcatter) which should receive most serious consideration at the hands of Congress. It is this: The needs of the Government and the industries in the service of the Government require and demand that the oil industry shall be stimulated to the very highest possible point of production, and superficially one would think that if the price of oil is high—and it is—oil production will take care of itself; that the natural self-interest of the producer will solve the problem. This conclusion would be correct were it not for the indisputable and undeniable fact that in the development of new fields it is not possible to pay to the Government the large percentage of earnings of the property and at the same time proceed with the normal development of the property. The oil field, once found, becomes purely a financial problem and for a long time requires not only that every dollar taken out in production be put back into the field, but that large sums of money in addition be raised to put into development. There is no reason why the oil producer should not pay the same percentage of his profits to the Government that other citizens do; and, as I know him, he has no desire to escape his equitable part of the burden. We would ridicule the individual who advised hitching a pair of ponies to a 10-ton truck that it was necessary to haul up a grade, but I am forced to express the fear that it will prove impossible for the oil producer to "make the grade" under existing and proposed revenue law unless our act is liberalized, and my amendment is at least a step in the right direction. It is a hard, cold, practical problem demanding reasonable solution. The Government requires large sums of money, and the people are patriotically responding to heavy taxation. The Government requires oil, but with the billions of money at its disposal the Government can not acquire one barrel of oil that does not exist. The Government's actual need—yes, its necessity—is for millions of barrels of oil that are not being produced, and the production, as I view the situation, of this oil is in the hands of Congress. I trust the House will accept my amendment.

Mr. LONGWORTH. Will the gentleman yield?

Mr. WHITE of Ohio. I will.

Mr. LONGWORTH. The amendment will not affect the income of the corporation taxes, but only the excess-profits tax.

Mr. WHITE of Ohio. That is true.

Mr. EAGLE. Mr. Chairman, I had not prepared to speak on this topic, but there are a few figures I want to submit to the House as a reason why I think this amendment ought to be adopted.

On the 1st of January, 1917, the total amount of oil above ground in the United States was about 165,000,000 barrels. During the year 1917 there were produced within the United States, in round numbers, 300,000,000 barrels of oil. During that same year 1917 there were consumed 335,000,000 barrels of the amount produced in the United States and of the stock on hand above ground at the beginning of that year. That means, therefore, that we consumed 35,000,000 barrels of oil during 1917 in excess of that which was produced within the United States during the year 1917. At that rate of production and of consumption, in five years' time we would totally consume every barrel of oil above ground as of January 1, 1917.

Although the country seems not in its daily life to realize it, we are approaching one of the supreme tragedies to civilization in the depreciation of the stocks of oil above ground and in the policy with respect to the consumption of oil and production of oil, which does not keep pace. In addition to what my friend from Ohio [Mr. WHITE] has said, here is something that I desire to call to the attention of the House: In our taxation policies, if we take a national bank for example, we are taxing only its net income. We are not at all taxing its capital or its

surplus and undivided profits. Therefore, we are not injuring that national bank, except that we are denying the stockholder as liberal an annual or semiannual dividend as otherwise he would receive, because we are taking that in the form of taxation. The same is true with respect to our manufacturing establishments. The same is true with reference to our plantations and farms. The same is true, indeed, with reference to most of the great industries of the country, unless it be mines and mining of some sort. When you tax the net income from mines—in this instance from oil—you are taxing the very principal of the thing itself, for no human being can tell when a sulphur mine is completely exhausted, nor can anyone tell when an oil well is completely exhausted, except that on some date such oil well or sulphur mine ceases longer to produce. Oil is produced from sands from 1,000 to 4,000 feet below the surface of the earth. You can not get a well without running a risk of a loss of $10,000 to $25,000, and it is an experiment every time. You may go within 50 feet of where an oil well gushes, as in my home county in Texas, some five or more thousand barrels of oil a day, worth at present $1.80 a barrel, and spend $25,000 to put down a well, thinking to penetrate the same sands and to have the oil, through gas pressure, exude from your well, without getting any oil. You take the entire risk of the $25,000, and it is only by accident that you get oil—not always even in the case of a well in an established field, and very rarely in a field that is not established but which has the indications on the surface and which justifies you in drilling. After you do get the well you exhaust every day the capital, for there is no opportunity of getting any money from it except by exhaustion of the principal.

The effect of taxing that sort of an exhaustible supply, which has that sort of enormous risk involved, in the same way that you tax the net of a corpus that is not exhausted, is that no sensible, sane man will continue in the same zealous way to jeopardize his capital in the sinking of wells in "wildcat" or unproven fields, or even in fields that are proven, as a man would do in a business the capital of which is not exhausted.

It will be a tragedy to civilization if oil plays out. This city of Washington and the whole country would be in darkness. The wheels of commerce can not run, the mighty ships of the ocean can not plow the sea. It would mean the breakdown of civilization as completely as if the Prussians were to put their cruel heels upon the neck of civilization, because this modern civilization of ours is largely predicated upon oil.

Mr. Chairman, as the production of oil, and perhaps of other minerals with which I am not as familiar as I happen to be with oil, because the two largest oil fields in the United States are within my home county of Harris, in the State of Texas, is necessary to the existence of our civilization, I trust that gentlemen will take heed to what I am saying, for I speak from what I have observed and I am trying in a plain and practical way to communicate it to you. I say that men are ceasing to jeopardize the enormous sums of money which even one well entails and will continue to do so if they are to be taxed upon the oil that comes out, practically all the profit, and have nothing allowed for depreciation. This amendment tendered by the gentleman from Ohio [Mr. WHITE] in substance provides that an allowance of 10 per cent for taxation shall be allowed for depreciation. It certainly is a sane thing to do. The only thing about it which is not right is that a larger sum than 10 per cent for depreciation ought to be allowed, because 10 per cent implies exhaustion of the well in 10 years, whereas, undoubtedly, wells are exhausted sooner. In our oil fields where the gas pushes out the oil in what are called "gushers," failure of flow occurs in periods of from 6 to 12 months at most, and usually 60 to 90 days. In a pumping well there are rarely realized over 250 to 300 barrels per day, and that kind of well does not justify going down the great depth of three or four thousand feet.

If the necessary amount of oil for the purposes of war and industry and all the purposes of our modern civilization are to be supplied, then those whose ingenuity, risk, and industry are necessary to that result should and must be placed on equal terms with other legitimate and necessary industry and not penalized into bankruptcy.

Mr. CAMPBELL of Kansas. Mr. Chairman, little need be added to what has been said by the gentleman from Ohio [Mr. WHITE] and the gentleman from Texas [Mr. EAGLE] upon this subject. I realize the difficulty that the Committee on Ways and Means has encountered in undertaking to get the amount of money out of the oil industry that it should pay at this time into the Treasury without doing injustice to some who are engaged in that industry. It is a very difficult question that they have had to deal with. I know that from conferences that I have had with members of the committee and also with experts in the Treasury Department. I am hoping that before this bill is finally completed some way will be discovered to impose a suitable tax upon the oil industry without doing injustice to anyone in the business and that at the same time will stimulate a production of oil—a thing that is most essential at this time. The amendment offered by the gentleman from Ohio is well enough, so far as it goes, but it does not relieve the wildcatter, as he is known in the oil business, from the heavy burdens laid upon him by the present law—this proposed law. The men who spend their time and money and all of the money they can borrow in finding an oil field must, as soon as they discover oil, find a purchaser—not by the barrel—for the oil that they produce, because they are not content nor able to engage in that kind of oil business. They are wildcatters, discoverers of new fields, and are as essential to the oil business as the refineries and must be encouraged, in order that production of oil may be stimulated.

It was the wildcatter who discovered the great oil fields, the Cushing field, the Midcontinent field, the great oil fields of Texas, Kansas, Oklahoma, and Wyoming; those fields have been discovered by men who have taken a gambler's chance. They borrow money. As soon as they discover oil they must sell their lease, their oil in bulk, and pay their debts. If they sell, 80 per cent of the purchase price must go into the Treasury under this amendment, less 10 per cent, with a tax of 12 per cent on the remaining part of the sale price. This does not stimulate the production of oil. The production of oil is now far below the daily necessities of the country, and we are drawing upon our reserves to the amount of about 70,000 barrels per day, while the production is at the same time decreasing. Three years ago the Cushing field was producing at its height 350,000 barrels a day. Today it is producing 55,000. The great Kansas oil fields two years ago, a year ago, produced large quantities of oil. That production is falling off rapidly. There is nothing now to stimulate the pioneer or discoverer in the oil business to go out and discover new fields, and they are not being discovered, but our consumption of oil is increasing daily, and the necessities of the country for the use of oil are increasing. Something must be done that is not accomplished by the amendment offered by the gentleman from Ohio or by any other legislation that is now proposed.

Mr. CHANDLER of Oklahoma. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I do.

Mr. CHANDLER of Oklahoma. I wish to call attention to the fact that 90 per cent of all oil produced is produced from wells less than four years of age; that is, from new wells.

Mr. CAMPBELL of Kansas. That is especially true of the Midcontinent field.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CAMPBELL of Kansas. May I have three minutes more?

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to proceed for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CAMPBELL of Kansas. I plead for the brave, the courageous men who I know are engaged in the expensive and uncertain business of discovering new oil fields. Some of them have succeeded, many of them have failed. I know a few who have made fortunes. I know many who have lost every cent they have put in the business. The fortunate ones spend what they get for the sale of a lease with a newly "brought in" oil on it in developing other fields or drilling other oil wells. They are that kind of men. They are not asking anything of Congress that is unreasonable; they want no favors. They simply want to be able to continue in their business. As it is now they are required to pay practically all they get as a result of their discovery, perhaps the only strike they have made, when they have to pay 80 per cent of the sale price of their lease into the Treasury of the United States. So they are not engaging in the business. They can not sell their leases, their discoveries, to oil companies that are able to develop and produce the oil.

There is another matter I want to mention in this connection. The gentleman from Texas [Mr. EAGLE] is interested in sulphur; I am interested for my constituents in lead and zinc, and I believe that following the word "oil" the word "mineral" should occur in this amendment. If that is not done here it will have to be done elsewhere. I know the difficulty of offering such an amendment on the floor without consulting with the committee on a great bill that is made up as this has been with a view of having it harmonize with the whole; therefore I hesitate even to suggest that the word "mineral" follow the word "oil" in the connection I have indicated. But the men who produce lead and zinc are in much the same condition as the man who produces oil. When they sell their oil and mine products they sell their principal, as was well stated by the gentle-

man from Texas, and the oil wells and the mines rarely run longer than four years on a paying basis. Then not only the profit but the principal from the discovery, whatever it has been, is completely exhausted.

Mr. MONDELL. Mr. Chairman, I rise to support the rather modest amendment offered by the gentleman from Ohio. The only possible objection there can be to the amendment is that the relief it grants, while helpful as far as it goes, is in a very great number of cases inadequate. There are very few people, I think, who have not to do in a practical way with mining and oil production who understand the hazardous nature of those industries. The gentleman from Texas [Mr. EAGLE] in his statement a moment ago very clearly indicated the very great difference in the effect of the high tax rates carried by this bill on an ordinary going commercial or banking business and as applied to a mining enterprise. You may take 80 per cent of a man's income from his ordinary business and still leave him with his business intact, going, prosperous, and certain for the future; but whenever you tax the income of an oil producer, of a mineral producer, you are taxing, as the gentleman from Texas stated, his capital, because his profit, be it large or small, to a certain extent reduces invested capital. The difficulty to-day with the oil business in the country so far as new production is concerned is that the patriotic citizen, anxious to meet his obligation as other citizens must meet them, is confronted with this difficult dilemma in the face of legislation taxing as heavily as this bill does. He must in the nature of things meet continuous losses. One well out of two or three or four or five may be a success, and the losses that occur at times are of a character and are so associated with the business activity of the individual or the corporation that it is difficult under the provisions of general legislation to afford the miner, the oil producer, the wildcatter, an offset or credit for his losses. On the other hand, he must pay and pay heavily and tremendously on his occasional successes. As a matter of fact, the tax is frequently levied on an apparent rather than a real profit. Based on all of the operations of the individual or the corporation, it may not represent a profit at all, but a gain which to a certain extent recoups for serious losses. This amendment will not completely meet the situation; it can not. A number of gentlemen have had in mind other amendments to this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MONDELL. I ask that I may have five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Wyoming? [After a pause.] The Chair hears none.

Mr. MONDELL. But we have realized that the committee, having compromised its differences, having agreed in the main to stand by their completed work, we could not expect to have the committee accept, and we could not hope against the opposition of the committee to have any real important amendments adopted. I do not mean to say that the amendment offered by the gentleman from Ohio is not important, because it is as far as it goes excellent and very important. Unfortunately it does not go far enough. It does not cover all the ground. I am in hopes that elsewhere, where the work of the committee as a whole can be scrutinized, that it may be possible to suggest some further amendments that will reach business involving great hazard. We can not afford to discourage mining. Surely we can not afford in these days to discourage oil production, one of the most important products for the carrying on of the war. The oil men do not desire any special relief or special privilege. They ask only that we so provide that the hazards of their enterprise may be taken into consideration and provision may be made whereby a tax that may be fair under any other conditions of business may not be unjust and confiscatory. Even under the present law, in which the levies are much lower than they are under this bill, I know of men who actually paid income tax upon thousands of dollars of apparent profit they never got, who were compelled to borrow money in order to secure funds with which to pay the taxes on apparent profits which actually did not exist.

They paid them cheerfully. And I want to say to the credit of those who have had the administration of the law, that they have been fair and reasonable and have gone as far as they could in affording relief of cases of this character. But there is need in this law for some legislation whereby enterprises of hazard and liable to sudden exhaustion and rapid depreciation can be provided for even more adequately than in the amendment offered by the gentleman from Ohio [Mr. WHITE]. [Cries of "Vote!" "Vote!"]

Mr. WHITE of Ohio. Mr. Chairman, I ask unanimous consent to correct a typographical error in the amendment. After the words "except that" insert "in the case of oil and gas wells."

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to modify his amendment in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. CAMPBELL of Kansas. Mr. Chairman, I would like to ask the gentleman from North Carolina [Mr. KITCHIN], the chairman of the committee, if it would be out of harmony with the scope of the bill as it has been prepared to add "lead and zinc" following the word "oil"?

Mr. KITCHIN. I do not believe that we ought to go further than that. We have taken care of those in the mineral deposits. That is satisfactory, I understand, to those——

Mr. CAMPBELL of Kansas. I was fearful that was the position the committee would take and that was the reason I did not offer the suggestion. I think they are taken care of.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. WHITE].

The question was taken, and the amendment was agreed to.

Mr. HULL of Tennessee. Mr. Chairman, I ask unanimous consent to return to page 128, line 22, just for a moment in order to offer an amendment.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to return to page 128, line 22. Is there objection? [After a pause.] The Chair hears none.

Mr. HULL of Tennessee. Mr. Chairman, I can explain a little better than the amendment on its face will explain. This relates to the so-called "luxury" sections. There is one classification of "pure luxuries," by reason of the nature of the article, on which is imposed a flat tax of 10 per cent. There is a second classification on which a tax is imposed on the price paid above a certain price fixed in the bill.

Paragraph 15, page 128, includes tapestries and textiles for interior furnishings, and so forth, and on page 131, line 17, carpets and rugs are taxed. The committee, acting on what seemed to be correct information at the time, only made one classification of "rugs" and placed them under section 905. Some time later business facts which have come to some of us, and which we consider reliable, would suggest that rugs, both imported and American, made principally of wool, should be classed as luxuries per se and transferred to that flat 10 per cent provision on page 128, paragraph 15. That would leave the remainder of the rugs of various descriptions subject to the tax, on page 131, line 17, under the classification of "carpets and rugs," including those made of fiber. The amendment, therefore, is simply to amend page 128, line 22, by inserting "imported and American rugs made principally of wool."

The remainder of this subject matter would be left as on page 131, line 17.

I ask for a reading of the two amendments.

The CHAIRMAN. The Clerk will report the first amendment.

The Clerk read as follows:

Amend section 900, page 128, line 23, by inserting, after the word "buildings" and the comma, the words "and imported and American rugs made principally of wool" and a comma.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HULL of Tennessee. Mr. Chairman, I offer the second amendment, to carry out the purpose of that.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amend, on page 131, line 17, by inserting, after the word "fiber" and the comma, the words "except imported and American rugs made principally of wool" and a comma.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. WALSH. Mr. Chairman, of course that is not the part to which the gentleman got consent to return. Necessarily——

Mr. HULL of Tennessee. I undertook to say that the only reference in the present bill to rugs is on page 131, lines 17 and 18. Under the further facts which have come to the attention of some of us from business concerns that seem entirely reliable, it was thought entirely just to make two classifications of rugs and put one under the 10 per cent luxury provision and leave the remainder of rugs in the bill as they are now.

Mr. WALSH. But I would like to ask the gentleman what is the necessity for this amendment on page 131?

Mr. HULL of Tennessee. The purpose of that is to insure the taxation of all rugs of fiber or any other character that do not come under the description contained in the amendment to paragraph 15, so as to insure the taxation of all rugs under one or the other classification.

Mr. MOORE of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. HULL of Tennessee. Yes.

Mr. MOORE of Pennsylvania. The gentleman spoke to me about this amendment, and I thought there would be no harm in transferring carpets and rugs from the 20 per cent tax to the flat 10 per cent tax, but I did not understand that it was to be confined to rugs made of any one material. I understood it was to be rugs and carpets of any kind, made of any material.

Mr. HULL of Tennessee. The information which a firm here in the city, and others, gave us—the firm of W. B. Moses & Son——

Mr. MOORE of Pennsylvania. I know the firm very well.

Mr. HULL of Tennessee (continuing). States that the classification which has just been inserted in paragraph 15 is one peculiar to itself; that is, the one that relates to rugs made principally of wool. They are the really valuable rugs. Now, we left rugs made of fiber or any other material, and less of a luxury, for taxation on their values in excess of $5 a square yard under section 905, page 131.

Mr. MOORE of Pennsylvania. The point the gentleman makes, if I understand him now—and perhaps I did not understand him before—is that the higher-priced rugs will go in the flat 10 per cent class?

Mr. HULL of Tennessee. They would go in the 10 per cent class, just as jewelry or any other luxury per se, by reason of the nature of the article.

Mr. MOORE of Pennsylvania. But that differentiates the rug made of wool from other rugs and put rugs made of cotton, for instance, if there should be such rugs, into an entirely different class, although the price might be equal.

Mr. HULL of Tennessee. My information is that these are the really valuable classes of rugs which would go into this new classification, and that all the others can properly fall where they were originally placed in the bill.

Mr. MOORE of Pennsylvania. I should say to the gentleman that I did not quite understand the proposition as he presented it a little while ago. I understood the transfer was to be as to all rugs and carpets. We may get into trouble if we attempt to deal with a variety of raw materials entering into the manufacture of rugs and carpets.

Mr. HULL of Tennessee. I will say to the gentleman that it will be to the advantage of the cheaper rugs to be taxed as was originally proposed in the bill. It would only be fair to put the costly ones under the flat 10 per cent class clause, where jewelry and all other luxuries are placed.

Mr. MOORE of Pennsylvania. Does the gentleman's amendment provide that these rugs to be transferred from the 20 per cent to the 10 per cent class are to be rugs made exclusively of wool?

Mr. HULL of Tennessee. Made principally of wool. That is the designation we obtained from these business people. Of course we are acting only on their information, for the truth of which they vouch.

Mr. MOORE of Pennsylvania. I am inclined to think it was unfortunate to have the question raised as to the materials entering into the rugs. But, having made that point, I shall not object to the passage of the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KITCHIN. Mr. Chairman, by unanimous consent it was agreed that we would return to page 12, paragraph 8, for the purpose of considering an amendment which the gentleman from Iowa [Mr. GOOD] desires to offer.

The CHAIRMAN. The gentleman from Iowa is recognized, and offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 12, line 14, after the word "forces." insert "or as income from any source."

Mr. GOOD. Mr. Chairman, subdivision or paragraph (a) provides for an additional exemption to officers and enlisted men in the Army and Navy of the United States. That provision is short, and reads as follows: Providing for the exemption of—

(8) So much of the amount received by a person in the military or naval forces of the United States as salary or compensation in any form from the United States for services abroad or at sea in such forces as does not exceed $3,500.

As amended it would read: Providing for the exemption of—

(8) So much of the amount received by a person in the military or naval forces of the United States as salary or compensation in any form from the United States for services abroad or at sea in such forces, or as income from any source, as does not exceed $3,500.

The situation presented is this: A person in the Army, for example, who has been commissioned as a major, if he has been in the service long enough, receives a salary of $3,500 a year, and I assume that this exemption was placed at $3,500 in order to take care of all officers up to and including the rank of major.

Now, what is the situation if the bill is adopted as it was reported to the House? A man who is commissioned as a major, for example, in the United States Army receives as an exemption, in addition to his other exemption, $3,500. His brother, a private, who has made the same sacrifice in giving up his business, but who receives a salary of $360 a year, receives an exemption of only $360. The major in the Army, fighting for the democracy of the world, receives an exemption under this bill of $3,000 to $3,500 because he is a soldier, but the private, his own brother it may be, who is fighting under him, receives a soldier's exemption of only $360 a year. Let us keep in mind the fact that this provision is the exemption for the soldiers. It is the only provision in the bill giving the soldier an exemption because he is a soldier.

I say it is unfair, it is unjust, to write into a great bill like this an exemption giving to the major and all officers higher than a major an exemption of $3,500 a year, and then give the private, who makes the same financial sacrifice, an exemption of only $360 a year. Why this unjust discrimination?

In this connection it must be remembered that the law now provides that every officer and enlisted man engaged in the Army or Navy in overseas duty receives in addition to his regular pay 10 per cent of his salary. The major and officers with a rank higher than that of a major not only receive an exemption of $3,500 a year, but they receive on account of foreign service additional compensation equal to and greater than the total salary of the private.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. GOOD. In a moment. Now, let us be fair to these men. Two millions of them will soon be on the other side, and they have given up their business and their occupation. They are not subjecting themselves only to the danger of warfare but they are allowing their business to suffer in order that we may win in this war. And we here, in making this law, should be mindful of them and give to those men, those privates who have a little income from some other source, the same exemption granted to an officer. Let us look after them while they can not look after themselves and give them the same exemption in dollars and cents that we give to any officer in the Army or Navy, I do not care what his rank may be.

Now, I yield to the gentleman from Illinois.

Mr. McKENZIE. I simply wished to ask the gentleman from Iowa if the purpose and effect of the amendment is not to put the private soldier on exactly the same footing as the officer?

Mr. GOOD. Absolutely, so far as exemptions are concerned. And if there is anything wrong with that, as a matter of principle, if there is anything wrong in placing these 2,000,000 privates on the same basis, so far as exemption from income taxes is concerned, with the officers, then I would like to know what it is. [Cries of "Vote!"]

Mr. FORDNEY. Mr. Chairman and gentlemen, more than any other member of the committee I am responsible for this provision in the bill. I thought it no more than just that we should exempt a man from taxes on the amount of his income from the Government when he is fighting for you and me across the sea or on the ocean. Some members of the committee did not agree with me, but this provision was finally agreed to. The question was brought up that if we exempt from taxes everybody in the Army or in the Navy it would exempt many rich men from taxes on income derived from their holdings of property in the United States. My purpose was to exempt the boy from the payment of taxes on the measly income he receives from Uncle Sam while fighting for you and me across the sea, and I know of no more just exemption from taxation; but to exempt the millionaire from taxes on income that he receives from other sources than from the Government as salary is something that I do not believe is just or equitable. No law can be written here or elsewhere that will operate equally and justly upon all the people coming under its provisions.

Mr. GOOD. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Iowa.

Mr. GOOD. By this language you do exempt every man who happens to be a millionaire and who is commissioned as a major from taxes on an income of $3,500.

Mr. FORDNEY. You exempt him from taxes upon his salary from the Government and nothing more, and he ought not to be exempt from anything more. The rich man who has several million dollars of property in this country is fighting alongside of your boy or my boy or the farmer's boy. Why exempt him from the payment of taxes on his income in this country? The poor boy has none. He has no income except what he gets from

Uncle Sam. Why, then, favor the rich man's son more than you do the poor man's son. That is exactly what you do if you put your provision into this bill. I am not prejudiced against the rich man's son. He is fighting over there the same as the poor boy, and he is entitled to all the credit that a poor boy is entitled to. There is no discrimination here in this bill. But why exempt him from the payment of taxes on his income derived from property here at home, or his income other than that which he gets from the Government?

Mr. DEMPSEY. The provision which is offered would only exempt to the extent of $3,500, would it not?

Mr. FORDNEY. Yes; the limitation is $3,500.

Mr. DEMPSEY. The amendment would only exempt to that extent, would it not?

Mr. FORDNEY. Yes.

Mr. DEMPSEY. It would not exempt beyond that?

Mr. FORDNEY. No.

Mr. DEMPSEY. It would not exempt the millionaire?

Mr. FORDNEY. It would exempt the millionaire from that much of his income received on property over here, and that is the thing I do not want to do.

Mr. STERLING of Illinois. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Illinois.

Mr. STERLING of Illinois. Is it not true that an officer in the army can barely subsist on the salary that he gets anyhow?

Mr. FORDNEY. That is my information; yes.

Mr. STERLING of Illinois. And that the private has about as much left at the end of the year as the officer has, has he not?

Mr. FORDNEY. Yes.

Mr. WALSH. Will the gentleman from Michigan yield?

Mr. FORDNEY. I yield to the gentleman from Massachusetts.

Mr. WALSH. Is not the effect of the gentleman's amendment to give to a private in the Army who may have here a business bringing him in an income, say of $2,400 a year, an exemption from taxation upon that income over his $360 a year, so that the private will be exempted up to the same amount as the officer?

Mr. FORDNEY. Is the gentleman speaking of the amendment of the gentleman from Iowa?

Mr. WALSH. Yes.

Mr. FORDNEY. Yes, that is right; but my good friend, let me answer you, as the gentleman from Illinois [Mr. STERLING] has well said, my information is that the officers as well as the privates have very little left from their salaries. I never was in the Army and do not know what the expenses of an officer are. I know the poor private who has a family at home, who is carrying $10,000 insurance, has to pay $6.50 or $7 a month for that, and he is called upon to contribute to his wife $15 of his $35 or $36 or whatever it may be, and that, together with the premium upon his insurance policy, leaves him only a few cents a day for the little things that he may get on the outside over there, and he has nothing left. But that is equally true of the officer. He is expected to spend more money than the private. He must spend more money. He does spend more money, and he has but little of his salary left.

Mr. WALSH. Does the gentleman believe that an officer who gets a salary of $3,500 from the Government should be exempted from taxation, and that the private who has an income outside of his salary which, combined with his salary, would amount to $3,500 should only have an exemption on the $360?

Mr. FORDNEY. My good friend, let me say to you frankly that I proposed this provision in the law upon the ground that the soldier should be exempt, whether here or over there; but I modified my proposition later and permitted it to apply to those on the sea or over there, in order to get a majority of the committee with me——

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. I ask for one minute more.

Mr. STERLING of Illinois. I want to ask the gentleman a question, and I ask that he may have two minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the time of the gentleman from Michigan be extended two minutes. Is there objection?

There was no objection.

Mr. STERLING of Illinois. It is true, is it not, that the private and the officer both already have an exemption of $1,000 or $2,000, depending upon whether they are married or not?

Mr. FORDNEY. Yes; certainly. Everybody coming under the provisions of this law has an exemption—if single, an exemption of $1,000 per year; and if married, an exemption of $2,000 per year. Now, I want to exempt him from the payment of taxes on all his income from the Government while he is in this war. I ask for nothing more, and I do not believe we ought to go further than that.

Mr. TREADWAY. Up to $3,500.

Mr. REAVIS. Will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Nebraska.

Mr. REAVIS. The law as it stands now in this bill would exempt an officer from $3,500, as I understand it?

Mr. FORDNEY. Yes.

Mr. REAVIS. If the income of a private, combined with what he gets from the Government as a soldier—that is, his wages as a soldier plus his private income—amounts to $3,500, the private will have to pay a tax on that?

Mr. FORDNEY. If his income is from property at home; yes.

Mr. REAVIS. From whatever source it may come, if that amounts to what the officer is exempted on, the private pays and the officer does not?

Mr. FORDNEY. The object of the provision of the law is to exempt him from the Government income and nothing else. If there is any other income coming to him than from the Government, I am not trying to exempt him from taxes thereon.

Mr. REAVIS. Whatever the object may be, the effect of the law as now written is that the private pays taxes on income from which the officer is exempt.

Mr. FORDNEY. Yes; if his income is under $3,500. Everybody is exempt, according to the provisions in the law, up to $3,500 a year income from the Government.

Mr. REAVIS. If the Good amendment is adopted a private will receive, no matter from what source, the same exemption as the officer.

Mr. FORDNEY. Yes; you exempt everybody up to $3,500, no matter where the income comes from.

Mr. SHERWOOD. Will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SHERWOOD. I think the gentleman from Michigan is right. I do not know how it is in this war, but in the Civil War it was true. I served 9 months as a major, 9 months as a lieutenant colonel, 4 months as a private, and the balance of the 4 years as colonel, and at the end of the war all I had was $250.

Mr. FORDNEY. And what was the gentleman's pay or salary a year?

Mr. SHERWOOD. About the same as it is now, only a little less. When a private soldier had no money and wanted a furlough he usually borrowed the money from his captain or the colonel commanding the regiment. Just before the Battle of Franklin, fought on the 30th of November, 1864, I loaned an officer, Lieut. Leander Bennett, $100. He was shot dead in that battle. That was the end of my $100.

Mr. FORDNEY. As I understand, the gentleman came out of the war poor, although he received an officer's pay?

Mr. SHERWOOD. Yes.

Mr. FORDNEY. And the gentleman came out with little or no money?

Mr. SHERWOOD. I had to start my career over again.

Mr. MILLER of Minnesota. Mr. Chairman, I move to strike out the last word. I think the amendment offered by the gentleman from Iowa possesses a great deal of merit from two standpoints, and I would like to say a word in reference to both of them. I have great deference for the views just presented by our good friend from Michigan [Mr. FORDNEY], and I am thankful that the committee saw fit to bring in this provision good as it is. But I beg permission to suggest that the basis of their calculation is artificial and a wrong one.

They say that the income derived from the Government shall be exempt. It does not matter to the soldier or the private or the officer from what source the income comes. The practical proposition to him and his family is how much does he receive from all sources? The problem for us should be, How much exemption shall we give these men while they are engaged in the service? The two points of view I have in mind are these: First, the private about whom much has been said and with all of which I most emphatically agree. The other point of view is in reference to the officers below the grade of major. I want you seriously to contemplate the situation that this bill leaves them in.

This makes an exemption in favor of the professional soldier. I have no objection to that, I am heartily in its support, but I do not believe in this period of war we should make an exemption in favor of the professional soldier which we are not willing to give the citizen soldier who comes at the call of his country. [Applause.] Very few citizen soldiers in this war can have that grand and glorious record that our good friend from Ohio, Gen. SHERWOOD, has. He entered the arena of the great conflict, like many of the citizens, as a private, and promotion was speedy, recognizing his merit. This war of all wars is a war of professional soldiers chief in command. The great body of the officers

that come from the citizenship of the country will never get higher than the rank of captain, and mighty few of those will ever be advanced to the grade of major. The great bulk of them, 200,000 or more of them, will be second lieutenants, first lieutenants, and captains.

If you do not adopt the amendment as proposed you are putting an exemption in favor of the professional soldier and one that you are not giving to the citizen soldier. Their condition is the one that should appeal to us strongly. They are the ones that have left their private business—doctors, lawyers, dentists, business men throughout the land who have given up a profitable business to enter into the country's service. Very few of them but have left families, not exactly destitute, but who will feel the pinch as the months go by. Let us give them all these exemptions. Let us put them all on the same basis so that all men in the service of their country during this war shall all alike, private and lower grade officers and higher grade officers, know that they can have an income up to $3,500, if they can get it, that will be exempt from taxation, and I believe it will be for the well being of the country's service, not only now but in the future, if another crisis shall arise. [Applause.]

Mr. HULL of Tennessee. Mr. Chairman, I shall not detain the committee but a minute or two. I wish to state how this exemption matter came about. I noticed that England and perhaps some other of the foreign countries that have been in the war from the beginning had adopted a tax-exemption policy as to soldiers and sailors, which the present provisions of the bill now contain. After seeing that, I made a motion on the subject and of like purport in the committee. I would not have referred to this except that the gentleman from Michigan has done so. That motion, after some discussion, remained in abeyance for a time, when the question was renewed in a little different form by a motion of the gentleman from Michigan [Mr. FORDNEY]. Thereupon the committee proceeded to dispose of the entire matter, with the result that the committee felt that the policy adopted by some of these other countries in the war, which, by the way, has not been questioned either by the soldiers, legislatures, or by the civilians at home, should be adopted.

The principal idea was that the soldiers abroad would find no time or opportunity to make returns of their income, and that in a large number of cases it would only relate to their salary. They have no time to sit down and make up returns in the midst of the fighting going on day and night.

The theory of this bill as to the income-tax features, as it is the theory of similar laws elsewhere, is that the profits derived from capital and business in this country should be uniformly subjected to the different taxes imposed upon it. The Government, however, with respect to the salaries and compensation it pays its soldiers and sailors while engaged in service abroad, by this provision in the bill places them upon an absolute equality, so far as exemptions of Government pay is concerned. If the committee desires to abandon that policy entirely and to take up a new theory of additional exemptions, which would also relate to all profits derived from capital in this country, that is quite a different and a very far-reaching proposition and one which I dare say few of the soldiers or sailors, if consulted, would insist upon, because they have not done so elsewhere. I feel that those who have substantial businesses here in charge of their agents, who would make income-tax returns, would expect them to do so and let the profits of their capital, continuing in operation as it does, be upon the same footing as other profits derived from business in this country. I repeat, the present provision, in view of the fact that the law already exempted those with smaller incomes who are serving in the Army and Navy, only undertook to relieve all soldiers, whether officers or privates or noncommissioned officers, from the trouble, from the almost impossibility, of complying with the law by abandoning their duties over there long enough to make income-tax returns with respect to the salaries or compensation received from the Government.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. HULL of Tennessee. Yes.

Mr. WALSH. Is this intended to be an additional exemption to the $1,000 and the $2,000 provided in the previous paragraphs of the bill?

Mr. HULL of Tennessee. Yes.

Mr. WALSH. So that if an officer is married he gets an exemption of $5,500, if he is getting a salary of $3,500?

Mr. HULL of Tennessee. Yes. I would say that the whole policy of this provision is based upon the question of whether the Government will relieve soldiers and sailors from making returns and paying taxes on compensation which they received from the Government as such soldiers and sailors.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. AUSTIN. Mr. Chairman, I offer the following substitute which I send to the desk and ask to have read.

The Clerk read as follows:

Substitute for lines 11, 12, 13, and 14, page 12:

"That the amount received by a person in the military or naval forces of the United States as salary or compensation, of any form, from the United States for services abroad or at sea, shall be exempt, and that all private soldiers or sailors shall be exempted from the payment of an income tax."

The CHAIRMAN. The question is on agreeing to the substitute.

Mr. KITCHIN. Mr. Chairman, I desire to have five minutes upon the main proposition, but if it is in order now to vote upon the substitute, very well, and I shall take my five minutes on the Good amendment after we take the vote on the substitute.

The CHAIRMAN. The question is on agreeing to the substitute.

The substitute was rejected.

Mr. KITCHIN. Mr. Chairman, I move to close debate upon the amendment and all amendments to this section in five minutes.

The motion was agreed to.

Mr. KITCHIN. Mr. Chairman, I believe from the speeches made by gentlemen who favor the Good amendment that not one of the gentlemen nor any Member of the House understands exactly what the amendment is and what the provision in the bill is. The committee thought that only the men who braved the seas, who had left their homes, who had left this country and were fighting or working to win the war in Europe, should have an extra exemption over and above the regular exemption of one and two thousand dollars. The committee did not think, and I do not believe that the men in this House, or 5 per cent of the people in the United States, think that these officers who remain here, these officers we see parading down these streets every day here and elsewhere throughout the United States, remaining here at home in safety, while the boys at the front are facing the dangers, should have any exemption from taxation any more than the regulation exemption, because nine-tenths of these officers who remain here are getting more salary, making more money, than they ever did in their lives before.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. KITCHIN. I will ask the gentleman not to interrupt me.

Mr. GOOD. But the gentleman is mistaken about my amendment.

Mr. KITCHIN. Oh, I know the gentleman's amendment.

Mr. GOOD. My amendment does not affect a single man in this country.

Mr. KITCHIN. I am going to show the gentleman that it does. I said that he did not understand this amendment. Here is the gentleman's amendment, and anyone who reads it will know what it means. It is as if you would take out section 8 and substitute for it the following:

So much of the income of every person in the military and naval forces of the United States that does not exceed $3,500 shall be exempted in addition to their exemptions allowed by law.

[Cries of "Oh!"]

Mr. GOOD. Oh, no.

Mr. KITCHIN. Let us see how much the gentlemen who cry "Oh" and the gentleman from Iowa who says "No" know about this amendment. Let me read the bill and the gentleman's amendment, and there is not a man in this House, lawyer or not, who will not agree with me that this amendment does exactly what I say it does. This is the exemption clause as it appears in the bill:

(8) So much of the amount received by a person in the military or naval forces of the United States as salary or compensation in any form from the United States for services abroad or at sea in such forces as does not exceed $3,500.

That refers only to the salary or compensation for service when abroad, and for only the length of time that he is abroad. If a soldier is there for only one month he would have an exemption of his compensation received during that month. The gentleman exempts income from any other source.

He exempts not the soldier here, nor the soldier serving abroad, but the private or officer in the military or naval forces who has an income from any other source. There is not a lawyer here who would say I am mistaken in that construction. It can not have any other construction. The provision in the bill only exempts the salary that the Government is going to pay the man who is fighting abroad. Now the gentleman's amendment includes income from any source, received not by the man abroad, but the man in the military or naval forces. No man in this

House intends or wants to do that. Now, another thing. My friend from Minnesota [Mr. MILLER] and my friend from Iowa [Mr. GOOD] talk about the poor private and say that we have discriminated against the poor private in favor of the officer. What they want to do by this amendment is to put the poor private and officer on the same terms of equality as to exemption. What is it? It means they want to make a discrimination against the poor private whose income does not amount to the exemption of $1,000 if he is unmarried, or $2,000 if he is married, in favor of the rich private who has an income of not only the amount of what he gets for serving the Government, but whose income is thousands of dollars from other sources. Whoever heard of a poor private for whom these gentlemen are so solicitous having an income of $3,500 in addition to what the Government pays them? That is exactly what the amendment will do. If, by confining this to whatever the man gets not to exceed $3,500, you want to go further and help the poor private, when you exempt the rich private and put them on the same equality, you will have to provide for the giving to the poor private the difference between the rich private's exemption and the poor private's salary. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

The question was taken, and the amendment was rejected.

Mr. KAHN. Mr. Chairman, I was unavoidably absent from the House, having an engagement at the departments, when page 107 of the bill was read, and I would like unanimous consent to revert to that page and be allowed to offer an amendment.

Mr. KITCHIN. What is the gentleman's amendment?

Mr. KAHN. It is an amendment——

Mr. KITCHIN. Let it be reported.

Mr. KAHN. I will ask the Clerk to read it.

The CHAIRMAN The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. KAHN: Page 107, line 13, after the word "distillery" insert a period and the following:

"Under such regulations as may be prescribed by the commissioner and approved by the Secretary, it shall be lawful to produce grape wines on bonded winery premises by the usual method of fermentation, and to transport and use the same, and like wines heretofore produced and now stored on bonded winery premises, as distilling material for the production of nonbeverage spirits in the production of nonalcoholic wines, containing less than one-half of 1 per cent alcohol by volume, in any fruit brandy or industrial distillery: *Provided*, That all alcoholic spirits so obtained at any industrial distillery shall be denatured, and all spirits so obtained at any fruit distillery shall be removed and used only for nonbeverage purposes or for denaturation."

Mr. KITCHIN. Reserving the right to object, from the reading of the amendment I take it that it proposes to give wine growers or wine makers the right that the beer makers have of extracting the alcohol from the wine and selling the resultant product as a nonalcoholic beverage?

Mr. KAHN. Exactly so; the right the beer makers have. It gives the same right to the wine makers.

Mr. STAFFORD. The beer makers do not have that right. It is forbidden by the President's proclamation.

Mr. KAHN. I mean in the law.

Mr. STAFFORD. And this will supersede the President's proclamation. I would like to have beer incorporated so as to permit near beer to be brewed.

Mr. KITCHIN. As I understand it the beer people, in order to make "bevo," or anything of that kind, make the beer and then extract the alcohol and make what is known as "bevo" or other nonalcoholic drinks. Does this amendment provide for a like treatment of wine?

Mr. KAHN. That is exactly it.

Mr. KITCHIN. The wine men will make wine and then extract the alcohol from it and make a nonalcoholic drink?

Mr. KAHN. Yes; a nonalcoholic drink.

Mr. KITCHIN. What does the department say about that?

Mr. KAHN. If the gentleman will allow me, the department has drawn this amendment. I suggested an amendment of this kind in different language and submitted it to the department. They then drew this amendment, and said they were entirely in favor of it.

Mr. KITCHIN. Will that help the grape growers out in California?

Mr. KAHN. It will help the grape growers considerably, because if they have wine on hand after the 1st of next July they can dispose of it in this way by using the wine for distilling purposes in order to make nonalcoholic wine.

Mr. KITCHIN. Can the beer men do that if they have beer on hand?

Mr. STAFFORD. I would like to say, as far as beer is concerned——

Mr. KAHN. Mr. Chairman, I want to say that the President's proclamation does not stop beer on account of the food production, but because of the fuel which the brewers have to use.

Mr. KITCHIN. I do not object to the amendment.

Mr. STAFFORD. I reserve the right to object——

Mr. SIMS. Then I object, if there is any further reservation about it. Let us vote on it.

Mr. STAFFORD. You can not vote if I object. I can reserve the right to object, and exercise that right.

The CHAIRMAN. That disposes of the matter——

Mr. SIMS. If we have a vote, I have no objection, of course.

Mr. STAFFORD. Mr. Chairman, I reserve the right to object.

Mr. FORDNEY. Will the gentleman yield one minute, so that I may make an explanation?

Mr. STAFFORD. I wish to answer the query propounded by the gentleman from North Carolina. He asked the gentleman from California whether the brewers of the country did not have the same privilege of manufacturing near beer out of stores of material now on hand.

I would say to the gentleman that this week and last week representatives of the brewers of Milwaukee called upon the Food Administrator, Mr. Herbert Hoover, in this city, and requested that they should be granted the privilege only to continue until the present malt now on hand could be utilized for the manufacture of near beer, not using any more fuel than is now allowed them for the manufacture of beer. That privilege was denied them. The Food Administration has taken that position as to near beer. It appeared a reasonable request, merely to continue to manufacture near beer from the present existing supply of malt. It was denied absolutely from and after December 1 next. Now, here you propose to single out and play favorites by legislation with an allied industry. We are going to have presently the prohibition amendment on the food-conservation bill under consideration, which absolutely forbids the further selling of wines and beer and near beer and alcoholic liquors after July next——

Mr. KITCHIN. While the right to make beer as they are making it now exists, or did exist, did not Congress last year give the beer people the same rights which the gentleman is now asking for the grape growers? The President can stop the operation of this provision whenever he deems it necessary. As long as they had the power to make beer and as long as they will have the right to make beer in the future Congress gave them the power and right to extract this alcohol from it and sell the resultant product as a nonalcoholic beverage. As I understand, the gentleman from California [Mr. KAHN] is simply asking to give the grape growers or wine makers the same right which the beer people had before they were stopped from making beer.

Mr. STAFFORD. If the Food Administrator says that the great beer industry in this country shall not be privileged to use the supply of malt now on hand in the manufacture of near beer we should not go counter to his wishes in restricting the production of nonalcoholic beverages. The reasons for prohibiting the manufacture of near beer apply in the case of the manufacture of nonalcoholic wine beverages. For that reason I object.

Mr. LONGWORTH. Mr. Chairman, I reserved the right on the first day the bill was before the House to return to page 5 and consider section 202, which was not read. The committee has been unable to agree upon any amendment to section 202, and I therefore ask that it be read and adopted.

The CHAIRMAN. The Clerk will read section 202.

The Clerk read as follows:

SEC. 202. That whenever in the opinion of the commissioner the use of inventories is necessary in order clearly to determine the income of any taxpayer, inventories shall be taken by such taxpayer upon such basis as the commissioner, with the approval of the Secretary, may approve or prescribe as most clearly reflecting the income of the taxpayer.

Mr. LONGWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, this completes, I believe, the consideration of this revenue bill, and I want to say that in my opinion we have done a mighty good job. [Applause.] We have succeeded with a little more than 24 hours of actual debate, and with no amendment of major importance, in passing the mightiest taxation measure ever enacted by any peoples of the world. We are raising by this bill eight times the amount that it ever cost this Nation to live before in any one year. We are providing in this bill a sum of money equivalent to nearly one-third of the amount that it has cost this Nation to live from the first inauguration of George Washington down to the second inauguration of Woodrow Wilson. And we have done it, in my belief, without inflicting a burden upon wealth under which it can not at least stagger, and without taking from American industry that energy and initiative which it

must necessarily possess if our war program is to be prosecuted to the limit.

I was delighted this morning to see a statement from the Secretary of the Treasury that in his judgment it would not be necessary to raise for this fiscal year more than $8,000,000,000 by taxes. This bill will raise $8,000,000,000, provided only that all the sources of taxation which it now contains shall not be diminished either by executive order or by legislation.

I have said that in my judgment we have not injured American industry. But, gentlemen, in my opinion we have come mighty near the danger mark. I think it of the highest significance that not an amendment was offered or suggested to raise any of the major taxes provided in the bill, which is an indication that the House agrees that we have reached the point in the taxing of industry and wealth beyond which it would be highly dangerous to go. And, therefore, if it shall happen that we are deprived of some of the revenue which this bill will raise we are then face to face with consumption taxes and we must be ready to meet that issue when it comes.

Now, gentlemen, as you all know, a consumption tax is not levied with any reference to the ability of the person taxed to pay that tax. This bill, with whatever faults it may have, is drafted upon the theory of taxing those who can best afford to pay. But the moment we get to consumption taxes we must abandon that theory, for, when we begin to tax coffee and cotton and men's overalls, then we come to the point when John Smith pays the same or more taxes on these things than John D. Rockefeller does. [Applause.] I say this to bring before you the suggestion that we might as well realize that from now on, and while political conditions prevent a more liberal resort to tariff duties, increased revenues must in the main be raised by consumption taxes.

We have but one formality to go through with before this bill becomes a law, in so far as this House is concerned. In a very few moments there will flash around the world the announcement that the Representatives of the American people have unanimously passed a bill carrying $8,000,000,000 in taxes to prosecute the war. [Applause.]

That will be welcome news to our brave allies, and, gentlemen, it will bring cold comfort to the Kaiser and his satellites. [Applause.] It will show conclusively to them that the heart of the American Nation is grimly set on carrying this thing through to the finish. [Applause.] It sends the best answer that the American Congress can send to the whining peace proposal of Austria [applause], because it shows, as some one has suggested, that we propose to do business, not with the tail of the dachshund, but with his head. And it is going to show that our final compact with the dachshund is to be made not when he is standing more or less firmly on four legs, but when sitting up on its hind legs, with tail between them, he begs for that mercy which he so ill deserves. [Applause.]

Mr. KITCHIN. Mr. Chairman, I move that the committee do now rise and report the bill with the amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The CHAIRMAN. The gentleman from North Carolina moves that the committee do now rise and report the bill to the House with amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and, the Speaker having resumed the chair, Mr. SAUNDERS of Virginia, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 12863) to provide revenue, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. KITCHIN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The SPEAKER. The gentleman from North Carolina moves the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. MOORE of Pennsylvania. Mr. Speaker, I offer the following motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MOORE of Pennsylvania. I am not.

The SPEAKER. If any gentleman in the House is opposed to the bill, the Chair will recognize him to make a motion to recommit. If not, the Chair will recognize the gentleman from Pennsylvania. The Clerk will report his motion.

The Clerk read as follows:

Mr. MOORE of Pennsylvania moves to recommit the bill to the Committee on Ways and Means with instructions to report the same forthwith with the following amendment: Page 171, line 20, after the word "evidence," insert the following:

"TITLE XIII.

"JOINT COMMITTEE ON WAR EXPENDITURES.

"SEC. 1204. That to cooperate with the President in promoting efficiency and preventing waste and extravagance in the conduct of the war with the Imperial Government of Germany a joint committee shall be appointed, composed of six Members of the Senate, including three Democrats and three Republicans, and seven Members of the House of Representatives, including three Republicans and four Democrats, to be known as the joint committee on war expenditures. The membership of such committee for the Senate shall be designated by the President of the Senate and for the House of Representatives by the Speaker thereof. Such committee shall sit during the sessions or the recesses of Congress, shall confer and advise with the President of the United States and the heads of the various executive departments on any or all matters relating to war expenditures, and shall make report to Congress from time to time, in its own discretion or when requested to do so by either branch of Congress. Such committee shall have power to act by subcommittee or otherwise and to send for persons and papers, administer oaths, to summon and compel the attendance of witnesses, and to employ such clerical, expert, and stenographic assistance as shall be necessary, and to pay the necessary expense of such committee there is hereby appropriated out of any money in the Treasury not otherwise appropriated the sum of $100,000, to be paid out upon the audit and order of the chairman or acting chairman of said committee."

Mr. KITCHIN. Mr. Speaker, I make the point of order that it is not germane.

The SPEAKER. The point of order is sustained.

Mr. MOORE of Pennsylvania. Mr. Speaker, I offer the following motion to recommit.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

Mr. MOORE of Pennsylvania moves to recommit the bill to the Committee on Ways and Means with instructions to report the same forthwith with the following amendment: On page 171, after line 20, insert the following:

"TITLE XIII.

"COMMITTEE ON EXPENDITURES.

"That a committee on the expenditure of the amounts and sums to be collected under the provisions of this act, with especial reference to the amounts to be so collected for war expenditures, be appointed for the purpose of investigating and reporting to the House what safeguards should be provided and what steps taken to prevent extravagance and waste in the expenditure of the money provided for in this act;

"Said committee to consist of 10 Members of the House to be appointed by the Speaker from the membership of the House, 5 of whom shall be selected from the majority and 5 from the minority of the House;

"And the said committee so appointed shall cooperate with, or act cojointly with a like committee of the Senate, if such committee shall be appointed."

Mr. KITCHIN. Mr. Speaker, I make the point of order that that is not germane.

Mr. MOORE of Pennsylvania. Mr. Speaker, I respectfully submit that the point of order will not lie against this amendment.

The Chair has ruled on one or two occasions that the preceding amendment was not germane. This second amendment has been so written as to overcome that objection.

The rule upon which the Chair relied in sustaining the point of order against the first amendment was section 3 of Rule XXI, which provides that "no amendment shall be in order to any bill affecting revenue which is not germane to the subject matter in the bill." Not only did the distinguished Speaker apply that rule to the former amendment but two other parliamentarians, the gentleman from New York [Mr. FITZGERALD] and the gentleman from Tennessee [Mr. GARRETT] upheld the decision of the Speaker. But I respectfully submit that the amendment that is now before the House is germane and is not prohibited by the rule just quoted.

The bill now under consideration is "A bill to provide revenue, and for other purposes." The rule provides that no amendment shall be in order to any bill affecting revenue which is not germane to the subject matter in the bill. It is not a question of a paragraph, upon which the Chair seems to have relied heretofore.

This amendment relates to the subject matter of the bill, which is the raising of revenue and the disposition of the revenue when raised, an entirely new proposition, having no complications such as seemed to arise in the mind of the Chair with regard to the first amendment. I submit that this amendment is germane.

SEVERAL MEMBERS. Rule!

The SPEAKER. The point of order is sustained. The question is on the passage of the bill.

The question being taken, Mr. KITCHIN demanded the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 349, not voting 81, as follows:

YEAS—349.

Alexander	Emerson	Lehlbach	Sanders, Ind.
Almon	Esch	Lesher	Sanders, La.
Anderson	Evans	Lever	Sanford
Anthony	Fairchild, B. L.	Little	Saunders, Va.
Ashbrook	Fairchild, G. W.	Littlepage	Schall
Austin	Fairfield	Lobeck	Scott, Iowa
Ayres	Fields	London	Scott, Mich.
Bacharach	Fisher	Lonergan	Scully
Baer	Focht	Longworth	Sears
Bankhead	Fordney	Lufkin	Sells
Barnhart	Foster	Lunn	Shallenberger
Beakes	Frear	McAndrews	Sherley
Beshlin	Freeman	McArthur	Sherwood
Black	French	McClintic	Shouse
Blackmon	Fuller, Ill.	McCulloch	Sims
Bland, Ind.	Fuller, Mass.	McFadden	Sinnott
Bland, Va.	Gallagher	McKenzie	Sisson
Blanton	Gandy	McKeown	Slayden
Booher	Gard	McLaughlin, Mich.	Slemp
Borland	Garland	McLaughlin, Pa.	Sloan
Bowers	Garner	McLemore	Small
Brand	Garrett, Tenn.	Madden	Smith, Idaho
Brodbeck	Garrett, Tex.	Magee	Smith, Mich.
Browne	Gillett	Maher	Smith, C. B.
Browning	Glass	Mansfield	Smith, T. F.
Brumbaugh	Glynn	Mapes	Snell
Buchanan	Godwin, N. C.	Martin	Snook
Burroughs	Good	Mason	Snyder
Butler	Goodall	Meeker	Stafford
Byrnes, S. C.	Goodwin, Ark.	Merritt	Steagall
Byrns, Tenn.	Gordon	Miller, Minn.	Stedman
Caldwell	Gray, Ala.	Miller, Wash.	Steele
Campbell, Kans.	Green, Iowa	Mondell	Steenerson
Campbell, Pa.	Greene, Mass.	Montague	Stephens, Miss.
Candler, Miss.	Greene, Vt.	Moon	Stephens, Neor.
Cannon	Gregg	Moore, Pa.	Sterling, Ill.
Cantrill	Griest	Moores, Ind.	Stevenson
Carew	Griffin	Morgan	Strong
Carlin	Hadley	Morin	Sullivan
Carter, Mass.	Hamill	Mudd	Sumners
Carter, Okla.	Hamilton, Mich.	Neely	Sweet
Chandler, N. Y.	Hamlin	Nelson	Swift
Chandler, Okla.	Hardy	Nichols, Mich.	Taylor, Ark.
Clark, Fla.	Harrison, Miss.	Nolan	Taylor, Colo.
Clark, Pa.	Harrison, Va.	Norton	Temple
Classon	Haskell	Oldfield	Thomas
Claypool	Hastings	Oliver, Ala.	Thompson
Cleary	Haugen	Olney	Tillman
Coady	Hawley	Osborne	Tilson
Collier	Hayden	O'Shaunessy	Timberlake
Connelly, Kans.	Hayes	Overmyer	Tinkham
Cooper, W. Va.	Heaton	Overstreet	Towner
Cooper, Wis.	Heflin	Prdgett	Treadway
Copley	Helm	Paige	Vare
Costello	Helvering	Park	Venable
Cox	Hersey	Parker, N. J.	Vestal
Crisp	Hilliard	Parker, N. Y.	Voigt
Crosser	Holland	Peters	Volstead
Currie, Mich.	Hollingsworth	Phelan	Waldow
Curry, Cal.	Houston	Platt	Walker
Dallinger	Howard	Polk	Walsh
Darrow	Huddleston	Porter	Walton
Davis	Hull, Iowa	Pou	Ward
Decker	Hull, Tenn.	Pratt	Wason
Dempsey	Hutchinson	Price	Watson, Pa.
Denison	Igoe	Quin	Watson, Va.
Dent	Ireland	Ragsdale	Weaver
Dewalt	Jacoway	Rainey, H. T.	Webb
Dickinson	James	Rainey, J. W.	Welty
Dill	Johnson, Ky.	Raker	Whaley
Dillon	Juul	Ramsey	Wheeler
Dixon	Kahn	Ramseyer	White, Me.
Dominick	Kearns	Rayburn	White, Ohio
Donovan	Keating	Reavis	Williams
Dooling	Kehoe	Reed	Wilson, La.
Doolittle	Kelly, Pa.	Riordan	Wilson, Tex.
Doremus	Kennedy, Iowa	Robbins	Wingo
Doughton	Key, Ohio	Roberts	Winslow
Dowell	Kiess, Pa.	Robinson	Wood, Ind.
Drane	Kincheloe	Rodenberg	Woods, Iowa
Dunn	Kinkaid	Rogers	Woodyard
Dyer	Kitchin	Romjue	Wright
Eagan	Knutson	Rose	Young, N. Dak.
Eagle	Kraus	Rowe	Young, Tex.
Edmonds	Langley	Rubey	Zihlman
Elliott	Larsen	Rucker	
Ellsworth	Lazaro	Russell	
Elston	Lee, Ga.	Sabath	

NOT VOTING—81.

Aswell	Cramton	Fess	Heintz
Barkley	Dale, N. Y.	Flood	Hensley
Bell	Dale, Vt.	Flynn	Hicks
Britten	Delaney	Foss	Hood
Burnett	Denton	Francis	Humphreys
Caraway	Dies	Gallivan	Husted
Cary	Drukker	Gould	Johnson, S. Dak.
Church	Dupré	Graham, Ill.	Johnson, Wash.
Connally, Tex.	Estopinal	Graham, Pa.	Jones
Cooper, Ohio	Farr	Gray, N. J.	Kelley, Mich.
Crago	Ferris	Hamilton, N. Y.	Kennedy, R. I.
Kettner	Mann	Rowland	Templeton
King	Mays	Sanders, N. Y.	Van Dyke
Kreider	Mott	Scott, Pa.	Vinson
La Follette	Nicholls, S. C.	Shackleford	Watkins
LaGuardia	Oliver, N. Y.	Siegel	Welling
Lea, Cal.	Powers	Sterling, Pa.	Wilson, Ill.
Linthicum	Purnell	Stiness	Wise
Lundeen	Randall	Switzer	
McCormick	Rankin	Tague	
McKinley	Rouse	Talbott	

So the bill was passed.

The Clerk announced the following general pairs:

Until further notice:

Mr. KETTNER with Mr. IRELAND.

Mr. TALBOTT with Mr. BROWNING.

Mr. DUPRÉ with Mr. FRANCIS.

Mr. VAN DYKE with Mr. PURNELL.

Mr. RANDALL with Mr. FOSS.

Mr. BELL with Mr. HICKS.

Mr. TAGUE with Mr. KENNEDY of Rhode Island.

Mr. ESTOPINAL with Mr. GRAHAM of Illinois.

Mr. ASWELL with Mr. FARR.

Mr. MAHER with Mr. GRAY of New Jersey.

Mr. OLIVER of New York with Mr. SWITZER.

Mr. DALE of New York with Mr. BRITTEN.

Mr. VINSON with Mr. MOTT.

Mr. LEA of California with Mr. MCKINLEY.

Mr. FERRIS with Mr. DALE of Vermont.

Mr. NICHOLLS of South Carolina with Mr. COOPER of Ohio.

Mr. WATKINS with Mr. STINESS.

Mr. HENSLEY with Miss RANKIN.

Mr. DENTON with Mr. GRAHAM of Pennsylvania.

Mr. LINTHICUM with Mr. FESS.

Mr. DELANEY with Mr. GOULD.

Mr. DIXON. Mr. Speaker, my colleague, Mr. DENTON, is not here. I received a telegram from him stating that if he were here he would vote "aye."

Mr. TAGUE. Mr. Speaker, my colleague, Mr. GALLIVAN, of Massachusetts, has sent me a telegram that he can not be here, but if here he would vote "aye."

Mr. FOSTER. Mr. Speaker, the gentleman from Minnesota, Mr. VAN DYKE, has telegraphed that it is impossible for him to be here, but if present he would vote "aye."

Mr. RIORDAN. Mr. Speaker, I want to make the same announcement for my colleagues, Mr. DELANEY, Mr. DALE of New York, Mr. OLIVER of New York, and Mr. FLYNN. If present, they would vote for the bill.

Mr. HASKELL. Mr. Speaker, the gentleman from New York, Mr. SIEGEL, is unavoidably absent, but if present he would vote "aye."

Mr. BROWNING. Mr. Speaker, I have a general pair with the gentleman from Maryland, Mr. TALBOTT. I voted "aye." If he was present, I know he would vote the same way, and I will therefore let my vote stand.

Mr. IRELAND. Mr. Speaker, I have a general pair with the gentleman from California, Mr. KETTNER. If he were present, he would vote in favor of the bill, and I will therefore let my vote stand.

Mr. GREENE of Vermont. Mr. Speaker, my colleague, Mr. DALE, is at home on an errand to his constituents. If he were present, he would vote "aye."

Mr. VESTAL. Mr. Speaker, my colleague, Mr. PURNELL, has been called home on account of the illness of his mother. I have received a telegram from him stating that if present he would vote for the bill.

Mr. SMITH of Michigan. Mr. Speaker, I am authorized to say that if my colleague, Mr. KELLEY of Michigan, were present he would vote for the bill.

Mr. KITCHIN. Mr. Speaker, a great many Members are not present this afternoon. Several days ago I told gentlemen that we would probably finish the bill and vote on it Saturday. Some gentlemen have come in since the roll call began and are now present. I ask unanimous consent that those Members present in the House now who have come in since their names were called and did not answer be given the privilege of voting on the bill.

The SPEAKER. The gentleman from North Carolina asks unanimous consent, owing to the statement that he has made to Members heretofore, that all Members present who came in late may now be permitted to vote on the bill. Is there objection?

There was no objection.

Mr. KINCHELOE. Mr. Speaker, my colleague, Mr. ROUSE, was suddenly called home on account of the death of his wife's mother. He has stated to me that if present he would vote for the bill.

The result of the vote was then announced as above recorded.

On motion of Mr. KITCHIN, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. FOCHT. Mr. Chairman, I ask unanimous consent that there be read at this time by the Clerk a letter from Secretary Lane and one from a soldier, both of which pertain to legislation now in process providing homesteads for disabled soldiers, which I send to the desk.

The SPEAKER. Is there objection.

Mr. WALSH. Mr. Speaker, I object.

AGRICULTURAL APPROPRIATION BILL.

Mr. LEVER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill which I send to the Clerk's desk.

The SPEAKER. The gentleman from South Carolina asks unanimous consent for the present consideratoin of the bill H. R. 12714, of which the Clerk will report the title.

The Clerk read as follows:

A bill making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1919.

The SPEAKER. Is there objection?

Mr. STEENERSON. Mr. Speaker, reserving the right to object, I would ask if the gentleman will include in his request a provision for a discussion for some time to debate the provisions of the bill?

Mr. LEVER. Mr. Speaker, I understand that the gentleman from Minnesota desires 30 minutes on a proposition involved in the bill. As far as this side is concerned, I have had no requests for time, and I do not desire to use any myself. I shall, therefore, include in the request I make that the gentleman from Minnesota at the proper point in the bill be permitted to address the House on that point for 30 minutes.

The SPEAKER. He will have the absolute right of his own to address the House for one hour if he can catch the eye of the presiding officer.

Mr. LEVER. I am trying to obviate that.

Mr. STEENERSON. I do not desire more than 30 minutes.

Mr. STAFFORD. Mr. Speaker, I desire to make a parliamentary inquiry, and I will ask the gentleman from South Carolina if he will yield for that purpose?

Mr. LEVER. Yes.

Mr. STAFFORD. I would inquire whether the bill which the gentleman seeks unanimous consent to have considered at this time has been reported by the Committee on Agriculture?

Mr. LEVER. It has not. I will say to the gentleman from Wisconsin that the bill for which I am asking present consideration is the Agricultural appropriation bill, which was vetoed by the President, with the vetoed part of the bill eliminated, with all other matters in the bill exactly as they were agreed to in the House and in the Senate and in conference. The conference report was adopted by both Houses.

Mr. STAFFORD. Has the bill been reintroduced by the gentleman, so as to include all that portion of the bill which passed the House and the Senate, save the provision vetoed by the President?

Mr. LEVER. It has not been reintroduced. I am trying to save some printing and some time. The bill is engrossed, and I am following the precedent set by the gentleman from Tennessee [Mr. MOON] with the Post Office appropriation bill early in the session. I would say that I have authority from the Committee on Agriculture to take this course in this matter.

Mr. STAFFORD. I am seeking light as to the parliamentary status of the bill. The gentleman seeks to have the bill considered now, although it has not been introduced.

Mr. LEVER. I am introducing it now and asking for its present consideration.

Mr. STAFFORD. Virtually sending it to the Clerk's desk for introduction, and asking immediate consideration of the bill, with the exception of that portion which was vetoed by the President.

Mr. LEVER. That is correct.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. LEVER. Yes.

Mr. CANNON. This bill has not been introduced. Since the 30th day of June, almost three months have elapsed. It seems to me, in view of the fact that the old appropriations have been continued—that is, for the last year from month to month—this bill ought to be considered in an orderly way and the House understand what it is passing when it does pass it.

Mr. LEVER. Let me say this to the gentleman. The same suggestion occurred to me some time ago, but the continuing resolutions that we have passed provide that the expenditures under them shall be for one-twelfth of the amount of expenditures during the months of July and August, and that any amount expended under the resolution shall be subtracted from the total amount of the appropriation carried in the bill. Now, it so happens that the very peak of the expenditures in the Department of Agriculture comes in the months of June, July, and August, for the reason that their field force are out in the field at this time, more largely so than at any other time in the year.

Mr. CANNON. Have they been out in the field for the past three months?

Mr. LEVER. Yes.

Mr. CANNON. By what authority?

Mr. LEVER. By the authority of the continuing resolutions. We passed two, the gentleman will remember.

Mr. CANNON. I hope the gentleman will let this bill go over until to-morrow.

SEVERAL MEMBERS. Oh, no!

Mr. CANNON. Oh, well, gentlemen say, "Oh, no!" I think it ought to go over until to-morrow. The gentleman from Minnesota desires 30 minutes, some other Member of the House may desire something of time. I have no disposition unduly to obstruct the consideration of the bill.

Mr. LEVER. I would say to the gentleman from Illinois I am pressing this matter at this time not to accommodate myself, personally, because my family is here in Washington and I propose to stay here whether there is a recess or not, but a great many Members of the House have been very insistent in trying to get through with this bill and the bill containing the prohibition proposition in time that they may leave the city to-morrow night. Many of them would like to go to-night.

Mr. CANNON. What are gentlemen going to do about the $7,000,000,000 deficiency bill now under consideration?

Mr. LEVER. A statement was made this morning by the gentleman from North Carolina [Mr. KITCHIN] that the chairman of the Committee on Appropriations thinks that that bill will hardly be ready for consideration in less than 10 days or two weeks.

Mr. NORTON. Will the gentleman yield?

Mr. LEVER. I will yield.

Mr. NORTON. Why is it this bill has not been considered by the Committee on Agriculture for the past two months?

Mr. LEVER. The bill has been considered by the committee in this way. The bill was brought to the attention of the committee one day last week—I think it was—and the committee authorized me to take the course I am pursuing this afternoon. I have been informed by the enrolling clerk that the bill, with the veto part of it out, has already been enrolled. Now, to reintroduce the bill not only means an expense for printing but it means the expenditure in time for reenrolling. I have talked to a number of Members, and they believe this is the best course to pursue in order to save that difficulty and that expense, because, as I say, the bill has been passed upon by the House and has been passed upon by the Senate, and this is exactly what the House has agreed to already. Of course I can reintroduce the bill this afternoon, call the committee to meet to-morrow morning, and report it; but it delays consideration until Monday, and I thought we could save time by pursuing this course.

Mr. NORTON. The section of the bill which has been stricken out is the section pertaining to the price of wheat?

Mr. LEVER. That is all.

Mr. BORLAND. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. BORLAND. Is this what is known as the emergency agricultural——

Mr. LEVER. No; this is the regular annual appropriation bill for the Department of Agriculture.

Mr. BORLAND. It is not the bill that contains the so-called Gore amendment prohibiting the use of certain things in——

Mr. LEVER. No; that is contained in the bill which we propose to bring up immediately following this bill.

Mr. BORLAND. Now, will the bill which the committee has reported to the House—the emergency bill—contain the Gore amendment?

Mr. LEVER. The action of the committee in reference to the emergency bill has been this: The committee has recommended to the House that the House disagree to all Senate amendments and agree to the conference asked for by the Senate, and one of those amendments is the Gore amendment.

Mr. BUTLER. Mr. Speaker, I demand the regular order.

The SPEAKER. The regular order is, Is there objection to the request of the gentleman from South Carolina?

Mr. CANNON. Let us get that request again stated.

The SPEAKER. The request is for the present consideration of this bill, with the understanding that the gentleman from Minnesota is to be permitted to speak for 30 minutes.

Mr. LEVER. Mr. Speaker, I hope we can get up the bill in this way. I have an hour in my own right. I will yield the gentleman from Minnesota 30 minutes, and if there are any other gentlemen over there who desire some time I will yield up to within one minute of the one hour, when I shall move the previous question. Is that satisfactory?

Mr. STAFFORD. Mr. Speaker, reserving the right to object, what is the gentleman's program? To keep us here until midnight to pass these two bills?

Mr. LEVER. No. I will say to the gentleman very frankly that if I am permitted to pass this bill this afternoon I will move to rise.

Mr. STAFFORD. This is the only bill that will be considered to-night if this consent is granted?

Mr. LEVER. Yes.

Mr. DYER. Will the gentleman state what he will do with the prohibition bill to-morrow or Monday?

Mr. LEVER. I hope we will bring it up to-morrow. We can dispose of this bill in an hour and a half of time. There is nothing in controversy except this proposition.

Mr. BUTLER. And to-night you will not consider H. R. 11945?

Mr. LEVER. I will not if we may pass this bill. I am hoping to get this bill through, and then we will take up the other.

Mr. HAUGEN. As the gentleman knows, there have been several requests for time; and it seems to me before we agree to take this bill up under unanimous consent we should have some agreement as to the time for general debate.

Mr. LEVER. Mr. Speaker, in view of that statement——

Mr. HAUGEN. I would suggest to the gentleman to couple with his request for unanimous consent that a certain time be agreed upon for general debate. And if the bill can not be disposed of this evening it will be in order to-morrow.

Mr. LEVER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill which is at the Clerk's desk, and pending that, I ask unanimous consent that all debate on that bill and all amendments thereto shall conclude in 1 hour and 30 minutes, the gentleman from Iowa [Mr. HAUGEN] to have 1 hour and I to control 30 minutes, at the end of which time the previous question shall be considered as ordered on the bill and all amendments thereto.

The SPEAKER. What are you going to do about the rule as to a bill carrying appropriations being considered in the Committee of the Whole?

Mr. LEVER. I include that, that the bill be considered in the House as in the Committee of the Whole.

Mr. STEENERSON. Mr. Speaker, reserving the right to object, whom will I look to for my time?

The SPEAKER. If it is considered in the House as in the Committee of the Whole, there is no such thing as general debate.

Mr. LEVER. I am asking unanimous consent that I may have that.

The SPEAKER. The gentleman is asking unanimous consent for two things at once—that is, for the present consideration of the bill; and, in the second place, that it be considered in the House as in the Committee of the Whole, with an hour and a half debate. Is there objection?

Mr. STEENERSON. Will the gentleman take care of my time?

Mr. LEVER. I will.

Mr. NORTON. Will the bill be considered under the five-minute rule if unanimous consent is granted?

The SPEAKER. Here is the way of it: The first proposition is to consider it. He gets that. The second is to consider it in the House as in the Committee of the Whole. If that is granted you will get five-minute debate. Whoever the Chair recognizes gets five minutes. Now, the gentleman from South Carolina [Mr. LEVER], after that, asks unanimous consent that the debate shall be general debate, and of that the gentleman from Iowa shall have an hour and he have 30 minutes, and at the end of that time the previous question shall be considered as ordered.

Mr. NORTON. How is that to be divided?

Mr. MADDEN. If consent is granted for the present consideration of this bill, with an hour and a half of general debate, and five minutes for each person who wishes to speak on an amendment, who knows how long debate will continue? Does anybody know that?

Mr. LEVER. I will say to my friend from Illinois that we have a pretty good idea of how many speeches are going to be made. I have absolutely no requests on this side, and I understand there is only a request on the other side by the gentleman from Minnesota [Mr. STEENERSON].

Mr. MADDEN. There may be amendments to the bill. No one knows. If the bill is going to be debated until 9 or 10 o'clock to-night, I do not think it ought to be taken up to-night.

The SPEAKER. Is there objection?

Mr. MADDEN. I object.

Mr. LEVER. Mr. Speaker, I ask unanimous consent for the consideration of this bill to-morrow morning after these various speeches that have been allotted shall have been concluded. And I ask unanimous consent that the debate shall be continued for two hours, one hour and a half to be controlled by the gentleman from Iowa [Mr. HAUGEN], and to be confined to the subject matter of the bill—no; I withdraw that—and thirty minutes to be controlled by myself, and that the bill be considered in the House as in Committee of the Whole House on the state of the Union, and that at the end of that time the previous question shall be considered as ordered.

The SPEAKER. The gentleman from South Carolina asks unanimous consent that after the speeches arranged for to-morrow are concluded this bill shall be taken up and considered in the House as in Committee of the Whole, and that there shall be a general debate of two hours, one hour and a half to be controlled by the gentleman from Iowa [Mr. HAUGEN] and thirty minutes by himself, and that at the end of two hours the previous question shall be considered as ordered.

Mr. WALSH. Reserving the right to object, Mr. Speaker, what is the objection on the part of the gentleman to considering this bill to-morrow in the usual way by the House resolving itself into Committee of the Whole?

Mr. LEVER. I do not object to it at all.

Mr. WALSH. Then I object to the request.

The SPEAKER. The gentleman from Massachusetts objects.

Mr. LEVER. The only thing that the gentleman from Massachusetts desires is that the bill shall be considered to-morrow in the Committee of the Whole under the five-minute rule in the regular way.

Mr. CANNON. Then is it proposed that we adjourn at once?

The SPEAKER. The gentleman from South Carolina renews his request for the provision that the bill shall be considered in the House as in Committee of the Whole.

Mr. STAFFORD. No; that it shall be considered to-morrow under the rules.

Mr. LEVER. Let it be considered in the regular way.

Mr. WALSH. Mr. Speaker, I withdraw my objection to the gentleman's former request.

The SPEAKER. The gentleman from Massachusetts withdraws his objection to the former request of the gentleman from South Carolina. The former request was——

Mr. NORTON. Mr. Speaker, I renew the objection.

The SPEAKER. The gentleman from North Dakota renews the objection.

Mr. LEVER. Then, Mr. Speaker, I renew my modified request.

The SPEAKER. The gentleman modifies his request that the bill be considered tomorrow under the general rules of the House. Is there objection?

Mr. HAUGEN. How about an agreement as to general debate?

The SPEAKER. If it is considered under the general rules of the House it will be considered in the Committee of the Whole House on the state of the Union.

Mr. SABATH. Under the five-minute rule?

The SPEAKER. No; not under the five-minute rule in the Committee of the Whole House on the state of the Union. Anybody can speak who gets recognition.

Mr. LEVER. I suggest, Mr. Speaker, that the Chair put the first request, and then I will try to secure a limiting of the general debate.

The SPEAKER. The first request is that this bill shall be in order to-morrow after the speeches are made. Is there objection?

Mr. WEBB. Reserving the right to object, Mr. Speaker, I want to ask my friend from South Carolina one question. I understand it is his purpose to bring up, immediately after the Agricultural appropriation bill, which is now pending before the House to be disposed of, the extension Agricultural bill carrying war-time prohibition. Is that a fact?

Mr. LEVER. That is true; yes.

The SPEAKER. Is there objection?

Mr. CANNON. There is no bill before the House.

The SPEAKER. That is correct.

Mr. LEVER. I am trying to get one before the House by this unanimous-consent request. I am trying to make it in order to-morrow.

Mr. CANNON. Then the gentleman will introduce his bill, so that we will have it.

Mr. BUTLER. Under the rules of the House.

Mr. LEVER. If the gentleman from Illinois [Mr. CANNON] or any other gentleman desires the bill to be reintroduced, I will introduce it, but I am trying to save the expense of the reengrossment of the bill and the expense of introduction and printing. That is all. There is no other purpose in view.

The SPEAKER. Is there objection?

Mr. SWIFT. I object.

The SPEAKER. The gentleman from New York objects. The bill is considered as introduced and referred to the Committee on Agriculture.

Mr. LEVER. Then, Mr. Speaker, I give notice that I will call up this bill to-morrow morning.

We have another bill here, concerning which I would like to get the temper of the House as to what it desires to do.

Mr. SWIFT. Mr. Speaker, I withdraw my objection.

The SPEAKER. The gentleman from New York withdraws his objection. Is there objection to this bill being made the order of the House for to-morrow after the speeches are concluded?

Mr. McFADDEN. Reserving the right to object, I want to ask the gentleman if this means the rereading of that bill?

Mr. LEVER. Oh, it will have to be read; yes.

Mr. McFADDEN. That will consume nearly all day.

Mr. LEVER. Oh, no.

The SPEAKER. The Chair will not permit any bill to go through here without being read. That would be bad practice. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. LEVER. Now, I ask unanimous consent that the general debate on this bill to-morrow shall proceed for two hours, one hour and 30 minutes to be controlled by the gentleman from Iowa [Mr. HAUGEN] and 30 minutes by myself.

The SPEAKER. The gentleman asks that the general debate on this bill be confined to two hours, an hour and a half to be controlled by the gentleman from Iowa [Mr. HAUGEN] and 30 minutes by himself. Is there objection?

Mr. BUTLER. Reserving the right to object, I should like to ask the gentleman how much speech making there is to be to-morrow before that bill is taken up?

Mr. LEVER. I understand two hours.

Mr. BUTLER. And two hours on this bill will make four.

Mr. LEVER. Yes. We can finish this bill to-morrow.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. STAFFORD. Reserving the right to object, I wish to inquire whether it is the purpose of the gentleman to bring up to-morrow any other bill except this?

Mr. WEBB. There is the war-time emergency Agricultural bill, including prohibition, which will come up immediately after.

SEVERAL MEMBERS. Regular order!

The SPEAKER. The regular order is demanded. Is there objection?

Mr. STAFFORD. I object, if the gentleman will not be given an opportunity to answer.

Mr. LEVER. I desire to answer the gentleman's question.

The SPEAKER. Yes; but three or four gentlemen demanded the regular order.

Mr. BUTLER. I suggest to the gentleman that he give notice that on Monday he will call up that bill——

Mr. LEVER. I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. LEVER. Mr. Speaker, a great number of gentlemen have expressed themselves as desiring to dispose of the food-production bill, which contains in it war-time prohibition. Personally, I am in no very great hurry about that matter, because, as I said a moment ago, my family is here and I do not intend to go home. Some gentlemen desire to leave to-night, and a great many more desire to leave to-morrow night. If the order is carried through which has just been agreed to for taking up the Agricultural appropriation bill to-morrow, it will take practically all day to dispose of it. If gentlemen of the House desire to take up the emergency food bill to-night and dispose of it, I will call it up.

Mr. CANNON. But my friend said to me that when this agreement was made a motion to adjourn would be in order.

Mr. KITCHIN. The gentleman might ask unanimous consent to take it up, and see whether anybody objects.

Mr. LEVER. Suppose we submit the question to the House?

Mr. MADDEN. That is not fair, when there has been an agreement.

Mr. DYER. A parliamentary inquiry, Mr. Speaker. Was there any agreement as to taking up that bill? The gentleman from Wisconsin [Mr. STAFFORD] objected.

The SPEAKER. That objection was to the fixing of a limit for general debate. And, anyway, the gentleman can call the bill up whenever he gets ready.

ENROLLED BILL SIGNED.

Mr. LAZARO, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 11283. An act to amend and reenact sections 4, 11, 16, 19, and 22 of the act approved December 23, 1913, and known as the Federal reserve act, and sections 5208 and 5209, Revised Statutes.

ADJOURNMENT.

Mr. LEVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p. m.) the House adjourned until to-morrow, Saturday, September 21, 1918, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Postmaster General submitting a supplemental estimate of appropriation, required by the Post Office Department for additional clerical force for the fiscal year 1919 (H. Doc. No. 1283); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Superintendent of the State, War, and Navy Department Building submitting a supplemental estimate of appropriation for the State, War, and Navy Department Building for the fiscal year 1919 (H. Doc. No. 1284); to the Committee on Appropriations and ordered to be printed.

3. A letter from the Acting Secretary of War, submitting suggestion regarding amendment of H. R. 12860, a bill granting to the Army Nurse Corps and the Navy Nurse Corps pay and allowances during any period of involuntary captivity by the enemy of the United States (H. Doc. No. 1285); to the Committee on Military Affairs and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. POLK, from the Committee on Election of President, Vice President, and Representatives in Congress, to which was referred the bill (S. 3438) to prevent corrupt practices in the election of Senators, Representatives, or Delegates in Congress, reported the same with amendment, accompanied by a report (No. 797), which said bill and report were referred to the House Calendar.

Mr. CANTRILL, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 12917) to provide for the establishment of a sanatorium for the treatment of persons discharged from the military and naval forces of the United States, and for other purposes, reported the same with amendment, accompanied by a report (No. 799), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. TAYLOR of Colorado, from the Committee on the Public Lands, to which was referred the bill (H. R. 5989) to grant certain lands to the town of Olathe, Colo., for the protection of its water supply, reported the same with amendment, accompanied by a report (No. 798), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MOON: A bill (H. R. 12976) providing for the protection of the users of the telephone and telegraph service and the properties and funds belonging thereto during Government operation and control; to the Committee on the Post Office and Post Roads.

By Mr. DILL: Joint resolution (H. J. Res. 332) to authorize the President in time of war to supervise, take possession, and assume control of any fire department of any incorporated city in the United States, and to operate the same in such manner as may be needful or desirable for the duration of the war, and to provide just compensation therefor; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MERRITT: A bill (H. R. 12977) to authorize the President of the United States to reappoint Seth William Scofield major of Cavalry; to the Committee on Military Affairs.

By Mr. WALSH: A bill (H. R. 12978) granting a pension to Hodges W. Drayton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12979) granting a pension to Luther F. Thayer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 12980) granting an increase of pension to William Johnson; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. DARROW: Memorial of the Philadelphia Board of Trade opposing legislation preventing the resale of Government bonds and favoring exemption of Government bonds from all taxation up to $30,000 of each issue; to the Committee on Ways and Means.

By Mr. FULLER of Illinois: Petition of the Prairie Club of Chicago, favoring the bill to establish the Grand Canyon National Park; to the Committee on the Public Lands.

By Mr. LINTHICUM: Petition of I. & M. Ottenheimer, of Baltimore, Md., protesting against the 2-cent postage rate on postal cards; to the Committee on Ways and Means.

By Mr. RAKER: Protests of F. S. & F. B. Ackerman, of Yreka, and of the Portola Drug Co., of Portola, Cal., against the tax on nonbeverage alcohol for medical use; to the Committee on Ways and Means.

Also, resolutions of the Anchorage (Alaska) Chamber of Commerce in re the mining the coal fields of Alaska; to the Committee on the Territories.